

ALLOCATION & IMPACT REPORTING 2020

Reviewed by Sustainalytics
Assured by PwC



Turkiye Sinai Kalkinma Bankasi A.S.

Type of Engagement: Annual Review

Date: April 17, 2020

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Introduction

In May 2016 and March 2017, Turkiye Sinai Kalkinma Bankasi A.S. (TSKB) issued two sustainability bonds aimed at financing (i) Direct and Indirect Climate Change Mitigation projects, (ii) Climate Change Adaptation projects and (iii) Sustainable Infrastructure projects. In April 2020, TSKB engaged Sustainalytics to review the projects funded through the issued sustainability bonds and provide an assessment as to whether the projects met the Use of Proceeds criteria and the Reporting commitments outlined in the TSKB Sustainability Bond Framework.

Evaluation Criteria

Sustainalytics evaluated the projects and assets funded up to December 31, 2019 based on whether the projects and programmes:

1. Met the Use of Proceeds and Eligibility Criteria outlined in the TSKB Sustainability Bond Framework; and
2. Reported on at least one of the Key Performance Indicators (KPIs) for each Use of Proceeds criteria outlined in the TSKB Sustainability Bond Framework.

A list of the Use of Proceeds and Eligibility Criteria is available in Appendix 1, while the associated KPIs are available in Appendix 2.

Issuing Entity's Responsibility

TSKB is responsible for providing accurate information and documentation relating to the details of the projects that have been funded, including description of projects, estimated and realized costs of projects, and project impact.

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of TSKB's Sustainability Bond Use of Proceeds. The work undertaken as part of this engagement included collection of documentation from TSKB employees and review of documentation to confirm the conformance with the TSKB Sustainability Bond Framework.

Sustainalytics has relied on the information and the facts presented by TSKB with respect to the Nominated Projects. Sustainalytics is not responsible nor shall it be held liable if any of the opinions, findings, or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by TSKB.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight over the assessment of the review.

Conclusion

Based on the limited assurance procedures conducted,¹ nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the reviewed bond projects, funded through proceeds of TSKB's Sustainability Bond, are not in conformance with the Use of Proceeds and Reporting Criteria outlined

¹ Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the projects that have been funded, including description of projects, estimated and realized costs of projects, and project impact, which were provided by the Issuer. The Issuer is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Turkiye Sinai Kalkinma Bankasi A.S.

in the TSKB Sustainability Bond Framework. TSKB has disclosed to Sustainalytics that the proceeds of the sustainability bonds were fully allocated as of December 31, 2018.

Detailed Findings
Table 3: Detailed Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the 40 projects ² funded by the sustainability bonds up to December 2019 to determine if projects aligned with the Use of Proceeds Criteria outlined in the TSKB Sustainability Bond Framework and in Appendix 3.	All projects reviewed complied with the Use of Proceeds criteria.	None
Reporting Criteria	Verification of the 40 projects funded by the sustainability bonds up to December 2019 to determine if impact of projects was reported in line with the KPIs outlined in the TSKB Sustainability Bond Framework and in Appendix 4.	All projects reviewed reported on at least one KPI per Use of Proceeds criteria.	None

² 21 projects received allocations from the 2016 bond and 19 projects – from the 2017 bond; one project received allocations from both the 2016 and 2017 bonds.

Appendix 1: Use of Proceeds and Eligibility Criteria

Use of Proceeds	Eligibility Criteria
Direct and Indirect Climate Change Mitigation (category)	
Energy Efficiency	<ul style="list-style-type: none"> Any reconstruction, expansion, renovation or refurbishment measure implemented within the premises of a business entity or relocation of any production facility and aimed at investing into fixed assets that are designed to decrease energy consumption for every unit of service output of the business entity or using renewable or waste energy. Projects will have the primary objective of improving the efficiency of energy use (or reducing specific energy consumption) of the system directly affected by the project and meet at least one of the following criteria: <ul style="list-style-type: none"> (i) at least fifteen per cent (15%) reduction in energy consumption measured for the specific investments which are financed; or (ii) at least fifteen per cent (15%) reduction of CO²-emissions measured for the specific investments which are financed; or (iii) show at least 50% of the incremental benefits (by incremental benefit, it is meant all benefits gained with the investment project such as raw material savings, labor cost savings, maintenance cost savings, increase in revenues etc.) from the investment project come from cost reduction in energy consumption provided that minimum five hundred (500) tonnes of CO² reduction per annum is achieved. Investments in Green Buildings (minimum certification levels of BREEAM Good, LEED SILVER and DGNB SILVER).
Resource Efficiency	<ul style="list-style-type: none"> Any greenfield, reconstruction, expansion, renovation or refurbishment investments aimed to increase resource efficiency, including but not limited to a reduction in: <ul style="list-style-type: none"> water consumption (m³), non-recoverable waste (tonnes), raw material/auxiliary chemicals (tonnes)
Wind Power Plants (onshore only)	<ul style="list-style-type: none"> The development, construction and operation of wind farms Operational production or manufacturing facilities wholly dedicated to wind energy development Wholly dedicated transmission infrastructure for wind farms
Solar Power (Photovoltaic)	<ul style="list-style-type: none"> Solar electricity generation facilities Wholly dedicated transmission infrastructure for solar electricity generation facilities
Hydro Power Plants	<ul style="list-style-type: none"> The development, construction and operation of hydro power plants Operational production or manufacturing facilities wholly dedicated to hydro energy development Wholly dedicated transmission infrastructure for hydro power plant
Biomass, waste to energy, biogas	<ul style="list-style-type: none"> Technologies and projects for the conversion of organic matter to energy
Clean Transport projects	<ul style="list-style-type: none"> promotion of lower-carbon fuels electric or hydrogen technologies in existing vehicles, rail or boat fleets promoting urban mass transit, non-motorized transport (e.g. pedestrian mobility) improvement of the general transport logistics to increase energy efficiency of infrastructure and transport.

