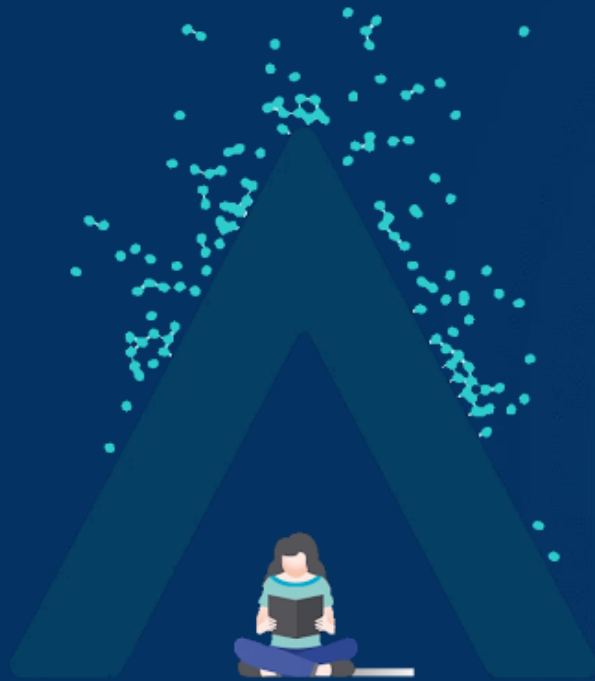


Garanti BBVA's Sustainability Approach





01.

Sustainability as a Business Opportunity

Sustainability is the challenge of the century



At the top of world leaders agendas

Under clear worldwide roadmaps:

- The Paris Agreement
- The 2030 Agenda for Sustainable Development with the 17 SDGs⁽¹⁾ at heart



Sense of climate urgency

+2.7°C* Current climate trend⁽⁴⁾

+1.5°C* Global warming target for 2100

**Versus pre-industrial levels*



Society calling for action

72%² of companies mention SDGs⁽¹⁾ in their reporting

4 trillion³ USD Financing gap for SDG⁽¹⁾ investments in developing countries in 2023



Private and public sector on board

Sustainable finance policies are widespread and the pace is increasing

Recent Policy Developments in Türkiye to set a ground for Sustainable Growth



Climate Change Problems Observed in Türkiye

The year with the most extreme weather events of all time in Turkey was 2024, with **1257 extreme weather events** recorded.*

Turkey's average temperature in 2024 was 15.6°C, **1.7°C above** the 1991-2020 average of 13.9°C.*

In 2023, a total of 3,800 forest fires burned a total of **27,000 hectares** of forest, or approximately the **size of 4,500 football fields**.**

Ratification of the
Paris Agreement
with 2053 target of Net-Zero

Turkey's first
CLIMATE LAW
is being prepared

Garanti BBVA Actions



As part of the "Türkiye's Life: Fire Management Grant Program carried out by WWF-Turkey with the financial support of Garanti BBVA, financial support was provided to 10 projects, thus completing the program.



Within the scope of the **Blue Breath** project carried out by **Garanti BBVA** with TURMEPA, more than 200 thousand tons of waste from different coasts of Turkey were recycled.

Green Deal Action Plan

32 objectives
81 actions
9 categories



CBAM
Green & Circular Economy
Green Financing

*<https://www.bloomberght.com/turkiye-de-asiri-hava-olaylari-2023-te-rekor-kirdi-2346873?page=2>

