



ALBARAKA TRK KATILIM BANKASI A..

CDP Corporate Questionnaire 2026

Word version

Important: this export excludes unanswered questions

This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

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Contents

C1. Introduction.....	7
(1.1) In which language are you submitting your response?	7
(1.2) Select the currency used for all financial information disclosed throughout your response.	7
(1.3) Provide an overview and introduction to your organization.	7
(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.....	8
(1.4.1) What is your organization’s annual revenue for the reporting period?	9
(1.5) Provide details on your reporting boundary.	9
(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?	9
(1.7) Select the countries/areas in which you operate.	11
(1.9) What was the size of your organization based on total assets value at the end of the reporting period?	11
(1.10) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?	11
(1.24) Has your organization mapped its value chain?	13
(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?	15
C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities	16
(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?	16
(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?	17
(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?	18
(2.2.2) Provide details of your organization’s process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.....	18
(2.2.4) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts related to your portfolio activities? ..	22
(2.2.5) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities related to your portfolio activities?	23
(2.2.6) Provide details of your organization’s process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities related to your portfolio activities.	23
(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?	27
(2.2.8) Does your organization consider environmental information about your clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities assessment process?	28

(2.2.9) Indicate the environmental information your organization considers about clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities assessment process, and how this influences decision-making.	28
(2.4) How does your organization define substantive effects on your organization?	30

C3. Disclosure of risks and opportunities 33

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?	33
(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.	34
(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.	43
(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?	45
(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.	46
(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.	49

C4. Governance 50

(4.1) Does your organization have a board of directors or an equivalent governing body?	50
(4.1.1) Is there board-level oversight of environmental issues within your organization?	51
(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.	52
(4.2) Does your organization's board have competency on environmental issues?	56
(4.3) Is there management-level responsibility for environmental issues within your organization?	58
(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).	59
(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?	63
(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).	64
(4.6) Does your organization have an environmental policy that addresses environmental issues?	66
(4.6.1) Provide details of your environmental policies.	66
(4.7) Does the policy framework for the portfolio activities of your organization include environmental requirements that clients/investees need to meet, and/or exclusion policies?	69
(4.7.1) Provide details of the policies which include environmental requirements that clients/investees need to meet.	69
(4.7.2) Provide details of your exclusion policies related to industries, activities and/or locations exposed or contributing to environmental risks.	72

(4.8) Does your organization include covenants in financing agreements to reflect and enforce your environmental policies?	73
(4.8.1) Provide details of the covenants included in your organization's financing agreements to reflect and enforce your environmental policies.	74
(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?	75
(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?	76
(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?	77
(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.	77
C5. Business strategy	80
(5.1) Does your organization use scenario analysis to identify environmental outcomes?	80
(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.	81
(5.1.2) Provide details of the outcomes of your organization's scenario analysis.	83
(5.2) Does your organization's strategy include a climate transition plan?	84
(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?	85
(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.	85
(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.	89
(5.10) Does your organization use an internal price on environmental externalities?	90
(5.11) Do you engage with your value chain on environmental issues?	91
(5.11.3) Provide details of your environmental engagement strategy with your clients.	92
(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.	95
(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.	97
C6. Environmental performance - Consolidation approach	99
(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data	99
C7. Environmental performance - Climate change	100
(7.1) Is this your first year of reporting emissions data to CDP?	100
(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?	100
(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?	100

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?....	101
(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.	101
(7.3) Describe your organization's approach to reporting Scope 2 emissions.	102
(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are excluded from your disclosure of climate-related data?	102
(7.5) Provide your base year and base year emissions.	102
(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?	110
(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?	112
(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.	115
(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.	124
(7.9) Indicate the verification/assurance status that applies to your reported emissions.	125
(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.	125
(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.	126
(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.	128
(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?	129
(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.	129
(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?	136
(7.12) Does your organization have significant land sector activities in its operations or value chain?	136
(7.13) Does your organization choose to account for and report technological CO2 removals or captured CO2 with geologic storage, or have you done so in previous years?	136
(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?	136
(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.	137
(7.29) What percentage of your total operational spend in the reporting year was on energy?	140
(7.30) Select which energy-related activities your organization has undertaken.	140
(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.	140
(7.30.14) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.	142
(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.	143

(7.52) Provide any additional climate-related metrics relevant to your business.....	144
(7.53) Did you have an emissions target that was active in the reporting year?	147
(7.53.3) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.....	147
(7.54) Did you have any other climate-related targets that were active in the reporting year?	148
(7.54.3) Provide details of your net-zero target(s).....	148
(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.	151
(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.	152
(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.	152
(7.55.3) What methods do you use to drive investment in emissions reduction activities?	154
(7.79) Has your organization retired any project-based carbon credits within the reporting year?	155

C12. Environmental performance - Financial services 156

(12.1) Does your organization measure the impact of your portfolio on the environment?	156
(12.1.1) Provide details of your organization's financed emissions in the reporting year and in the base year.....	157
(12.1.2) Disclose or restate your financed emissions for previous years.	158
(12.1.3) Provide details of the other metrics used to track the impact of your portfolio on the environment.	159
(12.2) Are you able to provide a breakdown of your organization's financed emissions and other portfolio carbon footprinting metrics?.....	160
(12.2.1) Break down your organization's financed emissions and other portfolio carbon footprinting metrics by asset class, by industry, and/or by scope.	161
(12.3) State the values of your financing and insurance of fossil fuel assets in the reporting year.	165
(12.5) In the reporting year, did your organization finance and/or insure activities or sectors that are aligned with, or eligible under, a sustainable finance taxonomy? If so, are you able to report the values of that financing and/or underwriting?.....	167
(12.6) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of environmental issues?.....	168
(12.6.1) Provide details of your existing products and services that enable clients to mitigate and/or adapt to the effects of environmental issues, including any taxonomy or methodology used to classify the products and services.	169
(12.7) Has your organization set targets for deforestation and conversion-free and/or water-secure lending, investing and/or insuring?.....	171
(12.7.1) Provide details of your targets for deforestation and conversion-free and/or water-secure lending, investing and/or insuring.....	172

C13. Further information & sign off 175

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?	175
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(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used? 175

(13.3) Provide the following information for the person that has signed off (approved) your CDP response. 181

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub to facilitate collective action in priority basins. 181

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☒ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☒ TRY

(1.3) Provide an overview and introduction to your organization.

(1.3.1) Type of financial institution

Select from:

☒ Bank

(1.3.2) Organization type

Select from:

☒ Privately owned organization

(1.3.3) Description of organization

Albaraka Türk is a leading financial institution that is committed to people and the environment, supports economic and global development, and works alongside all its stakeholders—with the support of its employees—toward a sustainable world. The bank's sustainability strategy is implemented through roadmaps developed in specific areas to ensure the effective conduct of its operations and the management of risks associated with those operations. In this context, Albaraka Türk prioritizes sustainability at the corporate level within the framework of the United Nations 2030 Sustainable Development Goals, while taking into account both national and international compliance regulations. Albaraka Türk takes sustainability initiatives into account when setting its banking objectives and develops its business model within the Environmental, Social, and Governance (ESG) framework. Furthermore, by aligning its operations with the 2053 Net-Zero Emissions target, Albaraka Türk demonstrates its strong commitment to a sustainable future.

[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/31/2025

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:

☒ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:

☒ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:

☒ 4 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:

☒ 4 years

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:

☒ 1 year

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

33099671000

(1.5) Provide details on your reporting boundary.

(1.5.1) Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?

Select from:

☒ No

(1.5.2) How does your reporting boundary differ to that used in your financial statement?

The reporting has not been prepared on a consolidated basis. While the consolidated financial statements of Albaraka Türk include subsidiaries and affiliates, the CDP disclosure boundary covers only the parent company. However, the emission data related to subsidiaries and affiliates have been reported separately under Module 7.

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

TREALBK00011

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

ALBRK

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

789000EJPSW14F8KVG81

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☒ Türkiye

(1.9) What was the size of your organization based on total assets value at the end of the reporting period?

466389261000

(1.10) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

Banking (Bank)

(1.10.1) Activity undertaken

Select from:

☒ Yes

(1.10.3) Reporting the portfolio value and % of revenue associated with the portfolio

Select from:

☒ Yes, both the portfolio value and the % of revenue associated with it

(1.10.4) Portfolio value based on total assets

466389261000

(1.10.5) % of revenue

100

(1.10.6) Type of clients

Select all that apply

- | | |
|---|--|
| ☒ Banks | ☒ Government / sovereign / quasi-government / sovereign wealth funds |
| ☒ Asset managers | |
| ☒ Retail clients | |
| ☒ Corporates (Large companies) | |
| ☒ Family offices / high-net-worth individuals | |

(1.10.7) Industry sectors your organization lends to, invests in, and/or insures

Select all that apply

- | | |
|---|--|
| ☒ Retail | ☒ Manufacturing |
| ☒ Apparel | ☒ Infrastructure |
| ☒ Services | ☒ Power generation |
| ☒ Materials | ☒ International bodies |

☒ Hospitality

☒ Food, beverage & agriculture

☒ Biotech, health care & pharma

☒ Transportation services

Investing (Asset manager)

(1.10.1) Activity undertaken

Select from:

☒ No

Investing (Asset owner)

(1.10.1) Activity undertaken

Select from:

☒ No

Insurance underwriting (Insurance company)

(1.10.1) Activity undertaken

Select from:

☒ No

[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☒ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

- ☒ Upstream value chain
- ☒ Portfolio

(1.24.3) Highest supplier tier mapped

Select from:

- ☒ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

- ☒ All supplier tiers known have been mapped

(1.24.5) Portfolios covered in mapping

Select all that apply

- ☒ Banking (Bank)

(1.24.7) Description of mapping process and coverage

Our value chain mapping has been conducted comprehensively, covering both upstream and downstream segments, alongside an in-depth analysis of our own operations. This process was carried out through a collaborative effort among our Strategy, Research and Performance Management Department, Business Excellence and Innovation Department, and Investor Relations and Sustainability Department. All relevant processes, resources, and data within the organization were thoroughly reviewed and evaluated to ensure a holistic understanding. In addition to mapping our internal operations, we have also assessed data related to our portfolio. We have initiated ESG assessments specifically for carbon-intensive sectors exceeding certain credit exposure thresholds, enabling us to better understand and manage the environmental and social aspects associated with our lending activities. Furthermore, we have conducted a heat map analysis of the companies within our portfolio to evaluate the extent to which these companies might be exposed to physical and transition risks. This analysis supports our strategic decision-making by identifying areas where our portfolio may be most vulnerable to climate-related impacts. Overall, our mapping process combines qualitative and quantitative approaches to provide full visibility into our key value chain components and to inform our risk management and sustainability strategies.

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☒ No, but we plan to within the next two years

(1.24.1.5) Primary reason for not mapping plastics in your value chain

Select from:

☒ Not an immediate strategic priority

(1.24.1.6) Explain why your organization has not mapped plastics in your value chain

At this stage, mapping plastics across our value chain is not an immediate strategic policy for our organization. However, we fully operate under Türkiye's Zero Waste Regulation, which mandates 100% compliance. In this context, all waste streams generated within our Headquarters building—including plastics—are managed in line with regulatory requirements, and we have obtained a Zero Waste Certificate covering all types of waste. While we have not yet undertaken a comprehensive value chain mapping specifically for plastics, our organization ensures that all waste, including plastics, is meticulously tracked and managed in accordance with national legislation.

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

1

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The Bank defines the short-term as a period of up to 1 year. During this period, progress toward strategic goals is monitored monthly, and steps to enhance operational efficiency and agility are prioritized to adapt to short-term market developments.

Medium-term

(2.1.1) From (years)

1

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The medium-term covers a period of 1 to 5 years. During this timeframe, strategic action plans are developed and implemented to ensure compliance with national and international climate change and sustainability regulations. Within this framework, the Bank takes concrete steps to integrate Environmental, Social, and Governance (ESG) criteria into its business strategies.

Long-term

(2.1.1) From (years)

5

(2.1.2) Is your long-term time horizon open ended?

Select from:

☒ Yes

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The Bank defines the long-term as a period of 5 years or more. The primary objective during this period is to minimize climate and sustainability risks, with the goal of achieving a portfolio structure aligned with net-zero emissions. In this context, opportunities contributing to the transition to a low-carbon economy are evaluated.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☒ Yes	Select from: ☒ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☒ Yes	Select from: ☒ Both risks and opportunities	Select from: ☒ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

- ☒ Climate change
- ☒ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- ☒ Dependencies
- ☒ Impacts
- ☒ Risks
- ☒ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

- ☒ Direct operations
- ☒ Upstream value chain

(2.2.2.4) Coverage

Select from:

- ☒ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

- ☒ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- ☒ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- ☒ Annually

(2.2.2.9) Time horizons covered

Select all that apply

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.10) Integration of risk management process

Select from:

- ☒ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- ☒ Sub-national
- ☒ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management

- ☒ Enterprise Risk Management
- ☒ Risk models
- ☒ Stress tests

International methodologies and standards

- ☒ IPCC Climate Change Projections

Databases

- ☒ Nation-specific databases, tools, or standards, please specify

Other

- ☒ External consultants
- ☒ Internal company methods
- ☒ Materiality assessment
- ☒ Scenario analysis

(2.2.2.15) Risk types and criteria considered

Acute physical

- ☒ Drought
- ☒ Heat wave
- ☒ Storm (including blizzards, dust, and sandstorms)

- ☒ Wildfires
- ☒ Heavy precipitation (rain, hail, snow/ice)
- ☒ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

- ☒ Changing precipitation patterns and types (rain, hail, snow/ice)
- ☒ Changing temperature (air, freshwater, marine water)
- ☒ Increased severity of extreme weather events

Policy

- ☒ Carbon pricing mechanisms
- ☒ Changes to national legislation

Market

- ☒ Changing customer behavior
- ☒ Contraction of insurance markets, leaving clients exposed and changing the risk parameters of the credit
- ☒ Inability to attract co-financiers and/or investors due to uncertain risks related to the environment

Technology

- ☒ Transition to lower emissions technology and products

Liability

- ☒ Exposure to sanctions and litigation

(2.2.2.16) Partners and stakeholders considered

Select all that apply

- | | |
|--|--|
| ☒ Customers | ☒ Local communities |
| ☒ Employees | ☒ Water utilities at a local level |
| ☒ Investors | |
| ☒ Suppliers | |
| ☒ Regulators | |

(2.2.2.17) Has this process changed since the previous reporting year?

Select from:

☒ No

(2.2.2.18) Further details of process

As Albaraka Türk, we adopt a comprehensive and integrated approach to identifying, assessing, and managing environmental dependencies, impacts, risks, and opportunities in line with TSRS standards and internationally recognized frameworks(also known as IFRS). Dependencies arising from natural resource use, climate change, and environmental regulations, and their impacts on our operations and customer portfolio, are considered key determinants of financial risks and opportunities. These factors are analyzed in terms of credit repayment capacity, and funding costs, while also guiding our evaluation of opportunities such as sustainable finance and the development of green products. The process covers all operational locations, including domestic and international branches, subsidiaries, and the upstream and downstream value chain. In particular, client portfolios in carbon-intensive sectors are regularly screened for climate-related risks. The assessment incorporates both primary data from our own operations (energy use, emissions, water consumption) and external datasets such as NGFS, IEA, IPCC, and the EU Carbon Border Adjustment Mechanism. Risks are evaluated using a 5x5 risk matrix, financial materiality thresholds (set at 5% of pre-tax profit), stress testing, and scenario analysis to determine their significance. The monitoring of risks and opportunities is carried out by the Audit Committee at intervals determined by the Committee itself. The Corporate Governance and Sustainability Committee, on the other hand, convenes to oversee general sustainability matters.. Risk management processes are fully aligned with the regulations of the Banking Regulation and Supervision Agency (BRSA) and implemented in line with international best practices. Material risks are identified using both qualitative criteria (e.g., reputational concerns, regulatory pressures) and quantitative criteria (financial loss 5% of pre-tax profit). These include acute physical risks (floods, storms), chronic risks (heat stress, water scarcity), and transition risks (CBAM, and changes in customer behavior). At the same time, opportunities such as financing renewable energy projects, developing sustainable financial products, and supporting green investments are considered priority focus areas. Scenario analysis is applied under 1.5C, 2C, and 4C pathways to test the resilience of our credit portfolio, while location-specific disaster scenarios are used to assess the impact of extreme weather events on business continuity. Risks and opportunities are continuously monitored by the Sustainability Executive Committee and related working groups and reported quarterly to senior management and the Board of Directors. Monitoring activities are aligned with the Bank's Sustainability Policy and Environmental PolicyThis structured and institutionally embedded approach ensures that environmental dependencies and impacts are identified and managed effectively, while supporting the Bank's long-term financial stability and sustainability objectives.

[Add row]

(2.2.4) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts related to your portfolio activities?

	Process in place covering this portfolio	Dependencies and/or impacts related to this portfolio evaluated in this process
Banking (Bank)	Select from: ☒ Yes	Select from: ☒ Both dependencies and impacts

[Fixed row]

(2.2.5) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities related to your portfolio activities?

	Process in place covering this portfolio	Risks and/or opportunities related to this portfolio are evaluated in this process	Is this process informed by the dependencies and/or impacts process?
Banking (Bank)	Select from: ☒ Yes	Select from: ☒ Both risks and opportunities	Select from: ☒ Yes

[Fixed row]

(2.2.6) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities related to your portfolio activities.

