



STRATEGIC PLAN

TSKB'S STRATEGY

Vision

We aim to be the first business partner that stakeholders consult and prefer towards the economic, environmental, and social development of Türkiye.

Our Values:

Pioneering
Human-Focused
Solution-oriented
Reliable
Respectful



We want to achieve this vision by prioritizing our 10 focus areas in our 3 main business lines, acting on our strategic points and values that distinguish us:

- Support for combating the climate change and the transition to a low carbon economy
- Maintaining high-caliber human resources
- Creation of development projects and support for the SDGs directly and indirectly
- Sustainable financial performance
- Strengthening international collaborations and developing new collaborations
- Strong corporate governance & effective risk management
- Overseeing equal opportunity both inside and outside the institution
- Maintaining synergistic cooperation with the Group companies
- Increased corporate efficiency by digitalization
- Direct and indirect social impact management

ABOUT THE FUTURE

We will continue to work resolutely to realize our financial and non-financial short, medium and long-term capital targets in line with this strategy, which we keep up to date by correctly analyzing the risks and opportunities arising from external factors and taking into account stakeholder expectations. Please see pages 27-29 for the table which shows our strategic focus areas associated with stakeholder expectations and targets, as well as the related actions taken.



GRI 103-1, GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-47

STRATEGIC PLAN

STAKEHOLDERS AND MATERIALITY ANALYSIS

Stakeholder Communication

We adopt an innovative perspective in stakeholder communication, where we act with the strategy of creating value for inclusive sustainable development.

Regular Stakeholder Analysis Study

We reflect the integrated perspective to our strategy and all our business processes, and determine our material issues in line with the expectations of our stakeholders.

As part of the business cycle, we regularly contact all stakeholder groups and conduct extensive stakeholder analysis studies. The analysis is conducted every two years in order to align our strategy and material issues with those of our stakeholders and to share transparent information according to the expectations of our stakeholders. We use important developments and stakeholder opinions of the following year as additional input to our analysis.

Attaching tremendous importance to sustainable dialogue with our stakeholders, we strive to adapt the feedback we receive to our business processes in the most beneficial way. Accordingly, we are guided by the determination of strategic priorities, establishment of policies and procedures, review of existing collaborations and creation of new collaborations, and development of social responsibility projects.

While preparing the report, we used the stakeholder analysis study we carried out in the period of November-December 2020. We are planning to maintain active interaction by carrying out this process, which we carry out in the digital environment since we are in the pandemic process, with workshops where we come together with our stakeholders in the upcoming period.

We conducted a digital survey with our stakeholders to determine the subjects to be included in the report. As a result of this quantitative survey, we had the chance to learn about the opinions and perceptions of our stakeholders. Consequently, we have determined our material issues in line with our strategy, taking into account the expectations of internal and external stakeholders. We were pleased to see that the primary expectations of our stakeholders were in line with our long-term strategy.

Eight subjects were identified as a result of our studies:

- Combating climate change and supporting and financing adaptation to climate change,
- Investment in human resources, employee development and increasing employee satisfaction,
- Financing of economic, environmental and social development in line with the SDGs,
- Diversification and development of products for environmental and social development,
- Sustainable growth and revenue creation,
- Strengthening solid relations and enhancing cooperation with international financial institutions and Development Finance Institutions,
- Financing the combat against economic & environmental risks and social disasters,
- Inclusiveness, ensuring equal opportunity and prevention of all forms of discrimination.