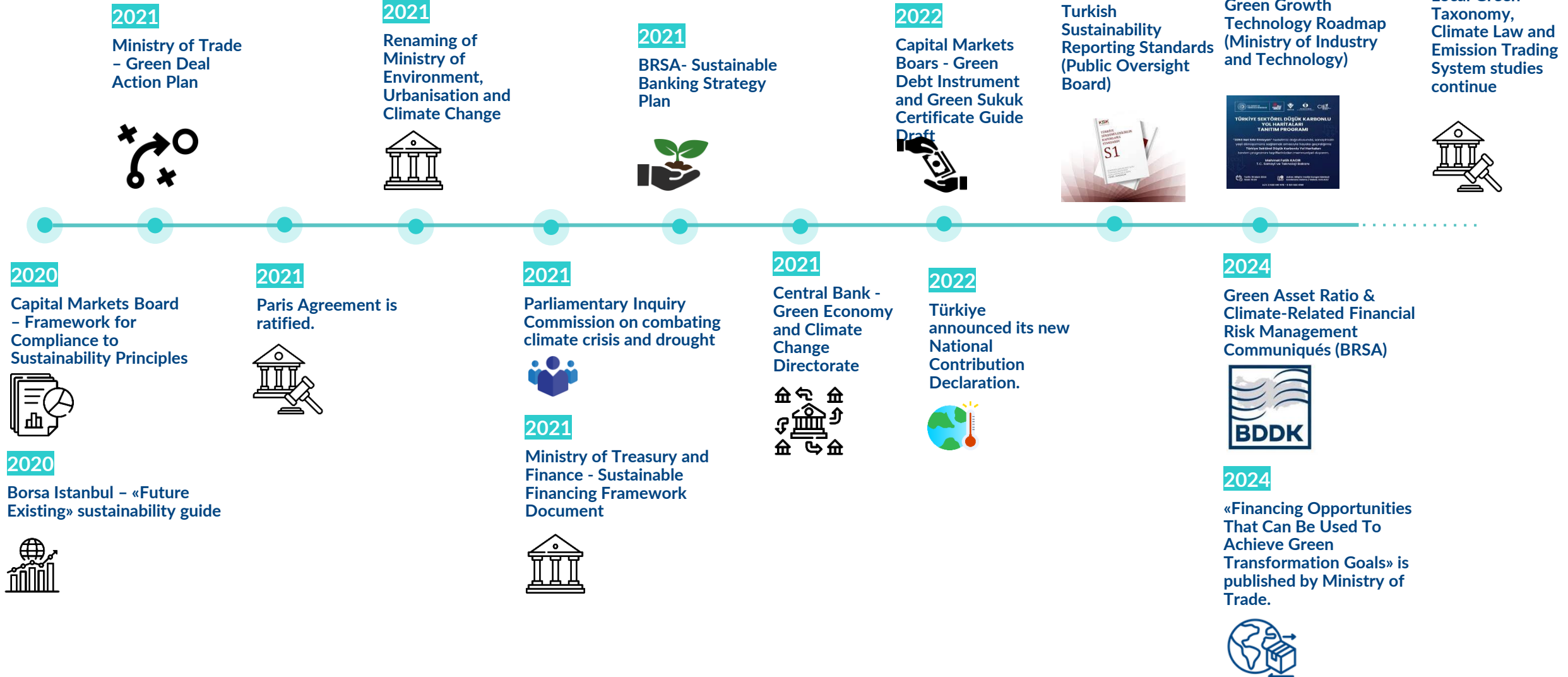
**<https://www.ekoik.com/1-mayis-iklim-degisikligine-de-hayir-demek-icin/>



02.

Our Sustainability Journey
Milestones

Developing of Sustainability Awareness in Türkiye



Garanti BBVA's Sustainability Journey

2010

First Sustainability Report



Establishment of the Sustainability Committee



2012

Establishment of the Sustainability team



2011

Environmental and Social Risk Management



2014

Sustainability Policy



First Turkish bank to sign WEPs



First Turkish bank to receive WWF Green Office Certificate



CDP Türkiye Program Sponsorship



2015

Dow Jones Sustainability Index



Climate Change Action Plan



2016

CDP Climate Change & Water Security Leadership scores

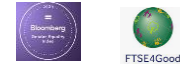


2017

TCFD Supporter



FTSE4Good & Bloomberg Gender Equality Index



Sustainable Finance Declaration



First Integrated Annual Report



2018

BBVA Group Sustainable Finance Pledge



Türkiye's first, World's 5th Green Loan



Türkiye's first Green Project Finance Loan



CEE's Best Bank for Sustainable Finance Award



2019

UNEP FI Founding Member



World's first Gender Equality Loan



LEED Platinum Certificate



2020

World's first ESG-linked syndication loan



The first TL-denominated Green Bond in the world



The first bank from Turkey to commit to Science-Based Target



Carbon-neutral bank



Most Innovative Environmental, Social and Governance Loan

2021

Launch of Blue Breath project for sea cleaning

2021

Commitment to Exit Coal

Net zero by 2050 Commitment – The first bank from Turkey



Best Bank in Sustainable Finance award



2022

150 billion TL Sustainable Finance Pledge



WWF- Türkiye's Fire Management Grant Project



2030 Decarbonisation Goals:

Energy, Automotive Iron-Steel, Cement



2023

400 billion TL Sustainable Finance Pledge



2024

Achieved its highest score in the S&P Global Corporate Sustainability Assessment

S&P Global



03.