	<ul style="list-style-type: none"> a shift of freight and/or passenger transport from road to rail or waterways
Indirect mitigation	<ul style="list-style-type: none"> specific project loans going to specific products improving renewable energy generation, energy efficiency or GHG emission reduction
Climate Change Adaptation (category)	
Climate Change Adaptation Projects	<p>Adaptation-related projects need to demonstrate that they potentially contribute to reducing vulnerability to climate change identified in the project area. Projects should include:</p> <ul style="list-style-type: none"> Description of the context of climate vulnerability of the project based on an investigation of the vulnerabilities of the project's geographical area to climate change. Analysis of the project's planned activities to decipher a positive list of actions that contribute to reducing vulnerability, or increase the resilience of communities, goods or ecosystems to climate change. Provision of a clear link between the climate vulnerability context and the specific project activities. Evidence that the project does not have negative impacts in terms of climate change mitigation (e.g. enhancing carbon intensive infrastructures).
Sustainable Infrastructure (category)	
Social Infrastructure (Health and Education)	Projects should improve access to public services for the wider population and promote inclusiveness. High standards in technology, health and safety as well as management processes should be provided in the project selection. Project location criteria can potentially promote inclusiveness and the avoidance of environmental risks. A formal Environmental and Social Impact Assessment should be carried out for each project.
Electricity Distribution Networks	Projects should aim at retro-fitting transmission lines or substations to reduce energy use and/or technical losses and to avoid electricity cuts. Projects can also aim at improving existing systems to facilitate the integration of renewable energy sources into the grid or Scada System to improve effectiveness. If possible, projects selection can also incorporate geographical aspects and favor projects in areas where electricity losses are high and a large number of customers/households would benefit from modernization. If new transmission systems are installed, these should facilitate the integration of renewable energy sources into the grid or extensions to serve the additional population growth due to urbanization.
Ports	The building or modernization of ports should promote the modal shift of freight and/or passenger transport from road to waterways and ensure the resilience of ports to climate change risks. Eligible investments could include port integration, renovation and capacity increases and infrastructure and superstructure investments into existing ports.

Appendix 2: Key Performance Indicators

Key performance indicators	
Energy Efficiency	<ul style="list-style-type: none"> Annual CO₂ emission reduction/avoidance (ton/year)
Resource Efficiency	<ul style="list-style-type: none"> Annual savings of relevant resource amounts (e.g. kWh/year and/or m³ water/year and/or tonne raw material/year and/or tonne CO₂/year),

Wind Power Plants	<ul style="list-style-type: none"> Annual Electricity Generation amount (MWH), Annual Production amount (kWh/year), Annual CO₂ emission reduction (ton/year)
Solar Power Plants	<ul style="list-style-type: none"> Annual Electricity Generation amount (MWH), Annual Production amount (kWh/year), Annual CO₂ emission reduction (ton/year)
Hydro Power Plants	<ul style="list-style-type: none"> Annual Electricity Generation amount (MWH), Annual Production amount (kWh/year), Annual CO₂ emission reduction (ton/year)
Biomass, waste to energy, biogas	<ul style="list-style-type: none"> Annual Electricity Generation amount (MWH), Annual Production amount (kWh/year), Annual CO₂ emission reduction (ton/year)
Clean Transportation Projects	<ul style="list-style-type: none"> Freight transported, what the transport route will be used for, GHG emission of rail route/ water route in comparison to road transport
Indirect Mitigation Projects	<ul style="list-style-type: none"> Production capacity of the produced component (unit/year); narrative reporting on the project
Social Infrastructure (health and education)	<ul style="list-style-type: none"> Narrative reporting on the projects
Electricity Distribution Networks	<ul style="list-style-type: none"> Investment per subscriber, investment per population
Ports	<ul style="list-style-type: none"> Narrative reporting on social and environmental impact of investment

Appendix 3: Allocation of Proceeds by Eligibility Criteria³

	2016 Issuance		2017 Issuance	
	Amount allocated (USD)	Number of Projects	Amount allocated (USD)	Number of Projects
Renewable Energy	132,003,042	9	119,064,748	8
Energy Efficiency	25,172,520	3	54,239,820	5
Resource Efficiency	0	0	5,697,000	1
Health	56,366,418	1	69,501,985	1
Electricity Distribution	79,269,496	5	32,388,702	2
Ports	68,771,938	3	16,597,792	2
Total	361,583,414	21	297,490,047	19

³ As of December 31, 2019

Appendix 4: Impact Reporting by Eligibility Criteria⁴

	2016 Issuance	2017 Issuance
Renewable Energy	<ul style="list-style-type: none"> 1,996,628,914 kWh energy generated 1,104,136 tonnes CO₂e avoided⁵ 	<ul style="list-style-type: none"> 690,189,045 kWh energy generated 381,675 tonnes CO₂e avoided
Energy Efficiency	<ul style="list-style-type: none"> 94,851,883 kWh energy saved 52,173 tonnes CO₂e avoided 	<ul style="list-style-type: none"> 28,056,743 kWh energy saved 18,911 tonnes CO₂e avoided
Resource Efficiency	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Anticipated reduction in raw materials use of 214,2 kg/tonne produced (project not yet operational)
Health	<ul style="list-style-type: none"> Hospital funded in Ankara (project not yet operational) 	<ul style="list-style-type: none"> Hospital in Isparta opened in March 2017 and has an integrated health campus with a total capacity of 780 beds It served 162 inpatient visits/day and 2,030,729 outpatient visits/year
Electricity Distribution	<ul style="list-style-type: none"> 36,067,423 MWh energy distributed 9,491,172 subscribers served Investment per person on a project level⁶: <ul style="list-style-type: none"> Project 1: 29 TL Project 2: 78 TL Project 3: 54 TL Project 4: 42 TL Project 5: 77 TL 	<ul style="list-style-type: none"> 19,567,944 MWh energy distributed 3,979,936 subscribers served Investment per person on a project level: <ul style="list-style-type: none"> Project 1: 29 TL Project 2: 103 TL
Ports	<ul style="list-style-type: none"> Three ports funded with combined handling amount of: <ul style="list-style-type: none"> 3,326,580 tons/year general cargo 310,337 CEU Ro-Ro 1,078,875 TEU/year container handling 241,664 m³/year liquid cargo 	<ul style="list-style-type: none"> Two ports funded with combined handling amount of: <ul style="list-style-type: none"> 73,423 CEU/TEU-year Ro-Ro 427,723 TEU/year container handling 48,105 tons/year general cargo

⁴ In Fiscal Year 2019

⁵ Estimated emissions avoided is calculated using the 2018 Turkish grid emissions factor of 0.553, as the 2019 value is not yet available

⁶ Calculated as total investments in 2019 (TL) divided by the population of the area in 2019