GRI 103-1, GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-47

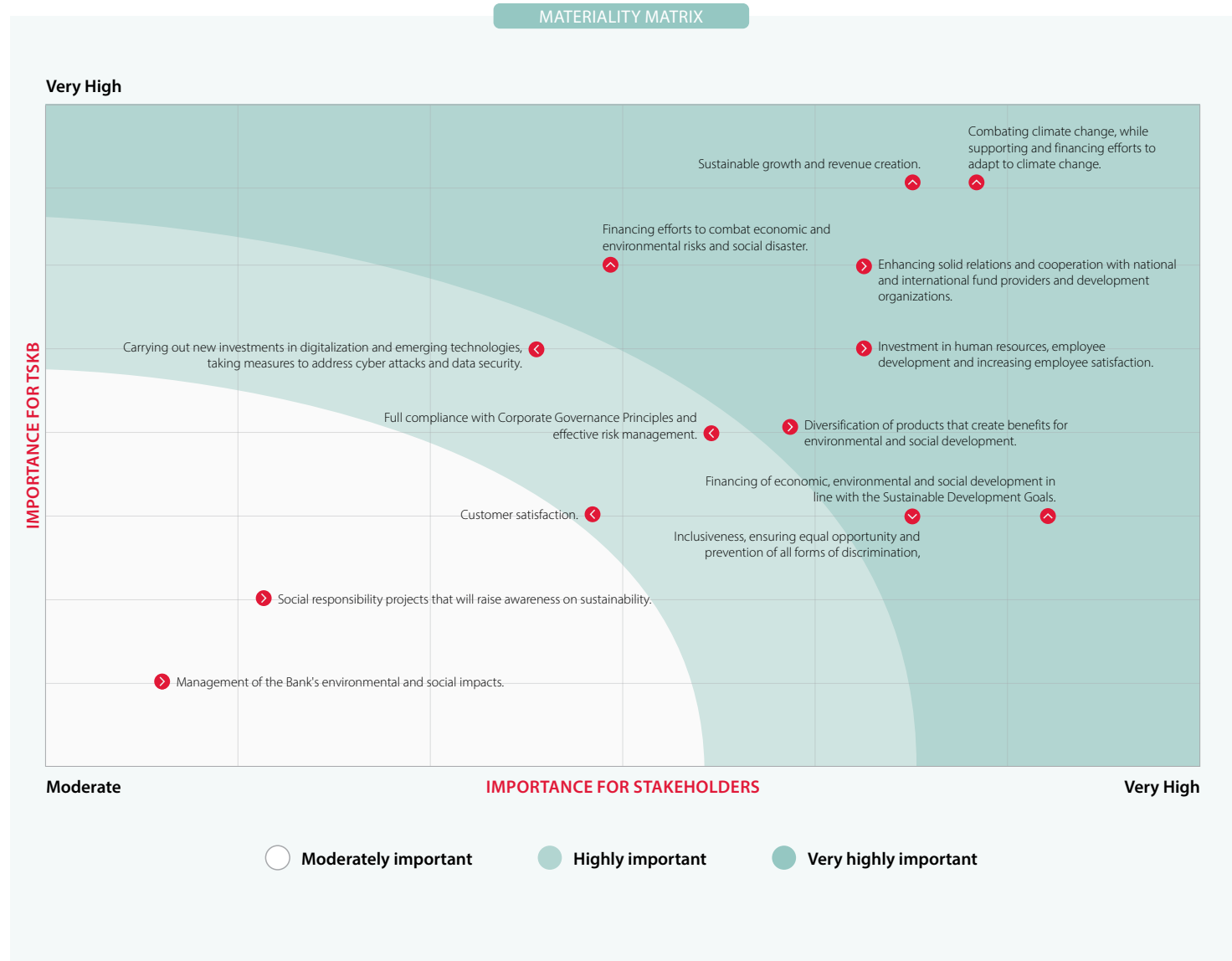
STRATEGIC PLAN

STAKEHOLDERS AND MATERIALITY ANALYSIS

Results and Evaluation of the Materiality Analysis

TSKB's materiality analysis is developed in harmony with our stakeholders and approaches Türkiye's qualified development from the perspective oriented towards sustainability and responsible banking. In addition, it enables us to create our business manner by taking into account the expectations of our employees and the stakeholders, and contributes to make our goal-setting processes more realistic and efficient.

Please see the next page for the material areas as well as materiality matrix of our Bank's management and all its stakeholders, determined as a result of the stakeholder analysis.





GRI 103-1, GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-47

















STRATEGIC PLAN

STAKEHOLDERS AND MATERIALITY ANALYSIS

Reflection of Material Areas in the Integrated Report

The following tables lay out which material issues identified by the Stakeholder Analysis are prioritized by relevant stakeholders, the relationship of the material issues with our Bank's strategies, which SDGs are served, and targets set for the relevant material issue.

Priority issues are monitored by the senior management within the framework of our Bank's governance structure, and relevant control mechanisms are activated when necessary.

| Material Issue | Relevant Stakeholders (Internal / External) | Materiality Strategy | SDGs | Bank's Relevant Strategy Focus | Related Objectives |
|--|--|---|---|---|---|
| Financing of economic, environmental and social development in line with the SDGs | TSKB Management / Finance Institutions, Development Finance Institutions, Customers, Industry Representatives, Non-Governmental Organizations (NGO), the Media | Our Bank was established to support the development of the Turkish private sector and its aim is to promote sustainable development. With themed loans and APEX Banking, the investment and growth projects of the private sector in Türkiye are financed by/through TSKB, regardless of industry and size. |    | Creation of development projects and support for the SDGs directly and indirectly |  |
| Combating climate change | TSKB Management / the Customers, Development Finance Institutions, NGOs and the Media | Combating climate change and transition to a low carbon economy are key issues for TSKB. Our Bank, which carries out pioneering work on combating climate change, renewable energy and energy efficiency, works in cooperation with its clients on the management of the risks arising from climate change. |     | Support for combating the climate change and the transition to a low carbon economy |  |
| Sustainable growth and revenue creation | TSKB Management, Employees, Subsidiary Employees / Development Finance Institutions, Finance Institutions | Maintenance and improvement of our strong financial performance is crucial in accessing to international capital in order to contribute to Türkiye's sustainable development. In other words, sustainable financial performance is a key criterion for TSKB. |  | Sustainable financial performance |  |
| Inclusion and equal opportunity | TSKB Management / Development Finance Institutions, NGOs and the Media, Industry Representatives | Achieving social gender equality is vital to ensure sustainable development. It is clear that there is a need for financing resources for women's empowerment in Türkiye. Our Bank offers gender equality-themed loans in cooperation with development finance institutions, embodying its support for women's empowerment in business and social life. |  | Overseeing equal opportunity inside and outside the institution |  |
| Strong collaborations with international finance institutions and development finance institutions (DFI) | TSKB Management / Finance Institutions, Development Finance Institutions, Customers, Industry Representatives | For TSKB as a private development bank, it is important to ensure continuous access to international financial resources throughout the medium and long term lending activities. |   | Strengthening international collaborations and developing new collaborations |  |



