

A new sustainability-linked international funding amounting EUR 400 million from VakıfBank

VakıfBank completed a new secured funding transaction from abroad based on sustainability criteria, amounting EUR 400 million. The transaction with 2-year maturity is prominent as being the largest amount of secured funding agreement among Turkish banks.

VakıfBank, having the largest amount of sustainable-themed funding in its balance sheet, signed a new agreement while creating special products and services tailored to the needs of all segments of society through the funding sources provided. Two-year term new transaction amounting EUR 400 million, which has been provided from abroad based on sustainability criteria has the feature of being the largest amount of secured funding agreement among Turkish banks.

VakıfBank creates a quite wide environmental and social impact through the loans provided to the real sector and in this sense they are aware of their responsibilities, VakıfBank's CEO Mr. Abdi Serdar Üstünsalih said "Besides a robust financial performance, our aim of reducing the Bank's direct and indirect carbon footprint and the steps taken in the field of sustainable finance are always top priority of our agenda. We will continue to evaluate the funding alternatives to increase the share of sustainable finance transactions within our international funding portfolio in the upcoming period."

"The sustainability criteria of the secured funding transaction are the indicators of our commitment regarding environmental and social risks"

Emphasizing that following the successful roll over of sustainable syndication last month, they completed the last transaction of the year on the international funding side with a secured funding transaction based on sustainability in the interest rate calculation, Mr. Üstünsalih concluded his words as follows:

"As an indicator of our commitments in the field of sustainability, we determined as sustainability performance criteria of our secured funding transaction as new ESG-themed loan origination including the sub-categories of green mortgage, environment-friendly vehicle loans and loans to women and young entrepreneurs. In addition, minimizing the use of plastic in all bank locations through water purification systems that will be implemented in our branches and reducing our total greenhouse gas emissions by 2% annually are other KPIs of the transaction. As VakıfBank, by acting a pioneer role in accessing to sustainable funding sources in sustainable banking field and thus contributing to Turkish banking sector will continue to be one of our top strategic goals."