
LOAN NUMBER 9607-TR

Loan Agreement

(Türkiye Green Finance Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

and

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) and TÜRKİYE SINAİ KALKINMA BANKASI A.Ş. (“TSKB” or “Borrower”). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower the amount of one hundred fifty-five million Dollars (USD 155,000,000) (“Loan”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Loan is to be guaranteed by and is subject to the Republic of Türkiye Guarantee denominated in the Loan Currency. Accordingly, Currency Conversion shall not be permitted in respect of this Loan, and the provisions of the General Conditions relating to Currency Conversion, including the provisions of Article IV, shall not apply to this Loan.
- 2.03. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.
- 2.04. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.05. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.06. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.07. The Payment Dates are May 15 and November 15 in each year.
- 2.08. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.

ARTICLE III — PROJECT

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out the Project, and cause Maxis Private Equity Portfolio Management A.Ş. (“Maxis” or “Project Implementing Entity”) to carry out the Project, in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement, and the Project Agreement.

ARTICLE IV — REMEDIES OF THE BANK

- 4.01. The Additional Events of Suspension consist of the following:
- (a) The Republic of Türkiye has taken or permitted to be taken any action that, in the opinion of the Bank, would materially and adversely prevent: (i) the performance by the Borrower or Maxis of their respective obligations under this Agreement, the Collaboration Agreement, the Project Agreement, and the Investors Agreement; (ii) the ability of the Türkiye Green Fund (“TGF”) to legally operate; or (iii) the achievement of the objectives of the Project (specified in Schedule 1 to this Agreement);
 - (b) The Borrower has taken or permitted to be taken any action (or failed to take any action), which, in the opinion of the Bank, materially and adversely affects its ability, or the ability of Maxis, to perform any of its obligations arising from or pursuant to the Collaboration Agreement, the Project Agreement, and/or the Investors Agreement, or in the achievement of the objectives of the Project; provided however that the provision of this paragraph shall not apply if the Borrower demonstrates, to the satisfaction of the Bank and within a reasonable period as determined by the Bank, that the Borrower has taken timely and appropriate action to address such failure;
 - (c) Maxis has taken or permitted to be taken any action (or failed to take any action), which, in the opinion of the Bank, materially and adversely affects its ability (or the ability of the TGF, as the case may be) to perform any of its (or the TGF’s) obligations arising from or pursuant to the Collaboration Agreement, the Project Agreement, the Investors Agreement, and/or the Investment Agreements, or in the achievement of the objectives of the Project; provided however that the provision of this paragraph shall not apply if the Borrower demonstrates, to the satisfaction of the Bank and within a reasonable period as determined by the Bank, that Maxis, as the General Partner and Fund Manager of the TGF, has taken timely and appropriate action to address such failure;

- (d) Any of the Regulatory Instruments shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the carrying out the Project or the achievement of the objectives thereof;
- (e) The Investors Agreement shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the carrying out the Project or the achievement of the objectives thereof;
- (f) Any of the parties to the Investment Agreements have failed to perform any obligation thereunder, and such failure, as reasonably determined by the Bank, materially and adversely affects, or is likely to materially and adversely affect, the implementation of the Project or the achievement of its objectives, including, but not limited to, the implementation of the Project in a manner materially consistent with the Environmental and Social Standards (“ESSs”); provided, however, that the provision of this paragraph shall not apply if the Borrower demonstrates, to the satisfaction of the Bank and within a reasonable period as determined by the Bank, that the Fund Parties have taken timely and appropriate action satisfactory to the Bank to address such failure;
- (g) The Bank has declared Maxis ineligible to receive proceeds of any financing made by IBRD or IDA, or otherwise to participate in the preparation or implementation of any project financed in whole or in part by IBRD or IDA (including as administrator of funds provided by another financier), as a result of: (i) a determination by IBRD or IDA that Maxis has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by IBRD or IDA; and/or (ii) a declaration by another financier, considered to be reasonable by the Bank, that Maxis is ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that Maxis has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier; and
- (h) The Bank has determined after the Effective Date referred to in Section 5.02 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred that would have entitled the Bank to suspend the Borrower’s right to make withdrawals from the Loan Account if this Agreement had been effective on the date such event occurred;

provided however that the provision of this paragraph shall not apply if the Borrower demonstrates, to the satisfaction of the Bank and within a reasonable period as determined by the Bank, that the matter can be remedied in an appropriate manner.

- 4.02. The Additional Event of Acceleration consists of the following: any event specified in Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after written notice of the Additional Event of Suspension has been given by the Bank to the Borrower.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) The TGF has been legally established, based on (i) the approval of the Capital Markets Board of Türkiye (“CMB”) of the TGF Fund Circular and Fund Prospectus, and (ii) the registration of the TGF Fund Circular with the Turkish Trade Registry, all in form and substance acceptable to the Bank;
 - (b) The following agreements, in form and substance acceptable to the Bank, have been fully executed and delivered by the respective contracting parties: (i) Collaboration Agreement; (ii) Project Agreement; and (iii) Investors Agreement between the Borrower and Maxis, as the General Partner and Fund Manager of the TGF;
 - (c) The Investment Committee shall have been established with terms of reference, composition, and qualifications acceptable to the Bank; and
 - (d) The Borrower has adopted a Project Operations Manual, which shall include a Fund Operations Manual, in form and substance acceptable to the Bank.
- 5.02. The Effectiveness Deadline is the date one hundred eighty (180) days after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Borrower's Representative is the Executive Vice President of the Borrower.

6.02. For purposes of Section 10.01 of the General Conditions:

(a) the Borrower's Address is:

Türkiye Sınai Kalkınma Bankası A.Ş.
Meclisi Mebusan Caddesi
No. 81
34427 Fındıklı,
İstanbul
Republic of Türkiye; and

(b) the Borrower's Electronic Address is:

Facsimile:
(90-212) 334-5234

6.03. For purposes of Section 10.01 of the General Conditions:

(a) the Bank's address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank's Electronic Address is:

Telex: Facsimile:

248423(MCI) or (+1) 202 477 6391
64145(MCI)

AGREED as of the Signature Date.

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By



Authorized Representative


Name: J. Humberto Lopez

Title: Country Director

Date: 12-Dec-2023

TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.

