



# Contributing for More Resilient Markets

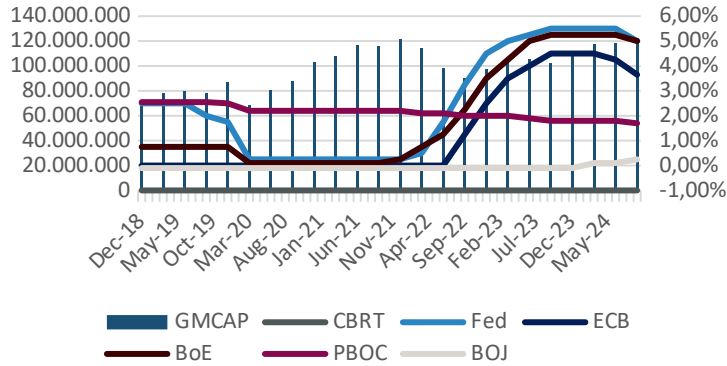


# Sustainability of Investors / Clients



## Resilient Investors Contribution to Fair Markets..

### GLOBAL MCAP & MAJOR INTEREST RATES

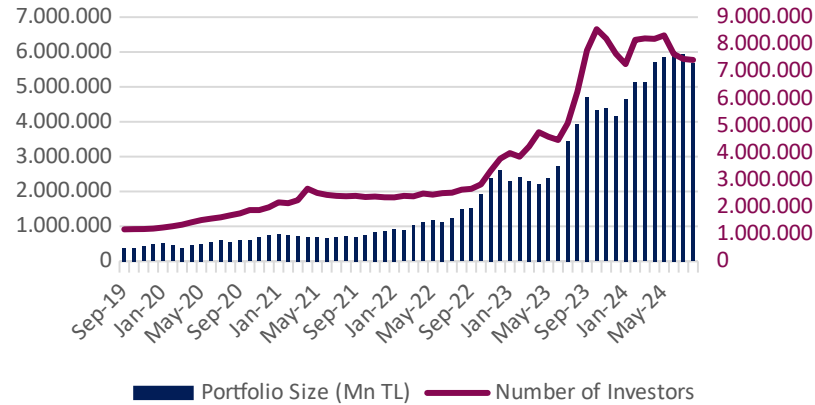


### Informed Decision-Making:

Better equipped to analyze market trends and make decisions based on fundamentals rather than emotions. Leading more accurate pricing and efficient market functioning.



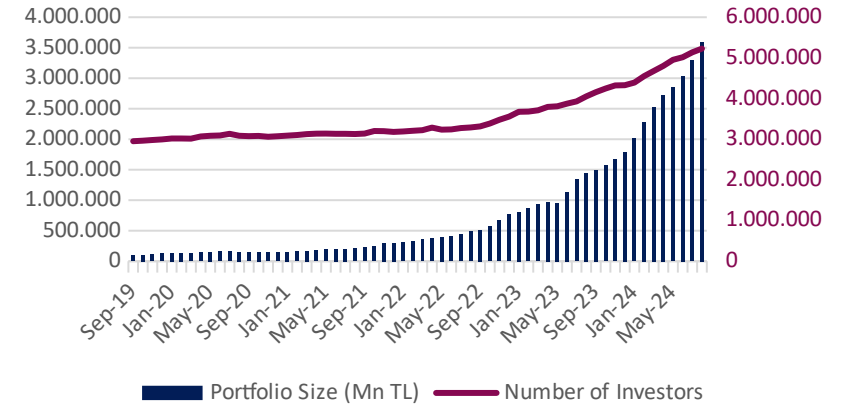
### TURKISH EQUITY MARKET



### Reduced Volatility:

When customers understand risks and have confidence in their strategies, they are less likely to panic during downturns. This stability contributes to reduced market volatility, fostering a more predictable trading environment.

### TURKISH FUNDS MARKET



### Enhanced Market Liquidity:

Active customers help maintain liquidity in the market. Participation ensures that there are enough buyers and sellers, facilitating smoother transactions and efficient price adjustments.



