



Integrated Annual Report 2025



A big family
a growing future

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ABOUT THE REPORT

Türkiye Halk Bankası Anonim Şirketi (Halkbank) presents its 2025 operational results, financial and non-financial performance, and forward-looking objectives to its stakeholders through its Integrated Annual Report, which has been prepared in line with the Integrated Reporting (<IR>) Framework of the Value Reporting Foundation (VRF) and the GRI Standards (Core option) issued by the Global Reporting Initiative (GRI).

The Integrated Annual Report presents Halkbank’s economic, social, and environmental performance with respect to its operations conducted in line with a sustainable development perspective for the period from January 1 to December 31, 2025. Having embraced the Sustainable Development Goals set by the United Nations, Halkbank has aligned its priority areas with the value it creates. Through its Integrated Annual Report, Halkbank presents its corporate governance and sustainability approaches, as well as its areas of operation.

The primary indicators disclosed in the report have been audited by an independent entity. The details of the audit can be accessed in the “Independent Assurance Report” presented in the Annexes section.





”

As Halkbank, founded in 1938 to support tradespeople, artisans, and small business owners, we have accompanied Türkiye’s development journey for 87 years. Today, we stand out, not only with our financial strength, but also for an approach that focuses on people, families, and social balance.

SMEs, tradespeople, women entrepreneurs, and young people, in short, everyone from 7 to 70 is within our scope. Together with our subsidiaries, we comprise a large family and an extensive ecosystem with millions of customers. We continue to strengthen the bonds of this ecosystem through digitalization.

With 2025 designated the “Year of the Family,” as Halkbank, we embrace even more strongly our responsibility to be a **broad, inclusive family** together with all our stakeholders.

22,575
Employees

TRY
4.3 TRILLION
Total assets

”

BEING A FAMILY MEANS PRODUCING TOGETHER

For us, being a family starts with sustaining production.

At Halkbank, our SMEs and tradespeople, who create value through their endeavors in workshops, shops, and businesses, are at the heart of this great family. Since our establishment, we have supported the continuity of production, standing by individuals who seek to grow their businesses. Through the solutions we offer, from access to credit to cash flow management, we contribute to ensuring that hard work is rewarded. We know that as producers grow stronger, society and the economy grow together.

54.6%

Share of SMEs in our
commercial loans



”

BEING A FAMILY MEANS BUILDING THE FUTURE TOGETHER

We don't stand by and watch the future—we build it together.

As Halkbank, we listen to the ideas of young entrepreneurs and support them in taking tangible actions to realize their dreams. From the startup phase to growth and scaling, we provide trust, guidance, and partnership, in addition to financing. We sit at the same table with young people who innovate, take risks, and aim to expand globally. We know that a strong future is built by placing youth at its center.

TRY **38.4** BILLION
in financing to
227 THOUSAND
entrepreneurs



”

BEING A FAMILY MEANS CULTIVATING HOPE TOGETHER

The strength of a family is measured by its strongest pillars. At Halkbank, women stand at the forefront of these pillars. We support the robust participation of women entrepreneurs in production, employment, and leadership, and develop financial and structural solutions to help them build their businesses sustainably. We view the empowerment of women in the economy as a social responsibility as well as a commercial objective. We know that as women are empowered, families become stronger—and as families gain strength, society remains balanced.

Over
TRY 120 BILLION
in financing to
264 THOUSAND
women entrepreneurs



”

BEING A FAMILY MEANS CONSISTENT SUPPORT

As Halkbank, we see social benefit as an integral part of banking. We approach sustainability not only as an environmental goal, but as a long-term investment in people, sports, and equality. As the title sponsor of the Women's Basketball Super League and the Turkish Women's Basketball League, we support women in becoming stronger and more visible in both sports and life. For us, development means taking responsibility in every area that advances society.



”

In 2025, as we have since our establishment, we contributed to the national economy through the **financial support we provide to the real sector.**

R. Süleyman ÖZDİL
*Chairman of the
Board of Directors*



CHAIRMAN’S
ASSESSMENT

The Turkish economy progressed under the guidance of the Medium-Term Program, within a framework that prioritizes price stability, maintains fiscal discipline, and aims for structural transformation centered on production, investment, employment, and exports.

Adhering to an approach that supports production, employment, and entrepreneurship, we contributed to strengthening social inclusion.

Esteemed Stakeholders,

The year 2025 was marked by an increase in global uncertainties and protectionist trade policies, as well as the continued prevalence of tight monetary policies and the impact of geopolitical developments on the economic outlook. In an environment where global growth remained moderate, policymakers prioritized the fight against inflation and the strengthening of financial stability. Heightened trade barriers and mounting regionalization trends in supply chains were among the key determinants of global economic activity.

Looking ahead to 2026, expectations point toward a gradual normalization of global conditions. A stronger growth outlook among our trading partners, more balanced financing conditions, and relatively stable trends in energy and commodity prices indicate a more predictable economic environment.

Amid this global landscape, the Turkish economy progressed under the guidance of the Medium-Term Program, within a framework that prioritizes price stability, maintains fiscal discipline, and aims for structural transformation centered on production, investment, employment, and exports. A stalwart commitment to the disinflation process supported macroeconomic rebalancing, while measures enhancing the resilience of the financial system further bolstered economic confidence. Practices that reinforce transparency and market discipline delivered important gains in sustaining financial stability; assessments by international institutions also signal that the program's implementations are functioning effectively.

Dear Stakeholders,

During this period, the banking sector continued to fulfill its critical responsibility in safeguarding the financial system and meeting the needs of the real sector. As the monetary policy shaped market conditions, loan and deposit rates began to align with expectations, thereby establishing a more predictable financing environment.

In light of these developments, as Halkbank, we continued to support our country's economic stability and sustainable growth. In 2025, as we have since our establishment, we contributed to the national economy through the financial support we provide to the real sector. Adhering to an approach that supports production, employment, and entrepreneurship, we also contributed to upholding social inclusion. In addition to driving economic growth, our contribution to the real sector is a key element in social welfare and inclusive development.

In the period ahead, our Bank will continue contributing to our country's productive capacity, entrepreneurial ecosystem, and social resilience, guided by disciplined risk management, a prudent financial stance, and a profound sense of corporate responsibility. The foundation of this success lies in our dedicated human capital, our customers who trust us, our shareholders who share our vision, and the enduring collaborations we have established with public authorities.

I would like to thank all our stakeholders for their trust. Drawing strength from its heritage, Halkbank will steadfastly continue to accompany our nation's development journey and enhance its social welfare.

Respectfully,

R. Süleyman ÖZDİL
Chairman of the Board of Directors

”

Through selective lending policies that support production, investment, employment, and exports, we prioritized facilitating access to finance, particularly for our SMEs and the real sector.

Osman ARSLAN
General Manager



GENERAL MANAGER’S
ASSESSMENT

Through the Producing Women Gatherings, Producing Women Competition, and Master Class Training Programs, we reinforced the knowledge, experience, and solidarity networks of women entrepreneurs.

TRY **4.3** TRILLION
Total Assets

Esteemed Stakeholders,

The year 2025 was marked by divergences in global monetary policies, while overall financial conditions became more supportive. Although global uncertainties stemming from geopolitical risks persisted during the year, new waves of inflation stemming from disruptions in global supply chains failed to materialize.

The Turkish economy was positively differentiated from those of many other countries due to its ongoing disinflation process and balanced growth composition. As of 2025, the effects of the coordinated economic policies implemented under the Medium-Term Program became more evident. The Central Bank of the Republic of Türkiye undertook a prudent monetary policy stance; prioritizing price stability and supported by fiscal discipline, these measures contributed to the macroeconomic rebalancing process. Consequently, foreign exchange reserves reached record-high levels, while the country risk premium (CDS) fell to its lowest levels in the past eight years. In 2025, the current account deficit improved beyond expectations, and the reduction in external financing needs supported the ongoing rebalancing of the economy. With the exit from the Exchange Rate Protected Deposit scheme (KKM), the KKM balance was fully eliminated. These developments, alongside a steady recovery in the investment environment, enabled our economy to sustain 21 consecutive quarters of uninterrupted growth.

Dear Stakeholders,

In 2025, our sector delivered a stable performance in line with developments in the economy. Across the sector, risk management, asset quality, and balance sheet resilience stood out as key priorities.

For our Bank, 2025 was a year in which we directed our resources toward selective areas, managed credit growth in a balanced manner, and strengthened our liquidity and capital structure. During this period, we supported companies facing payment difficulties by means of loan restructuring, while also contributing to maintaining economic stability. In addition, through effective risk management, we effectively controlled risks related to asset quality and kept our non-performing loan ratio at low and manageable levels.

In 2025, the Bank’s primary focus areas were tradespeople, SMEs, and women and young entrepreneurs. Through selective lending policies that support production, investment, employment, and exports, we prioritized facilitating access to finance, particularly for our SMEs and the real sector.

By the end of 2025, our tradespeople loan portfolio, which stood at TRY 266 billion at the end of 2024, rose by 20% to TRY 320 billion. As of year-end, the share of loans extended to tradespeople within SME loans reached 33%, while the number of borrowers stood at 774 thousand. In addition, the share of SME loans within our commercial cash loans was 55%. With an SME loan portfolio reaching TRY 961 billion, we maintained our market leadership in SME financing.

In line with our vision to empower women entrepreneurs, we have provided a total of TRY 120 billion in financing to approximately 264 thousand women entrepreneurs since 2021. Nationwide, one out of every three loans utilized by women entrepreneurs bears our Bank’s signature.

Furthermore, to support the development of the entrepreneurship ecosystem, we extended a total of TRY 38 billion in loans to 227 thousand entrepreneur customers. We also expanded our financial support for young entrepreneurs with products such as Young Loan, First Step Loan, and Tech Entrepreneur solutions. In December, at the Gençiz Summit, which brought together more than 5,000 young participants, we launched the KGF-guaranteed Gençiz Loan.

Beyond financing, we provided holistic support to women and young entrepreneurs—empowering them, raising their visibility and enabling sustainable success. By way of initiatives such as the Producing Women Gatherings, Producing Women Competition, and Master Class Training Programs, we bolstered the knowledge, experience, and collaboration networks of women entrepreneurs.

We supported women’s participation in production and employment, particularly through the “Rising Women” project initiated by the Ministry of Family and Social Services. In addition, within the scope of the “We Grow with Women Agents” project, implemented in cooperation with Türkiye Sigorta, we contributed to enabling women entrepreneurs to become insurance agents.

Valued Stakeholders,

To summarize, in 2025, our contribution to the real economy increased through our projects targeting tradespeople, SMEs, women, and youth, while our balance sheet structure became even stronger.

As of year-end 2025, our Bank’s total assets increased by 42% year-on-year, reaching TRY 4.3 trillion. Our cash loans grew by 36%, rising to TRY 2 trillion, while our non-cash loans rose by 47% to TRY 1.2 trillion. Accordingly, our total loan volume expanded by 40% to TRY 3.2 trillion. During the same period, our total deposits grew by 46% compared to the end of 2024, reaching TRY 3.5 trillion, while our equity went up by 31% to TRY 218 billion. Our securities portfolio also rose by 52%, reaching TRY 1.2 trillion.

Our Bank will continue in the coming period to support the real sector, tradespeople, women, and young entrepreneurs through its sustainable growth approach and selective lending strategy, while remaining a stalwart contributor to the future of our country. In 2026, we will continue to generate solutions that strengthen the economy through projects that are aligned with Türkiye’s Medium-Term Economic Program and contribute to the “Family and Population Decade” vision. We would like to thank our valued stakeholders, whose collaboration and contributions have brought our Bank to where it is today.

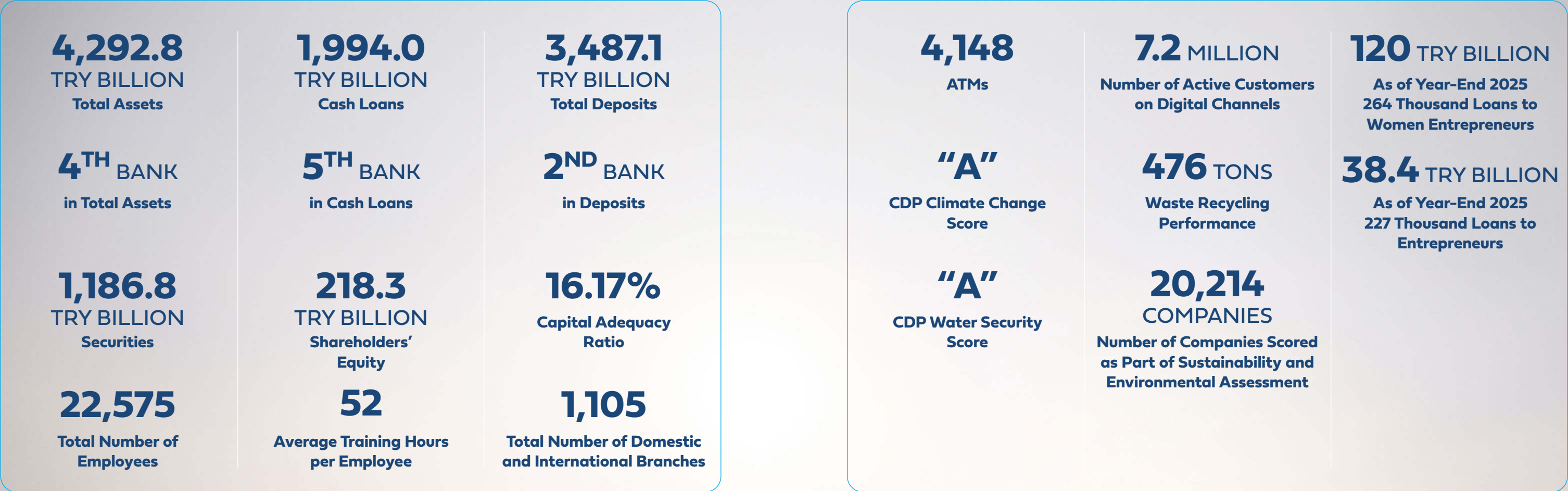
Respectfully,

Osman ARSLAN
General Manager

TRY **38** BILLION
Total loan volume
extended to
entrepreneur customers

HALKBANK IN NUMBERS - 2025

In 2025, Halkbank demonstrated sustained financial resilience while successfully realizing its sustainable growth targets.



MANAGEMENT DISCUSSION AND ANALYSIS

Halkbank actively promotes entrepreneurship across all sectors in Türkiye, prioritizing women and young entrepreneurs, to cultivate a sustainable entrepreneurial culture.

3.5 Billion Transactions

Number of Transactions
Carried Out through
Digital Channels

Halkbank closely monitors the digital transformation process in the industry and prioritizes the necessary implementation of automation and improvements in the service offerings to the customers.

Boasting a sound balance sheet, a strong capital structure, and a responsible banking approach, Halkbank continues to focus on accelerating economic momentum by providing credit support to economic actors, particularly tradesmen, artisans, SMEs, and women and young entrepreneurs, through pioneering projects that promote development, as well as to all segments in need. Halkbank actively promotes entrepreneurship across all sectors in Türkiye, prioritizing women and young entrepreneurs, to cultivate a sustainable entrepreneurial culture.

Halkbank is committed to addressing the needs of SMEs, the foundation of a productive Türkiye, with timely, efficient, and high-quality solutions, enabling them to make a stronger contribution to the national economy. To support this mission, the Bank continuously advances its strategy of expanding partnerships with regional development agencies and increasing KOSGEB and KGF-sourced loans. Halkbank maintains its leadership in SME loans in Türkiye with 14.2 percent market share.

One of the deepest-seated banks in the industry, Halkbank leverages its extensive lineup of products and services to proactively gain new and broad-based customers and to increase the product utilization of existing customers.

Halkbank closely monitors the digital transformation process in the industry and prioritizes the necessary implementation of automation and improvements in the service offerings to the customers. Accelerating its initiatives in the next generation banking and payment systems segments, it conducts its operations with the goal of being a pioneer in digital transformation. The Bank developed digital channels to enable customers to perform their transactions quickly and conveniently without having to visit a branch. Halkbank served 7.2 million active customers and executed 3.5 billion transactions through these digital channels in 2025.

The Bank's assets reached TRY 4,292.8 billion, up 42% on the previous year, while total deposits rose 46.4% to TRY 3,487.1 billion. Cash loans rose 36.4% to TRY 1,994 billion while total loans, which also include non-cash loans, grew 40.1% to TRY 3,168.5 billion. Halkbank became the fourth largest bank in the industry by assets, fifth by cash loans, and second by deposits owing to its countrywide physical and digital service network and the opportunities offered by its responsible products and services. The Bank finished a profitable and productive operating period with TRY 27.1 billion of net profit with a 23.1% year-over-year increase; an 31.1% increase in shareholders' equity; and 16.17% capital adequacy ratio.



The Bank calculated its sustainability-linked commercial loan ratio in accordance with classification studies conducted within the framework of sectoral guidelines. Approximately 84% of the portfolio is linked to sustainability.

Halkbank offers extensive career opportunities to its employees on the basis of fairness, equity, and development. Witnessing the positive effects of increasing the presence of women in professional life and improving their positions, Halkbank became a signatory to the Women's Empowerment Principles and demonstrated its faith in and commitment to social gender and opportunity equality.

The average annual training hours per employee was 52 in 2025. The Bank continues to add value to its stakeholders with its corporate culture strengthened by a sustainability perspective as well as its emphasis on enhancing employee development and engagement.

From 2016 onwards, the Bank has embedded the ISO 14001 Environmental Management System and ISO 50001 Energy Management System into its business processes, enabling it to systematically assess its impacts on energy, emissions, water, and waste management, while implementing efficiency initiatives to minimize these impacts. In 2025, the Bank took these efforts a step further by implementing the ISO 14001 Environmental Management System and ISO 50001 Energy Management System across all of its active domestic subsidiaries.

With its effective organizational structure which shapes the business processes and its sustainability approach supported by a strong corporate governance system, the Bank balances economic, social, and environmental effects in every area in which it creates value and crafts its operations with the goal of creating an inhabitable world. 476 tons of non-hazardous waste that was generated by the Bank's operations was recycled. As part of the project to keep branch

signboards turned off, it conserves approximately 2.8 million kWh of electricity annually while targeting a reduction of around 1,220 tCO₂e in emissions annually.*

The Bank also showcases its sustainability performance on national and international platforms. It received an "A" score in both the CDP Climate Change and Water Security Programs, attaining the highest level and successfully being included on the Global A List in 2025. Additionally, as a result of its resolute efforts in sustainability, the Bank was included in the FTSE4Good Emerging Markets Index in 2025.

In 2025, Halkbank expanded its service network by opening 17 new branches, bringing its total domestic and international branch count to 1,105. Since its establishment, the Bank has prioritized investments that contribute to the national economy and social development. With its extensive branch network, high-quality products and services, it continues to strengthen its respected position in the banking sector through significant advancements in recent years.

*Exceptions may be applied based on geographical characteristics and location of branches.

CORPORATE PROFILE

Halkbank, “The Bank of Productive Türkiye,” contributes to social prosperity by supporting the real sector, SMEs, and its customers.



Support to the Real Sector

Founded with the mission of encouraging tradesmen and artisans to produce, Halkbank maintains its uninterrupted support for the Turkish economy with the belief that prosperity and wealth can only increase through stronger players in the production sector.



Support for SMEs

Halkbank, “the Bank of Productive Türkiye” leverages its expertise in SME Banking to develop products and services that meet the needs of the real economy. SMEs in Türkiye are producing, growing and looking to the future with hope with the support of Halkbank, the leader in SME Banking.



Support to Social Welfare

Helping Türkiye grow while growing with Türkiye for 87 years, Halkbank continues to carry out social development initiatives in accordance with its corporate citizenship awareness while being the largest supporter of the Turkish economy with its mega projects.



Support for Customers

As one of the strongest players in the industry thanks to the confidence of the Turkish people in accordance with the “We Are People First, and Then the Bank” principle, Halkbank serves its customers in every segment of contemporary banking and plans its operations based on the principle of standing by its customers everywhere and at all times.

VISION, MISSION, AND CORPORATE VALUES



Vision

To be a pioneering bank that is preferred by tradesmen, artisans, SMEs and all other segments by combining the power of our name that is rooted in the people (Halk) and our experiences based on our deep-seated history with innovative technologies and digital solutions.



Mission

To leverage the strength of the people and our employees, our qualified human resource and our innovative technologies to provide fast, reliable and quality products and services to tradesmen, artisans, SME and all other customers; to increase customer satisfaction via customer-oriented digital solutions; to support Türkiye’s development and growth within an awareness for social responsibility; and to be a people’s bank that creates large value added for all stakeholders.



Corporate Values

- Creating “Team Spirit” by valuing our employees,
- Increasing customer satisfaction by way of our customer-oriented approach,
- Providing fast, reliable and quality products and services with our rational, creative and dynamic organization,
- Distinguishing ourselves in digital banking with our advanced technology solutions,
- Being honest, transparent and trustworthy to be deserving of the power of our name,
- Sharing the knowhow and experiences that we accumulated through our deep-rooted history,
- Taking part in projects that respect people and the environment as part of our social responsibility awareness,
- Taking our country into the future with our contribution to the Turkish economy.



HALKBANK AT A GLANCE

Halkbank, the Bank of Productive Türkiye, sees every producing and job-creating tradesman, farmer and small, medium and large business owner as a business partner.

1,105
Total Number of
Branches

Established in 1938 to stand behind tradesmen and artisans and accelerate permanent economic development, Halkbank became one of the steadily growing, well-established, pioneering, and reputable brands of rising Türkiye. The Bank which has been leading the development of the Turkish banking industry for 87 years maintains its mission of supporting the real sector.

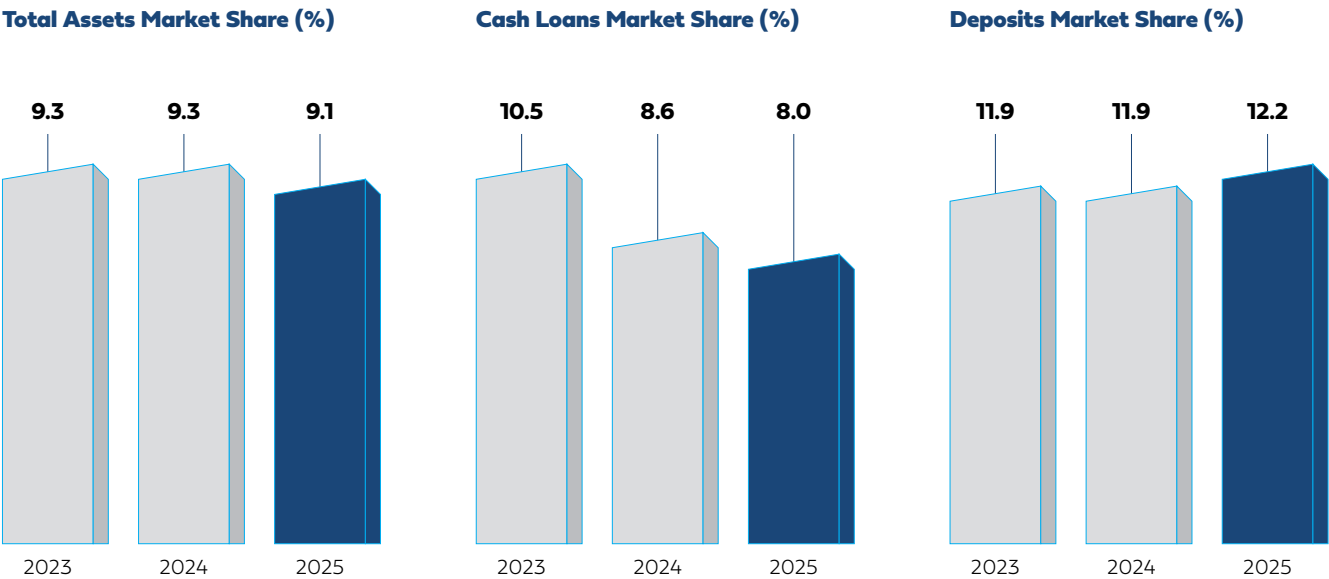
Rendering an unparalleled banking experience to its customers with 1,097 domestic branches, 8 overseas branches, 1 country office, 2 overseas representative offices, 4,148 ATMs, Telephone and Internet Banking channels, and Mobile Banking applications as of the end of 2025, Halkbank serves with innovative products and services under a global vision.

Halkbank, the Bank of Productive Türkiye, sees every producing and job-creating tradesman, farmer and small, medium and large business owner as a business partner and considers supporting them in good days and bad days alike with all of its financing facilities as its raison d'être. Increasing its SME lending market share to 14.2% and allocating 54.6% of its commercial cash loans to SMEs, Halkbank continues to be the biggest supporter of the Turkish economy.

HALKBANK'S POSITION IN THE SECTOR

Halkbank continues to pursue its sustainable growth strategy with determination, further solidifying its position in the sector.

Market Share (%)	2023	2024	2025
Total Assets	9.3	9.3	9.1
Cash Loans	10.5	8.6	8.0
Securities	10.6	10.0	11.3
Deposits	11.9	11.9	12.2
Shareholders' Equity	6.0	5.7	5.3
Profit	1.6	3.3	2.9



* Sector data dated December 31, 2025, and featured in the report was disclosed by BRSA on January 30, 2026.

KEY FINANCIAL INDICATORS AND RATIOS

In 2025, Halkbank sustained its growth while maintaining a focus on financial efficiency.

Financial Indicators (TRY Million)	2024	2025	Change (%)
Total Assets	3,022,220	4,292,781	42.0
Liquid Assets	650,087	891,857	37.2
Cash Loans	1,461,696	1,994,031	36.4
Securities	782,425	1,186,846	51.7
Total Deposits	2,381,754	3,487,119	46.4
Shareholders' Equity	166,535	218,333	31.1
Net Interest Income	38,390	89,772	133.8
Net Fee and Commission Income	39,367	60,312	53.2
Gross Profit	15,443	29,870	93.4
Net Profit	22,038	27,131	23.1

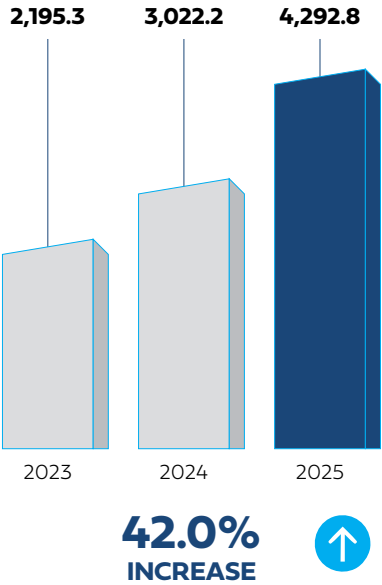
Major Ratios (%)	2024	2025
Interest-Earning Assets/Total Assets	73.7	73.6
Cash Loans/Total Assets	48.4	46.5
Non-Performing Loans/Total Cash Loans (Gross)	2.08	3.96
Cash Loans/Deposits	61.4	57.2
Average Return on Assets	0.84	0.74
Average Return on Equity	14.94	14.10
Capital Adequacy Ratio	15.74	16.17

In 2025, Halkbank increased its total assets to TRY 4,292.8 billion and its total deposits to TRY 3,487.1 billion.

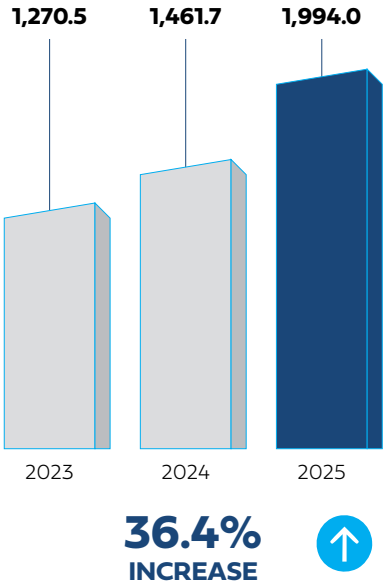
218.3
TRY BILLION
Shareholders' Equity



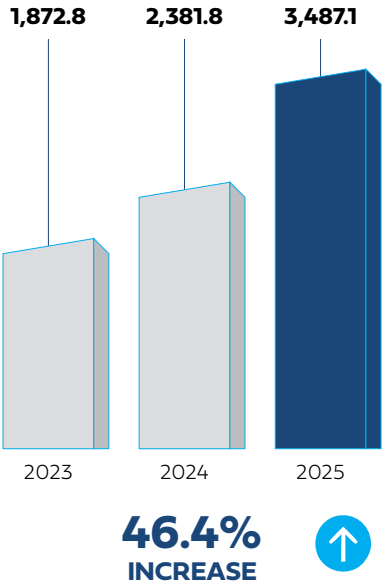
Total Assets (TRY Billion)



Cash Loans (TRY Billion)



Total Deposits (TRY Billion)



BOARD OF DIRECTORS AND SUPERVISORY BOARD



(1) Recep Süleyman ÖZDİL Chairman of the Board of Directors Independent Board Member

Recep Süleyman Özdil was born in Istanbul in 1961. He graduated from Ankara University Faculty of Political Science, Department of Economics. After beginning his professional career as an Auditor at a private company in 1984, Özdil served as a Specialist, Assistant Manager and Branch Manager at Albaraka Türk Özel Finans Kurumu A.Ş. in the years from 1986 to 1993. He worked as a Finance Coordinator at a private company between 1993 and 1995 before performing his duties as Assistant General Manager at İhlas Finans Kurumu A.Ş. from 1995 to 2001 and at Family Finans Kurumu A.Ş. from 2001 to 2005. Özdil served as board member and General Manager at Birlesik Fon Bankası A.Ş. from 2005 till 2011, and as a board member of the Savings Deposit Insurance Fund between 2011 and 2014. He has been serving as Chairman of Türkiye Halk Bankası A.Ş. since August 28, 2015.

(2) Mevlüt UYSAL Vice Chairman of the Board of Directors Independent Board Member

Mevlüt Uysal was born in 1966 in Antalya. He graduated from the Faculty of Law at Istanbul University. Uysal practiced as a lawyer for many years. In March 2009, he was elected as the mayor of Istanbul's Başakşehir district in the local elections. In 2014, he was re-nominated in the local elections and was later re-elected as the mayor of Başakşehir for the second time, allowing him to continue his duty. In September 2017, he was elected as the mayor of Istanbul Metropolitan Municipality by voting at the extraordinary meeting of Istanbul Metropolitan Municipality Council. He has been serving as a Board Member of Türkiye Halk Bankası A.Ş. since May 27, 2019.

(3) Osman ARSLAN General Manager and Board Member

Osman Arslan was born in Ankara in 1971. He graduated from the Department of Statistics, Faculty of Arts and Sciences, Middle East Technical University. He completed his master's degree in Business Administration at the School of Social Sciences of the same university. In 1995, he launched his professional career at Ziraat Bank. From 1998 to 2004, he served in executive positions at various private banks. Between 2004 and 2012, he worked as a Division Manager, Head of Department, and as the Deputy General Manager at Halkbank, and went on to become the General Manager of A&T Bank. In March 2012, he began serving as the Executive Vice President for Financial Coordination at Ziraat Bank. As of January 2013, he started to work as the Executive Vice President for International Banking and Partnerships, and as of August 2014, as the Executive Vice President for Information Technologies at the same bank. Osman Arslan, who served as CEO of Ziraat Katılım Bankası A.Ş. from February 2015 to June 2017, has been serving as General Manager and Board Member of Türkiye Halk Bankası A.Ş. since June 8, 2017.

(4) Şeref AKSAÇ Board Member

Şeref Aksaç was born in Bayburt in 1956. He graduated from the Istanbul Academy of Economic and Commercial Sciences, Faculty of Political Sciences, Department of Public Administration in 1979. He began his professional career as an Assistant Inspector at T.C. Ziraat Bankası A.Ş. in 1982 and later served as an Inspector in 1986, and as a Manager at the Bank's different branch offices from 1990 to 2003. In 2003, he was appointed the Executive Vice President of Human Resources, and held his position until 2005. In addition to these roles, he served as a Member of the Supervisory Board at Başak Sigorta and as a Board Member at Turkish Joint-Stock Commercial Bank and Ziraat Yatırım ve Menkul Değerler A.Ş. In August 2012, he was appointed the CEO of Ziraat Hayat ve Emeklilik A.Ş. He served as a Board Member at T. Vakıflar Bankası T.A.O. between 2014 and 2016, as the Chairman of Finansal Kiralama A.Ş. between 2015 and 2017, and as the CEO of Finansal Kiralama A.Ş. from 2017 to 2020. In the General Assembly dated March 26, 2021, Aksaç was elected a member of the Türkiye Halk Bankası A.Ş. Board of Directors.