By



Authorized Representative

Name: Murat Bilgiç

Title: CEO

Date: 12-Dec-2023

By



Authorized Representative

Name: Meral Murathan

Title: Executive Vice President

Date: 12-Dec-2023

SCHEDULE 1**Project Description**

The objectives of the Project are to support the greening of firms through equity financing and mobilized private capital, and expand climate financing in Türkiye's capital markets.

The Project consists of the following:

Capitalization of Türkiye Green Fund.

Capitalization of a Türkiye Green Fund ("TGF") ("Capitalization of TGF"), through the Borrower, serving as the sponsor and a limited partner ("Limited Partner") of the TGF, for:

- (a) financing Investments in Green Firms and Greening Firms (collectively, "Investee Firms"); and
- (b) establishing and managing the TGF, through the financing of the Fund Management Fees, associated with standard fund operating costs, and the Origination Fees.

SCHEDULE 2**Project Execution****Section I. Implementation Arrangements****A. Institutional Arrangements.**

1. The Borrower shall maintain, until the completion of the Project an organizational structure, including a Project Implementation Unit responsible for Project implementation and supervision, under the direction of qualified management with sufficient budgetary resources and qualified staffing in adequate numbers and with adequate authority, focusing on the management of the Loan proceeds and the Project, including environmental and social management, financial management, compliance and risk management, and monitoring and evaluation, all of which shall be satisfactory to the Bank.
2. The Borrower shall satisfactorily carry out the Project, and shall cause Maxis, as the Project Implementing Entity for the Project, to perform its obligations set forth in the Collaboration Agreement, the Project Agreement, the Investors Agreement, and the Investment Agreements, including to serve as the General Partner and the Fund Manager of the TGF; said obligations of Maxis shall include:
 - (a) managing, operating, monitoring, transferring and reconciling the proceeds of the Loan made available to it for the Capitalization of TGF, including in respect to Investments, Origination Fees, and Fund Management Fees, all in accordance with arrangements and procedures acceptable to the Bank;
 - (b) taking all required actions, including provision of timely consents and approvals as may be necessary, to facilitate the utilization of said Loan proceeds and the implementation of the Project and to comply with its undertakings under the Project Agreement;
 - (c) maintaining all relevant records and documents related to the Loan and the Project and provide promptly such documents and records, including all other information related to the Loan and the Project, as may be requested by the Borrower, the Bank or the Guarantor, from time to time; and
 - (d) not taking or permitting to be taken any action that would prevent or interfere with such performance.

3. Without prejudice to the terms set forth in Section I.A.2 above, the Borrower shall cause Maxis to, *inter alia*:
- (a) establish the TGF in accordance with Section I.D of this Schedule;
 - (b) enter into an Investors Agreement with the participating investors to the TGF, including the Borrower, under standard terms and conditions acceptable to the Bank;
 - (c) exercise its rights under the Investors Agreement in such manner as to protect the interests of the Borrower, the Bank, and the Guarantor, and to accomplish the purposes of the Loan;
 - (d) not assign, amend, abrogate or waive the Investors Agreement, or any of its provisions, except as the Bank shall otherwise agree;
 - (e) enter into Investment Agreements with the Investee Firms on behalf of the TGF, as the General Partner and Fund Manager, under standard terms and conditions acceptable to the Bank, subject to the approval of the respective Investments by the Investment Committee;
 - (f) exercise the rights of the TGF under the Investment Agreements in such manner as to protect the interests of the TGF, the Borrower, the Bank, and the Guarantor, and to accomplish the purposes of the Loan; and
 - (g) ensure that the Fund Parties shall not assign, amend, abrogate or waive any Investment Agreement, or any of its provisions, except as the Bank shall otherwise agree.
4. The Borrower shall cause Maxis to fulfill its obligations as the General Partner and the Fund Manager, including maintaining appropriate terms of reference, adequate resources, and qualified staffing acceptable to Bank, for purposes of managing the TGF pursuant to the Investors Agreement.

B. Project Operations Manual.

1. The Borrower shall maintain, throughout the period of Project implementation, the Project Operations Manual, which sets forth, *inter alia*:
- (a) a detailed description of the Project and the prospective timetable and/or benchmarks in relation thereto;

- (b) the parties responsible for carrying out the respective parts of the Project and the coordination arrangements between the relevant parties;
 - (c) the detailed policies, procedures, guidelines and standard documents relating to implementation of the Project;
 - (d) the environmental and social obligations and arrangements for the Project, consistent with the ESSs, and incorporating the requirements set forth under Section I.D of this Schedule 2, the Environmental and Social Commitment Plan, and the Borrower's Environmental and Social Instruments;
 - (e) the financial management arrangements, requirements and detailed procedures consistent with the provisions of Section 5.09 of the General Conditions, including the functions, staffing, job descriptions (with special emphasis on the segregation of duties), workflows, internal controls and all financial management arrangements for the Project;
 - (f) the requirements of the Anti-Corruption Guidelines; and
 - (g) the requirements and procedures for the monitoring, evaluation, reporting, and communications, including specifically, the frequency and content of environmental and social monitoring reports, for the Project.
2. Fund Operations Manual. The Borrower shall, throughout Project implementation, cause Maxis to maintain and carry out the Project in accordance with the Fund Operations Manual; said manual, in form and substance acceptable to the Bank, shall be incorporated in the Project Operations Manual, and said Fund Operations Manual shall set forth the detailed policies, procedures, guidelines and standard documents governing the implementation of the TGF, consistent with the terms set forth in Section I.D of this Schedule on the TGF's management and implementation.
3. The Fund Operations Manual shall include, unless otherwise agreed to by the Bank, the following:
- (a) the Fund Prospectus, which shall comprise, in part: (i) the Investment Policy Statement; and (ii) the Green Investment Framework;
 - (b) the regulatory requirements for the TGF, including a description of its Regulatory Instruments;