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Sustainalytics

Sustainalytics is a leading independent ESG and corporate governance research, ratings and analytics firm that supports investors around the world with the development and implementation of responsible investment strategies. With 13 offices globally, the firm partners with institutional investors who integrate ESG information and assessments into their investment processes. Spanning 30 countries, the world's leading issuers, from multinational corporations to financial institutions to governments, turn to Sustainalytics for second-party opinions on green and sustainable bond frameworks. Sustainalytics has been certified by the Climate Bonds Standard Board as a verifier organization, and supports various stakeholders in the development and verification of their frameworks. In 2015, Global Capital awarded Sustainalytics "Best SRI or Green Bond Research or Ratings Firm" and in 2018 and 2019, named Sustainalytics the "Most Impressive Second Party Opinion Provider". The firm was recognized as the "Largest External Reviewer" by the Climate Bonds Initiative as well as Environmental Finance in 2018, and in 2019 was named the "Largest Approved Verifier for Certified Climate Bonds" by the Climate Bonds Initiative. In addition, Sustainalytics received a Special Mention Sustainable Finance Award in 2018 from The Research Institute for Environmental Finance Japan and the Minister of the Environment Award in the Japan Green Contributor category of the Japan Green Bond Awards in 2019.

For more information, visit www.sustainalytics.com

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Limited Assurance Report to the Board of Directors of Türkiye Sinai Kalkınma Bankası A.Ş.

We have been engaged by the Board of Directors of Türkiye Sinai Kalkınma Bankası A.Ş. (“TSKB” or the “Bank”) to perform an independent limited assurance engagement in respect of the Selected Information for the year ended 31 December 2019, listed below, in the “Türkiye Sinai Kalkınma Bankası A.Ş. - Allocation and Impact Report 2020” (“the 2020 Allocation and Impact Report”) of the Green/Sustainable Bond and Sustainable Tier II Bond (collectively referred as “Sustainability Bonds”) issued by TSKB on May 2016 and March 2017, respectively.

Selected Information

The scope of the Selected Information for the year ended 31 December 2019, which is subject to our independent limited assurance work, set out in the 2020 Allocation and Impact Report between pages 19 - 25, is summarised below:

- Themes, number of projects, percentage information for Sustainability Bonds in the table of Allocation and Proceeds (*page 19*)
- For Impact Report of Sustainability Bonds – Renewable Energy
 - Total Investment Amount (USD)
 - Annual Generation (Electricity)
 - Annual GHG Emissions Reduced/Avoided (ton/year)
 - Annual Allocated Amount from Bond/Total Annual GHG Emissions Reduced/Avoided (ton/year)
- For Impact Report of Sustainability Bonds – Energy Efficiency
 - Total Investment Amount (USD)
 - Annual Energy Savings (kwh/year)
 - Annual GHG Emissions Reduced/Avoided (ton/year)
 - Annual Allocated Amount from Bond/Total Annual GHG Emissions Reduced/Avoided (ton/year)
- For Impact Report of Sustainability Bonds – Resource Efficiency
 - Total Investment Amount (USD)
 - Annual Raw Material Savings (Electricity & Other) (kwh/year)
 - Annual Allocated Amount from Bond/Total Annual GHG Emissions Reduced/Avoided (ton/year)
- For Impact Report of Sustainability Bonds – Electricity Distribution
 - Total Investment Amount (USD)
 - Total Subscriber
 - Population of Area
 - Total Energy Distribution (MWh)



- For Impact Report of Sustainability Bonds – Ports
 - Handling Capacity
 - Handling Amount
- For Impact Report of Sustainability Bonds – Health
 - Annual In-Patient Visit Numbers (person.day)
 - Annual Out-Patient Visit Numbers (person)
 - Total Capacity of Bed

Our assurance was with respect to the year ended 31 December 2019 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the Allocation and Impact Report 2020 and, therefore, do not express any conclusion thereon.

Criteria

The Reporting Criteria used by TSKB to prepare the Selected Information is set out in Eligibility Criteria, on page 18 and in Calculation Principles on page 14-15 of the Allocation and Impact Report 2020.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control (ISOQ 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Selected Information in the context of the Eligibility Criteria and the Calculation Principals.

In particular, the calculations related to carbon emissions is based upon, inter alia, information and factors generated internally and/or derived by independent third parties as explained in Eligibility Criteria and the Calculation Principals. Our assurance work has not included examination of the derivation of those factors and other third party information.

The Bank's Responsibility

The Bank is responsible for the content of the Allocation and Impact Report 2020 and the preparation and presentation of the Selected Information, as of and for the year ended 31 December 2019 in accordance with the Eligibility Criteria, disclosed on the page 18 and Calculation Principals, disclosed on the page 14-15. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Selected Information that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that the Selected Information has not been properly prepared in all material respects in accordance with the Eligibility Criteria and the Calculation Principals. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*.

The objective of a limited assurance engagement is to perform the procedures we consider necessary to provide us with sufficient appropriate evidence to support the expression of the conclusion in the negative form on the Selected Information.



A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 and ISAE 3410. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of the Bank's management, including those with responsibility for Sustainability Bonds governance, management and reporting;
- evaluated the design of the key structures, systems, process and controls for managing, recording and reporting Selected Information;
- evaluated the source data used to prepare the Selected Information and re-performing selected examples of calculation;
- performed limited substantive testing on a sample basis of the Selected Information prepared by the Bank to check that the identified assets were in line with the Eligibility Criteria and had been appropriately measured, recorded, collected and reported.
- used the Bank's internal documentation to evaluate and measure the Selected Information
- inspected the impact information using by independent and external sources, where available or the information provided by the project companies; and
- undertook analytical procedures over the reported data.
- considered the disclosure and presentation of the Selected Information in the Allocation and Impact Report 2020.



Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Bank's Selected Information for the year ended 31 December 2019, is not properly prepared, in all material respects, in accordance with the Eligibility Criteria and Calculation Principals disclosed on page 18 and page 14-15, respectively.

This report, including the conclusion, has been prepared for the Board of Directors of the Bank as a body, to assist the Board of Directors in reporting Türkiye Sinai Kalkınma Bankası A.Ş.'s performance and activities related to the Selected Information. We permit the disclosure of this report within the Allocation and Impact Report 2020 for the year ended 31 December 2019, to enable the Board of Directors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Türkiye Sinai Kalkınma Bankası A.Ş. as a body and the Türkiye Sinai Kalkınma Bankası A.Ş. for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

A handwritten signature in blue ink, consisting of a large, stylized loop followed by a smaller loop and a short horizontal stroke.