Banking (Bank)

(2.2.6.1) Environmental issue

Select all that apply

☒ Climate change

☒ Water

(2.2.6.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this portfolio

Select all that apply

- ☒ Dependencies
- ☒ Impacts
- ☒ Risks
- ☒ Opportunities

(2.2.6.3) % of portfolio covered by the assessment process in relation to total portfolio value

100

(2.2.6.4) Type of assessment

Select from:

- ☒ Qualitative and quantitative

(2.2.6.5) Industry sectors covered by the assessment

Select all that apply

- | | |
|---|--|
| ☒ Retail | ☒ Fossil Fuels |
| ☒ Apparel | ☒ Manufacturing |
| ☒ Services | ☒ Infrastructure |
| ☒ Materials | ☒ Power generation |
| ☒ Hospitality | ☒ International bodies |
| ☒ Transportation services | |
| ☒ Food, beverage & agriculture | |
| ☒ Biotech, health care & pharma | |

(2.2.6.6) Frequency of assessment

Select from:

- ☒ Annually

(2.2.6.7) Time horizons covered

Select all that apply

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.6.8) Integration of risk management process

Select from:

- ☒ Integrated into multi-disciplinary organization-wide risk assessment process

(2.2.6.9) Location-specificity used

Select all that apply

- ☒ Sub-national
- ☒ National

(2.2.6.10) Tools and methods used

Select all that apply

- ☒ Risk models
- ☒ Stress tests
- ☒ Scenario analysis
- ☒ External consultants
- ☒ Internal tools/methods
- ☒ Other, please specify :**Partnership for Carbon Accounting Financials (PCAF)**

(2.2.6.11) Risk type and criteria considered

Acute physical

- ☒ Drought
- ☒ Flood (coastal, fluvial, pluvial, ground water)
- ☒ Heavy precipitation (rain, hail, snow/ice)

- ☒ Landslide
- ☒ Storm (including blizzards, dust, and sandstorms)

Chronic physical

- ☒ Changing precipitation patterns and types (rain, hail, snow/ice)
- ☒ Increased severity of extreme weather events
- ☒ Sea level rise

Policy

- ☒ Carbon pricing mechanisms
- ☒ Changes to international law and bilateral agreements
- ☒ Changes to national legislation

Market

- ☒ Changing customer behavior
- ☒ Contraction of insurance markets, leaving clients exposed and changing the risk parameters of the credit
- ☒ Inability to attract co-financiers and/or investors due to uncertain risks related to the environment
- ☒ Uncertainty in market signals

Reputation

- ☒ Lending that could create or contribute to systemic risk for the economy

Technology

- ☒ Transition to lower emissions technology and products

Liability

- ☒ Regulation and supervision of environmental risk in the financial sector

(2.2.6.12) Partners and stakeholders considered

Select all that apply

- ☒ Customers
- ☒ Local communities

- ☒ Employees
- ☒ Investors
- ☒ Suppliers
- ☒ Regulators

(2.2.6.13) Further details of process

At Albaraka Türk, we apply a holistic and integrated approach to identify, assess, and manage the environmental dependencies, impacts, risks, and opportunities within our portfolio. This process is carried out by the Risk Management Department and is integrated into our climate risk policy and our institution-wide risk framework. For loans exceeding 10 million U.S. dollars, as defined by our environmental and social risk framework, a risk assessment under the ESG framework—based on a standardized questionnaire prepared regardless of sector—has been integrated into the lending process. We are identifying and quantifying the impacts of our portfolio on climate-related physical and transition risks. In addition, opportunities such as renewable energy investments, energy efficiency, and green finance are included in the portfolio analysis. The scope of the portfolio is determined relative to the Bank's total assets, with priority given to sectors with high potential for environmental impact (energy, construction, agriculture). This ensures that systemic and sector-specific risks are effectively measured. Data collection relies on both information provided by clients and international databases (e.g., emission factors, water stress indices). Impacts are assessed using both qualitative and quantitative methods. The impacts related to risks are evaluated by quantifying them through defined scenario analyses.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

- ☒ Yes

(2.2.7.2) Description of how interconnections are assessed

As Albaraka Türk, we assess the interconnections between environmental dependencies, impacts, risks, and opportunities through a holistic and integrated approach. Dependencies arising from natural resource use, climate change impacts, and environmental regulations are evaluated alongside their effects on credit repayment capacity, and funding costs, thereby making explicit the linkages between environmental dependencies and financial risks and opportunities. Both operational data (energy use, emissions, water consumption) and international datasets (NGFS, IEA, IPCC, CBAM) are used, while risks are assessed through a 5x5 risk matrix, financial materiality thresholds, and climate scenarios. This enables the Bank to analyze physical risks such as water stress, flooding, and heatwaves, transition risks such as regulatory changes, and their interactions with environmental dependencies in an integrated manner. Work related to climate-related risks and opportunities is carried out by the relevant business units and sub-working groups. These studies are presented to the Sustainability Executive Committee. Issues evaluated by the Sustainability Executive Committee are reported to the Corporate Governance and Sustainability Committee based on their strategic importance; policy approvals,

significant risk assessments, strategic decisions, and necessary actions are brought under the oversight of the Board of Directors. This enables the Bank to holistically analyze physical risks—such as water stress, floods, and heat waves—transition risks—such as regulatory changes—and their interactions with environmental dependencies. At Albaraka Türk, the development of climate change strategies, the setting of targets, and the monitoring of implementations are carried out through the Corporate Governance and Sustainability Committee, which reports directly to the Board of Directors, while the oversight and monitoring of climate-related risks and opportunities are conducted by the Risk and Audit Committees.

[Fixed row]

(2.2.8) Does your organization consider environmental information about your clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities assessment process?

	We consider environmental information
Banking (Bank)	Select from: ☒ Yes

[Fixed row]

(2.2.9) Indicate the environmental information your organization considers about clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities assessment process, and how this influences decision-making.

Banking (Bank)

(2.2.9.1) Environmental issues covered

Select all that apply

- ☒ Climate change
- ☒ Water

(2.2.9.2) Type of environmental information considered

Select all that apply

- | | |
|--|---|
| ☒ CDP scores | ☒ Emissions reduction targets |
| ☒ Emissions data | ☒ Exposure to chronic physical risks |
| ☒ TCFD disclosures | ☒ Water withdrawal and/or consumption volumes |
| ☒ Energy usage data | ☒ Other, please specify |
| ☒ CDP questionnaire response | |

(2.2.9.3) Process through which information is obtained

Select all that apply

- ☒ Directly from the client/investee
- ☒ Public data sources

(2.2.9.4) Industry sectors covered by due diligence and/or risk assessment process

Select all that apply

- | | |
|---|--|
| ☒ Retail | ☒ Fossil Fuels |
| ☒ Apparel | ☒ Manufacturing |
| ☒ Services | ☒ Infrastructure |
| ☒ Materials | ☒ Power generation |
| ☒ Hospitality | ☒ International bodies |
| ☒ Transportation services | |
| ☒ Food, beverage & agriculture | |
| ☒ Biotech, health care & pharma | |

(2.2.9.5) % of portfolio covered by the process in relation to total portfolio value

35

(2.2.9.6) Total portfolio value covered by the process

162080708797.29

[Add row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

- ☒ Qualitative
- ☒ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- ☒ Credit risk

(2.4.3) Change to indicator

Select from:

- ☒ % decrease

(2.4.4) % change to indicator

Select from:

- ☒ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

- ☒ Frequency of effect occurring
- ☒ Time horizon over which the effect occurs
- ☒ Likelihood of effect occurring

(2.4.7) Application of definition

The Bank defines substantive effects through an integrated framework that combines quantitative and qualitative metrics for both risks and opportunities. In line with its internal financial thresholds, any impact equivalent to 5% of the Bank's profit before tax is considered substantive, covering both potential losses and additional revenues. Beyond this financial threshold, the Bank also applies criteria similar to international good practices, such as evaluating the criticality of the effect, its financial magnitude, likelihood of occurrence, historical evolution, sensitivity to stress and shocks, internal valuations, and sector benchmarks. Within this context, a substantive effect on risks is considered material if it corresponds to at least a 5% potential decrease in earnings, while a substantive opportunity is considered material if it represents at least a 5% potential increase in revenues. The frequency of such effects is monitored across one-off significant events and recurring developments, and assessments are aligned with the Bank's defined short-, medium-, and long-term horizons. Likelihood is evaluated using probability categories (low, medium, high) within the Bank's risk assessment and stress-testing systems, combined with climate and environmental risk evaluation tools. Both magnitude and probability are integrated through a matrix-based approach, ensuring a comprehensive view of risks and opportunities. The thresholds and associated metrics are subject to annual review by the Risk Management Committee and Audit Committee and are updated when required due to changes in regulatory requirements, capital adequacy, or evolving market conditions.

Opportunities

(2.4.1) Type of definition

Select all that apply

- ☒ Qualitative
- ☒ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- ☒ Credit risk

(2.4.3) Change to indicator

Select from:

- ☒ % increase

(2.4.4) % change to indicator

Select from:

- ☒ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

- ☒ Frequency of effect occurring
- ☒ Time horizon over which the effect occurs
- ☒ Likelihood of effect occurring

(2.4.7) Application of definition

The Bank defines substantive effects through an integrated framework that combines quantitative and qualitative metrics for both risks and opportunities. In line with its internal financial thresholds, any impact equivalent to 5% of the Bank's profit before tax is considered substantive, covering both potential losses and additional revenues. Beyond this financial threshold, the Bank also applies criteria similar to international good practices, such as evaluating the criticality of the effect, its financial magnitude, likelihood of occurrence, historical evolution, sensitivity to stress and shocks, internal valuations, and sector benchmarks. Within this context, a substantive effect on risks is considered material if it corresponds to at least a 5% potential decrease in earnings, while a substantive opportunity is considered material if it represents at least a 5% potential increase in revenues. The frequency of such effects is monitored across one-off significant events and recurring developments, and assessments are aligned with the Bank's defined short-, medium-, and long-term horizons. Likelihood is evaluated using probability categories (low, medium, high) within the Bank's risk assessment and stress-testing systems, combined with climate and environmental risk evaluation tools. Both magnitude and probability are integrated through a matrix-based approach, ensuring a comprehensive view of risks and opportunities. The thresholds and associated metrics are subject to annual review by the Risk Management Committee and Audit Committee and are updated when required due to changes in regulatory requirements, capital adequacy, or evolving market conditions.

[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☒ Yes, both within our direct operations or upstream value chain, and within our portfolio

Water

(3.1.1) Environmental risks identified

Select from:

☒ Yes, both within our direct operations or upstream value chain, and within our portfolio

Plastics

(3.1.1) Environmental risks identified

Select from:

☒ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☒ No standardized procedure

(3.1.3) Please explain

As a financial institution, we do not expect a substantive impact. However, we always work on reducing usage of plastics in our direct operations.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☒ Heavy precipitation (rain, hail, snow/ice)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

☒ Operational risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Türkiye

(3.1.1.9) Organization-specific description of risk

Albaraka Türk anticipates that the direct physical impacts of climate change, especially through acute climate events such as severe weather incidents, may adversely affect the Bank's daily operational activities. Extreme weather conditions like severe storms, floods, or excessive temperatures can cause physical damage to branch buildings, data centers, or service infrastructure, leading to operational interruptions and disruptions in service continuity. This situation poses risks to customer service, business continuity, and operational reliability, while also necessitating strengthening physical security, infrastructure resilience, and crisis management capacity.

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☒ More likely than not

(3.1.1.14) Magnitude

Select from:

☒ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Short-Term: 1,839,000 TL Medium-Term: 73,700,000 TL Long-Term: 198,000,000 TL

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

0

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

73700000

(3.1.1.25) Explanation of financial effect figure

Albaraka Türk assesses that acute physical risks caused by climate change – particularly short-term and intense weather events (such as storms, floods, hail, and extreme heat) – have the potential to seriously impact the Bank's physical assets and operational continuity. The total insurance premium for our bank's fire insurance policy—which also covers climate risks such as storms, floods, and water damage—amounts to 11.3 million TL; although the financial impact of the gross risk is high, this risk is eliminated through the coverage provided by the current insurance policy.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☒ Improve maintenance of infrastructure

(3.1.1.27) Cost of response to risk

11300000

(3.1.1.28) Explanation of cost calculation

Albaraka Türk anticipates that the direct physical impacts of climate change, particularly through extreme climate events such as severe weather incidents, may negatively affect the Bank's daily operational activities. These events—such as severe storms, floods, or excessive temperatures—could disrupt key operational processes, impacting branch buildings, data centers, and service infrastructure. This could lead to operational interruptions, posing risks to customer service, business continuity, and overall operational reliability. Additionally, it necessitates enhancing physical security, strengthening infrastructure resilience, and improving

crisis management capacity. To reduce the impact of extreme weather events, the Bank currently pays an annual insurance premium of 1 million TL. This policy covers various risks, including fire, flood, and storm damage, and provides financial protection for physical damages and potential operational disruptions caused by extreme weather events.

(3.1.1.29) Description of response

Albaraka Türk is implementing a series of strategies and measures to reduce the risks arising from extreme weather events and climate change. The Bank manages responses to these risks using various methods, aiming to minimize the impact of the risk, ensure business continuity, and increase operational security. The Bank primarily uses insurance policies to combat extreme weather events. The annual premium of 11,3 million TL provides coverage against physical damages and operational disruptions due to disasters such as fire, flood, and storm. This insurance policy aims to transfer the financial impacts of the risks while also providing a form of security against operational disruptions. Furthermore, the Bank has developed crisis management and business continuity plans to prepare for extreme weather events and natural disasters, continuously updating these plans. These plans play a critical role in ensuring the continuity of the Bank's operations. Future risk management procedures include the Bank's infrastructure strengthening efforts. These strengthening measures include investments aimed at making branch buildings and data centers resistant to extreme weather conditions. The Bank aims to create a more resilient infrastructure with these investments, thereby managing the effects of future risks more effectively. Additionally, training sessions for crisis management plans are organized, ensuring that employees are better prepared for disaster situations. Albaraka Türk's risk response also contributes to the United Nations Sustainable Development Goals. The Bank is undertaking projects and sustainable infrastructure investments to combat climate change, contributing to the "Climate Action" and "Sustainable Cities and Communities" goals. This strategy aims to reduce environmental impacts and make communities more resilient.

Water

(3.1.1.1) Risk identifier

Select from:

☒ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☒ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Banking (Bank) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

☒ Credit risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Türkiye

(3.1.1.7) River basin where the risk occurs

Select all that apply

☒ Other, please specify :All river basins in Türkiye

(3.1.1.9) Organization-specific description of risk

Severe floods, storms, droughts, and similar extreme weather events can cause physical damage to real estate financed by Albaraka Türk, resulting in disruptions to customer operations. This situation forces customers to bear additional repair costs and suffer income losses, weakening their repayment capacity; therefore, it constitutes a significant external factor increasing credit risk for the Bank.

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

☒ 11-20%

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☒ Likely

(3.1.1.14) Magnitude

Select from:

☒ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In 2025, the current financial impact is 359,398,000 TL. The projected financialization amounts for this risk are 413,307,000 TL in the short term, 521,126,000 TL in the medium term, and 682,855,000 TL in the long term.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Policies and plans

☒ Increase insurance coverage

(3.1.1.27) Cost of response to risk

359398000

(3.1.1.28) Explanation of cost calculation

Albaraka Türk's cost calculation for risks associated with extreme weather conditions (floods, storms, etc.) primarily covers the repair of physical damage to properties financed by the bank and the operational disruptions caused by such damage. Disruptions to customers' business operations can lead to revenue losses and

payment difficulties, which in turn increase credit risk. The cost calculation takes into account existing insurance policies and risk mitigation strategies. While insurance provides protection for financed properties, preventive investments are also reflected in the calculations. As of the end of 2025, a financial impact of 359,398,000 TL has been identified.

(3.1.1.29) Description of response

To mitigate the impact of climate change related physical risks on credit risk, climate related risks (e.g., flood- and landslide-prone areas) will be considered in the processes of taking real estate mortgage collateral. The climatic risk profiles of the geographic areas where the collateral assets are located will be evaluated; in high-risk regions, factors such as collateral structure, insurance coverage, and credit maturity will be reviewed. Thus, the potential effects of climate-induced damages on the customer's repayment capacity will be minimized, thereby enhancing the resilience of the credit portfolio.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☒ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Banking (Bank) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

☒ Credit risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Türkiye

(3.1.1.9) Organization-specific description of risk

Customers operating in carbon- intensive sectors such as iron and steel, aluminum, automotive, energy, and mining face the risk of increased costs and reduced competitiveness due to international regulations based on carbon emissions, particularly the Carbon Border Adjustment Mechanism (CBAM) implemented by the European Union. This situation could weaken the operational sustainability and revenue structure of these customers, thereby reducing their ability to meet their financial obligations and creating default risk and financial value loss for Albaraka Türk's credit portfolio. Regulations such as CBAM make the financial impacts of carbon emissions more visible, requiring the Bank to review its sector-based credit policies and apply financial assessment criteria that take carbon risk into account in order to manage transition risks.

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

☒ 1-10%

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased credit risk

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☒ Likely

(3.1.1.14) Magnitude

Select from:

☒ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Short Term: CAR: 18.42% / TL 669 million increase in RWA – TL 1.1 billion increase in provisions Medium Term: CAR: 18.16% / TL 1 billion increase in RWA – TL 1.6 billion increase in provisions Long Term: CAR: 18.60% / TL 446 million increase in RWA – TL 719 million increase in provisions

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

0

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

1600000000

(3.1.1.25) Explanation of financial effect figure

Since the regulation is still new, there are currently no financial risks.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☒ Greater due diligence

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

As of December 31, 2025, within our bank's cash and non-cash loan portfolio, a risk analysis has been conducted for sectors of critical importance under the Regulatory Mechanism (SKDM), a risk analysis was conducted for sectors of critical importance. The concentration ratio of total SKDM risk exposure within the portfolio was measured at 3.67%. In the scenario analysis, the NGFS "Disorderly Transition" scenario—which simulates the late and abrupt implementation of climate policies, sharp increases in carbon prices, and high transition costs—was used as the basis. In the Disorderly Transition scenario, an increase in firms' probability of default (PD) and expected credit losses (ECL) is projected due to sudden carbon taxes, compliance costs, and technological transformation requirements. The initial risk weight of the SKDM portfolio was assumed to be 100%, and in line with BDDK regulations, the 150% risk weight applied after NPL classification was reflected in the total risk-weight.

(3.1.1.29) Description of response

To reduce transition risks arising from carbon regulations, the carbon emission levels of the sectors in which customers operate will be considered in credit allocation processes. Specifically, the emission performance, compliance with environmental regulations, and transformation capacity of firms operating in carbon-intensive sectors will be integrated into the credit evaluation process, shaping factors such as risk premium, credit terms, and collateral structure accordingly. Thus, Albaraka Türk aims to make its credit portfolio more resilient and sustainable against carbon transition risks

[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☒ Assets

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

11100000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☒ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

359397545

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☒ Less than 1%

(3.1.2.7) Explanation of financial figures

Albaraka Türk faced physical or transition risks throughout the reporting year. Its vulnerability to these impacts is described in the TSRS report. Risk assessments for future periods are ongoing. Assets and Activities Vulnerable to Climate Related Transition Risks; Our Bank monitors the potential impacts of regulatory changes, technological transformation, and market changes arising from the transition to a low-carbon economy on its credit portfolio within the framework of the TSRS. In this context, the iron and steel, cement, fertilizer, aluminum, and electricity sectors, which are highly sensitive to transition risks and have high carbon intensity, have been classified as “vulnerable assets.” As of year-end 2025, our Bank’s total performing cash and non-cash exposure in these high-risk sectors amounted to 3.67% (TL 11.1 billion). This portfolio is closely monitored through climate-related scenario analyses. Assets and Activities Vulnerable to Climate Related Physical Risks; Within the scope of the Bank’s assets vulnerable to climate-related physical risks, real estate collateral that may be exposed to physical risks is assessed. As of December 2025, the total net real estate mortgage collateral of our Bank amounted to TL 67,937,395,170. According to the assessment conducted within the scope of the heat map, the net value of uninsured real estate mortgage collateral located in provinces classified as very high risk or high risk amounted to TL 710,246,650. Land, agricultural land, orchards, and gardens were excluded from the assessment, while residential and commercial properties were taken into account. As of December 31, 2025, the cash risk associated with these collateral assets amounted to TL 359,397,545.