- (c) the institutional arrangements for the implementation of the TGF, including the TGF governance structure, the contractual arrangements, and the terms of reference, composition, and required qualifications for the Investment Committee;
 - (d) the TGF policies and institutional arrangements to prevent conflicts of interest, in compliance with the CMB *Communiqué on Portfolio Management Companies and Activities of Such Companies* (III-55.1);
 - (e) the eligibility criteria, conditions, and the procedures for screening, appraisal, selection, and approval of Investment decisions, including the definitions and priorities for selecting Green Firms and Greening Firms, the Exclusion List, and the environmental and social policy requirements for the TGF, consistent with the terms of this Agreement and the Environmental and Social Commitment Plan;
 - (f) the standard terms and conditions for extending Investments to Investee Firms to be included in the Investment Agreements, including specifically the environmental and social requirements and the Anti-Corruption Guidelines;
 - (g) the policies and procedures for supervising Investments and Investee Firms;
 - (h) the financial management arrangements, requirements and detailed procedures for the TGF, consistent with the provisions of Section 5.09 of the General Conditions;
 - (i) the Integrity and Anticorruption Requirements for the TGF, including the Anti-Corruption Guidelines; and
 - (j) the terms for monitoring, evaluation, and reporting of the Investments, against the indicators and targets for monitoring and evaluating the progress of the TGF agreed to by the Bank.
4. The Borrower shall carry out the Project, and cause Maxis to carry out the Project, in accordance with the arrangements, procedures and guidelines set forth in the POM, provided, however, that in case of any conflict between the arrangements and procedures set out in the POM and the provisions of this Agreement, the provisions of this Agreement shall prevail.

5. The POM, and any provision thereof, shall not be assigned, amended, abrogated or waived, nor shall be permitted to be assigned, amended, abrogated or waived, without the prior written consent of the Bank.

C. Collaboration Agreement.

1. To facilitate the carrying out of the Project and without prejudice to Section I.A of this Schedule, pursuant to a Collaboration Agreement, the Borrower shall make the proceeds of the Loan allocated to Category 1 in the table under Section III.A of this Schedule available to Maxis for the Capitalization of TGF for the financing of Investments and the payment of the Origination Fees and the Fund Management Fees under the Project.
2. The Collaboration Agreement shall be under terms and conditions acceptable to the Bank, which shall include, unless otherwise agreed to by the Bank, the following:
 - (a) the undertaking of the Borrower to make the necessary Loan proceeds available to Maxis for the implementation of the Project;
 - (b) the agreement of the Borrower and Maxis to collaborate jointly in Project implementation, in line with the objectives of the Project, with the Borrower's commitment to support Maxis in deal origination, generation of synergies and leveraging of the Borrower's targeted investee base and access to investees for the TGF;
 - (c) Maxis's undertaking to:
 - (i) serve as the General Partner and Fund Manager of the TGF, and be responsible, *inter alia*, for:
 - (A) establishing the TGF in line with the regulatory framework of the CMB, including registering the TGF with the CMB, setting up the contractual arrangements on behalf of the TGF, including the Investors Agreements with the Limited Partners, and the Investment Agreements with the Investee Firms; and
 - (B) managing the daily operations of the TGF, including carrying out TGF's investment management (which shall include, *inter alia*, deal sourcing, investment evaluation

and decision, subject to the approval of the Investment Committee), portfolio company management, and exit;

- (ii) maintain, at all times during Project execution, responsibilities, structure, functions and resources, with staff in adequate numbers and with appropriate qualifications, for the purposes of carrying out its responsibilities under the Project; and
- (iii) ensure that its employees and officials, and all contractors that it hires to carry out the Project shall have each expressly agreed, pursuant to written contracts, to:
 - (A) adhere to all relevant terms of this Agreement in carrying out the Project activities; said terms shall include those specifically concerning compliance with environmental and social, fiduciary (including financial management), integrity and anticorruption, and technical requirements applicable to the Project, as described in Section I.B.2 and Section I.D of this Schedule;
 - (B) to publicly disclose through interim activity reports and annual reports, the activities of the TGF and the resources utilized for financial support of the TGF; and
 - (C) carry out all relevant Project activities financed in whole or in part by the proceeds of the Loan accordingly;
- (iv) use the proceeds made available by the Borrower from the Loan, including any interests earned, solely for the Capitalization of TGF, which shall serve to finance Investments, the Origination Fees, and the Fund Management Fees; and
- (d) the right of the Borrower to protect its interests and those of the Bank and the Guarantor, including the right to:
 - (i) require Maxis to: (A) maintain all relevant records and documents related to the Loan and the Project; (B) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Project; (C) adhere to the Anti-Corruption Guidelines; and (D) at the

request of the Bank or the Borrower, have such financial statements audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank, and promptly furnish the statements as so audited to the Borrower and the Bank;

- (ii) obtain all information as the Borrower, Bank, and/or Guarantor shall reasonably request relating to the implementation of the Project and the Investments financed by the Loan, and to the administration, operations, and maintenance of said investments (Investee Firms) in the TGF;
 - (iii) inspect, by itself or jointly with representatives of the Bank and/or the Guarantor, if the Borrower, Bank and/or Guarantor shall so request, the sites and expenditures financed by the Project, the operation thereof, and any relevant records and documents; and
 - (iv) suspend or terminate Maxis's right to use the proceeds of the Loan financing, or obtain a refund of all or any part of the amount of the financing then withdrawn, upon Maxis's failure to perform any of its obligations under the Collaboration Agreement, which shall include satisfactorily meeting its obligations under the Project Agreement and the Investors Agreement.
3. The Borrower shall ensure that the Collaboration Agreement has been duly authorized or ratified by the Borrower and Maxis and is legally binding upon each party in accordance with its terms.
 4. The Borrower shall exercise its rights under the Collaboration Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Project.
 5. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive, or allow Maxis to assign, amend, abrogate or waive, the Collaboration Agreement or any of its provisions.

D. The Türkiye Green Fund.

1. For the purposes of the Project, unless otherwise previously agreed to in writing by the Bank and thereafter incorporated in the Fund Operations Manual, the Borrower shall cause, and shall ensure that Maxis causes, the establishment and implementation of the TGF in accordance with the terms and conditions acceptable

to the Bank, including specifically those set forth in paragraphs 2 to 10 of this Section I.D (all of which shall be to the satisfaction of the Bank), and as may be further detailed in the Fund Operations Manual.