(5) Meltem TAYLAN AYDIN Board Member

Meltem Taylan Aydın was born in Ankara in 1973. She graduated from the Department of Business Administration, Faculty of Political Sciences, Istanbul University. Later, she completed her postgraduate studies in economics, focusing on macroeconomic performance analysis in developing countries and behavioral economics, and was admitted to the Harvard University Emerging Leaders Program in 2014. She is currently doing an MBA at Harvard Extension School. Meltem Taylan Aydın, currently serving as Chief Advisor to the President and a Member of the Presidential Economic Policies Board, has also been a Board Member of Türkiye Halk Bankası A.Ş. since June 8, 2017.

(6) Mıhrimah Belma SEKMEN Independent Board Member

Sekmen was born in Erzurum in 1961. She graduated from the Faculty of Law at Istanbul University, and in 1985, she embarked on her career as a self-employed lawyer. The following years saw her building her specialization in private law consultancy. She is actively involved in many non-governmental organizations. Ms. Sekmen, who served as a Member of Parliament for Istanbul from 2011 to 2023, has been an Independent Board Member at Türkiye Halk Bankası A.Ş. since August 2, 2023.

(7) Maksut SERİM Board Member

Maksut Serim was born in Izmit in 1955. He received his bachelor's degree in theology at Marmara University. He earned his master's degree from the Department of Public Administration and Political Science at Atılım University. Between 1977 and 1998, he served as a clerk, chief, supervisor, deputy manager, and as deputy general manager at Vakıfbank. From 2003 to 2016, he served as a Press and Public Relations Advisor and Chief Advisor to the Prime Minister; from 2016 to 2025, he served as Chief Advisor to the President. Maksut Serim has been a Board Member at Türkiye Halk Bankası A.Ş. since June 8, 2017.

(8) Ebubekir ŞAHİN Board Member

Ebubekir Şahin was born in Rize Çayeli in 1974. He completed his primary school education in Rize, and high school in Sakarya. In 1995, he graduated from the Department of Public Relations and Advertising of Gazi University's Faculty of Communication. In 2002, he received his master's degree from the Department of Journalism. He served successively as a Civil Servant at the Ministry of Interior and the General Directorate of Security, Advisor to a Member of Parliament at the Grand National Assembly of Türkiye, Private Secretary at the Ministry of Justice, Private Secretary and Department Head at the Ministry of Industry and Trade, Chief Advisor to the President of the Radio and Television Supreme Council (RTÜK), and Public Relations Advisor at the Prime Ministry. He then served as Head of the Administrative and Financial Affairs Department, Deputy General Manager, and Acting General Manager at Anadolu Agency. He served as Deputy Undersecretary and Undersecretary at the Ministry of Family and Social Services. In October 2017, he was elected as a Supreme Board Member of the Radio and Television

Supreme Council (RTÜK) and in January 2019 as the President of the Board. He was re-elected in 2023 and served his fourth term as President of RTÜK. Appointed as CEO of Türk Telekom on October 24, 2025, Mr. Şahin was also appointed as the Government Representative to the General Assembly of the Press Advertisement Agency in August 2019. He was elected as a Board Member of Türkiye Halk Bankası A.Ş. at the General Assembly Meeting on June 12, 2020. He is married and has two children.

(9) Sezai UÇARMAK Board Member

Sezai Uçarmak was born in Ordu in 1964. He graduated from the Department of Public Administration in the Faculty of Political Sciences at Istanbul University. In 1987, he started working at the Ministry of Customs as an Assistant Customs Inspector. He then was promoted to Customs Inspector and Chief Customs Inspector. Between the years of 1994 and 1998, he gave lectures on "Customs and Foreign Trade" at Istanbul University Institute of Social Sciences. Between the years of 2003 and 2005, he served as Director General of Customs. Having worked as a Chief Customs Inspector between 2005 and 2008, Uçarmak then served as the Head of the Board of Inspectors until 2011. In November 2011, he was assigned to the role of Deputy Undersecretary at the Ministry of Customs and Trade. Having been appointed as Deputy Minister at the Ministry of Trade on January 18, 2019, Uçarmak also serves as a Board Member at Türkiye Halk Bankası A.Ş. since February 27, 2019.

(10) Mehmet AYDIN Member of the Supervisory Board

Aydın was born in Sapanlı in 1967. He graduated from Ankara University, Faculty of Political Sciences, Department of Economics. He served as the Chief Controller of Local Administrations at the Ministry of Interior, Consultant to the Minister of Finance, and Vice President of the Public Procurement Authority. He was also the Chairman of the Audit Committee and a member of the Supervisory Board and the Board of Directors at the Development and Investment Bank of Türkiye, the General Director of the Turkish Maritime Organization, and a Board Member at Türkiye Şeker Fabrikaları A.Ş. and Sümer Holding. While serving as an Advisor at the Public Procurement Authority, Mr. Mehmet Aydın was appointed as a Member of the Public Procurement Board by the Presidential Appointment Decision published in the Official Gazette No. 32543 dated 05.11.2024. He has been a Member of the Supervisory Board at Türkiye Halk Bankası A.Ş. since August 2, 2023.

(11) Faruk ÖZÇELİK Member of the Supervisory Board

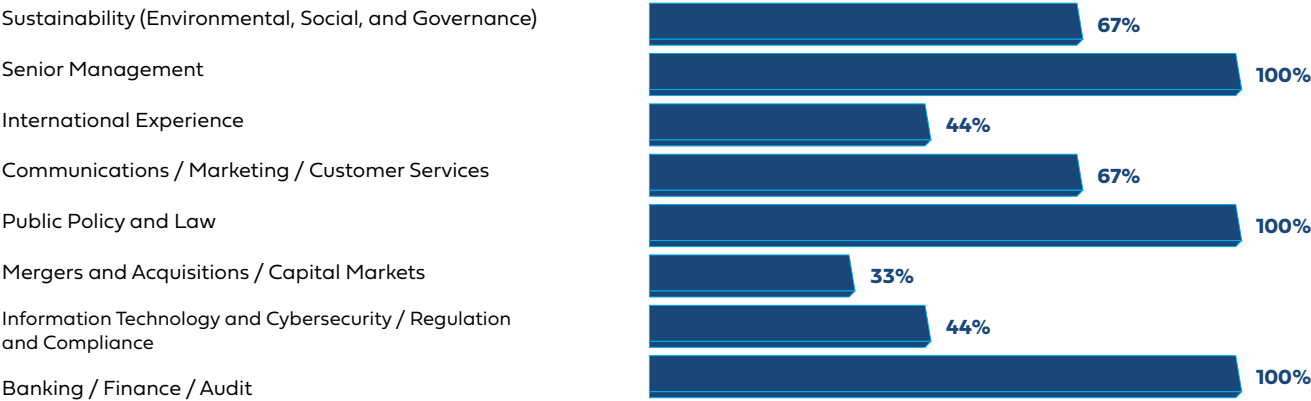
Özçelik was born in Konya in 1968. He graduated from Ankara University, Faculty of Political Sciences, Department of Business Administration. Özçelik received his master's degree from the Department of International Relations at Selçuk University. He also graduated from Anadolu University, Faculty of Economics, completing programs in Public Administration, Banking and Insurance, Justice, Real Estate and Property Management, and Securities and Capital Markets. He has been serving as a Member of the Supervisory Board at Türkiye Halk Bankası A.Ş. since August 2, 2023.

BOARD OF DIRECTORS AND SUPERVISORY BOARD

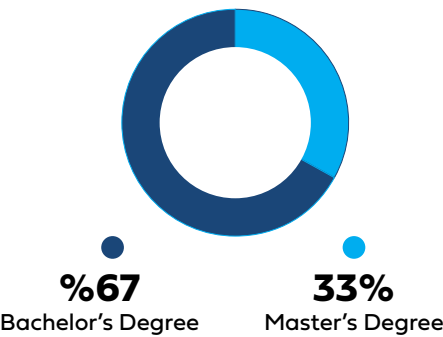
The distribution of competencies and experience on the Board of Directors is a fundamental pillar for Halkbank in achieving its strategic goals.

BOARD OF DIRECTORS' MATRIX

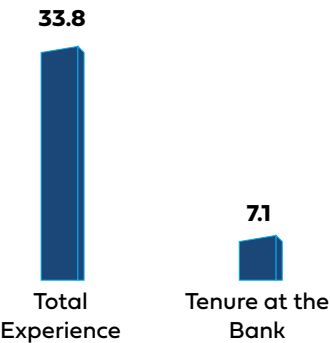
Experience Area



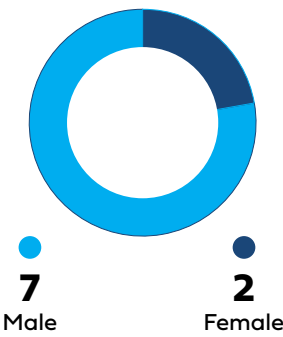
Education Level



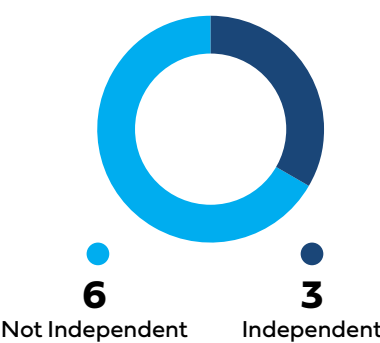
Average Tenure (Years)



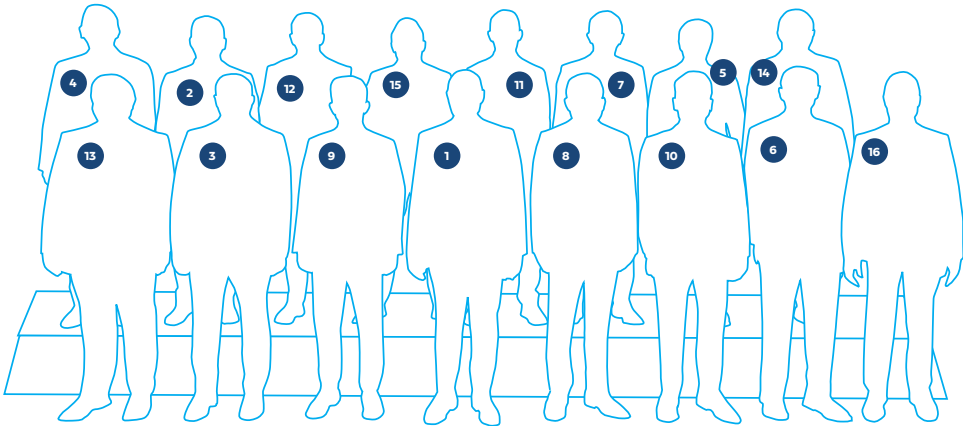
Gender Distribution



Status of Independence



EXECUTIVE MANAGEMENT



(1) Osman ARSLAN
General Manager and Board Member
Please see page 33 for Osman ARSLAN's background.

(2) Yalçın MADENCİ
Deputy General Manager
Corporate and Commercial Marketing
Yalçın Madenci was born in İstanbul in 1977. He graduated from Sakarya University, Faculty of Economics and Administrative Sciences, Department of Economics. Madenci launched his career at Halkbank in 1999 and worked in various positions at our bank, including Specialist, Senior Specialist, Manager, Commercial Branch Manager, Director and Head of Department. Since June 11, 2019, he has been serving as the Deputy General Manager responsible for Corporate and Commercial Marketing.

(3) Murat YILDIRIM
Deputy General Manager
SME and Retail Banking
Murat Yıldırım was born in Göksun in 1978. He graduated from Gazi University, Faculty of Economics and Administrative Sciences, Department of Public Administration in 1999. Embarking on his career at Türkiye Halk Bankası A.Ş. as a Junior Specialist, Yıldırım later served as a Specialist, Senior Specialist, Director, Department Manager, Branch Manager and Department Head respectively, and he has been serving as Acting Deputy General Manager in charge of SME and Retail Banking since January 17, 2025.

(4) Altan TAŞKIRAN
Deputy General Manager
Retail and Digital Banking
Born in 1976 in Rize, Altan Taşkıran completed his Bachelor's degree in the Department of Physics Engineering at İstanbul Technical University's Faculty of Arts and Sciences. He started his career at Garanti Payment Systems in 2000 and worked as the Sales Officer, Marketing Manager, Marketing Director, and Marketing Unit Manager, respectively. Taşkıran joined the Halkbank Family in 2021 and served as a Department Head and later as a Group Head. He has been working as the Deputy General Manager in charge of Retail and Digital Banking since November 22, 2022. Taşkıran is married with two daughters.

(5) Seyit Mehmet YAYDEMİR
Deputy General Manager
Loan Policies, Monitoring and Specialized Loans
Seyit Mehmet Yaydemir was born in Kayseri in 1978. He graduated from the Department of Business Administration at Dokuz Eylül University in 2002. Mr. Yaydemir, who began his banking career in 2006 as an Assistant Inspector at Türkiye Halk Bankası A.Ş., continued as an Inspector, Senior Inspector, Branch Manager, and Department Head. He has been serving as the Deputy General Manager responsible for Loan Policies, Monitoring, and Specialized Loans since October 7, 2025.

(6) Tahir DEMİRKIRAN
Deputy General Manager
Credit Allocation and Management
Tahir Demirkıran was born in İstanbul in 1967. After graduating from the Economics Department in İstanbul University, he embarked on his career in 1991 as a Sales Representative in Vestel Pazarlama A.Ş., then continued as a Junior Specialist and a Director at Pamukbank TAŞ, as a Department Head at Türkiye Halk Bankası A.Ş. as a Group Head at T.C. Ziraat Bankası A.Ş. and as a Deputy General Manager at Ziraat Katılım Bankası A.Ş. Demirkıran, who as of 2022 had been serving as the Deputy General Manager in charge of Loan Policies, Monitoring and Specialized Loans at Türkiye Halk Bankası A.Ş., has now been serving as Deputy General Manager in charge of Credit Allocation and Management since August 5, 2024.

(7) Celal CANDAN
Deputy General Manager
Credit Risk Monitoring and Legal Proceedings
Born in Konya in 1970, Celal Candan worked as a self-employed lawyer after graduating from İstanbul University Faculty of Law. Later, he served as the Manager of Vakıfbank Anatolian Side Legal Affairs, a Board Member of Halk Leasing, a Board Member of Halk Emeklilik, and the Head of Halkbank Credit Risk Liquidation Department. Since September 22, 2020, Candan has been working as the acting Deputy General Manager of Halkbank Credit Risk Monitoring and Legal Proceedings. He is married with three children.

(8) Ahmet HOŞCAN
Deputy General Manager (a.)
Treasury and Resource Management
Ahmet Hoşcan was born in Kadirli, Osmaniye in 1984. He graduated from the Department of International Relations, Faculty of Political Sciences, Ankara University in 2007. He completed his master's degree in Business Administration at İstanbul Aydın University in 2015. Mr. Hoşcan began his banking career in 2008 as an Assistant Specialist at Türkiye Halk Bankası A.Ş. and subsequently served as Specialist, Senior Specialist, Manager, Division Manager, and Department Head; he has been serving as Acting Deputy General Manager responsible for Treasury and Resource Management since November 27, 2025.

(9) Yusuf Duran OCAK
Deputy General Manager
Financial Management and Planning
Yusuf Duran Ocak was born in Kadirli, Osmaniye, in 1966. He graduated from the Department of Public Finance, Faculty of Economics and Administrative Sciences, Gazi University. After serving as Assistant Inspector, Inspector, Deputy Head of the Board of Inspectors, and Department Head at Halkbank, Yusuf Duran Ocak has been serving as the Deputy General Manager in charge of Financial Management and Planning since August 04, 2017.

(10) Mustafa ERMiŞ
Deputy General Manager
Operational Transactions
Mustafa Ermiş was born in Samsun in 1981. He graduated from İstanbul University, Faculty of Management, Department of Business Administration (English) in 2004. He started his career in New York, USA, as an account specialist in the finance department of an international shipping company. Ermiş, who embarked on his banking career in 2008 as a Junior Inspector at Türkiye Halk Bankası A.Ş. and served as Inspector, Senior Inspector, Head Inspector and Department Head respectively, has now been working as Deputy General Manager in charge of Operational Transactions since August 19, 2024.

(11) Olcay ATLIOĞLU
Deputy General Manager
Information Technologies
Born in İstanbul in 1974, Olcay Atlioğlu completed his Bachelor's and Master's degrees in Control and Computer Engineering at İstanbul Technical University. He started his career in 1994 as a Software Developer at BİMA Software and went on to work at BELBİM Electronic Money and Payment Services, Türk Ekonomi Bankası (TEB), and Fortis Bank (formerly Dışbank). Atlioğlu also worked for 10 years as an executive at Turkcell and Turkcell Technology. After serving as the Solution Development Director at Etiya in 2016, he joined the Halkbank family in 2017. Having worked as the Head of Department and Group Head at Halkbank Information Technologies, Atlioğlu has been serving as the Deputy General Manager responsible for Information Technologies at Türkiye Halk Bankası A.Ş. as of July 28, 2021.

(12) Miraç TAŞ
Deputy General Manager (a.)
International Banking
Miraç Taş was born in İçel in 1977. He graduated from İstanbul University, Faculty of Economics, Department of International Relations. He completed his master's degree at Southern Connecticut State University, Department of Business Administration. He worked as Director at Kuveyt Türk Katılım Bankası, and as Financial Institutions Marketing Director at Akbank. Taş, who joined the Halkbank Family in 2011 and served as Department Manager and Department Head, has now been serving as the Acting Deputy General Manager in charge of International Banking since January 2, 2026.

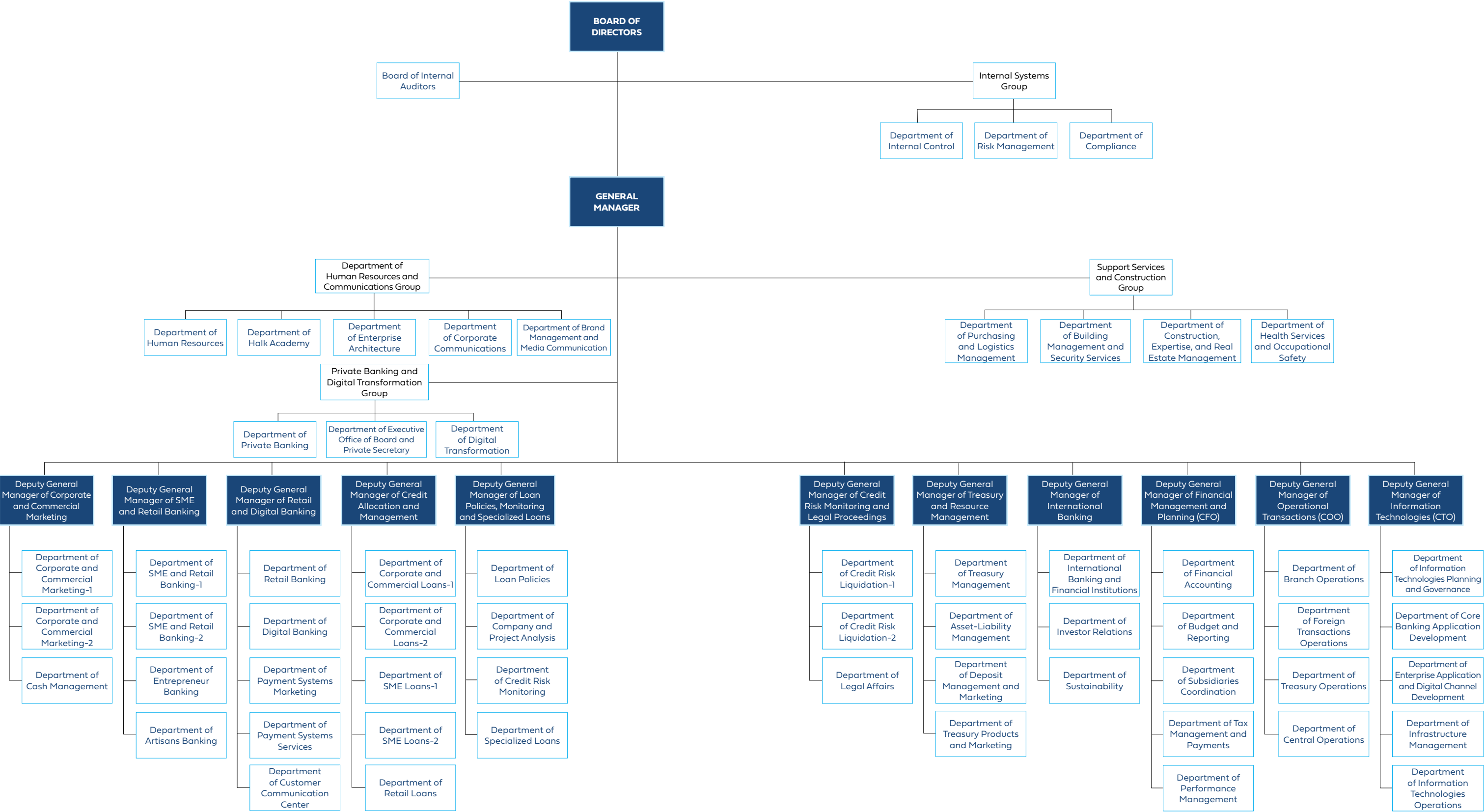
(13) Hamdi COŞGUN
Group Manager
Internal Systems
Coşgun was born in 1976 in Ortaköy, Aksaray. He graduated from the Department of International Relations of the Faculty of Economics and Administrative Sciences at Gazi University. Coşgun previously served as Junior Specialist, Inspector, Director, Branch Manager, Department Head and Regional Coordinator at Türkiye Halk Bankası A.Ş., prior to being assigned as the Internal Systems Group Manager as of May 24, 2022.

(14) Caner GÖKBULUT
Group Manager
Human Resources and Communications
Caner Gökbulut was born in Ankara in 1981. He graduated from the Department of Business Administration, Faculty of Economics and Administrative Sciences, Anadolu University in 2004. Mr. Gökbulut began his banking career in 2007 as an Assistant Inspector at Türkiye Halk Bankası A.Ş. and subsequently served as Inspector, Senior Inspector, Deputy Head of the Inspection Board, Branch Manager, and Department Head; he has been serving as Group Manager of Human Resources and Communications since July 18, 2025.

(15) Hacı BEKDUR
Group Manager
Support Services and Construction
Hacı Bekdur was born in Sorgun, Yozgat in 1983. He graduated from the Department of Business Administration, Faculty of Economics and Administrative Sciences, Gazi University in 2006. Mr. Bekdur began his career in 2007 at Türkiye Halk Bankası A.Ş. and has served throughout his career at the Bank as Assistant Specialist, Specialist, Senior Specialist, Manager, Division Manager, and Department Head; he has been serving as Group Manager of Support Services and Construction since September 5, 2025.

(16) Mustafa Gökhan YILDIRIM
Group Manager
Private Banking and Digital Transformation
Mustafa Gökhan Yıldırım was born in Ankara in 1988. He graduated from the Department of Political Science, Faculty of Economics, Administrative and Social Sciences, İhsan Doğramacı Bilkent University in 2012. He completed his master's degree in Sociology at Başkent University. He served as an Advisor at the Grand National Assembly of Türkiye and as a Corporate Branch Portfolio Manager at Denizbank A.Ş. Yıldırım joined the Halkbank family in 2020, serving as a Division Manager, Department Head, and Advisor. As of February 11, 2026, he has been serving as the Group Manager of Private Banking and Digital Transformation.

ORGANIZATIONAL CHART



SHAREHOLDING STRUCTURE AND SHAREHOLDER PORTFOLIO

99.999996207% of the Bank’s shares, originally held by the Undersecretariat of Treasury of the Prime Ministry of the Republic of Türkiye were transferred to the ownership of the Privatization Administration of Türkiye and 24.98% of these shares were publicly listed on May 10, 2007, pursuant to Resolution No. 2007/08 of the Privatization High Council dated February 5, 2007; the Resolution of the Bank’s General Assembly dated April 19, 2007; and Resolution No. 16/471 of the Capital Markets Board of Türkiye dated April 26, 2007.

As part of the secondary public offering of the Bank’s shares pursuant to Resolution No. 2012/150 of the Privatization High Council dated October 4, 2012, shares owned by the

Privatization Administration of Türkiye representing 23.92% of the Bank’s capital were successfully floated on November 21, 2012.

Pursuant to the Resolution numbered 2017/1 dated February 3, 2017 by the Privatization Board of Türkiye, shares held by the Privatization Administration of Türkiye were removed from the scope of the privatization program and they were transferred to the Türkiye Wealth Fund on March 10, 2017.

Finally, issued capital increased from TRY 4,969,120,730.29 to TRY 7,184,778,041.96 as a result of the capital increase that was made on March 29, 2023 through the private placement method without a public offering.

The qualified shareholder is the Türkiye Wealth Fund with an equity stake of 91.4934811% (Address: Muallim Naci Cad. No: 22 Ortaköy/Istanbul). Neither the Chairman, Vice Chairman, General Manager, the Members of the Board of Directors nor Deputy General Managers hold shares in the Bank.

Pursuant to Law No. 6327 dated June 13, 2012, as well as Provision 3 of Article 2 that was added to Law No. 4603, until their sale is finalized, these public sector-owned shares in the Bank shall be governed and represented by the Minister that the Bank reports to in accordance with the Turkish Commercial Code.

Shareholder Name	Issued Capital Amount (TRY)	Shareholding (%)
Türkiye Wealth Fund ⁽¹⁾	6,573,603,541.963	91.493481
Free Float ⁽¹⁾⁽²⁾	611,094,804.592	8.505410
Other	79,695.408	0.001109
Total	7,184,778,041.963	100.000000

⁽¹⁾ Türkiye Wealth Fund's shares corresponding to share capital of TRY 5,935,327,973.96 are eligible to be traded on the stock exchange.
⁽²⁾ The Free Float includes shares amounting to TRY 146,417,481 from the share buyback program.

Halkbank’s Subsidiary Portfolio

In addition to advanced banking services with a wide portfolio of partnerships, Halkbank also offers its customers products and services in various fields.

SUBSIDIARIES



Halk Katılım Bankası A.Ş. was established to contribute to the development of participation banking and economic growth in our country, and to serve all individual and corporate customers, with a particular focus on entrepreneurs and SMEs. An application for an operating license was submitted to the BRSA on November 28, 2025.

In accordance with Halkbank’s policy, its subsidiaries and affiliates strive to:

- Create added-value, enrich the product and service portfolio that Halkbank offers to its retail and corporate clients and create cross-selling and supplementary product marketing and sales opportunities.
- Halkbank establishes good relations with other businesses, expands and maintains existing relationships.



Commencing operations in 1991, Halk Finansal Kiralama A.Ş. was founded to acquire movable and immovable property, machinery, vehicles and equipment through purchasing, import and other legal means; to use these economic assets in domestic and overseas leasing operations; and to conduct all kinds of leasing transactions. The Company, which was a 47.75%-owned affiliate of Halkbank, became a subsidiary after Halkbank acquired the shares of other shareholders in 2011.

The Company’s capital was most recently increased to TRY 1.523 billion in accordance with the decision taken at the Extraordinary General Assembly meeting dated August 21, 2025.

The Company has a total of nine branches, three in Istanbul and one each in Ankara, Bursa, Izmir, Adana, Konya, and Gaziantep.

- Increase operational efficiency and reduce service production costs.
- Ensure the delivery of high-quality services needed by the Bank’s clients.

Acting in accordance with this policy, Halkbank provides quick and effective services to its customers, with the synergistic cooperation among its subsidiaries and affiliates.



Halk Faktoring A.Ş. was founded on June 6, 2012 as a Halkbank subsidiary in order to provide all financing, guarantee and collection products needed in domestic and international trade transactions with a focus on trade finance and receivables backed financing to SMEs, companies with major import or export activities, corporations with extensive supplier and dealer networks, as well as all other clients. Pursuant to the operating license granted by the Banking Regulation and Supervision Agency of Türkiye, the Company began executing transactions on December 10, 2012.

The Company’s capital was most recently increased to TRY 1.246 billion in accordance with the decision taken at the Extraordinary General Assembly meeting dated August 21, 2025.

The Company has a total of nine branches, one each in Ankara, Ikitelli, Pendik, Bursa, Izmir, Gaziantep, Antalya, Denizli, and Samsun.

SHAREHOLDING STRUCTURE AND SHAREHOLDER PORTFOLIO

SUBSIDIARIES

HALKYATIRIM Capital TRY 250,000,000 Halkbank's shareholding 100% Halk Yatırım Menkul Değerler A.Ş. was established in 1997 to engage in capital market activities, trade capital market instruments and carry out stock market transactions. At the beginning of 2006, Halkbank acquired the shares of Türkiye Halk Bankası Personnel Provident Fund and the Company became a subsidiary. At the Company's Ordinary General Assembly Meeting held on August 7, 2023, its capital which was TRY 150 million was increased by TRY 100 million to TRY 250 million. After the capital increase, Halkbank's total capital increased to TRY 250 million and its share ratio increased to 100%.	HALKÖDE Capital TRY 250,000,000 Halkbank's shareholding 100% The Company was established on September 23, 2019 for the purpose of performing all types of operational activities, furnishing the infrastructure, and providing technical support regarding debit cards, credit cards, POS devices, member businesses and payment systems with the participation of state-owned banks. The Company obtained its license for payment services and electronic money institution activities from the Central Bank of the Republic of Türkiye (CBRT) under Law No. 6493 on February 13, 2024. In accordance with the resolution of the Extraordinary General Assembly dated November 29, 2024, its title was changed to "Halk Elektronik Para ve Ödeme Hizmetleri A.Ş." It operates in the physical and virtual point-of-sale (POS) fields.	HALKELEKTRİK Capital TRY 100,000,000 Halkbank's shareholding 100% The Company was established on April 8, 2025, to build and operate a Solar Power Plant to meet the Bank's electricity consumption and to sell surplus electricity to the market. This initiative supports Halkbank's mission to endorse economic and environmental policies, reduces the share of energy costs in the Bank's operating expenses, and aligns with the goal of limiting energy consumption as part of the savings measures announced by the Ministry of Treasury and Finance.	HALKBANK Skopje Capital TRY 500,000 Halkbank's shareholding 100% The Company was established on October 3, 2017 in order to issue "Lease Certificate" in accordance with the Capital Markets Law No. 6362, the relevant communiqué and the relevant regulations of the CMB. HALKBANK Beograd Capital RSD 10,488,940,000 (Serbian Dinar) Halkbank's shareholding 100% In line with the Bank's policy of increasing its presence in the Balkan region and Central Europe, on May 27th, 2015 Halkbank acquired the stakes of Cacanska Bank, a bank operating in the Cacak Region of Serbia, resulting in Cacanska Bank's inclusion into Halkbank's subsidiary portfolio. The name of the bank was changed to Halkbank A.D. Beograd in accordance with the decision taken at the General Assembly dated October 15, 2015 and the Headquarters was moved from the city of Cacak to the capital Belgrade. The Bank operates through 51 branches in 33 cities across Serbia with a total workforce of 803.	HALKBANK Skopje Capital MKD 14,076,910,000 (Macedonian Denar) Halkbank's shareholding 99.66% The majority shares of Izvozna I Kreditna Banka A.D. Skopje, established in 1993 to carry out all kinds of banking activities, were purchased from Demir-Halk Bank (Nederland) N.V. in 2011 and the Bank was included in the partnership portfolio as a subsidiary. Subsequently, the Bank's name was changed to Halk Banka A.D. Skopje. The Bank continues its activities with a total of 49 branches and a total of 864 personnel.	HALKGYO Capital TRY 3,840,000,000 Halkbank's shareholding 79.33% The Company was established under the leadership of Halkbank in 2010 to do business for the objectives and in the matters stipulated by the regulations of the Capital Markets Board of Türkiye regarding the Real Estate Investment Trusts and to invest in real estate properties, real estate-backed capital markets instruments, real estate projects and real estate-based rights. Halkbank's shareholding stands at 71.96%. The Bank owns 7.36% within the free float. The Bank's total shareholding is 79.33%.
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SHAREHOLDING STRUCTURE AND SHAREHOLDER PORTFOLIO

AFFILIATES

 Capital TRY 90,000,000 Halkbank's shareholding 35.79%	 Capital TRY 340,000,000 Halkbank's shareholding 33.33%	 Capital TRY 67,000,000 Halkbank's shareholding 31.47%
Capital EUR 113,750,000 Halkbank's shareholding 30%	Capital TRY 7,425,000 Halkbank's shareholding 18.18%	 Capital TRY 75,000,000 Halkbank's shareholding 16%
 Capital TRY 177,492,990 Halkbank's shareholding 9.28%	 Capital TRY 100,000,000 Halkbank's shareholding 2.86%	

OTHER PARTNERSHIPS

Birleşik İpotek Finansmanı A.Ş. Capital TRY 50,000,000 Halkbank's shareholding 8.34%	Türkiye Ürün İhtisas Borsası A.Ş. Capital TRY 50,000,000 Halkbank's shareholding 3%	Kredi Garanti Fonu A.Ş. Capital TRY 513,134,229 Halkbank's shareholding 1.49%
Central Bank of the Republic of Türkiye Capital TRY 25,000 Halkbank's shareholding 1.11%	In liquidation Sberbank Magyarország Zrt. (Sberbank Hungary) Capital HUF 3,727,200,000 (Hungarian Forint) Halkbank's shareholding 1.07%	İstanbul Takas ve Saklama Bankası A.Ş. Capital TRY 600,000,000 Halkbank's shareholding 0.99%
İhracatı Geliştirme A.Ş. Capital TRY 13,799,395,080 Halkbank's shareholding 0.91%	Mesbaş Mersin Serbest Bölge İşleticisi A.Ş. Capital TRY 259,303,680 Halkbank's shareholding 0.68%	Alıdaş Alanya Liman İşletmeleri Denizcilik Tur. Tic. ve San. A.Ş. Capital TRY 16,000,000 Halkbank's shareholding 0.19%
Borsa İstanbul A.Ş. Capital TRY 423,234,000 Halkbank's shareholding 0.00353%	Visa INC. Capital USD 21,934,000,000 Halkbank's shareholding 0.0017614%	

MILESTONES

Halkbank is the first bank of tradesmen, artisans and small businesses in the sector.