## Risk Management Through Education..

# YATIRIM OKULU



### Financial Literacy Programs:

Offering courses and resources that cover the basics of investing, market behavior, and risk assessment can significantly enhance customers' understanding.



### Workshops and Webinars:

Regularly hosted sessions on current market trends, risks, and investment strategies can keep customers informed and engaged.



### Personalized Guidance:

Providing tailored advice based on individual financial situations helps customers understand their unique risk profiles. This personalized approach empowers them to manage risks effectively and align their investment strategies with their goals.



## Encouraging Transition to Green Products..

# Why funding through green products is a must?

### Access to Capital:

Green funding, especially through green bonds, provides companies with access to a growing pool of environmentally conscious investors. This can lead to better financing terms and increased capital for projects that promote sustainability.

### Enhanced Brand Reputation:

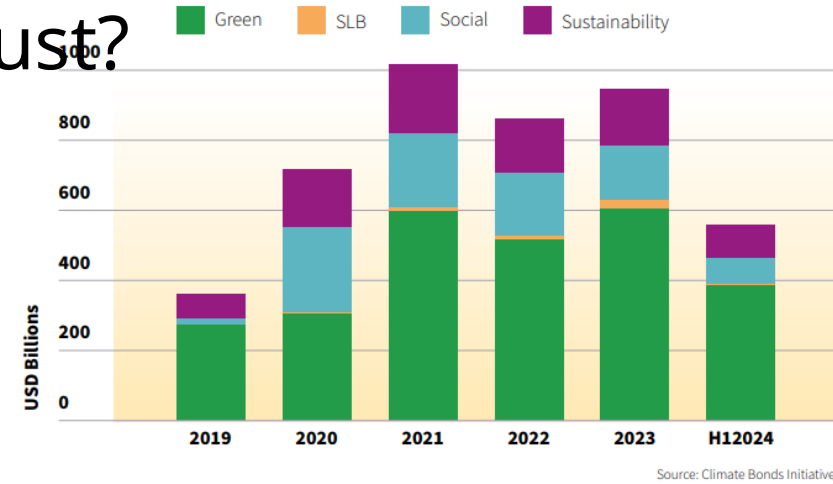
Committing to green funding can significantly enhance a company's reputation. Consumers and investors are increasingly favoring organizations that prioritize sustainability.

### Regulatory Compliance and Incentives:

As governments around the world implement stricter regulations on environmental impact, pursuing green funding helps companies stay ahead of compliance requirements.

### Long-term Resilience:

Companies that invest in sustainable practices are better positioned to adapt to changing market conditions and consumer preferences. By securing green funding, they can ensure their projects align with future trends, enhancing overall resilience.



### Scorecard: Aligned GSS+ debt

	H1 2024		Cumulative since 2006	
	USDbn	Aligned deal count	USDbn	Aligned deal count
Green	385.1	1,628	3201.5	29,007
Social	70.5	1,646	906.0	12,685
Sustainability	93.9	571	896.2	5,057
Sustainability-linked bonds	4.6	14	52.9	124
<b>Total</b>	<b>554.1</b>	<b>3,859</b>	<b>5056.6</b>	<b>46,873</b>

Source: Climate Bonds Initiative

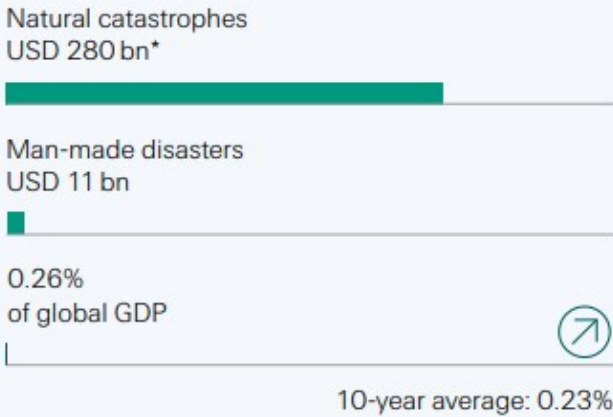
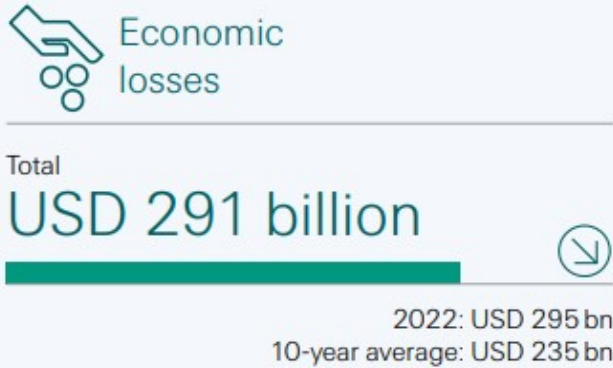