2. *Establishment of the Türkiye Green Fund.* In furtherance of Section I.D.1 above, the Borrower shall ensure, through the Investors Agreement, that Maxis establishes the TGF, in accordance with the following terms, all of which shall be acceptable to the Bank:
 - (a) the TGF shall be established as a local venture capital investment fund, fully compliant with CMB requirements;
 - (b) the TGF shall be established for the specific purpose of making and prioritizing direct Equity Investments in Green Firms and Greening Firms, with all exit options (including: (i) sale to other private equity funds; (ii) buyback by the original owners or sale to strategic investors; and (iii) initial public offerings), with the possibility of Quasi-equity and/or Debt Financing, in accordance with CMB regulations, as relevant.
 - (c) the TGF shall have a governance structure that includes an Investment Committee; said Investment Committee shall be established and maintained for the purpose of making direct investment decisions, by majority decision, with composition (including representatives of the Borrower and Maxis, and, as relevant, other Limited Partners and/or independent private sector representatives), qualifications, and terms of reference acceptable to the Bank and compliant with the regulatory requirements of Türkiye, with due consideration to avoid conflicts of interest, all of which shall be detailed in the Fund Operations Manual;
 - (d) the TGF shall have adopted an Investment Policy Statement, with a clear and comprehensive definition detailing the eligible Green Firms and Greening Firms, and the priority green sectors and activities in which TGF can invest, consistent with national policies and/or mandates; and
 - (e) the TGF shall have adopted a Green Investment Framework, which shall include environmental and social governance considerations, and standards and procedures for measuring impact measurement and for disclosure.
3. *Investments.* In furtherance of Section I.D.1 above, the Borrower shall ensure, pursuant to the Collaboration Agreement and Investors Agreement, that Maxis

causes the General Partner, Fund Manager, and the TGF (collectively, the “Fund Parties”) to:

- (a) select, appraise, and implement the approval process for, Investee Firms in accordance with the eligibility criteria and the procedures set forth in the Fund Operations Manual, which shall include specifically the following criteria:
 - (i) qualifying Green Firms, defined as Small Enterprises, Medium Enterprises (collectively, “SMEs”) or Mid-cap Firms or project-based special purpose vehicles established to develop or invest in activities that contribute to: (A) low energy intensity production; (B) reduction in greenhouse gas emissions by developing renewable energy power plants or decreasing utilization of non-renewable sources; (C) circular economy practices to reduce their or their stakeholders’ natural resource utilization; (D) reduction in air, soil and water pollution; and (E) more efficient and sustainable use of natural resources (unless said terms for Green Firms are modified with the prior written consent of the Bank and incorporated in the Fund Operations Manual); and
 - (ii) qualifying Greening Firms, defined as SMEs and Mid-cap Firms in any sector that have, or plan to have, concrete adaptation and/or decarbonization plans – aligning with Türkiye’s net zero emissions by 2053, relevant national strategies and forthcoming green taxonomy – and environmentally and socially sustainable practices to increase their competitiveness and maintain their climate-resilient growth potential, (unless said terms for Greening Firms are modified with the prior written consent of the Bank and incorporated in the Fund Operations Manual);
- (b) only make the proceeds of the Investments available to an Investee Firm after the TGF, represented by Maxis as the General Partner and Fund Manager, has entered into an Investment Agreement with the Investee Firm concerned, with standard terms and conditions acceptable to the Bank, as set forth in the Fund Operations Manual, which shall include in substance the terms set forth in Section I.D.4 below; and
- (c) supervise the Investee Firms, in accordance with the requirements and procedures set forth in the Fund Operations Manual.

4. Investment Agreement. The Borrower shall cause Maxis to ensure that the Fund Parties exercise the TGF's rights under each Investment Agreement, including the right to:
- (a) impose penalties, or suspend, or terminate an Investee Firm's right to use the proceeds of the Investment, as may be relevant, including obtaining and exercising the TGF's right to an early exit at an economically reasonable price (on a best effort basis); such rights shall be exercised upon the Investee Firm's failure to perform any of its obligations under the respective Investment Agreement or the Investee Firm's inability or refusal to cure the failure within a reasonable period, which in the opinion of the Bank are material to the implementation of the Project or the achievement of its objectives, including, but not limited to, the implementation of the E&S Requirements, and in each case, the remedy exercised shall be in a form acceptable to the Bank; and
 - (b) require each Investee Firm to:
 - (i) carry out its obligations under the respective Investment Agreement with due diligence and efficiency, and in accordance with sound technical, economic, financial, managerial, ESSs and practices acceptable to the Bank (including the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Borrower and the requirements of the Fund Operations Manual, including the E&S Requirements and the management tools and instruments prepared under the Environmental and Social Management System ("ESMS") for each Investment);
 - (ii) provide, promptly as needed, the resources required for carrying out the Investment;
 - (iii) procure the goods, works and services to be financed out of the Investment in accordance with the provisions of the Fund Operations Manual, and use such goods, works and services exclusively for the purposes of business activities supported by the Investment;
 - (iv) not be involved in any activity covered by the Exclusion List;
 - (v) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Bank,

the progress of the supported activities and the achievement of their objectives;

- (vi) (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the supported activities; and (B) at the request of the Borrower, the Bank, the Guarantor, and/or the Fund Manager, have such financial statements audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank, and promptly furnish the statements as so audited to, as relevant, the Borrower, the Bank, the Guarantor, and/or the Fund Manager;
 - (vii) enable the Borrower, the Bank, the Guarantor, and/or the Fund Manager to inspect the supported activities and any relevant records and documents and to conduct verifications of the reported information and data of the supported activities; and
 - (viii) prepare and furnish to the Borrower, the Bank, the Guarantor, and/or the Fund Manager all such information as the Borrower, the Bank, the Guarantor, and/or the Fund Manager shall reasonably request relating to the foregoing.
5. The Borrower shall cause Maxis to ensure that the Fund Parties: (a) exercise the TGF's rights under each Investment Agreement in such manner as to protect the interests of the Bank, the Guarantor, and the Borrower to accomplish the purposes of the Loan; and (b) to not assign, amend, abrogate or waive any Investment Agreement, or any of its provisions in a manner that, as reasonably determined by the Bank, materially and adversely affect, or is likely to materially and adversely affect, the implementation of the Project or the achievement of its objectives.
6. Environment and Social Requirements. Without prejudice to the requirements set forth in Section I.E of this Schedule, and the ESCP, the Borrower shall cause Maxis to ensure that the Fund Parties incorporate the requirements set forth in paragraphs (a) through (f) below, in the policies of the TGF, which shall be included in the Funds Operations Manual.
- (a) Maxis, as the General Partner and Fund Manager of the TGF, shall establish and maintain for the TGF an ESMS, incorporating the following:

- (i) an overarching policy defining the environmental and social objectives and principles that guide the TGF and its investments to achieve sound environmental and social performance, including compliance with national laws, the Exclusion List, and the ESSs (collectively, “E&S Policy”);
 - (ii) a systematic, documented environmental and social due diligence process to: (A) identify the environmental and social risks and impacts of its investments, including a E&S risk classification system based on the level of environmental and social risk of the investment; and (B) develop an Environmental and Social Action Plan (“ESAP”) for each Investee Firm, detailing the mitigation and performance improvement measures (if any) necessary to address identified risks in accordance with the E&S Policy;
 - (iii) documented procedures, practices and programs that manage identified environmental and social risks in accordance with the E&S Policy; and
 - (iv) systematic procedures, practices and programs to monitor and measure the effectiveness of the ESMS;
- (b) The ESMS shall constitute an integral element of the investment decision-making process for the TGF, and shall be adjusted and updated from time to time to address any adverse change in the social or environmental risks and impacts of the TGF or its investments.
- (c) Maxis, as the General Partner and Fund Manager of the TGF, shall appoint and shall maintain for the TGF a qualified ESMS officer with primary responsibility for implementing, administering, and supervising the ESMS, and ensure sufficient resources are made available for the effective implementation of the ESMS, and to assure that the TGF and its investments comply with the E&S Policy.
- (d) (i) Maxis, as the General Partner and Fund Manager of the TGF, shall require each of the TGF’s Investee Firms to establish and maintain an ESMS consistent with the ESSs, and incorporate into its Investment Agreements customary rights, requirements and remedies (including conditions to disbursement, undertakings and remedies), to assure that its portfolio companies comply with the E&S Policy, including any applicable ESAP (collectively, “E&S Requirements”);

- (ii) If an Investee Firm fails to comply with these undertakings, Maxis, as the General Partner and Fund Manager of the TGF, shall work with the Investee Firm to bring it back to compliance, provided, that: (A) the non-compliance is capable of cure; (B) the Investee Firm continues diligently to pursue such cure; and (C) there are no material adverse effects on TGF or any of its Limited Partners; and
- (iii) Maxis, as the General Partner and Fund Manager of the TGF, shall otherwise (A) assert and enforce such available remedies as it reasonably determines to be appropriate in the circumstances, in order to ensure compliance, or (B) use all reasonable efforts to exit the investment or terminate its financing, in each case, consistent with its fiduciary obligation to the TGF and its Limited Partners.
- (e) Maxis, as the General Partner and Fund Manager of the TGF, shall not make any investments for the TGF in activities covered by the Exclusion List.
- (f) Maxis, as the General Manager and Fund Manager of the TGF, shall only finance investment activities for the TGF that Maxis reasonably determines will comply with the E&S Policy within a reasonable period of time.

7. Integrity and Anticorruption Requirements. The Borrower shall cause Maxis, as the General Partner and Fund Manager, to ensure that the Fund Parties properly incorporate the requirements set forth in paragraphs (a) through (e) below, in the policies of the TGF, which shall be included in the Funds Operations Manual.

- (a) The Fund Parties shall institute, document, maintain and comply with policies, procedures, systems, and controls to identify and manage integrity and anti-corruption compliance risks with respect to the TGF, including, *inter alia*, the following elements:
 - (i) anti-money laundering and combating the financing of terrorism (“AML/CFT”) systems that are in compliance with applicable national laws and regulations and consistent with international best practices; and
 - (ii) an integrity due diligence process with respect to the Fund Parties, the Limited Partners, and the TGF’s Investments consistent with

the Integrity and Anticorruption Requirements set forth herein, which shall include ensuring that the TGF will not enter into any transaction (A) with, or for the benefit of, any of the persons or entities (including any successor in interest or ultimate beneficial owner thereof) sanctioned by, or (B) related to any activity from time to time prohibited by, the United Nations Security Council pursuant to any resolution issued under Chapter VII of the United Nations Charter.

- (b) The Fund Parties shall not engage in (or authorize or permit any of their affiliates or any other person or entity acting on its behalf to engage in) any Sanctionable Practice with respect to any transaction considered under the Investors Agreement or otherwise with respect to the TGF.
 - (c) The Fund Parties shall not permit the TGF to invest in, and must use all reasonable efforts to exit, any Investments in: (i) any entity that is sanctioned by the United Nations Security Council pursuant to any resolution issued under Chapter VII of the United Nations Charter; or (ii) any World Bank Debarred Entity.
 - (d) The Limited Partners and the Fund Parties shall not be allowed to transfer any of their respective shares in the TGF, and the Fund Parties shall not permit any transfer, to any person or entity: (i) sanctioned by the United Nations Security Council pursuant to any resolution issued under Chapter VII of the United Nations Charter; or (ii) is a World Bank Debarred Entity.
 - (e) The Fund Parties shall not otherwise allow any person or entity described in clauses (i) or (ii) of paragraph 7(d) above to invest in the TGF.
8. Reporting. Without prejudice to the reporting requirements set forth in Section I.E and Section II of this Schedule, and in the ESCP, the Borrower shall cause Maxis, as the General Partner and Fund Manager, to:
- (a) in accordance with the regular monitoring and reporting requirements set forth in the ESCP, deliver to the Borrower and the Bank a written report prepared by the General Partner or the Fund Manager, on a six-monthly basis during Project implementation, evaluating the E&S performance of the TGF and the Investee Firms, describing in reasonable detail: (i) implementation and operation of the ESMS; and (ii) the environmental and social performance of the Investee Firms;