Halkbank was founded pursuant to the Halkbank and Public Funds Law enacted in 1933 and began operating in 1938.

Banks and other state enterprises that started operations in the years after the founding of the Turkish Republic were unable to address the unique problems facing small scale artisans and tradesmen, which made up the largest segment of the economy. As a result, Halkbank was establishment with the mission of lending specifically to artisans, tradesmen and small businesses at favorable terms in order to achieve lasting economic development, social stability and peace.

Mustafa Kemal Atatürk, who stated, "It is extremely essential to create an organization that will provide small business owners and large industrial enterprises with the loans they so desperately need, easily obtainable and inexpensively priced and to lower the cost of credit under normal circumstances," paved the way for the inception of Halkbank.

Halkbank and the People's Funds Law
Halkbank was founded pursuant to the Halkbank and Public Funds Law enacted in 1933 and began operating in 1938.

Halkbank is the first bank of tradesmen, artisans and small businesses in the sector.

Conducting its operations under the guidance of Atatürk's words "My happiest day will be when I see magnificent factories replace the small shops of tradesmen," Halkbank provided credit services through the Public Funds channel, to which it provided financing, from 1938 to 1950. Halkbank was authorized to open branches and lend directly in 1950. The Bank started increasing the pace of its activities as well as its deposit and lending volumes in 1964 and reached an important position in the banking industry.

Expanding its Service Scope, Halkbank Completed its Reorganization
Halkbank acquired Türkiye Öğretmenler Bankası T.A.Ş. (Töbank) in 1992, Sümerbank in 1993 and Etibank in 1998. Growing more diversified and stronger with each acquisition, Halkbank entered into the process of reorganization in 2000 to operate more effectively in the current, internationally competitive banking environment while preparing itself for privatization. In 2001, the Bank acquired Emlak Bankası with its 96 branches, personnel and balance sheet.

Pamukbank was merged into Halkbank in the second half of 2004. Finalized in only half the time of the originally estimated nine months, this integration went down in world banking history as a bank merger that was successfully completed in a very short period of time.

Halkbank Headquarters Moved to Istanbul
At Halkbank's Ordinary General Assembly Meeting held on March 29, 2013, the Bank's headquarters was relocated from Ankara to Istanbul, with the approved amendments made to the Articles of Association.

As of August 28, 2023, the Bank began operations at its new Headquarters Building in the Istanbul Finance Center, which will make Istanbul one of the financial capitals of the world in the 100th year of our Republic.

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2025 AWARDS

Having won over 80 awards, Halkbank successfully represents Türkiye in the international business world.

For the fourth consecutive year, Halkbank was named “Finance Company of the Year,” internationally recognizing its success in sustainable growth and financial stability.

Sustainable and Multidimensional Success in the International Arena

During the 2025 reporting period, Halkbank once again demonstrated the holistic and consistent implementation of its corporate strategy, spanning financial strength, sustainability, innovation, human focus, and social impact, through the results it achieved in internationally prestigious award programs.

In evaluations conducted by the world’s leading independent award organizations, Halkbank stood out with its management quality, leadership approach, digital transformation capabilities, sustainability strategy, employee experience, and social contribution projects.

In this context, the Bank successfully represented Türkiye in the international business arena by winning over 80 awards on globally recognized platforms such as The International Business Awards (Stevie Awards), Globee Awards, TITAN Business Awards, and International Brilliance Awards.

Awards Aligned with Strategic Priorities

Financial Strength and Corporate Stability

For the fourth consecutive year, Halkbank was named “Company of the Year in Financial Services,” affirming its success in sustainable growth and financial stability at an international level.

These awards are a testament to the Bank’s long-term strategic planning, strong balance sheet structure, and effective fulfillment of its public banking mission.

Leadership and Management Competency

In 2025, the Halkbank Management Team was awarded the Gold Award in the “Management Team of the Year” category for its strategic decision-making processes and corporate governance approach that have driven the Bank’s success. During the same period, General Manager Osman Arslan was recognized by an international jury in the “Finance Professional of the Year,” “Executive of the Year in Banking,” and “Lifetime Achievement” categories for his visionary leadership, contribution to sustainable success, and long-standing impact on the sector. These results demonstrate that leadership is structured as a corporate competency at Halkbank.

Inclusion and Women’s Entrepreneurship

Halkbank’s programs supporting women entrepreneurs’ access to finance and business growth have been recognized with international awards in the “Diversity,” “Inclusion and Equality,” “Women’s Empowerment,” and “Financial Products and Services” categories. These results show that Halkbank’s banking approach, which supports inclusive growth, has gained international recognition.

Entrepreneurship Ecosystem and Innovative Growth

Halkbank positions its support for the entrepreneurship ecosystem as a key component of its innovative growth strategy. This approach has been transformed into a holistic structure that supports entrepreneurs’ access to finance, product development capabilities, and collaborations through the JetLuck and HUBrica programs. These programs won awards in the “Financial Products and Services” and “Hackathon” categories at The International Business Awards®, confirming at an international level that Halkbank treats entrepreneurship not just as a financial matter but as an ecosystem-focused value area.

Digital Transformation and Technological Innovation

Halkbank’s investments in artificial intelligence, RPA, and digital banking have been recognized with awards in the categories of “Digital Transformation,” “Achievement in Artificial Intelligence,” “Best Use of Artificial Intelligence,” and “Mobile Banking and Digital Platforms.” These achievements reflect the Bank’s strategic approach to integrating technology into the customer experience, operational efficiency, and decision-support mechanisms.

Sustainability, ESG, and Social Impact

Halkbank’s sustainability approach, which focuses on environmental and social impacts, was recognized with awards in many different categories again in 2025. The “Sustainability Hero of the Year,” “Achievement in ESG,” “Circular Economy,” and “Sustainability Leadership” awards demonstrate that the Bank treats sustainability as a strategic priority rather than merely an operational requirement. The Halkbank Children’s Theater, a significant reflection of this approach, won Gold awards in the social awareness and social impact categories, reinforcing the Bank’s commitment to developing projects that add value to society.

Employee Experience and Corporate Culture

The Halkbank FutureFit approach, created through the LIDYA Halkbank Leader Development program and the “You Can Quit Smoking at Halkbank” program, won awards in the “Best Employer,” “Employee Satisfaction,” and “Employee Health and Well-being” categories, strengthening the Bank’s people-centric corporate culture.

The international awards received in 2025 demonstrate that Halkbank operates with the goal of creating long-term, sustainable, and multidimensional value, not just short-term successes. These achievements show that the Bank’s strategic priorities are well-defined and that its approach to creating lasting value for all stakeholders is recognized on a global scale.

Real Estate Development and Infrastructure Investments

Halk GYO, one of the Halkbank Group’s strategic subsidiaries, has achieved international success in

sustainable building management and high-quality financial infrastructure development with its Istanbul Finance Towers project at the Istanbul Financial Center. The project was awarded the Gold award in the “Real Estate or Construction Management” category at The International Business Awards®, demonstrating that Halk GYO’s real estate development approach, based on long-term value creation, is globally recognized.

International Success Recognized by Various Award Programs

Halkbank’s achievements during the 2025 reporting period have been confirmed by global award programs with different methodologies and evaluation frameworks, all in alignment with its strategic priorities.

In this context, Halkbank won a total of 28 awards at the Globee Awards Impact Awards and Disruptors Awards programs, showcasing its multidimensional success in financial growth and stability, sustainability,

digital transformation, inclusivity, employee experience, leadership, and innovation. Being named “Best of the Category” in 22 categories shows that the Bank not only develops best practices in these areas but also delivers a performance that is considered a benchmark on an international scale.

During the same period, with the Platinum and Gold awards won at the TITAN Business Awards program, Halkbank once again proved that its efforts in finance, sustainability, human resources, technology, artificial intelligence, entrepreneurship, and social impact are managed within a holistic and mature corporate structure.

When these results are evaluated together, they show that Halkbank’s international awards reflect more than the success of individual projects; they demonstrate that its strategic consistency, quality of governance, and long-term value creation approach are sustainably recognized under different jury structures and evaluation criteria.

All awards received by Halkbank during the reporting period are given in the table below:

	Award Program Name	Category	Award
1	Globe Awards - Disruptors Awards	Global Leader Disruptor	Gold
2	Globe Awards - Disruptors Awards	Visionary Disruptor	Gold
3	Globe Awards - Disruptors Awards	Banking and Financial Services Industry Disruptors	Gold
4	Stevie Awards for Great Employers (SAGE)	Employer of the Year in the Banking Sector	Silver
5	International Business Awards (IBA)	Finance Company of the Year	Bronze
6	International Business Awards (IBA)	Management Team of the Year	Gold
7	International Business Awards (IBA)	Executive of the Year in the Banking Sector	Gold
8	International Business Awards (IBA)	Finance Professional of the Year	Gold
9	International Business Awards (IBA)	Lifetime Achievement	Gold
10	International Business Awards (IBA)	Achievement in ESG	Bronze
11	International Business Awards (IBA)	Sustainability Leadership	Bronze
12	International Business Awards (IBA)	Sustainability Hero of the Year	Gold
13	International Business Awards (IBA)	Achievement in the Circular Economy	Bronze
14	International Business Awards (IBA)	Achievement in Diversity and Inclusion	Gold
15	International Business Awards (IBA)	Financial Products and Services	Silver
16	International Business Awards (IBA)	Excellence in Diversity Management	Gold
17	International Business Awards (IBA)	Achievement in Human Resources	Bronze
18	International Business Awards (IBA)	Hackathon	Bronze

2025 AWARDS

	Award Program Name	Category	Award
19	International Business Awards (IBA)	Financial Products and Services	Silver
20	International Business Awards (IBA)	Achievement in Technology Innovation	Bronze
21	International Business Awards (IBA)	Digital Transformation	Silver
22	International Business Awards (IBA)	Public Awareness Event	Gold
23	International Business Awards (IBA)	Best Social Impact Solution	Gold
24	International Business Awards (IBA)	Real Estate and Building Management	Gold
25	International Business Awards (IBA)	Achievement in Finance	Bronze
26	Titan Awards - Business Awards	Finance Company of the Year	Platinum
27	Titan Awards - Business Awards	Executive of the Year in Finance	Platinum
28	Titan Awards - Business Awards	Inspiring Leader of the Year	Platinum
29	Titan Awards - Business Awards	Achievement in Environmental Sustainability	Platinum
30	Titan Awards - Business Awards	Achievement in Finance	Platinum
31	Titan Awards - Business Awards	Human Resources - Banking	Platinum
32	Titan Awards - Business Awards	Best Project or Initiative of the Year	Platinum
33	Titan Awards - Business Awards	Artificial Intelligence / Machine Learning Solution	Platinum
34	Titan Awards - Business Awards	Achievement in Technology Innovation	Gold
35	Titan Awards - Business Awards	Robotics	Gold
36	Titan Awards - Business Awards	Achievement in Social Impact	Platinum
37	Titan Awards - Business Awards	Building/Construction	Platinum
38	Titan Awards - Business Awards	Green Building Design	Platinum
39	Titan Awards - Business Awards	Application Development	Platinum
40	Globe Awards - Impact Awards	Financial Growth and Stability	Best of the Category - Silver
41	Globe Awards - Impact Awards	Most Innovative Financial Institution of the Year	Best of the Category - Silver
42	Globe Awards - Impact Awards	Finance Team of the Year	Best of the Category - Silver
43	Globe Awards - Impact Awards	Finance Leader of the Year	Silver
44	Globe Awards - Impact Awards	Lifetime Achievement	Best of the Category - Gold
45	Globe Awards - Impact Awards	Achievement in Sustainability	Best of the Category - Silver
46	Globe Awards - Impact Awards	Most Innovative Sustainability Practice of the Year	Best of the Category - Silver
47	Globe Awards - Impact Awards	Achievement in Diversity, Inclusion, and Equality	Best of the Category - Silver
48	Globe Awards - Impact Awards	Achievement in Women's Empowerment	Best of the Category - Silver
49	Globe Awards - Impact Awards	Best Employer	Best of the Category - Silver
50	Globe Awards - Impact Awards	Achievement in Employee Satisfaction	Best of the Category - Silver
51	Globe Awards - Impact Awards	Achievement in Employee Health and Well-being	Best of the Category - Silver
52	Globe Awards - Impact Awards	Achievement in Customer-Oriented Product and Service Development	Best of the Category - Silver
53	Globe Awards - Impact Awards	Achievement in Business Product and Service Development	Best of the Category - Silver
54	Globe Awards - Impact Awards	Achievement in Product Development	Best of the Category - Silver

	Award Program Name	Category	Award
55	Globe Awards - Impact Awards	Achievement in Product Innovation	Best of the Category - Silver
56	Globe Awards - Impact Awards	Achievement in Artificial Intelligence	Best of the Category - Silver
57	Globe Awards - Impact Awards	Best Use of Artificial Intelligence	Silver
58	Globe Awards - Impact Awards	Achievement in Digital Transformation	Best of the Category - Silver
59	Globe Awards - Impact Awards	Best Robotic Process Automation	Best of the Category - Silver
60	Globe Awards - Impact Awards	Excellence in Digital Transformation	Best of the Category - Silver
61	Globe Awards - Impact Awards	Best Corporate Social Responsibility Project	Silver
62	Globe Awards - Impact Awards	Achievement in Real Estate and Construction	Best of the Category - Silver
63	Globe Awards - Impact Awards	Mobile Banking Software	Best of the Category - Silver
64	Globe Awards - Impact Awards	Digital Banking Platforms	Best of the Category - Silver
65	BOC - Business Brilliance Awards	Environmental and Corporate Sustainability	Excellence
66	BOC - Business Brilliance Awards	CEO of the Year	Gold
67	BOC - Business Brilliance Awards	Brand Excellence	Silver
68	PSM Awards	Digital Transformation	Bronze
69	Green World Awards	Energy Management	Bronze
70	Kotler Impact	Most Successful Sustainable Marketing of the Year Award	Winner
71	Stevie Awards for Sales and Customer Service	Business Development Achievement of the Year in the Financial Services Industry	Gold
72	SUT-D Carbon Hero Awards	Sustainable Consumption Association - Low Carbon Hero Award	Winner
73	Banking Tech Awards	Best Core Banking Tech Overhaul	Winner
74	InovaLiG 2025 Champions	Innovation Cycle	Winner
75	Champions of Service Exports	Finance, Insurance, and Other Financial Services	Third Place
76	IDC Türkiye CIO Excellence Awards	Best Change Management	First Place
77	Technology Captains Awards	Innovation	Second Place
78	Technology Captains Awards	Digital Transformation	Third Place
79	Compliance Awards-2025	Support for Professional Development	Winner
80	LSEG	Successful Business Partnership	Winner
81	ARC Awards	Integrated Annual Report 2024 & ESG - Best Written Text	Best of
82	ARC Awards	Integrated Annual Report 2024 & ESG - Written Text	Gold
83	ARC Awards	Integrated Annual Report 2024 & ESG - Infographics	Gold
84	ARC Awards	Integrated Annual Report 2024 & ESG - Cover Photo/Design	Gold
85	CDP Global A 2025	CDP Climate Change Program	Climate Leader
86	CDP Global A 2025	CDP Water Security Program	Water Leader
87	Karlsruhe Sustainable Finance Award	Superior Sustainable Project Financing	Outstanding Achievement

AREAS OF FOCUS IN 2025

In line with Türkiye’s production-oriented development goals, Halkbank structured its activities for 2025 around four strategic focus areas.

Directing financial resources to support production, employment, digitalization, and climate-friendly investments is critical for broadening economic prosperity and strengthening financial stability.

Geopolitical tensions, supply chain vulnerabilities, inflationary pressures, and climate-related disasters are making economic conditions more volatile and difficult to predict. Simultaneously, the digital transformation, artificial intelligence applications, and green technologies are creating significant opportunities alongside risks. This landscape makes it a fundamental responsibility for all economic actors to support the transition to an inclusive, resilient, and low-carbon growth model.

In this context, sustainable development has become a fundamental condition for long-term value creation in the banking sector. Directing financial resources to support production, employment, digitalization, and climate-friendly investments is critical for broadening economic prosperity and strengthening financial stability. Banks play a decisive role in this transformation by adopting business models that integrate climate, environmental, and social impacts into their decision-making processes while balancing risk and return.

In line with Türkiye’s production-oriented development goals, Halkbank continued to structure its activities for 2025 around four strategic focus areas: Entrepreneurship, Digitalization, Creating Value for Local Economy and Supporting the Fight against Climate Change. These areas, determined by considering stakeholder expectations, national priorities, and international sustainability frameworks, demonstrate how the Company directs its capital and creates impact throughout its value chain.



ENTREPRENEURS

In 2025, Halkbank continued to support young entrepreneurs through both the loan programs it launched and the entrepreneurship initiatives it continuously expanded.

Women Entrepreneurs

Gender equality is a fundamental component of both Türkiye’s development policies and the global sustainability agenda. In line with the United Nations Sustainable Development Goals, Halkbank views women’s participation in production, employment, and the entrepreneurial ecosystem as a key driver of economic growth. Through its “Bank of Women Who Produce” approach, it offers solutions that facilitate women entrepreneurs’ access to financing and social support programs within a holistic framework.

With the establishment of the Women Entrepreneurs Department in 2021, a first in the Turkish banking sector, Halkbank has consolidated its products, services, and programs focused on women entrepreneurs under a single corporate umbrella. The Bank continued its efforts to support women’s entrepreneurship in 2025. Through the Women Entrepreneurs Loan Package, 25,000 women entrepreneurs accessed a total of TRY 39.8 billion in financing, enabling them to establish and grow their businesses.

Halkbank’s efforts to support women’s entrepreneurship and empower women in business continue to receive international recognition. In 2025, the Bank won two new awards for its activities in this area, bringing its total number of international awards for women’s entrepreneurship to 34.

Young Entrepreneurs

With its young population, Türkiye’s entrepreneurial ecosystem is strengthening each year, and the number of young entrepreneurs entering global markets is increasing. Entrepreneurs particularly need financing, mentorship, and networking support during the startup and

scale-up phases. In this context, Halkbank considers facilitating young entrepreneurs’ access to financing, supporting their creation of sustainable business models, and promoting a culture of entrepreneurship as one of its main priorities.

In 2025, the Bank continued to support young entrepreneurs through both the loan programs it launched and the entrepreneurship initiatives it continuously expanded. The financial support and collaboration opportunities provided in the “Jet Luck” and “HUBrica” programs, along with affordable and Credit Guarantee Fund-backed loan products like the “Gençiz Loan,” “First Step Loan,” and “Young Business Loan,” have been the primary financing tools for young entrepreneurs.

Halkbank organized the “Jet Luck Elevator Pitch Competition,” one of the unique projects in the entrepreneurship ecosystem, for the second time in 2025. At the event held in the Halkbank Towers, 12 entrepreneurs presented their business ideas to prominent business leaders during an elevator ride. The finalists detailed their projects, winning cash prizes and gaining the opportunity to meet and develop collaborations within the Halkbank ecosystem.

The Bank’s “HUBrica Acceleration Program,” launched in 2024 for young entrepreneurs, completed its second term in 2025. Nine entrepreneurs operating in sustainability, artificial intelligence, and financial technologies received training and mentorship support for approximately three months, met with Halkbank’s senior executives, and evaluated potential collaboration opportunities with the Bank. The program concluded with a “Demo Day” event held at the Halkbank Towers.

The “Gençiz Youth Summit,” which aims to connect the potential of young people with entrepreneurship and technology, was held for the second time in 2025. At the summit, attended by university students and recent graduates, panels, talks, and workshops were organized on topics such as entrepreneurship, technology, sustainability, and financial literacy. Young people had the opportunity to listen to the experiences of expert speakers and build new business networks.

The “First Step Loan” for university student entrepreneurs, introduced in 2024, and the “Young Business Loan” for entrepreneurs in manufacturing and software sectors, continued to be offered in 2025. In addition, at the end of 2025, the “Gençiz Loan” was launched to encourage university graduates to pursue entrepreneurship, offering low-cost financing and flexible repayment terms.

Halkbank’s long-standing “Entrepreneur Loan,” which aims to provide easy financing for entrepreneurs looking to start or grow their businesses, maintained its strong position among entrepreneurs in 2025.

In 2025, the Bank extended loans exceeding TRY 9.5 billion to a total of 43,383 entrepreneurs under its financing support programs, including the “Entrepreneur Loan,” “Techno-Entrepreneur Loan,” “Young Business Loan,” “First Step Loan,” and “Gençiz Loan.”

Since its establishment, Halkbank has regarded supporting entrepreneurship as an integral part of its corporate mission and plans to continue developing new loan products, acceleration programs, and collaboration models for all entrepreneurs, particularly young and women entrepreneurs, in the period ahead.



Focus Area	Halkbank’s Solution	Value Created in 2025
Financing support for women’s entrepreneurship	Women Entrepreneurs Loan Package	*TRY 39.8 billion financing support
	Digital Entrepreneur Loan	*TRY 10.5 million resource for 38 women entrepreneurs
Support for women exporters	İGE Loan for Supporting Women in Export	*TRY 26 million loan opportunity for five companies
	Growing Women Exporters Loan	*TRY 101 million loan opportunity for 18 companies
Increasing diversity of products and services for women entrepreneurs	PPS Plan with Special Contribution for Women Entrepreneurs	*Additional contribution of TRY 250 to private pension plans for up to 60 months
	Risky Diseases Insurance Exclusively for Women Entrepreneurs	*Coverage up to TRY 500 thousand
	Paraf Producing Women Credit Card and Paraf Producing Women POS	*3,897 Paraf Producing Women Credit Cards *50% discount on monthly POS fee for women entrepreneurs
	Producing Women Competition	*TRY 3 million in cash prizes, communication, promotion, and training support
Financing support for entrepreneurs	Entrepreneur Loan	*TRY 9 billion financing support
	Young Business Loan	*TRY 269 million financing support
	First Step Loan	*TRY 182 million financing support
	Techno-Entrepreneur Loan	*TRY 81 million financing support
	Gençiz Loan	*TRY 30 million financing support

DIGITALIZATION

The artificial intelligence projects carried out at Halkbank support a holistic transformation that strengthens corporate governance, enhances financial inclusion, and builds an innovative banking infrastructure.

Digital technologies are redefining fundamental questions around who accesses financial services, how, and at what speed, while transforming the scale, inclusiveness, and risk management approach of banking. Halkbank combines its mission of inclusive banking with a strong technological infrastructure and a data-driven management approach, positioning digitalization among its strategic priorities. It resolutely continues its investments that enhance the customer experience, improve operational efficiency, and support sustainability.

This Is a Digital Transformation...

Halkbank is transforming its banking operations at all levels, supporting technology and process management with artificial intelligence and data analytics, thereby strengthening its capacity for real-time, data-driven decision-making. As part of its customer-centric transformation program, paper-based transactions have been minimized and digital approval processes have been widely adopted. In 2025, approximately 82% of transactions eligible for mobile approval were completed via mobile channels, while nearly 95% of documents were digitized, resulting in significant improvements in transaction speed and resource utilization. While digitalization was strengthened across all customer segments, paper usage in contract and form-based transactions was minimized within legal limits, contributing to environmental sustainability.

By expanding the range of services offered through digital channels, Halkbank enabled the digital preparation of loan documents for retail customers and facilitated customer information updates through integrated digital approval systems in 2025. As a result, transaction processes were accelerated, the operational workload was reduced, and the customer experience improved significantly.

Banking transactions were made more efficient with digital letters of guarantee for corporate and commercial customers. Non-cash loan requests began to be received through digital channels, and export price acceptance certificates started to be processed online. The end-to-end digitalization of core banking transactions such as credit allocation, tax payments, and letters of guarantee has strengthened operational efficiency and process transparency. Branch services have also been integrated into the digitalization process, allowing customers to perform transactions such as cash deposits and withdrawals, safe deposit box access, and tax payments via digital channels with mobile approval. The widespread adoption of paperless workflows within branches has shortened transaction times and improved service quality.

The artificial intelligence projects carried out at Halkbank support a holistic transformation that strengthens corporate governance, enhances financial inclusion, and builds an innovative banking infrastructure. Compliance, transparency, and accountability have been strengthened through natural language processing-based regulatory tracking, automated reporting, and audit systems. Machine learning-based credit scoring models and real-time decision engines have enabled fairer, faster, and more accessible financing processes.

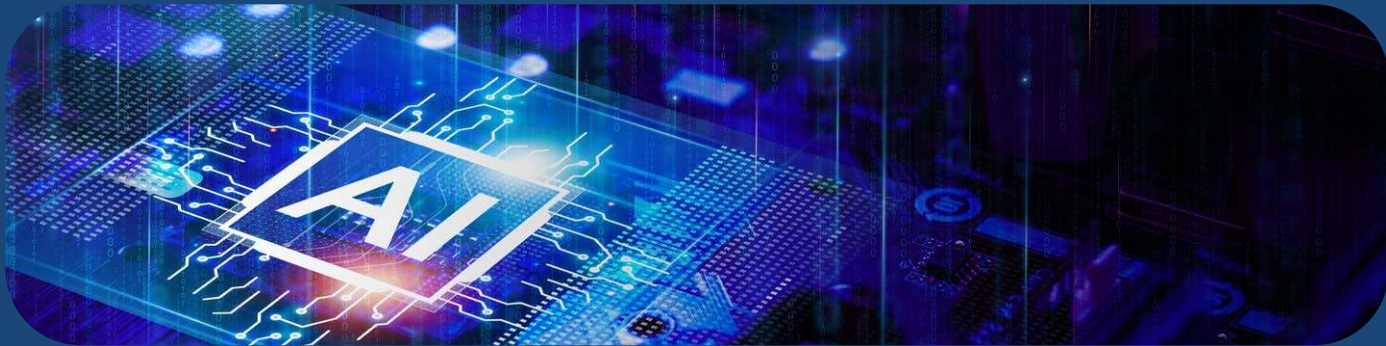
AI-powered risk and fraud detection systems have strengthened the resilience and reliability of the financial system, while process automation, transaction optimization, paperless banking, and intelligent document classification have reduced resource consumption and increased operational efficiency. Furthermore, AI solutions developed through collaborations with fintechs and startups contribute to the proliferation

of innovative financial services and the formation of a strong collaborative ecosystem. In 2025, approximately 103 person-days were saved through AI-based automation, accelerating business processes and increasing efficiency. AI-supported analytics have strengthened decision-support mechanisms, making forecasting and risk assessment processes smarter.

Digitalization has also been prioritized in internal processes; in-house mobile applications, analytical solutions, and corporate management systems have been developed to enable employees to perform their duties more efficiently. Access to information needed by managers and teams has been facilitated through operational reporting and monitoring screens and smart reporting platforms.

By the end of 2025, Halkbank's number of active customers on digital channels reached 7.2 million, with a total of 3.5 billion transactions conducted through these channels. Thus, the share of digital channels in both the Bank's service delivery and transaction volume has further increased.

In the period ahead, Halkbank's digitalization strategy will focus on enhancing speed and security in digital channels, expanding the range of transactions, fully integrating AI-supported processes with traditional banking operations, and repositioning physical channels as higher-value customer touchpoints. As the service model evolves from a multi-channel structure to an integrated experience where channels complement each other, the goal for 2026 is to increase investments in digital channels and further raise the number of active digital customers.



Focus Area	Halkbank's Solution	Value Created in 2025
Financial accessibility	Digital Retail Customer Opening from the Branch	*90% of new customer acquisitions are from digital channels *16.4 million pages of paper saving *72 p/d gain
	Digital Sole Proprietorship Customer Opening from the Branch	*69% of new customer acquisitions are from digital channels *3.3 million pages of paper saving *10 p/d gain
	Completing/Updating Contract Deficiencies at the Time of Entry to Digital Channels	*84.2 million pages of gain
	Updating Customer Information on Digital Channels	*2.8 million pages of gain
	Completing Customer Information Updates at Branches with the Digital Customer Information Form	*45,724 pages of paper saving
	Loan Disbursement to Tradesmen with Digital Document Approvals	*Nearly 98% of loans were finalized with digitally approved documents. *2.9 million pages of paper saving *41 p/d gain
	Presenting Consumer Loan Products to Customers with Digitally Approved Documents	*26.8 million pages of paper saving
	Overdraft Account Transactions with Digital Document Approvals	*3.4 million pages of paper saving *19.5 p/d gain
	Remote Customer Acquisition	*Retail/corporate 9.1 million pages of paper saving
	Digital Password Generation	*Total individual/corporate paper savings: 14.8 million pages
Fast and easy banking transactions	Simplified Insurance Processes through Integrations	*3.5 million pages of paper saving
	Mobile Approval for Banking Teller Transactions	*1.2 million pages of paper saving
	Digital Letter of Guarantee	*12,067 pages of paper saving
	Generation of the Export Proceeds Acceptance Document (İBKB) via Internet Branch	*114,204 pages of paper saving
	Digital Statement	*29.9 million pages of paper saving
	Mobile Insurance Application (DASK)	*52,550 pages of paper saving
Process optimization	TR QR Code Integration	*Money transfers through shared QR code accepted by all banks *Cash withdrawal, cash deposit and payment transactions via QR code at Bank ATMs *TR QR Code ATM Withdrawal/Deposit total Paper Savings: 5.3 million pages
	Operational Processes with Artificial Intelligence	*Total for Attachment (UETS), Instruction Reading (EFT/Wire Transfer), ICR/OCR Check Reading, E-Attachment, Domestic Letter of Guarantee, and Foreign Currency Transfer 103 p/d gain
	SMS Security Unblocking with NFC Feature	*379,645 pages of paper saving *3,137 hours of employee work savings
	Collective-Mass Customer Openings	*5.5 million pages of paper saving *25 p/d gain
	Robotic Process Automation	7.7 million transactions, saving TRY 157 million in personnel costs

CREATING VALUE FOR THE LOCAL ECONOMY

Halkbank continued to provide its customers with financing on fast, competitive, and predictable terms by strengthening its collaboration with international financial institutions.

Expanding its customer base with a value-oriented financing approach, Halkbank increased its cash commercial loan balance to TRY 1,761.7 billion as of the period-end.