Ediz Günsel, SMMM
Partner

Istanbul, 22 May 2020

Appendix 1 – Calculation Principles

This document provides information on the data preparation and calculation methodologies of indicators within the scope of the Selected Information. The calculations presented in the report were carried out on the basis of the Company's internally developed methodology. Information from public sources (e.g. transparency platform of Energy Exchange Istanbul (EXIST), Turkish Statistical Institute), as well as data and reports directly related to the projects have been used in the calculations.

Please find below the calculation details and methodology by theme for the projects that are financed under the subject Bonds proceeds.

Renewable Energy

For this type of theme, by using the amount of annual generated electricity and the Turkey's GHG emission coefficient for the grid electricity system (0,553) calculated by the Bank's own methodology which is in line with United Nations Framework Convention on Climate Change (UNFCCC), the amount of annual GHG emissions reduced/avoided is calculated. The assumptions for calculating the reduction for each renewable energy efficiency ratio were based on using the Turkey sector average of the last three years of the different renewable energy sources. The estimated amount of annual generated electricity is based on further information requested from project companies and transparency platform of Energy Exchange Istanbul (EXIST). In addition, the calculations for Annual Allocated Amount from Bond / Total Annual GHG Emissions Reduced/Avoided were carried out with Loan Amount Financed with the Proceeds of Bond / (Total Investment Amount * Annual GHG Emissions Reduced/Avoided) formula.

Energy Efficiency

For this type of theme, by using the amount of annual energy savings and the Turkey's GHG emission coefficient for the grid electricity system (0,553) calculated by the Bank's own methodology which is in line with United Nations Framework Convention on Climate Change (UNFCCC), the amount of annual GHG emissions reduced/avoided is calculated. The annual improvement in energy efficiency and the amount of CO2 emissions avoided are evaluated through the reduction of energy use in relation to a replacement solution, which serves as the baseline for the calculations. The estimated amount of annual energy savings is based on the savings calculations carried out in the projects and the further information requested from project companies. In addition, the calculations for Annual Allocated Amount from Bond / Total Annual GHG Emissions Reduced/Avoided were carried out with Loan Amount Financed with the Proceeds of Bond / (Total Investment Amount * Annual GHG Emissions Reduced/Avoided) formula.

Resource Efficiency

The amount of annual raw material savings (Electricity/Other) are evaluated through the reduction of energy or raw material use in relation to a replacement solution, which serves as the baseline for the calculations. The estimated amount of annual raw material savings is based on the savings calculations carried out in the projects and the further information requested from project companies. These calculations are made per ton, then the raw material savings made over all produced product during the year. In addition, the calculations for Annual Allocated Amount from Bond / Total Annual Electricity/Other Saved were carried out with Loan Amount Financed with the Proceeds of Bond / (Total Investment Amount * Annual Raw Material Savings) formula.

Electricity Distribution Projects

The number of total subscribers, population of area and total energy distribution are based on further information requested from project companies, the Bank's follow-up reports, transparency platform of Energy Exchange Istanbul (EXIST) and Turkish Statistical Institute statistics on provinces where electricity distribution is provided by the project companies. In addition, the calculations for Investment/person were carried out with Total Investment Amount / Population of Area formula; and for Investment/subscriber information Total Investment Amount / Total Subscriber formula is used.

Ports

The amount of total handling capacity and handling amount of ports are based on further information requested from project companies, the Bank's follow-up reports and consultant reports.

Health

The number of annual in-patient visit, number of annual out-patient visit of hospitals, total capacity of beds and other related information are based on further information requested from project companies, sources of Ministry of Health and consultant reports. While the number of annual in-patient visit shows the number of incoming patients to the hospital on a daily basis, number of annual out-patient visit shows the number of patients who are treated and discharged from hospital on a daily basis and not hospitalized.

WHY TO INVEST US?

A Unique Business Model



Long Term Funding and Strong Liquidity

- Long term tenor in liabilities: 11 years
- Medium term in assets: 5 years
- Diversified funding tools
- Amortized loan book



Sustainable Relationship with Stakeholders

- Long-lasting relationship with DFI's and FI's
- Ministry of Treasury and Finance
- DFI Mission Clubs
- Policy Makers
- Investors



Prudent Credit Risk Assessment

- Multi-disciplinary assessment during allocation
- Sector specific research analysts during allocation and monitoring period
- Strong collateralization
- Well capture of clients



"Knowledge Banking"

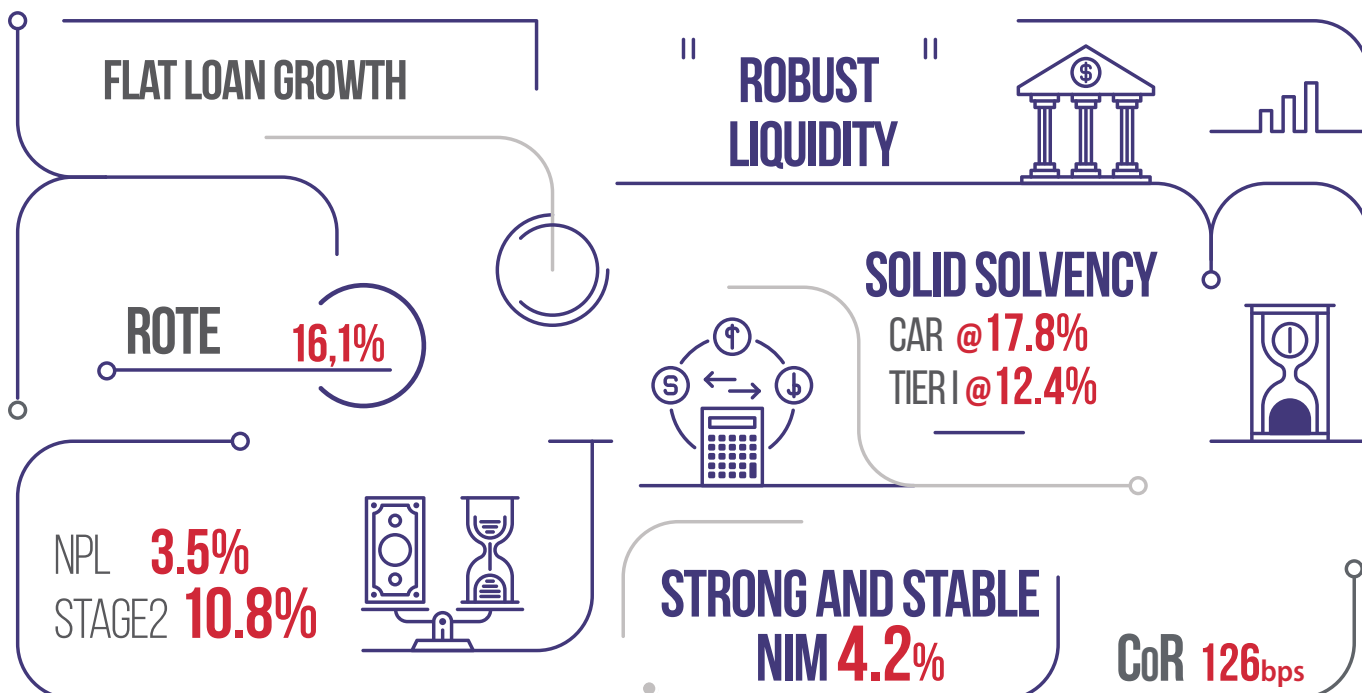
- A strong technical team
 - Economic research
 - Engineers
 - Financial Analysts
- Constant investment for the capacity expansion
- Advisory and investment banking teams