- (b) in accordance with the incidents and accidents requirements set forth in the ESCP, within forty-eight (48) hours after becoming aware of the occurrence, notify the Borrower and the Bank of any social, labor, health and safety, security or environmental incident, accident or circumstance with respect to any existing or proposed Investee Firm that: (i) has, or could reasonably be expected to have, a material adverse effect or impact on the TGF or the Investee Firm; or (ii) involves or causes, or is reasonably likely to involve or cause, any material breach of the E&S Requirements, specifying the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom, and the measures being taken, or plans to be taken, to address them and prevent any future similar event; and keep the Borrower and the Bank informed of the on-going implementation of those measures;
 - (c) within twenty (20) days of a request by the Borrower and the Bank, provide such information as is reasonably requested by that party to confirm that the Fund Parties are in compliance with the ESMS; and
 - (d) promptly notify the Borrower and the Bank if it becomes aware of any violation of the E&S Policy, any failure to comply with the Integrity and Anticorruption Requirements, or any identified integrity issue relating to a potential Limited Partner or investment.
9. The Borrower shall cause Maxis, as the General Partner and Fund Manager, to use all reasonable efforts to ensure that the Borrower, the Bank, and/or the Guarantor (or their respective representatives) have the right to visit, upon reasonable notice, any of the premises where the business of a Investee Firm is conducted, to have access to Investee Firm management, and to have access to the Investee Firm's books of account and records, in each case, as such party reasonably considers necessary to: (i) monitor the Fund Parties' compliance with the Investor Agreement, including the TGF policy requirements; or (ii) assess the legal or reputational risk posed to the TGF, the Borrower, the Bank, and/or the Guarantor by any incident, accident or circumstance.
10. In the event that the Bank, the Guarantor, or any of the Limited Partners notify the TGF of any concern that there has been a violation of the TGF's integrity and anticorruption compliance system, including AML/CFT requirements, the United Nations Security Council Resolutions, any Sanctionable Practices or any other policy in relation to the foregoing, the Borrower shall cause Maxis, on behalf of the Fund Parties, to cooperate in good faith with the Bank, the Guarantor and/or the respective Limited Partner and their representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail

to any notice from such party, and shall furnish documentary support for such response upon such request.

E. Environmental and Social Standards.

1. The Borrower shall ensure, and shall cause Maxis to ensure for the Project, that the Project is carried out in accordance with the ESSs, in a manner acceptable to the Bank.
2. Without limitation upon paragraph 1 above, the Borrower shall ensure, and shall cause Maxis to ensure for the Project, that the Project is implemented in accordance with the ESCP, in a manner acceptable to the Bank. To this end, the Borrower shall cause, and shall cause Maxis to ensure, that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. The Borrower shall ensure, and shall cause Maxis to ensure for the Project, that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and

- (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) the Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers (including, explosions, spills, and any workplace accidents that result in death, serious or multiple injury, pollution, or any violent labor unrest or dispute between the Borrower or Maxis or security forces (assigned to protect the Project) and local communities, any case of sexual exploitation and abuse, sexual harassment and violence against minors, or any incidents in or related to any waterways as defined and applicable under World Bank Operational Policy 7.50 or disputed areas, in accordance with the ESCP, the environmental and social instruments referenced therein and the ESSs.
- 5. The Borrower shall establish, publicize, maintain and operate for the Project, and shall cause Maxis to establish, publicize, maintain and operate for the Project, an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.

Section II. Project Monitoring Reporting and Evaluation

The Borrower shall furnish to the Bank each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of Loan Proceeds

A. General.

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan to: (a) finance Eligible Expenditures; and (b) pay (i) the Front-end Fee, and (ii) each Interest Rate Cap or Interest Rate Collar premium, in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Loan Allocated (expressed in USD)	Percentage of Expenditures to be financed (exclusive of Taxes)
(1) TSKB's Capitalization of TGF	154,612,500	100%
(2) Front-end Fee	387,500	Amount payable pursuant to Section 3.01(a) of the General Conditions and 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions
(3) Interest Rate Cap or Interest Rate Collar premium	0	Amount due pursuant to Section 4.05(c) of the General Conditions
TOTAL AMOUNT	155,000,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date.
2. The Closing Date is December 31, 2029.

Section IV. Other Undertakings.

A. Republic of Türkiye Guarantee.

1. In the event the Republic of Türkiye Guarantee Agreement is signed, the Borrower acknowledges and confirms that the Loan is guaranteed by the Republic of Türkiye Guarantee, pursuant to which the Republic of Türkiye Guarantor will guarantee certain obligations of the Borrower under this Agreement, subject to the terms and conditions set forth in the Türkiye Guarantee Agreement.
2. The Borrower understands and agrees that, in the event of any payment to the Bank by the Republic of Türkiye Guarantor under the Republic of Türkiye Guarantee

Agreement as a result of any non-payment by the Borrower under this Agreement, the Republic of Türkiye Guarantor may have certain rights of subrogation.

ANNEX**Exclusion List**

The TGF shall not fund the following investments or activities:

- (a) Investments and activities inconsistent with the Bank's ESSs and/or the requirements set forth in the ESCP;
- (b) Investment and activities that are classified as high risk, in respect to potential environmental and social impacts, in accordance with the provisions of the Fund Operations Manual;
- (c) Any of the activities listed, or activities that produce and/or use materials listed, in the World Bank/International Finance Corporation Exclusion List, including said activities listed below, and such other activities and/or materials listed in the Fund Operations Manual and which are classified and referred to as part of the negative list in said manual, which shall include:
 - (i) Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCBs, wildlife or products regulated under the Convention on International Trade in Endangered Species (CITES) of Wild Fauna and Flora;
 - (ii) Production or trade in weapons and munitions;
 - (iii) Production or trade in alcoholic beverages (excluding beer and wine);
 - (iv) Production or trade in tobacco;
 - (v) Gambling, casinos and equivalent enterprises;
 - (vi) Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded;
 - (vii) Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20 percent; and

- (viii) Drift net fishing in the marine environment using nets in excess of 2.5 km in length.
- (d) Investments and activities: (i) that involve large-scale physical and economic displacement as described in Land Acquisition, Restrictions on Land Use, or Involuntary Resettlement (as defined under ESS 5); (ii) that adversely impact sensitive habitats and species as described in Biodiversity Conservation and Sustainable Management of Living Natural Resources (as defined under ESS 6); (iii) that adversely impact Cultural Heritage (as defined under ESS 8); or (iv) that involve child or forced labor;
- (e) Investments and activities related to, or used for, or are intended to be used for, defense, judiciary, law enforcement, security, correctional facilities, and specifically police, prison, and military facilities, including dormitories used by the personnel providing these functions, and other related areas as may be included in the Fund Operations Manual;
- (f) Investments and activities that involve the potential use of, or discharge into, any waterways defined and applicable under World Bank Operational Policy 7.50 (or detailed design and engineering studies of such investment), as such waterways shall have been described more specifically in the Fund Operations Manual; and
- (g) Investments and activities that involve the construction of a new dam or a dam under construction.

SCHEDULE 3**Commitment-Linked Amortization Repayment Schedule**

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”).

