PRESIDENCY OF
THE REPUBLIC OF TÜRKİYE
TÜRKİYE
WEALTH FUND

2026

TÜRKİYE WEALTH FUND SUSTAINABLE FINANCE FRAMEWORK

1. Introduction

1.1 Türkiye Wealth Fund Overview

Türkiye Wealth Fund ("TWF") is Türkiye's sole sovereign wealth fund, structured as an asset-backed strategic development fund, founded as per the Law No. 6741 in 2016 to support the country's long-term economic development, enhance the depth and resilience of financial markets, and mobilize capital toward strategic national priorities. As Türkiye's strategic investment arm, TWF plays a central role in strengthening economic competitiveness, supporting sustainable growth, and advancing the country's green and digital transformation agenda. As per Law No. 6741, TWF is managed and represented by Türkiye Varlık Fonu Yönetimi A.Ş. (TWF ManCo) which is responsible for overseeing and managing TWF operations.

TWF operates with a dual mandate of preserving and enhancing the value of strategic national assets while supporting Türkiye's broader economic and development objectives. Through its integrated investment model, TWF seeks to generate long-term value by investing in sectors that strengthen economic resilience, support industrial development, promote technological innovation, enhance energy security and contribute to sustainable development outcomes.

The Fund's strategic roadmap is built around four core objectives:

Enhancing the value of assets within the Fund

Implementing domestic strategic investments in Türkiye

Evaluating international investment opportunities

Deepening financial markets and supporting the development of capital markets

These objectives are supported by a strong governance framework, diversified financing capabilities, robust human capital and a commitment to transparency, accountability and responsible investment practices.

1.2 TWF Portfolio Structure

As of June 2026, TWF managed a diversified portfolio comprising 36 companies, two long-term operating licenses and a portfolio of real estate assets across seven strategic sectors:

FINANCIAL SERVICES

ENERGY

TRANSPORTATION AND LOGISTICS

TECHNOLOGY AND TELECOMMUNICATIONS

AGRICULTURE AND FOOD

MINING AND IRON-STEEL

REAL ESTATE

TWF's portfolio includes many of Türkiye's leading national champions and critical infrastructure assets, including major financial institutions, transportation networks, energy companies, telecommunications providers and industrial enterprises that contribute significantly to the country's economic development.

The portfolio is principally concentrated in Financial Services, Transportation & Logistics and Energy, reflecting TWF's role as a strategic investor in sectors that are fundamental to Türkiye's economic growth, financial stability, energy security and infrastructure development.

TWF's portfolio includes leading public banks and financial institutions, transportation and logistics assets, strategic energy companies, as well as key telecommunications, mining, agriculture and real estate investments. This diversified portfolio provides a strong platform to support Türkiye's long-term development priorities while facilitating investments that contribute to sustainable economic growth and the country's green and digital transformation objectives.

TWF Approach to Sustainability

2. TWF Approach to Sustainability

2.1 Sustainability Principles

Sustainability is embedded within TWF's long-term investment philosophy and value creation model. As Türkiye's sole sovereign wealth fund, TWF seeks to contribute to the country's economic resilience, green and digital transformation, climate resilience, energy security, infrastructure development and sustainable economic growth while enhancing the long-term value of its portfolio assets. Through active ownership, sustainability efforts and strategic capital allocation, TWF aims to create lasting economic, environmental and social value, improve the ESG performance of both the Fund and its portfolio companies, and support Türkiye's national sustainability ambitions and international climate commitments.

TWF's sustainability approach is guided by the principles of transparency, accountability, responsible investment, stakeholder engagement and long-term impact. Sustainability considerations are recognized as an important element of TWF's long-term value creation approach and are taken into account, where relevant, across portfolio oversight, corporate governance practices and broader strategic considerations. This approach supports TWF's ability to enhance awareness of sustainability-related risks and opportunities and promote responsible business practices across its portfolio.

By aligning its investment activities with internationally recognized sustainability standards and best practices, TWF seeks to strengthen the resilience and competitiveness of its portfolio while contributing to Türkiye's long-term development priorities.

2.2 Sustainability Integration in TWF's Investment Strategy

As Türkiye's sovereign wealth fund, TWF integrates sustainability considerations into its long-term value creation approach and investment philosophy. TWF recognizes that sustainable economic growth requires the effective consideration of ESG factors across its operations, investments and portfolio companies. Guided by its mission to contribute to Türkiye's economic development and strategic transformation, TWF seeks to promote responsible business practices, strong corporate governance, climate resilience, ethical conduct and social inclusion throughout its ecosystem.

TWF's sustainability strategy focuses on promoting the consideration of ESG principles within relevant processes, enhancing awareness of sustainability-related risks and opportunities, and fostering a culture of continuous improvement and accountability. Through engagement with portfolio companies, TWF encourages the adoption of internationally recognized standards, transparent reporting practices and improved sustainability practices. Leveraging its scale, institutional strength and long-term investment horizon, TWF aims to support sustainable economic development, enhance stakeholder value and contribute to a more resilient, competitive and inclusive future for Türkiye.

