

Where next for loan syndication in the Turkish market?

Batuhan Tufan, Akbank



2023 Turkish Deposit Banks - Syndicated Loan Market

2022 Syndicated Loans

\$ 11,4 bn

1H22 Average Roll-Over: %101.5

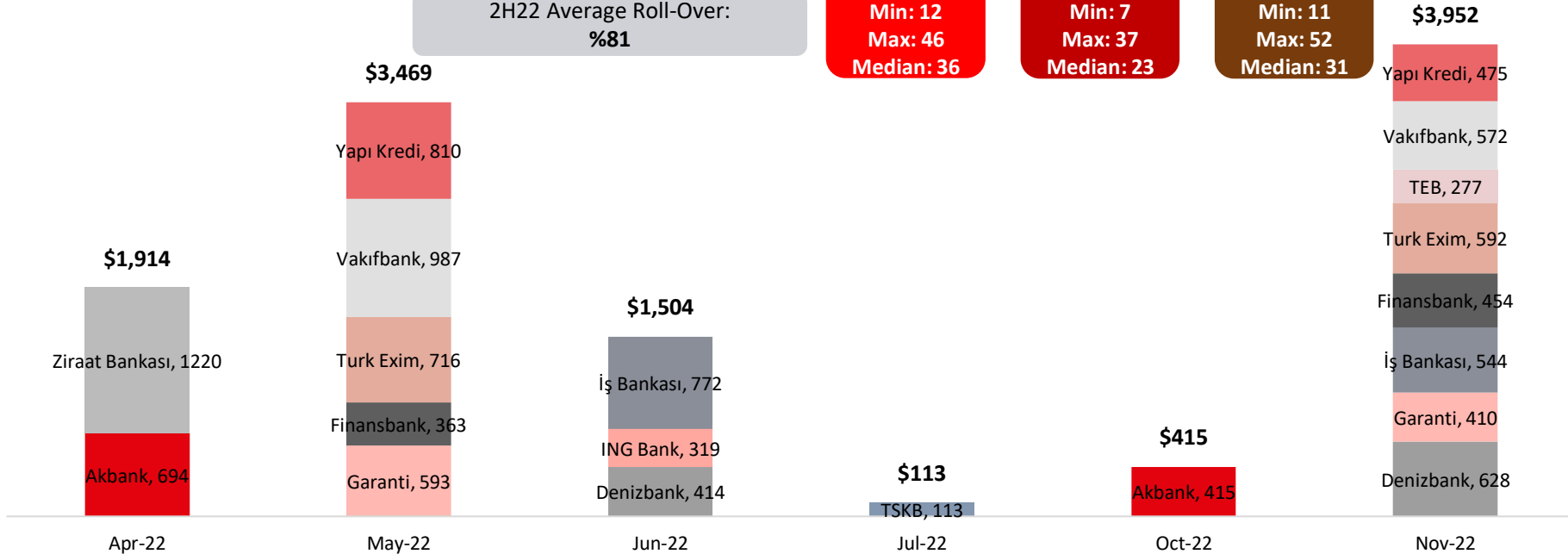
2H22 Average Roll-Over: %81

Participating Banks

2021
Min: 12
Max: 46
Median: 36

2022
Min: 7
Max: 37
Median: 23

1H23
Min: 11
Max: 52
Median: 31



ESG KPI setting criteria is getting stricter day-by-day...

\$11,4 bn
Synd loans

~98%
ESG linked

Credibility
(measurable
& verifiable)



Performance
KPI's

Maintenance
KPI's

Commitment Group	KPI detail
Certification / listing	- Continue listing under the Bloomberg Gender-Equality Index in 2023
Emissions	- % reduction of scope 1 and 2 carbon greenhouse gas emissions (against baselines)
Sustainable Finance Commitment	- % increase in company's total agricultural loans - Growth of female SME loan portfolio
Renewable Energy Commitment	- % of electricity sourced from renewable generation
Other management / operational	- % of female employees

...and use of proceeds are gaining importance

Akbank's April 2023 facility is the 1st in Turkish syndicated loan market in a number of ways:

- 1st social syndicated loan
- 1st loan structured with use of proceeds (not KPIs)
- 1st loan under Sustainable Finance Framework

The use of proceeds will be allocated to trade finance activities of Akbank's customers in 11 cities impacted by the earthquake on Feb 6, 2023 and its aftershocks.



- ✓ Self-certification of KPIs are no longer relevant.
- ✓ The use of proceeds will be subject to Second Party Opinion.

Disclaimer

This presentation has been prepared by Loan Market Association/LMA.Automate Limited solely for information purposes. This presentation does not constitute legal, investment, tax or financial advice. Reasonable care has been taken to ensure that this presentation is not untrue or misleading when published. Any views or opinions provided are solely those of the author(s) as at the date of this presentation and remain subject to change.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions. Copyright protection exists in this publication. All rights are reserved.