



### Project Summary Information

<b>Project Name</b>	Akbank Sustainable Energy Facility
<b>Project Number</b>	P000671
<b>AIIB member</b>	Türkiye
<b>Sector/Subsector</b>	Energy
<b>Alignment with AIIB's thematic priorities</b>	Green infrastructure
<b>Status of Financing</b>	Approved
<b>Objective</b>	To support sustainable energy projects in Türkiye.
<b>Project Description</b>	The proposed project entails AIIB investing in a 10-year sustainability Tier 2 notes to be issued by Akbank. The use of proceeds from AIIB investment will be used to finance eligible sub-projects in renewable energy sector.
<b>Expected Results</b>	The Project expected results will be monitored with the following indicators: <ul style="list-style-type: none"> <li>• Renewable Energy Capacity Installed (MW)</li> <li>• Greenhouse Gas Emission Avoided (tons of CO2 equivalent per year)</li> <li>• Number of renewable energy projects (number)</li> </ul>
<b>Environmental and Social Category</b>	FI
<b>Environmental and Social Information</b>	AIIB's Environmental and Social Policy (ESP) including Environmental and Social Exclusion List (ESEL) and Environmental and Social Standards (ESSs) will apply to this Project. The Project has been placed in Category FI, because the financing structure involves the on-lending of the proceeds of the bond issued by a Financial Intermediary (FI) - Akbank, whereby the Bank delegates to Akbank the decision-making on the use of AIIB's funds insofar the subprojects meet the agreed conditions. This will include the selection, appraisal, approval and monitoring of subprojects in accordance with AIIB's ESP requirements. The Project E&S instruments will be (i) Akbank's <a href="#">ESMS</a> together with the Project Operations Manual (POM) which will be aligned with AIIB's ESP and complemented by (ii) <a href="#">Akbank's Sustainable Finance Framework</a> aligned with ICMA Green and Social Bond Principles 2018, Loan Market Association's Green Loan Principles 2020 and others.

	<p>The preliminary pipeline consists of renewable energy (e.g., wind, solar, biomass) subprojects in Türkiye. Impacts on communities' health and safety, land acquisition and involuntary resettlement, biodiversity, sensitive habitats and employment working conditions are potential E&amp;S risks associated with these subprojects. Every subproject will be screened to identify the risks and following the assessment, appropriate mitigation measures will be adopted. Regarding any potential solar power subprojects, Akbank will review potential supply chain issue related labor and working conditions, require appropriate mitigating measures and seek AIIB's advice if required. In line with its Paris Alignment commitment, AIIB will not finance thermal coal mining, coal-fired power and heating plants or projects that are functionally related to coal. Activities included in AIIB's ESEL and Category A subprojects will also not be eligible for financing.</p> <p>Akbank maintains on its website a summary of its ESMS and the relevant E&amp;S policies. For all Higher Risk selected Category B subprojects, Akbank will be required to disclose annual E&amp;S documentation during the preceding 12 months, unless such disclosure is subject to the host country's regulatory requirements, market sensitivities or consent of the sponsor. As required by its Sustainable Finance Framework, Akbank will publish an annual allocation and impact report for this project.</p> <p>Akbank's ESMS requires that it addresses third-party views, enquiries or concerns regarding its own E&amp;S processes and outcomes, as well as E&amp;S impacts and performances of its portfolio loans. Akbank has disclosed its <a href="#">External Communications Mechanism</a> (ECM), which will be enhanced as the project-level Grievance Redress Mechanism (GRM) to meet AIIB's ESP requirements. The ECM will be made available to all stakeholders in an appropriate manner and Akbank's website will provide information timely in local language on AIIB's Project-Affected People's Mechanism (PPM). Under its ESMS, Akbank requires the subprojects to establish GRMs, which should be accessible, include provisions for anonymity, and hold no risk of retaliation, to receive and facilitate resolution of the concerns and complaints of people who believe they may be or have been adversely impacted by the Project. Provision will also be made to inform Project-affected people and Project contracted workers of their availability, including Akbank's ECM and AIIB's PPM.</p> <p>Akbank will be required to maintain a comprehensive database comprising all relevant E&amp;S information and report to AIIB a summary of the E&amp;S aspects and an overview of the E&amp;S performance of the Project's portfolio every six months and on an agreed template. AIIB will conduct post-reviews of the selection and implementation of sub-projects as part of its regular supervision.</p>
<b>Cost and Financing Plan</b>	USD 75 million

<b>Borrower/Investee Company/Counter party/Guaranteed entity</b>	Akbank T.A.Ş.	
<b>Estimated date of last disbursement (NSBF)</b>		
<b>Contact Points:</b>	<b>AIIB</b>	<b>Borrower</b>
<b>Name</b>	Stefen Shin	M. Altug Ulker
<b>Title</b>	Manager	Wholesale Funding Vice President
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<b>Date of Concept Decision</b>	14/Sep/22	
<b>Date of Appraisal Decision/Estimated Date of Appraisal Decision</b>	13/Feb/23	
<b>Date of Financing Approval/Estimated Date of Financing Approval</b>	21/Mar/23	

<b>Independent Accountability Mechanism</b>	<p>The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level GRM (ECM) or AIIB Management's processes.</p> <p>Information on the PPM is available at <a href="https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html">https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html</a></p>
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