2.3 Materiality Assessment

TWF applies a Double Materiality approach that considers both the impacts of sustainability-related issues on TWF's operations and investments, as well as the environmental, social and economic impacts generated by TWF and its portfolio companies. This approach supports informed decision-making and helps ensure that sustainability considerations are integrated into strategic planning, risk management and investment activities.

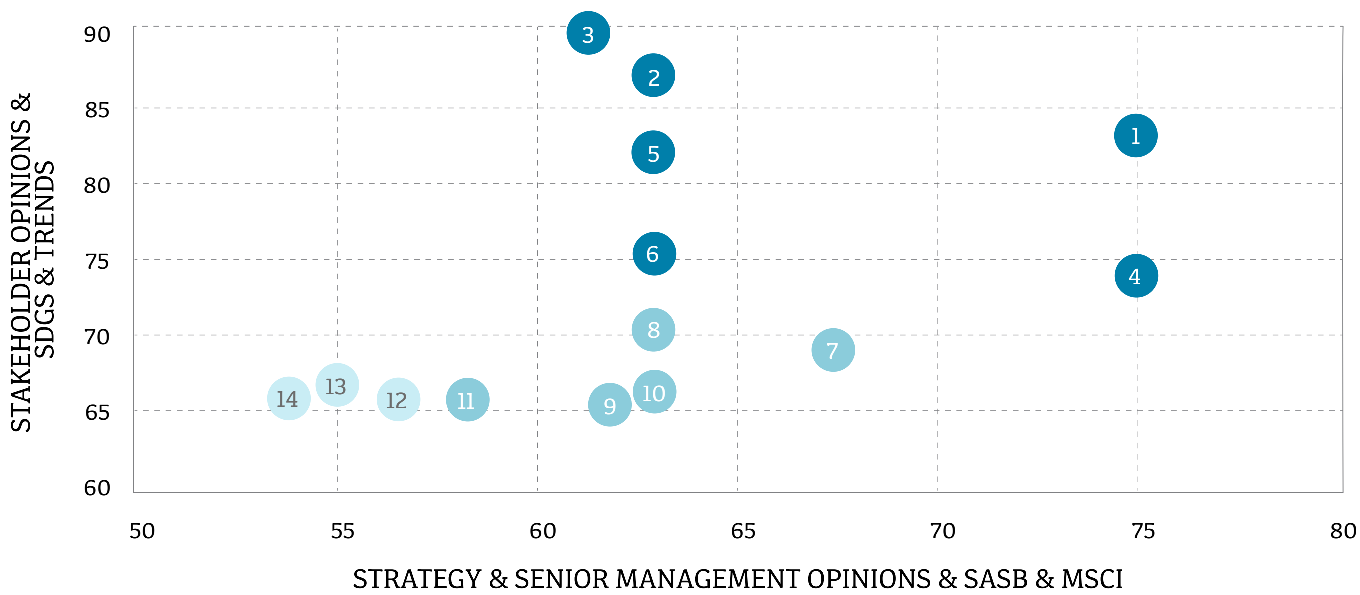
The materiality assessment was first conducted in 2022 and subsequently reviewed in 2024 to reflect evolving stakeholder expectations, emerging sustainability risks and opportunities, and developments in national and international sustainability reporting frameworks. The review incorporated Sustainability Accounting Standards Board (SASB) sector standards, Türkiye Sustainability Reporting Standards (TSRS), stakeholder feedback, sustainability practices of comparable sovereign wealth funds, and internationally recognized frameworks and benchmarks including the World Economic Forum (WEF) and MSCI. Risk maps, sector-specific priorities and global sustainability trends were also considered as part of the assessment process.

The materiality assessment enables TWF to identify and prioritise the sustainability topics that are most relevant to its long-term value creation strategy, portfolio management approach and stakeholder expectations. The resulting materiality framework supports transparent, systematic and measurable sustainability management and reporting across the Fund and its portfolio companies, while informing investment prioritization, risk management and strategic decision-making.

The material topics identified through this process are presented in the Materiality Matrix below.

Materiality Priority	No #	Material Topic	Linked SDGs
1st Degree Material Topics	1	Contribution to Social & Economic Development	SDG 8, 9
	2	Corporate Governance	SDG 16
	3	Business Ethics	SDG 16
	4	Integration of ESG into Investment Decisions	SDG 9, 12, 13
	5	Information Security & Digitalization	SDG 9
	6	Climate Change & Carbon Emissions	SDG 7, 13
2nd Degree Material Topics	7	Employment Equality & Non-Discrimination	SDG 5, 10
	8	Effective Communication and Guidance for Portfolio Companies	SDG 9, 17
	9	Energy Efficiency and Waste Management	SDG 7, 12
	10	Transparency and Accountability	SDG 16, 17
	11	Risk Management	SDG 9, 13
3rd Degree Material Topics	12	Employee Health and Safety	SDG 3, 8
	13	Employee Training	SDG 4
	14	Fair Working Conditions	SDG 8, 10

MATERIALITY MATRIX



2.4 Sustainability Governance Framework

TWF maintains a multi-layered governance structure designed to support the consideration of sustainability matters across strategic decision-making, investment activities, risk management and portfolio oversight. Sustainability governance is embedded across all levels of the organization, from the Board of Directors to executive management and operational functions, ensuring accountability, effective oversight and alignment with TWF's Sustainability Policy and long-term value creation objectives.