Identifying the actual and future needs for sustainable development

- Sustainable Banking Income Generation
- Solid & Consistent Financial Ratios

Securing those by way of utilization of existing resources and of reaching out potential ones

TSKB's Key Highlights with respect to 4Q-19



WHY TO INVEST US?

Sustainability is embedded in our Business Model



Support for employment in Turkey;

- Encouraging women participation to the economy
- Providing financing to operational health and safety
- Supporting less developed regions

Support transition to low carbon economy





Financing to reduce energy dependency in Turkey

- Financing renewable energy projects;
- Energy and resource efficiency investments

- Environmental & Social Risk Evaluation for all investment projects
- Monitoring social impacts of financed investments





Sustainability Reporting

- Integrated Report
- Impact & Allocation Report
- Carbon Disclosure Project
- Communication on Progress

- Extend resources for UN Sustainable Development Goals
- Supporting 14 of Sustainable Development Goals



Recent Developments on Sustainable Banking



Founding Signatory of the 'Principles for Responsible Banking' developed by the UNEP FI



10th member of the Steering Committee of the IDFC, where the Bank is a founding member



The highest climate score (B) in the sector by the Carbon Disclosure Project (CDP)



Investing & Financing Category Finalist (2019) Finance for the Future



2019 Integrated Annual Report audited by E&Y and PwC

TSKB SUSTAINABLE BOND & SUSTAINABLE TIER II

Issued the first Green/Sustainable Bond out of Turkey and CEEMEA region in May 2016, TSKB subsequently realized the globally first Sustainable Tier II Bond issuance in March 2017. TSKB has committed to extend loans in accordance with the Eligibility Criteria as described in the Sustainability Bond Framework which can be found in page 3 of this report. This is the 4th Allocation & Impact Report following 2017, 2018 and 2019. In addition to Sustainalytics review, PwC assurance was obtained as well.

Direct and Indirect Climate Change Mitigation

While Turkey has been heavily investing in climate mitigation investments since 2004, especially after the Paris Agreement, the world has put its concentration and hope mainly in renewable energy and energy and resource efficiency, as the primary methods in tackling climate change. In transition to a low-carbon economy, for companies to be energy and resource efficient and intent to develop renewable energies will be of vital importance.

Energy & Resource Efficiency



Renewable Energy



Sustainable Infrastructure

To serve to aim of promoting sustainable growth and sustainable infrastructure improvements in Turkey; TSKB included the health sector, ports and electricity distribution network investments into the scope.

Electricity Distribution
Networks



Ports



Social Infrastructure
(Health and Education)



Climate Change Adaptation

Detailed information is available in the “TSKB Sustainability Bond Framework Overview and Second Opinion by Sustainalytics” Report.

All selected projects are previously assessed by TSKB’s own Environmental and Social Risk Evaluation Tool (ERET), which aligns with the IFC Performance Standard, in order to identify and rate risks associated with clients and projects. All selected projects are subject to ongoing monitoring and supervision in terms of environmental and social impacts.

Environmental rating methodology for ERET Model is continuously reviewed by TSKB teams, and the weights of high risk issues in the calculation process are increased in line with changing conditions, thus highlighting the risky issues.

ALLOCATION & IMPACT REPORTING

Review by Sustainalytics

Sustainalytics reviewed the projects funded through proceeds obtained from Green /Sustainable Bond issuance in 2016 and Sustainable Bond issuance in 2017 and provided an assessment as to whether the projects as of 2019 year end met the Use of Proceeds criteria and the Reporting Commitments outlined in the Sustainability Bond Framework provided by Sustainalytics. As per the Conclusion of the Annual Review⁵ issued by Sustainalytics nothing has come to Sustainalytics' attention that causes Sustainalytics to believe that, in all material respects, the reviewed bond projects, funded through proceeds of TSKB's Sustainability Bond, are not in conformance with the Use of Proceeds and Reporting Criteria outlined in the TSKB Sustainability Bond Framework.

Assurance by PwC

TSKB's sustainable bonds have also been verified by PwC⁶. PwC has concluded that nothing has come to their attention indicating that the selected information for the year ended 31 December 2019 are not prepared in all material respects in accordance with the Company's Eligibility Criteria as explained in the Report.

Management of Proceeds

TSKB fully disbursed the proceeds of the Green / Sustainable Bond and the Sustainable Basel III Compliant Tier-II Bond. Moreover, TSKB will continue to finance new eligible projects for the redemption amounts out of the subject portfolio, on a best effort basis.

TSKB had a selection of existing projects to support the bond sizes and has aimed to re-finance the outstanding project flow with the use of proceeds of the Bonds.

As a result of the assesment of the subject project in accordance with ERET model, no individual action was required. Until when the full utilisation has got completed, the proceeds were held under a designated account, which is tagged within TSKB's accounting system for efficient monitoring of the related projects. TSKB has permitted transfers from this account to eligible projects only.

In some cases, the related component of a project supported by the Bonds could be a part of a larger investment. In such cases, the portfolio only finances the eligible portion of these investments.

The monitoring of the projects comprises regular reports by the Bank on project activities and performance throughout the lifetime of investment.

