

2023 Headlines

JCR has upgraded PASHA Bank's credit rating to A+(tr).

PASHA Bank, solidifying its position among Türkiye's strongest investment banks, has received international recognition for its success. The credit rating upgrade by the international credit rating agency JCR underscores PASHA Bank's robust banking image following a successful year in 2023. Accordingly, JCR has elevated PASHA Bank's Long-Term National Institution Credit Rating from "A (tr)" to "A+ (tr)" level. The upgrade in credit rating takes into account PASHA Bank's strong capital adequacy ratios, diversified funding structure facilitated by bond issuances providing financial flexibility, country-specific advantages encouraging investment in activities of investment banks, high level of compliance with corporate governance practices, continuity of the established risk management organization, and the downward trend in the ratio non-performing loans, supporting the quality of its assets.

PASHA Bank continued its successful asset-backed security issuances without slowing down.

As one of the pioneers in Asset-Backed Securities issuances, which are crucial for the development of the real sector and the increase in employment, PASHA Bank completed an issuance of TL 798 million for Tarfin Agriculture in 2023. Additionally, a total of TL 50 million in issuance was made for

Platin Kimya, operating in the field of agricultural chemicals.

Since 2020, PASHA Bank has been providing support to the agriculture sector, and with these issuances, it has secured approximately TL 2 billion in funding for this sector since 2020.

International bond issuance from PASHA Bank

Supporting cross-border investments with its mission of being a financial bridge at the triangle of Türkiye, Azerbaijan and Georgia, PASHA Bank realized a bond issue of USD 11,550,000 at the securities market of Azerbaijan.

As the first institution to issue a bond in a currency other than its own currency at Azerbaijan markets, PASHA Bank realized a total of nine foreign currency bond issuances since 2017, eight of them in USD and one in Euro. Thus, the Bank provided approximately USD 137 million of funds up to now.

PASHA Bank made a pioneering move in the Turkish capital markets with the issuance of asset-backed security indexed to wheat price

The "PASHA Investment Bank A.Ş. Tarfin Third Asset Finance Fund," which took over Tarfin Agriculture's forward sales to farmers, not only contributes to the development of the agriculture sector but also offers an attractive investment alternative to qualified investors with this issuance transaction. This transaction holds significant importance as the first wheat price-indexed asset backed security issuance in the Turkish capital markets.

Farmers' receivables approved by Tarfin's developed agricultural risk scoring model form the collateral pool of this fund. Asset-backed security issuances, which transform agricultural receivables into a structured investment



A FIRST IN TÜRKİYE

PASHA BANK MADE A PIONEERING MOVE IN THE TURKISH CAPITAL MARKETS WITH THE ISSUANCE OF WHEAT PRICE-INDEXED ASSET-BACKED SECURITY

instrument, stand out as a secure investment vehicle for investors.

From the perspective of farmers, indexing the forward price of purchased agricultural inputs to wheat prices eliminates pricing risks by eliminating uncertainties in financial markets, considering that their incomes are tied to agricultural commodity prices. Moreover, the provided funding enables farmers to access agricultural inputs at more favorable prices.

The first wheat-indexed asset-backed security issuance, initially set at TL 3 million, achieved an average term of 72 days and a compounded return of 73%, satisfying investors. With a motto of innovation and sustainable economy, PASHA Bank conducted its second issuance in this field in 2023, reaching a total issuance size of TL 23 million.

PASHA Bank crowned its sustainability journey with the “Green Office” diploma.

By successfully completing the goals set forth in the Green Office Transformation Program implemented by the Worldwide Fund for Nature (WWF), which has been operating in Türkiye for 49 years, PASHA Bank has earned the “Green Office” diploma. This diploma is obtained at the end of a process where institutions aim

to reduce their ecological footprint, contribute to a sustainable future by making improvements, and increase environmental awareness among employees through various training and activities.

New Product: Mortgage for Azerbaijani Citizens

PASHA Bank launched its mortgage product targeting Azerbaijani citizens with the slogan “Don’t be a Guest in the Sister Country, Be a Homeowner” in Baku in 2022. With the intense demand from Azerbaijani citizens in 2023, PASHA Bank conducted another launch event in Baku, thereby increasing its share of mortgage loans in its credit portfolio.

PASHA Bank became the main sponsor of the 3rd Istanbul Digital Art Festival.

Since its establishment in 2015, PASHA Bank has aimed to blend its cultural structure with artistic connections, always striving to support art and artists.

In this context, in 2023, PASHA Bank once again became the main sponsor of the festival, which was held at the AKM (Atatürk Cultural Center) from June 2nd to June 5th, themed “Is digital art the result of human molecules?” The festival was curated by Türkiye’s

first artificial intelligence curator Avind, along with Julie Walsh and Esra Özkan, and featured works by Azerbaijani artificial intelligence artist Shusha, as in previous years. Throughout the festival, in addition to audio and visual performances, panels and workshops were held on various topics such as artificial intelligence, entrepreneurship, bio art, bio design, and 6G technologies.

PASHA Bank enthusiastically celebrated the 100th anniversary of our Republic.

PASHA Bank employees celebrated the 100th anniversary of our Republic with great enthusiasm at the reception held at the Headquarters, PASHA Plaza... PASHA Bank established the “Future Women Leaders” scholarship fund, which was launched specifically for the 100th anniversary of our Republic and will continue in the coming years. This scholarship fund aims to help female students at universities achieve their educational and career aspirations. It not only contributes to their education but also provides opportunities for young women to contribute to society as strong leaders. By supporting the academic, social, and personal development of female students, this scholarship will contribute to their becoming the leaders of tomorrow.