The Board of Directors provides ultimate oversight of sustainability-related matters and is responsible for approving TWF's strategic objectives, governance framework and key policies. The Board is supported by specialised committees, including the Corporate Governance Committee, Audit Committee, Executive and Human Resources Committee, and Early Detection of Risk Committee, each of which contributes to the oversight of ESG-related matters within their respective mandates.

At the management level, sustainability coordination is led through the Sustainability Committee, which is chaired by the Executive Director of Finance and Operations and comprises representatives from 13 departments across the organization. The Sustainability Committee is responsible for identifying, assessing and managing ESG-related impacts, coordinating implementation of sustainability initiatives and supporting the enhancement of sustainability practices across investment and operational processes. The Corporate Communications and Sustainability Directorate acts as the secretariat of the Committee and provides regular reporting to senior management and the Board.

Sustainability Committee	Executive Director of Finance and Operations	
	CFO Office	International Capital Markets and Project Finance
	Communications and Sustainability	Financial Affairs
	Investments I	Investments II
	Risk Management	Legal, Compliance and Regulations

TWF also promotes sustainability integration across its portfolio companies through active ownership, stakeholder engagement and ESG-related coordination and reporting practices, supporting the adoption of governance structures and sustainability practices aligned with TWF's sustainability objectives.

As part of its commitment to transparency and accountability, TWF publishes an Integrated Annual Report covering TWF Group activities, providing stakeholders with information on the Group's financial and non-financial performance, sustainability priorities and long-term value creation approach. Selected sustainability indicators disclosed within the Integrated Annual Report are subject to limited assurance, further supporting the reliability and transparency of ESG-related disclosures.

Lastly, as a member of the International Forum of Sovereign Wealth Funds (IFSWF), TWF upholds the Santiago Principles, a globally recognized set of principles and practices designed to promote good governance, accountability, transparency and prudent investment practices among sovereign wealth funds. TWF's alignment with these principles reinforces its institutional governance framework and supports its commitment to responsible stewardship, long-term value creation and sustainable economic development.

2.5 Sustainability Policy and Social Investment Policy

TWF's Sustainability Policy and Social Investment Policy together provide the foundation for considering ESG factors, as well as social development aspects in its management practices, operations, investment activities and portfolio oversight. These Policies apply across TWF and support the structured consideration of sustainability-related aspects within relevant business processes.

Within this framework, ESG-related impacts are monitored across investment and operational processes. The Policy framework also guides TWF's engagement with portfolio companies and promotes alignment with internationally recognized sustainability standards and responsible investment principles. In parallel, the Social Investment Policy reinforces TWF's commitment to supporting positive social outcomes and contributing to inclusive development in line with Türkiye's long-term strategic priorities.

2.6 Integrated Risk Management

TWF maintains an integrated risk management framework that supports its long-term value creation objectives and sustainability strategy. Risk management activities are conducted under the oversight of the Board of Directors through the Early Detection of Risk Committee, which is responsible for monitoring principal risks, defining risk appetite and overseeing risk management processes across the organization.

TWF applies a holistic approach to risk management that incorporates financial, operational, environmental, social and governance considerations. Sustainability-related risks and opportunities are integrated into the Fund's risk management processes and assessed alongside traditional business risks to support informed decision-making and resilient portfolio management.

In addition to climate-related physical and transition risks, TWF has incorporated ESG-related considerations within its risk inventory framework. Identified ESG risk categories include carbon border adjustment and transition risks, green finance and sustainable financing risks, sustainability and environmental compliance risks, ethics and anti-corruption risks, social impact and stakeholder relations risks, ESG reporting and transparency risks, and ESG rating and investor perception risks. These risks are assessed in relation to TWF's strategic objectives and may affect portfolio company valuations, financing access, regulatory compliance, stakeholder confidence and long-term value creation of TWF and its subsidiaries.

Examples of identified ESG risks include the potential impact of evolving climate policies and carbon regulation on TWF and its subsidiaries, restricted access to financing arising from non-compliance with sustainability standards, reputational and operational impacts associated with adverse social outcomes, and reduced access to capital resulting from declining ESG performance or investor confidence. TWF identifies, measures, analyzes and monitors these risks, and reports them within its structured risk management process, supporting the development of sound risk policies and a company-wide risk culture in alignment with long-term sustainable growth and portfolio resilience.