Level Principal Repayments

Principal Payment Date	Installment Share
On each May 15 and November 15 Beginning November 15, 2035 through November 15, 2046	4.17%
On May 15, 2047	4.09%

APPENDIX**Definitions**

1. “AML/CFT” means anti-money laundering and combating the financing of terrorism.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 6 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011 and as of July 1, 2016.
3. “Capital Markets Board of Türkiye” or “CMB” means the regulatory and supervisory authority in charge of the securities markets in Türkiye, authorized pursuant to the Capital Markets Law, enacted in 1981.
4. “Capitalization of TGF” means the financing of Borrower’s portion of the capitalization of the TGF extended under the Project.
5. “Category” means a category set forth in the table in Schedule 2, Section III.A, to this Agreement.
6. “CMB *Communiqué on Portfolio Management Companies and Activities of Such Companies*” means the CMB communiqué of the same name, number III-55.1, published in the Official Gazette, No. 28695 on July 3, 2013.
7. “Collaboration Agreement” means the agreement between the Borrower and Maxis defined in Schedule 2, Section I.C, to this Agreement, and for the purposes of the General Conditions, said term shall have the same meaning as “Subsidiary Agreement,” as such term is defined in the General Conditions.
8. “Convention on International Trade in Endangered Species (CITES) of Wild Fauna and Flora” means the convention of the same name, which entered into force in 1975, and to which the Republic of Türkiye acceded with effect on December 22, 1996.
9. “Debt Financing” means any financing of debt by TGF in an Investee Firm selected in accordance with the process described in Schedule 2, Section I.D.3 of this Agreement.
10. “Environmental and Social Action Plan” or “ESAP” means the environmental and social action plan for an Investee Firm, detailing the mitigation and performance

improvement plan for the Investee Firm, as described in Schedule 2, Section I.D.6(a)(ii), to this Agreement.

11. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated October 10, 2023, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Borrower shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
12. “Environmental and Social Instruments” means, collectively, the Borrower’s environmental and social instruments for the Project, as specified in the Environmental and Social Commitment Plan.
13. “Environmental and Social Management System” or “ESMS” means the system, acceptable to the Bank, to be implemented by the Borrower, and by Maxis, as the General Partner and the Fund Manager, for the TGF, that shall serve to identify, assess, manage and monitor the environmental and social risks and impacts of the Investments, as such ESMS may be revised from time to time with the prior written agreement of the Bank.
14. “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; said ESSs became effective on October 1, 2018, as published by the Bank.

15. “Equity Investment” means any equity investment, which may be a Quasi-equity investment, of the TGF in an Investee Firm, selected in accordance with the process described in Schedule 2, Section I.D.3 of this Agreement; “Equity Investments” means, collectively, all such investments.
16. “E&S Policy” means the environmental and social policies governing the TGF as described in Schedule 2, Section I.D.6(a)(i), to this Agreement.
17. “E&S Requirements” means the environmental and social requirements under the TGF as described in Schedule 2, Section I.D.6(d)(i), to this Agreement.
18. “Exclusion List” means the list of activities and investments excluded from receiving support under the Türkiye Green Fund, as set forth in the Annex of Schedule 2 to this Agreement, and as may be further detailed in the Fund Operations Manual.
19. “Fund Circular” means the instrument also known as *İç Tüzük*, which, for the purposes of the TGF, serves to describe general transaction terms about the custody of the TGF’s assets and the management of the TGF’s portfolio pursuant to the principles of fiduciary ownership, and which requires CMB approval before the establishment of the TGF.
20. “Fund Management Fee” means the competitive, annual, management fee charged, in line with market practice, by Maxis, as the Fund Manager, to cover the expenditures incurred by the TGF associated with standard operating costs of the TGF, including for the TGF establishment, pipeline generation, due diligence activities, investment management and the exercise of investment exit options; the fee structure for said fees shall have been determined by the Bank to be acceptable for the purpose of the Project; “Fund Management Fees” means collectively such fees.
21. “Fund Manager” means an entity, acceptable to the Bank, duly established and operating under the laws of the Republic of Türkiye, including specifically CMB *Communiqué on Portfolio Management Companies and Activities of Such Companies*, and for the purposes of this Project, serving as the fund manager for the Türkiye Green Fund.
22. “Fund Operations Manual” means the manual for the operation of the TGF, acceptable to the Bank, referred to in Schedule 2, Section I.B.2, to this Agreement.
23. “Fund Parties” means, collectively, the TGF, the General Partner, and the Fund Manager, and their respective successors and assigns.

24. “Fund Prospectus” means the document also known as *İhraç Belgesi*, which, for the purposes of the TGF, describes the TGF’s investment objectives, risks, and expenses, and includes the Investment Policy Statement and Green Investment Framework; said Fund Prospectus requires CMB approval for the establishment of the TGF.
25. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing”, dated December 14, 2018 (last revised on July 15, 2023).
26. “General Partner” means, for the purpose of this Project, the general partner managing TGF.
27. “Green Firm” means a firm or project-based SPV meeting the definition set forth in Schedule 2, Section I.D.3(a)(i), to this Agreement; “Green Firms” means, collectively, all such firms.
28. “Greening Firm” means firm meeting the definition set forth in Schedule 2, Section I.D.3(a)(ii), to this Agreement; “Greening Firms” means, collectively, all such firms.
29. “Green Investment Framework” means the framework established for the TGF as described in Schedule 2, Section I.D.2(e), to this Agreement.
30. “Guarantor” or “Republic of Türkiye Guarantor” means the Republic of Türkiye.
31. “Integrity and Anticorruption Requirements” means the integrity and anticorruption requirements for the TGF set forth in Schedule 2, Section I.D.7, to this Agreement.
32. “Investee Firm” means a Green Firm or Greening Firm, established and operating pursuant to the laws of the Republic of Türkiye, that meets all eligibility criteria set forth in the Fund Operations Manual for the TGF, and that have been approved by the TGF’s Investment Committee and the General Partner to receive an Investment as a TGF portfolio firm; “Investee Firms” means, collectively, all such firms.
33. “Investment” means either, or collectively, Equity Investment, Quasi-equity Investment, and/or Debt Financing.
34. “Investment Agreement” means the contract entered into between TGF, represented by Maxis, as the General Partner and Fund Manager, and an Investee Firm in respect of an Equity Investment in the said firm, as described in

Schedule 2, Sections I.D.3(b) and I.D.4, of this Agreement; “Investment Agreements” means, collectively, all such agreements.

