

# GARANTI BBVA INTEGRATED ANNUAL REPORT 2019

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DECADE

Ebru Dildar Edin, EVP of Corporate, Investment Banking & Global Markets talks about creating shared value through impact investments and sustainable finance.

Environmental, social and economic trends such as increasing population, diminishing resources and the broadening wealth gap are among the grand challenges facing our society today.

Governments, the business world and non-governmental organizations, who are aware of the fact that they must focus on positive impact and responsible investments in order to tackle these issues, take guidance from the Sustainable Development Goals launched in 2015 by the United Nations.

In order to achieve all SDGs collected under 17 topics, an investment amount between 5 to 7 trillion dollars is needed each year until 2030.

The investment amount needed in the emerging markets including Turkey is around 3.9 billion dollars per year.

The current annual investment level only reaches 1.4 trillion dollars, leaving an annual gap of around 2.5 trillion dollars.

Financial sector lies right in the middle of this huge investment gap and the global economy.

Especially banks cover the two thirds of the global financing, which is around 90% in emerging markets.

Therefore, banks are crucially important in changing this order at the global level.

Accordingly, in 2019, the United Nations launched the Principles for Responsible Banking, developed by the leading banks around the world including Garanti BBVA.

The Principles underlines the key role of banks in sustainable development by focusing on six main pillars: "Alignment, Impact, Clients and Customers, Stakeholders, Governance and Target Setting, Transparency and Accountability".

With this awareness and responsibility, we aspire to achieve our aim of sustainable banking, which is also one of our strategic priorities, through technological innovations, managing the environmental footprint of our operations and developing sound environmental & social risk assessment as part of our risk management framework.

We also recognize the importance of an effective organizational structure and strong corporate governance to maintain ongoing development and successfully deliver our sustainability objectives.

To that end, we develop innovative, exemplary solutions in Turkey and in the world.

For instance, we decrease the interest rate of our customers who improve their sustainability or gender equality performances.

In this way, we aim to spread the continuous progress and shared value approaches among all our stakeholders for a sustainable future.