TWF Sustainable Finance Framework

3. TWF Sustainable Finance Framework

3.1 Rationale for the Framework

TWF has established this Sustainable Finance Framework (the "Framework") to support its sustainability strategy and further align its financing activities with internationally recognized sustainable finance principles and market best practices.

As Türkiye's sole sovereign wealth fund, TWF plays a central role in supporting the country's long-term economic development, infrastructure modernisation, energy transition, financial market development and social progress. Through its investments across strategic sectors, including financial services, transportation and logistics, energy, technology and telecommunications, agriculture, mining and real estate, TWF contributes to Türkiye's transition toward a more sustainable, resilient and inclusive economy.

TWF considers sustainable finance to be an important tool for mobilizing capital toward projects that contribute to environmental sustainability and positive social outcomes while supporting Türkiye's long-term target to reach net zero by 2053. The Framework is intended to:

- Support investments that generate measurable environmental and social benefits
- Support Türkiye's Green Development Vision, climate transition and sustainable development objectives
- Strengthen sustainable and resilient infrastructure across Türkiye
- Facilitate access to diversified sources of sustainable capital
- Broaden engagement with international sustainable finance investors
- Reinforce TWF's commitment to responsible investment and long-term value creation

This Framework has been developed in alignment with internationally recognized sustainable finance principles and guidelines and reflects TWF's commitment to transparency, accountability and robust governance in sustainable financing activities.

3.2 Scope of the Framework

This Sustainable Finance Framework may be used as the basis for the issuance of Green, Social and Sustainability Financing Instruments (collectively, "Sustainable Financing Instruments"), including bonds, sukuk, loans, guarantees, project finance facilities and other financing instruments issued, arranged, guaranteed or supported by TWF.

Through this Framework, TWF intends to allocate an amount equal to the net proceeds of Sustainable Financing Instruments to finance and/or refinance Eligible Green and Social Projects that support Türkiye's sustainable development objectives and generate positive environmental and/or social outcomes.

Eligible Projects may include, where applicable, capital expenditures, direct investments, equity investments, including those directed toward pure play companies[1], debt financing, project finance transactions, refinancing of existing eligible projects, guarantees and credit enhancement mechanisms, investments through portfolio companies, funds, subsidiaries, special purpose vehicles or other investment platforms controlled by TWF, and other financing arrangements that support Eligible Green and Social Projects.

This Framework has been developed in alignment with the following internationally recognized sustainable finance principles and guidelines:

- International Capital Market Association ("ICMA") Green Bond Principles (June 2025)[2], Social Bond Principles (June 2025)[3] and Sustainability Bond Guidelines (June 2021)[4]
- Loan Market Association ("LMA"), Asia Pacific Loan Market Association ("APLMA") and Loan Syndications and Trade Association ("LSTA") Green Loan Principles (March 2025)[5] and Social Loan Principles (March 2025)[6]
- International Finance Corporation ("IFC") Guidelines for Blue Finance Version 2.0 (2025)[7]

[1] Pure play companies are companies that generate over 90% of revenues from activities aligned with the eligibility criteria for the Eligible Green Categories and Eligible Social Categories as developed in this Framework. The remaining revenues should not be generated by activities and/or sectors included in the exclusion list applicable to the use of proceeds and available after the eligible categories tables.
[2] Green Bond Principles » ICMA
[3] Social Bond Principles (SBP) » ICMA
[4] Sustainability Bond Guidelines (SBG) » ICMA
[5] Resources :: LMA, APLMA, LSTA
[6] Resources :: LMA, APLMA, LSTA
[7] Guidelines for Blue Finance

In accordance with these principles and guidelines, this Framework is structured around the following core components:

1-USE OF PROCEEDS

2-PROCESS FOR PROJECT EVALUATION AND SELECTION

3-MANAGEMENT OF PROCEEDS

4-REPORTING

5-EXTERNAL REVIEW

TWF may also consider relevant international standards, taxonomies, methodologies and market references, where appropriate, to support the robustness, transparency and credibility of the Framework.

TWF intends to review this Framework periodically to reflect market developments, regulatory requirements, investor expectations and updates to the relevant sustainable finance principles and guidelines published by ICMA, LMA, APLMA, LSTA, IFC and other recognized market bodies.

Material updates to this Framework may be subject to review by an external provider of a Second Party Opinion or other qualified reviewer. Any updated version of the Framework will be published on TWF's website and will replace the previous version of the Framework.

Any update of this Framework may not apply to Sustainable Financing Instruments issued under previous versions of the Framework.

3.3 Use of Proceeds

An amount at least equal to the net proceeds of Sustainable Financing Instruments issued under this Framework will be allocated to finance and/or refinance, in whole or in part, Eligible Green and Social Projects that meet the eligibility criteria set out below (the "Eligible Green Projects" and "Eligible Social Projects"). Investments and expenditures related to such projects may be considered eligible for allocation under this Framework and may include both new financing and refinancing. For refinanced projects, TWF expects the maximum look-back period to be no more than 36 months prior to the issuance date of the relevant Sustainable Financing Instrument.