Our Sustainability Strategy

Sustainability, at the core of Garanti BBVA's strategy

OUR PURPOSE

“ To bring the age of opportunity to everyone

OUR LEAD STRATEGIC AREAS



Helping our clients' transition towards a sustainable future with our advisory role



Increase the diversity and the use of our sustainable products



Observe and manage climate-change related risks of our portfolio and our direct impact



Increase public awareness and responsibility on sustainability and inclusive growth



Our transition to low-carbon economy



Climate Change
Action Plan



E&S Risk
Management



Sustainable
Finance



Prioritizing Renewable Energy &
Putting a Shadow Price on Carbon



Reducing Deforestation



Environmental & Social
Loan Policies



Environmental & Social Impact
Assessment System



Innovative financing
mechanisms such as Green
Loan, Sustainability Loan, etc.



Decarbonizing our portfolio



Establishing Green Office
Standards



Managing Water-related
Risks



Sector Norms



Updated Policies & PACTA



Fellowship to our
customers with
sustainability consultancy



Transforming the sector

**Not financing
New Coal Investments
from 2021**

**Decarbonization targets for
Carbon-Intensive Sectors
announced for 2030**

**Coal Risk Phase Out
Plan by 2040**

**Net Zero Emission
Target by 2050**

Our Sustainability Accomplishments

The bank reduced its emissions from operations by 75% by the end of 2020.



For the remaining emissions, the bank offset its greenhouse gas emissions by investing* in projects within voluntary carbon markets recognized by international organizations.



First Turkish signatory of UN Net Zero Banking Alliance (NZBA)



100% Renewable Energy in new Project Finance Loans since 2014



Carbon credits are purchased for Scope 1 and Scope 3.5, 3.6, and 3.7 categories, while I-REC certificates are purchased for Scope 2.

Limiting direct impact of the Bank..

The bank invests in projects in voluntary carbon markets recognized by international organizations to offset its greenhouse gas emissions.

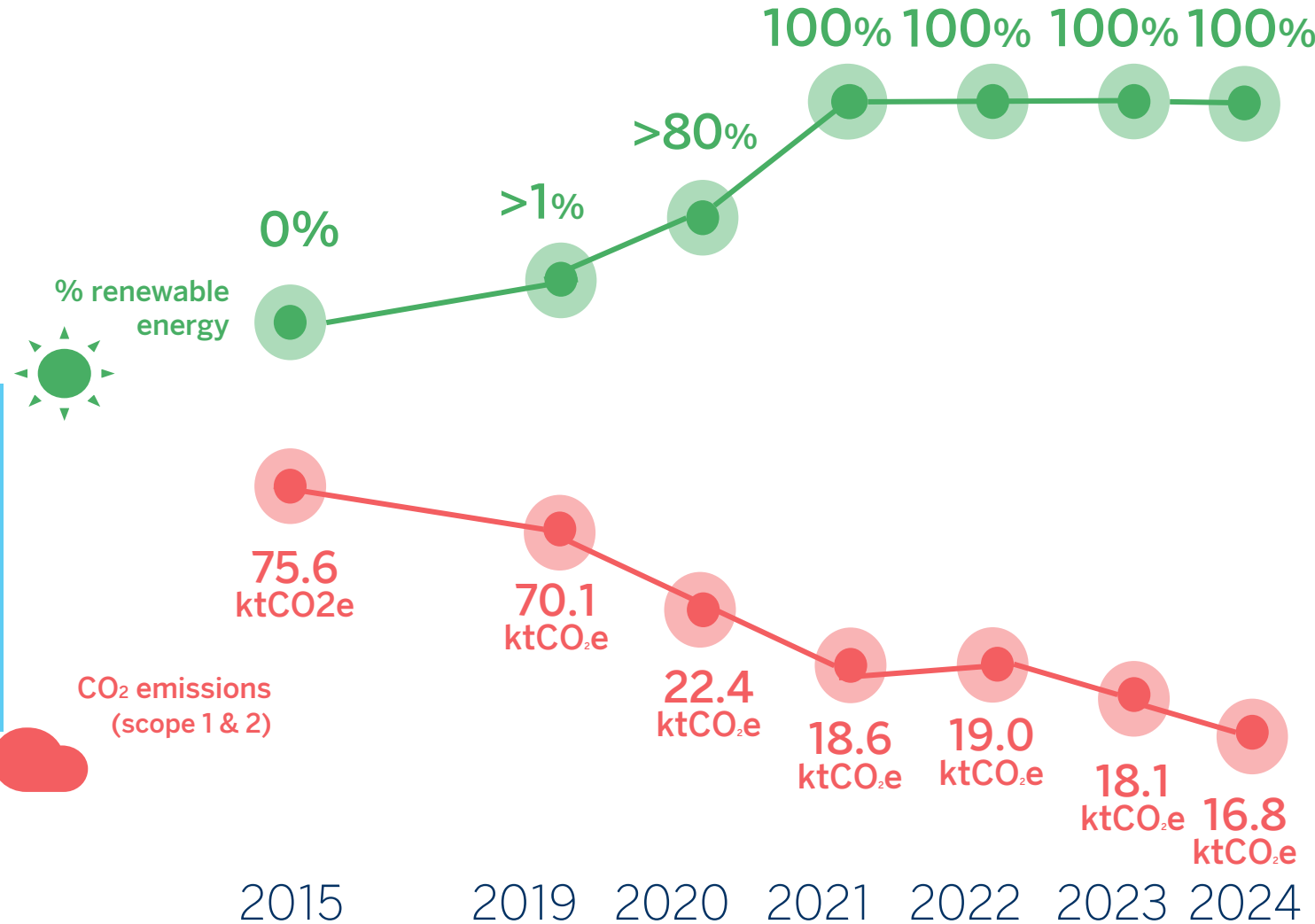
100% **renewable energy** has been used for electricity consumption (certified by IREC).