As a well-established financial institution that has supported Türkiye’s production-oriented development vision for 87 years, Halkbank continued to stand by the real economy in 2025. The Bank plays an active role in financing growth by directing its resources toward value-added local production, qualified employment, and exports in line with its strategic priorities. Expanding its customer base with a value-oriented financing approach, Halkbank increased its cash commercial loan balance to TRY 1,761.7 billion as of the period-end.

The Bank allocated 54.6% of these loans to SMEs, the engine of Türkiye’s economy, and maintained its leading position in this segment with a 14.2% market share. Offering innovative products and services to exporting SMEs and companies through its extensive correspondent banking network, Halkbank continued to provide its customers with financing on fast, competitive, and predictable terms by strengthening its collaboration with international financial institutions.



Focus Area	Halkbank's Solution	Value Created in 2025
Real sector and enterprise finance		*TRY 961.3 billion cash loan balance and 14.2% SME cash loan market share
	Segment-specific products and packages for SMEs, tradesmen and artisans	*The artisan loan upper limit for individuals increased from TRY 750 thousand to TRY 1 million.
		*Newly created or expanded support packages
	Ministry of Treasury and Finance interest-subsidized artisan loans	*Provided TRY 176 billion financing support
	KGF partnerships	*Provided TRY 34.8 billion financing support to SMEs without adequate collateral through protocols with the KGF
Increasing financial inclusion through digital services	KOSGEB partnerships	*Zero or low interest credit facilities
	Digital Credit Platform	*“Digital Tradesmen’s Loan” of TRY 45.7 billion extended to approximately 70,158 tradesmen through the platform
Financial advisory and training	Halkbank Secured Payment System	*Facilitating commerce by minimizing risks
	www.halkbankkobigelisim.com.tr	*SMEs' first stop in digital education
	Corporate Dialog Line	*24/7 information support

SUPPORTING THE FIGHT AGAINST CLIMATE CHANGE

Halkbank adopts a holistic approach to combating climate change, involving not only its own operations but also its stakeholder ecosystem in this transformation.

The Bank continues to demonstrate its commitment to combating climate change and its environmental performance by transparently sharing them on international platforms.

Global climate change stands out as one of the most urgent and critical issues of our time. Rapidly increasing greenhouse gas emissions, rising temperatures, and extreme weather events signal serious risks that threaten the future of our planet. This urgency extends beyond environmental impacts and has significant implications for economic stability, social structures, and human health.

Aware of the impacts of climate change on social welfare, economic development, and financial stability, Halkbank positions the fight against climate change among its strategic priorities and systematically enhances its efforts in this area. In this context, the Bank implemented numerous practices in 2025 to support carbon reduction, energy efficiency, and climate-aligned business models in both its loan portfolio and its own operations.

The Bank is redesigning its lending processes with a climate focus, prioritizing low-carbon and resource-efficient investments to accelerate the green transformation of its portfolio. On the operational side, it is expanding concrete practices for energy efficiency and carbon reduction, implementing the ISO 14001 Environmental Management System and ISO 50001 Energy Management System in an integrated manner across all service locations, and monitoring energy consumption in real-time through the Corporate Energy Management System (KEYS) to enhance resource efficiency. In 2025, efforts to establish environmental and energy management systems and the "Zero Waste" practice at subsidiaries continued, and ISO 14001 Environmental Management System and ISO 50001 Energy Management System were successfully implemented at all active domestic subsidiaries.

The Bank's near-term emission reduction targets, aligned with the Science Based Targets initiative (SBTi), were approved in 2024, and progress toward these targets is regularly monitored, with action plans updated accordingly. These targets, which clarify the framework for the carbon reduction process, accelerate the sustainable transformation of both the loan portfolio and operational activities, while also enabling Halkbank's customers to be included in this process.

Through its Climate Transition Plan, which will guide its efforts to combat climate change, Halkbank aims to establish a banking model aligned with its net-zero emissions target, manage climate risks effectively, and contribute to the green transition by increasing sustainable financing. This plan serves as a comprehensive roadmap for aligning strategy, risk management, product development, and reporting processes with a climate focus.

The Bank continues to demonstrate its commitment to combating climate change and its environmental performance by transparently sharing them on international platforms. In 2025, Halkbank received the highest score, "A," for the first time in both CDP's Climate Change and Water Security programs and was included in the Global A List, thereby clearly demonstrating both its capacity to translate its climate strategies into tangible results and its strong international standing.

Halkbank adopts a holistic approach to combating climate change, involving not only its own operations but also its stakeholder ecosystem in this transformation. Sustainability criteria for suppliers are integrated into business processes, standards aimed at reducing environmental impacts are established, and business partners are encouraged to adapt to the low-carbon economy. Efforts to implement the "Sustainable Management System" at subsidiaries gained momentum in 2025, and this structure is planned to be rolled out across all affiliates in the period ahead. Accordingly, the Bank aims to manage its climate change mitigation targets across the Group on a common basis and to gradually expand its sphere of influence.



Focus Area	Halkbank's Solution	Value Created in 2025
Responsible products and services	Loans for renewable energy and energy efficiency investments	*680,553 tCO ₂ e emission reductions through clean energy loans extended at the Bank *Extended TRY 5.4 billion in loans *545 MW of installed capacity commenced operation
	Resources obtained from international finance institutions	*TRY 384 million of clean energy resources brought to our country
	Investment loans for electric vehicles and vehicle charging stations	*Extended TRY 15.3 billion in loans
Proactive support for the fight against the climate crisis	Integration of integrated management systems with all business processes - Advanced emission, water, waste and energy efficiency management	*CDP Climate Change Score: "A" *CDP Water Security Score: "A" *Zero Waste Certification covering 1,086 service locations including Headquarters
	Supporting international initiatives	*Near-term emission reduction targets submitted to SBTi
	Conversion of vehicles used in service units to electric vehicles	*700 electric vehicles

SUSTAINABILITY JOURNEY

In 2025, Halkbank successfully entered the Global A List in the CDP's Climate Change and Water Security programs.



SUSTAINABILITY GOVERNANCE AND ORGANIZATIONAL STRUCTURE

Across Halkbank, sub-working groups have been formed together with relevant departments to carry out sustainability-related business processes and support them with new projects.

To enhance Halkbank's long-term value creation capacity and integrate economic, environmental, and social factors with corporate governance principles into the Bank's activities and decision-making mechanisms, the Sustainability Committee operates under the Board of Directors.

The Sustainability Committee convened four times in 2025. The meetings focused on developing business processes under the Communiqué on the Calculation of Banks' Green Asset Ratio, the status of near-term emission reduction targets, identifying carbon-intensive sectors in the Bank's portfolio and determining actions for these sectors, the Bank's performance in national and international ESG indices, managing climate-related risks and assessing their impact on the Bank's financials, and developing projects that contribute to society and the environment.

The Department of Sustainability under the Deputy General Manager of International Banking, is responsible for ensuring internal coordination for the implementation of best practices and projects in the field of sustainability across the Bank, reporting to national and international initiatives, and formulating sustainability-related policies.

In addition, sub-working groups have been formed together with relevant departments across the Bank to carry out sustainability-related business processes and support them with new projects.

Sustainable Finance Sub-Working Group: The Group was formed to classify green loans and sustainability-linked loans and to establish a reporting infrastructure.

Climate-Related Risk Management Sub-Working Group: The Group was formed to measure climate-related risks and establish a reporting infrastructure.

Sustainability Communication and Project Management Sub-Working Group: The Group was formed to raise sustainability awareness across the Bank and to develop social projects related to sustainability.

Detailed information about Halkbank's sustainability organizational structure is available at <https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik-organizasyonu>.



SUSTAINABILITY STRATEGY AND APPROACH

Halkbank encourages its customers in lending processes and its suppliers in procurement processes to comply with environmental, social, and governance (ESG) criteria.

Halkbank proactively manages the environmental and social impacts that may arise from its activities and systematically implements measures to mitigate risks.

As one of the most established and respected institutions of the Turkish banking sector, Halkbank has operated with a sense of social responsibility since its establishment. With its expertise, extensive branch network, and expert staff, the Bank aims to conduct sustainable banking activities that are responsible toward society and the environment, while also considering the public interest.

The Bank works to minimize its environmental impacts in line with its holistic policy and strategies, which are composed of concrete targets and formed with an awareness of the risks threatening our future. Guided by its principle of "We Are People First, and Then the Bank," the Bank has adopted a sustainability strategy of maintaining a reputable position in the banking industry by upholding ethical and secure banking principles, minimizing environmental risks, and offering innovative products and services that enhance social prosperity.

Halkbank considers sustainability a strategic priority, addressing its economic, environmental, and social dimensions as a whole and integrating this approach into all its business processes in a manner consistent with its corporate identity. The Bank bases its activities and implementation processes on full compliance with relevant legislation and regulations and aims to manage sustainability effectively at the corporate level. Within this framework, environmental and social indicators are evaluated alongside financial indicators in decision-making mechanisms, and efforts are underway to strengthen the alignment of operations and the loan portfolio with sustainability targets.

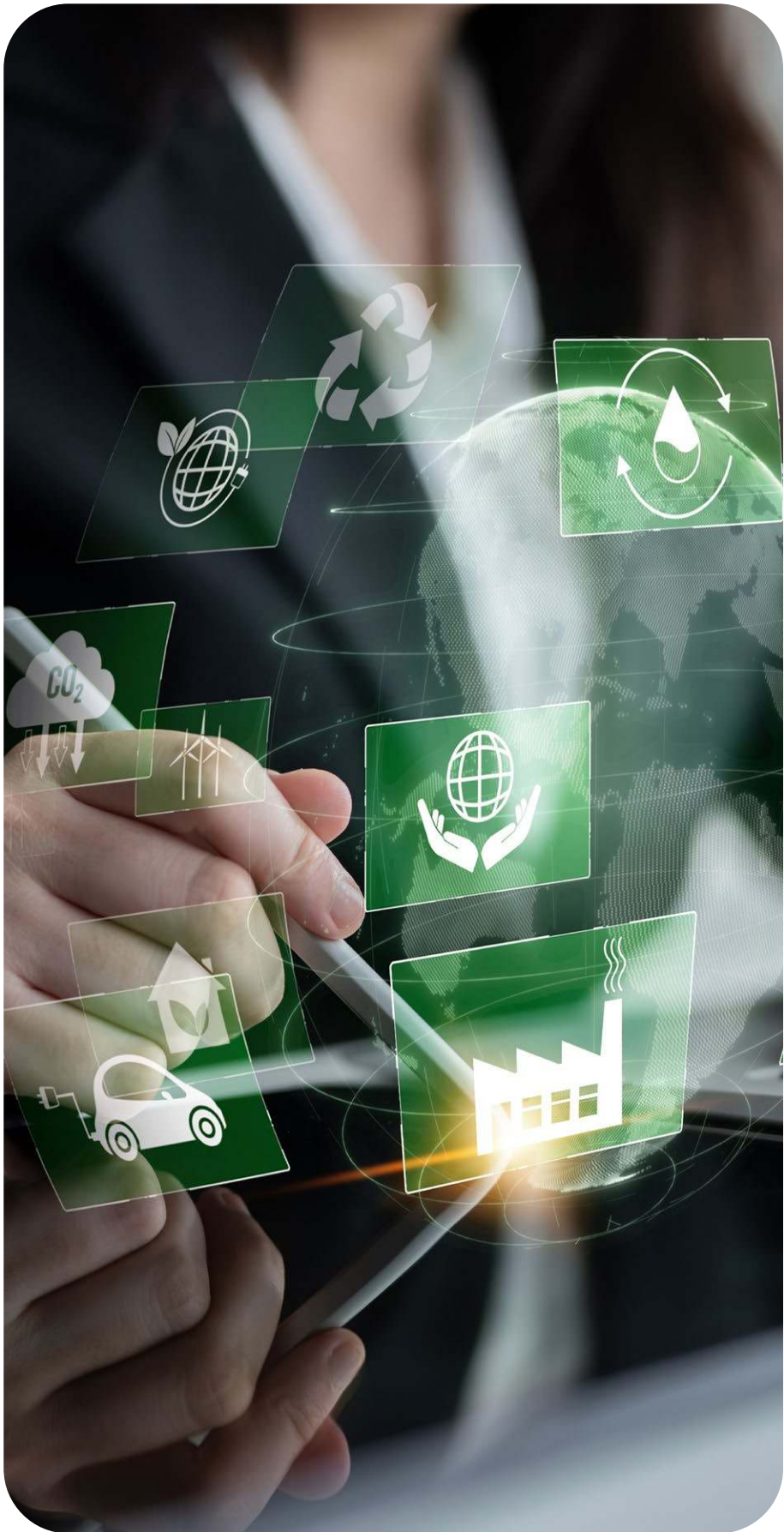
Halkbank manages the environmental and social impacts that may arise from its activities through a proactive approach and systematically implements measures to mitigate risks. The Bank regards this approach as one of the fundamental elements of its corporate culture, increases internal awareness through sustainability training programs for employees, and encourages all units to actively contribute to the transformation process. By prioritizing areas that contribute to the national economy and to environmental and social development, the Bank shapes its products and services accordingly, while also helping to promote sustainability awareness across society through its ongoing efforts.

By leveraging the transformative power of the financial sector with a responsible and strategic approach, Halkbank encourages its customers in lending processes and its suppliers in procurement processes to comply with environmental, social, and governance (ESG) criteria. Thus, in addition to contributing to sustainable development, the Bank aims to create a positive impact within its stakeholder ecosystem and direct its financial resources toward long-term sustainable growth. In line with this approach, awareness of the climate and sustainability agenda is raised through communication and information activities conducted with customers.

The Bank's sustainability targets are determined by taking into account strategic priorities, national and international regulations, stakeholder expectations, and material sustainability topics. Performance toward these targets is tracked through measurable indicators, and continuous improvement is ensured through monitoring via an integrated management system and regular reporting mechanisms. Thus, the sustainability approach is integrated into strategic decision-making processes, thereby supporting long-term value creation.

Under the Halkbank Climate Transition Plan, the aim is to make the loan portfolio and operations more resilient to climate change. In this context, the Bank prioritizes supporting the transformation of its customers operating in carbon-intensive sectors. The main areas of focus for the plan are achieving net-zero emissions by 2050, effectively managing climate risks, and supporting groups with limited access to finance.

The Bank sets concrete targets for reducing greenhouse gas emissions and implements the necessary actions accordingly. The 2050 Net-Zero Emission target has been shaped in line with the Paris Climate Agreement's goal of keeping the global temperature increase below 2°C, preferably at 1.5°C. Halkbank is committed not only to transforming its own operations in the fight against climate change but also to supporting Türkiye's transition to a low-carbon economy with its financial strength.



STAKEHOLDER ENGAGEMENT

Halkbank adopts an approach of maintaining the highest level of customer satisfaction with the value-added services it offers in the banking sector.

While structuring its stakeholder relations in line with the principle of being the “People’s Bank,” Halkbank believes that its stakeholders’ views and suggestions contribute significantly to its corporate development. In business development processes, through strong communication with its stakeholders, the Bank aims to offer products and services that best meet their expectations. Based on a collaborative approach in its communication with stakeholders, it evaluates its activities from a holistic perspective and focuses on developing accurate, fast and solution-oriented products that will benefit the society in general.

To this end, Halkbank aims to create sustainable value by continuously improving its business models and considers effective and transparent communication mechanisms with its stakeholders as one of the most important factors in this process. Halkbank adopts the approach of maximizing customer satisfaction with the value-added services it offers in the banking sector.

Feedback received through communication channels supports not only product and service development processes but also the formulation of long-term strategies. In this context, detailed information on Halkbank’s key stakeholder groups and communication mechanisms with these groups are presented in the following table.

Stakeholder Group	Communication Frequency	Communication Channels
Customers	24/7	Halkbank branches, ATMs, call centers, Internet Branch, Halkbank Mobile, meetings, presentations, e-announcements, social media, SMS, Halkbank Assistant, surveys, push notifications, Digital Communication
Employees	Continuous	Employee satisfaction survey, performance evaluation system, meetings, e-bulletins, announcement and domestic legislation published via e-mail, information technology announcements, information security announcements, electronic announcements, Bank internal communication platforms
Suppliers	Continuous	Procurement and/or service/ maintenance processes, supplier ESG assessment surveys
International Financial Institutions and Correspondent Banks	Continuous	Meetings, visitors, correspondences
Media	When needed	Press releases, meetings, interviews
Public Institutions	When needed	Meetings, visits, discussions, reports, briefings
Non-Governmental Organizations	When needed	Meetings, visits, discussions, briefings
Shareholders and Investors	Continuous	Organizations that are arranged with related institutions for investors, meetings with investors, direct communication via teleconference and e-mail, Bank website related pages, roadshows
Subsidiaries and Associates	Continuous	Meetings, correspondence, briefings



Employees

The most important value of the Bank is among Halkbank’s human capital which consists of qualified employees who add value to their work. The Bank’s highly equipped, happy and productive human resources provide an advantage in competition against its competitors in the sector. Acting upon the desire to be the preferred employer, the Bank prioritizes the rights of its employees by offering an inclusive, respectful, fair and egalitarian working environment open to development.

Customer Relations

Prioritizing developing solutions to meet the needs of its customers, Halkbank believes that listening to customers and producing special and rapid solutions tailored to their needs is the most effective way to meet the right products with the customer.

Halkbank Customer Communication Center made 33.5 million contacts with 8.3 million individual customers and performed 106.9 million transactions in 2025. All these services were provided in line with the standards set by the “Regulation on Determining the Service Level and Quality of Bank Call Centers.”

Customer Complaint Resolution Ratio: 99.93%

Dialog Channel Customer Satisfaction Ratio: 97.08%

Average Time to Answer Calls to the Call Center: 22 seconds (Maximum Target: 30 seconds)

Average Resolution Time for Customer Notifications (Issues, Complaints): 19.29 hours (Target Time: 21 hours)

Average Resolution Time for Customer Notifications (Requests): 5 hours (Target Time: 5 hours)

Central Asset Management CRAs, which carry out relationship management centrally, support the Bank’s digital transformation processes, contribute to the facilitation of processes related to products and services offered to customers, and carry out efforts to increase customer loyalty.

The Customer Communication Center collects and evaluates feedback from all channels, including the internet branch, mobile application, call center, branches, e-mail, and social media, to contribute to the Bank’s customer-oriented approach. The collected feedback is classified through a detailed analysis process and forwarded to the relevant teams. The relevant teams analyze this data in line with various criteria such as customer satisfaction, product performance and service quality. Thanks to these analyses, common points and root causes of complaints are identified, and solution proposals are developed for problems. As another application that complements this process, the customer feedback platform, which was commissioned to measure the instant satisfaction of customers, produces important outputs for improving customer experience.

In 2025, customer satisfaction efforts focused on the regular monitoring of channel satisfaction metrics via the Feedback Platform. Negative customer feedback received through the branch satisfaction survey was integrated into the Digital Communication team and incorporated into resolution processes, enabling relevant teams to address the feedback more quickly and to implement concrete actions.

STAKEHOLDER ENGAGEMENT

At Halkbank, feedback received is used in product/service development and improvement efforts to enhance the customer experience.

Strengthening the customer-centric culture at Halkbank has been identified as a priority area.



During the same period, data obtained from customer interactions were analyzed, and teams and processes within the Bank were more effectively involved in maturing the feedback platform; survey data in critical areas such as branch and channel satisfaction began to be monitored. In line with Net Promoter Score (NPS) and Customer Satisfaction Score (CSAT) data, targeted outputs were produced to continuously improve the customer experience, contributing to digital transformation and cost optimization.

Instant action was enabled by automatically forwarding feedback from surveys sent to branch customers to the written communication channel via e-mail. Operational efficiency was increased by adding financial transactions to the transaction set of outsourced personnel at the call center, and the call load of internal personnel was lightened. For Private Banking customers, a special line and customer representative group were designated at the call center, differentiating the service approach for this segment.

During this period, strengthening the customer-centric culture was also identified as a priority area. Various strategies were developed based on shared insights and implemented actions; an e-book was prepared to enhance customer experience awareness, and training was delivered to employees of the Department of the Customer Communication Center via Halk Academy.

In addition, feedback from channel satisfaction surveys and targeted audience surveys was analyzed through LLM-supported data analytics, creating new foundations for strategies to enhance customer experience and contributing to the management of customer-centric processes.

The feedback received is also used in product/service development and improvement efforts to enhance the customer experience. Some products and services improved in 2025 following the feedback received from customers are listed below.

- Money transfer screens (EFT/Wire/FAST) in the Halkbank Mobile application were consolidated.
- Improvements were made to enable parents to open and monitor a Digital Piggy Bank Account for their children via the Halkbank Mobile application.
- The "Plus Limit Application/Update and Monitoring Transactions" and "Installment Open Account Transactions" menus were added to the Halkbank Mobile application and Internet Banking platform.
- Improvements have been made to enable silver purchase/sale transactions through Halkbank Mobile and Internet Banking.

The Bank continues its efforts to enable Halkbank Assistant, which has artificial intelligence support and machine learning capabilities, to serve on Mobile Branch channels.

Customer Communication Center Targets

- Increasing the speed of taking action by analyzing the customer agenda in real time,
- Designing personalized experiences with analytical studies,
- Increasing self-service services,
- Providing access to Dialog through mobile applications with all communication options (video calls, chat, voice calls, etc.),
- Developing the Tradesmen and SME Dialog services offered through the Corporate Dialog Line,
- Continuing to carry out studies to instantly measure satisfaction at important points for the customer experience,
- Preparation of screens where customer problems and demands are processed automatically in line with the designed processes and can be monitored in real-time,
- Continuing to increase efficiency by using process automation in operational processes,
- Maturing the feedback ecosystem,
- Increasing continuous improvement strategies through customer-oriented culture change,
- Increasing the diversity of proactive services,
- Extending geographic redundancy to cover all critical functions,
- Gaining non-individual customers through remote customer acquisition,
- Sales of insurance products on the incoming call side,
- Ensuring that SMS, E-Mail, Push messages are sent from the Bank's infrastructure,
- Providing video calling services to Private Banking and Barrier-free Banking customers,
- Categorizing all written/voice feedback in a common way through Large Language Model (LLM) studies,
- Automating service quality evaluation forms with real-time analyses,
- Improving sampling strategies,
- Value-oriented sustainable communication,
- Cost optimization,
- Providing the Virtual Agent service by positioning artificial intelligence alongside the agent,
- Increasing commission revenues and expanding the range of products sold,
- Launching the CXM Platform,
- Launching Real-Time Speech Analytics,
- Conducting customized audience surveys,
- Automating push notification and transaction-based surveys,
- Increasing the number of artificial intelligence projects and expanding their scope,
- Strengthening the customer experience culture and training activities,
- Converting all training documents to a format compatible with AI-based RAG system.

Supplier Relations

The Bank establishes its relations with its suppliers on the principle of creating mutual value, and in this context, it does not work with any suppliers operating in a way that does not comply with Halkbank. Relationships with suppliers that are found to be problematic in terms of product/service quality and cost as well as compliance with laws and ethical standards during the procurement processes are terminated. Halkbank manages its procurement activities in line with the principle of purchasing the right product at the right price at the right time. With the aim of increasing its purchasing power by reducing the costs, the Bank is in active communication with the current suppliers as well as the procurement departments of other banks operating in the sector, in order to expand its supplier list and also make sectoral comparisons of each product or service item to be purchased.

Halkbank not only eases the Bank's operational workload by transferring its supplier management processes to the digital environment, but also accelerates the bid processes of companies and improves its ability to report, evaluate and analyze its activities faster continuously.

STAKEHOLDER ENGAGEMENT

In addition to its contribution to Türkiye's economy, Halkbank aims to create added value for the economies and service ecosystems of the countries where it operates through its representative offices abroad.

76

Number of Investor Meetings in 2025

4

Number of Analyst Presentations in 2025

International Financial Institutions and Correspondent Banks

As a result of Halkbank's efforts for sustainability carried out actively, Halkbank plays a key role in financing many investments that add value to Türkiye, particularly energy efficiency and renewable energy projects. The Bank brings investors together with the resources they need, continuously improving its positive dialogue with international financial institutions such as the World Bank, the French Development Agency, and the European Investment Bank.

Halkbank has gained a leading position in the sector with best practices in foreign trade, and qualified products and services as well as with its wide correspondent network in more than 100 countries. Successfully managing relations with correspondent banks based on mutual respect and collaboration, the Bank continued to be the bank preferred by customers engaged in foreign trade in 2025 as well.

In addition to its contribution to Türkiye's economy, Halkbank aims to create added value for the economies and service ecosystems of the countries where it operates through its representative offices abroad. The employees working in these representative offices are considered executives who hold authority and responsibility on behalf of the Bank in the respective country. In 2026, Halkbank plans to expand its presence in alternative markets worldwide through its network of branches and representative offices and to continue its international operations in line with relevant regulations and strategic priorities.

Media

Halkbank communicates with media representatives when needed, organizes meetings to inform the public about its products, services, and activities; promotes its products and services in news pieces in sectoral publications, includes interviews with corporate spokespersons, and shares new/ important products and services with the public through press releases. The Bank received 6,512 news items in the print media and 13,447 news items in the digital media. With these news, the total advertising equivalence of the Bank's positive news in print media reached about TRY 21 million, while the total advertising equivalence of positive news in digital media amounted to about TRY 56 million. Based on a 12-month average, the rate of positive news about the Bank in print and digital media was 98%, while negative news was 2%.

Public Authorities

While Halkbank continues to create value by collaborating with public institutions and non-governmental organizations, it also aims to implement social responsibility projects that will provide social benefits.

Investor Relations

Halkbank acts within the framework of the principles of equality, accuracy, impartiality, consistency and timing in its communications with all shareholders. The purpose of the Bank is to establish a strong communication mechanism based on a transparent, close and long-term relationship with existing shareholders and potential investors, and to manage and strengthen the relations with the shareholders.

Investor meetings organized to protect and increase the bank's stock price and market value in the long term before the investors, and to inform fixed income securities investors, continued to be held via teleconference, video conference and physical meeting channels in 2025. The information flow and briefing activities are not limited to verbal channels and written requests submitted by institutional investors and shareholders are constantly answered by the Investor Relations unit, taking the principle of efficiency, speed, and equality into account. In 2025, Halkbank kept its current and potential stock and fixed income securities investors and all business partners informed uninterruptedly, and continued its informational activities in an effective, consistent and reliable manner. Investor Relations activities that stood out during the operating period are as follows:

- Information requests submitted by the shareholders were answered.
- Online meetings were held with domestic and foreign institutional investors.
- Halkbank prepared informative visual quarterly presentations related to its capital structure based on the Bank's financial results disclosed to the public, published these on the corporate website and simultaneously presented them to domestic and overseas investors via teleconferences.
- Questions about financial results or questions received during the quarter were answered in detail and as soon as possible.
- Regular reporting and announcements on matters deemed necessary and in areas that are thought to affect investment decisions were made elaborately.
- Annual revision meetings with rating agencies (Fitch and JCR) were held with broad participation of the Bank's relevant units.
- Close communication with all domestic and foreign analysts who prepared bank reports was maintained, interviews especially intensified as quarterly closings were held, and opinions on

analyst forecasts and reports were presented.

- The questions of fixed-income investors in the macroeconomic area, the sector, and Halkbank were answered and these investors were informed about the Bank's financial structure and strategies.
- Efforts were made to increase compliance rating with the CMB's Corporate Governance Principles, and suggestions and opinions to increase the compliance rating were submitted to the Corporate Governance Committee for evaluation. The Corporate Governance Committee convened once in 2025 in order to monitor the compliance status with the CMB's Corporate Governance Principles and to carry out studies for increasing compliance.

In 2025, Halkbank continued to share data on digital banking, which has become an important indicator of the Bank's profitability, and on the increasingly important environmental, social, and governance issues in its quarterly financial structure presentations. Active participation in international investor conferences and events is planned for 2026.



CORPORATE MEMBERSHIPS AND
SUPPORTED INITIATIVES

Halkbank maintains its effectiveness in the field of sustainability through strategic collaborations and the initiatives it supports.



The Banks Association of Türkiye



Turkish Capital Markets Association



Corporate Risk Management Association



Carbon Disclosure Project



Service Exporters' Association



Economic Research Foundation



United Nations Women's Empowerment Principles (WEPPs)



Association of National Development Finance Institutions in Member Countries of the Islamic Development Bank



Foreign Economic Relations Board



MATERIAL TOPICS AND MATERIALITY ANALYSIS

The materiality analysis process has been aligned with international reporting standards and reframed through a “Double Materiality” perspective.

Halkbank continues its activities with the vision of creating sustainable value for all its stakeholders by embracing the goals and priorities of Türkiye’s economy. The Bank’s material topics are addressed under four main headings: Environmental, Social, Governance, and Economic.

In this process, the Bank’s strategies, global and sectoral trends, best practice examples examined at the international level, recommendations of international professional organizations, the United Nations Sustainable Development Goals (UN SDGs), the UN Principles for Responsible Investment, and the Sustainability Accounting Standards Board’s (SASB) sector-specific material topic recommendations are taken into account.

As part of the efforts for the Integrated Annual Report 2025, the materiality analysis process was aligned with international reporting standards and reframed through a “Double Materiality” perspective. In determining the strategic roadmap, topics were evaluated along two main axes:

- **Impact Materiality:** Refers to the impact of the Bank’s activities on the environment, society, and the economy.
- **Financial Materiality:** Represents the impact of the topics on the Bank’s financials.

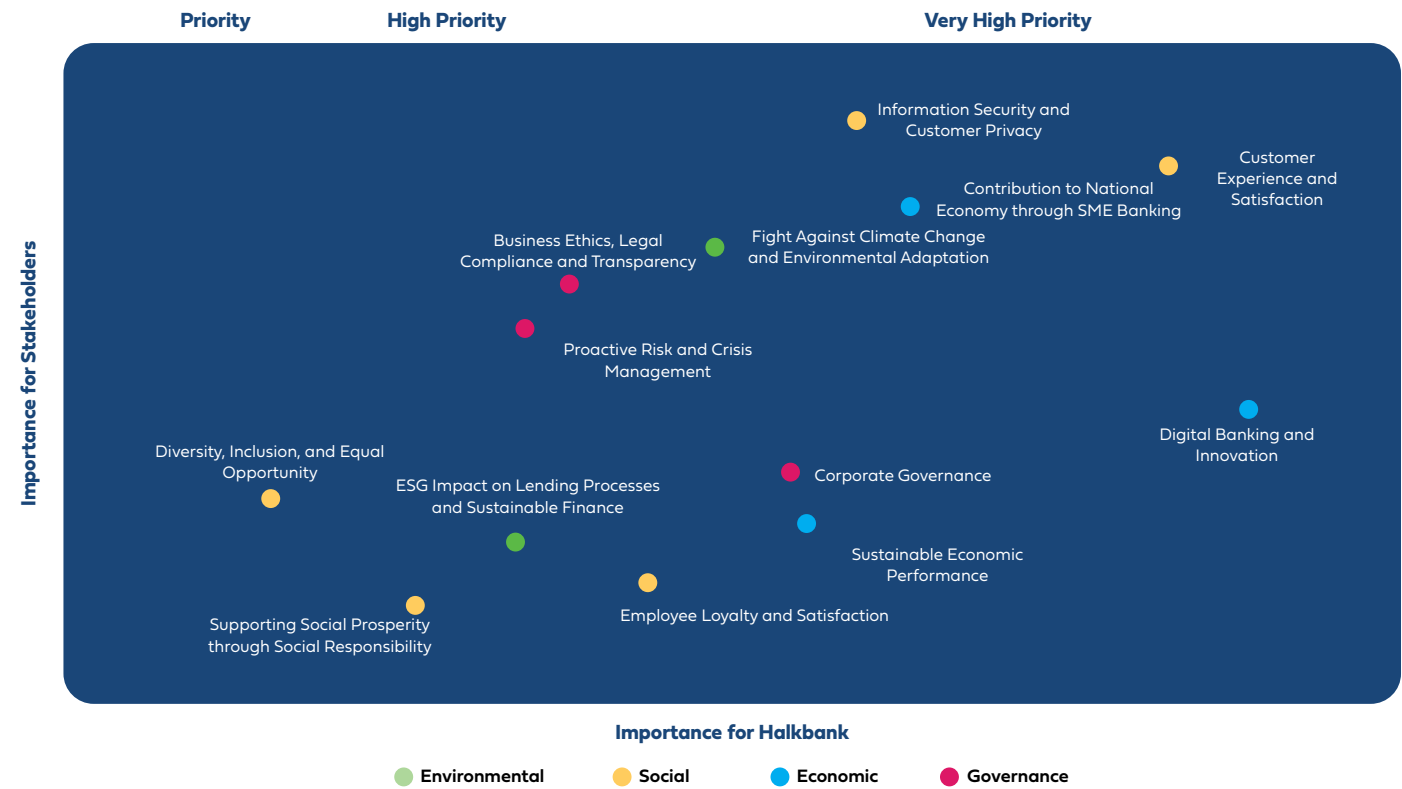
Determining Financial Materiality

As part of the 2025 efforts, a survey was conducted to determine the impact of sustainability topics on the Bank’s financial performance, risk profile, cash flows, and long-term value creation capacity. Through surveys sent to a stakeholder group consisting of Halkbank’s senior management and employees, the potential of each topic to create financial risks and opportunities was analyzed.