TWF will discount or exclude from the identified use of proceeds the portion of any eligible project that has been financed and/or refinanced by portfolio companies, subsidiaries, joint ventures, or other related entities, either directly or through a related party, under their own Green, Social and/or Sustainable Financing Frameworks. In the case of jointly financed Eligible Green and Social Projects, only the Fund's proportional share of the investment or expenditure will be considered eligible for allocation under this Framework.

Eligible Green Projects

Green Project Categories	Eligibility Criteria	Environmental Objective	UN SDG Contribution

Clean Transportation	Investments and expenditures related to the development, construction, modernization, operation and maintenance of low-carbon, resilient and sustainable transportation and logistics infrastructure, including:
	• Zero tailpipe emission transportation systems and vehicles, including passenger, public and road freight transportation, as well as battery-electric light-, medium- and heavy-duty vehicles and freight transportation equipment
	• Infrastructure supporting zero tailpipe emission transportation, including electric vehicle charging infrastructure, alternative fuel infrastructure (including hydrogen refuelling infrastructure), and electrified rail infrastructure and intermodal transportation systems.
	• Sustainable ports, terminals and logistics infrastructure, including electrified or zero direct tailpipe CO_2 emissions assets and/or infrastructure facilitating low-carbon water transport, but not limited to:
	  ◦ electric cargo-handling equipment, such as terminal tractors, empty container handlers, RTGs, RMGs, cranes and similar equipment
	  ◦ electric material handling equipment and warehouse equipment
	  ◦ shore-side electrical power infrastructure
	  ◦ terminal and logistics infrastructure facilitating modal shift and intermodal freight transportation, including transhipment between rail and port operations
	• Smart mobility, digital transportation and transportation-efficiency systems
	• Climate-resilient transportation, logistics and intermodal infrastructure, including upgrades that improve the resilience of rail, terminal and logistics assets to physical climate risks
		Climate change mitigation
		
		Climate change adaptation & resilience
			

Sustainable Water and Wastewater Management	Investments and expenditures related to the protection, efficient use, treatment, recycling and sustainable management of water resources, wastewater and marine ecosystems, including: • Water and wastewater treatment, collection, conveyance, reuse and recycling infrastructure • Water efficiency, conservation and water-loss reduction projects, including smart metering, monitoring systems and water management technologies • Water quality monitoring, pollution prevention and water security systems, including water quality monitoring networks and sensors, wastewater and effluent monitoring systems, leak detection systems and pollution prevention infrastructure • Sustainable stormwater, drainage, flood management and climate resilience infrastructure • Rainwater harvesting, water recovery, recycling and reuse systems, including infrastructure, equipment and technologies that reduce freshwater consumption and improve water efficiency, such as rainwater collection and storage infrastructure, greywater recycling systems and water reuse facilities • Marine ecosystem protection, biodiversity conservation, habitat restoration, coastal protection and nature-based coastal resilience projects, including restoration of coastal and marine habitats, shoreline stabilization, erosion prevention measures and nature-based solutions that enhance coastal resilience	Sustainable use and protection of water and marine resources Pollution Prevention and Control	6 CLEAN WATER AND SANITATION 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 14 LIFE BELOW WATER
Pollution Prevention and Control	Investments and expenditures related to preventing, reducing, monitoring and controlling pollution, and promoting circular economy solutions, including: • Waste prevention, reduction, collection, sorting, recycling, recovery and treatment infrastructure, including material recovery facilities and waste management systems;	Pollution Prevention and Control	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Pollution Prevention and Control	• Projects that prevent, reduce or significantly mitigate environmental pollution, including air, water and soil pollution prevention and remediation, wastewater and stormwater treatment, environmental monitoring systems, water quality improvement and pollution control technologies • Marine pollution prevention, contaminated sediment management and environmental remediation activities, including the removal, treatment, remediation and environmentally responsible management of contaminated marine sediments, as well as the beneficial reuse and recovery of dredged materials in line with circular economy principles. Where applicable, eligible activities should incorporate appropriate environmental impact assessments, sediment characterization and testing, turbidity monitoring, mitigation measures, and the responsible disposal and/or beneficial reuse of dredged material • Port environmental infrastructure, including ballast water management systems, bilge water treatment systems, waste reception facilities, oil spill prevention and response systems, and marine pollution prevention infrastructure; and • Circular economy and resource recovery projects, including waste-to-resource technologies, recycling, reuse and material recovery initiatives. Projects involving landfill operations, the incineration of unsorted waste or activities that do not comply with applicable environmental regulations will not be eligible under this category.	Circular Economy	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES
Green Buildings	Investments and expenditures related to the development, construction, acquisition, renovation, operation and maintenance of energy-efficient and environmentally sustainable buildings, including commercial, operational, logistics and terminal facilities.	Climate change mitigation	11 SUSTAINABLE CITIES AND COMMUNITIES