# Sustainability of Stakeholders

# Risk and Opportunities in Climate Transition..

## Why climate risks are also financial risks

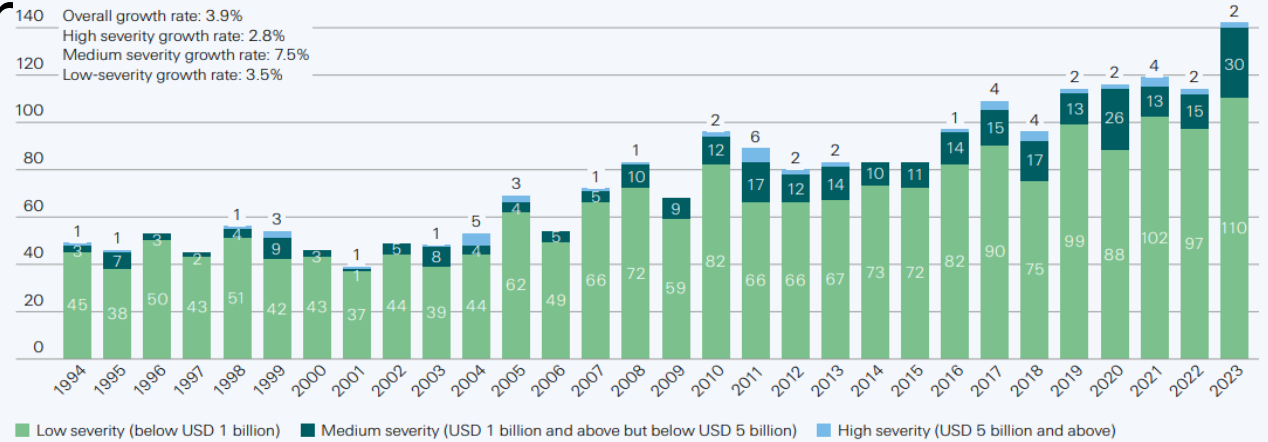


\*Ranks 19<sup>th</sup> in terms of normalised economic losses from natural catastrophes since 1970\*\*