With the solar power plant (GES) installed in its buildings, with a total capacity of approximately 400 kW, it increases the share of renewable energy in its self-consumption while also contributing to the reduction of its carbon footprint.

Garanti BBVA Mayıs 2021'de elektrik tüketimlerinin sınırlandırılması için Uzak Göz Sistemi'ni uygulamaya başladı. 2024 yılında 313 lokasyona ulaşıldı.

The Zincirlikuyu Headquarters and Pendik Campus buildings have been awarded the Basic Level Zero Waste Certificate.

Since the implementation of the Bank's Environmental Management System in 2012, the Bank's carbon intensity has been reduced by 99%.





2030 Decarbonization Target

We are Gradually Aligning Our Portfolio with the Goals of the Paris Agreement*

PACTA

Scenerio	Sector	Metric	Emission Scope	Garanti BBVA Baseline **	Garanti BBVA Progress (2023)	Garanti BBVA Progress (2024)	Reduction Target by 2030	Difference
IEA Net Zero 2050	Energy	kgCo2e/MWh	1+2	371***	339	371	(-72%)	+%0
	Automotive	gCo2e/km	3	182	179	171	(-40%)	+%15
	Iron & Steel	kg Co2e/Tiron&steel	1+2	1131****	1.306****	1.414	(-10%)	%0
	Cement	kg Co2e/Tcement	1+2	726	726	726	(-20%)	%0



Coal

Phase-out plan was announced in March 2021.

☐ The Bank will reduce the coal exposure of our portfolio to zero by 2040 or sooner.

*Garanti BBVA has a negligible risk in Oil & Gas.