Green Buildings	Eligible buildings must either: ● Belong to the top 15% of buildings in their local market in terms of energy performance; or ● Achieve, receive or be expected to receive certification under a recognized green building standard, including: • LEED “Gold” or above; • BREEAM “Excellent” or above; • BEP-TR energy class of "B" or above; • Yes-TR ‘Cok Iyi” or above; • ÇEDBİK Green Building certification "Very Good" or above; or • other equivalent nationally or internationally recognized green building certification schemes; or ● Demonstrate at least 30% lower life-cycle energy use, water consumption and/or greenhouse gas emissions compared to applicable regulations, local market averages or relevant baseline levels, for renovation of existing buildings, where such improvements can be transparently demonstrated	Climate change mitigation	13 CLIMATE ACTION
Renewable Energy	Investments and expenditures related to the production, transmission, storage and integration of renewable energy, including: ● Solar (PV and concentrated solar power), wind, hydropower (either a power density above 5W/m2 or with lifecycle emissions below 100gCO_2e/kWh) and geothermal energy projects (with lifecycle emissions below 100gCO_2e/kWh) ● Long-term energy purchase agreements (PPA/vPPA), aligned with eligible renewable energy sources and criteria ● Energy storage systems, smart grids, grid modernization and renewable energy transmission and distribution infrastructure ● Green hydrogen projects powered by renewable electricity ● Renewable-energy-powered infrastructure, facilities and related technologies	Climate change mitigation	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION

Energy Efficiency	Investments and expenditures related to energy efficiency improvements, electrification and energy optimization technologies expected to achieve measurable reductions in energy consumption, greenhouse gas emissions and/or energy intensity, against a relevant baseline where feasible, including: • Industrial and utility energy-efficiency upgrades • Electrification of equipment, infrastructure and industrial processes • Energy-efficient equipment and machinery • Smart energy systems, energy management technologies and ISO 50001-certified Energy Management System applications • Energy-efficient heating, cooling and ventilation systems • Smart building energy optimization systems • Energy-efficiency improvements in ports, terminals and logistics infrastructure Activities that result in the lock-in of fossil fuel technologies will not be eligible under this category.	Climate change mitigation	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION

Eligible Social Projects

Social Project Categories	Eligibility Criteria	UN SDG Contribution	Target Population(s)
Access to Essential Services	Investments and expenditures related to the provision, expansion, maintenance and improvement of access to essential services and community resilience, including: • Emergency preparedness, disaster response and recovery infrastructure and services, including emergency response centres and equipment, logistics hubs, shelters, early warning and communication systems, critical infrastructure retrofits, backup power, water and telecoms infrastructure, and other investments that support the continuity of essential services before, during and after natural disasters, that strengthen community resilience to earthquakes, natural disasters and other emergencies • Resilience upgrades and modernization of critical social infrastructure, including hospitals, schools, community facilities and public service infrastructure		The general population, low-income communities, underserved regions, youth, women, persons with disabilities, unemployed individuals, refugees and other vulnerable or disadvantaged groups

Exclusion criteria:

For the avoidance of doubt, any expenditure related to the following activities will be excluded from Eligible Green and Social Projects:

- Exploration, production or transportation of fossil fuel
- Manufacturing of petrochemicals
- Activities/projects associated with livestock
- Manufacture and production of finished alcoholic beverages
- Military contracting
- Gambling
- Weaponry
- Manufacture and production of finished tobacco products
- Activities/projects associated with child labor/forced labor

3.4 Process for Project Evaluation and Selection

TWF's Sustainability Committee is responsible for overseeing the implementation of this Sustainable Finance Framework, including the evaluation and selection of Eligible Green and Social Projects, including those originated, owned or implemented by subsidiaries, joint ventures or other related parties, as well as their ongoing monitoring. The Committee is expected to comprise representatives from relevant functions across TWF, including:

- CFO Office
- International Capital Markets and Project Finance
- Communications and Sustainability Department
- Investments I
- Investments II
- Risk Management
- Legal, Compliance and Regulations

The Committee shall meet on a periodic basis and will be responsible for:

- reviewing and approving the eligibility of proposed projects against the Eligibility Criteria set out in this Framework
- assessing alignment of Eligible Projects with the environmental and social objectives of the Framework
- overseeing the allocation of proceeds to Eligible Projects using the Sustainable Finance Register
- monitoring the continued eligibility of allocated projects throughout the life of the relevant Sustainable Financing Instrument
- reviewing and approving updates to the Framework, where appropriate
- overseeing allocation and impact reporting
- monitoring developments in sustainable finance market practices, regulatory requirements and applicable standards

Where a project no longer meets the Eligibility Criteria, or where material environmental, social or governance concerns arise, TWF will seek to reallocate the corresponding proceeds to other Eligible Projects subject to the availability of suitable Eligible Projects and applicable legal, contractual and operational circumstances as soon as reasonably practicable.

