

## Türkiye Sınai Kalkınma Bankası A.Ş. (TSKB)

**Scope 1 and 2:** TSKB commits to reduce absolute scope 1 GHG emissions 63% by 2035 from a 2021 base year.

TSKB commits to continue active annual sourcing of 100% renewable electricity through 2030.

### Scope 3 Portfolio Targets

**Headline target:** TSKB's portfolio targets cover 53% of its total investment and lending by total assets as of 2021.<sup>12</sup> As of that year, required activities made up 63% of TSKB's total investment and lending by total assets while optional activities made up 14% and out of scope activities made up 23%.

### Scope 3 asset class level targets

Asset class	Method	Target language
Electricity generation project finance	Sector Decarbonization Approach (SDA)	TSKB commits to reduce its electricity generation project finance portfolio GHG emissions from 85.6% per kWh by 2035 from a 2021 base year.
Corporate loan: commercial real estate	SDA	TKSB commits to reduce GHG emissions from the commercial real estate sector within its corporate loan portfolio 71% per square meter by 2035 from a 2021 base year.
Corporate loan: electricity generation	SDA	TSKB commits to reduce GHG emissions from the electricity generation sector within its corporate loan portfolio 85.7% per kWh by 2035 from a 2021 base year.

<sup>1</sup> These targets and coverage % do not include third-party asset management activities.

<sup>2</sup> The targets cover required activities for which the minimum coverage requirement is less than 100%.

Corporate loan: other long-term debt	Temperature Rating	<p>TSKB commits to align its scope 1 + 2 portfolio temperature score by loan value within the other long-term corporate loan portfolio<sup>3</sup> from 3.20°C in 2021 to 2.74°C by 2027.</p> <p>TSKB commits to align its scope 1 + 2 + 3 portfolio temperature score by loan value within the other long-term corporate loan portfolio<sup>4</sup> from 3.20°C in 2021 to 2.82°C by 2027.</p>
Corporate bonds	Temperature Rating	<p>TSKB commits to align its scope 1 + 2 portfolio temperature score by invested value within its corporate bond portfolio from 2.57°C in 2021 to 2.31°C by 2027.</p> <p>TSKB commits to align its scope 1 + 2 + 3 portfolio temperature score by invested value within its corporate bond portfolio from 2.86°C in 2021 to 2.59°C by 2027.</p>

## Summary

TSKB will implement the following strategy and actions to achieve its targets:

- **Expansion of investment in green finance:** TSKB aims to provide SDG-linked financing of USD 8 billion or more by 2030. Between 2021 and 2025, TSKB also aims to have 60% of its total loan portfolio linked to climate and environment focused SDGs.
- **Implementation of coal phase-out:** Within the scope of combating climate change, TSKB has declared that it will not finance greenfield coal-fired thermal power plants or coal mining investments for electricity generation purposes.
- **Engagement with clients:** In the upcoming period, TSKB aims to maximize its direct and indirect support to its clients in their green transition journeys through long-term thematic loans and sustainability linked technical advisory and investment banking services.

<sup>3</sup> This target covers 100% of fossil fuel corporate loans.

<sup>4</sup> This target covers 100% of fossil fuel corporate loans.