Water

(3.1.2.1) Financial metric

Select from:

☒ Assets

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☒ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☒ Less than 1%

(3.1.2.7) Explanation of financial figures

Albaraka Türk faced physical or transition risks throughout the reporting year. Its vulnerability to these impacts is described in the TSRS report. Risk assessments for future periods are ongoing. Assets and Activities Vulnerable to Climate Related Transition Risks; Our Bank monitors the potential impacts of regulatory changes, technological transformation, and market changes arising from the transition to a low-carbon economy on its credit portfolio within the framework of the TSRS. In this context, the iron and steel, cement, fertilizer, aluminum, and electricity sectors, which are highly sensitive to transition risks and have high carbon intensity, have been classified as “vulnerable assets.” As of year-end 2025, our Bank’s total performing cash and non-cash exposure in these high-risk sectors amounted to 3.67% (TL 11.1 billion). This portfolio is closely monitored through climate-related scenario analyses. Assets and Activities Vulnerable to Climate Related Physical Risks; Within the scope of the Bank’s assets vulnerable to climate-related physical risks, real estate collateral that may be exposed to physical risks is assessed. As of December 2025, the total net real estate mortgage collateral of our Bank amounted to TL 67,937,395,170. According to the assessment conducted within the scope of the heat map, the net value of uninsured real estate mortgage collateral located in provinces classified as very high risk or high risk amounted to TL 710,246,650. Land, agricultural land, orchards, and gardens were excluded from the assessment, while residential and commercial properties were taken into account. As of December 31, 2025, the cash risk associated with these collateral assets amounted to TL 359,397,545.

[Add row]

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	<i>Select from:</i> ☒ Yes, we have identified opportunities, and some/all are being realized
Water	<i>Select from:</i> ☒ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☒ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☒ Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☒ Banking portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☒ Türkiye

(3.6.1.8) Organization specific description

Net zero emission targets, climate and ESG regulations, sustainability expectations, and increasing customer demand for environmentally friendly financing solutions present an opportunity for Albaraka Türk to comprehensively develop and diversify its sustainable financing product and service portfolio. This opportunity covers the financing of businesses' investments in energy efficiency, renewable energy, low-carbon technologies, and sustainable production; financing for energy-efficient/green housing and electric, hybrid, or low-emission vehicles for individual customers; as well as interest-free financial products compatible with participation banking principles and aligned with ESG criteria. Developing these solutions as separate product groups under a common sustainable financing portfolio has the potential to increase the Bank's access to different customer segments, customer loyalty, and market share; diversify its revenue base; and strengthen its position in the sustainable finance ecosystem. Thus, financial growth can be pursued together with environmental and social benefits.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☒ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☒ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☒ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Short Term: 1,110,880,000 Medium Term: 1,721,339,000 Long Term: 2,401,140,000

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☒ Yes

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

0

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

2401140000

(3.6.1.23) Explanation of financial effect figures

In line with net-zero emissions targets, the growing demand for sustainable finance is strengthening the Bank's balance sheet, diversifying its loan portfolio, and reducing long-term credit risk. The Bank's current impact related to this opportunity for 2025 is 798,640,000 TL. Therefore, the financial impact of this opportunity is assessed as high, and it is expected to contribute significantly to the Bank's long-term financial resilience and sustainable growth.

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

Albaraka Türk has not allocated additional costs to realize sustainable financing opportunities. Instead, existing digital channels, reporting infrastructure, and operational resources are utilized to present these products and solutions to the public and deliver them to customers. In this way, the Bank preserves cost efficiency while supporting its sustainability objectives and proceeds in line with its existing business processes. Therefore, no direct additional cost has been calculated for the realization of this opportunity.

(3.6.1.26) Strategy to realize opportunity

Albaraka Türk plans to develop products such as green sukuk issuances, financing for renewable energy investments, energy efficiency loans, and environmentally friendly projects in order to capitalize on sustainable financing opportunities and maximize their potential benefits. The bank offers these products to customers by utilizing its existing digital channels and reporting infrastructure, thereby increasing accessibility and raising awareness of sustainability. This opportunity holds significant importance for the bank because it helps mitigate the effects of climate change and aligns with sustainable development goals.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☒ Assets

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

798640000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☒ 1-10%

(3.6.2.4) Explanation of financial figures

As a result of our analysis of the environmentally friendly asset classes in our product portfolio (green vehicle financing, energy projects, etc.), a current financial impact of 798,640,000 TL was observed.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☒ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☒ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☒ Executive directors or equivalent

☒ Non-executive directors or equivalent

☒ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☒ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

Albaraka Türk has publicly available statements reflecting its commitment to diversity and inclusion at the board level. In its Integrated Report (page 180), the Bank highlights that the presence of board members from different cultures and nationalities contributes to diversity principles. Furthermore, the Human Resources Policy emphasizes non-discrimination based on gender, religion, language, ethnicity, disability, or immigration status, and promotes equal opportunity in recruitment and employment practices. Additionally, in the Integrated Annual Report (page 116), it is stated that: 'In line with the principles of the Human Resources Policy, Albaraka Türk aims to ensure equal opportunity during recruitment; and with respect to employees, suppliers, stakeholders, and all other parties, the Bank targets fair working

conditions, improvement of labor standards, and the prevention of discrimination based on gender, religion, language, race, ethnicity, age, disability, or immigration status.' Moreover, the Remuneration Policy (page 121) states that 'rewarding practices should be structured on the basis of fairness and equal opportunity.' These publicly disclosed policies and practices collectively represent the Bank's approach to board diversity and inclusion.

(4.1.6) Attach the policy (optional)

2025 Integrated Annual Report Güncel.pdf,remuneration-policy.pdf

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

Climate change

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☒ Yes

Water

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☒ Yes

Biodiversity

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☒ No, but we plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:

☒ No standardized procedure

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

Albaraka Türk has a board-level oversight mechanism for climate change and water-related issues, although biodiversity has not yet been addressed at the same level. In the current year of 2025, within the scope of the Turkish Sustainability Reporting Standards (TSRS), Albaraka Türk evaluates environmental risks and opportunities by focusing specifically on climate change and water as key parameters. In the coming years, Albaraka Türk plans to expand its environmental governance framework to encompass a broader range of sustainability topics. As part of this expansion, biodiversity will also be addressed and subjected to board-level oversight in the future. Although biodiversity-related issues have not yet been formally integrated into current processes, Albaraka Türk recognizes the growing importance of these matters and remains committed to embedding them into its future strategic planning and governance frameworks.

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☒ Board-level committee

☒ Other, please specify :Sustainability Manager

☒ Chief Risk Officer (CRO)

☒ Chief Credit Officer (CCO)

☒ Chief Executive Officer (CEO)

☒ Chief Financial Officer (CFO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- ☒ Individual role descriptions
- ☒ Other policy applicable to the board, please specify :sustainability policy, climate risk policy, environmental policy

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- ☒ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- ☒ Overseeing and guiding scenario analysis
- ☒ Overseeing the setting of corporate targets
- ☒ Monitoring progress towards corporate targets
- ☒ Overseeing and guiding value chain engagement
- ☒ Approving corporate policies and/or commitments
- ☒ Monitoring the implementation of the business strategy
- ☒ Overseeing reporting, audit, and verification processes
- ☒ Overseeing and guiding the development of a business strategy
- ☒ Monitoring compliance with corporate policies and/or commitments
- ☒ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.6) Scope of board-level oversight

Select all that apply

- ☒ Risks and opportunities to our own operations
- ☒ Risks and opportunities to our banking activities
- ☒ The impact of our own operations on the environment
- ☒ The impact of our banking activities on the environment

(4.1.2.7) Please explain

Albaraka Türk ensures board-level oversight of environmental matters—including climate change and water—through the Corporate Governance and Sustainability Committee, which operates under the Board of Directors. This committee monitors the Bank’s compliance with corporate governance principles and sustainability standards, proposes corrective actions when needed, and oversees the Investor Relations and Sustainability Department to ensure alignment with the Bank’s overall sustainability goals. Supporting this structure, the Sustainability Executive Committee operates under the leadership of the CEO and is responsible for implementing sustainability strategies, managing ESG systems, and identifying environmental risks and opportunities. The committee meets at least four times a year and ensures cross-departmental coordination to integrate sustainability into the Bank’s core operations. Progress regarding climate- and water-related targets is reported quarterly to the Board by the Investor Relations and Sustainability Department. Environmental performance and strategic alignment are standing items on the Board’s meeting agenda. During these meetings, trade-offs—such as the cost of transitioning to sustainable technologies versus long-term operational efficiency—are evaluated, and decisions are made accordingly. In addition to the active oversight of the Corporate Governance and Sustainability Committee, operational governance related to water management is executed in coordination with the Sustainability Office and in collaboration with the Administrative Affairs and Procurement Department. Activities such as groundwater use, water recycling, and the strategic integration of water systems are first planned by the Administrative Affairs and Procurement Department, then shared with the Sustainability Office, and subsequently reported to the relevant board-level committees. This structure reflects a hierarchical flow where water-related matters are addressed under the "Climate Risk Working Subgroup," which includes the Administrative Affairs and Procurement Department as a contributing body responsible for preparing and forwarding such matters to upper-level committees. Governance mechanisms such as setting corporate sustainability targets, monitoring progress, guiding environmental strategies, and engaging in environmental policy advocacy are embedded in this structure. Policies regarding the enhancement of ESG criteria for suppliers are also reviewed and approved by the Board. As part of the 2025 reporting year, the Climate Risk Policy was also approved by the Board of Directors and published on our website. In 2025, under the same report, scenario analysis related with risks and opportunities are established. As part of this year’s reporting, risks and opportunities were monitored and reviewed. In addition, two separate targets were set regarding risks and opportunities

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☒ Board-level committee

(4.1.2.2) Positions’ accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☒ Yes

(4.1.2.3) Policies which outline the positions’ accountability for this environmental issue

Select all that apply

☒ Individual role descriptions

☒ Other policy applicable to the board, please specify :sustainability policy, climate risk policy, environmental policy

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- ☒ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- ☒ Overseeing and guiding scenario analysis
- ☒ Overseeing the setting of corporate targets
- ☒ Monitoring progress towards corporate targets
- ☒ Overseeing and guiding value chain engagement
- ☒ Approving corporate policies and/or commitments
- ☒ Monitoring the implementation of the business strategy
- ☒ Overseeing reporting, audit, and verification processes
- ☒ Overseeing and guiding the development of a business strategy
- ☒ Monitoring compliance with corporate policies and/or commitments
- ☒ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.6) Scope of board-level oversight

Select all that apply

- ☒ Risks and opportunities to our own operations
- ☒ Risks and opportunities to our banking activities
- ☒ The impact of our own operations on the environment
- ☒ The impact of our banking activities on the environment

(4.1.2.7) Please explain

Albaraka Türk ensures board-level oversight of environmental matters—including climate change and water—through the Corporate Governance and Sustainability Committee, which operates under the Board of Directors. This committee monitors the Bank's compliance with corporate governance principles and sustainability standards, proposes corrective actions when needed, and oversees the Investor Relations and Sustainability Department to ensure alignment with the Bank's overall sustainability goals. Supporting this structure, the Sustainability Executive Committee operates under the leadership of the CEO and is responsible for implementing

sustainability strategies, managing ESG systems, and identifying environmental risks and opportunities. The committee meets at least four times a year and ensures cross-departmental coordination to integrate sustainability into the Bank's core operations. Progress regarding climate- and water-related targets is reported quarterly to the Board by the Investor Relations and Sustainability Department. Environmental performance and strategic alignment are standing items on the Board's meeting agenda. During these meetings, trade-offs—such as the cost of transitioning to sustainable technologies versus long-term operational efficiency—are evaluated, and decisions are made accordingly. In addition to the active oversight of the Corporate Governance and Sustainability Committee, operational governance related to water management is executed in coordination with the Sustainability Office and in collaboration with the Administrative Affairs and Procurement Department. Activities such as groundwater use, water recycling, and the strategic integration of water systems are first planned by the Administrative Affairs and Procurement Department, then shared with the Sustainability Office, and subsequently reported to the relevant board-level committees. This structure reflects a hierarchical flow where water-related matters are addressed under the "Climate Risk Working Subgroup," which includes the Administrative Affairs and Procurement Department as a contributing body responsible for preparing and forwarding such matters to upper-level committees. Governance mechanisms such as setting corporate sustainability targets, monitoring progress, guiding environmental strategies, and engaging in environmental policy advocacy are embedded in this structure. In 2024, under the Türkiye Sustainability Reporting Standards (TSRS), climate-related risks and opportunities were submitted to the Board of Directors for approval for the first time. In addition, planning processes have been initiated to identify future actions required for full alignment with TSRS. Capital investments with environmental impact are evaluated in terms of their compliance with sustainability principles. Policy proposals regarding the enhancement of ESG criteria for suppliers are also reviewed and approved by the Board.

[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☒ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

- ☒ Consulting regularly with an internal, permanent, subject-expert working group
- ☒ Engaging regularly with external stakeholders and experts on environmental issues
- ☒ Integrating knowledge of environmental issues into board nominating process
- ☒ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
- ☒ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

- ☒ Executive-level experience in a role focused on environmental issues
- ☒ Management-level experience in a role focused on environmental issues
- ☒ Staff-level experience in a role focused on environmental issues
- ☒ Active member of an environmental committee or organization

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

- ☒ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

- ☒ Consulting regularly with an internal, permanent, subject-expert working group
- ☒ Engaging regularly with external stakeholders and experts on environmental issues
- ☒ Integrating knowledge of environmental issues into board nominating process
- ☒ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
- ☒ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

- ☒ Executive-level experience in a role focused on environmental issues
- ☒ Management-level experience in a role focused on environmental issues
- ☒ Staff-level experience in a role focused on environmental issues
- ☒ Active member of an environmental committee or organization

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

Climate change

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☒ Yes

Water

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☒ Yes

Biodiversity

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☒ No, but we plan to within the next two years

(4.3.2) Primary reason for no management-level responsibility for environmental issues

Select from:

☒ Not an immediate strategic priority

(4.3.3) Explain why your organization does not have management-level responsibility for environmental issues

In 2025, the Bank's environmental governance efforts have been primarily directed toward climate change and water, which were identified as the most material environmental issues under the Türkiye Sustainability Reporting Standards (TSRS). While biodiversity is not currently addressed through a dedicated management-

level function, the Bank acknowledges its growing importance. Plans are in place to expand the scope of environmental governance in the coming years to include biodiversity-related risks and opportunities, especially in light of evolving stakeholder expectations and regulatory developments.
[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Committee

- ☒ Other committee, please specify :Corporate Governance and Sustainability Committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☒ Assessing environmental dependencies, impacts, risks, and opportunities
- ☒ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- ☒ Managing public policy engagement related to environmental issues
- ☒ Managing supplier compliance with environmental requirements
- ☒ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- ☒ Monitoring compliance with corporate environmental policies and/or commitments
- ☒ Measuring progress towards environmental corporate targets
- ☒ Setting corporate environmental policies and/or commitments
- ☒ Setting corporate environmental targets

Strategy and financial planning

- ☒ Conducting environmental scenario analysis
- ☒ Managing annual budgets related to environmental issues
- ☒ Implementing the business strategy related to environmental issues
- ☒ Developing a business strategy which considers environmental issues
- ☒ Managing environmental reporting, audit, and verification processes
- ☒ Managing acquisitions, mergers, and divestitures related to environmental issues
- ☒ Managing major capital and/or operational expenditures relating to environmental issues
- ☒ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.3) Coverage of responsibilities

Select all that apply

- ☒ Dependencies, impacts, risks, and opportunities related to our banking activities
- ☒ Dependencies, impacts, risks and opportunities related to our own operations and/or upstream value chain

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ Quarterly

(4.3.1.6) Please explain

At Albaraka Türk, oversight of climate-related risks and opportunities is carried out through the Corporate Governance and Sustainability Committee, operating under the Board of Directors. The committee is responsible for developing environmental strategy, setting targets, and monitoring progress. It works in coordination with the Sustainability Executive Committee, which includes senior executives from key departments. Operational execution is led by the Sustainability Office under the Investor Relations and Sustainability Department, consisting of a manager and two sustainability experts. Climate-related risks and opportunities are identified in collaboration with the Risk Management Department. For financial assessment and analysis, additional support is obtained from departments such as Finance and

Administrative Affairs. The evaluation process covers not only Albaraka Türk's own operations, but also its broader value chain, including upstream and downstream banking-related activities. Sustainability efforts are reviewed through sub-working groups that meet every two months—or monthly in urgent cases. These groups provide updates on ESG risks, opportunities, and projects to the Sustainability Executive Committee, which consolidates findings and reports to the Corporate Governance and Sustainability Committee. Environmental performance and progress against ESG targets are monitored quarterly and annually, with outcomes discussed in Board-level meetings and documented through formal minutes. Environmental oversight is integrated into risk management, strategic planning, and financial decision-making. Insights from sustainability processes feed into capital investment decisions, supplier evaluations, and enterprise risk assessments. Internal controls include structured reporting cycles, formal mandates, and documentation.

Water

(4.3.1.1) Position of individual or committee with responsibility

Committee

☒ Other committee, please specify :Corporate Governance and Sustainability Committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☒ Assessing environmental dependencies, impacts, risks, and opportunities

☒ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☒ Managing public policy engagement related to environmental issues

☒ Managing supplier compliance with environmental requirements

☒ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☒ Monitoring compliance with corporate environmental policies and/or commitments

☒ Measuring progress towards environmental corporate targets

☒ Setting corporate environmental policies and/or commitments

☒ Setting corporate environmental targets

Strategy and financial planning

☒ Conducting environmental scenario analysis

- ☒ Managing annual budgets related to environmental issues
- ☒ Implementing the business strategy related to environmental issues
- ☒ Developing a business strategy which considers environmental issues
- ☒ Managing environmental reporting, audit, and verification processes
- ☒ Managing acquisitions, mergers, and divestitures related to environmental issues
- ☒ Managing major capital and/or operational expenditures relating to environmental issues
- ☒ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.3) Coverage of responsibilities

Select all that apply

- ☒ Dependencies, impacts, risks, and opportunities related to our banking activities
- ☒ Dependencies, impacts, risks and opportunities related to our own operations and/or upstream value chain

(4.3.1.4) Reporting line

Select from:

- ☒ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- ☒ Quarterly

(4.3.1.6) Please explain

At Albaraka Türk, oversight of climate-related risks and opportunities is carried out through the Corporate Governance and Sustainability Committee, operating under the Board of Directors. The committee is responsible for developing environmental strategy, setting targets, and monitoring progress. It works in coordination with the Sustainability Executive Committee, which includes senior executives from key departments. Operational execution is led by the Sustainability Office under the Investor Relations and Sustainability Department, consisting of a manager and two sustainability experts. Climate-related risks and opportunities are identified in collaboration with the Risk Management Department. For financial assessment and analysis, additional support is obtained from departments such as Finance and Administrative Affairs. The evaluation process covers not only Albaraka Türk's own operations, but also its broader value chain, including upstream and downstream banking-related activities. Sustainability efforts are reviewed through sub-working groups that meet every two months—or monthly in urgent cases. These groups provide updates on ESG risks, opportunities, and projects to the Sustainability Executive Committee, which consolidates findings and reports to the Corporate

Governance and Sustainability Committee. Environmental performance and progress against ESG targets are monitored quarterly and annually, with outcomes discussed in Board-level meetings and documented through formal minutes. Environmental oversight is integrated into risk management, strategic planning, and financial decision-making. Insights from sustainability processes feed into capital investment decisions, supplier evaluations, and enterprise risk assessments. Internal controls include structured reporting cycles, formal mandates, and documentation.