The Halkbank Double Materiality Matrix 2025 was created by consolidating the data obtained from both axes. Based on the findings of the analysis, the topics were classified into three categories according to their level of importance: “Very High Priority,” “High Priority,” and “Priority.”

The strategic focus areas identified through this methodology serve as a fundamental guide for processes aimed at enhancing corporate resilience and reinforcing the Bank’s pioneering role in financing sustainable development.

Priority Status	Topic	Category
Very High Priority	Information Security and Customer Privacy	Social
	Customer Experience and Satisfaction	Social
	Contribution to National Economy through SME Banking	Economic
	Fight Against Climate Change and Environmental Adaptation	Environmental
High Priority	Digital Banking and Innovation	Economic
	Business Ethics, Legal Compliance and Transparency	Governance
	Proactive Risk and Crisis Management	Governance
	Corporate Governance	Governance
Priority	Sustainable Economic Performance	Economic
	Diversity, Inclusion and Equal Opportunity	Social
	ESG Impact on Lending Processes and Sustainable Finance	Environmental
	Employee Loyalty and Satisfaction	Social
	Supporting Social Prosperity through Social Responsibility	Social



SUSTAINABLE DEVELOPMENT GOALS CONTRIBUTED TO

Contribution to Sustainable Development Goals and Targets

NO POVERTY			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELATED MATERIAL TOPIC
	Producing Women Competition	The Producing Women Competition is organized every year to increase the visibility of women entrepreneurs, encourage them and reward their success.	Diversity, Inclusion, and Equal Opportunity Contribution to National Economy through SME Banking Employee Engagement and Satisfaction
	Tradesmen Loans	Halkbank continuously improves its solutions and services with the goal of moving the efforts of our SMEs, tradesmen, and artisans, which constitute the backbone of the economy, higher. Halkbank is the only bank in the Artisans Banking market to offer the Ministry of Treasury and Finance interest-subsidized loans to tradesmen and artisans. Halkbank is further strengthening its ties with artisans by virtue of providing this special product.	
	Young Entrepreneur Loans	In addition to the special products developed for young entrepreneurs, the Bank also develops other important initiatives to grow the entrepreneurship ecosystem, such as comprehensive support programs and efforts to improve financial literacy.	
	Special Childcare Gifts for New Parents	Halkbank provides employees with gifts to support childcare when they become parents.	
	Marriage Support for Halkbank Employees	Halkbank provides cash assistance to its employees as part of its corporate support when they get married.	
ZERO HUNGER			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELATED MATERIAL TOPIC
	Support for Women Entrepreneurs and Tradesmen	Halkbank accelerates rural development by supporting women entrepreneurs in taking a more active role in the agriculture and food sectors, and strengthens production and distribution processes through loans with favorable terms and business development opportunities provided to tradesmen.	Contributing to Social Welfare Through Social Responsibility
	Establishment of the Hatay Regional Coordination Office	Hatay Regional Coordination Office was established in order to ensure faster development of the earthquake region, increase the quality of services in the region and provide faster services.	Diversity, Inclusion, and Equal Opportunity

GOOD HEALTH AND WELL-BEING			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELATED MATERIAL TOPIC
	Pharmacist Support Package	Halkbank supports the working capital needs of pharmacists with the Pharmacist Support Loan Package.	Employee Engagement and Satisfaction Business Ethics, Legal Compliance and Transparency Contribution to the National Economy through SME Banking Diversity, Inclusion, and Equal Opportunity
	Employee Health	Halkbank provides various health services for its employees such as dietitians, psychologists, physiotherapists, dentists, and infirmary. These services are provided on a regular basis to support employees' physical and mental health. Health services play an important role in enhancing employees' performance at work and improving their overall quality of life.	
	Office Exercise Training	All Halkbank employees can access exercises that can be done while sitting in the office through the Halk Academy training platform. These exercises aim to reduce the negative effects of prolonged sitting.	
	Halkbank Sports Center	Halkbank enables its employees to maintain an active lifestyle at the sports center through individual training, group classes, and team sports. Organized sports tournaments also reinforce team spirit and enhance social interaction.	
	Hearing Implant Consumer Loan	Halkbank provides financing for device renewal and amounts not covered by state support through a special consumer loan offered to hearing implant users and their families.	
	Occupational Health and Safety	Halkbank fully complies with the requirements of the Occupational Health and Safety Law No. 6331, aiming to provide a safe workplace environment for all its employees, customers, and visitors, protect human health, and minimize losses that may occur during all operational activities. In this context, the international standard ISO 45001 Occupational Health and Safety Management System has been implemented in all service units to improve working environments and maximize the occupational health and safety of employees. Prioritizing the physical and psychological health of its employees, the Bank includes all its service units within the scope of the Occupational Health and Safety Management System.	
	Self-Purifying Water Dispenser Project	In order to reduce plastic waste, the Bank terminated the plastic bottle drinking water service at all service locations and converted to self-purifying water dispensers. Thanks to these dispensers, Bank employees have the opportunity to drink clean water.	

SUSTAINABLE DEVELOPMENT
GOALS CONTRIBUTED TO

QUALITY EDUCATION			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELATED MATERIAL TOPIC
	Halk Academy	Halk Academy is an e-training platform that offers Halkbank employees the opportunity to receive training in many areas such as banking, sustainability, OHS and personal development.	Employee Engagement and Satisfaction
	Halkbank Sustainability Glossary	The Halkbank Sustainability Glossary comprises announcements sent to all employees of Halkbank and its domestic subsidiaries that explain important sustainability concepts in an easily understandable way.	
	Halkbank SME Development	The Halkbank SME Development platform offers various support services for entrepreneurs and SMEs. This platform provides training, financial support, consulting services, and various incentives for entrepreneurs and SMEs.	
	Halkbank Children's Banking	Through the Children’s Banking application, children under 18 can have fun and develop recycling awareness by playing a zero-waste game available within the application.	
	Halkbank Children's Theater: Three Piggy Banks	Halkbank staged the play “Three Piggy Banks” to instill financial awareness in children aged 6 to 12.	
	Waste Bin in Istanbul Financial Center Schools	To raise awareness about waste management among students at the Istanbul Financial Center School, elementary school students received zero-waste training, and recycling bins were placed on their floors.	Customer Experience and Satisfaction
	Producing Women Academy	The Producing Women Academy aims to facilitate the integration of women entrepreneurs into economic life and help them implement their projects by providing the necessary training and consulting opportunities for their success in business.	Diversity, Inclusion and Equal Opportunity
	Personal Education Loan	This is a financial support product that offers favorable interest rates and flexible payment options to cover students’ educational expenses.	Contributing to Social Welfare Through Social Responsibility
	Support Package for Private Preschool Institutions	This is a financial support package for private preschool institutions, which play a significant role in increasing women's participation in the workforce and female employment.	
	Internship Opportunities for High School Students with Hearing Impairments	Internship opportunities are offered to high school students with hearing impairments in various business units of the Bank.	
	Turkish Sign Language (TSL) Certificate Program	This training program helps the Bank’s employees improve their communication skills and makes the Bank’s services more accessible to individuals with hearing impairments.	
	Rising Women Entrepreneurship Training Truck	As part of the Rising Women Program, conducted in collaboration with the Ministry of Family and Social Services and Halkbank, the Rising Women Entrepreneurship Training Truck was launched to empower women entrepreneurs and provide them with access to support mechanisms. With content prepared by expert trainers, women entrepreneurs are better equipped in areas such as personal branding, entrepreneurship, e-commerce, financial processes, and teamwork.	

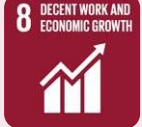
GENDER EQUALITY			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELEVANT MATERIAL TOPIC
	Women Entrepreneurs Loan	The 'Women Entrepreneurs Loan' package is available to facilitate access to finance, encourage, and incentivize women entrepreneurs who are starting a business for the first time or have an existing business.	Diversity, Inclusion, and Equal Opportunity
	Growing Women Exporters Loan	The Growing Women Exporters Loan is a credit product offered to help women entrepreneurs increase their export activities and meet their pre-export working capital needs.	
	Science with Girls for the Future Project (BiGE)	The BiGE – Science with Girls for the Future Project, implemented in collaboration with Halkbank and Habitat Association, is a four-stage program that enables young girls to bring their innovative ideas in technology and entrepreneurship to life.	
	Growing with Women Agents Project	The Growing with Women Agents Project, implemented in collaboration with Halkbank and Türkiye Sigorta, is designed to support, through a holistic approach, the needs of women entrepreneurs who intend to operate in the insurance agency sector or who have completed company formation but have not yet obtained an agency appointment from Türkiye Sigorta. Halkbank’s financial support mechanisms make the process of becoming an agent more accessible for women entrepreneurs.	Contributing to the National Economy through SME Banking
	Women's Empowerment Principles (WEPs)	WEPs is an initiative established to promote women's participation in economic activities and increase their presence in various areas of life and at all levels. Recognizing the positive impact of increasing women's representation and enhancing their positions in the business world, Halkbank has become a signatory to the Women's Empowerment Principles. This step taken by Halkbank demonstrates the Bank's belief in gender equality and equal opportunity and its responsibility to society.	Corporate Governance
	Producing Women Competition	The Producing Women Competition is held annually to increase the visibility of women entrepreneurs, encourage them, and reward their achievements.	
	Board of Directors Diversity Policy	Halkbank aims to work toward creating a balanced management structure by ensuring a sufficient number of women on its Board of Directors.	

SUSTAINABLE DEVELOPMENT
GOALS CONTRIBUTED TO

CLEAN WATER AND SANITATION			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELEVANT MATERIAL TOPIC
	Wastewater Management Loan	This loan is provided to finance businesses wishing to invest in wastewater treatment and wastewater recovery facilities or to improve their existing facilities.	Combating Climate Change and Environmental Compliance
	Zero Waste Certificate	Halkbank has met the requirements to comply with the Zero Waste Regulation published in the Official Gazette No. 30829 on July 12, 2019, and upon completion of the certification process, all its service units have been awarded the Zero Waste Certificate.	
	Water Management	Halkbank accepts to finance assets that help mitigate water risks in order to leave a more livable world to future generations by continuously improving its sustainability performance and to create value on its own operations and stakeholders as the basis of its Water Management. With the "Water Management," a subcomponent of its "Sustainability Policy," Halkbank strives to manage efficient water use in the long-term strategies the Bank, development of targets and action plans, and processes arising from its operations and activities.	
	Self-Purifying Water Dispenser Project	In order to reduce plastic waste, the Bank terminated the plastic bottle drinking water service at all service locations and converted to self-purifying water dispensers. Thanks to these dispensers, Bank employees have the opportunity to drink clean water.	Employee Engagement and Satisfaction
	Gray Water Recovery and Treatment System	For efficient and economical water use, water used in washbasins on the 43 rd through the 10 th floors of the headquarters building is treated on the 9 th floor for reuse in the reservoir systems serving the 8 th through the 2 nd floors.	
	Reservoir System Awareness Labels	In all reservoirs of the headquarters building, 2-stage armatures are used in order to save water. In this way, it is possible to operate the reservoirs with the full amount of water or with a specified amount of less water. With the labels affixed on these armatures, awareness is raised and efficient use of water is targeted.	

AFFORDABLE AND CLEAN ENERGY			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELEVANT MATERIAL TOPIC
	Renewable Energy and Energy Efficiency Investment Loan	This loan is provided for investments in Solar Power Plants (SPP), Wind Power Plants (WPP), Biogas Power Plants (BPP), and Geothermal Power Plants (GPP) to help companies cover their energy costs with renewable energy systems.	National Economy through SME Banking
	Green Workplace Investment Loan	This loan is provided for investments that increase efficiency by improving the production quality of high-energy-consuming workplaces, while also reducing their energy expenses.	
	Green Certified Construction Project Loan	This loan is provided to finance companies that have received a "Green Certificate" from organizations authorized by the Ministry of Environment, Urbanization and Climate Change, and that develop residential/commercial projects built in harmony with the natural conditions of their region and that use water and energy resources efficiently.	
	Green Light Commercial Vehicle Loan	This loan is provided to finance the purchase of hybrid and electric environmentally friendly passenger cars, commercial vehicles, and construction equipment for use by individuals and legal entities in their operations.	Digital Banking and Innovation
	Electric Vehicle Charging Station Loan	This loan is provided for investments in electric charging stations that will offer charging services to meet the energy needs of electric vehicles.	Combating Climate Change and Environmental Compliance
	Energy Support Loan	This loan is provided to finance retail customers' expenditures on energy-efficient white goods, natural gas conversion systems, exterior insulation, insulated window joinery systems, solar panels, and efficient lighting systems.	Sustainable Economic Performance
	Corporate Energy Management System (KEYS)	Halkbank uses KEYS, a platform for real-time monitoring and management of energy consumption at its service locations, to track electricity consumption, temperature, humidity, light intensity, carbon dioxide levels, and HVAC systems via sensors and analyzers.	
	Climate Transition Plan	The Bank carries out work on renewable energy sources, electric vehicle conversion and energy efficiency, which play a major role in eliminating the adverse impacts of climate change on people and the environment.	
	ISO 50001 Energy Management System	Integrating the ISO 50001 Energy Management System into its business processes, Halkbank implements efficiency efforts to minimize energy consumption through a systematic approach to energy management.	

SUSTAINABLE DEVELOPMENT
GOALS CONTRIBUTED TO

DECENT WORK AND ECONOMIC GROWTH			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELATED MATERIAL TOPIC
8 DECENT WORK AND ECONOMIC GROWTH 	Human Rights and Human Resources Policy	The Bank protects employee rights in accordance with the United Nations Universal Declaration of Human Rights and the fundamental principles of the International Labour Organization (ILO), to which Türkiye is a party, and creates career opportunities for its employees based on fairness, equality, and inclusion.	Diversity, Inclusion, and Equal Opportunity Contribution to the National Economy through SME Banking Business Ethics, Legal Compliance and Transparency
	Young Entrepreneurs	In order to demonstrate its efforts to ingrain the entrepreneurship culture in our country, Halkbank contributes to the increase in youth employment by enabling young people to start and expand their businesses through Entrepreneur Loans.	
	SME Finance	Maintaining its loan placement policy that prioritizes SMEs, Halkbank continues to support SMEs, the backbone of our economy, with its ever-rising success trend in SME loans.	
	HUBrica	Startups selected through the HUBrica program have the opportunity to establish high-level networks with rich events such as Founders Forum, Successful Entrepreneur Meetings, Case Study Workshops, Investor Meetings and Chat Meetings with Halkbank Executives, in addition to the support they receive from expert trainers and mentors.	
	Jet Luck	Halkbank supports innovative ideas and projects across all sectors with the aim of strengthening the culture of entrepreneurship in our country. The Jet Luck Project, a contest for innovative ideas, is organized to help young people bring their business ideas to life. As part of the Young Entrepreneurs in a Digital Future Vision Meeting, a gathering with young people was held to shape the entrepreneurship of the future starting today.	

INDUSTRY, INNOVATION, AND INFRASTRUCTURE			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELATED MATERIAL TOPIC
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Metaverse Platform	The Halkbank Metaverse universe is a social platform that combines the real world with the virtual universe, offering the opportunity to experience our banking services in the digital universe through augmented reality technology. Metaverse users have the opportunity to attend concerts, exhibitions, trainings, conferences, and many other digital events through this application.	Digital Banking and Innovation Customer Experience and Satisfaction Proactive Risk and Crisis Management
	IT Continuity Policy	The policy aims to enhance the Bank's resilience to ensure that its operations continue with no or minimal impact during a disaster or crisis that could cause an interruption in Bank applications or systems. In the event of an unexpected incident, it aims to restore interrupted critical applications and processes within specified timeframes and priorities, protect assets, and minimize data loss.	
	Subsidized TOGG Commercial Vehicle Loan	To support domestic production in the automotive sector, a collaboration was established between the Bank and Türkiye Automobile Joint Venture Group Industry and Trade Inc. (TOGG). The "Subsidized TOGG Commercial Vehicle Loan" was created to make the national automobile brand TOGG available to individual and corporate customers under favorable terms.	
	Halkbank Children's Banking	The Children's Banking application is designed for children under 18. This application provides content that both teaches basic financial information and offers enjoyable activities. Through the application, children can view their bank accounts, request an allowance, access ATM information, play games about environmental cleanliness and health, and earn "halk stones" to purchase items from the in-app market.	
	IT and Software Sector Support Loan	Financing is provided to increase the competitiveness of domestic firms that develop artificial intelligence, big data, cloud computing, cybersecurity, and cyber-physical systems, in order to accelerate the national technology initiative and to support local technological potential.	
	Business Continuity Red Alert Drill	In the event of a possible earthquake or similar disaster in Istanbul, the Bank conducts necessary planning and drills to ensure business continuity and to operate from its Ankara operations building.	
	Innovation Loan	To support innovative product development, enhance quality and standards, and reduce costs, financing is provided for expenditures by companies planning to use artificial intelligence, big data, cloud computing, cybersecurity, and cyber-physical systems, or those purchasing such services.	

SUSTAINABLE DEVELOPMENT GOALS CONTRIBUTED TO

REDUCED INEQUALITIES			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELEVANT MATERIAL TOPIC
	Women's Empowerment Principles (WEPs)	WEPs is an initiative established to encourage women's participation in economic activities and to increase their presence in various areas of life and at all levels. Witnessing the positive effects of increasing the presence of women in professional life and improving their positions, the Bank became a signatory to the Women's Empowerment Principles. This step taken by Halkbank demonstrates the Bank's belief in gender equality and equal opportunities, as well as its responsibility towards society.	
	Young Entrepreneur Support Loans	This loan product is offered to support the careers and business ideas of entrepreneurs under the age of 35 who have graduated from vocational schools or faculties of universities, who do not have any work experience related to the department they graduated from and who want to start their own business in this field or have already started their own business.	
	Halkbank Gençiz	Halkbank Gençiz is a summit organized to encourage the career and personal development of young people. This summit is organized under the guidance of industry leaders to support young people to take more confident steps into the future. The Gençiz Summit includes speeches and panels on topics such as career planning, technology and entrepreneurship, sustainability and financial literacy. It also includes interactive and digital games supported by virtual reality and career stands.	
	Board of Directors Diversity Policy	Halkbank aims to make efforts towards creating a balanced management by having a sufficient number of female representatives on the Board of Directors.	Corporate Governance
	Separate Exam Set as UYS-E	Employees whose overall disability rate is 40% or higher and who hold 'Disabled Employee' status are, upon request, administered the specially prepared "UYS-E" exam, without distinction as to disability group (branch).	Diversity, Inclusion, and Equal Opportunity
	Special Circumstance Payment Support	To support the development of children of Halkbank employees who have a ÇÖZGER or RAM Report, and to contribute to their special education and rehabilitation, a monthly special circumstance payment is made per child.	Contributing to Social Welfare Through Social Responsibility
	Colleagues with Down Syndrome in the Halkbank Family	The Bank employs personnel with Down syndrome to work in various business units.	Customer Experience and Satisfaction
	Administrative Leave for Employees with Disabilities	In observance of the International Day of Persons with Disabilities, employees with disabilities are granted the opportunity to take one business day of administrative leave between December 1 and December 5.	
	Turkish Sign Language (TİD) Certificate Program	This training program helps improve the communication skills of Bank employees, making it easier for individuals with hearing impairments to access the Bank's services.	

SUSTAINABLE CITIES AND COMMUNITIES			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELEVANT MATERIAL TOPIC
	ISO 14001 Environmental Management System	Integrating the ISO 14001 Environmental Management System into its business processes, Halkbank measures its impacts in emissions, water and waste management as part of its environmental management system applications, and implements initiatives to minimize these impacts. The Bank calculates and reports its corporate carbon footprint in accordance with international regulations and standards.	Combating Climate Change and Environmental Compliance
	Zero Waste Certificate	As part of its efforts to reduce the environmental impacts of its operations, Halkbank considers waste management and continues to segregate its waste and reduce waste in line with the zero-waste principle, befitting its responsible banking culture. In this context, all service locations have held a Zero Waste Certificate since 2019.	
	LEED-Certified Headquarters Building	Halkbank received LEED Platinum certification for its Headquarters building in 2025.	
RESPONSIBLE CONSUMPTION AND PRODUCTION			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELEVANT MATERIAL TOPIC
	Compost Project	The food waste generated at the Headquarters cafeteria is converted into pet food with the composting machine located in the building, and the resulting food is donated to the Animal Shelter of the municipality.	Combating Climate Change and Environmental Compliance
	Clothing Textile Bank	In the textile bank located in the headquarters building, second-hand clothes that are usable and in good condition are collected and delivered to the municipality to be delivered to those in need. In this way, waste of resources is prevented, and textile waste is prevented from being thrown into nature and harming the environment.	
	Sustainable Procurement Management	Recognizing its transformative power over sectors, Halkbank adopts a sustainability approach in its procurement processes. In this scope, it uses its transformative power towards its suppliers in procurement activities and encourages the consideration of environmental, social and governance (ESG) dimensions of the products and services it purchases with the awareness of its responsibility towards the environment.	
	Self-Purifying Water Dispenser Project	In order to reduce single-use plastics and meet employees' need for clean drinking water, plastic water bottles were removed from all Halkbank service locations and purified water dispensers were introduced.	Contributing to Social Welfare Through Social Responsibility
	Paraf Doğal	Unlike traditional cards, Paraf Doğal is made from recycled materials and is designed as an environmentally friendly card whose carbon footprint is offset throughout its entire life cycle. Paraf Doğal cardholders can contribute to eco-friendly projects and benefit from various discount opportunities. For example, it offers several advantages such as sapling donations, pet food donations, veterinary discounts, and organic product discounts.	

SUSTAINABLE DEVELOPMENT GOALS CONTRIBUTED TO

CLIMATE ACTION			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELEVANT MATERIAL TOPIC
	Forestation Project	Forestation activities are carried out to increase our country's forest assets, build a sustainable future, and reduce the environmental impact of our emissions in line with our 2050 net-zero emission targets.	Combating Climate Change and Environmental Compliance ESG Impact on Lending Processes and Sustainable Finance
	Eco-Friendly Vehicle Loan	This is an eco-friendly loan product for individual customers, specifically for the purchase of brand-new electric or hybrid vehicles, which have significantly lower carbon emissions than traditional vehicles with internal combustion engines.	
	TOGG Vehicle Loans	This is an advantageous loan product for the purchase of domestically produced electric TOGG vehicles. It is available to both commercial and retail customers.	
	Integrated Management System	Halkbank has integrated the ISO 14001 Environmental Management System and the ISO 50001 Energy Management System into its business processes. Through its environmental management system practices, the Bank identifies its impacts with a systematic approach to energy, emissions, water, and waste management and implements efficiency initiatives to minimize these impacts. It calculates and reports its corporate carbon footprint in accordance with international regulations and standards.	
	Zero Waste Certificate	Considering waste management as part of its efforts to reduce the environmental impacts of its operations, Halkbank continues its waste segregation and reduction efforts in line with its responsible banking culture and the zero waste principle. In this context, all service locations have held a Zero Waste Certificate since 2019.	
	SBTi	By setting a target with SBTi, Halkbank aims to achieve net-zero emissions by 2050 for both its direct operations and its portfolio emissions.	
LIFE BELOW WATER			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELATED MATERIAL TOPIC
	Wastewater Management Loan	Halkbank provides the necessary financing for businesses wishing to invest in wastewater treatment and recovery facilities or to upgrade their existing facilities.	Combating Climate Change and Environmental Compliance

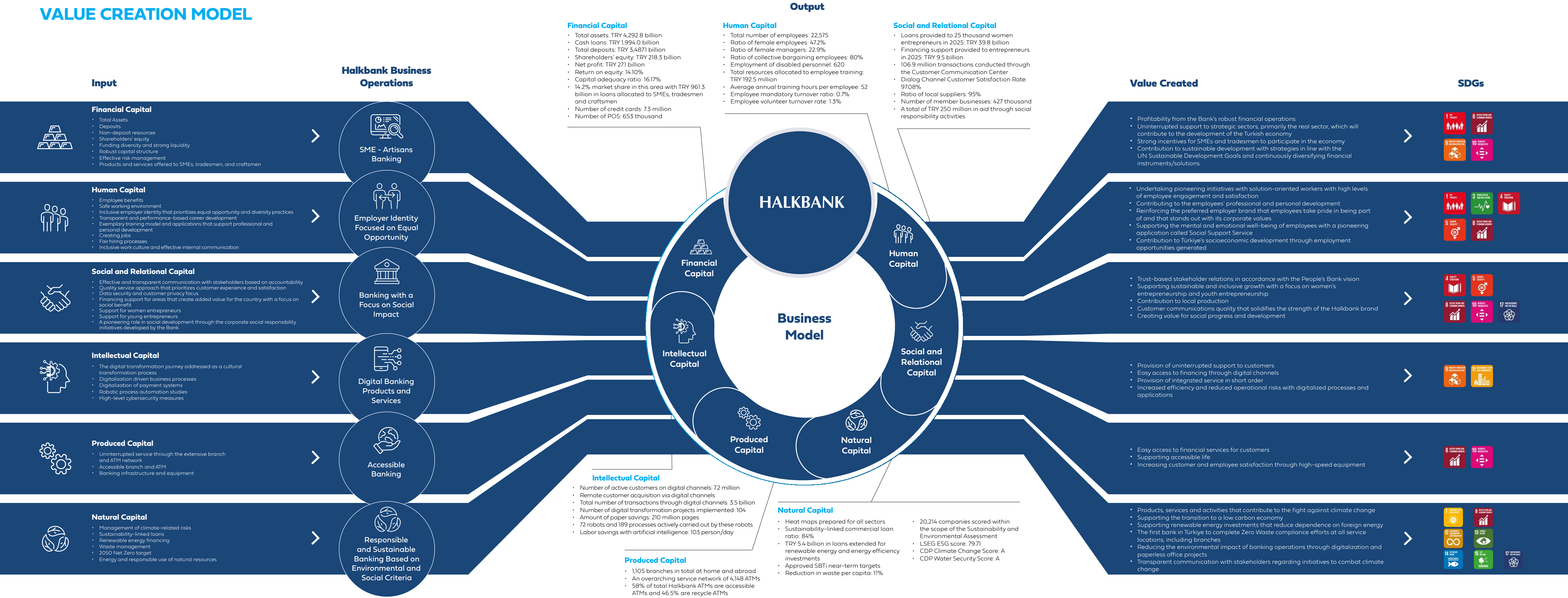
LIFE ON LAND			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELATED MATERIAL TOPIC
	Forestation Project	Forestation activities are carried out to increase our country's forest assets, build a sustainable future, and reduce the environmental impact of our emissions in line with our 2050 net-zero emission targets.	Combating Climate Change and Environmental Compliance
PEACE, JUSTICE AND STRONG INSTITUTIONS			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELATED MATERIAL TOPIC
	Compliance Policy on Anti-Money Laundering And Combating the Financing of Terrorism	The Bank addresses full compliance with national and international laws and regulations regarding the prevention of money laundering, financing of terrorism/proliferation of weapons of mass destruction, bribery, and corruption, as well as sanctions programs, within a framework of social responsibility, considering the destructive impact of these issues on society, and attaches great importance to this fight.	Business Ethics, Legal Compliance and Transparency Proactive Risk and Crisis Management Corporate Governance
	Ethics Policy	It contains the principles and work regulations that Bank employees must adhere to while performing their duties. The purpose of these principles is to prevent any disputes and conflicts of interest that may arise between employees, shareholders, customers, other service providers, and the Bank.	
	Anti-Corruption Policy	The policy aims to establish principles and rules for detecting and preventing actions that may constitute corruption, to raise awareness and guide employees through internal regulations, and to ensure maximum compliance with national and international regulations.	
	Sustainability and Energy Bulletins	To make sustainability, which is closely related to all areas of banking, a part of its corporate culture and to ensure that its employees are informed about the latest developments in sustainability in Türkiye and around the world, Halkbank publishes monthly internal sustainability and energy bulletins.	

SUSTAINABLE DEVELOPMENT
GOALS CONTRIBUTED TO

PARTNERSHIPS FOR THE GOALS			
	HALKBANK PRACTICES	DETAILED INFORMATION	RELATED MATERIAL TOPIC
17 PARTNERSHIPS FOR THE GOALS 	SBTi	By setting a target with the SBTi, Halkbank aims to achieve Net Zero emissions by 2050 for both its direct operations and its portfolio emissions.	Combating Climate Change and Environmental Compliance Contributing to Social Welfare Through Social Responsibility Corporate Governance Diversity, Inclusion, and Equal Opportunity
	Rising Women Entrepreneurship Training Truck	As part of the Rising Women Program, conducted in collaboration with the Ministry of Family and Social Services and Halkbank, the Rising Women Entrepreneurship Training Truck has been launched to empower women entrepreneurs and facilitate their access to support mechanisms. With content prepared by expert trainers, women entrepreneurs are better equipped in areas such as personal branding, entrepreneurship, e-commerce, financial processes, and teamwork.	
	Sectoral Working Groups on Sustainability	Halkbank actively participates in sustainability sub-working groups under the umbrella of the Banks Association of Türkiye, working to develop environmentally friendly and economically sustainable solutions. In this regard, the goal is to build a greener and more responsible future by increasing sustainability awareness in the banking sector.	
	Shaping a Green Future: Halkbank's Sustainability Journey Conference	On September 17, 2025, in collaboration with the United Nations Development Programme (UNDP) Istanbul Regional Office, the Bank held the 'Shaping a Green Future: Halkbank's Sustainability Journey' conference at our Istanbul Conference Hall.	
	June 5 Türkiye Environment Week Walk	Under the coordination of the Provincial Directorate of Environment, Urbanization and Climate Change, we participated in a march from Gülhane Park to Çatladıkapi with numerous students and volunteers to create awareness for a sustainable environment.	
	Compost Project	Food waste from the Headquarters cafeteria is processed in an on-site composter into pet food, and the resulting product is donated to the municipal animal shelter.	
	Clothing and Textile Donation Bin	At the textile donation bin in the headquarters building, usable, second-hand clothes in good condition are collected and delivered to the affiliated municipality for distribution to those in need. This prevents resource waste and stops textile waste from being dumped into nature and harming the environment.	
	Waste Bins at IFC Schools	To raise awareness about waste management among students at the Istanbul Finance Center School, elementary school students received zero-waste training, and Recycling bins were placed on each floor.	
	Zero Waste Good Practices	Halkbank's Compost Project and Public Fountain Conversion Project have been recognized among the Zero Waste Best Practices by the Ministry of Environment, Urbanization, and Climate Change.	



VALUE CREATION MODEL



“In its “Value Creation Model,” Halkbank summarizes how it creates value for all its stakeholders.”



Working to create high added value for all stakeholders by supporting Türkiye's growth and development, Halkbank has fully integrated this mission, which is the reason for its existence, into both its business strategies and all aspects of sustainability. With this understanding, the Bank measures the value it generates in economic, environmental and social dimensions by monitoring the interaction between financial and non-financial capital elements through concrete indicators.

In its “Value Creation Model,” Halkbank summarizes how it creates value for all its stakeholders in the short-, medium-, and long-term through its financial, human, social and relational, intellectual, manufactured and natural capital elements, which are treated as integrated in 2025.

