

Halkbank commits to net zero emissions by 2050

Halkbank joins the United Nations Net-Zero Banking Alliance

Halkbank joined the Net-Zero Banking Alliance (NZBA), a global coalition of banks convened by the United Nations Environment Programme Finance Initiative (UNEP FI). Through the Alliance, Halkbank commits to harmonizing all lending and investment portfolios with the net-zero emissions target by 2050.

Halkbank has long been a flagship in sustainability and an advocate of an environmentally friendly approach in the Turkish banking sector. It now begins a new journey in the international platform elevating its vision to a higher level. Halkbank committed to harmonizing all activities and investments with the net-zero emissions target set forth in the Paris Climate Agreement and joined the Net-Zero Banking Alliance.

The NZBA convenes a group of banks, which collectively account for almost 40 percent of all global banking assets, that have committed to achieving net-zero greenhouse gas emissions in their lending and investment portfolios target by 2050, in alignment with the Paris Agreement. Convened by the United Nations Environment Programme Finance Initiative (UNEP FI), the Alliance members include 111 banks from 41 countries. Acknowledging that the banks play a critical role in supporting the real economy's switch to net-zero emissions, the Alliance shares best practices from leading banks and strengthens the implementation of decarbonization strategies through a coherent international framework.

What do Net-Zero Banking Alliance members commit to?

All banks that have signed the commitment will:

- Transition the operational and attributable GHG emissions from their lending and investment portfolios to align with pathways to net-zero by 2050 or sooner,
- Set new targets for 2030 and 2050 through intermediate targets for every five years and to prepare action plans in the following 12 months,
- Obtain independent verification and statement of assurance from third parties,
- Focus on priority sectors where the bank can have the most significant impact (i.e.. the most GHG-intensive sectors within their portfolios),
- Set sector-wide targets for all or majority of carbon-intensive sectors,
- Publicly and transparently report emissions and processes,
- Contribute to the switch towards a net-zero economy by supporting the transition of clients and decarbonization efforts.

Halkbank will take into account emission-reduction targets in operations

A member of the Net-Zero Banking Alliance, Halkbank will now take into consideration the carbon



emissions reduction targets in investments in power generation, commercial and corporate loans, and emissions relating to shares and bonds. In compliance with the membership requirements, the Bank will first set an intermediate objective for 2030 or sooner based on science-based guidelines as the first step of its net-zero carbon emission journey.

Halkbank CEO Osman Arslan affirmed that they will continue to implement many sustainability-oriented practices in their business processes with a view to leaving a habitable world to future generations and added: “We believe that the banking sector has a decisive influence in the fight against climate change in Turkey, as it has in the world. It is, therefore, particularly significant for us and we are very proud to be a part of this global effort to achieve net-zero emission by 2050 in line with the Paris Climate Agreement. As Halkbank, we will cooperate with the real economy to support our clients in their transition throughout the net-zero emissions journey and will do everything within our power to accelerate all necessary climate precautions.”

Net-Zero Banking Alliance

The Net-Zero Banking Alliance, critical in mobilizing the financial sector towards climate action, was established by 43 founding members in April 2021. The Alliance is convened by the United Nations Environment Programme Finance Initiative (UNEP FI) and is the banking component of the Glasgow Financial Alliance for Net Zero (GFANZ), chaired by Mark Carney, UN Special Envoy for Climate Action and Finance. It is one of the largest global initiatives to unite all banks committing to harmonizing their portfolio with the goals of the Paris Climate Change. www.unepfi.org/net-zero-banking