Allocation of the Proceeds (as of 31.12.2019)

Green / Sustainable Bond

THEMES	# of PROJECT	PERCENTAGE
Energy Efficiency	3	7,0%
Renewable Energy	9	36,5%
Health	1	15,6%
Electricity Distribution	5	21,9%
Ports	3	19,0%
Total	21	100,0%

Sustainable Tier II Bond

THEMES	# of PROJECT	PERCENTAGE
Energy Efficiency	5	18,2%
Resource Efficiency	1	1,9%
Renewable Energy	8	40,0%
Health	1	23,4%
Electricity Distribution	2	10,9%
Ports	2	5,6%
Total	19	100,0%

⁵ TSKB Annual Review 2020, page 1

⁶ Limited Assurance Report, page 9

ALLOCATION & IMPACT REPORTING

Impacts Measured

TSKB Impact Report is in line with the ICMA Green Bond principles¹ reference framework for reporting. The Impact Report includes the list of projects that are financed under the subject Bonds proceeds, brief Project descriptions, the amounts committed and related environmental and/or social impacts. In the calculation of GHG emission reductions/avoidance, TSKB's internally and annually calculated Turkey's Green House Gas (GHG) Emission Factor (from Turkey's Electrical Energy Production) value is utilized. TSKB's emission factor calculation methodology is in line with United Nations Framework Convention on Climate Change (UNFCCC) tool to calculate the emission factor for an electricity system. In the calculations, Turkey's announced latest electricity statistics are used.

Impact of Green/Sustainable Bond Utilisation – Renewable Energy

Project Name	Installed Capacity (MW)	Type	Eligibility for Green Bonds	Total Investment Amount (USD)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2018)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2019)	Annual Generation FY 2019 (Electricity) (kWh)	Annual GHG Emissions Reduced/Avoided FY 2019** (ton/year)	Annual Allocated Amount from Bond / Total Annual GHG Emissions Reduced/Avoided FY 2019 (ton/year)
1	120	HPP	Hydro Power Plants	170.000.000	28.375.000	28.375.000	278.913.000	154.239	25.744
2	131,2	HPP	Hydro Power Plants	243.076.000	35.584.337	35.584.337	911.247.993	503.920	73.770
3	130,2	HPP	Hydro Power Plants	249.778.000	35.584.337	35.584.337			71.790
4	81,25	HPP	Hydro Power Plants	163.657.240	14.947.105	14.947.105	350.768.040	193.975	17.716
5	60,25	HPP	Hydro Power Plants	68.839.000	8.339.083	8.339.083	175.885.331	97.265	11.783
6	39	WPP	Wind Power Plants	66.089.032	3.955.760	3.955.760	103.432.576	57.198	3.424
7	13	SPP	Solar Power (Photovoltaic)	21.367.000	3.954.388	3.954.388	22.818.709	12.619	2.335
8	1,4	SPP	Solar Power (Photovoltaic)	1.735.000	779.649	779.649	2.494.595	1.380	620
9	45	WPP	Wind Power Plants	76.157.792	483.383	483.383	151.068.670	83.541	530

** Turkish grid emission factor was 0.553 for year 2018 actualizations, 2019 grid emission is still at evaluation phase and final outcome will be declared end of April 2020. Until 2019 grid emission become clearer, we considered 2018 emission factor at the calculations.

¹ <http://www.icmagroup.org/Regulatory-Policy-and-Market-Practice/green-bonds/>

ALLOCATION & IMPACT REPORTING

Impact of Tier II Utilisation – Renewable Energy

Project Name	Installed Capacity (MW)	Type	Eligibility for Green Bonds	Total Investment Amount (USD)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2018)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2019)	Annual Generation FY 2019 (Electricity) (kWh)	Annual GHG Emissions Reduced/Avoided FY 2019** (ton/year)	Annual Allocated Amount from Bond / Total Annual GHG Emissions Reduced/Avoided FY 2019 (ton/year)
1	36	WPP	Wind Power Plants	33.700.000	1.542.644	1.542.644	103.995.290	57.509	2.633
2	63	WPP	Wind Power Plants	95.200.000	12.600.000	8.356.774	118.980.592	65.796	5.776
3	5,6	BPP	Biomass Power Plants	6.000.000	4.500.000	4.500.000	27.641.000	15.285	11.464
4	32,4	WPP	Wind Power Plants	36.275.160	19.197.345	19.197.345	92.796.960	51.317	27.158
5	27,5	WPP	Wind Power Plants	51.444.176	2.300.000	2.300.000	43.930.431	24.294	1.086
6	115	WPP	Wind Power Plants	153.437.198	80.618.496	80.618.496	299,526,860	165.638	87.029
7	1	SPP	Solar Power (Photovoltaic)	1.626.000	1.269.666	1.269.666	1.658.956	917	716
8	1	SPP	Solar Power (Photovoltaic)	1.650.000	1.279.823	1.279.823	1.658.956	917	712

** Turkish grid emission factor was 0.553 for year 2018 actualizations, 2019 grid emission is still at evaluation phase and final outcome will be declared end of April 2020. Until 2019 grid emission become clearer, we considered 2018 emission factor at the calculations.

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Impact of Green/Sustainable Bond Utilisation – Energy Efficiency

Project	Eligibility for Green Bonds	Total Investment Amount (USD)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2018)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2019)	Annual Energy Savings FY 2019 (Electricity/ Other) (kWh/year)	Annual GHG Emissions Reduced/Avoided FY 2019** (ton/year)	Annual Allocated Amount from Bond / Total Annual GHG Emissions Reduced/Avoided FY 2019 (ton/year)	Criteria
1	Energy Efficiency	45.900.000	5.490.000	5.490.000	89.660.000	49.582	5.930	Criteria iii % 58,5 of incremental benefits from the Project coming from a reduction in energy consumption the scope of investment.
2	Energy Efficiency	5.500.000	5.339.281	5.500.000	3.057.000	1.691	1.691	Criteria i %70 decrease at electric consumption
3	Energy Efficiency	30.000.000	14.118.793	14.182.520	2.134.883	901	426	Project holding a valid gold leed certificate

** Turkish grid emission factor was 0.553 for year 2018 actualizations, 2019 grid emission is still at evaluation phase and final outcome will be declared end of April 2020. Until 2019 grid emission become clearer, we considered 2018 emission factor at the calculations. NG emission is based on 1.94 CO2 kg/scm (average calorific value is considered as 10.64 kWh/m3)