GAINING TRUST WITH THE PRODUCTS AND SERVICES OFFERED

SDGs We Contribute to



With an increase of 23.1%

TRY **27.1** BILLION

Net profit for the period

427 THOUSAND

Number of member businesses

With an increase of 42%

TRY **4.292,8** BILLION

Total Assets

With an increase of 31.1%

TRY **218,3** BILLION

Shareholders' Equity

With an increase of 40.1%

TRY **3,168.5** BILLION

Cash and non-cash loans



GUIDANCE AND REALIZATION

2025 Targets	2025 Realizations	Goals for 2025 and Beyond	Action Plan
Keeping the share of sustainability-linked commercial loans at or above 90%	Realized as ~84%.	Target maintained.	↑ Continue to contribute to sustainable growth targets through renewable energy financing, energy efficiency projects and circular economy models ↑ Developing innovative solutions for financial inclusion
Providing financial support to 270 thousand women entrepreneurs with the Women Entrepreneurs Loan	264 thousand women entrepreneurs benefited from the Women Entrepreneurs Loan.	Target maintained.	↑ Providing financing to women entrepreneurs to ensure equal opportunities
Providing financing to 220 thousand entrepreneurs (excluding women entrepreneurs)	227 thousand entrepreneurs (excluding women entrepreneurs) were financed.	Updated target: Providing financing to 250 thousand entrepreneurs (excluding women entrepreneurs)	↑ Provide financing to more entrepreneurs to encourage entrepreneurship
Increasing the share of green investments in investment loans to 25%	Realized as 18.55%.	Target maintained.	↑ Developing financial models in line with global sustainability standards ↑ Supporting the green transformation of businesses with the Green Transformation and Sustainability Support Package

ECONOMIC VALUE CREATED AND DISTRIBUTED

Through its products and services, Halkbank aims not only to meet financial needs but also to strengthen economic participation and build trust-based relationships.

Halkbank facilitates access to financial services by integrating its innovative infrastructure with its extensive network of branches and ATMs.

With a banking approach based on the principle of inclusive growth, Halkbank adopts a value creation model that strengthens the productive capacity of Türkiye’s economy and contributes to the widespread distribution of social welfare. Thanks to its strong ties with the real economy, a product structure that supports access to finance, and a long-term perspective, the Bank focused on the sustainable creation of economic value and its balanced distribution among stakeholders in 2025.

Positioning technology as a complementary element to people-centric banking, Halkbank facilitates access to financial services by integrating its innovative infrastructure with its extensive network of branches and ATMs.

This approach helps individuals, artisans, tradespeople, SMEs, and businesses achieve a stronger, more resilient, and more competitive position within the economic system. Through its products and services, the Bank aims not only to meet financial needs but also to strengthen economic participation and build trust-based relationships.

In 2025, the Bank’s total assets reached TRY 4,292.8 billion. The Bank completed the operating period with a net profit of TRY 27.1 billion, a return on equity of 14.10% and a capital adequacy ratio of 16.17%. With its innovative business models, sustainable growth strategy, as well as reliable products and services, the Bank works relentlessly to build Türkiye’s future.

Economic Value Created and Distributed	Unit	2023	2024	2025
Economic Value Created (Revenues)	TRY Thousand	57,696,376	74,251,732	158,742,494
Economic Value Distributed to Stakeholders				
Operating costs	TRY Thousand	48,119,901	59,478,062	104,649,146
Benefits to employees	TRY Thousand	19,017,844	29,568,519	48,626,145
Benefits to the government	TRY Thousand	288,426	955,643	1,079,999
Benefits to capital providers	TRY Thousand	0	0	0
Benefits to society	TRY Thousand	8,812,408	619,935	249,872
TOTAL	TRY Thousand	57,220,735	61,053,640	105,979,017
Retained Economic Value	TRY Thousand	475,641	13,198,092	52,763,477



NATURE-POSITIVE PRODUCTS AND SUSTAINABLE FINANCE

Halkbank addresses the risks and opportunities arising from the climate crisis in an integrated manner, supporting green transformation processes and strengthening sustainable development through environmentally friendly policies.



Halkbank aims to continuously develop its product portfolio, which is structured in line with sustainable finance principles.

In line with its sustainable finance approach, Halkbank has set a primary goal of providing financing solutions that support sustainable development and green transformation through the products and services it develops.

When developing its sustainable finance products, the Bank considers environmental, social, and governance (ESG) factors, as well as investor and customer expectations and national and international regulations. Financing products are classified in accordance with internationally recognized standards and linked to the Sustainable Development Goals.

Halkbank prioritizes financing activities aimed at supporting disadvantaged groups in accessing finance, particularly SMEs, women, and young entrepreneurs, as well as sectors such as renewable energy, energy efficiency, the circular economy, education, and healthcare.

At the same time, it continues its efforts to expand its range of sustainable finance products. Impact assessments are conducted to evaluate the environmental and social impacts of financed companies, and access to financing is assessed within the framework of established environmental and social criteria.

With its deep-rooted history, corporate expertise, qualified workforce, and a brand value built on trust, Halkbank implements its responsible banking approach through its nationwide physical and digital service network. The Bank addresses the impacts of the economic value it creates in line with its “We Are People First, and Then the Bank” approach.

Halkbank believes that the stronger integration of women and young entrepreneurs into the economy and their increased participation in the workforce are of critical importance for sustainable development. In this context, the Bank carries out targeted initiatives for these segments through innovative financing solutions and

training programs. Furthermore, the Bank addresses the risks and opportunities arising from the climate crisis in an integrated manner, supporting green transformation processes and strengthening sustainable development through environmentally friendly policies. It makes tangible contributions to environmental sustainability through initiatives in areas such as renewable energy investments, the transition to electric vehicles, and energy efficiency.

Based on the classification made within the framework of sector-specific guides, the ratio of sustainability-linked commercial loans was calculated, and it was determined that approximately 84% of the portfolio is sustainability-linked.

RESPONSIBLE PRODUCT AND SERVICE APPROACH

Guided by its sense of responsibility toward future generations, Halkbank places a responsible banking approach that serves the future of our country and the world at the core of its operations. In this context, the Bank aims to continuously develop its product portfolio, which is shaped by its sustainable finance approach. With this approach, Halkbank not only transforms its own operations but also encourages all its stakeholders, especially its customers, to adopt sustainable business models.

By raising awareness, particularly on efficiency, it contributes to increasing the energy efficiency of companies, especially SMEs, helping them achieve savings and supporting their decarbonization processes for a transition to a low-carbon economy.

To support its responsible product and service approach, the Bank conducts training programs to increase the knowledge and awareness of its employees in this area. Accordingly, 1,362 hours of training were provided to 426 participants in “Sustainable Finance,” and 4,790 hours of training were provided to 16,804 participants in “Environmental and Economic Management.”

Energy Investments for a Low-Carbon Future

Renewable energy is of strategic importance for reducing Türkiye’s foreign dependency on energy and accelerating the transition to a low-carbon economy. Renewable energy sources offer an effective solution for mitigating environmental risks such as air and water pollution, excessive water and land use, habitat loss, negative impacts on public health, and global warming.

In line with Türkiye’s sustainable development goals, Halkbank distinguishes itself in the strategically important energy sector through its specialized workforce and sectoral expertise. The Bank continues to contribute to both the environment and the economy by prioritizing renewable energy projects.

Acting with an awareness of our country’s renewable energy potential, Halkbank prioritizes financing support for investments in electricity and heat generation, such as SPPs, HEPPs, GEPPs, WPPs, and BPPs, based on its technical and financial assessments.

The share of Renewable Energy and Energy Efficiency Investment Loan risk in the Bank’s Energy Investments risk is at 52.3% level with TRY 33.4 billion. In addition, a total of TRY 5.4 billion cash investment loans were extended for renewable energy projects in 2025. The renewable energy loans extended contributed to 680,553 tCO₂e emission reduction. By the end of 2025, the share of Renewable Energy and Energy Efficiency Investment Loan risk in total cash risk excluding retail is 2.06%. The amount of loans extended to renewable energy power plants by years is given in the table below.

In line with Türkiye’s sustainable development goals, Halkbank distinguishes itself in the strategically important energy sector through its specialized workforce and sectoral expertise.

NATURE-POSITIVE PRODUCTS AND SUSTAINABLE FINANCE

Halkbank financed a total of 11 renewable energy projects in 2025.

RENEWABLE ENERGY AND ENERGY EFFICIENCY INVESTMENT LOANS					
TRY	2021	2022	2023	2024	2025
HEPP	98,275,000	421,500,000	550,778,500	101,585,000	1,307,208,446
WPP	257,120,000	0	84,000,000	627,495,794	311,796,762
BPP	109,734,000	349,000,000	39,200,000	369,147,188	0
GPP	0	0	0	0	0
SPP	188,388,000	1,741,354,620	5,753,375,482	1,602,563,804	3,808,892,358
Energy Efficiency	0	3,870,000	0	0	0
TOTAL	653,517,000	2,515,724,620	6,427,353,982	2,700,791,786	5,427,897,566

The number of renewable energy projects evaluated for the reporting period and the previous four years of the Bank is given in the table below:

Number	SPP	WPP	HEPP	GPP	BPP	Total Number	Total Installed Capacity (MW)
2021	12	1	4	0	8	25	301
2022	268	0	4	0	7	279	450
2023	244	1	6	0	3	254	535
2024	17	2	2	0	1	22	277
2025	7	1	3	0	0	11	545
TOTAL	548	5	19	0	19	591	2,108



Green Transformation and Sustainability Support Package

Renewable Energy and Energy Efficiency Investment Loan: It can be considered for Solar Power Plant (SPP) and Wind Power Plant (WPP), biogas plant, geothermal plant investments in order to offset the energy costs of companies with renewable energy systems.

Green Workplace Investment Loan: For workplaces with high energy consumption, investments can be made to boost productivity by increasing the quality of production and at the same time reduce energy costs.

Green Certified Construction Project Loan: Financing can be provided for companies that consume less energy, use fewer natural resources and generate less pollution in the world and in Türkiye, and that have received certificates from institutions authorized by the Ministry of Environment, Urbanization and Climate Change to issue "Green Certificates"

Green Light Commercial Vehicle Loan: This loan can be utilized for investments in hybrid and electric eco-friendly passenger cars, commercial vehicles and construction equipment purchased by real and legal person companies for use in commercial activities.

Electric Vehicle Charging Station Loan: This loan can be used to finance real and legal person companies that want to invest in charging stations to meet the energy needs of electric vehicles.

Recycling Loan: Within the framework of the principle of sustainability, this loan can provide the necessary financing for the minimization of waste at its source and reintroducing waste into the economy through recycling and recovery processes including sorting, collection, temporary storage, disposal and reuse.

Sustainability Certification Support Loan: Finance for operating expenses of companies that hold at least one of the certificates designated for sustainability can be provided.

Wastewater Management Loan: Provides the necessary financing for businesses that wish to invest in wastewater treatment and wastewater recovery facilities or to improve their existing facilities.

NATURE-POSITIVE PRODUCTS AND SUSTAINABLE FINANCE

In 2025, the 19 tons of emissions caused by the Paraf Doğal card throughout its life cycle were offset through carbon credits compliant with Gold Standard criteria.

Paraf Doğal encourages sustainable consumption through discounts on sapling donations, pet food donations, electric vehicle charging stations, veterinary services, and organic product expenses.

Türkiye's First Carbon Neutral Credit Card: Paraf Doğal

Halkbank developed the eco-friendly Paraf Doğal credit card, produced from 100% recycled materials, to transform its card payment system business models along a sustainability axis and raise environmental awareness among its customers. Emissions generated throughout the card's life cycle, assessed with a cradle-to-grave approach, are offset through carbon certificates procured by the Bank.

While retaining all the functions and benefits of the Paraf brand, Paraf Doğal encourages sustainable consumption through discounts on sapling donations, pet food donations, electric vehicle charging stations, veterinary services, and organic product expenses. With these features, Paraf Doğal contributes to raising awareness at the individual level through its structure that addresses environmental, social, and economic dimensions collectively. As Türkiye's first carbon-neutral credit card, Paraf Doğal enables the integration of sustainable lifestyle habits into daily financial choices.

In 2025, the 19 tons of emissions caused by the Paraf Doğal card throughout its life cycle were offset through carbon credits compliant with Gold Standard criteria.



Support for Sustainable Growth-Oriented Investors Listed on Borsa Istanbul

In 2024, Halkbank issued the "Halkbank Sustainability 30 Companies Equity Fund," which offers the opportunity to invest in companies with high sustainability performance included in the BIST Sustainability Index.

At least 80% of the total value of the fund is invested continuously in domestic partnership shares included in the Halkbank Sustainability 30 Index, excluding the shares of securities investment trusts, and those among the exchange-traded funds established to track this index and determined by the fund portfolio managers as a result of risk/return assessments using fundamental and factor analysis.

The companies to be invested in within the scope of the fund are selected from publicly traded companies with high performance in Environmental, Social and Governance (ESG) criteria such as global warming, depletion of natural resources, decrease of water resources, health, safety and employment. These companies are required to meet the sustainability rating requirements of the BIST Sustainability Index as a minimum.

Halkbank Sustainability 30 Index is designed to measure the price and return performance of a portfolio consisting of 30 stocks with high market capitalization in active circulation, selected among companies with high sustainability ratings and included in the BIST Sustainability Index.

CORPORATE AND COMMERCIAL BANKING

Halkbank conducts its Corporate and Commercial Banking activities within a framework aligned with our country’s development goals.

CORPORATE AND COMMERCIAL BANKING IN 2025

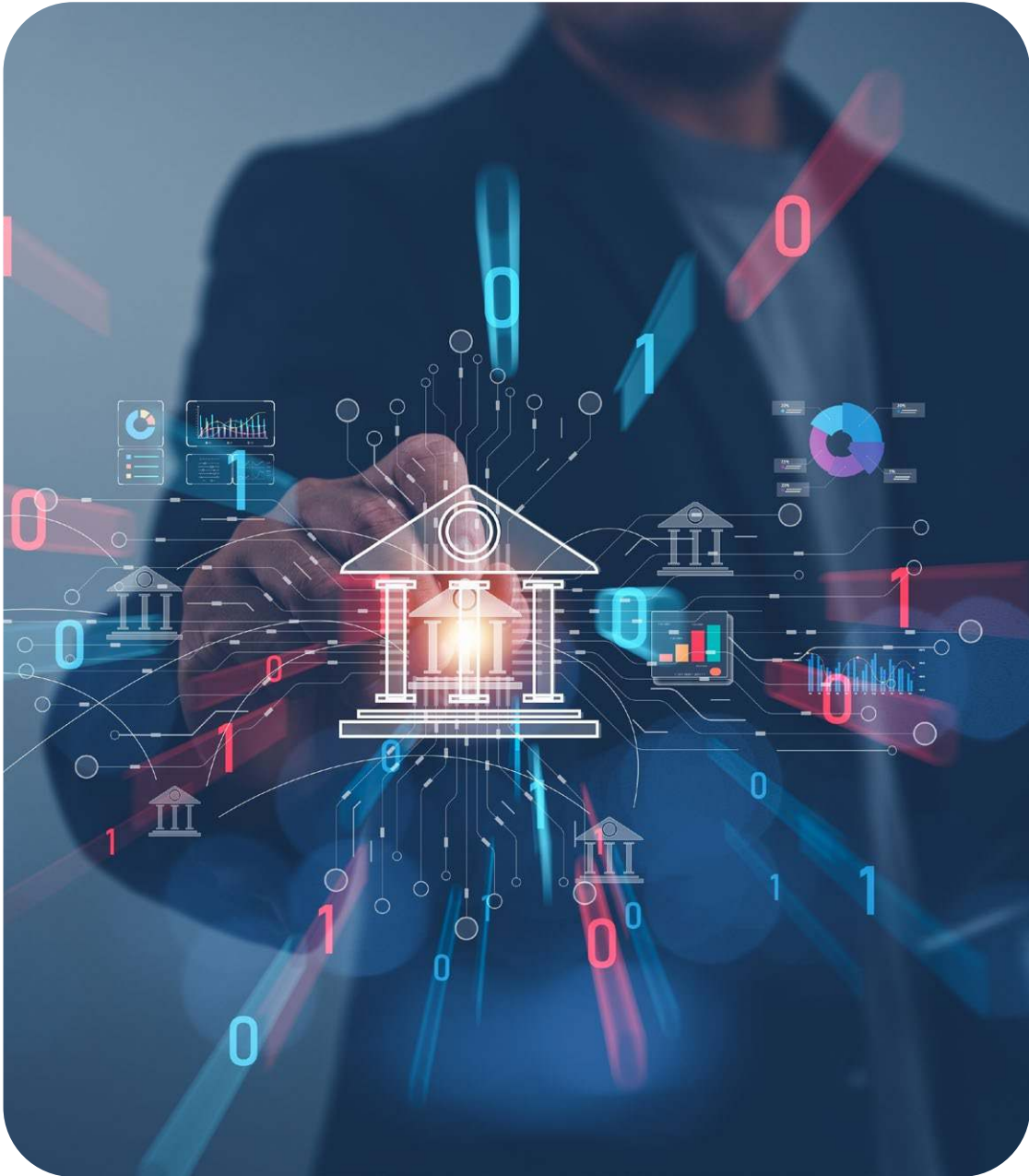
8 CORPORATE BRANCHES

34 COMMERCIAL BRANCHES

40.1% SHARE OF THE CORPORATE AND COMMERCIAL SEGMENT IN CASH LOANS

Corporate and Commercial Banking supports local and multinational companies with an annual turnover of TRY1 billion or more, through an approach focused on continuous development and long-term value creation. In this context, Halkbank operates through a total of 42 branches, including eight Corporate and 34 Commercial branches. It offers its customers core banking services as well as value-added products and services such as structured financing, cash management, and foreign trade solutions. By focusing on establishing long-term solution partnerships with its customers, Halkbank supports both the growth of companies and the sustainable development of the country.

Halkbank conducts its Corporate and Commercial Banking activities within a framework aligned with our country’s development goals. By placing value-added production, sustainable investments, employment-generating initiatives, and export-oriented projects at the core of its lending policies, the Bank supports the real sector through cost-effective working capital and investment financing solutions. Renewable energy investments, in particular, are positioned among the priority areas, and policies are developed to ensure the effective and efficient use of resources.



In line with this approach, Halkbank plays an active role in the implementation of projects that are critically important for the national economy, such as power plants, bridges, highways, and airports. The Bank closely follows digital transformation, customer-oriented service approaches, and sustainable financing models, contributing to both strategic infrastructure projects and essential need areas vital for the continuity of economic activity. While the customer portfolio is expanded through a multifaceted value creation approach, collaborations with existing customers are also permanently strengthened.

Scaled and Targeted Financial Contribution to the Economy

In 2025, Halkbank adopted a financing approach focused on projects consistent with its policy, in line with the decisions of the Central Bank of the Republic of Türkiye to support financial stability and strengthen monetary transmission mechanisms. Within this framework, Corporate and Commercial Banking activities have been directed toward expanding economic impact in areas that support production, investment, and employment.

During this period, total cash and non-cash loans extended in the Corporate and Commercial Segment amounted to TRY 1,571 billion. Of this amount, TRY 800.4 billion (49%) consisted of cash loans, and TRY 770.6 billion (51%) consisted of non-cash loans. As of year-end 2025, the share of the Corporate and Commercial segment in total cash loans was 40.1%.

Halkbank strengthened its portfolio quality by directing its financing opportunities to strategic sectors such as tourism, iron and steel, energy, information technology, automotive, and the defense industry. Through loans provided, including those from Eximbank and Central Bank of the Republic of Türkiye resources, it financed investments that create import substitution, contribute to reducing the current account deficit, support foreign currency-earning activities, and target high value-added production. In line with this approach, the Bank made a tangible contribution to Türkiye’s Green Deal compliance process by prioritizing renewable energy investments and environmentally responsible projects.

During the same period, Halkbank continued its uninterrupted financial support for the reconstruction of the earthquake-affected region, prioritizing projects that accelerate regional recovery, ensure the continuity of economic activity, and contribute to job preservation.

In the period ahead, Halkbank will continue to prioritize the demands of companies that contribute to production, employment, and exports. For 2026, the Bank has identified strengthening its stable demand deposit structure, developing a sustainable revenue mix, deepening customer relationships in foreign trade, and further strengthening its profitability and cash-flow position as the key focus areas for the Corporate and Commercial Segment. In this context, Halkbank aims to reinforce its “Main Bank” position by implementing a system infrastructure that integrates customers’ cash flow operations with the Bank, enabling accurate measurement and effective management.

SME-ARTISANS BANKING

While leading the development of the Turkish banking sector, Halkbank continues its mission of supporting the real economy.

SME-ARTISANS BANKING IN 2025

TRY **961.3** BILLION
TOTAL SME LOANS

14.2%
HALKBANK’S SME LOANS
MARKET SHARE

1.1 MILLION
SME CUSTOMERS

54.6% OF
COMMERCIAL LOANS
TO SMEs

IN 2025, A TOTAL OF
TRY **176** BILLION
WAS PROVIDED TO
258,000 TRADESMEN
AND ARTISANS
INTEREST-SUBSIDIZED LOAN

Since its establishment, setting out from the great leader Atatürk’s saying that “it is extremely essential to create an organization that will provide small business owners and large industrial enterprises with the loans they so desperately need, easily obtainable and inexpensively priced and to lower the cost of credit under normal circumstances,” Halkbank embraced the mission of providing tradesmen and artisans with loans under convenient terms and conditions.

Founded in 1938, Halkbank has consistently maintained its core business strategy of supporting tradesmen and artisans and creating value for the economy, positioning itself as the leading bank for tradesmen and artisans in the sector. To this end, the Bank has been supporting tradesmen and artisans since 1952 under the guarantee of the artisans and tradesmen loan and guarantee cooperatives and through the Ministry of Treasury and Finance interest-subsidized loans.

Pioneering the development of the Turkish banking sector, Halkbank continues its mission to support the real economy. The Bank provides innovative products and services through a comprehensive approach to meet the financial and non-financial needs of productive, employment-generating tradesmen, farmers, and small, medium, and large enterprises.

The Bank provides no-interest loans through the Ministry of Treasury and Finance, to tradesmen and artisans holding a “Tradesman Tax Exemption Certificate” and operating in occupations of traditional, cultural, and artistic value that are facing extinction (hand weaving, copper smithing, tile and pottery making, mother-of-pearl handcrafting and wood carving, spoon

making, walking stick handcrafting, saddlery, block printing, quilting, felt making, meerschaum and oltu stone handcrafting, rawhide sandal making, Yemeni shoemaking, needlework, together with other occupations the Ministry of Treasury and Finance considers to be of similar nature). This support aims to enable tradesmen and artisans to sustain their knowledge and skills and pass them on to future generations, prevent these occupations from disappearing, and support the continuity of their businesses.

The Bank provides no-interest loans, subsidized by the Ministry of Treasury and Finance, to entrepreneurs holding a mastery certificate who are starting a new business, as well as to young entrepreneurs under the age of 35 who have completed KOSGEB Entrepreneurship training. Additionally, the Bank offers interest-subsidized loans covering 60% of interest to tradesmen and artisans who participate in the technical support programs of organizations that have entered into an agreement with the Bank and that provide entrepreneurship training support as well as long-term consulting and mentoring services, and whose projects have been approved by those organizations.

Halkbank provides financing support for investments through the “Tradesmen Working Capital” loans, as well as the “Workplace Acquisition,” “Vehicle Acquisition,” and “Machinery and Equipment Purchase” loans available to tradesmen and artisans.

Halkbank also holds a prominent position in the tradesmen banking sector. As the sole bank providing financing to tradesmen and artisans under the Ministry of Treasury and Finance’s interest-subsidized loan

program, Halkbank maintains a strong and enduring relationship with this customer segment. In 2025, a total of TRY 176 billion in interest-subsidized loans were provided to 258,000 tradesmen and artisans.

The Bank sustained its support for tradesmen and artisans in the earthquake-affected region in 2025. In this context, a special loan product with a one-year grace period and a limit of TRY 500,000, with interest subsidized by the Ministry of Treasury and Finance, was introduced to support tradesmen and artisans affected by the earthquakes in the Sındırgı district. In addition, a three-month deferral has been granted on existing loans held by tradesmen and artisans operating in the region

Halkbank will continue to stand by tradesmen and artisans who create value for a developing Türkiye, in line with its founding mission. The Bank will continue to support employment and production by extending financing to strategic sectors and new ventures.

Qualified and Uninterrupted Service to SMEs through Every Channel
Despite intense competition in the SME banking segment, Halkbank has delivered robust results, as evidenced by its performance indicators. In

2025, the Bank extended 54.6% of its commercial cash loans to SMEs and held a 14.2% market share in SME lending at year-end. The volume of cash loans extended to 1.1 million SME customers reached TRY 961.3 billion.

As “People’s Bank,” Halkbank follows a lending policy that prioritizes SMEs, and its consistent performance in SME lending has strengthened its position as a reliable financial partner for SMEs. Offering fast and effective solutions to SMEs’ financing demands, the Bank reinforces its strong position in the sector.

Halkbank aims to provide faster and more efficient services to its customers by bringing its deep-rooted banking experience to the digital world. To this end, the Bank closely follows technological developments and continuously increases its investments in digital channels.

Maintaining its innovative approach in 2025 with the practices it implemented in SME Banking, Halkbank continued to contribute to supporting strategic sectors, increasing employment, and strengthening export capacity. In this context, solutions were offered to exporters, entrepreneurs starting new businesses, and SMEs aiming to digitize their operations.

Halkbank conducts its Banking Activities with a commitment to stand by its customers whenever they need financial support. By leveraging its human resources and financial capital to generate social benefit, the Bank continues to expand its support for SMEs, tradesmen and artisans in sustaining their operations. Through its sustainability-driven activities, Halkbank contributes to areas that generate added value for the country, including initiatives supporting women entrepreneurs to advance gender equality and environmentally responsible energy investments.

Solutions for Growing Entrepreneurship
In line with its long-standing mission to support entrepreneurship and its sense of social responsibility, Halkbank prioritizes encouraging entrepreneurship, increasing employment, and strengthening the participation of entrepreneurs in economic life. The Bank continues to contribute to the national economy and employment through the financial support it provides to entrepreneurs who want to start their own business or expand their existing one.



SME-ARTISANS BANKING

Positioning the support of entrepreneurial spirit and innovative business ideas as one of its strategic focus areas, Halkbank facilitates entrepreneurs’ access to finance with its “Entrepreneur Loan.”



227 THOUSAND
Number of
Entrepreneurs Granted
Loans

In 2025, the Bank extended loans exceeding TRY 9.5 billion to a total of 43,383 entrepreneurs under its financing support programs, including the “Entrepreneur Loan,” “Techno-Entrepreneur Loan,” “Young Business Loan,” “First Step Loan,” and “Gençiz Loan.” As of the end of the period, the total number of entrepreneurs provided with financing support under this scope reached 227,000, and the amount of loans extended reached TRY 38.4 billion.”

Entrepreneur Loan
Positioning the support of entrepreneurial spirit and innovative business ideas as one of its strategic focus areas, Halkbank facilitates entrepreneurs’ access to finance with its “Entrepreneur Loan.” In this context, the Bank provided a total of TRY 9 billion in financing support to 42,655 entrepreneurs from different

educational and age groups in 2025. As of the end of the period, the total number of entrepreneurs provided with financing support under this scope reached 224,000, and the amount of loans extended reached TRY 36.6 billion.

Techno-Entrepreneur Loan
With its “Techno-Entrepreneur Loan,” Halkbank offers financial and non-financial solutions for technology firms operating within techno parks, working in the IT and software fields, or receiving grants and support from public institutions such as TÜBİTAK and KOSGEB. In 2025, the Bank provided TRY 81 million in loan support to 203 entrepreneurs under this loan program. As of the end of the period, the total number of entrepreneurs provided with financing support within this scope reached 2,191, and the total amount of loans extended reached TRY 812 million.

Young Business Loan (KGF)
“Young Business Loan” offers both business and investment loan options for entrepreneurs under the age of 35 who operate in the manufacturing and IT/ software sectors, are newly established or want to expand their businesses. This loan program aims to support entrepreneurs in meeting their working capital needs and realizing investments that will enable them to achieve their growth targets, while contributing to the development of the entrepreneurship ecosystem. In 2025, the Bank extended TRY 269 million in loans to 257 entrepreneurs under this program. As of the end of the period, the number of entrepreneurs provided with financing support under this scope reached 699 individuals, and the amount of loans disbursed reached TRY 663 million.

First Step Loan (KGF)
The First Step Loan is designed to provide financing support to entrepreneurs under the age of 29 who are university graduates and operate in their field of study. With this loan, Halkbank provides entrepreneurs who have recently graduated from university with the financial support they need in establishing or expanding their businesses, supporting them in realizing their business ideas and making a strong start in the highly competitive entrepreneurship environment. In 2025, the Bank provided TRY 182 million in loan support to 238 entrepreneurs under this loan program. As of the end of the period, the number of entrepreneurs provided with financing support under this scope reached 288 individuals, and the amount of loans extended reached TRY 224 million.

Gençiz Loan (KGF)
The “Gençiz Loan” provides financing for sole proprietorships owned by individuals under 29, companies with at least 50% of shares held by entrepreneurs under 29, and companies where entrepreneurs under 29 hold at least a 25% share with management authority. To be eligible

for the Gençiz Loan, in addition to the criteria specified, applicants must be university graduates who have started a new business in their field of study, or be engaged in e-commerce, mobile application development, or software/ coding activities. Technopark firms that meet the age and shareholding criteria, or firms that have participated or will participate in international accelerator programs, or entrepreneurs participating in the Bank’s Jet Luck and HUBrica programs will also be able to benefit from this loan. In 2025, the Bank provided TRY 30 million in loan support to 30 entrepreneurs under this loan program.

In addition to these loans, Halkbank has launched the HUBrica Acceleration Program for technology-based startups to identify such ventures and facilitate their access to investment. At the conclusion of the program, which included startups in the sustainability, artificial intelligence, and fintech sectors, entrepreneurs had the opportunity to receive a monetary award and explore partnership opportunities with the Bank. Through these and similar efforts, Halkbank aims to be the first bank that comes to the minds of young entrepreneurs.

Solutions for Growing Women’s Entrepreneurship
According to September 2025 data from the Banks Association of Türkiye’s “Report on Loans Granted to Women Entrepreneurs,” Halkbank accounted for 65% of outstanding loans to women entrepreneurs by number and 32% by volume. (*)

Women Entrepreneurs Loan Package
The “Women Entrepreneurs Loan Package,” which Halkbank launched on March 8, 2021, International Women’s Day, and whose upper limit was increased to TRY 1 million in June 2025, covers the women entrepreneur ecosystem from end to end, whether they are starting their first business or have been in business for many years. With over TRY 39.8 billion in

loans extended to 25,000 women entrepreneurs in 2025, the total number of women entrepreneurs provided with financing support under this scope reached 264,000, and the amount of loans extended reached TRY 120 billion as of the end of the period.

Support for Women’s Cooperatives
In 2021, the “Women’s Cooperatives Support Package” was created for the first time in Türkiye by Halkbank to support women’s cooperatives, increase their numbers, facilitate their access to finance, encourage and incentivize them, and ensure effectiveness and efficiency in their activities. Under the package, TRY 830,000 in loans was extended to three cooperatives in 2025, and a total of approximately TRY 6.5 million was provided to 60 women’s cooperatives facing challenges in accessing finance, significantly contributing to social development. This has facilitated the achievement of success through collective work for our women, who generally have an education level below the societal average and face financial difficulties. Halkbank has thus indirectly contributed to an increase in social welfare.

Growing Women Exporters Loan
The upper limit of the loan, launched in 2024 to support women entrepreneurs in exports, was increased to TRY 15 million.

Innovative Products for Women Entrepreneurs
In February 2025, the “Producing Women Platform” was launched. Women entrepreneurs and women’s cooperatives who are members of the platform can share their sector, contact information, and social media accounts. This allows for networking among members and facilitates communication for the purchase of products and services. Membership registration is carried out through the “Producing Women” tab on the Bank’s website.

(*) Includes all installment loans extended to individual women entrepreneurs, legal entities at least 50% owned by women entrepreneurs, and women’s cooperatives.

SME-ARTISANS BANKING

With the “Paraf Producing Women Credit Card” and “Paraf Producing Women POS” products, women entrepreneurs can make installment and deferred payments for goods and services for their businesses.

Halkbank continues to support the journeys shaped by their hard work of women entrepreneurs who are open to development through new partnerships.