[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☒ Yes

(4.5.3) Please explain

Financial incentives related to environmental performance are part of Albaraka Türk's compensation policy. However, with the entry into force of the Turkish Sustainability Reporting Standards (TSRS) in 2024, environmental performance indicators and ESG integration have gained strategic importance within the organization. As part of this compliance process, the Bank has incorporated key performance indicators (KPIs) related to sustainability—including those pertaining to climate change and water management—into its performance evaluation and incentive mechanisms. Such incentives are provided under the policy provision stating, "The remuneration framework for responsible roles is determined based on performance in line with sustainability principles and fundamentals." However, information regarding the total amount or percentage of these incentives has not yet been disclosed to the public.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☒ Yes

(4.5.3) Please explain

Financial incentives related to environmental performance are part of Albaraka Türk's compensation policy. However, with the entry into force of the Turkish Sustainability Reporting Standards (TSRS) in 2024, environmental performance indicators and ESG integration have gained strategic importance within the organization. As part of this compliance process, the Bank has incorporated key performance indicators (KPIs) related to sustainability—including those pertaining to climate change and water management—into its performance evaluation and incentive mechanisms. Such incentives are provided under the policy provision stating, "The remuneration framework for responsible roles is determined based on performance in line with sustainability principles and fundamentals." However, information regarding the total amount or percentage of these incentives has not yet been disclosed to the public.

[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☒ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☒ Bonus - % of salary

☒ Salary increase

(4.5.1.3) Performance metrics

Targets

☒ Organization performance against an environmental sustainability index

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- ☒ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

A compensation framework for key roles is established, taking into account performance against sustainability principles and standards, and is tracked through KPIs. Additionally, the "Corporate Executive Teams" referred to in the response consist of C-level executives.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Studies on the results of the Sustainability Index, along with our current status, are shared annually through publicly available sources, analyzed, and scored by a second party. The analysis of this score is conducted by the company that owns the index in accordance with international standards.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

- ☒ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

- ☒ Bonus - % of salary
- ☒ Salary increase

(4.5.1.3) Performance metrics

Targets

- ☒ Organization performance against an environmental sustainability index

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☒ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

A compensation framework for key roles is established, taking into account performance against sustainability principles and standards, and is tracked through KPIs. Additionally, the “Corporate Executive Teams” referred to in the response consist of C-level executives.

(4.5.1.6) How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Studies on the results of the Sustainability Index, along with our current status, are shared annually through publicly available sources, analyzed, and scored by a second party. The analysis of this score is conducted by the company that owns the index in accordance with international standards.

[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☒ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☒ Climate change

☒ Water

(4.6.1.2) Level of coverage

Select from:

☒ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☒ Direct operations

☒ Upstream value chain

☒ Portfolio

(4.6.1.4) Explain the coverage

The scope of Albaraka Türk's environmental and sustainability policies covers both the Bank's operations and its lending and investment activities, making the management of environmental risks and opportunities an integral part of its core business processes. The policy encompasses areas such as energy, water, waste management, greenhouse gas emission reduction, renewable energy use, zero-waste practices, and combating climate change, while also including the calculation of emissions arising from lending activities and actions to decarbonize the credit portfolio. In addition, the sustainability policy covers social responsibility, human rights, education, health, and support for vulnerable groups, alongside corporate governance principles.. In addition, our bank's Climate Risk Policy, published this year, outlines the integration of our climate risk management strategy into our overall management framework. There are no officially defined exclusions on a geographical or business line basis; the policies are designed to apply across all banking activities in line with national and international regulations. This broad scope enables the Bank to manage the environmental impacts arising from both its own operations and the projects it finances, to fulfill its responsibilities towards stakeholders, and to act in line with its net-zero carbon target.

(4.6.1.5) Environmental policy content

Environmental commitments

☒ Commitment to comply with regulations and mandatory standards

☒ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☒ Commitment to 100% renewable energy

☒ Commitment to net-zero emissions

Water-specific commitments

☒ Commitment to reduce or phase out hazardous substances

☒ Commitment to reduce water consumption volumes

☒ Commitment to reduce water withdrawal volumes

Social commitments

☒ Commitment to promote gender equality and women's empowerment

☒ Commitment to respect internationally recognized human rights

Additional references/Descriptions

☒ Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns

☒ Description of membership and financial support provided to organizations that seek to influence public policy

☒ Recognition of environmental linkages and trade-offs

☒ Reference to timebound environmental milestones and targets

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☒ Yes, in line with the Paris Agreement

☒ Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation

(4.6.1.7) Public availability

Select from:

☒ Publicly available

(4.6.1.8) Attach the policy

albaraka-turk-environment-policy_eng.pdf,albaraka-turk-sustainability-policy_eng.pdf

[Add row]

(4.7) Does the policy framework for the portfolio activities of your organization include environmental requirements that clients/investees need to meet, and/or exclusion policies?

	Policy framework for portfolio activities include environmental requirements for clients/investees, and/or exclusion policies
Banking (Bank)	Select from: ☒ Yes, our framework includes both policies with environmental client/investee requirements and environmental exclusion policies

[Fixed row]

(4.7.1) Provide details of the policies which include environmental requirements that clients/investees need to meet.

Banking (Bank)

(4.7.1.1) Environmental issues covered

Select all that apply

- ☒ Climate change
- ☒ Water

(4.7.1.2) Type of policy

Select all that apply

- ☒ Credit/lending policy
- ☒ Risk policy
- ☒ Engagement policy

(4.7.1.3) Public availability

Select from:

- ☒ Publicly available

(4.7.1.4) Attach the policy

albaraka-turk-sustainability-policy_eng.pdf

(4.7.1.5) Value chain stages of client/investee covered by policy

Select from:

- ☒ Direct operations and upstream/downstream value chain

(4.7.1.6) Industry sectors covered by the policy

Select all that apply

- | | |
|---|--|
| ☒ Retail | ☒ Fossil Fuels |
| ☒ Apparel | ☒ Manufacturing |
| ☒ Services | ☒ Infrastructure |
| ☒ Materials | ☒ Power generation |
| ☒ Hospitality | ☒ International bodies |
| ☒ Transportation services | |
| ☒ Food, beverage & agriculture | |
| ☒ Biotech, health care & pharma | |

(4.7.1.9) % of portfolio covered by the policy in relation to total portfolio value

12

(4.7.1.10) Basis of exceptions to policy

Select all that apply

- ☒ Segment of the value chain

(4.7.1.11) Explain how criteria coverage and/or exceptions have been determined

Albaraka Türk has started to integrate sustainability considerations into its credit policies. Within this framework, loan applications and project evaluation reports are reviewed in line with sustainability criteria. Throughout the process, clients are asked to provide documentation demonstrating their environmental and social responsibility. The assessments carried out under the credit policy take into account climate-related risks, monitoring of carbon emissions, renewable energy and energy efficiency practices, conservation of water and natural resources, occupational health and safety standards, as well as employment and social responsibility initiatives for disadvantaged groups. Under the new approach, loan requests exceeding 10 million USD are subject to evaluation. This threshold has been set to prioritize high-value exposures that are more critical in the Bank's risk management practices. Accordingly, only applications above this limit are reviewed against sustainability criteria, ensuring a more effective assessment process. At Albaraka Türk, we are committed to conducting risk assessments under our Environmental and Social Risk (ESR) framework for all loan exceeding 10 million U.S. dollars, taking into account the environmental and social impacts of these applications, contributing to sustainable development, and encouraging our customers to act in accordance with these principles. In this context, while % of portfolio covered in relation to total portfolio value is 10 million U.S. dollars is 0.2%, this proportion within total portfolio is reported as 12%. Note: Because the system does not allow it; For the question "% of clients/investees compliant with the policy (column 15)," 1% was entered instead of 0.2%. The percentage of clients/investees compliant with the policy in 2025 is 0.2%.

(4.7.1.12) Requirements for clients/investees

Environmental commitments

- ☒ Commitment to comply with regulations and mandatory standards
- ☒ Commitment to take environmental action beyond regulatory compliance
- ☒ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

- ☒ Commitment to disclose Scope 1 emissions
- ☒ Commitment to disclose Scope 2 emissions
- ☒ Commitment to disclose Scope 3 emissions

Water-specific commitments

- ☒ Commitment to reduce or phase out hazardous substances
- ☒ Commitment to control/reduce/eliminate water pollution

(4.7.1.13) Measurement of proportion of clients/investees compliant with the policy

Select from:

☒ Yes

(4.7.1.14) % of clients/investees compliant with the policy

1

(4.7.1.15) % of portfolio value that is compliant with the policy

12

(4.7.1.16) Target year for 100% compliance

Select from:

☒ In more than 5 years

[Add row]

(4.7.2) Provide details of your exclusion policies related to industries, activities and/or locations exposed or contributing to environmental risks.

Banking (Bank)

(4.7.2.1) Type of exclusion policy

Select from:

☒ All fossil fuels

(4.7.2.2) Fossil fuel value chain

Select all that apply

☒ Upstream

☒ Midstream

☒ Downstream

(4.7.2.3) Year of exclusion implementation

2024

(4.7.2.4) Phaseout pathway

Select all that apply

- ☒ New business/investment for new projects
- ☒ New business/investment for existing projects
- ☒ Existing business/investment for existing projects

(4.7.2.5) Year of complete phaseout

2050

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

- ☒ Türkiye

(4.7.2.7) Description

The 2053 net zero emissions target represents a critical milestone for Türkiye's energy transformation and climate strategy. In line with this national commitment, the transition to renewable energy sources is expected to accelerate, while reliance on fossil fuels will steadily decline. As Albaraka Türk, we aim to contribute to this transition by supporting sustainable projects that align with Türkiye's 2053 net zero pathway as well as global climate goals. By prioritizing environmentally friendly and sustainable financing solutions, we seek to play an active role in reducing carbon emissions and strengthening Türkiye's green energy capacity. The national strategy to phase out fossil fuel investments by 2053 further reinforces our commitment to clean energy financing. Within this framework, Albaraka Türk will continue to expand its contribution to a greener energy future, ensuring alignment with both Türkiye's 2053 net zero target and international sustainability objectives.

[Add row]

(4.8) Does your organization include covenants in financing agreements to reflect and enforce your environmental policies?

	Covenants included in financing agreements to reflect and enforce policies
	Select from: ☒ Yes

[Fixed row]

(4.8.1) Provide details of the covenants included in your organization's financing agreements to reflect and enforce your environmental policies.

Row 1

(4.8.1.1) Environmental issue

Select all that apply

- ☒ Climate change
- ☒ Water

(4.8.1.2) Types of covenants used

Select all that apply

- ☒ A purpose or use of proceeds clause that refers to a taxonomy aligned activity
- ☒ Covenants related to compliance with your environmental policies
- ☒ Minimum level of taxonomy aligned assets are mandated

(4.8.1.3) Asset class/product types covered by covenants

Select all that apply

- ☒ Corporate loans
- ☒ Project finance

(4.8.1.4) Criteria for how covenants are applied

Select from:

☒ New business/investment for new projects

(4.8.1.5) % of clients covered by covenants

0.2

(4.8.1.6) % of portfolio covered in relation to total portfolio value

12

(4.8.1.7) Provide details on which environmental policies your covenants enforce and how

At Albaraka Türk, we are committed to conducting risk assessments under our Environmental and Social Risk (ESR) framework for all loan and project financing applications exceeding 10 million U.S. dollars, taking into account the environmental and social impacts of these applications, contributing to sustainable development, and encouraging our customers to act in accordance with these principles. In this context, while % of portfolio covered in relation to total portfolio value is 10 million U.S. dollars is 0.2%, this proportion within total portfolio is reported as 12%.

[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

	Are you a signatory or member of any environmental collaborative frameworks or initiatives?
	Select from: ☒ No, but we plan to within the next two years

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Not assessed

☒ Not assessed

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☒ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☒ Paris Agreement

☒ Sustainable Development Goal 6 on Clean Water and Sanitation

(4.11.4) Attach commitment or position statement

2025 TSRS Compliant Sustainability Report.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☒ No, neither my organization or the intermediary organization we engage through is registered

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Our Bank discloses its environmental commitments and transition plan in the TSRS Sustainability Report. In addition, the section titled “Environmental Sustainability Approach and Policy” in the Integrated Annual Report sets out the foundations of our process. The Bank’s environmental ecosystem consists of all renewable and non-renewable resources required in its service cycle, primarily energy, water, and paper. Another critical channel of indirect but significant interaction with the environmental ecosystem is the Bank’s lending activities. In both focus areas, our objective is to reduce our carbon footprint, minimize waste, and manage environmental impact through sustainable financing. Our processes are carried out through the Sustainability Committee and relevant coordination groups, and are transformed into a common approach through decisions taken with the participation of different business units and senior management. Prioritization studies are conducted in line with global trends, industry reports, recommendations of international organizations, and the United Nations Sustainable Development Goals (UN SDGs). In this way, our external engagement activities are aligned with both our environmental commitments and our transition plan. The Bank regularly calculates its Scope 1 and Scope 2 emissions and includes certain Scope 3 consumption categories in its measurements. Each year, we identify our environmental footprint and develop projects aimed primarily at reducing emissions arising from our own operations. Energy and water efficiency measures, digitization projects such as “Paperless Banking,” waste reduction efforts, and compliance initiatives are integral parts of this process. If an inconsistency is identified, the relevant process is reviewed by the Sustainability Committee, corrective actions are planned, and implementation is carried out in coordination with the relevant business units. This structure ensures that our external engagement activities are not only consistent with the Bank’s overall strategy but also aligned with identified environmental dependencies, impacts, risks, and opportunities.

[Fixed row]

(4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☒ Yes

(4.12.1) Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☒ In mainstream reports

(4.12.1.2) Is your publication in line with a standard or framework?

Select from:

☒ Yes

(4.12.1.3) Standard or framework the publication is in line with

Select all that apply

- ☒ GRI
- ☒ IFRS
- ☒ TCFD

(4.12.1.4) Environmental issues covered in publication

Select all that apply

- ☒ Climate change
- ☒ Water

(4.12.1.5) Status of the publication

Select from:

- ☒ Complete

(4.12.1.6) Content elements

Select all that apply

- | | |
|--|---|
| ☒ Strategy | ☒ Public policy engagement |
| ☒ Governance | ☒ Climate-related targets |
| ☒ Risks & Opportunities | ☒ Water accounting figures |
| ☒ Value chain engagement | ☒ Water pollution indicators |
| ☒ Dependencies & Impacts | ☒ Content of environmental policies |

(4.12.1.7) Page/section reference

General Information About the Bank and the Structure of the Value Chain; pp. 3–6 Sustainability Governance; pp. 6–10 Our Sustainability Strategy; pp. 11–13 Climate-Related Risks and Opportunities; pp. 13–17 Financial Impacts of Climate Risks and Opportunities; pp. 13–17 Climate-Related Strategy and Decision-Making

Processes; pp. 17–22 Heat Map; pp. 23–26 Climate Resilience and Scenario Analysis; pp. 18– Sustainable Risk Management; pp. 21–26 Climate-Related Indicators and Targets; pp. 27– 30

(4.12.1.8) Attach the relevant publication

2025 TSRS Compliant Sustainability Report.pdf

(4.12.1.9) Comment

no answer
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☒ Yes

(5.1.2) Frequency of analysis

Select from:

☒ Annually

Water

(5.1.1) Use of scenario analysis

Select from:

☒ No, but we plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☒ Insufficient data

(5.1.4) Explain why your organization has not used scenario analysis

Albaraka Türk tracks and evaluates climate-related risks across its operations and financial portfolios. While the Bank recognizes the long-term importance of water-related risks, a dedicated water scenario analysis could not be conducted during this reporting period due to the current lack of sufficiently granular, standardized, and

asset-level water data. Going forward, the Bank aims to enhance its data collection infrastructure and engage with comprehensive data sources to systematically integrate water-related physical risks into its broader environmental scenario analysis frameworks.

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☒ NGFS scenarios framework, please specify :Orderly

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Portfolio

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Acute physical

☒ Chronic physical

☒ Policy

☒ Market

(5.1.1.6) Temperature alignment of scenario

Select from:

☒ 1.5°C or lower

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

☒ 2025

☒ 2030

☒ 2040

☒ 2050

(5.1.1.9) Driving forces in scenario

Regulators, legal and policy regimes

☒ Global regulation

☒ Level of action (from local to global)

☒ Global targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Albaraka Türk has prioritized acute physical risks such as extreme weather events and transition risks related to regulatory changes in its scenario analyses. Within the framework of the Orderly Transition scenario, assumptions were developed by considering Turkey's policy environment, economic structure, climate conditions, and technological transformation capacity. In terms of policies, Turkey's ratification of the Paris Agreement and its 2053 Net Zero Emission target strengthen expectations of stricter regulations in the medium and long term. International policies such as the EU Carbon Border Adjustment Mechanism (CBAM) are expected to increase costs for clients operating in carbon-intensive sectors, representing a critical transition risk for the Bank's credit portfolio. Macroeconomic trends, including growth, inflation, exchange rates, and investment flows, are assumed to directly affect carbon costs and the financial sustainability of sectors. Carbon-intensive industries are expected to face declining revenues and profitability under rising cost pressures. At the national and regional level, the geographical and climatic characteristics of cities where financed assets and clients are located, as well as demographics, infrastructure resilience, and the availability of natural resources, were considered. Exposure to floods, droughts, and storms was analyzed using international data sources such as heat mapping techniques. With respect to energy usage, Turkey remains largely dependent on fossil fuels; however, renewable energy investments are increasing. The pace and scope of the energy transition are

assumed to be decisive for sectoral impacts, and energy costs are expected to vary across industries. On technology, developments such as energy efficiency solutions, carbon capture, green hydrogen, and sustainable production methods are assumed to play a critical role in the low-carbon transition. Although adoption will vary across sectors, these technologies are projected to provide long-term emission reduction potential. Uncertainties include the timing and scope of policy implementation, economic volatility, the commercialization of new technologies, and climate variability. An NFGS Adverse Scenario analysis was conducted for the anticipated financial instruments related to the resulting risk.