Source: Swiss Re Institute

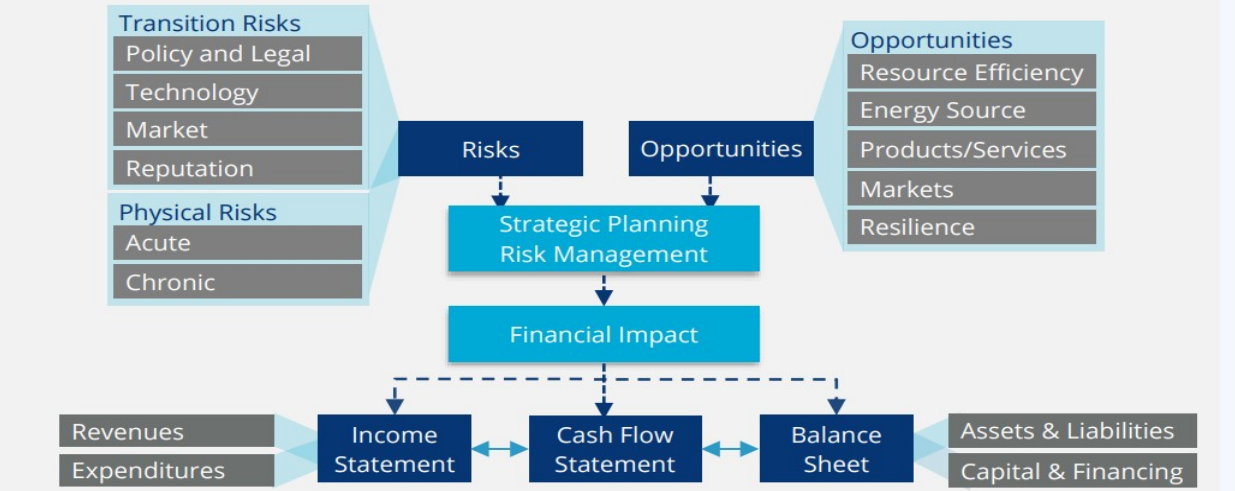


Number of natural catastrophes by classes of severity, 1994–2023



Source: Swiss Re Institute

### Climate-Related Risks, Opportunities, and Financial Impact



Source: Task Force on Climate-related Financial Disclosures



# Governance and Disclosures..

## Boards Must Lead The Way



Sustainability governance



### Steps of Transition

- Commitment
- Alignment
- Net Zero





# QNB Group Framework



Strategic Focus	Material Topic	SDG	Related Capital Element	Related Reporting
Green Transformation	Responsible financing, products, services integrating ESG criteria	6 CLEAN WATER AND SANITATION, 7 AFFORDABLE AND CLEAN ENERGY, 8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Natural	CDP, EFR
	Reducing the impact of climate change, adapting to climate change	13 CLIMATE ACTION, 14 LIFE BELOW WATER, 15 LIFE ON LAND, 17 PARTNERSHIPS FOR THE GOALS	Financial, Natural, Intellectual	CDP, EFR, BM KIS
Responsible Transformation	Financial inclusion and literacy	1 NO POVERTY, 3 GOOD HEALTH AND WELL-BEING, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 10 REDUCED INEQUALITIES	Financial	EFR, Bloomberg GEI
	Customer experience and satisfaction	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 17 PARTNERSHIPS FOR THE GOALS	Social	EFR
Operational Transformation	Environmental impact of operations	7 AFFORDABLE AND CLEAN ENERGY, 8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Natural, Intellectual	CDP, EFR
	Business Continuity	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 17 PARTNERSHIPS FOR THE GOALS	Financial, Intellectual	EFR
	Digital transformation and innovation	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 17 PARTNERSHIPS FOR THE GOALS	Intellectual	EFR
	Responsible purchasing and supply chain	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 17 PARTNERSHIPS FOR THE GOALS	Social, Natural	EFR, BM KIS
Transformation of Finansı	Talent acquisition, employee development, and commitment	4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH	Intellectual, Humanitarian	EFR, Bloomberg GEI, BM KIS
	Equal opportunity, diversity and gender equality	10 REDUCED INEQUALITIES, 17 PARTNERSHIPS FOR THE GOALS	Humanitarian, Social	EFR, Bloomberg GEI, BM KIS
	Social investment	10 REDUCED INEQUALITIES, 17 PARTNERSHIPS FOR THE GOALS	Social	EFR, BM KIS



## Multilateral Efforts..



- Sustainability Principles Compliance Framework
- Guide on Green / Sustainable Bond and Sukuk Issuances



## **PUBLIC OVERSIGHT ACCOUNTING AND AUDITING STANDARDS AUTHORITY**

- Disclosure of Sustainability-related Financial Information Standards



- Brokerage firms have signed a declaration to promote greater representation on company boards and on executive levels.



- Sustainability Platform
- Sustainability Related Equity Indices (XUSR, XSD25)
- Sustainability Themed Debt Securities Indices
- Integrated Reporting Guide



## **QNB Finans Asset Management Company**

- Clean Energy ETF - QTEMZ
- Clean Energy and Water Fund of Funds – OLD
- Clean Energy Index



Thank You