

Garanti BBVA Renews Syndicated Loan Linked to ESG Criteria with a Amount of \$415 Million

Garanti BBVA has renewed the syndicated loan agreement by 100% based on sustainability criteria within the scope of the foreign borrowing program. The syndicated loan agreement with 367 days maturity in the amount of US \$ 259,500,000 and € 142,500,000 comprising of two separate tranches. The loan which will be used for trade finance purposes has been executed with commitments received from 35 financial institutions from 19 countries. The all-in cost for USD and EUR tranches have been realized as SOFR + 3.50% and Euribor + 3.25% respectively. The syndicated loan will be used to finance investments that will facilitate the transition to a low-carbon economy, in parallel with Garanti BBVA's commitment to phase out coal and support sustainable development.

Recep Baştuğ, the CEO of Garanti BBVA, stated that, "With this syndicated loan, our primary focus is to support the financing of our country's foreign trade transactions. Through the performance criteria integrated into this loan agreement, we have renewed our goals at Garanti BBVA related to the climate crisis and inclusive growth, which we strategically prioritize. In 2020, by signing the world's first syndicated loan indexed to sustainability criteria, we became a pioneer in the global 'Sustainability-Linked Syndicated Loan Structure.' Through the sustainability performance targets integrated into this renewed syndicated loan, we will accelerate our efforts to support projects that do not finance coal-fired thermal power plants and thermal coal mining activities. Another performance target in this loan is related to financing sustainable development. In this context, we will allocate resources to social sustainability areas such as energy-efficient projects, renewable energy, low-carbon production technologies, circular economy, efficient use of water resources, women entrepreneurs, micro-enterprises, and strengthening access to social and basic services, as well as financing needs arising from natural disasters. With our strong reputation in international markets and robust financial structure, our bank will continue to provide financing from abroad to our country and support the financing of foreign trade."