(5.1.1.11) Rationale for choice of scenario

Albaraka Türk has selected the NGFS Orderly Transition scenario. This scenario assumes that carbon pricing and policy measures are introduced in a predictable and timely manner, providing a low-shock and gradual transition pathway. This is highly relevant for testing the resilience of the Bank's business strategy, as it considers both transition and physical risks at manageable levels. The scenario is aligned with the Paris Agreement and Turkey's 2053 Net Zero target, reflecting expectations of stricter regulations in the medium to long term. Clients operating in carbon-intensive sectors are expected to face rising costs due to CBAM and other international policies. However, because the transition is more predictable, sudden market shocks remain limited, allowing risks in the Bank's credit portfolio to be more manageable. The scenario directly supports the Bank's strategic planning. Sector-based credit policies are systematically integrated with carbon footprint criteria, insurance and collateral structures are reviewed, and the share of green finance products is expanded. This allows the Bank to test its resilience to climate-related uncertainties and strengthen the stability of its long-term financing models. Scenario analysis is informed by IPCC reports, NGFS projections, and international climate models. In line with financial sector guidance, Albaraka Türk applies environmental scenario analysis not only to its operational activities but also to lending, investment, and intermediation activities, ensuring that climate-related risks and opportunities are assessed comprehensively across its business model.

[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

- ☒ Risk and opportunities identification, assessment and management
- ☒ Strategy and financial planning
- ☒ Resilience of business model and strategy
- ☒ Capacity building

(5.1.2.2) Coverage of analysis

Select from:

(5.1.2.3) Summarize the influence of the scenario analysis on the selected business processes

In its climate risk and opportunity assessments, the Bank used recognized global scenarios to evaluate its medium- and long-term resilience to uncertainties arising from climate change. RCP scenarios were used for physical risk scenarios. RCP (Representative Concentration Pathways) scenarios are sets of scenarios describing the possible future development of global greenhouse gas concentrations. Developed by the IPCC, these scenarios indicate the levels that greenhouse gas concentrations in the atmosphere may reach by 2100 under different socio-economic and policy developments, expressed as radiative forcing in W/m² in terms of CO₂ equivalent. The potential impacts of factors such as temperature increases, changes in precipitation patterns and extreme weather events were analyzed under different climate scenarios. Climate scenarios published by the Network for Greening the Financial System (NGFS) were used as the basis for assessing transition risks. NGFS scenarios model the potential consequences for financial and economic systems based on different rates of climate policy implementation, market transformation and technological adaptation. Through scenario analyses, the sensitivity of the Bank's credit portfolio to climate change on a sectoral basis, the exposure of its branches and operations to climate-related physical risks and the potential impacts of transition risks arising from policy changes were assessed qualitatively. The RCP and NGFS scenarios used in the analysis cover long-term time horizons extending to 2100, and short-term (2030), medium-term (2050) and long-term (2100) climate impacts were considered separately. In this way, the risks and impacts that climate change may create across different time horizons were assessed holistically. In terms of the availability and flexibility of the entity's existing financial resources, the Bank currently maintains its financial resilience against climate-related risks, and plans are being developed to use these resources more effectively in the future to capitalize on climate related opportunities. In terms of the ability to reposition existing assets, repurpose them or retire them from service, strategic targets are planned to be established to reduce carbon-intensive assets and increase green investments, while restructuring the portfolio against climate risks will be considered in future periods. The analyses used in assessing climate risks cover Albaraka Türk's operations within the borders of Türkiye. Within this scope, the climate exposure and vulnerability of domestic operational locations, including the Head Office building, regional directorates and all branches, were taken into account.

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☒ No, but we are developing a climate transition plan within the next two years

(5.2.20) Primary reason for not having a climate transition plan that aligns with a 1.5°C world

Select from:

☒ No standardized procedure

(5.2.21) Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world

Albaraka Türk does not yet have a formal climate transition plan fully aligned with a 1.5°C world. However, in 2024, as part of its first TSRS report, the Bank identified its key climate-related risks and opportunities and initiated scenario analyses to assess the resilience of its business strategy under different climate pathways. This process represents an important first step in building the foundation for a structured transition plan. The Bank is committed to broadening the scope of its GHG emissions accounting and disclosure in the coming reporting cycles, ensuring greater coverage across operational and portfolio-related emissions. This expanded emissions inventory will form the basis for setting more science-based targets and aligning future strategies with global climate objectives. Albaraka Türk also recognizes the strategic importance of developing a transition plan that is consistent with Turkey's 2053 Net Zero target as well as international climate frameworks. The Bank therefore intends to publish its climate transition plan, including clear interim targets, actions to reduce portfolio exposure to carbon-intensive sectors, and measures to expand sustainable finance activities. This will allow the Bank to gradually align its lending, investment, and operational strategies with a 1.5°C pathway, while continuing to strengthen portfolio resilience and support the transition of its clients.

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☒ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☒ Products and services

☒ Upstream/downstream value chain

☒ Investment in R&D

☒ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

- ☒ Physical risks
- ☒ Transition risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change
- ☒ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

With increasing global and national awareness of climate change, Albaraka Türk has systematically integrated environmental risks and opportunities into its strategies. The Bank recognizes that policy and reputation risks, along with shifting customer preferences, are driving demand for low-carbon, resource-efficient, and climate-sensitive financial products. Accordingly, in 2025, Albaraka Türk provided a total of TRY 798,640,000 in financing through eco-friendly banking products. These investments significantly reduce carbon footprints while expanding the Bank's sustainable financing portfolio and customer base. Albaraka Türk also sees significant opportunities in energy-efficient housing and low-emission vehicle financing, where customer demand is expected to grow due to social awareness and regulatory incentives. In response, the Bank is developing financial products such as energy efficiency loans, sustainable housing credits, and green leasing models, thereby strengthening its presence in the retail and SME segments. To meet the growing demand for Shariah-compliant yet climate-sensitive financing, the Bank has also integrated ESG (Environmental, Social, and Governance) compatible participation banking products into its strategy. This process encompasses the financing of renewable energy, energy efficiency, and environmentally friendly production systems, embedding ESG principles directly into product design and decision-making mechanisms. Operationally, Albaraka Türk pursues resource efficiency and cost savings through green buildings, waste management, and energy-saving technologies across its branches and headquarters. These measures support environmental goals while lowering operational costs. Albaraka Türk's strategic approach is shaped not only by customer demands but also by its alignment with Türkiye's 2053 Net Zero target. Furthermore, Türkiye's ratification of the Paris Climate Agreement in 2021 and its adoption of a 2053 net-zero emission target—consistent with limiting global warming to 1.5°C—have become fundamental pillars of the Bank's long-term sustainability policies. By incorporating environmental criteria into credit evaluation and risk management processes, the Bank turns environmental opportunities into profitable and sustainable financing solutions. This reinforces portfolio resilience, enhances customer loyalty, and consolidates Albaraka Türk's position as a leading institution in sustainable participation banking in Türkiye.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

- ☒ Physical risks
- ☒ Transition risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change
- ☒ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Albaraka Türk recognizes that climate-related risks and opportunities can affect all stages of its value chain. Therefore, both the upstream (suppliers) and downstream (customers and markets) parts of the value chain are prioritized in its climate-related risk and opportunity assessments. In the upstream value chain, managing environmental risks in long-term supplier relationships has become a critical element. The Bank prioritizes energy-efficient, low-carbon, and environmentally friendly products and services in its procurement processes, adopting a sustainability-focused approach across its supply chain. Supplier selection criteria include quality, efficiency, compliance with legal frameworks, and adherence to environmental standards. Albaraka Türk prioritizes working with local suppliers, thereby contributing to the national economy while also promoting sustainable practices within its supply chain. Regular audits and performance assessments ensure that suppliers align with the Bank's environmental policies and corporate values. In the downstream value chain, lending, investment management, and financial advisory services are shaped by climate risks and opportunities. Particularly within the transition to a low-carbon economy, directing clients towards green investments has become a strategic decision. The Bank provides climate-friendly solutions to its customers, including financing for energy efficiency, renewable energy, and low-emission housing and vehicles. This approach not only strengthens customer satisfaction but also enhances resilience against climate-related risks. In strategic decision-making, short-term priorities include operational compliance and supplier evaluation criteria, while medium- and long-term strategies focus on aligning the Bank's financing portfolio with Turkey's 2053 Net Zero target. Within this scope, the significant allocation of financing to renewable energy investments has been a key milestone in the Bank's strategy. In conclusion, climate-related risks (such as increases in carbon pricing, regulation-driven costs, and supply chain compliance risks) and opportunities (such as green finance, new customer segments, and sustainable product diversification) are shaping Albaraka Türk's value chain strategy. The Bank, in line with the Paris Agreement and Turkey's 2053 Net Zero target, is implementing decisions that promote sustainable growth across its value chain, extending from suppliers to customers.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

- ☒ Physical risks

- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change
- ☒ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Albaraka Türk has clearly felt the impact of environmental risks and opportunities on its business strategies, particularly in the area of R&D investments. The effects of climate change, increasing regulatory pressures, and shifting customer expectations have made it imperative for the Bank to develop technology- and innovation-focused solutions. In this context, strategic R&D projects have been launched to manage environmental risks and capitalize on opportunities. One of the most significant initiatives is the use of Sustable software in carbon footprint calculation processes. This tool enables the Bank to measure emissions resulting from its operational and financial activities quickly and transparently. This capability is vital for ensuring compliance with climate-related regulations, meeting investor expectations, and strengthening the Bank's long-term climate strategies. In addition, the Paperless Banking Project, led by the Business Excellence and Innovation Department, has both improved the customer experience and increased operational efficiency. This project demonstrates how environmental opportunities can be directly integrated into business processes and highlights that the transition to a low-carbon economy can create new business opportunities for the Bank. This project demonstrates how environmental opportunities can be directly integrated into business processes and shows that the transition to a low-carbon economy can generate new business opportunities for the Bank. These projects are pursued with a long-term strategy. Focusing R&D investments on environmentally friendly technologies not only reduces costs in the short term but also enables the Bank to align with its 2053 Net Zero Emission Target in the long term. In strategic decision-making processes, risks and opportunities are evaluated together. For instance, continuing operations based on paper use poses long-term financial risks due to increasing carbon costs and environmental pressures, while transforming processes through digitalization and AI-powered software creates new business areas and strengthens the Bank's sustainability performance. Ultimately, these R&D investment decisions are aligned with the Paris Agreement and Turkey's 2053 Net Zero Target. In this framework, environmental risks are not viewed solely as a cost factor, but also as a strategic opportunity for innovation and the development of new financial products.

Operations

(5.3.1.1) Effect type

Select all that apply

- ☒ Physical risks
- ☒ Transition risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change
- ☒ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

In 2025, the goal is to raise awareness by providing sustainability training to employees as part of the Basic Banking training program. In the future, the bank plans to provide awareness training on Environmental and Social Risk assessments, which will also include its branches.

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

- ☒ Direct costs
- ☒ Capital expenditures

(5.3.2.2) Effect type

Select all that apply

- ☒ Physical risks
- ☒ Transition risks
- ☒ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☒ Climate change

☒ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Albaraka Türk directly integrates climate-related risks and opportunities into its financial planning. Both short-, medium-, and long-term strategies are shaped by operational risks and portfolio-level impacts. Physical risks such as floods, storms, and droughts threaten financed real estate and weaken repayment capacity. To mitigate this, the Bank includes climate-related hazards in its insurance policies; approximately 11.3 nilyon TRY has been allocated for premiums in 2025, and these risks have been eliminated within the scope of financial planning. Transition risks, such as the EU Carbon Border Adjustment Mechanism (CBAM), increase costs for carbon-intensive customers, creating potential default risks. By 2025, Albaraka Türk had provided its customers with approximately 798,640,000 TL in financing for environmentally friendly products. All these actions support Turkey's 2053 Net Zero target and are consistent with the Paris Agreement's 1.5 °C roadmap. Financial resources are allocated to renewable energy, efficiency projects, and low-carbon product development, while external financing opportunities are also being evaluated to accelerate climate action. In summary, environmental risks and opportunities are key elements of financial planning. Insurance, credit, capital expenditures, product development, and operations are all focused on strengthening resilience and ensuring long-term sustainable growth
[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

Carbon

(5.10.1) Use of internal pricing for this environmental externality

Select from:

☒ No, but we plan to in the next two years

(5.10.2) Primary reason for not pricing this environmental externality

Select from:

☒ No standardized procedure

(5.10.3) Explain why your organization does not price this environmental externality

Albaraka Türk has not yet implemented internal pricing for environmental externalities such as carbon or water. Turkey's ratification of the Paris Agreement, its national Net Zero 2053 target, and new regulatory frameworks such as the EU Carbon Border Compensation Mechanism (CBAM), the Bank acknowledges that internal pricing will be vital for regulatory compliance and sustainable growth. Over the next two years, Albaraka Türk plans to establish an internal pricing

mechanism, starting with carbon pricing in credit and investment decisions for carbon-intensive sectors. Over time, this mechanism will be expanded to include water and other externalities. This framework will support the better integration of climate-related costs into risk management, financial planning, and product development, while also facilitating the creation of climate-sensitive financial products. Through this initiative, the bank aims to strengthen the resilience of its portfolio, align with international best practices, and systematically incorporate environmental costs into the decision-making process.

Water

(5.10.1) Use of internal pricing for this environmental externality

Select from:

☒ No, and we do not plan to in the next two years

(5.10.2) Primary reason for not pricing this environmental externality

Select from:

☒ No standardized procedure

(5.10.3) Explain why your organization does not price this environmental externality

Albaraka Türk does not currently apply an internal price on water-related environmental externalities. While the Bank systematically monitors and manages climate and environmental risks within its sustainable banking framework, an operational or portfolio-wide internal pricing mechanism for water has not yet been established. This is primarily due to the fact that national regulations and compliance frameworks regarding water-related externalities have not yet been fully formalized. Moving forward, the Bank will continue to monitor regulatory developments and evaluate the feasibility of integrating water externalities into its internal risk assessment processes as national legal frameworks mature.

Other

(5.10.1) Use of internal pricing for this environmental externality

Select from:

☒ No, and we do not plan to in the next two years

[Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Clients	Select from: ☒ Yes	
Suppliers	Select from: ☒ Yes	Select all that apply ☒ Climate change ☒ Water
Investors and shareholders	Select from: ☒ Yes	Select all that apply ☒ Climate change ☒ Water
Other value chain stakeholders	Select from: ☒ Yes	Select all that apply ☒ Climate change ☒ Water

[Fixed row]

(5.11.3) Provide details of your environmental engagement strategy with your clients.

Row 1

(5.11.3.1) Type of clients

Select from:

☒ Clients of Banks

(5.11.3.2) Environmental issues covered by the engagement strategy

Select all that apply

☒ Climate change

☒ Water

(5.11.3.3) Type and details of engagement

Capacity building

☒ Support clients to set their own environmental commitments across their operations

Financial incentives

☒ Provide financial incentives for environmental performance

☒ Provide financial incentives for clients increasing renewable energy use

Information collection

☒ Collect environmental risk and opportunity information at least annually from clients

Innovation and collaboration

☒ Run a campaign to encourage innovation to reduce environmental impacts on products and services

(5.11.3.4) % of client-associated scope 3 emissions as reported in question 12.1.1

Select from:

☒ Unknown

(5.11.3.5) % of portfolio covered in relation to total portfolio value

Select from:

☒ 100%

(5.11.3.6) Explain the rationale for the coverage of your engagement

As Albaraka Türk, we recognize the importance of engaging with our clients to advance our climate change strategies and support the transition to a low-carbon economy. Our engagement approach focuses primarily on clients operating in sectors with higher exposure to environmental risks, such as carbon-intensive industries and sectors sensitive to water stress or extreme weather. These clients are prioritized due to their significant contribution to Scope 3 emissions and potential impact on the Bank's portfolio resilience. We also actively support clients in renewable energy and sustainability-related investments. In 2023, Albaraka Türk financed renewable energy projects with a total installed capacity of 62,3148.9 MW. This reflects our strategic priority to encourage clients' transition to

clean energy and increase the share of green assets in our portfolio. Engagement activities include providing financial products tailored to sustainable projects, offering awareness-raising initiatives on energy efficiency and resource savings, and promoting business models aligned with Turkey's Net Zero 2053 target and the Paris Agreement. By concentrating our engagement on clients with both high environmental impact and high potential for transition, we aim to reduce risks, unlock new opportunities, and contribute to sustainable growth.

(5.11.3.7) Describe how you communicate your engagement strategy to your clients and/or to the public

We communicate our engagement strategy transparently through multiple channels. Our official website and social media accounts are regularly used to share information on sustainability initiatives, client engagement activities, and updates on climate-related strategies. In addition, progress and outcomes are publicly disclosed through our annual Integrated Annual Report, which provides detailed evaluations of our environmental and social performance, including client-focused sustainability practices. This approach ensures that both our clients and the wider public are informed about the Bank's priorities, actions, and results. Our reports include highlights on financed renewable energy projects, energy efficiency initiatives, and other client engagement outcomes, aligning them with Turkey's Net Zero 2053 target and the Paris Agreement. By providing regular updates and publicly available information, we aim to maintain transparency, strengthen trust with stakeholders, and demonstrate accountability in our engagement strategy. Also clients can watch our sustainability performance through BIST Sustainability Index. The Bank is publicly-traded and this is why the sustainability transparency is in high level through different channels.

(5.11.3.8) Attach your engagement strategy

ALB_EFRAE_2025_06.03.2026_Sustable.pdf

(5.11.3.9) Staff in your organization carrying out the engagement

Select all that apply

- ☒ Specialized in-house engagement teams
- ☒ Equity/credit analysts
- ☒ Senior-level roles

(5.11.3.10) Roles of individuals at the portfolio organizations you seek to engage with

Select all that apply

- ☒ CEO
- ☒ Corporate secretary
- ☒ Investor relations managers
- ☒ Other, please specify :sustainability managers, specialist

(5.11.3.11) Effect of engagement, including measures of success

AlbarAlbaraka Türk's client engagement activities aim to reduce environmental risks in the portfolio and contribute to Türkiye's 2053 Net Zero target. The success of these efforts is measured through tangible developments such as clients adopting more sustainable business models, improving their operational efficiency, and undertaking renewable energy investments. The coverage of the engagement strategy is determined by clients operating in carbon-intensive sectors or sectors that are more vulnerable to climate risks, as these groups represent a significant share of the Bank's Scope 3 emissions. Therefore, initiatives carried out in these areas directly contribute to strengthening portfolio resilience and reducing environmental impact. Positive outcomes may include steps taken by some clients in energy-intensive sectors to enhance energy efficiency, as well as initiatives by clients investing in renewable energy to further develop their projects. Such developments indicate that Albaraka Türk's financing support and engagement strategy can contribute to mitigating environmental risks within the portfolio and have the potential to support sustainable growth across the value chain. Albaraka Türk regularly monitors progress achieved in this process and discloses it to the public through its Integrated Activity Report. In doing so, the Bank ensures transparency and strengthens trust with its stakeholders. Also clients can watch our sustainability performance through BIST Sustainability Index. The Bank is publicly- traded and this is why the sustainability transparency is in high level through different channels.