**The starting point for Energy, Automotive, Iron & Steel, and Cement is 2022.

***Starting data for Energy has been updated.

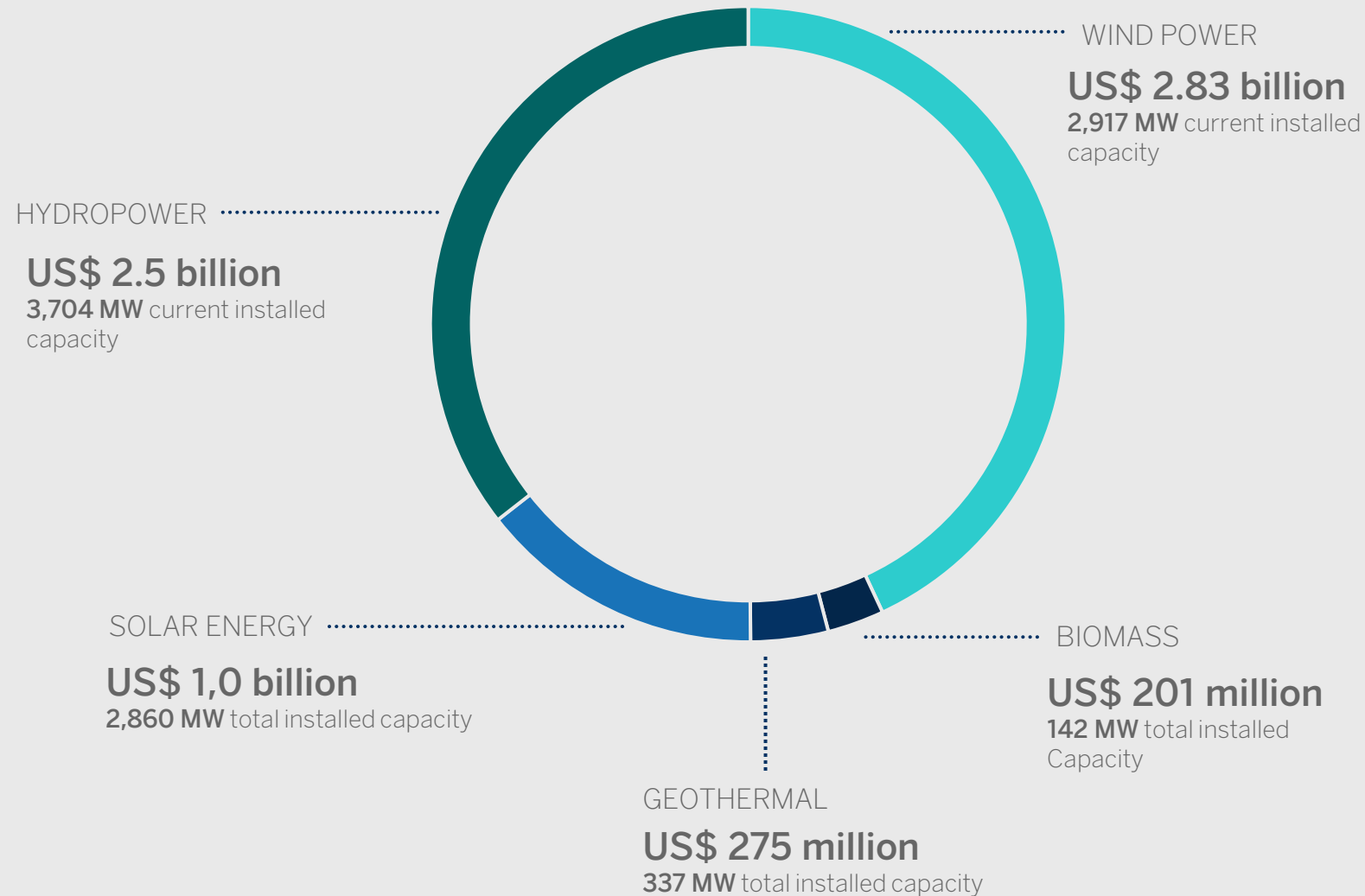
****The emission factor per ton of production in the iron and steel sector has been updated, taking into account grid electricity emissions.

PCAF

As of 31 December 2024

Sector	Financed Emissions (MtCO ₂ e)			Emission Intensity (tCO ₂ e/M€)		Score
	Total	Scope 1&2	Scope 3	Scope 1&2	Scope 1&2&3	
Manufacturing	19,3	5,3	13,3	782	2.851	4,3
Electricity, gas, steam and air conditioning supply	8,0	4,7	3,2	1.947	3.287	4,0
Wholesale and retail trade	6,5	2,0	4,6	528	1.747	4,2
Mining and quarrying	0,6	0,3	0,3	495	894	4,4
Transportation and storage	1,2	0,8	0,3	418	589	4,4
Agriculture, forestry and fishing	0,9	0,6	0,4	1.837	7,6	4,4
Other Sectors	2,1	0,3	1,8	68	6,6	4,1
Mortgages	0,3	0,3	-	389	389	4,0
Other Retail Portfolios	0,6	0,1	0,4	78	298	4,2
Total	39,34	14,40		632		4,2