Impact of Tier II Utilisation – Energy Efficiency

Project	Eligibility for Green Bonds	Total Investment Amount (USD)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2018)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2019)	Annual Energy Savings FY 2019 (Electricity/ Other) (kWh/year)	Annual GHG Emissions Reduced/Avoided FY 2019** (ton/year)	Annual Allocated Amount from Bond / Total Annual GHG Emissions Reduced/Avoided FY 2019 (ton/year)	Criteria
1	Energy Efficiency	25.897.921	1.703.992	1.654.565	2.871.467	1.023	65	Project holding a valid gold leed certificate
2	Energy Efficiency	6.362.841	4.673.807	4.040.593	1.400.000	774	492	Criteria i %15 decrease at energy (Electric & Natural gas)
3	Energy Efficiency	9.218.440	3.282.878	3.005.960	18.464.000	10.211	3.329	Criteria i %84 decrease at energy (Electric & Natural gas)
4	Energy Efficiency	94.000.000	19.559.128	19.592.212	558.134	5.196	1.083	Criteria i & iv %56.4 cumulative cost decrease at energy (Electric & Natural gas) (comparing with an ASHRAE Reference Building) Building holds a valid Platinum Leed Certificate
5	Energy Efficiency	40.609.024	26.876.283	25.946.490	4.763.142	1.707	1.091	Project holding a valid gold leed certificate

** Turkish grid emission factor was 0.553 for year 2018 actualizations, 2019 grid emission is still at evaluation phase and final outcome will be declared end of April 2020. Until 2019 grid emission become clearer, we considered 2018 emission factor at the calculations. NG emission is based on 1.94 CO2 kg/scm (average calorific value is considered as 10.64 kWh/m3)

Impact of Tier II Utilisation – Resource Efficiency

Project	Project Description	Eligibility for Green Bonds	Total Investment Amount (USD)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2018)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2019)	Annual Raw Material Savings (Electricity/Other) (kWh/year)	Annual Allocated Amount from Bond / Total Annual Water/Other Saved (ton-m3/year)	Criteria
1*	Polyester (Polyester Fiber Machine)	Resource Efficiency	40.500.000	5.713.496	5.697.000	214,2 kg/ton specific reduction (7.497 tons/year raw material & auxiliary chemicals)	1.054,58	Criteria iii Reduction raw material/ auxiliary chemicals

** Turkish grid emission factor was 0.553 for year 2018 actualizations, 2019 grid emission is still at evaluation phase and final outcome will be declared end of April 2020. Until 2019 grid emission become clearer, we considered 2018 emission factor at the calculations.

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Impact of Green/Sustainable Bond Utilisation – Electricity Distribution Projects

Project	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2018)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2019)	Total Investments in 2018 (TL)	Total Investments in 2019 (TL)	2019 Total Subscriber	Population of the Area - 2019	2019 Total Energy Distribution (MWh)	2019 Investment/ person	2019 Investment/ subscriber	Benefits of the Investment
1	42.481.637	40.323.438	262.841.386	145.581.955	2.854.000	5.097.873	12.822.713	29	51	<p>In addition to regular expansion, modernization and maintenance, investments have served to keep network losses at a minimum level and adapting the networks to new requirements, such as distributed generation, integration of renewable energy into the grid, remote network operation and more energy efficient management. The investments have thus contributed to overall energy efficiency and carbon reduction.</p> <p>An added benefit for the 3rd and 4th projects have been the provision of high quality services in one of the less developed regions of Turkey covering provinces in Eastern Black Sea.</p> <p>The projects also meet with the UN-SDG target 9 "Industry, Innovation and Infrastructure" and target 11 "Sustainable Cities and Communities".</p>
2	17.826.106	17.826.106	115.660.706	129.989.442	970.000	1.672.903	2.600.000	78	134	
3	5.000.000	4.705.882	117.000.000	104.826.988	1.389.748	1.935.982	3.598.756	54	75	
4	5.000.000	4.705.882	104.000.000	74.102.944	977.424	1.755.735	2.483.630	42	76	
5	12.914.199	11.708.188	236.404.701	440.845.721	3.300.000	5.700.000	14.562.324	77	134	

Impact of Tier II Utilisation – Electricity Distribution Projects

Project	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2018)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2019)	Total Investments in 2018 (TL)	Total Investments in 2019 (TL)	2019 Total Subscriber	Population of the Area - 2019	2019 Total Energy Distribution (MWh)	2019 Investment/ person	2019 Investment/ subscriber	Benefits of the Investment
1	24.796.571	26.033.707	262.841.386	145.581.955	2.854.000	5.097.873	12.822.713	29	51	<p>In addition to regular expansion, modernization and maintenance, investments have served to keep network losses at a minimum level and adapting the networks to new requirements, such as distributed generation, integration of renewable energy into the grid, remote network operation and more energy efficient management. The investments have thus contributed to overall energy efficiency and carbon reduction.</p> <p>For Project 1, benefits of the investments will be the same in both tranches because, in electricity distribution regions, most of the investments are made for the same purposes such as modernization, maintenance and minimizing network losses etc.</p>
2	6.574.133	6.354.995	110.000.000	188.274.836	1.125.936	1.831.511	6.745.231	103	-	

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Impact of Green/Sustainable Bond Utilisation - Ports