(5.11.3.12) Escalation process for engagement when dialogue is failing

Select from:

☒ No, we don't have an escalation process

[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☒ Adaptation to climate change

(5.11.7.3) Type and details of engagement

Capacity building

☒ Provide training, support and best practices on how to mitigate environmental impact

(5.11.7.4) Upstream value chain coverage

Select all that apply

☒ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ 100%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☒ Less than 1%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Albaraka Türk integrates environmental and social responsibility into its supplier relationships by prioritizing sustainable procurement practices. The Bank has incorporated an environmental and social risk assessment into its supplier evaluation processes—which include compliance with legal requirements, alignment with the Bank’s corporate values, and commitment to sustainability principles—and has published this as part of its responsible procurement policy. By sharing its expectations, policies, and sustainability requirements with suppliers, the Bank ensures that environmental considerations are integrated into procurement processes and suppliers’ operations. This collaboration is particularly important for supporting local suppliers, who account for the vast majority of procurement expenditures, and helps them improve their environmental performance and resilience. Alignment with the national Net Zero 2053 target is a key component of this effort.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☒ Adaptation to climate change

(5.11.7.3) Type and details of engagement

Capacity building

☒ Provide training, support and best practices on how to mitigate environmental impact

(5.11.7.4) Upstream value chain coverage

Select all that apply

☒ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ 100%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Albaraka Türk integrates environmental and social responsibility into its supplier relationships by prioritizing sustainable procurement practices. The Bank has incorporated an environmental and social risk assessment into its supplier evaluation processes—which include compliance with legal requirements, alignment with the Bank’s corporate values, and commitment to sustainability principles—and has published this as part of its responsible procurement policy. By sharing its expectations, policies, and sustainability requirements with suppliers, the Bank ensures that environmental considerations are integrated into procurement processes and suppliers’ operations. This collaboration is particularly important for supporting local suppliers, who account for the vast majority of procurement expenditures, and helps them improve their environmental performance and resilience. Alignment with the national Net Zero 2053 target is a key component of this effort.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Yes

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☒ Other value chain stakeholder, please specify :The Bank Association of Türkiye (TBB), Partipation Banks Association of Türkiye(TKBB), Ecording Social Enterprise

(5.11.9.2) Type and details of engagement

Innovation and collaboration

☒ Collaborate with stakeholders on implementing adaptation activities

☒ Engage with stakeholders to advocate for policy or regulatory change

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☒ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Because it is difficult to obtain the data, it has not yet been made available. However, we have plans in place for the coming years.

[Add row]

C6. Environmental performance - Consolidation approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

	Consolidation approach used	Provide the rationale for the choice of consolidation approach
Climate change	Select from: ☒ Financial control	<i>Companies, entities or groups over which operational control is exercised</i>
Water	Select from: ☒ Financial control	<i>Companies, entities or groups over which operational control is exercised</i>
Plastics	Select from: ☒ Financial control	<i>Companies, entities or groups over which operational control is exercised</i>
Biodiversity	Select from: ☒ Financial control	<i>Companies, entities or groups over which operational control is exercised</i>

[Fixed row]

C7. Environmental performance - Climate change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☒ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☒ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

☒ Yes, a change in boundary

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

This year, we expanded the scope of the “purchased goods” section to include three categories as part of our efforts to improve our emissions calculations. We also began infrastructure work to enable a more detailed analysis of our portfolio emissions.
[Fixed row]

(7.1.3) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☒ No, because the impact does not meet our significance threshold

(7.1.3.4) Base year emissions recalculation policy, including significance threshold

In the current reporting year, the Scope 3 boundary was expanded to include additional categories. However, this change did not involve any change in calculation methodology and the impact on total base year emissions was assessed to be below our significance threshold. Therefore, in line with our policy, no base year recalculation was undertaken.

(7.1.3.5) Past years’ recalculation

Select from:

☒ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☒ ISO 14064-1

☒ The Greenhouse Gas Protocol: Scope 2 Guidance

☒ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

- ☒ 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- ☒ Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019
- ☒ Other, please specify

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

- ☒ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

- ☒ We are reporting a Scope 2, market-based figure

(7.3.3) Comment

As Albaraka Türk, we report our emissions by considering both the market-based and location-based approaches. This holistic methodology enables us to more accurately evaluate our environmental impact and effectively track our progress in reducing Scope 2 emissions.

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are excluded from your disclosure of climate-related data?

Select from:

- ☒ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

3546.69

(7.5.3) Methodological details

For Scope 1 emissions, Albaraka Türk Bank utilizes a direct measurement approach to quantify emissions from company-owned vehicles and fuel combustion for heating. The bank uses region-specific emission factors from reputable international databases like the IPCC and Defra to ensure accuracy and consistency. Key inputs for these calculations include fuel consumption data, vehicle usage records, and operational data related to heating. An operational control approach is adopted to cover all emission sources under the bank's control, and standard emission factors are used to align with global reporting frameworks, ensuring data accuracy and comparability across reporting periods.

Scope 2 (location-based)

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

7618.11

(7.5.3) Methodological details

Albaraka Türk uses a location-based measurement approach for Scope 2 emissions, calculating them based on the average emissions intensity of the grids where its facilities are located. This method employs grid emission factor, sourced from local authorities or national databases. Electricity consumption data is gathered from utility bills and internal monitoring systems. The approach assumes consistent data quality across all locations and aligns with the GHG Protocol and ISO 14064-1:2018 standards, ensuring accurate and relevant carbon footprint reporting.

Scope 2 (market-based)

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

7618.11

(7.5.3) Methodological details

Albaraka Türk uses a location-based measurement approach for Scope 2 emissions, calculating them based on the average emissions intensity of the grids where its facilities are located. This method employs grid emission factor, sourced from local authorities or national databases. Electricity consumption data is gathered from utility bills and internal monitoring systems. The approach assumes consistent data quality across all locations and aligns with the GHG Protocol and ISO 14064-1:2018 standards, ensuring accurate and relevant carbon footprint reporting. No renewable energy certificate or contract was made in the base year. Therefore, market-based emissions were not calculated in the base year.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

1948

(7.5.3) Methodological details

For Albaraka Türk, the Scope 3 emissions from purchased paper are estimated using an activity-based approach. We calculate emissions based on the quantity of paper purchased and emission factors from databases like DEFRA. The key assumption is that these factors represent the average emissions across paper production, transportation, and disposal. This method offers a practical and balanced estimation, aligning with the bank's sustainability goals and data availability.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/30/2018

(7.5.3) Methodological details

There was no purchase of capital goods. Not relevant to the banking sector.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/30/2018

(7.5.3) Methodological details

This category was not calculated in the base year. It is planned to be calculated.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/30/2018

(7.5.3) Methodological details

As the service sector, Albaraka Turk does not have upstream transportation and distribution.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/30/2018

(7.5.3) Methodological details

This category was not calculated in the base year. It is planned to be calculated.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

196

(7.5.3) Methodological details

Albaraka Türk measures Scope 3 emissions from business travel using a distance-based approach. Emission factors are selected according to the type of transportation, utilizing data from recognized sources like DEFRA. Inputs include travel distance, mode of transportation, and the number of trips. Assumptions consider average occupancy rates and fuel efficiency. This approach aligns with GHG Protocol standards and ISO 14064-1:2018, ensuring accurate and transparent reporting of our carbon footprint from business travel.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/30/2018

(7.5.3) Methodological details

This category was not calculated in the base year. It is planned to be calculated.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

There are no upstream leased assets, not relevant.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

There is no downstream transportation and distribution, not relevant.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Albaraka Turk does not sell products, provides services, not relevant to the banking sector.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Albaraka Turk does not sell products, provides services, not relevant to the banking sector.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Albaraka Turk does not sell products, provides services, not relevant to the banking sector.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Albaraka Turk has no assets to leased, therefore it is not relevant.

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Albaraka Turk does not provide any franchising activities.

Scope 3: Other (upstream)

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Albaraka Turk has no other upstream emissions, therefore it is not relevant.

Scope 3: Other (downstream)

(7.5.1) Base year end

12/30/2018

(7.5.2) Base year emissions (metric tons CO2e)

(7.5.3) Methodological details

Albaraka Turk has no other downstream emissions, therefore it is not relevant.

[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO₂e)

4.236

(7.6.3) Methodological details

Scope 1 emissions consist of three main categories: stationary combustion, mobile combustion, and fugitive emissions. Stationary combustion emissions stem from the use of natural gas and diesel fuel and include emissions from heating and those resulting from generator consumption. Mobile combustion emissions refer to emissions resulting from the consumption of gasoline and diesel fuel in company vehicles. Leakage emissions, on the other hand, result from the release of greenhouse gases found in cooling systems and fire suppression equipment.

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO₂e)

4035

(7.6.2) End date

12/31/2024

(7.6.3) Methodological details

Scope 1 emissions consist of three main categories: stationary combustion, mobile combustion, and fugitive emissions. Stationary combustion emissions stem from the use of natural gas and diesel fuel and include emissions from heating and those resulting from generator consumption. Mobile combustion emissions refer to emissions resulting from the consumption of gasoline and diesel fuel in company vehicles. Leakage emissions, on the other hand, result from the release of greenhouse gases found in cooling systems and fire suppression equipment.

Past year 2

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

4147

(7.6.2) End date

12/31/2023

(7.6.3) Methodological details

Scope 1 emissions consist of three main categories: stationary combustion, mobile combustion, and fugitive emissions. Stationary combustion emissions stem from the use of natural gas and diesel fuel and include emissions from heating and those resulting from generator consumption. Mobile combustion emissions refer to emissions resulting from the consumption of gasoline and diesel fuel in company vehicles. Leakage emissions, on the other hand, result from the release of greenhouse gases found in cooling systems and fire suppression equipment.

Past year 3

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

4037

(7.6.2) End date

12/31/2022

(7.6.3) Methodological details

Scope 1 emissions consist of three main categories: stationary combustion, mobile combustion, and fugitive emissions. Stationary combustion emissions stem from the use of natural gas and diesel fuel and include emissions from heating and those resulting from generator consumption. Mobile combustion emissions refer to

emissions resulting from the consumption of gasoline and diesel fuel in company vehicles. Leakage emissions, on the other hand, result from the release of greenhouse gases found in cooling systems and fire suppression equipment.

Past year 4

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

3775

(7.6.2) End date

12/31/2021

(7.6.3) Methodological details

Scope 1 emissions consist of three main categories: stationary combustion, mobile combustion, and fugitive emissions. Stationary combustion emissions stem from the use of natural gas and diesel fuel and include emissions from heating and those resulting from generator consumption. Mobile combustion emissions refer to emissions resulting from the consumption of gasoline and diesel fuel in company vehicles. Leakage emissions, on the other hand, result from the release of greenhouse gases found in cooling systems and fire suppression equipment.

[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

5946.46

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

1.144

(7.7.4) Methodological details

During the reporting period, electricity consumption data from 100% of our facilities (all branches, Regional Headquarters, one Corporate Headquarters, and ATMs) was compiled. Our emissions were calculated in accordance with the GHG Protocol Corporate Standard. In calculating Scope 2 emissions for 2025, the grid emission factor published by the Ministry of Energy and Natural Resources (ETKB)—which represents the most current official data available in Turkey—was used. In the 2025 reporting period, 14,500 MWh of YEK-G certificates were procured, and market-based Scope 2 emissions related to electricity consumption were offset through renewable electricity contract mechanisms.

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

6109

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

0

(7.7.3) End date

12/31/2024

(7.7.4) Methodological details

During the 2024 reporting period, an I-REC certificate was purchased, and market-based Scope 2 emissions related to electricity consumption were offset through renewable electricity contracting mechanisms.

Past year 2

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

5898

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

0

(7.7.3) End date

12/31/2023

(7.7.4) Methodological details

During the 2024 reporting period, an I-REC certificate was purchased, and market-based Scope 2 emissions related to electricity consumption were offset through renewable electricity contracting mechanisms.

Past year 3

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

5941

(7.7.3) End date

12/31/2022

(7.7.4) Methodological details

No offsetting has been performed using certificates from renewable energy sources.

Past year 4

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

5772

(7.7.3) End date

12/31/2021

(7.7.4) Methodological details

No offsetting has been performed using certificates from renewable energy sources.
[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2.269

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

☒ Other, please specify :Average product method Site-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.6) Please explain

Water consumption associated with purchased products was calculated using DEFRA emission factors. Consumption data was compiled from bills and average consumption values, thereby enhancing the reliability and accuracy of the calculations. Consumption for Gift Items, Credit Card Issuance, and Electronics Stores was calculated using the U.S. Environmental Protection Agency's (EPA) Supply Chain Greenhouse Gas Emission Factors.

Capital goods

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

558.28

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.6) Please explain

During the reporting period, emissions associated with the purchase of 8 categories of capital goods were not included in the calculations. Calculations were based on the U.S. EPA Supply Chain GHG Emission Factors.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1425.26

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

☒ Supplier-specific method

☒ Other, please specify :Site-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.6) Please explain

This category covers emissions from the extraction and production of fuels that are accounted for in Scope 1 and Scope 2 but not directly included within them, as well as emissions arising from transmission and distribution losses of electricity. DEFRA emission factors were applied in the calculations. This category is particularly important as it reflects the life-cycle impacts of fuels and the indirect effects of energy losses, thereby ensuring a more comprehensive and transparent disclosure of the Bank's indirect emissions. For this reason, these emissions have been included within Scope 3 reporting.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Reason for this category not being relevant

Select from:

☒ Not applicable to our organization's activities

(7.8.6) Please explain

As a service sector institution, Albaraka Türk does not generate upstream transportation and distribution emissions.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

(7.8.3) Emissions calculation methodology*Select all that apply*

- ☒ Average data method
- ☒ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.6) Please explain

This category was calculated using emission factors appropriate for the disposal methods of electronic waste, household waste, paper waste, glass, metal, and wastewater. To ensure consistency with internationally accepted methodologies and to enhance the transparency and reliability of the results, the UK Government's Greenhouse Gas Conversion Factors for Corporate Reporting have been applied.

Business travel**(7.8.1) Evaluation status***Select from:*

- ☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

228.26

(7.8.3) Emissions calculation methodology*Select all that apply*

- ☒ Distance-based method
- ☒ Other, please specify :Site-specific method Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.6) Please explain

This category covers emissions from business travel by air. Emissions were calculated using flight distance and flight type, providing a more transparent and detailed assessment. DEFRA emission factors were applied, and Well-to-Tank (WTT) emissions were also included to ensure a more comprehensive calculation of the overall climate impact.

Employee commuting

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

946.2

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

☒ Distance-based method

☒ Other, please specify :Site-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.6) Please explain

the average route length for all staff vehicles (arrival/return) is calculated by dividing the total recorded route distances in the off-road system services by the number of routes. Emissions are calculated on a kilometer and passenger basis, using DEFRA emission factors, while the average route length for each trip is provided by suppliers. For GHG emission calculations, the IPCC 6th Assessment Report (AR6) Global Warming Potential (GWP) values are applied.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Reason for this category not being relevant

Select from:

☒ Not applicable to our organization's activities

(7.8.6) Please explain

upstream transportation and distribution activities are not applicable to our operations and therefore this category is considered not relevant.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Reason for this category not being relevant

Select from:

☒ Not applicable to our organization's activities

(7.8.6) Please explain

Downstream transportation and distribution activities are not applicable to our operations and therefore this category is considered not relevant.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Reason for this category not being relevant

Select from:

☒ Not applicable to our organization's activities

(7.8.6) Please explain

Albaraka Türk does not sell physical products but provides financial services; therefore, this category is not relevant to the banking sector.

Use of sold products

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Reason for this category not being relevant

Select from:

☒ Not applicable to our organization's activities

(7.8.6) Please explain

Albaraka Türk does not sell physical products but provides financial services; therefore, no disclosure statement has been issued for this category.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Reason for this category not being relevant

Select from:

☒ Emissions estimated to be insignificant

(7.8.6) Please explain

As a participation bank, Albaraka Türk provides financial and banking services. Our organization does not manufacture, distribute, or sell any physical goods or products. Consequently, there are no downstream greenhouse gas emissions associated with the end-of-life treatment, disposal, or recycling of sold products.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☒ Not evaluated

(7.8.6) Please explain

Albaraka Türk owns physical assets that are leased out to corporate and retail clients through its financial leasing (ijarah) operations. Consequently, emissions from the operation of these assets by our lessees fall under Scope 3 Category 13. However, due to challenges in gathering primary energy and fuel consumption data from lessees, these emissions have not yet been calculated for this reporting period. Albaraka Türk is actively working to enhance its data collection infrastructure to incorporate financed and leased asset emissions into future reporting cycles.

Franchises

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Reason for this category not being relevant

Select from:

☒ Other, please specify :The data has not yet been calculated.

(7.8.6) Please explain

Due to challenges in collecting primary energy and fuel consumption data, the relevant emissions have not yet been calculated for this reporting period. Albaraka Türk is actively working to improve its data collection infrastructure in order to include the emissions from financed and leased assets in future reporting cycles

Other (upstream)

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Reason for this category not being relevant

Select from:

☒ Not applicable to our organization's activities

(7.8.6) Please explain

As a participation bank, Albaraka Türk's upstream value chain emissions are fully and comprehensively captured under the standard Scope 3 categories (Categories 1 to 8), such as Purchased Goods and Services, Business Travel, and Employee Commuting. There are no additional or non-standard upstream activities within our financial and operational boundaries that would generate significant greenhouse gas emissions. Therefore, the 'Other (upstream)' category is considered not relevant to our business model."