Renewable Energy Financing



100% Renewable Energy
in new Project Finance Loans since 2014



US\$7 billion
financing to renewable energy to date



23.6%
market share in wind PP financing



14.82 million tCO2e
avoided in 2024



Sustainable Finance



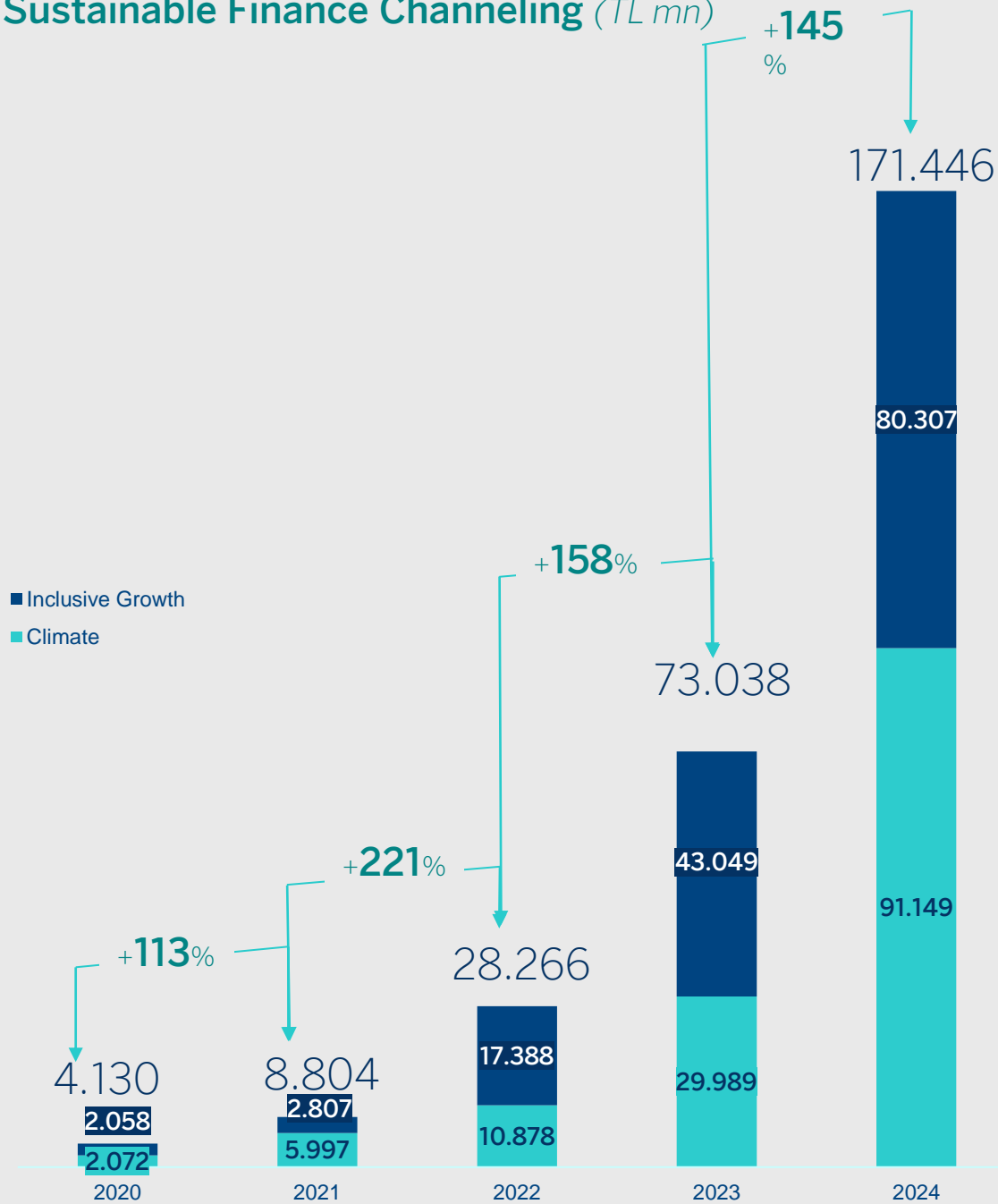
Garanti BBVA's 2018-25 Target: ~400 bn TL



In 2024, the bank provided 171.4 bn TL in sustainable finance, including 35.2 bn TL green and social financing in CIB segment.



