

ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT PROCESS (ESIAP)

Our Environmental and Social Impact Assessment Process (ESIAP), which is implemented within the framework of E&S Loan Policies (ESLP), allows us to determine and mitigate the environmental impact of our customers in the projects.

Projects that comply with principles of ESLP are first evaluated for their compliance with “Sectoral Principles” which are individually defined for each sector. Projects with a total investment value of US\$10 million or more, which comply with ESLP and Sector Principles are first categorized (A, B or C) based on the extent of their environmental impact. These projects are then rated under the E&S Impact Assessment Model (ESIAM) and project risk rating (R1, R2, R3 or R4) is determined.

Projects are classified according to their risk rating and category, by using an evaluation matrix created by the Bank and the project Final Action Score (1, 2 or 3) is identified based on this evaluation. Garanti Bank demands specific actions to be taken according to the action score determined by the application of the ESIAM.

The ESIAP and ESIAM flowcharts are presented in Figure 1 and Figure 2 respectively.

Figure 1 ESIAP Flowchart

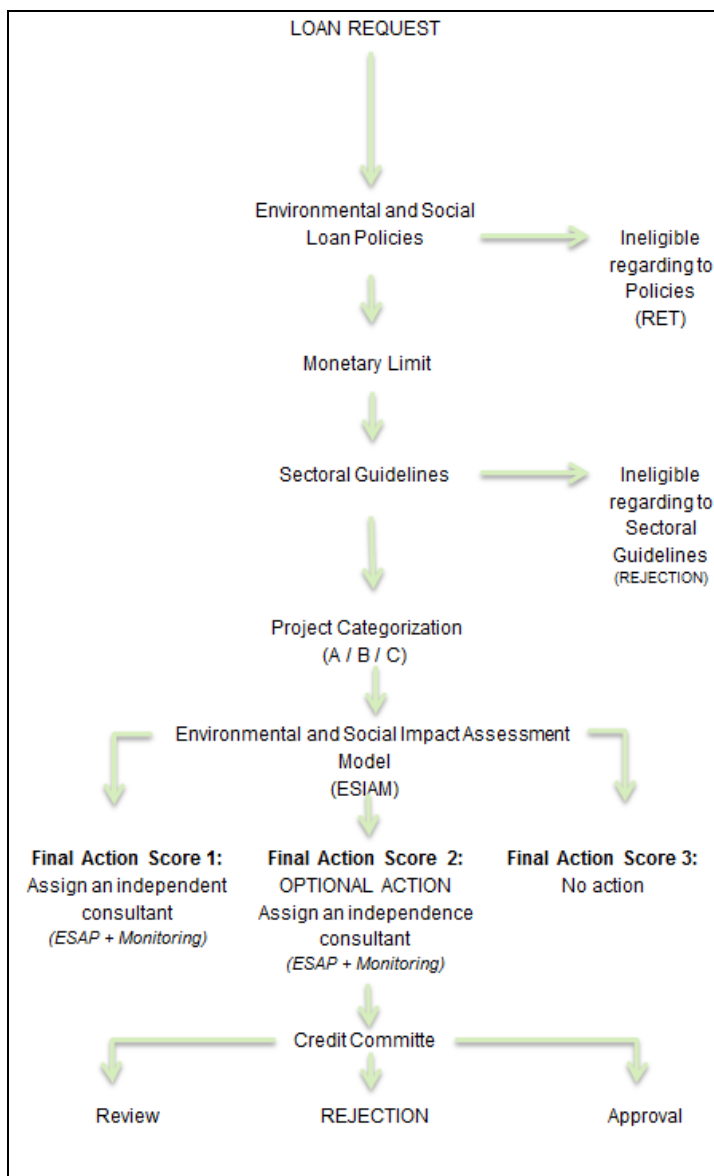


Figure 2 ESIAM Flowchart