Other (downstream)

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Reason for this category not being relevant

Select from:

☒ Not applicable to our organization's activities

(7.8.6) Please explain

As a participation bank, Albaraka Türk's downstream emissions are fully and comprehensively covered under the standard financial sector Scope 3 categories, specifically Category 15 (Investments / Financed Emissions) and Category 13 (Downstream Leased Assets). There are no additional or non-standard downstream activities within our business model that fall outside these categories. Therefore, the 'Other (downstream)' category is considered not relevant to our organization.
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

12/31/2024

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

7.03

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

1599.76

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

8.74

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

206.06

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

(7.8.1.19) Comment

The scope expansion began in 2025, and calculations were performed for the categories for which data was available in 2024.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Select from: ☒ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Select from: ☒ Third-party verification or assurance process in place
Scope 3	Select from: ☒ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☒ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☒ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.1.4) Attach the statement

Albaraka Türk 2025 Entegre Faaliyet Raporu Sinirli Güvence Görüş_ENG.pdf

(7.9.1.5) Page/section reference

Page 2, Greenhouse Gas Emission: Scope 1 Greenhouse Gas Emission (Bank and Consolidated Subsidiaries) (tCO2e) Scope 1 Greenhouse Gas Emission (Associates and Unconsolidated Subsidiaries) (tCO2e)

(7.9.1.6) Relevant standard

Select all that apply

☒ ISAE 3410

(7.9.1.7) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☒ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.2.5) Attach the statement

Albaraka Türk 2025 Entegre Faaliyet Raporu Sinirli Güvence Görüş_ENG.pdf

(7.9.2.6) Page/ section reference

Page 2, Greenhouse Gas Emission: Scope 2 Greenhouse Gas Emissions (Location based) (Bank and Consolidated Subsidiaries) (tCO2e) Scope 2 Greenhouse Gas Emissions (Location based) (Associates and Unconsolidated Subsidiaries) (tCO2e) Scope 2 Greenhouse Gas Emissions (Market-based) (Bank and Consolidated Subsidiaries) (tCO2e)

(7.9.2.7) Relevant standard

Select all that apply

☒ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

- ☒ Scope 3: Purchased goods and services
- ☒ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- ☒ Scope 3: Waste generated in operations
- ☒ Scope 3: Business travel
- ☒ Scope 3: Employee commuting

(7.9.3.2) Verification or assurance cycle in place

Select from:

- ☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

- ☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

- ☒ Limited assurance

(7.9.3.5) Attach the statement

Albaraka Türk 2025 Entegre Faaliyet Raporu Sinirli Güvence Görüş_ENG.pdf

(7.9.3.6) Page/section reference

Page 2, Greenhouse Gas Emission: Scope 3 Greenhouse Gas Emissions (tCO2e)

(7.9.3.7) Relevant standard

Select all that apply

☒ ISAE3000

(7.9.3.8) Proportion of selected emissions categories verified (%)

100

(7.9.3.9) Proportion of total reported scope 3 emissions verified (%)

100

[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:

☒ Increased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

During the 2025 reporting period, 14,500 MWh of YEK-G certificates were procured, and market-based Scope 2 emissions related to electricity consumption were offset through renewable electricity contracting mechanisms.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO₂e)

38.88

(7.10.1.2) Direction of change in emissions

Select from:

☒ Increased

(7.10.1.3) Emissions value (percentage)

0.0038

(7.10.1.4) Please explain calculation

Under Scope 1 (Direct Emissions): While a decrease in natural gas consumption within the stationary combustion category had a mitigating impact, overall Scope 1 emissions rose. This increase was primarily driven by higher vehicle fuel consumption in the mobile combustion category and an increase in refrigerant gas utilization within the fugitive emissions category. Under Scope 2 (Indirect Emissions): The Bank achieved a reduction in electricity consumption, which successfully lowered

indirect emissions from purchased power. However, this reduction was offset by an increase in activity data within the purchased heat and steam category, leading to higher indirect emissions in that specific segment. Consequently, the combined effect of increased mobile fuel, refrigerant leaks, and heat/steam consumption outweighed the efficiency gains achieved in electricity and natural gas consumption, resulting in a net increase in total Scope 1 and 2 emissions.

Divestment

(7.10.1.1) Change in emissions (metric tons CO₂e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No changes were observed.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO₂e)

300.97

(7.10.1.2) Direction of change in emissions

Select from:

☒ Increased

(7.10.1.3) Emissions value (percentage)

(7.10.1.4) Please explain calculation

The scope of the emissions calculation for purchased goods has been expanded; while last year the calculation was limited to goods purchased for water supply, this year electronics, gifts, and credit cards have also been included.

Mergers**(7.10.1.1) Change in emissions (metric tons CO₂e)**

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No changes were observed.

Change in output**(7.10.1.1) Change in emissions (metric tons CO₂e)**

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No changes were observed.

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No changes were observed.

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

859

(7.10.1.2) Direction of change in emissions

Select from:

☒ Increased

(7.10.1.3) Emissions value (percentage)

0.008

(7.10.1.4) Please explain calculation

This year, the capital goods category was calculated for the first time, and the scope of goods purchased was also expanded. For this reason, an increase in the money supply was observed.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO₂e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No changes were observed.

Unidentified

(7.10.1.1) Change in emissions (metric tons CO₂e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

From last year to this year, no other emission changes that could not be identified or explained have been observed.

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No changes were observed.

[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:

☒ Market-based

(7.12) Does your organization have significant land sector activities in its operations or value chain?

	Agriculture, forestry or other land sector activities	Specify the reason for no significant activities
	Select from: ☒ No, explanation provided	Select from: ☒ No relevant activities identified

[Fixed row]

(7.13) Does your organization choose to account for and report technological CO2 removals or captured CO2 with geologic storage, or have you done so in previous years?

	Technological CO2 removals or captured CO2 with geologic storage in the reporting year	Specify the reason for no technological CO2 removals or captured CO2 with geological storage in the reporting year	Technological CO2 removals or captured CO2 with geologic storage were accounted for and reported in previous years
	Select from: ☒ No, explanation provided	Select from: ☒ No relevant activities identified	Select from: ☒ No

[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

☒ Yes

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

Katılım Emeklilik ve Hayat A.Ş.

(7.23.1.2) Primary activity

Select from:

☒ Insurance

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☒ LEI number

(7.23.1.9) LEI number

789000WTQ3ID93IQKW21

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

367.78

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

124.07

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Katılım Emeklilik A.Ş. is an affiliate in which Albaraka Türk holds a 50% stake, and it has therefore been included within the consolidation scope.

Row 2

(7.23.1.1) Subsidiary name

Albaraka Kültür Sanat ve Yayıncılık A.Ş.

(7.23.1.2) Primary activity

Select from:

☒ Print publishing

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☒ No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

6.07

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

8.52

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Albaraka Kültür Sanat ve Yayıncılık A.Ş. is a subsidiary of Albaraka Türk and a non-consolidated affiliate. Accordingly, its emissions have been calculated.

Row 3

(7.23.1.1) Subsidiary name

Albaraka Tech Global

(7.23.1.2) Primary activity

Select from:

☒ IT services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☒ No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

36.29

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

157.83

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Albaraka Tech Global is a subsidiary of Albaraka Türk and a non-consolidated affiliate. Accordingly, its emissions have been calculated.

[Add row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☒ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Select from: ☒ Yes
Consumption of purchased or acquired electricity	Select from: ☒ Yes
Consumption of purchased or acquired heat	Select from: ☒ No
Consumption of purchased or acquired steam	Select from: ☒ No
Consumption of purchased or acquired cooling	Select from: ☒ No
Generation of electricity, heat, steam, or cooling	Select from: ☒ No

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

14110

(7.30.1.5) Total (renewable + non-renewable) MWh

14110.00

Consumption of purchased or acquired electricity

(7.30.1.2) MWh from renewable sources

13699

(7.30.1.3) MWh from non-renewable sources

0

(7.30.1.4) MWh from non-renewable zero or near-zero emission sources

0

(7.30.1.5) Total (renewable + non-renewable) MWh

13699.00

Total energy consumption

(7.30.1.2) MWh from renewable sources

13699

(7.30.1.3) MWh from non-renewable sources

14110

(7.30.1.4) MWh from non-renewable zero or near-zero emission sources

0

(7.30.1.5) Total (renewable + non-renewable) MWh

27809.00

[Fixed row]

(7.30.14) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Türkiye

(7.30.14.1) Consumption of purchased electricity (MWh)

13699

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

13699.00

[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1**(7.45.1) Intensity figure**

3.76e-7

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

4236

(7.45.3) Metric denominator*Select from:*☒ unit total revenue**(7.45.4) Metric denominator: Unit total**

33099671000

(7.45.5) Scope 2 figure used*Select from:*☒ Market-based

(7.45.6) % change from previous year

81.75

(7.45.7) Direction of change

Select from:

☒ Decreased

(7.45.8) Reasons for change

Select all that apply

☒ Other, please specify :By renewable energy certification it is off-setted.

(7.45.9) Please explain

Compared to 2024, the intensity figure for 2025 has decreased by approximately 21%, as our revenue increased to TRY 13,696,070,000 million, while our Scope 1+2 emissions decreased to 1114tons CO2e. Specifically, the intensity figure for 2025 is calculated as 0.000000376. Our intensity figure for the reporting year 2024 was calculated as 0.00000055 based on our Scope 1+2 emissions of 10143.91 tons CO2e and revenue of TRY 18,403,601,000 million. The reason for 21% of change is thanks to renewable energy certifications.

[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

☒ Other, please specify :Blue Water Footprint

(7.52.2) Metric value

19515

(7.52.3) Metric numerator

Cubic meters

(7.52.4) Metric denominator (intensity metric only)

year

(7.52.5) % change from previous year

0.67

(7.52.6) Direction of change

Select from:

☒ Increased

(7.52.7) Please explain

The bank's blue water footprint has decreased by approximately 60% compared to 2023 reporting year. This reduction is mainly the result of efficiency initiatives in branch and office operations, including the installation of water-saving fixtures, optimization of building maintenance schedules, and the introduction of leak detection and rapid repair protocols. Furthermore, the expansion of digital banking services has reduced in-person branch visits, indirectly lowering water consumption associated with customer services. These measures are aligned with the bank's environmental management strategy to minimize resource use across its operations and support broader sustainability objectives. Despite a minor increase in the current reporting year, our blue water footprint has been approximately maintained at these improved levels.

Row 2

(7.52.1) Description

Select from:

☒ Other, please specify :Water Consumption

(7.52.2) Metric value

46459.6

(7.52.3) Metric numerator

Cubic meters

(7.52.4) Metric denominator (intensity metric only)

FTE

(7.52.5) % change from previous year

0.13

(7.52.6) Direction of change

Select from:

☒ Increased

(7.52.7) Please explain

Total water consumption rose from 45,946.88 m³ in 2024 to 46,459.60 m³ in 2025. The main reasons for this increase were the rise in the number of branches and offices, higher occupancy rates at workplaces, and an increase in operational water use for cooling and cleaning due to weather conditions. In addition, additional water was used during maintenance and infrastructure improvement activities. In the future, plans are in place to reduce consumption through water efficiency projects, the installation of low-flow fixtures, and employee awareness initiatives.

Row 3

(7.52.1) Description

Select from:

☒ Energy usage

(7.52.2) Metric value

27809.34

(7.52.3) Metric numerator

(7.52.4) Metric denominator (intensity metric only)

FTE

(7.52.5) % change from previous year

0.02

(7.52.6) Direction of change

Select from:

☒ Decreased

(7.52.7) Please explain

Total energy usage rose to 28,344.00 m³ in 2024 to 27,809.34 m³ in 2025. This decrease was driven by overall savings achieved through reduced energy consumption.

[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☒ No target

(7.53.3) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

(7.53.3.1) Primary reason for no emissions target

Select from:

☒ We are planning to introduce a target in the next two years

(7.53.3.2) Anticipated direction of change in scope 1 emissions

Select from:

☒ Unknown

(7.53.3.4) Anticipated direction of change in scope 2 emissions

Select from:

☒ Unknown

(7.53.3.6) Anticipated direction of change in scope 3 emissions

Select from:

☒ Unknown

(7.53.3.8) Please explain

We have not yet completed a fully comprehensive greenhouse gas emissions inventory. Over the next two years, we plan to expand the scope and detail of our emissions data to ensure full coverage across all relevant categories. This process will provide a robust and reliable baseline, enabling us to set accurate and achievable targets that align with our operational context and long-term climate commitments, including our 2053 net-zero goal. Once the inventory is fully complete, we will formally establish medium- and long-term emissions reduction targets and integrate them into our environmental strategy and operational planning.
[Fixed row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☒ Net-zero targets

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☒ NZ1

(7.54.3.2) Date target was set

12/30/2021

(7.54.3.3) Target Coverage

Select from:

☒ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☒ Not applicable

(7.54.3.5) End date of target for achieving net zero

12/31/2053

(7.54.3.6) Is this a science-based target?

Select from:

☒ Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

(7.54.3.8) Scopes

Select all that apply

☒ Scope 1

☒ Scope 2

☒ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

- | | |
|---|---|
| ☒ Methane (CH ₄) | ☒ Sulphur hexafluoride (SF ₆) |
| ☒ Nitrous oxide (N ₂ O) | ☒ Nitrogen trifluoride (NF ₃) |
| ☒ Carbon dioxide (CO ₂) | |
| ☒ Perfluorocarbons (PFCs) | |
| ☒ Hydrofluorocarbons (HFCs) | |

(7.54.3.10) Explain target coverage and identify any exclusions

Our target is organization-wide and covers all operations of Albaraka Türk. The target is aligned with Türkiye's national climate commitments, including the 2053 net-zero goal and the country's ratification of the Paris Agreement. These jurisdictional commitments have directly shaped our long-term climate strategy and the ambition level of our targets. The base year for our target is 2021. Over the next two years, we plan to complete a more comprehensive greenhouse gas emissions inventory to update and strengthen the 2021 baseline data. This work will ensure full coverage across all relevant Scope 1, Scope 2, and Scope 3 categories. As a result of data improvements and expanded boundary coverage, there may be differences between our current inventory base year emissions and the target's base year emissions. We have not yet reported specific interim emission reduction targets linked to this net-zero commitment, as our primary focus is on establishing a complete and accurate emissions baseline. Once the inventory process is finalized, we will set measurable medium- and long-term reduction targets to guide our progress toward the 2053 net-zero goal.

(7.54.3.11) Target objective

The strategic objective of our target is to align Albaraka Türk's operations with Türkiye's national climate commitments, including the 2053 net-zero goal, while strengthening our resilience to climate-related risks and supporting the transition to a low-carbon economy. The target is directly linked to our corporate sustainability strategy, which prioritizes responsible resource use, operational efficiency, and the integration of environmental considerations into decision-making processes. By establishing and achieving this target, we aim to enhance compliance with current and emerging regulatory requirements, improve stakeholder confidence, and contribute to the collective effort to meet the objectives of the Paris Agreement. This approach also supports our long-term business strategy by mitigating potential transition risks and seizing opportunities associated with sustainable finance and green investments.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

- ☒ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

- ☒ No, but we plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☒ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

As Albaraka Türk, we are committed to achieving net-zero emissions by 2053, covering Scope 1, Scope 2, and Scope 3 emissions. In line with this commitment, we are already implementing digital banking projects that reduce operational resource consumption, alongside initiatives to enhance energy efficiency in our branches and offices. At the end of the target period, we plan to neutralize any remaining residual emissions through the purchase and cancellation of high-quality carbon credits. As part of our near-term investments, we aim to purchase internationally recognized I-REC or YEK-G renewable energy certificates to cover our electricity consumption and support the development of renewable energy projects. These actions reinforce our commitment to combating climate change and ensure the credibility of our net-zero pledge.

(7.54.3.17) Target status in reporting year

Select from:

☒ Underway

(7.54.3.19) Process for reviewing target

Our 2053 net-zero target is a comprehensive goal that encompasses many sub-targets. We have identified various strategies to achieve this goal. Within the TSRS framework, we have added the following targets for 2025 as an interim goal toward our 2053 net-zero emissions target: replacing 10% of our fleet with eco-friendly vehicles over the next five years to reduce fuel-related greenhouse gas emissions by 85,000 liters, and offsetting our Scope 2 emissions annually through certifications. Work on these interim targets is ongoing. We monitor the status of all our targets annually and develop new actions and strategies as needed. We track the impact of the implemented strategies, monitor progress toward our goals, and report to the sustainability committee.

[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

	Emissions reduction initiatives that were active within the reporting year
	Select from: ☒ Yes

[Fixed row]

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO₂e savings.

	Number of initiatives	Total estimated annual CO ₂ e savings in metric tonnes CO ₂ e
Implemented	1	5946.45

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☒ Wind

(7.55.2.2) Estimated annual CO₂e savings (metric tonnes CO₂e)

5946.45

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☒ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☒ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

0

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

49590

(7.55.2.7) Payback period

Select from:

☒ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☒ 1-2 years

(7.55.2.9) Comment

In 2025, Albaraka Türk procured Renewable Energy Resource Guarantee of Origin (YEK-G) to cover Scope 2 electricity consumption. This initiative resulted in a market based Scope 2 of zero. Compared with the previous year (YEK-G), the I-REC purchase represents an additional renewable energy procurement.

[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☒ Employee engagement

(7.55.3.2) Comment

Albaraka Türk engages employees in sustainability initiatives through awareness programs, training, and active participation in sub-working groups under the Sustainability Committee (Climate Risk, Strategy, Sustainable Credit & Product, Communication & Training). These structures ensure that employees directly contribute to the design and implementation of emissions reduction and energy efficiency projects.

Row 2

(7.55.3.1) Method

Select from:

☒ Dedicated budget for energy efficiency

(7.55.3.2) Comment

The Bank allocates specific budgets for energy efficiency projects at its Head Office building, including window film application, lighting optimization, HVAC operating hour adjustments, and the implementation of the ISO 50001 Energy Management System. These investments directly reduce Scope 1 and Scope 2 emissions.

Row 3

(7.55.3.1) Method

Select from:

☒ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

Albaraka Türk complies with national and international environmental standards by implementing projects such as the Zero Waste Project, achieving LEED Gold certification for its Head Office (the first such certification for a participation bank in Türkiye), and obtaining ISO 50001 Energy Management System certification.

Row 4

(7.55.3.1) Method

Select from:

☒ Internal finance mechanisms

(7.55.3.2) Comment

The Bank developed sustainable finance instruments within its Sustainable Finance Framework, including green sukuk, and provides financing for renewable energy, grey water systems, hybrid/electric vehicles, and pollution-prevention technologies. These mechanisms encourage investments with measurable emissions reduction benefits, both for clients and internal operations.

Row 5

(7.55.3.1) Method

Select from:

☒ Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

The transition to LED lighting, automatic climate control, and energy-efficient devices continues at the General Directorate and branches. As part of the Paperless Banking Project, 33 documents related to various processes have been digitized. Cost savings of approximately 1,373,886 TL were achieved, and 4,737,537 sheets of paper were saved; by eliminating paper use, the project contributed to the preservation of 571 trees.

[Add row]

(7.79) Has your organization retired any project-based carbon credits within the reporting year?

Select from:

☒ No

C12. Environmental performance - Financial services

(12.1) Does your organization measure the impact of your portfolio on the environment?