To promote a savings culture, we have enhanced the benefits of the “PPS Plan with Special Contribution for Women Entrepreneurs” product, which was developed specifically for women entrepreneurs engaged in production and contributing to development. Within the scope of this product, Halkbank pays an additional contribution of TRY 250 per month for a maximum of 60 months to the PPS plans of female participants who meet the necessary conditions. Women entrepreneurs who own real person sole proprietorships and all women partners in legal entities where at least 50% of the shares are owned by women can benefit from this advantage.

Halkbank, through its “Exclusive Risk Disease Insurance for Women Entrepreneurs,” helps secure the livelihoods of producing women and enables them to benefit from the various services included in the package. As part of the product, a compensation benefit is provided to female customers aged 18–64 for specified diseases covered by the policy. Within the scope of risk diseases for women, insured individuals receive compensation of TRY 67,500, TRY 150,000, TRY 300,000, or TRY 500,000, depending on their policy plan.

With the “Paraf Producing Women Credit Card” and “Paraf Producing Women POS” products, women entrepreneurs can make installment and term payments for goods and services for their businesses, and manage their cash flows more efficiently by processing checks and promissory notes through the card. Women entrepreneurs can also gain various benefits from the suppliers they work with, thanks to the main dealer limit feature. As of the end of 2025, the number of Paraf Producing Women Credit Cards had reached 20,084. The Paraf Producing Women POS offers a 50% discount on POS fees and provides favorable commission rates for both one-time and installment transactions.

Partnerships to Empower Women in Economic Life
Halkbank continues to accompany the labor-intensive journeys of entrepreneurs open to development with new partnerships. The partnership within the scope of the “Technology Power for Women Entrepreneurs Program - Women Entrepreneurs Overcome Financial Barriers Project” provides positive discrimination to women entrepreneurs who sell on e-commerce platforms and receive their payments using Halkbank accounts. In this context, entrepreneurs can benefit from various advantageous products offered by Halkbank, ranging from favorable loans to special insurance packages.

The “Growing with Women Agents Project,” launched in partnership with Halkbank and Türkiye Sigorta, aims to streamline the process for women entrepreneurs to become Türkiye Sigorta agents via Halkbank. In the first year of the project, the goal is for 100 women entrepreneurs to become Türkiye Sigorta agents, reaching 500 agents by the end of the third year, and creating additional employment for at least 1,000 people in the process. The Bank provides financing support with an upper limit of TRY 1 million under the project; it also offers technical support during the agency opening process, applies a 50% discount on agency guarantees, and provides mentoring support.

Halkbank offers the Fuel Management System to help SMEs make fuel purchases more easily and on better terms.

Solutions for the Year of the Family
As part of the 2025 Year of the Family, Halkbank, in partnership with the Credit Guarantee Fund (KGF), launched the KGF-backed “My SME Family Support Package” for SMEs to boost women’s participation in the workforce, promote work–life balance, and contribute to social development. The package offers financing support under favorable conditions to SMEs and women entrepreneurs classified as tradesmen, as well as to family businesses and family-friendly employers. In this framework, the concept of a “family-friendly employer” has been defined, and the loan upper limit has been set at TRY 3 million.

Halkbank aims to boost women’s participation in the workforce by supporting SMEs that plan to establish a private preschool education center or require working or investment capital for their existing operations. Under the “Pre-school Private Educational Institutions Support Package” launched for this purpose, TRY 5.5 million in loans were extended to six firms in 2025; as of the end of the period, the total support provided to 47 firms reached TRY 22.9 million.

The Bank also contributes to the proliferation of care homes designed to meet the physical, social, and health needs of the elderly and individuals with disabilities, with the aim of supporting them in living in peaceful and safe environments. In this context, the “Elderly and Disabled Care Homes Support Package” was established to promote the opening of new care homes for the elderly and disabled, and to address the financing needs of existing facilities.



Solutions Offering Secure Trade
To facilitate commerce and reduce the risks and uncertainties inherent in trade, Halkbank has launched the GETS (Secure Electronic Commerce System) product, which allows for deferred payments and sales under the bank’s guarantee. Within the system, credit and collection processes are managed in an integrated framework; payments and collections are guaranteed by Halkbank from the time an order is placed until the payment obligation is fulfilled.

The Halkbank Secured Check retains the characteristics of a standard check and, through its payment guarantee, ensures payment of the full amount printed on the check. The Secured Checkbook is offered with payment guarantee options of TRY 20,000, TRY 50,000, TRY 100,000, and TRY 200,000.

Halkbank offers the Fuel Management System to enable SMEs to purchase fuel more conveniently and on more favorable terms. Thanks to the system, SMEs can purchase fuel at discounted rates from the Bank’s contracted fuel stations without leaving their vehicles.

Solutions for Professional Groups and Tradesmen
Halkbank, through the “Individual Enterprise Support Loan,” provides support to sole proprietorships with a finalized annual turnover of up to TRY 10 million, registered with a Chamber of Tradesmen, Chamber of Commerce and Industry, or Professional Association.

The “Halkbank Plus Limit for Tradesmen” was created to meet the working capital needs of tradesmen and artisans for their professional activities on favorable terms. Under the Plus Limit, tradesmen are offered a Cash Working Capital Loan, a Commercial Credit Card, a Commercial Overdraft Account, and Check products.

To facilitate access to financing for cooperatives and cooperative unions, the Cooperative Support Program was launched in cooperation with the Credit Guarantee Fund (KGF), and the “Cooperative Support Loan” was introduced within this scope.

The ‘Pharmacist Support Package’ provides members of The Pharmacists’ Association of Türkiye (TEB) with a TEB-branded Pharmacist SME Card, a cash loan for pharmacists, and POS products.

SME-ARTISANS BANKING

Halkbank develops tailored solutions for exporters and supports them in line with Türkiye’s strategy and economic programs.

The “Gold Loan,” provided through the physical delivery of gold, has been introduced to meet the gold-based working capital needs of manufacturers that produce jewelry from gold and earn processing income by working the metal, and to increase their production capacity.

In 2026, the Company will continue to develop solutions tailored to the needs of relevant professional groups by maintaining its engagement with chambers of commerce, industry, and professional organizations.

Solutions for Digital Transformation and Sustainability
In line with the green transformation and sustainability goals in the Medium-Term Program, Halkbank supports sustainability-focused projects with environmental and social impacts to reduce foreign dependency on energy, promote renewable energy, increase energy efficiency and savings, reduce greenhouse gas emissions, and contribute to zero-waste targets. In this context, the “Green Transformation and Sustainability Support Package” has been introduced. The package offers financing solutions in many areas, including renewable energy investments, energy efficiency practices, sustainability certification, recycling, and waste management.

With the Credit Guarantee Fund (KGF) guaranteed “Green Transformation and Energy Efficiency Support Package,” Halkbank supports the investments of small businesses aimed at reducing energy consumption without causing a decline in production quality and quantity.

The Bank has also created the “Digital Transformation Loan” to contribute to digital transformation. This loan aims to promote the development and widespread use of domestic technologies for digital transformation in the industrial and service sectors. Under the loan, the digital transformation investments and working capital needs of firms operating in or planning to operate in the technology and innovation fields are met with financing support to enhance their technological competencies and develop innovative products.

Solutions for Exporters’ Needs
Halkbank develops tailored solutions for exporters and supports them in line with Türkiye’s strategic and economic programs. Continuing its efforts to meet the demands and needs of exporting firms to increase Türkiye’s international competitiveness, the Bank offers foreign currency loans, TL export loans, and letters of guarantee to firms in the export preparation phase, and provides installment export loans to firms requesting installment payments in foreign currency. It also develops special financing solutions for firms wishing to increase their export volume and expand into new markets.

Halkbank supports exporting firms through the ‘Growing Exporter Loan,’ ‘Growing Women Exporters Loan,’ ‘İGE 100th Anniversary Treasury Support Package,’ ‘İGE Foreign Currency Support Loan,’ ‘İGE Unity Support Loan,’ ‘KGF Export Support Package,’ ‘CBRT Investment-Committed Advance Loan,’ ‘CBRT New Investment-Committed Advance Loan,’ and ‘CBRT Export and Foreign Exchange Earning Services Rediscount Loan. The Bank also acts as an intermediary for loans with favorable interest rates sourced from Eximbank. Firms can open letters of credit and conduct other foreign trade transactions on favorable terms thanks to Halkbank’s extensive correspondent banking network.

Solutions that Drive Operations
In partnership with the KGF, the “TOBB Breathing Loan 2025” was launched to meet the cash flow needs of the real economy on a broad basis, in line with the regional weights determined by the Union of Chambers and Commodity Exchanges of Türkiye (TOBB), during the economic program implemented to combat inflation.

To meet the working capital needs of SMEs, the “SME Opportunity Spot Loan” and “SME ATTACK” products provide SMEs with access to finance whenever they need it. Additionally, the “Route Salary Payment Loan” was created to enable SMEs to make their personnel salary payments on time and manage their cash flows securely.



Within the framework of its partnership with İGE, Halkbank supports efforts to ensure that all exporting firms, especially SMEs, are aware of and can benefit from the İGE guarantee.

KGF Partnerships
Halkbank continued its efforts in 2025 to ensure that all SMEs are aware of and can benefit from the KGF guarantee within the scope of its partnerships with the Credit Guarantee Fund Inc. (KGF). SMEs and entrepreneurs who have difficulty accessing finance due to insufficient collateral have reached the financing they need through KGF-guaranteed loans offered via Halkbank.

Under the existing protocols with the KGF and new protocols signed in 2025, support was provided through numerous products, primarily the “KGF General Support Loan,” “My SME Family Support Package,” “KGF Investment-Business Support Package,” “Cooperative Support Loan,” “Individual Enterprise Support Loan,” and “TOBB Breathing 2025.”

İGE Partnerships
Within the framework of its partnership with Export Development Inc. (İGE), Halkbank supports efforts to ensure that all exporting firms, especially SMEs, are aware of and can benefit from the İGE guarantee. Exporting firms can access the financing they need thanks to the İGE guarantee. In 2025, under new and existing protocols signed with İGE on different dates, the financing needs of exporting firms were met through the “İGE United Strength Support Loan,” “İGE Support Package,” “Defense Industry Supplier Support Loan,” “İGE Export Loan,” and “İGE Foreign Currency Support Loan.”

KOSGEB Partnerships
The partnership between Halkbank and the Small and Medium Enterprises Development and Support Administration (KOSGEB) continued in 2025 to provide financing under favorable conditions to businesses registered in the KOSGEB database with an approved and up-to-date SME Declaration. SMEs eligible for support under the “KOSGEB Capacity Building Support Program” and the “KOSGEB Global Competitiveness Support Program” were offered access to a conditional loan facility on favorable terms.

Within the framework of new protocols signed with KOSGEB, new products are planned to be launched in 2026. In this context, the objective is, in particular, to meet entrepreneurs’ needs for letters of guarantee under the “Entrepreneur Support Program” and to provide interest-subsidized loans from KOSGEB to entrepreneurs deemed suitable by KOSGEB.

In 2026, Halkbank plans to continue its strong efforts in the SME banking segment and maintain its credit policies that prioritize SMEs, entrepreneurs, and tradesmen. While resolutely advancing toward its growth target in SME loans, the Bank aims to develop solutions aligned with the decisions of economic authorities and global developments, and to offer support with innovative products in the areas of growth and employment, export financing, sustainability, digital transformation, and entrepreneurship.

RETAIL BANKING

The Company is expanding its banking channels through fintech partnerships and AI-powered digital representatives.

RETAIL BANKING
IN 2025

232.3
TRY BILLION
TOTAL LOANS IN RETAIL
BANKING



4.7%
CONSUMER LOANS MARKET
SHARE



~2.1 MILLION
SALARY PAYMENT
CUSTOMERS



Retail banking is one of the financial business lines where innovations most affect customer preferences and financial solution trends change most rapidly. Adopting an approach focused on offering a more personalized and interactive experience and bringing its services to customers at the most affordable costs, Halkbank is leading the digital transformation in this dynamic field.

Integrating current technological trends such as cloud computing, artificial intelligence, and blockchain technologies into its business processes in retail banking activities, Halkbank is expanding its banking channels through fintech partnerships and AI-powered digital representatives. The Bank prioritizes providing a fast, accessible, and consistent service experience at all points of contact with its customers.

Providing services through branches, call centers, and digital channels with over 3,200 customer representatives, Halkbank continues to develop the strong bond it has established with its customers in 2025. With TRY 48.4 billion in loans extended during the period, the Bank's retail loan volume, including overdraft accounts and retail credit cards, reached TRY 232.3 billion. As of year-end, the Bank has a 4.7% market share in retail loans.

Halkbank, whose total number of retail customers reached 15 million as of the end of 2025, gained 604,000 new retail customers during the year. The Bank, which launched its first Private Banking Branch at the Istanbul Finance Center as of April 2025, aims to enrich the customer experience

and create strategic, high-value-added growth by establishing a strong position in the high-net-worth customer segment.

Products and Solutions for Needs

In the increasingly competitive retail banking market, Halkbank continuously develops its product and service range in line with customer expectations, market conditions, and the Bank's targets to strengthen its market share.

Following the declaration of 2025 as the 'Year of the Family,' a range of products catering to different life stages, such as the 'Hello Life Consumer Loan,' 'Special Housing Loan for Newlyweds,' 'TRNC Year of the Family Loan Package,' and 'Vacation Loan,' have been introduced for retail customers and families. Within the framework of the same approach, the 'Artisan/SME Family Housing Loan,' 'Artisan/SME Family Mini Loan,' and 'Buy Now, Pay in 2026 Consumer Loan' products have been introduced for the families of artisans and SMEs, which are among the key building blocks of the Turkish economy.

To strengthen its retiree customer base, the Bank offers an interest-free "Welcome Loan for Retirees" campaign for customers who transfer their pension payments to the Bank.

The 'PPS Secured Consumer Loan' is offered to customers who have savings in the Private Pension System (PPS) but do not wish to exit the system due to cash needs; flexible financing options are provided through the 'Plus Limit' product, which enables the management of loan, overdraft account (KMH), and credit card limits in line with income level and creditworthiness."



In 2025, collection processes for private schools and universities were moved to a digital environment via the "Automated Collection System"; paperless banking practices were expanded for school, meal, tuition, transportation, and stationery payments.

The social responsibility approach was maintained with the "Vefa Consumer Loan" and "Vefa Mortgage Loan" products, offered under favorable conditions to meet the needs of relatives of martyrs, as well as disabled and combat veterans.

Halkbank, one of the preferred banks for mortgage loans, continued to support its customers' home acquisition processes in 2025 with flexible payment options and advantageous terms under the "My Sweet Home" concept and the "My Economical Home Mortgage Loan" package.

In vehicle financing, in addition to standard auto loans, the "Green Light Vehicle Campaign" was continued; the disbursement of the "TOGG Vehicle Loan" and the "Retail TOGG Co-Financed Auto Loan" products, developed in partnership with TOGG, also continued in 2025.

Institutional Salary Payments

In 2025, Halkbank continued to enhance its payroll services as part of its retail banking activities. Solutions offered to public and private sector institutions simplify payroll processes, providing employees with a sustainable banking experience integrated into the Bank's product and service ecosystem.

In this context, as of year-end, approximately 2.1 million people receive their salaries through Halkbank; about 1.3 million of them are covered by Bordro24. While Bordro24 provides operational convenience for institutions, it also offers integrated solutions to employees, including consumer loans, card products, and digital banking services.

Unique Solutions for a Sustainable Future

While making its customers' daily lives easier with its retail banking solutions, Halkbank aims to contribute to a sustainable future through products and services that strengthen its focus on environmental and social responsibility. Financing and insurance solutions developed in line with this approach support energy efficiency, emissions reduction, and responsible consumption.

As part of its sustainable mobility goals, the 'Eco-Friendly Vehicle Loan' continued to be offered to customers in 2025. The "TOGG Vehicle Loan," launched in 2023 to encourage the use of electric vehicles, was continued in 2025 with more advantageous financing terms, supported by a contribution from TOGG. In addition to these products that support emission reduction and eco-friendly transportation, potential risks are covered by "T Motor Insurance," an auto insurance product specifically developed for TOGG-brand vehicles.

Within the scope of housing finance solutions focusing on energy efficiency, the "Green Home Mortgage Loan" continued to be disbursed with advantageous pricing for residences with an Energy Performance Certificate (EPC) and an energy performance rating of Class A or B. This product supported investments that reduce energy consumption and limit environmental impact. Additionally, the "Energy Support Loan" for energy-saving expenditures such as white goods replacement, natural gas systems, solar panels, and LED lighting enabled retail customers to increase their energy efficiency.

In the field of education, the "Education Loan" and "Education Loan with Company Contribution" products aimed to alleviate the financial burdens of students and parents, offering solutions that support access to quality education.

The sustainability approach was also supported by insurance and digital banking applications. In 2025, compulsory earthquake insurance (DASK) policies were made available to customers via Mobile Banking for the first time. Quote viewing and policy issuance processes were digitized, expanding customer touchpoints. Under the Anka Insurance and the Private Pension System (BES) project, life and non-life insurance products were rolled out in all branches, transaction times were shortened through digital approval applications, and significant gains were made toward paperless banking. Infrastructure work for insurance sales via internet and mobile channels has been completed, with the goal of offering motor vehicle insurance through digital channels at the beginning of 2026.

DEPOSIT MANAGEMENT

In order to ensure the sustainability of its resource structure, Halkbank has set as its primary objective to encourage the conversion of FX deposits into TRY deposits within the framework of its Liraization Strategy.

DEPOSIT MANAGEMENT IN 2025

TRY **3,487** BILLION
TOTAL DEPOSIT SIZE

TRY **2,490** BILLION
TIME DEPOSIT VOLUME

71.4%
SHARE OF TIME DEPOSITS
TO TOTAL DEPOSITS

Pursuing a dynamic deposit management strategy based on the optimization of cost, market share, liquidity, and non-deposit funding opportunities, Halkbank serves a broad audience with the products it has developed in this context. The foundation of the Bank's deposit management efforts consists of acquiring a widespread customer base, increasing product usage among existing customers, reactivating dormant customers, and implementing cost-focused measures to support the profitable and efficient operation of its branches. In line with this approach, the deposit-related activities of all marketing units are guided within a holistic framework. As part of digitalization, Internet Banking and Mobile Banking channels are also effectively used to deliver deposit products to customers.

As of year-end 2025, Halkbank's total deposits reached TRY 3,487 billion. Of the total deposits, TRY 2,490 billion consists of time deposits, representing 71.4% of total deposits. As of the same date, 63.6% of deposits were in TRY and 36.4% were in foreign currencies.

As part of the effective management of deposit costs, "TRY Time Deposit Cost" targets were assigned to branches and Regional Coordinators; effective cost management was achieved in 2025 through efforts to reduce interest costs. Targeted marketing efforts focused on re-engaging TRY time deposit customers by identifying those who previously had a deposit relationship but no active deposits. Furthermore, marketing activities were accelerated to increase the amount and share of demand deposits, particularly demand savings deposits, within total deposits, as this is a key factor in reducing the Bank's funding costs and increasing profitability.

During the period, visits were made to strengthen relationships with public institutions, and efforts continued to increase the Bank's share of public deposits.

Liraization and Sustainable Deposit Management
To ensure the sustainability of its funding structure, Halkbank has set the primary goal of encouraging the conversion of foreign currency deposits into TRY deposits within the framework of its Liraization Strategy. In this context, the "Indexed TRY Time Deposit Account" was introduced to customers in 2025 to increase the balance of TRY time deposits and offer alternative deposit products.



Assuming a pioneering role in the banking sector's transformation toward technology and innovation, Halkbank accelerated its digitalization investments and continued to deliver its existing deposit products to a broader customer base through its Internet Banking and Mobile Banking platforms. Additionally, in 2025, products offered through alternative distribution channels were improved, and applications aimed at enhancing the customer experience were implemented.

Increasing TRY time deposits, raising the share of savings deposits within total deposits, and strengthening the core deposit base in terms of both customer numbers and volume form the main axis of the Bank's short, medium, and long-term deposit management plans. Accordingly, strengthening the widespread deposit structure and supporting a low-cost, sustainable funding structure will remain a primary focus area in 2026 and beyond. Halkbank also plans to establish a new performance system to incentivize the performance of branches that attract low-cost deposits.

TREASURY MANAGEMENT AND INTERNATIONAL BANKING

With a customer-focused approach, Halkbank will continue to maintain its competitive position in foreign exchange and derivative product pricing and fulfill the requirements of its market-maker role in interbank markets.

TREASURY MANAGEMENT AND INTERNATIONAL BANKING IN 2025

A TOTAL OF TRY 4.1 BILLION TO QUALIFIED INVESTORS COMMERCIAL PAPER ISSUANCE WITH A TOTAL NOMINAL VALUE OF

USD 1 BILLION EUROBOND ISSUANCE IN THE INTERNATIONAL MARKET

100+ COUNTRY CORRESPONDENT NETWORK

Treasury Management

In line with Halkbank’s strategies and policies, Treasury Management, which is active in domestic and international (organized and over-the-counter) money markets, foreign exchange, derivatives, and capital markets, contributes to the Bank’s asset-liability management, liquidity management, and profitability through transactions in these markets.

Halkbank, which has served as a Primary Dealer Bank since 2003 and aims to contribute to sufficient liquidity and depth in the government domestic debt securities (DİBS) market by actively participating in the Ministry of Treasury and Finance’s domestic borrowing activities, continued to be an active player in the securities market in 2025. During the period, in line with the goal of effective and efficient portfolio management and through a balanced securities portfolio strategy, the Bank both mitigated the impact of market risks on its balance sheet and supported its profitability.

Halkbank continued to issue securities in 2025 to create alternative funding sources, ensure product and customer diversity, strengthen its capital structure, and maintain financial stability. In this context, in 2025, the Bank issued a total of TRY 4.1 billion in nominal value of financing bills to qualified investors without a public offering and TRY 11.5 billion in nominal value of lease certificates (sukuk) for which it was the fund

user. Additionally, USD 900 million in funding was secured through repo and collateralized loan agreements.

With a customer-focused approach, Halkbank will continue to maintain its competitive position in foreign exchange and derivative product pricing and fulfill the requirements of its market-maker role in interbank markets. The goal is to provide fast, high-quality pricing with minimal operational risk, in parallel with digitalization in both over-the-counter and organized markets.

The Bank aims to efficiently manage its securities portfolio, which constitutes a significant portion of the balance sheet, in terms of maturity, portfolio type, and interest rate structure, and to preserve the portfolio’s profitability. In line with this goal, the Bank will continue to be an active player by monitoring market conditions in primary and secondary markets, and protection against market risks will be ensured through a balanced portfolio management strategy.

As in all its operations, Halkbank places supporting Türkiye’s sustainable growth at the core of its Treasury transactions and will prioritize implementing necessary automation and improvements in interbank transactions and customer services by closely following the digital transformation process in the sector.



International Banking

Since 2006, Halkbank has been obtaining long-term funding on favorable terms from international financial institutions to finance SMEs or larger-scale companies. Its activities in the field of sustainability began in 2008 with corporate social responsibility initiatives, and as a result of its partnership with international financial institutions, capacity-building activities have been carried out on corporate social responsibility, environment, and occupational health and safety for both the institution and its customers. In 2011, within the scope of partnerships with international financial institutions, the Bank began disbursing loans themed on energy efficiency and renewable energy.

As a component of its sustainability activities, Halkbank also provides loans through projects with international financial institutions such as the French Development Agency, the European Investment Bank, and the World Bank on topics including energy efficiency, renewable energy, pollution prevention, and the improvement of cluster zones like organized industrial zones. In 2025, a total of EUR 81.2 million in loans, including Energy Loans, was disbursed to meet customers’ investment and working capital needs.

Halkbank continues to provide global services to its customers in the fields of exports and imports and remains one of the most important supporters of exporters. The Company effectively manages an extensive correspondent bank network in over 100 countries, offering high-quality, value-added services and products to customers engaged in foreign trade. Underlying this success are the trust in Halkbank, strong relationship management, expertise, sustainable business volumes directed to correspondent banks, increased service quality in overseas operations, and customer satisfaction created through product diversity.

In 2025, Halkbank continued to support its customers in foreign trade and payments and, thanks to the synergy created by 87 banks that were part of, or newly added to, its correspondent network, successfully facilitated companies’ overseas activities, particularly through its strong relationship management approach.

In 2025, Halkbank issued a total of USD 1 billion in AT1 instruments in Eurobond format in the International Debt Capital Markets. Additionally, it secured a total of USD 700 million in funding from various international banks through loan agreements.

2026 and Beyond

Halkbank aims to maintain its positive international dialogue in the long term to diversify its funding structure, secure long-term funds under favorable conditions, and support its sustainable banking activities.

In the upcoming period, Halkbank will continue its efforts to increase transaction volumes with correspondent banks, establish correspondent relationships with new banks, and set up new limits with correspondent banks in line with customer requirements.

Under its correspondent banking relationship policy, the Bank, which continuously assesses country risks and financial indicators, will continue to prioritize careful consideration of these assessments in all of its transactions in 2026. In this context, geopolitical developments and the global economic conditions will be closely monitored; the Bank’s limits will be regularly reviewed; and country and correspondent bank risks will continue to be managed effectively.

BRANCHES AND ATMS

To contribute to the circular economy, Halkbank repurposes ATMs that have reached the end of their economic life and are no longer suitable for on-site use.

BRANCHES AND ATMS IN 2025

TOTAL DOMESTIC AND INTERNATIONAL
1,105
BRANCHES

4,148
ATMs
203 OF WHICH WERE
ESTABLISHED IN 2025

TOTAL
1,927
RECYCLE ATMs

%94 OF ATMs
INTEGRATED WITH
THE TAM SYSTEM



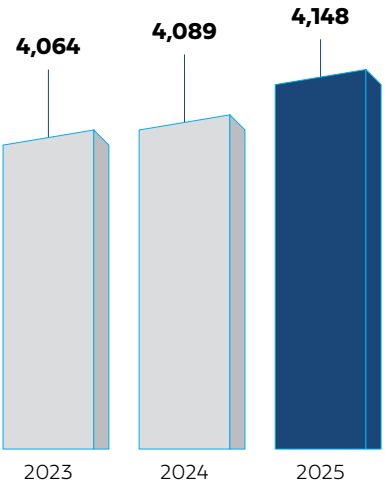
In 2025, Halkbank enhanced both its service quality and accessibility through improvement efforts for its branch and ATM network. As of year-end, the Company has an extensive service network with a total of 1,105 domestic and international branches, as well as representative offices in London and Tehran. The Bank serves its customers with a total of 4,148 ATMs across Türkiye, 203 of which were commissioned in 2025. During the same period, devices that had reached the end of their useful lives were replaced, and modernization of the ATM infrastructure continued.

In 2025, 557 new-technology Recycle ATMs were installed, bringing the total number of Recycle ATMs to 1,927. The Bank is continuing its work on the integration of the Public Joint ATM platform, which brings the ATMs of public banks under a single roof, as part of Türkiye’s ATM Center (TAM) project. As of December 31, 2025, 94% of Halkbank’s ATMs operate on the TAM system.

579
Number of ATMs
Transferred to
Technology
Transformation
Companies for
Recycling in 2025

To contribute to the circular economy, Halkbank re-evaluates ATMs that have reached the end of their economic life and are no longer usable in the field. In this context, a total of 579 ATMs were transferred to technology transformation companies for recycling in 2025.

Number of Halkbank ATMs by Year



WINNING PEOPLE AND SOCIETY THROUGH INCLUSIVENESS

SDGs Contributed to



22,575

Number of Employees

47.2%

Rate of Female Employees

TRY 192.5 MILLION

Total Resources Allocated to Employee Training

Operating for 87 years with the principle "People First, Then the Bank," Halkbank deepened its sustainability approach, which centers on people and society, with a focus on inclusivity in 2025. In line with the goals of decent work and economic growth, gender equality, and reducing inequalities, it approaches its responsibilities toward employees, customers, suppliers, and the communities in which it operates within a holistic framework.

In this context, the Bank reinforces its role as an inclusive employer through a zero-tolerance policy on discrimination, protection of employee rights, extensive union coverage, systematic occupational health and safety management, business continuity practices, and fair compensation, career development, and talent management processes. Training programs conducted under the Halk Academy umbrella, which combine competency and leadership development with content focused on sustainability and ethics, strengthen employees' professional and personal development with a long-term perspective.

Halkbank extends its inclusivity approach beyond its role as an employer, reflecting it in its financial services and social investments. Through its accessible banking practices, the Bank facilitates access to services for individuals with disabilities and the elderly; through its financial inclusion and literacy initiatives, it develops tailored solutions for young people, women entrepreneurs, SMEs, and disadvantaged groups. Programs aimed at strengthening women's entrepreneurship, the entrepreneurial ecosystem, and financial literacy among young people and children, together with social responsibility and sponsorship projects, constitute important components of the Bank's approach to contributing to social welfare.

Aware that the social impact it creates is not limited to its direct activities, Halkbank also manages its relationships with its supply chain and business partners with the same sense of responsibility. Procurement and supply processes are based on the criteria of sustainability, compliance with ethical principles, and contribution to local development; this approach aims to create a long-term and balanced impact throughout the value chain.



WINNING PEOPLE AND SOCIETY THROUGH INCLUSIVENESS

Aware that the social impact it creates is not limited to its direct operations, Halkbank also manages its relationships with its supply chain and business partners with the same sense of responsibility.

GUIDANCE AND REALIZATION

2025 Targets	2025 Realizations	Goals for 2026 and Beyond	Action Plan
Maintaining the Dialog channel's customer satisfaction rate at a minimum of 90%	Realized as 97.08%.	Target maintained.	↑ Generating new metrics to improve every stage of the customer journey and to take faster action on customer requests and feedback ↑ Enabling instant monitoring with infrastructure improvements
Conducting 4 business continuity drills during the year	4 business continuity drills were conducted.	Target maintained.	↑ Creating drill scenarios for the locations where the drills will be conducted ↑ Conducting the drills by holding meetings and training with relevant units ↑ Collecting feedback through questionnaires and forms after a drill and taking actions for improvement
Realizing the completion of in-class professional technical and competency trainings organized at least 9 hours per person annually	35 hours of in-class training per person completed.	Target maintained.	↑ Implementing training programs sustainably
Realizing the completion of professional technical and competency e-learning trainings organized at least 6 hours per person annually	17 hours of e-learning training per person completed.	Target maintained.	↑ Developing digital education materials and increasing their accessibility
Ensuring that the training satisfaction rate is above 85%	Realized as 90.98%.	Target maintained.	↑ Updating training content and increasing participation

2025 Targets	2025 Realizations	Goals for 2026 and Beyond	Action Plan
Increasing the ratio of female employees to 50%	Female employee ratio is 47.2%.	Target maintained.	↑ Adopting diversity and inclusion principles in recruitment processes
Increasing the ratio of female managers to 26%	Female employee ratio is 22.9%.	Target maintained.	↑ Adopting diversity and inclusion principles at the managerial level
The voluntary employee turnover ratio is 1.9%.	The voluntary employee turnover rate is 1.3%.	Target maintained.	↑ Providing career development and training opportunities to increase employee engagement
Achieving a domestic supplier ratio of at least 95%	The domestic supplier ratio is 95%.	Target maintained.	↑ Querying alternative companies during procurement processes ↑ Prioritizing domestic suppliers in procurement
Achieving 25% savings in procurement expenses	Savings are 26.24%	Target maintained.	↑ The demand management system has enabled procurement based on actual needs, preventing idle stock and generating savings. Additionally, the agreement with Tarım Kredi continues, ensuring the supply of products at favorable prices. Bulk procurement efforts for stationery products are also ongoing.

HALKBANK’S IDENTITY AS AN INCLUSIVE EMPLOYER

Halkbank positions the creation of a fair and transparent work environment among its core values.

620
Employment of
Disabled Personnel

Building its sustainable and responsible banking approach on a people-centric work culture, Halkbank shapes its human resources practices in line with the principles of equality, inclusion, and fairness. The Bank does not permit any discrimination based on religion, language, race, age, gender, or disability; a zero-tolerance policy for discrimination is embraced as an integral part of the corporate culture.

As of year-end 2025, Halkbank employs 620 personnel with disabilities, a structure that stands out as a tangible indicator of the Bank’s management approach that values diversity and puts people first.

