



Sustainability in Turkish Banking Sector

The Banks Association of Turkey

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Sustainability Guidelines for Banking Sector



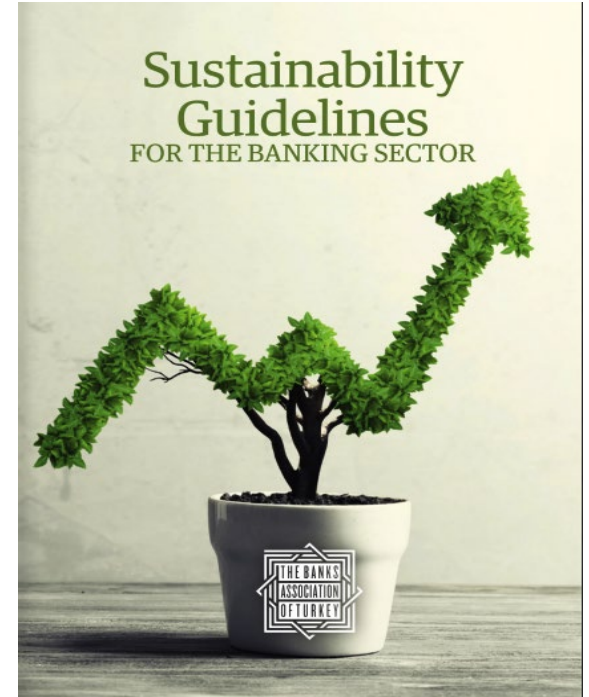
Preparing Sustainability Guidelines for Turkish Banking Sector

In order to minimize environmental risks and to observe sustainability principles in financing activities, a working group was established by our Association back in 2009.

Sustainability Guidelines for the Banking Sector was prepared by the Working Group in 2014.

Sustainability Guidelines was updated by the Working Group and presented to wider public in March 2021.

<https://www.tbb.org.tr/sustainability/index.html>



Preparing The Sustainability Guidelines in Turkish Banking Sector

During the preparation of the Guidelines,

- ❖ Consultative meetings were held with international organizations such as the World Bank, IFC, and UNEP FI.
- ❖ The Guidelines was finalized and made public after taking the opinions of the relevant Ministry and the public sector institutions.

The Guidelines is mainly based on following principles and regulations:

- ❖ The "Environmental & Social Risk Management Manual prepared by EBRD
- ❖ Equator Principles 4
- ❖ Sub-Sectoral Environmental and Social Guidelines” study prepared by the EBRD
- ❖ Sustainable Development Goals” by United Nations
- ❖ Turkish legislation, Environmental Impact Assessment (EIA) Regulation, etc.

Basic Principles of Guidelines	
Principle 1	Assessment and Management of Environmental and Social Risks Arising from Banking Activities
Principle 2	Contribution to Sustainable Development Goals
Principle 3	Tackling Climate Change and Adapting to Climate Change
Principle 4	Financial Health and Inclusion
Principle 5	Human Rights and Employee Rights
Principle 6	Inclusion and Equal Opportunity
Principle 7	Stakeholder Engagement and Communication
Principle 8	Corporate Governance
Principle 9	Corporate Capacity Improvement
Principle 10	Monitoring and Reporting



Green Asset Ratio



Forming a Green Asset Ratio for Turkish Banking Sector

European Banking Authority (EBA) advises the European Commission on key performance indicators (KPIs) for transparency on institutions' environmentally sustainable activities, including a green asset ratio.

Efforts to establish a similar green asset ratio have been initiated in our country. For this purpose, efforts to create content of the data to be requested from our members are continuing.



Sustainability Related Communications and Awareness Raising Plans



Sustainability Related Communications and Awareness Raising Plans

In the upcoming period, two webinars are to be organized in below mentioned issues in September and October.

- ❖ **Possible effects of risks and opportunities arising from climate change on the banking sector**
- ❖ **EU Green Deal**
- ❖ **EU Sustainable Finance Taxonomy**
- ❖ **Reporting Good Practices / Integrated Reporting**
- ❖ **Draft Climate Law and Emission Trading System (ETS) Regulation**
- ❖ **Contribution to Sustainable Development Goals**

Thank you for your kind attention