Sustainable Finance Channeling (TL mn)



Garanti BBVA's 2018-25 Target is ~TL 400 billion (current TL 291 billion)*



Climate
%49

TL ~291
billion
Since 2018

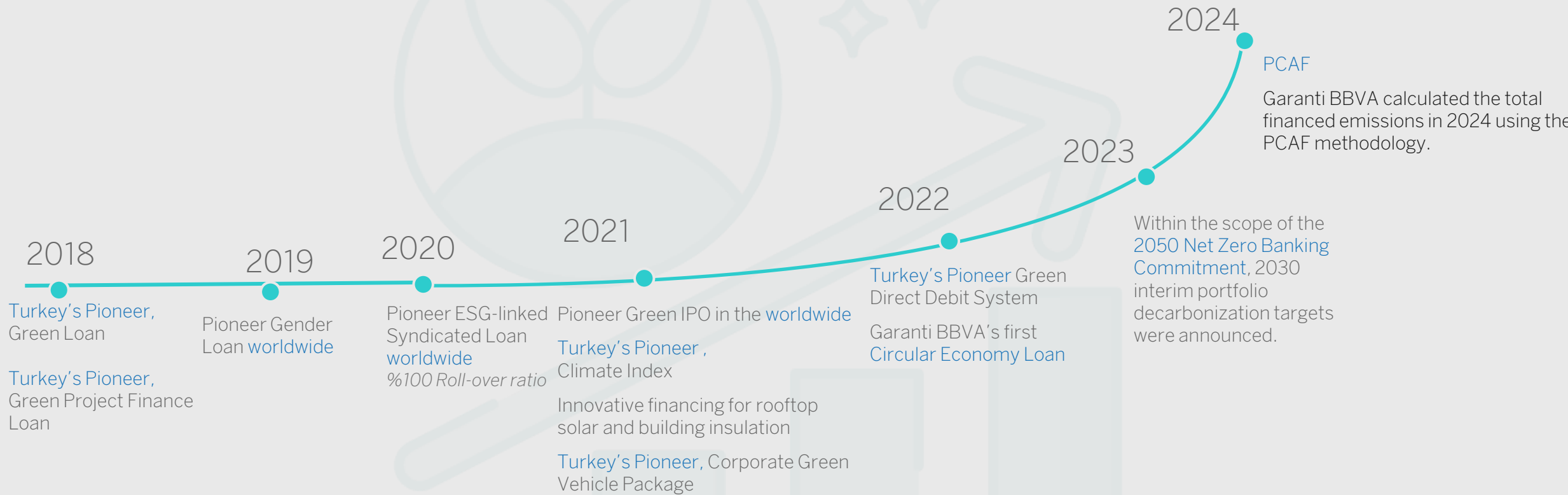
Inclusive
Growth
%51

TL400
billion
Until 2025



*As of 31.12.2024

A pioneer in innovative sustainable products



Appendix

Pg. 18-19 Initiatives & Rewards & Indices

We are a part of major international initiatives



Member



Member
Paris Agreement Capital
Transition Assessment



Member
Net-Zero Banking Alliance
Steering Group



Member
UNEP FI Banking
Principles Core Group



Member
30% Club Türkiye



Member
IFRS Sustainability Alliance



Member
Business World and Sustainable
Development Association
(SKD Türkiye)



Signatory
Responsible Banking
Principles



Signatory
Since 2012

Rewarded internationally for its sustainability focus

SUSTAINABILITY INDICES ON WHICH GARANTİ BBVA IS LISTED



The bank with the highest score in Türkiye in Corporate Sustainability Assessment (CSA)



Only company from Türkiye to be in place for 8 consecutive years



FTSE4Good



CORPORATE GOVERNANCE INDEX

SUSTAINABILITY INDEX

SUSTAINABILITY 25 INDEX

SUSTAINABILITY AWARDS



Turkey's Best Private Bank in Sustainable Finance (2024)



Best Bank for Sustainable Financing, (2022)



Best Sustainable Finance Bank in Central and Eastern Europe (2020)



Best Sustainable Finance Bank in Central and Eastern Europe (2020 & 2018)



ESG Deal of the Year (with ESG-linked Syndication Loan) (2021)



Most Innovative Environmental, Social and Governance Loan (2020)



UNGC Ukraine Local Network – People Category Partnership (2020)



Best Sustainable Finance Bank in Türkiye (2020)

The background is a solid teal color. Scattered across the entire surface are numerous small, realistic-looking green leaves. The leaves vary in orientation and position, creating a natural, organic pattern. Some leaves are near the center, while others are closer to the edges.

Thank You

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