GRI 103-1, GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-47

STRATEGIC PLAN

STAKEHOLDERS AND MATERIALITY ANALYSIS

| Material Issue | Relevant Stakeholders (Internal / External) | Materiality Strategy | SDGs | Bank's Relevant Strategy Focus | Related Objectives |
|--|--|--|--------------|---|---|
| Investment in human resources | TSKB Management, Employees, Subsidiary Employees | Employee development is one of the top priorities for TSKB's management. We consider human resources as the building block of a successful and sustainable performance. Employees of TSKB and its subsidiaries prioritize their personal and professional development and have the opportunity to continuously develop themselves with various projects. | | Maintaining high-caliber human resources | H1 H2 H3 H4 H5 H6 H7 |
| Diversification and development of products for environmental and social development | TSKB Management / Finance Institutions, Development Finance Institutions, Customers, Industry Representatives | The diversification and development of the themed loans offered by our Bank in accordance with its core mission serves many material issues, including resource diversity, client satisfaction, and collaborations with financial institutions. | | Creation of development projects and support for the SDGs directly and indirectly | N1 N2 N3 I1 I2 |
| Corporate Governance | TSKB Management / Financial Institutions / Development Finance Institutions, NGOs and the Media | Most of the financing we provide is of international origin. For the continuous access to these resources, it is of great importance to be transparent and to comply with globally accepted corporate governance principles. | | Strong corporate governance & effective risk management | N7 N8 H3 H4 H6 |
| Financing the combat against economic & environmental risks and social disasters | TSKB Management / Finance Institutions, Development Finance Institutions, Customers, NGOs, the Media, Industry Representatives | Effective management and financing of economic, environmental and social risks are of great importance for sustainable development. The ongoing Covid-19 crisis and the recent natural disasters have also revealed the materiality of the financing for natural catastrophes and environmental risks management. | | Creation of development projects and support for the SDGs directly and indirectly | N1 N2 N3 N4 N5 N6 N7 N8 N9 N10 N11 N12 N13 N14 S8 |
| Customer satisfaction | TSKB Management / Customers | In a highly competitive market, it is vital to ensure the absolute satisfaction of clients. We support its customers in all their needs, with convenient and diverse financing resources, high-quality investment banking and advisory services. | | Sustainable financial performance | I3 |
| Digitalization | TSKB Management / Customers | The issue of digitalization is vital in ensuring our activities are effective, efficient and resilient. In an increasingly digitalizing world, rapid access to information, effective use of digital channels and data security will continue to gain importance. | | Sustainable financial performance | I6 I7 H5 H7 |



GRI 103-1, GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-47

STRATEGIC PLAN

STAKEHOLDERS AND MATERIALITY ANALYSIS

| Material Issue | Relevant Stakeholders (Internal / External) | Materiality Strategy | SDGs | Bank's Relevant Strategy Focus | Related Objectives |
|--|--|---|------|---|--------------------|
| Social responsibility projects that will raise awareness on sustainability | TSKB Management / NGOs - Media, Industry Representatives | For our Bank, which supports Türkiye's sustainable development with its products and services, social responsibility projects are important for providing direct support to and raising awareness on economic, environmental and social issues. | | Creation of development projects and support for the SDGs directly and indirectly | |
| Management of the bank's environmental and social impacts | TSKB Management / Development Finance Institutions, NGOs and the Media | In line with its sustainable development mission, it is vital for our Bank to measure and manage every impact created. We manage all kinds of environmental and social impacts arising from our operations, even the minor ones, by using international management systems. We also adopt pioneering practices in the industry regarding the management of indirect environmental and social impacts and risks of the projects it finances. | | Support for combating the climate change and the transition to a low carbon economy | |

In the tables on pages 27-29, the relationship between SDGs and TSKB's capitals-based objectives is indicated using the icons below.

- Associated with the SDG number and color.
- Associated with the corresponding capitals objective.