Banking (Bank)

(12.1.1) We measure the impact of our portfolio on the climate

Select from:

☒ Yes

(12.1.2) Disclosure metric

Select all that apply

☒ Financed emissions

☒ Other carbon footprinting and/or exposure metrics (as defined by TCFD)

(12.1.8) We measure the impact of our portfolio on water

Select from:

☒ Yes

(12.1.11) We measure the impact of our portfolio on biodiversity

Select from:

☒ No, but we plan to do so in the next two years

(12.1.12) Primary reason for not measuring portfolio impact on biodiversity

Select from:

☒ Not an immediate strategic priority

(12.1.13) Explain why your organization does not measure its portfolio impact on biodiversity

As Albaraka Türk, we recognize biodiversity as an important component of our sustainability approach. While our primary focus has so far been on climate-related and water-related impacts in both our operations and portfolio, we are aware of the need to integrate biodiversity into our environmental management framework. Currently, the absence of widely adopted and standardized biodiversity measurement methodologies in the financial sector, challenges in data availability and quality, and the complexity of assessing nature-related impacts make it difficult to perform a comprehensive portfolio-level biodiversity analysis.

[Fixed row]

(12.1.1) Provide details of your organization's financed emissions in the reporting year and in the base year.

Banking (Bank)

(12.1.1.1) Asset classes covered in the calculation

Select all that apply

- ☒ Loans
- ☒ Project finance
- ☒ Other, please specify :Motor vehicle loans

(12.1.1.2) Financed emissions (metric unit tons CO2e) in the reporting year

637654.92

(12.1.1.3) % of portfolio covered in relation to total portfolio value

35

(12.1.1.4) Total value of assets included in the financed emissions calculation

163236241350.00

(12.1.1.5) % of financed emissions calculated using data obtained from clients/investees (optional)

100

(12.1.1.6) Emissions calculation methodology

Select from:

☒ The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)

(12.1.1.7) Weighted data quality score (for PCAF-aligned data quality scores only)

4.1

(12.1.1.8) Financed emissions (metric unit tons CO2e) in the base year

637654.92

(12.1.1.9) Base year end

12/31/2024

(12.1.1.10) % of undrawn loan commitments included in the financed emissions calculation

0

(12.1.1.11) Please explain the details of and assumptions used in your calculation

Financed emissions have been calculated in alignment with the PCAF methodology. Three different asset classes were assessed, and for each asset class, emissions were allocated based on the direct emissions and outstanding amount, using companies' financial data as the primary input. Where available, company financial statements were used as primary data; in cases where data was missing, national sectoral balance sheet ratios as well as international emission factors published by OECD and DEFRA were applied. Only portfolios with sufficient and reliable data were included in the calculation, while those with data gaps or methodological misalignment were excluded. A total of 35% of the portfolio value was included in the calculation, ensuring a highly representative and methodologically robust coverage of the portfolio. Our PCAF score has improved to 4.1 thanks to the methodological changes we've made and initiatives such as the use of direct emissions data.

[Fixed row]

(12.1.2) Disclose or restate your financed emissions for previous years.

Past year 1 for Banking (Bank)

(12.1.2.1) End Date

12/31/2024

(12.1.2.2) Financed emissions (metric unit tons CO2e) in the reporting year

1167738.77

(12.1.2.3) % of portfolio covered in relation to total portfolio value

81.574

(12.1.2.5) Emissions calculation methodology

Select from:

☒ The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)

(12.1.2.6) Please explain the details of and assumptions used in your calculation

Financed emissions have been calculated in alignment with the PCAF methodology. Three different asset classes were assessed, and for each asset class, emissions were allocated based on the outstanding amount, using companies' financial data as the primary input. Where available, company financial statements were used as primary data; in cases where data was missing, national sectoral balance sheet ratios as well as international emission factors published by OECD and DEFRA were applied. Only portfolios with sufficient and reliable data were included in the calculation, while those with data gaps or methodological misalignment were excluded. A total of 81.57% of the portfolio value was included in the calculation, ensuring a highly representative and methodologically robust coverage of the portfolio.

[Fixed row]

(12.1.3) Provide details of the other metrics used to track the impact of your portfolio on the environment.

Climate change

(12.1.3.1) Portfolio

Select from:

☒ Banking (Bank)

(12.1.3.2) Portfolio metric

Select from:

☒ Other metric for impact on climate change please specify ::Income Received from Reserve Deposits

(12.1.3.4) % of portfolio covered in relation to total portfolio value

82.6

(12.1.3.5) Total value of assets included in the calculation

162080408797.29

(12.1.3.6) % of emissions calculated using data obtained from clients/investees

100

(12.1.3.7) Please explain the details and key assumptions used in your assessment

Total financed emissions have been calculated as 637,654.92 tCO₂e. When compared to the Profit Share Income from credits value of 47,678,784.000 TL, this results in a portfolio carbon intensity of approximately 0.00001337 tCO₂e per TL (or 0.0013%). Total financed emission risk is 162.080.408.797,29 TL and total portfolio risk is 196.205.061.437 TL. This calculation was performed in alignment with the PCAF methodology, with emissions allocated based on the outstanding loan amount using direct emissions and financial data as the primary input. Where available, company financial statements were used as primary data, while in cases where data was missing, national sectoral balance sheet ratios and international emission factors (OECD, DEFRA) were applied.

Water

(12.1.3.1) Portfolio

Select from:

☒ Banking (Bank)

[Add row]

(12.2) Are you able to provide a breakdown of your organization's financed emissions and other portfolio carbon footprinting metrics?

Banking (Bank)

(12.2.1) Portfolio breakdown

Yes

☒ Yes, by asset class

(12.2.2) Please explain why you do not provide a breakdown of your portfolio impact on the climate

Financed emissions have been calculated on an asset class basis. However, no breakdown by sector or scope has been provided. This year, the PCAF methodology was applied for the first time to calculate portfolio emissions, and therefore detailed data for sector- and scope-specific breakdowns was not available. In the coming periods, we aim to improve our data collection processes and provide a more detailed breakdown by sector and scope.

[Fixed row]

(12.2.1) Break down your organization's financed emissions and other portfolio carbon footprinting metrics by asset class, by industry, and/or by scope.

Row 1

(12.2.1.1) Portfolio

Select from:

☒ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☒ Absolute portfolio emissions (tCO2e)

(12.2.1.4) Asset class

Select from:

☒ Project finance

(12.2.1.6) % of asset class emissions calculated in the reporting year based on total value of assets

100

(12.2.1.7) Value of assets covered in the calculation

162080408797.29

(12.2.1.8) Financed emissions or alternative metric

211.48

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☒ Not applicable

(12.2.1.12) Explain the details, assumptions and exclusions in your calculation

Financed emissions have been calculated in alignment with the PCAF methodology. For project finance exposures, emissions were allocated based on the outstanding loan amount, using companies' financial data as the primary input. Where available, company financial statements were used as primary data; in cases where data was missing, national sectoral balance sheet ratios as well as international emission factors published by the OECD were applied.

Row 2

(12.2.1.1) Portfolio

Select from:

☒ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☒ Absolute portfolio emissions (tCO2e)

(12.2.1.4) Asset class

Select from:

☒ Loans

(12.2.1.6) % of asset class emissions calculated in the reporting year based on total value of assets

100

(12.2.1.7) Value of assets covered in the calculation

146423819409.04

(12.2.1.8) Financed emissions or alternative metric

623919.59

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☒ Not applicable

(12.2.1.12) Explain the details, assumptions and exclusions in your calculation

Financed emissions have been calculated in alignment with the PCAF methodology. For project finance exposures, emissions were allocated based on the outstanding loan amount, using companies' financial data as the primary input. Where available, company financial statements were used as primary data; in cases where data was missing, national sectoral balance sheet ratios as well as international emission factors published by the OECD were applied.

Row 3

(12.2.1.1) Portfolio

Select from:

☒ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☒ Absolute portfolio emissions (tCO2e)

(12.2.1.4) Asset class

Select from:

☒ Other, please specify :Motor vehicle loans

(12.2.1.6) % of asset class emissions calculated in the reporting year based on total value of assets

100

(12.2.1.7) Value of assets covered in the calculation

13431880753.94

(12.2.1.8) Financed emissions or alternative metric

13523.85

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☒ Not applicable

(12.2.1.12) Explain the details, assumptions and exclusions in your calculation

Financed emissions have been calculated in alignment with the PCAF methodology. For project finance exposures, emissions were allocated based on the outstanding loan amount, using companies' financial data as the primary input. Where available, company financial statements were used as primary data; in cases where data was missing, national sectoral balance sheet ratios as well as international emission factors published by the OECD were applied.

[Add row]

(12.3) State the values of your financing and insurance of fossil fuel assets in the reporting year.

Lending to all fossil fuel assets

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☒ Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

1424990890

(12.3.3) New loans advanced in reporting year (unit currency – as specified 1.2)

1370081326.46

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

0.7

(12.3.6) Details of calculation

Coke production, hard coal mining, and lignite mining, as well as fuel and oil production, are included in this scope. Data on the types of coal listed above are provided.

Lending to thermal coal

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☒ Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

1420433593

(12.3.3) New loans advanced in reporting year (unit currency – as specified 1.2)

1365524029.66

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

0.7

(12.3.6) Details of calculation

Coke production, hard coal mining, and lignite mining are included. Credit has been provided to the above-mentioned coal types.

Lending to met coal

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☒ No, but we plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☒ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

Since our analysis is still ongoing, we are unable to share information at this level of detail.

Lending to oil

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☒ No, but we plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☒ No standardized procedure

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

Since our analysis is still ongoing, we are unable to share information at this level of detail.

Lending to gas

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☒ No, but we plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☒ No standardized procedure

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

Since our analysis is still ongoing, we are unable to share information at this level of detail.

[Fixed row]

(12.5) In the reporting year, did your organization finance and/or insure activities or sectors that are aligned with, or eligible under, a sustainable finance taxonomy? If so, are you able to report the values of that financing and/or underwriting?

Banking (Bank)

(12.5.1) Reporting values of the financing and/or insurance of activities or sectors that are eligible under or aligned with a sustainable finance taxonomy

Select from:

☒ No, but we plan to report in the next two years

(12.5.35) Primary reason for not providing values of the financing and/or insurance

Select from:

☒ Not an immediate strategic priority

(12.5.36) Explain why you are not providing values of the financing and/or insurance

As Albaraka Türk, we are currently not reporting the values of financing and/or insurance related to activities or sectors that are eligible under or aligned with a sustainable finance taxonomy. The main reason for this is that a national sustainable finance taxonomy has not yet been published in Türkiye, and there is no standardized procedure currently in place for such reporting. We are in the process of developing the necessary internal procedures and reporting infrastructure to accurately and comprehensively assess the alignment of our financing activities with sustainability criteria. Once the national taxonomy is published and our processes are fully established, we aim to provide more comprehensive and accurate information in our future reports.

[Fixed row]

(12.6) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of environmental issues?

	Existing products and services enable clients to mitigate and/or adapt to the effects of environmental issues
	Select from: ☒ Yes

[Fixed row]

(12.6.1) Provide details of your existing products and services that enable clients to mitigate and/or adapt to the effects of environmental issues, including any taxonomy or methodology used to classify the products and services.

Row 1

(12.6.1.1) Environmental issue

Select all that apply

☒ Climate change

(12.6.1.2) Product/service enables clients to mitigate and/or adapt to climate change

Select all that apply

☒ Mitigation

☒ Adaptation

(12.6.1.3) Portfolio

Select from:

☒ Banking (Bank)

(12.6.1.4) Asset class

Select from:

☒ Project finance

(12.6.1.5) Type of product classification

Select all that apply

☒ Products that have sustainable investment as their core objective

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

☒ Low-carbon Investment (LCI) Registry Taxonomy

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply

☒ Renewable energy

(12.6.1.8) Description of product/service

As part of its sustainability strategy, Albaraka Türk places great importance on investments in renewable energy. In 2025, the risk exposure in this area amounted to 2,169,468,081.40 TRY. Renewable energy projects have a total installed capacity of 62.3 MW.

(12.6.1.10) Product considers principal adverse impacts on environmental factors

Select from:

☒ Yes

(12.6.1.11) Details on how the principal adverse impacts on environmental factors are considered in this product

Principal adverse impacts on environmental factors are regularly assessed and managed within this product. Environmental and social risk assessments are conducted during credit allocation; sectors with high emissions, activities with significant water use and pollution risks are carefully reviewed. Completeness of Environmental Impact Assessments (EIA) and legal permits is verified, and clients' compliance with environmental regulations is monitored. Additionally, priority is given to projects that contribute to emission reduction, energy efficiency, and renewable energy generation, thereby minimizing negative impacts on environmental factors.

Row 2

(12.6.1.1) Environmental issue

Select all that apply

☒ Water

(12.6.1.3) Portfolio

Select from:

☒ Banking (Bank)

(12.6.1.4) Asset class

Select from:

☒ Project finance

(12.6.1.5) Type of product classification

Select all that apply

☒ Products that have sustainable investment as their core objective

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

☒ Internally classified

(12.6.1.10) Product considers principal adverse impacts on environmental factors

Select from:

☒ Yes

(12.6.1.11) Details on how the principal adverse impacts on environmental factors are considered in this product

As of 2024, a systematic assessment of the principal adverse impacts on environmental factors for this product has not yet been implemented. However, processes are planned to be enhanced in the coming years, and such assessments are expected to be conducted regularly going forward.

[Add row]

(12.7) Has your organization set targets for deforestation and conversion-free and/or water-secure lending, investing and/or insuring?

	Target set
Water	<i>Select from:</i> ☒ Yes, we have set water-secure lending, investing and/or insuring targets

[Fixed row]

(12.7.1) Provide details of your targets for deforestation and conversion-free and/or water-secure lending, investing and/or insuring.

Water

(12.7.1.1) Portfolio

Select from:

☒ Banking (Bank)

(12.7.1.2) Targets set

Select from:

☒ Targets for providing products and services that enable clients to mitigate water insecurity

(12.7.1.3) Date target was set

12/30/2024

(12.7.1.4) Sectors covered by the target

Select all that apply

☒ Retail

☒ Apparel

☒ Fossil Fuels

☒ Manufacturing

- ☒ Services
- ☒ Materials
- ☒ Hospitality
- ☒ Transportation services
- ☒ Food, beverage & agriculture
- ☒ Biotech, health care & pharma

- ☒ Infrastructure
- ☒ Power generation
- ☒ International bodies

(12.7.1.5) Asset classes covered by the target

Select all that apply

- ☒ Loans

(12.7.1.6) The target has been set with reference to

Select from:

- ☒ Sustainable Development Goals

(12.7.1.7) % of portfolio covered by the target in relation to total portfolio value

0

(12.7.1.8) Target metric

Select from:

- ☒ Number of products and services

(12.7.1.9) Target value

1

(12.7.1.10) End date of target

12/30/2030

(12.7.1.11) End date of base year

12/30/2024

(12.7.1.12) Figure in base year

0

(12.7.1.13) Figure in reporting year

0

(12.7.1.14) % of target achieved

0.00

(12.7.1.15) Provide details of the target

Albaraka Türk follows the UN Sustainable Development Goals and aligns its strategy with Türkiye's national target of achieving net-zero emissions by 2053. In this context, the Bank aims to expand its product offering related to water efficiency and water security, developing new financial solutions to support this goal. The target will not be limited to a specific portfolio segment but will be gradually expanded to cover the entire banking portfolio and business activities.

[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☒ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

- ☒ Climate change
- ☒ Water

(13.1.1.2) Disclosure module and data verified and/or assured

Identification, assessment, and management of dependencies, impacts, risks, and opportunities

- ☒ Identification, assessment, and management processes
- ☒ All data points in module 2

(13.1.1.3) Verification/assurance standard

General standards

☒ ISAE 3000

☒ ISAE 3410

(13.1.1.4) Further details of the third-party verification/assurance process

Verification was conducted in relation to climate-related risks and opportunities under TSRS. The details of this verification are provided in the GDS TSRS Report (pp. 72–75).

(13.1.1.5) Attach verification/assurance evidence/report (optional)

2025 TSRS Compliant Sustainability Report.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☒ Climate change

☒ Water

(13.1.1.2) Disclosure module and data verified and/or assured

Disclosure of risks and opportunities

☒ Financial effect of environmental opportunities

☒ Financial effect of environmental risks

☒ All data points in module 3

(13.1.1.3) Verification/assurance standard

General standards

☒ ISAE 3000

☒ ISAE 3410

(13.1.1.4) Further details of the third-party verification/assurance process

Verification was conducted in relation to climate-related risks and opportunities under TSRS. The details of this verification are provided in the GDS TSRS Report (pp. 72–75).

(13.1.1.5) Attach verification/assurance evidence/report (optional)

2025 TSRS Compliant Sustainability Report.pdf

Row 3

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☒ Climate change

☒ Water

(13.1.1.2) Disclosure module and data verified and/or assured

Business strategy

☒ Scenario analysis

(13.1.1.3) Verification/assurance standard

General standards

☒ ISAE 3000

☒ ISAE 3410

(13.1.1.4) Further details of the third-party verification/assurance process

Verification was conducted in relation to climate-related risks and opportunities scenario analysis under TSRS. The details of this verification are provided in the GDS TSRS Report (pp. 72–75).

(13.1.1.5) Attach verification/assurance evidence/report (optional)

2025 TSRS Compliant Sustainability Report.pdf

Row 4

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☒ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Consolidation approach

☒ Consolidation approach

(13.1.1.3) Verification/assurance standard

General standards

☒ ISAE 3000

☒ ISAE 3410

(13.1.1.4) Further details of the third-party verification/assurance process

A limited assurance engagement was performed as part of the Integrated Annual Report (pp. 104–110). This assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and International Standard on Assurance Engagements (ISAE) 3410: Assurance Engagements on Greenhouse Gas Statements.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

2025 Integrated Annual Report Güncel.pdf

Row 5

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

- ☒ Climate change
- ☒ Water

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

- ☒ Base year emissions
- ☒ Electricity/Steam/Heat/Cooling generation
- ☒ Fuel consumption
- ☒ Waste data

(13.1.1.3) Verification/assurance standard

General standards

- ☒ ISAE 3000
- ☒ ISAE 3410

(13.1.1.4) Further details of the third-party verification/assurance process

A limited assurance engagement was performed as part of the Integrated Annual Report (pp. 104–110). This assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and International Standard on Assurance Engagements (ISAE) 3410: Assurance Engagements on Greenhouse Gas Statements.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

2025 Integrated Annual Report Güncel.pdf

Row 6

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☒ Water

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Water security

☒ Water consumption– total volume

☒ Water discharges– total volumes

☒ Water withdrawals– total volumes

(13.1.1.3) Verification/assurance standard

General standards

☒ ISAE 3000

☒ ISAE 3410

(13.1.1.4) Further details of the third-party verification/assurance process

Limited assurance engagement was performed as part of the Integrated Annual Report (pp. 104-110). The assurance engagement was carried out in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information and the International Standard on Assurance Engagements (ISAE) 3410: Assurance Engagements on Greenhouse Gas Statements.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

2025 Integrated Annual Report Güncel.pdf

[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Investor Relations and Sustainability Manager

(13.3.2) Corresponding job category

Select from:

☒ Business unit manager

[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub to facilitate collective action in priority basins.

Select from:

☒ No