Project	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2018)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2019)	Handling Capacity Before Investments	2018 Handling Capacity	2019 Handling Capacity	2018 Handling Amount	2019 Handling Amount	Benefits of the Investment
1	51.000.000	50.168.782	50.000 TEU/year container handling 1.500.000 tons/year general cargo	6.000.000 tons/year genel cargo 150.000 TEU/year container handling 110.000 CEU Ro-Ro	6.000.000 tons/year genel cargo 150.000 TEU/year container handling 110.000 CEU Ro-Ro	972.416 tons/year general cargo Ro-Ro : - Container: -	1.212.724 tons/year general cargo 10.022 units/year Ro-Ro	The existing inactive port has been modernized and refurbished to accommodate general cargo, Ro-Ro and container. The port has started to facilitate shifting land transport to sea transport by increasing general cargo and Ro-Ro shipping. An important additional benefit of the port is that Black Sea cargo can be shipped directly from this port instead of crossing the Bosphorus, thereby reducing fuel use and carbon emissions. The projects also meet with the UN-SDG target 9 "Industry, Innovation and Infrastructure" and target 11 "Sustainable Cities and Communities"
2	6.382.000	5.087.106	520.000 TEU/year container handling 4.000.000 tons/year general cargo 750.000 m ³ /year liquid cargo	1.000.000 TEU/year container 6.000.000 tons/year general cargo 600.000 m ³ /year liquid cargo	1.000.000 TEU/year container 6.000.000 tons/year general cargo 1.000.000 m ³ /year liquid cargo	561.000 TEU/year container 1.788.000 tons/year general cargo 378.443 m ³ liquid cargo	554.223 TEU 746.348 tons general cargo 241.664 m ³ liquid cargo	Additional container handling capacity and general increase in productivity has increased port efficiency, facilitating shift from land transport to sea transport. After the investment the port benefits from economies of scale much more than the previous period. Container handling also has environmental benefits as a dust-free mode of cargo handling. The projects also meet with the UN-SDG target 9 "Industry, Innovation and Infrastructure" and target 11 "Sustainable Cities and Communities"
3	13.560.000	13.560.000	600.000 TEU container handling 450 bin vehicles (Ro-Ro) 1.500.000 tons/year general cargo	1.6000.000 TEU/year container handling 5.000.000 tons/year general cargo 650.000 CEU Ro-Ro	1.2000.000 TEU/year container handling 5.000.000 tons/year general cargo 650.000 CEU Ro-Ro	530.000 TEU/year container 1.170.000 tons/year general cargo 362.000 CEU/year Ro-Ro	524.652 TEU 1.367.508 tons general cargo 300.315 CEU Ro-Ro	Aforementioned investment consists of two phases, the first step mainly comprises of building a modernized container. Following to that, the Company has integrated with the adjacent port that was built at phase 1, belonging to the same group of companies. With the integration and modernization of container handling along with the adjacent port will boost the efficiency of port operations, thus creates additional benefits and various synergies. Furthermore, the container handling also facilitates transitions from land transport to sea transport. In addition to those, container handling is also environmentally friendly with its dust-free mode of cargo handling. The projects also meet with the UN-SDG target 9 "Industry, Innovation and Infrastructure" and target 11 "Sustainable Cities and Communities"

Impact of Tier II Utilisation - Ports

Project	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2018)	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2019)	Handling Capacity Before Investments	2018 Handling Capacity	2019 Handling Capacity	2018 Handling Amount	2019 Handling Amount	Benefits of the Investment
1	9.712.943	8.298.896	A greenfield investment	125.000 CEU/ TEU-year Ro-Ro	125.000 CEU/ TEU-year Ro-Ro	93.000 CEU/TEU-year Ro-Ro	73.423 CEU/ TEU-year Ro-Ro	The greenfield investment is a Ro-Ro terminal. The port is facilitating shift from land transport to sea transport between Asia and Europe continents, creates new routes which are alternative to bridge usage. Reduces traffic, fuel use and carbon emissions by proposing new shorter paths. Helps reducing toll road usage. The projects also meet with the UN-SDG target 9 "Industry, Innovation and Infrastructure" and target 11 "Sustainable Cities and Communities"
2	9.248.513	8.298.896	450.000 TEU/year container 500.000 ton/year general cargo	450.000 TEU/year container 500.000 ton/year general cargo	750.000 TEU/year container 500.000 ton/year general cargo	390.071 TEU/year container 23.736 tons/year general cargo	427.723 TEU/year container	The investment consists of rail system reinforcement to build "rail system integrated SSGC (Ship to Shore Gantry Crane)" for handling containers at the port. The project provides ability to serve ships with higher DWT capacity and efficiency in container handling which increases port productivity and profitability to serve to the region more effectively. Also within the Project, port has integrated to national railway network with TCDD Taşımacılık (The Turkish State Railways) to supply containers with railway, which has an effect on decreasing CO2 emissions caused by the land transport. The projects also meet with the UN-SDG target 9 "Industry, Innovation and Infrastructure" and target 11 "Sustainable Cities and Communities"

ALLOCATION & IMPACT REPORTING

Impact of Green/Sustainable Bond Utilisation - Health

Project Description	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2019)	Benefits of the Investment	Annual In-Patient Visit Numbers FY 2019 (person.day)	Annual Out-Patient Visit Numbers FY 2019 (person)
Hospital	56.366.418	<p>The hospital project in Ankara aims to:</p> <ul style="list-style-type: none"> • Renovate the insufficient healthcare infrastructure that will serve increasing healthcare demands, • Bring smaller hospitals together under one campus, • Increase service quality and efficiency in Turkey. <p>•The project is developed to provide service for Ankara and surrounding cities primarily Çorum, Kırıkkale, Kırşehir, Yozgat, Çankırı, Karabük, Kastamonu, Zonguldak, Bartın and Bolu.</p> <ul style="list-style-type: none"> •The Health Facility is expected to be visited by about 100,000 people daily. •The district population can be characterized as mainly lower middle class and the district is readily accessible with public transport from the city center. •Ankara is the capital and the second largest city in Turkey. Population has grown with a Compound Annual Growth Rate (CAGR) of 1,9% between 2008 and 2018, exceeding the national growth rate of CAGR 1,4%. •The project has directly created job opportunities for c. 350 people and indirectly c. 2,800 people on average via subcontractors during construction period. 	Not in operation yet	Not in operation yet

Impact of Tier II Utilisation - Health

Project Description	Loan Amount Financed with the Proceeds of Bond (USD) (31.12.2019)	Benefits of the Investment	Annual In-Patient Visit Numbers FY 2019 (person.day)	Annual Out-Patient Visit Numbers FY 2019 (person)
Hospital	69.501.985	<p>The hospital project which was opened in March, 2017 in Isparta aims to:</p> <ul style="list-style-type: none"> • Renovate the insufficient healthcare infrastructure that serves increasing healthcare demands, • Bring smaller hospitals together under one campus, • Increase service quality and efficiency in region. <p>The project is developed to provide service for Isparta and surrounding cities primarily Afyon, Burdur, Antalya and Konya. The Healthcare Facility is used by local people and other people coming from neighbor cities. The Project has an integrated health campus investment with a total capacity of 780 beds. It was visited by more than 8,000 people daily (including patient relatives and regular healthcare personnel). Isparta province is a small city with a good transportation system sufficient for the city, where the local people generally use the public transportation. Project creates a positive influence on the transportation activities. The project has created job opportunities for 2.687 people in total during the operation of the hospital (1.330 health service and 1.354 service employees).</p>	162	2.030.729