

Turk Ventures Advisory Limited (“**Turkven**”) is committed to maintaining the utmost standards of integrity in its business practices, fostering responsible engagement with portfolio companies, investors, local communities, and the environment.

Our approach to responsible investments seamlessly integrates with our overarching investment philosophy, collaboratively ensuring a delicate balance between risk management and the enhancement of long-term investment value.

Recognizing the pivotal role of responsible investing in establishing sustainable, long-term value for stakeholders, we pledge to incorporate environmental, social, and governance (ESG) factors into our investment decision-making processes. This Responsible Investment Policy articulates our dedication to ethical business practices, conformity with the UN Principles for Responsible Investment (PRI), and the formulation of exclusion criteria that guide our investment decisions.

1) Compliance with UN Principles for Responsible Investment (PRI)

Turkven proudly stands as a signatory to the UN PRI. By signing UN PRI, we publicly commit to adopt and implement the following Six Principles in our investment practices.

- *Principle 1: We incorporate ESG issues into investment analysis and decision-making processes.*

Turkven has an ESG Policy in place which describes its approach to identifying and managing ESG factors within the investment and portfolio management processes.

Projects can be rejected due to the materiality of ESG factors raised in the Due Diligence (“DD”). For all projects, a site visit is conducted by the investment team and international sector experts to understand the operations and risks inherent in the business. In addition, a technically qualified environmental due diligence team visits the sites to conduct a climate and ESG DD. Depending on the results of DD and the materiality of the ESG risks, the project is either rejected or action plans are prepared to address the ESG issues. The ESG DD results are presented, discussed, and documented during the investment committee meetings. The ESG Action Plan is prepared and agreed with the management of the portfolio company, as part of the ESG DD process.

- *Principle 2: We are active owners and incorporate ESG into our ownership policies and practices.*

All portfolio companies have policies regarding compliance with environmental, health and safety regulations. Both internal teams at the companies and portfolio teams at Turkven regularly check companies for compliance with these regulations based on policies of each company. The ESG KPIs, set with the guidance of portfolio teams, are regularly measured by the portfolio companies, and are reported to the Board. Material ESG issues, if any, are also discussed and addressed at the Board Meetings.

As Turkven, we selected 4 among the United Nations Social Development Goals (SDGs) to drive our responsible impact agenda as active portfolio owners (5. Gender Equality, 8. Decent Work & Economic growth, 13. Climate Action, and 16. Peace, Justice, and Strong Institutions). Our goal is to drive job creation, promote increasing participation of women in workforce, increase climate awareness, provide tools and resources to report and reduce GHG emissions, and strengthen corporate governance among our portfolio companies.

- *Principle 3: We seek appropriate disclosure on ESG issues by the entities in which we invest.*
- *Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.*
- *Principle 5: We work together to enhance our effectiveness in implementing the Principles.*
- *Principle 6: We report on our activities and progress towards implementing the Principles by completing the annual PRI signatory survey.*

2) Exclusion Criteria

Turkven follows the joint EBRD/IFC Environmental and Social Requirements, as well as their indicated Exclusion List.

Furthermore, to align with our commitment to responsible investing, we have defined our own exclusion criteria, to avoid investments inconsistent with ethical standards and potentially harmful to stakeholders. Our exclusion criteria are as follows:

- *Environmental Criteria*
 - o Companies with a history of severe environmental violations
 - o Companies associated with significant environmental degradation
 - o Companies that do not comply with international environmental standards
- *Social Criteria*
 - o Companies involved in human rights abuses
 - o Companies with poor labor practices, including child labor and forced labor
 - o Companies engaging in activities contributing to social inequality
- *Governance Criteria:* Companies with a pattern of unethical business conduct
- *Sector Specific Exclusions*
 - o Adult entertainment
 - o Tobacco
 - o Gambling
 - o Alcohol

3) Red Flags

In addition to the exclusion criteria, Turkven remains vigilant for red flags indicating potential ethical, legal, or reputational risks:

- Material legal disputes or regulatory actions against the target company
- Instances of fraud or financial misconduct
- Poor track record on diversity, equity, and inclusion

By adopting this Responsible Investment Policy, Turkven aims to make a positive contribution to society, minimize environmental impact, and uphold the highest ethical standards in our investment activities.

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