35. “Investment Committee” means the investment committee for the TGF described in Schedule 2, Section D.2(c), to this Agreement.
36. “Investment Policy Statement” means the policy statement for the TGF that outlines general investment objectives and rules governing the fund as described in Schedule 2, Section I.D.2(d), to this Agreement.
37. “Investors Agreement” means the contract (in compliance with the Regulatory Instruments, including specifically CMB *Communiqué on Portfolio Management Companies and Activities of Such Companies*, and acceptable to the Bank), which shall govern the management of, and the terms of the investment in, the TGF, to be entered into between (a) the TGF, represented by Maxis, as the Fund Manager of the TGF, (b) Maxis, as the General Partner of the TGF, and (c) each of the Limited Partners of the TGF.
38. “Limited Partners” means, for the purpose of the Project, the partners investing in the TGF.
39. “Maxis Girişim Sermayesi Portföy Yönetimi A.Ş.” or “Maxis” means the venture capital portfolio joint stock company (a wholly owned subsidiary of *İş Yatırım Menkul Değerler A.Ş.*, a subsidiary of İşbank), established under the Turkish Commercial Code and Capital Markets Law, pursuant to the statutes published in Trade Registry Gazette No.954, dated November 2, 2017 (Trade Registry No.1059005), or any legal successor or successors thereto acceptable to the Bank for the implementation of the Project, and to serve as the General Partner and the Fund Manager of the TGF.
40. “Medium Enterprise” means a Private Enterprise that employs at least fifty (50) but fewer than two hundred fifty (250) employees with annual net sales revenue or financial balance sheet total of one hundred million Turkish lira (TRY 100,000,000) or more, but less than five hundred million Turkish lira (TRY 500,000,000), or as otherwise defined by Turkish legislation, and determined to be acceptable by the Bank for the purposes of this Project.
41. “Mid-cap Firm” means a Private Enterprise that employs at least two hundred fifty (250) up to three thousand (3,000) employees, as such definition may be modified with the prior written consent of the Bank.

42. “Origination Fee” means a one-off, flat fee charged by the Borrower, set in line with market practice, for each Investee Firm deal originated by the Borrower and approved by the Investment Committee for the TGF investment; the fee structure for said fee shall have been determined by the Bank to be acceptable for the purpose of the Project; “Origination Fees” means collectively all such fees.
43. “PCBs” means polychlorinated biphenyls.
44. “Private Enterprise” means an enterprise in the territory of the Guarantor of which more than fifty percent (50%) of the shares or other equity interest thereof is held by persons or companies other than the Guarantor, any agency or subdivision thereof, or any local authority, or entities controlled by the Guarantor, local authorities, or such agencies or subdivisions.
45. “Project Agreement” means the agreement to be entered into between the Bank and Maxis for Maxis’s roles and responsibilities in implementing the Project.
46. “Project Implementation Unit” means the Borrower’s unit described in Schedule 2, Section I.A.1, to this Agreement.
47. “Project Implementing Entity” means Maxis Private Equity Portfolio Management A.Ş. for the Project, as such term is referred to, and defined in, the General Conditions.
48. “Project Operations Manual” means the manual for the implementation of the Project described in Schedule 2, Section I.B, to this Agreement.
49. “Quasi-equity” means generally a hybrid form of finance with characteristics of both debt and equity investments.
50. “Regulatory Instruments” means, collectively, all the regulatory instruments required under the laws of the Republic of Türkiye, including, *inter alia*, the Capital Markets Law No. 6362 (Capital Markets Law), and Communiqués issued by the Capital Markets Board of Türkiye, for the purpose of duly establishing and operating the Türkiye Green Fund, and set forth in the Fund Operations Manual.
51. “Republic of Türkiye Guarantee” means a Member Guarantee extended by the Republic of Türkiye Guarantor under the Republic of Türkiye Guarantee Agreement for a principal amount of one hundred fifty-five million Dollars (USD 155,000,000) together with interest payable in respect of such amount under this Agreement.

52. “Republic of Türkiye Guarantee Agreement” means the guarantee agreement executed between the Bank and the Republic of Türkiye Guarantor providing for the Republic of Türkiye Guarantee, as such guarantee agreement may be amended from time to time, and such term includes all appendices, schedules and agreements supplemental to the Republic of Türkiye Guarantee Agreement.
53. “Sanctionable Practice” means any corrupt practice, fraudulent practice, coercive practice, collusive practice, or obstructive practice, as such terms are defined in, and interpreted in accordance with, the Anti-Corruption Guidelines.
54. “Signature Date” means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to “the date of the Loan Agreement” in the General Conditions.
55. “Small Enterprise” means a Private Enterprise that employs at least 10 but fewer than 50 employees with annual net sales revenue or balance sheet total of at least ten million Turkish lira (TRY 10,000,000) but less than one hundred million Turkish lira (TRY 100,000,000), or as otherwise defined by Turkish legislation, and determined to be acceptable by the Bank for the purposes of this Project.
56. “SMEs” means, collectively, Small Enterprises and Medium Enterprises.
57. “SPV” means special purpose vehicle.
58. “TRY” means Turkish lira, the official currency of the Borrower.
59. “Türkiye Green Fund” or “TGF” means the equity fund to be established and financed under the Project.
60. “Türkiye Sınai Kalkınma Bankası A.Ş.” or “TSKB” means Industrial Development Bank of Turkey, a joint-stock company established pursuant to the statutes published in Trade Registry Gazette No. 7046 dated June 2, 1950 (Trade Registry No. 42527), or any legal successor or successors thereto acceptable to the Bank.
61. “United Nations” means the international organization of the same name founded in 1945, and the purposes and principles of which are contained in the United Nations Charter.
62. “United Nations Charter” means the document of the same name, also known as the Charter of the United Nations, which is the founding document of the United Nations.

63. “United Nations Security Council” means the body of the United Nations that has primary responsibility, under the United Nations Charter, for the maintenance of international peace and security.
64. “World Bank Debarred Entity” means a party listed in the *World Bank Listing of Ineligible Firms and Individuals*, as such list is provided at www.worldbank.org/debar, or any successor website or location.
65. “World Bank/International Finance Corporation Exclusion List” means the list of excluded from investments, as such list is provided at <https://www.ifc.org/en/what-we-do/sector-expertise/sustainability/ifc-exclusion-list-2007>, or any successor website or location.