Environmental and Social Risk Management

Eligible Projects financed under this Framework will remain subject to TWF's existing governance, risk management, compliance and investment processes, as well as applicable national laws and regulations.

As part of the project evaluation and selection process, the Committee will consider environmental, social and governance ("ESG") risks associated with proposed investments. Where relevant, this assessment may include compliance with applicable environmental and social laws and regulations, environmental impact assessment requirements and permitting processes, climate-related physical and transition risks, impacts on local communities and stakeholders, labor, health and safety considerations, biodiversity and natural resource considerations, governance, ethics and anti-corruption considerations, and alignment with TWF's Sustainability Policy and other applicable internal policies.

In addition, Eligible Projects are expected to comply with applicable Turkish environmental and social legislation and regulatory requirements. Depending on the nature of the project, this may include environmental impact assessment requirements, environmental permitting processes, occupational health and safety obligations, labor and employment regulations, and other relevant environmental and social standards applicable within Türkiye.

The Committee may rely on information provided by relevant portfolio companies, project sponsors, technical advisors, consultants and independent experts as part of its assessment.

Projects that are determined to based on information available to TWF have material environmental, social or governance concerns that cannot be adequately mitigated may be excluded from financing under this Framework.

3.5 Management of Proceeds

TWF will establish and maintain an internal register (the "Sustainable Finance Register") to monitor the allocation of proceeds to Eligible Projects financed under this Framework. The Sustainable Finance Register will be maintained by designated internal functions responsible for allocation tracking, eligibility monitoring, and reporting coordination.

TWF intends to allocate an amount at least equal to the net proceeds of each Sustainable Financing Instrument to Eligible Projects within a reasonable period following issuance. Eligible Projects may include new financing and/or refinancing of existing projects. For refinanced projects, TWF expects the maximum look-back period to be no more than 36 months prior to the issuance date of the relevant Sustainable Financing Instrument.

Pending full allocation, unallocated proceeds may be temporarily held in cash, cash equivalents and/or other treasury instruments in accordance with TWF's treasury and liquidity management policies.

If an Eligible Project no longer meets the Eligibility Criteria, is divested, canceled or otherwise becomes ineligible, TWF will seek to reallocate the corresponding proceeds to other Eligible Projects as soon as reasonably practicable.

3.6 Reporting

TWF intends to publish allocation and impact reporting on an annual basis until full allocation of the net proceeds of any Sustainable Financing Instrument issued under this Framework and, thereafter, in the event of any material changes.

Reporting will be made available on a best-efforts basis through TWF's website and/or other publicly available reporting materials.

Allocation Reporting

TWF intends to report, where feasible, on:

- the total amount of outstanding Sustainable Financing Instruments issued under the Framework;
- the total amount of proceeds allocated to Eligible Green and Social Projects
- the allocation of proceeds by Eligible Project category
- the share of financing and refinancing
- the balance of any unallocated proceeds
- the geographical distribution of Eligible Projects, where relevant and feasible

Impact Reporting

Where feasible and subject to data availability and confidentiality considerations, TWF intends to report on the environmental and social impacts associated with Eligible Projects financed under the Framework.

Impact reporting may include relevant quantitative and qualitative performance indicators for each Eligible Project category and, where appropriate, may be presented on an aggregated basis.

TWF will seek to align its impact reporting, where feasible, with market best practices, including the ICMA “Handbook – Harmonised Framework for Impact Reporting” (June 2024) and other relevant sector guidance. Reporting may also include information on the methodologies, assumptions and calculation approaches used in the preparation of impact indicators.

Eligible Sustainable Project Categories	Potential Impact Reporting Metrics
Clean Transportation	• GHG emissions avoided / reduced (tCO2e) • Number of charging stations • Number of low-emission port and logistics assets deployed
Sustainable Water & Wastewater Management	• Volume of water and/or wastewater treated (m^3/year) • Volume of water saved, reused or recycled (m^3/year) • Area of marine, coastal or aquatic ecosystems protected, restored or monitored
Pollution Prevention and Control	• Annual GHG emissions reduced/avoided (tCO_2e) • Total waste diverted from disposal (kg or tonnes) and/or as a % • Waste collected, treated, recycled or recovered (tonnes/year) • Water quality parameters improved following project implementation
Green Buildings	• Number and/or certification level of green buildings financed • Annual energy savings (MWh/year) • Annual GHG emissions reduced/avoided (tCO_2e)
Renewable Energy	• Installed renewable energy capacity (MW) • Annual renewable energy generated (MWh/GWh) • Annual GHG emissions reduced/avoided (tCO_2e)
Energy Efficiency	• Annual energy savings (MWh/GWh) • Energy efficiency improvement achieved (%) • Annual GHG emissions reduced/avoided (tCO_2e)
Access to Essential Services	• Number of beneficiaries provided access to essential services • Number of beneficiaries supported through resilience, emergency preparedness or disaster-response infrastructure

3.7 External Review

Second Party Opinion

TWF has appointed Sustainable Fitch to assess this Sustainable Finance Framework and its alignment with the applicable components of the ICMA Green Bond Principles (2025), Social Bond Principles (2025) and Sustainability Bond Guidelines (2021), as well as the LMA, APLMA and LSTA Green Loan Principles (2025) and Social Loan Principles (2025), IFC Guidelines for Blue Finance (2025), and to issue a Second Party Opinion accordingly.

The Second Party Opinion will evaluate the Framework's alignment with these market standards, including the governance, transparency and environmental and social credentials of the Framework. The Second Party Opinion will be made publicly available on TWF's website.

Post-Issuance Verification

In order to provide timely and transparent information regarding the allocation of proceeds from Sustainable Financing Instruments issued under this Framework, TWF may engage an independent external reviewer to provide periodic assessments of the alignment of the allocation of proceeds and, where applicable, the reported environmental and social impacts of financed projects with the criteria set out in this Framework.

Any such review may assess the allocation of net proceeds to Eligible Green and Social Projects, the management of unallocated proceeds, and, where feasible, the reported environmental and social impacts associated with financed projects.

Any external review or verification report obtained by TWF may be made available to relevant stakeholders through appropriate channels, subject to the nature of the transaction and applicable legal, regulatory, confidentiality, contractual and operational considerations. The form and extent of disclosure will be determined by TWF on a case-by-case basis.

TWF Disclaimer

4. TWF Disclaimer

This Sustainable Finance Framework (the "Framework") has been prepared by TWF for information purposes only.

The Framework does not constitute investment, legal, regulatory, tax, accounting or any other advice, and does not take into account the objectives or circumstances of any person. Recipients should conduct their own independent assessment and obtain such professional advice as they consider appropriate before making any decision in relation to any Instrument.

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The Framework has been prepared with reference to, and the Fund's assessment of alignment relates to the applicable components of, the following voluntary guidelines, each as current at the date of this document (together, the "Principles"): the ICMA Green Bond Principles (June 2025), the ICMA Social Bond Principles (June 2025) and the ICMA Sustainability Bond Guidelines (June 2021); the LMA, APLMA and LSTA Green Loan Principles (March 2025) and the LMA, APLMA and LSTA Social Loan Principles (March 2025); and the IFC Guidelines for Blue Finance, Version 2.0 (2025).

The Principles are voluntary and recommendatory in nature, do not have the force of law or regulation, and are not endorsed or administered by any regulatory authority. They do not impose binding obligations on the Fund. There is currently no universal or consistent definition, taxonomy, standard or market consensus as to what constitutes "green", "social", "sustainable", "blue", "ESG" or any equivalent characteristic, nor as to the attributes required for any project, asset or Instrument to be so described, and no assurance can be given that any such universally accepted framework or consensus will develop over time. Any statement of alignment in the Framework reflects solely the Fund's own assessment, based on its understanding of the applicable components of the Standards and prevailing market practice as at the date of the Framework. These Standards and the broader legal, regulatory and market environment continue to evolve and may be amended, supplemented or replaced, and the Framework may not reflect any such subsequent change. Accordingly, the Framework may not meet, in whole or in part, the present or future expectations or requirements of any investor, lender, regulator, rating agency, reviewer or other person regarding any such characteristic, and any alignment asserted may cease to apply.

In connection with the Framework, the Fund has obtained a second party opinion (the "SPO") from Sustainable Fitch addressing the alignment of the Framework with the applicable components of the Principles. The SPO, together with any other verification, certification, rating, assurance or external review obtained in connection with the Framework or any Instrument (each, with the SPO, an "External Review"), reflects only the independent opinion of the relevant provider as at its date and is subject to that provider's own scope, assumptions, methodologies and limitations. The Fund does not make, and expressly disclaims, any representation or warranty as to the accuracy, completeness, reliability or suitability of any External Review, and assumes no responsibility for its contents. An External Review is an opinion on alignment only; it is not a comment on the merits of any Instrument, nor any assessment of the Fund's creditworthiness, and is not a recommendation to buy, sell, hold, make or participate in any Instrument. There shall be no recourse against the Fund or against any provider of an External Review for the contents of any such External Review. Recipients should review each External Review in full, including the provider's stated assumptions and limitations, and reach their own conclusions.

No assurance is given that any project, asset or activity funded or described in connection with the Framework will achieve any particular environmental, social or sustainability outcome, or will continue to satisfy any eligibility criteria over time. Sustainability metrics, impact data and related information are often based on estimates, assumptions, third-party data and evolving methodologies that are subject to measurement and reporting limitations and may be revised.

The Fund is under no obligation to update, revise, supplement or keep current any information contained in the Framework, or to correct any inaccuracy that may become apparent, and reserves the right to amend, supplement or replace the Framework at any time without notice.

PRESIDENCY OF
THE REPUBLIC OF TÜRKİYE
TÜRKİYE
WEALTH FUND