In line with this management approach, the Bank implements various practices that consider the needs of individuals with disabilities and their families. To support the development of children who have a ÇÖZGER or RAM report, a monthly Special Circumstance Payment is paid for each child. In observance of the International Day of Persons with Disabilities on December 3, colleagues with disabilities are offered administrative leave on a business day of their choice between December 1 and 5.

The Halkbank family employs people with Down syndrome and supports equal opportunity by offering internships to high school students who are deaf or hard of hearing. Within the framework of the “Accessible Banking for All” approach, 14 Bank employees who successfully completed 60 hours of training received certificates from the Turkish Sign Language Certificate Program. Additionally, under the “Approach to Disability” program, approximately 10,000 employees completed awareness training, increasing awareness of disability issues.

The Bank guarantees employee rights in line with the United Nations Universal Declaration of Human Rights, to which Türkiye is a party, and the fundamental principles of the International Labour Organization (ILO). It conducts its activities with the utmost sensitivity regarding the prevention of discrimination, the prohibition of forced labor, and the

elimination of child labor. 80% of Halkbank employees are covered by collective bargaining agreements. As of 2025, the total employee turnover rate was 2%, with an involuntary turnover rate of 0.7% and a voluntary turnover rate of 1.3%. To strengthen employee engagement, the Bank regularly analyzes turnover rates and implements corrective actions based on the findings.

At Halkbank, the career management approach is built on the principles of fairness, equality, and development. The career and performance management systems offered to employees support the development of individual competencies while also providing opportunities for advancement in various areas of expertise. Performance evaluation processes are conducted within a framework of transparent and objective criteria, providing a consistent foundation for employees’ development journeys.

Halkbank positions the creation of a fair and transparent work environment among its core values. In this context, it resolutely adopts and implements the principle of “equal pay for equal work.” The Bank regards the fair evaluation of its employees’ labor, knowledge, and skills, without any discrimination, as an integral part of its corporate responsibility. Furthermore, the ratio of the entry-level salary to the minimum wage is 191.5% for white-collar personnel and 160.7% for blue-collar personnel.

Halkbank’s remuneration policy is determined without regard to factors such as language, religion, race, sect, origin, gender, personal preference, or disability. The remuneration process is based on objective criteria such as the nature of the job, level of responsibility, employee competencies, and performance. The human resource’s structure employs a task- and title-based system centered on value creation and performance. In this context, gross salary is determined by jointly evaluating the compensation for the duties performed by the employee and the salary associated with their job title. Additionally, a waiting period supplement, calculated at specified rates, is added to the title-based pay, taking into account the time until the employee’s promotion to the next title.

Employee satisfaction and motivation are among the priority areas in human resources practices. Accordingly, findings from regularly conducted employee satisfaction surveys are evaluated to improve the work environment and better meet employee expectations. In line with its future human resources goals, Halkbank aims to provide its employees with a higher-quality work environment and contribute to their individual development.

The Bank addresses employee complaints and disputes through process management mechanisms based on employee rights. Complaints are meticulously investigated, resolution processes are conducted with a fair and transparent approach, and the feedback received is used as input to increase employee satisfaction and continuously improve the work environment.

The ratio of female employees in revenue-generating roles is 70.9%, and the ratio of female employees in technology units is 38.1%.

Approach to Parental Leave

In 2025, 99 female employees went on maternity leave and returned in the same year, while 371 female employees have not yet returned from maternity leave.

Additionally, the number of male employees who took paternity leave (leave for the birth of their spouse) in 2025 was 517.

	Number of employees who took maternity leave in 2025	Number of employees who returned to work after maternity leave in 2025
Women	470	493
Men*	517	518

* Male employees are provided with paid leave when their spouses give birth.

Recruitment Processes

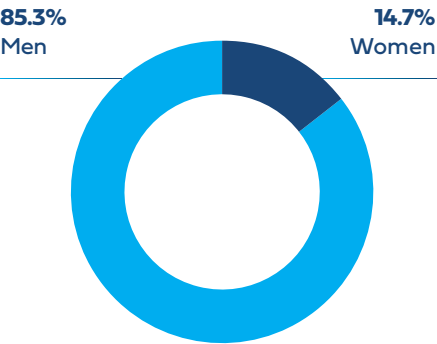
Halkbank aims for its employees to contribute to the corporate culture not only through their professional competencies but also through their sensitivity to environmental, social, and ethical values. Accordingly, the Company considers its sustainability approach an integral part of all business processes and integrates this approach into its recruitment processes.

In line with sustainability principles, recruitment processes are conducted under the Corporate Human Rights and Employee Rights Policy, which includes a commitment to full compliance with legislation regulating human rights and labor in Türkiye; equal opportunity is provided to all candidates. These processes, overseen by the Human Resources Department, take into account sectoral dynamics, developments that directly or indirectly affect employment, qualitative changes in the workforce, and budget availability. In line with the planning, the competencies required for the positions to be filled are clearly defined, and job descriptions are created within this framework.

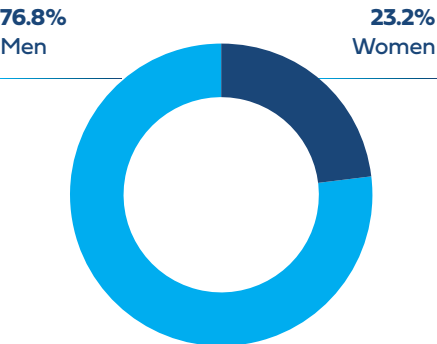
Gender Pay Gap (%)

All Employees	4%
Senior Executive	7%
Executive	1%

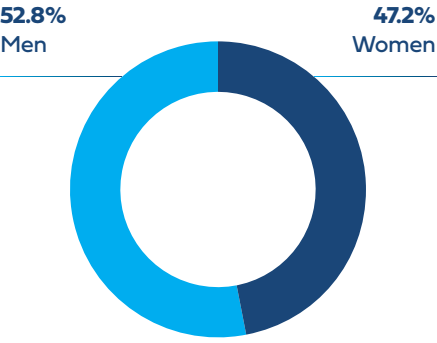
Ratio of Senior Employees by Gender



Ratio of Mid-Level Employees by Gender



Ratio of All Bank Employees by Gender



CAREER AND TALENT MANAGEMENT

As a result of the LIDYA Programs, 513 employees were included in the manager candidate pool; 62% of this group were appointed as Branch or Department Managers.

The LIDYA Program meets Halkbank’s need for managers with a sustainable approach while offering employees opportunities for career advancement.

Within its strategic human resources management approach, Halkbank prioritizes strengthening employee engagement and the employee experience. The Bank implements a transparent and predictable career management approach across a wide range of areas, from performance evaluation processes and promotion mechanisms to organizational development practices and recruitment. With this approach, practices that increase employee motivation and engagement have been successfully integrated into the Bank’s culture. The average tenure for female employees at Halkbank is 9.9 years, while the average for male employees is 12.3 years.

TENURE DISTRIBUTION	NUMBER
0-9	9,412
10-19	11,077
20-29	1,934
30-35	139
35+	13
Total	22,575

GRI 3-3

In 2025, Halkbank implemented comprehensive projects that deepened employee competencies, strengthened leadership capacity, and supported a career management approach aligned with corporate goals. In this context, processes based on performance and potential assessments were implemented with a holistic approach in line with the principles of transparency, accountability, and equal opportunity.

As a tangible reflection of this approach, a total of four programs were successfully completed in Branch and Headquarters units under the LIDYA Program. The programs were designed to identify employees’ leadership potential, systematically support their career development, and build a pool of managers aligned with the Bank’s long-term goals.

As a result of the LIDYA programs, 513 employees were included in the management candidate pool, and 62% of this group were appointed as branch or department managers. The development processes for candidates not yet appointed to managerial positions are being systematically continued. In this respect, the LIDYA Program presents a human resource management model that meets the Bank’s need for managers with a sustainable approach, offers employees opportunities for career advancement, strengthens engagement, and supports corporate continuity.

In this context, the Performance+ (Plus) Program aims not only to detect underperformance at an early stage but also to reward high performance, create development opportunities for

employees, and support sustainable success. The program offers a performance management approach that sets an example in the industry.

Under the program, which is built on a holistic structure, employee performance is evaluated with objective and transparent criteria and supported by coaching, mentoring, and personal development plans. Progress is monitored in line with SMART goals, and the development process is closely managed through regular follow-up and evaluation mechanisms.

This approach systematically supports performance development throughout the institution, aiming to strengthen individual competencies and increase the capacity to achieve goals. At the end of the process, fair and documented administrative actions are taken for employees who fail to improve their performance, while employees who show consistent performance improvement are removed from the relevant pool and contribute to the Bank’s future leadership structure.

Performance Management

At Halkbank, performance evaluation processes are meticulously designed to align employees’ individual goals with corporate objectives and to create a strategic structure that supports employee development. The Bank regards this process not merely as a measurement tool but as an evaluation culture that is fair, transparent, and focused on continuous development, and continues to pursue its efforts accordingly.

Performance evaluations are conducted regularly on a 3- or 6-month basis, and all Bank personnel are subject to these reviews. Throughout the process, feedback meetings are held to strengthen manager-employee interaction, where managers conduct one-on-one meetings with employees to provide regular feedback on development areas, achievements, and expectations.

An important part of the performance evaluation process is the implementation of incentive mechanisms to motivate employees. In this context, various incentive programs have been created for both employees and managers. In addition to rewarding successful personnel with variable compensation, performance results also provide input for career processes, thus keeping employee motivation high. The Bank has increased motivation and engagement by continuing to operate regular feedback mechanisms and performance evaluation processes for its employees. Halkbank continues to build a sustainable corporate culture with its emphasis on employee development and engagement.

For more information on the Bank’s remuneration and qualified employee policies: <https://www.halkbank.com.tr/content/dam/corporate-website/en/documents/investor-relations/policies/8policy-on-renumeration.pdf>

Employee Satisfaction and Engagement

Halkbank views employee well-being as an integral part of corporate success, addressing social and economic rights with a holistic approach that supports work-life balance. This approach, which considers individual needs while supporting employees’ professional development, aims to enhance both happiness and productivity in the work environment.

GRI 3-3



In this context, the Bank regularly analyzes employee needs and continues to develop and diversify the opportunities it offers by adapting to changing conditions. Treating each of its employees as distinct individuals, Halkbank reinforces its approach to creating social value through people-centered practices.

The opportunities Halkbank offers its employees are not limited to career development. The daycare support program launched in 2023 was continued in 2025, contributing to the education and care of employees’ children aged 24-72 months. A daily meal payments was provided to all employees regardless of province, and the remote work model continued to be implemented in central operations, call center, and information technology units in line with established criteria.

Viewing employee engagement and satisfaction as key indicators of sustainable success in the rapidly changing business world, Halkbank closely monitors these areas through regular measurement and evaluation processes. The Employee Engagement and Satisfaction Survey, covering general satisfaction, employee experience, work environment, and positive corporate culture, was conducted in 2025 with a 62% participation rate; the survey resulted in an employee engagement score of 75.

Halk Academy

Halkbank, leveraging the strength it derives from the public and its employees, brings together qualified human resources and adopts as its core mission to support the development and progress of our country while creating high added value for all its stakeholders. Through its training brand, Halk Academy, the Bank reaches not only its own employees but also a broad audience including retirees, employees of subsidiaries and associates, SMEs (whether customers or not), women entrepreneurs, young people, and children.

Guided by the principle that “those who perform the work are best suited to teach it,” Halkbank highlights the importance of training programs delivered by its internal trainers, known as “Pioneers of Development.” Selected based on criteria such as performance, volunteerism, knowledge, experience, and aptitude for the trainer role, internal trainers undergo a comprehensive selection and training process before taking on their duties. The trainers, who also participate in training design processes, are responsible for providing training in various areas such as leadership, vocational and technical skills, and competency development. Additionally, internal trainers undertake important responsibilities such as being role models, supporting social responsibility projects, and conveying the Halkbank culture during the orientation processes for new employees.

CAREER AND TALENT MANAGEMENT

In 2025, Halk Academy focused on generating social benefit in addition to its employee training activities.

To keep its employees’ knowledge and skills up-to-date and to support their career development, Halkbank organizes professional training related to banking, as well as programs on job- and position-specific competencies and personal development topics outside of work life. Employees’ development areas are identified through annual competency assessments, and a sustainable development journey is supported through competency-based and professional-technical training.

Halk Academy and Employee Development Activities

Halkbank has diversified its training activities to support the personal and professional development of its employees. In 2025, through training aimed at increasing competencies in sustainability, 48 employees received sustainability certificates, bringing the total number of certified employees to 164. Additionally, the Sign Language Certificate Program, organized to facilitate effective communication with individuals with disabilities, was completed by eight employees.

As of year-end 2025, employees received an average of 52 hours of training. Of this time, 39 hours were devoted to vocational and technical training, and 13 hours to competency and leadership development. Of the training hours, 22.8 hours were delivered via a digital platform, and 12.2 hours were delivered face-to-face, totaling 35.00 hours in physical format, while 17.00 hours were conducted in an e-learning format.

In addition to professional training, employees’ knowledge and awareness on topics such as sustainability, social norms, empathy, rights, freedoms, and responsibilities are enhanced through training programs on Sustainability, Zero Waste, Sign Language, Disability

Awareness, Ethical Principles and Social Media, the Universal Declaration of Human Rights, Personal Data Protection Law (KVKK), Competition Law, Integrated Management Systems, Information Systems Security, and Anti-Corruption Policy.

- Within this scope, the following training programs were conducted in the area of compliance in 2025;
- Effectiveness of Anti-Money Laundering And Combating the Financing of Terrorism,
 - Customer Identification Principle,
 - Prevention of Trade-Based Money Laundering and Terrorist Financing,
 - Beneficial Owner Training,
 - Customer Relationship Officer Compliance Training

- In the area of ethics, the following trainings were also conducted;
- Ethical Principles Training,
 - Ethical Principles and Working Principles,
 - Compliance with Ethical Principles, Notification, and Action Procedure

In 2025, Halk Academy continued to focus on generating social benefit in addition to its employee training activities, pioneering the development

of innovative social responsibility initiatives. In this context, Halk Academy delivers services through the SME Development and Producing Women Academy training platforms, offering nearly 300 content items covering topics such as Entrepreneurship, Sales and Marketing, Personal Development, Foreign Trade, Economics, Finance, Incentives, and Legislation. The Certification Programs, launched in 2022, continued in 2025, with the Producing Women Academy awarding certificates to 127 participants across four separate programs. On the other hand, the Bank’s mobile applications, Kampüste and Çocuk Bankacılığı, were supplemented with nearly 50 pieces of educational content tailored to their target audiences.

The Bank has also continued to provide internship opportunities for students with hearing impairments since 2021. In addition, under the National Internship Program’s Career Gateway, conducted by the Human Resources Office of the Presidency, a total of 839 undergraduate and associate degree students were offered internship opportunities in branch, regional, and Headquarters units.

- Highlights of Halk Academy in 2025**
- Orientation Program for Approximately 1,000 New Employees
 - First Step to Entrepreneurship Program
 - Internship Opportunities for Students under the National Internship Program
 - Producing Women Academy
 - Year of the Family Events and Workshops
 - Sustainability Expertise Certificate Program
 - Sign Language Training for Employees

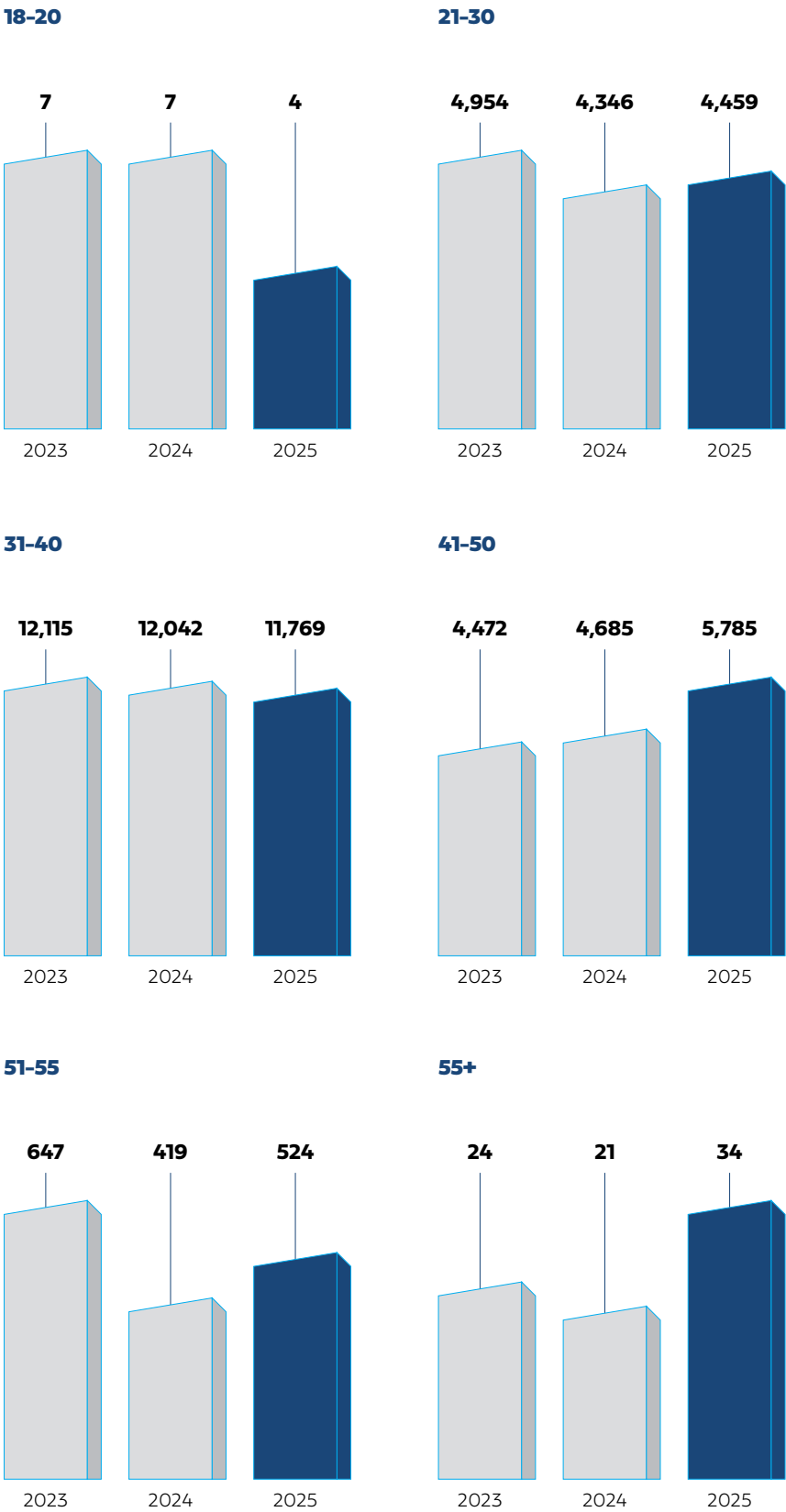
Halk Academy supports employee development not only with in-class and e-learning but also by providing access to General Banking Books and a wide variety of other resources. The Academy offers its employees a rich library containing over 43,000 books, with 17,000 in physical format and 26,000 in digital format. This library aims to support the professional and personal development of the Bank’s employees.

Halk Academy continuously updates its work to become a Development Academy that guides employees at every step of their careers. A system-wide infrastructure has been established to enable employees to design learning solutions tailored to their needs and to track their individual development. This infrastructure allows employees to prepare their own development plans and manage their training processes more effectively.

With the Competency Model implemented in Headquarters units, the competency-based performance of employees and managers is evaluated, and development areas are identified in line with this structure, which also includes a feedback process. In line with the identified needs, blended training programs using both synchronous and asynchronous methods have been designed and implemented.

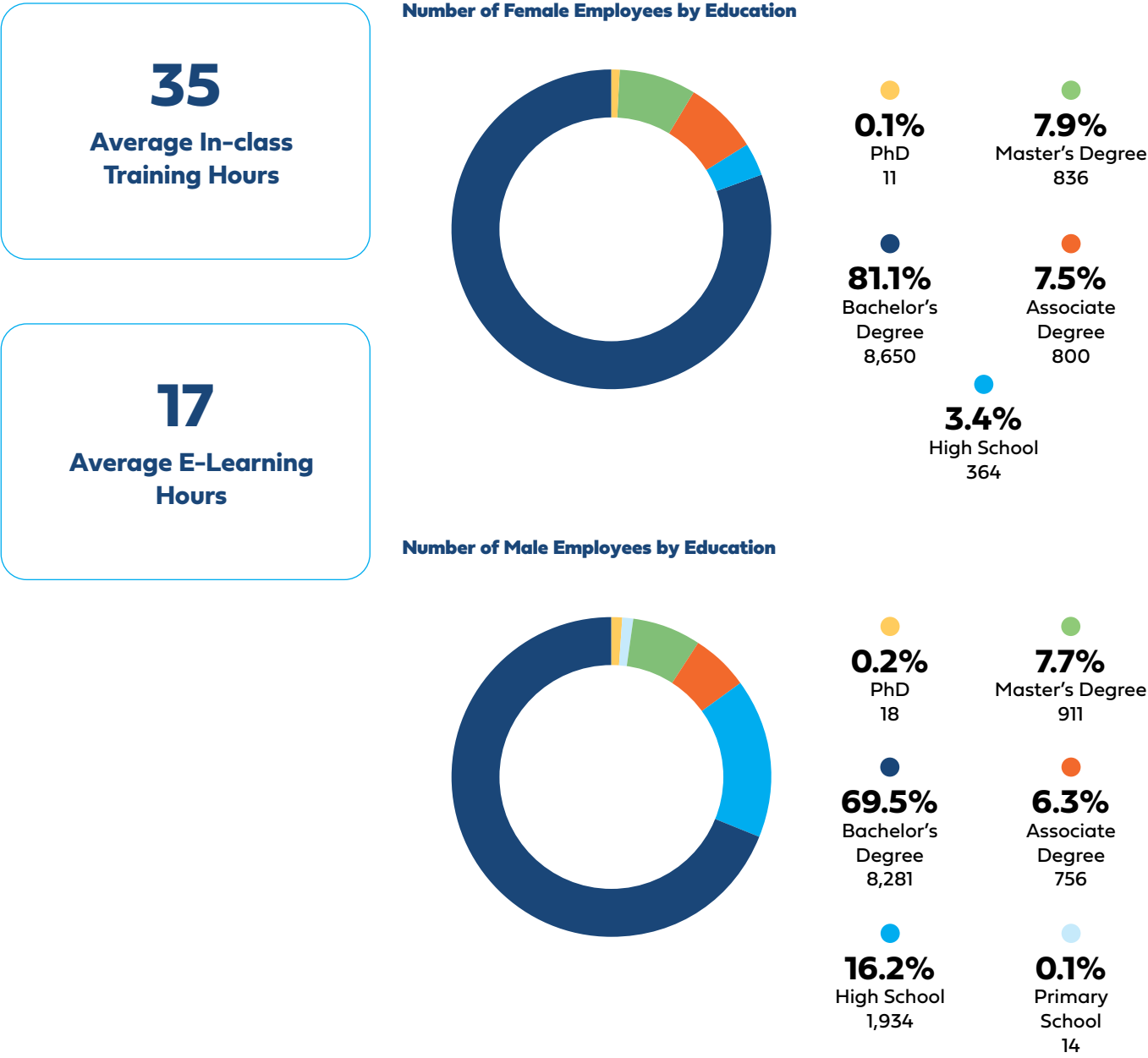
Halk Academy continuously updates its programs to serve as a Development Academy that guides employees at every step of their careers.

Employees and Age Groups



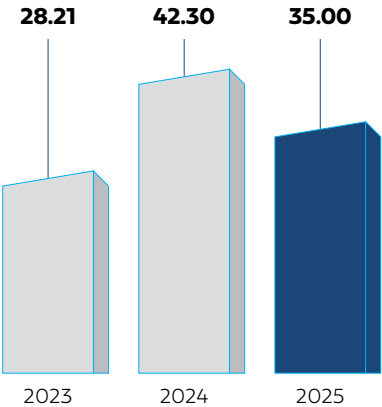
CAREER AND TALENT MANAGEMENT

In 2025, an average of 35 hours of training per employee was delivered in a classroom setting, with an additional 17 hours provided in an e-learning format.

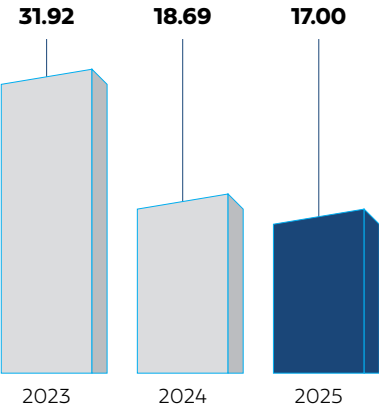


Halkbank's Training Data

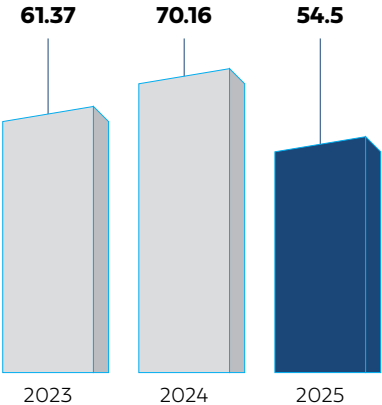
Total In-Class Training (Hour/Person)



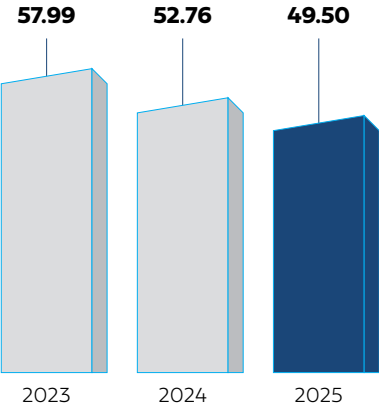
Total E-Learning (Hours/Person)



Average Training Time (Female Employees)



Average Training Time (Male Employees)



25%
Personal Development
Training Rate

66%
Vocational Technical
Training Rate

9%
Legal Compulsory
Training Rate

48
Number of Employees
Receiving Sustainability
Certificate in 2025

TRY 192.5 MILLION
Total Funding for
Employee Training

EMPLOYEE ENGAGEMENT AND INTERNAL COMMUNICATION

The Bank organizes various workshops to support employee motivation, offering short breaks during busy work schedules.



As part of its commitment to being an inclusive employer, Halkbank places great importance on listening to its employees and establishing effective communication with them. In addition to ensuring partnership and alignment among internal stakeholders, the Bank establishes and continuously improves effective communication channels to increase employee engagement and motivation.

As part of its employer branding efforts, Halkbank aims to accurately and effectively convey its brand values, which are an integral part of its corporate culture, to both its employees and candidates to be recruited by the Company. These efforts are designed

to increase employee engagement, strengthen internal communication, and make the Bank a more attractive employer for young talent. The internal communication and engagement practices carried out in line with this approach are detailed below.

Berber Magazine at Halkbank: Published digitally exclusively for Halkbank employees, Berber Magazine is an internal communication platform prepared with contributions from employees. With a wide range of content spanning from sustainability to health and sports, history to art, travel to hobbies, and current technological developments, the magazine contributes to fostering a communication culture that encourages sharing and strengthens a sense of togetherness and belonging.

Retiree Portal: At Halkbank, the Retiree Portal is used to strengthen communication among retired employees, provide easy access to information and documents needed during retirement, and keep the corporate culture alive even after retirement. The portal helps maintain a continuous connection with retirees.

Internal Communication Platform: Halkbank has strengthened the use of its “Biz Varız” (We Are Here) internal communication platform, which it launched to strengthen communication among employees and accelerate corporate information sharing, by enriching the content available on the platform. The platform provides quick access to current news about the Bank, motivational content, events, a bulletin board, and announcement and opportunity boards.

In addition to ensuring partnership and alignment among internal stakeholders, Halkbank establishes and continuously improves effective communication channels to increase employee engagement and motivation.

Workshops: The Bank organizes various workshops to support employee motivation, offering short breaks during busy work schedules. These activities encourage employees to co-create, share, and enjoy the experience.

Headquarters Gym: Halkbank has opened a gym for employee use at its IFC Headquarters building to promote a healthy lifestyle, increase motivation, and contribute to work-life balance. The gym, with a total area of 2,506 m² and a capacity of 130 people, offers a wide range of sports activities, including volleyball, basketball, squash, pilates, boxing, and studio classes, all supervised by four expert sports instructors.

Baby Care and Nursing Room: The headquarters building offers a baby care and nursing room for employees’ use. It is arranged in accordance with hygiene standards and can be used by staff in a safe and comfortable environment when needed. As part of its employee-friendly approach, this area is regularly inspected, and necessary cleaning and maintenance are carried out meticulously. The Bank provides a healthy and comfortable working environment that supports its employees’ work-life balance.

Nursing Leave: In accordance with the “Maternity Leave and Nursing Leave” provision in Article 74 of Labor Law No. 4857, female employees are granted a total of one and a half hours of nursing leave per day to breastfeed their children under one year (12 months) of age. Additionally, under the Collective Bargaining Agreement signed between the Bank and the Öz Finans-ış Union, and in line with the principle of provisions favorable to employees, this right has been expanded: women employees who have children under 18 months of age are granted a total of one and a half hours of nursing leave per day following maternity leave. The Bank exceeds the statutory period by granting breastfeeding leave that is 50% longer than the statutory entitlement, demonstrating an approach that supports working mothers’ work-life balance.

Study Center: The Study Center, operating within the Bank with a total capacity of 120 students, is a tangible reflection of its social responsibility approach, offering a safe, high-quality, and multifaceted educational environment for the children of its employees.

In addition to supporting students’ academic development, the Study Center implements comprehensive educational programs aimed at strengthening their social, cultural, and individual competencies. In addition to academic support activities, the aim is to promote children’s well-rounded development through foreign language, arts, sports, technology, and workshop activities.

With this social benefit offered to its employees and their families, the Bank aims to enhance not only corporate success but also social value. The Study Center at the Bank’s Headquarters continues its activities as a significant social investment that contributes to raising conscious, well-equipped, and self-confident individuals for the future.

Cultural and Artistic Activities: Employees and retirees are brought together through the Turkish Classical Music and Turkish Folk Music choirs. The choir members rehearse throughout the year and showcase their work in an annual concert attended by employees and their families. Additionally, the employee experience is enhanced by a theater group exclusively for employees; these activities are planned to be diversified. This strengthens inter-team interaction while also deepening the emotional and social aspects of the employee experience.

Branch and Department Visits: Branch and department visits are conducted to directly listen to the opinions, needs, and expectations of employees. Through these visits, feedback is gathered on-site, employees’ emotional resilience is supported, and the bond between the Bank and its employees is strengthened.

Culture Foundation: The Culture Foundation provides social, cultural, and sporting activities to employees and retirees. Discounted book, theater, and concert tickets are offered, and communication and interaction are supported through domestic cultural trips. Sports activities are encouraged through bowling and chess tournaments, and as part of social responsibility, donations of books, toys, and chess sets are made to schools in need.

In addition, through human-centered support and an empathetic communication approach, employees’ happiness is celebrated, and they are supported during difficult times:

- Employees who give birth are congratulated and supported with retirement fund procedures, maternity benefits, and a newborn baby kit during the postpartum period.
- Condolences are extended to employees who have lost loved ones, and support is provided where needed.
- In situations such as the need for blood donations, solidarity is strengthened with get-well messages.

OCCUPATIONAL HEALTH AND SAFETY

Halkbank employs 18 occupational safety specialists and an additional 35 specialists assigned through contracted firms.

Halkbank identifies potential hazards during site visits at all locations and documents its risk assessments.

Halkbank aims to provide a safe working environment for its employees, customers, and visitors, protect human health, and minimize potential losses during its operational activities. To this end, the Bank fully complies with the requirements of the Occupational Health and Safety Law No. 6331 and, by implementing the international standard ISO 45001 Occupational Health and Safety Management System across all its service units, aims to improve working environments and to maximize the occupational health and safety of the Company's employees. The Bank prioritizes the physical and psychological health of its employees and includes all its service units within the scope of the Occupational Health and Safety Management System.

At Halkbank, OHS Board and Committee meetings are held regularly every three months. An OHS Senior Board and an OHS Committee have been established to monitor compliance with occupational health and safety rules and to take necessary measures. An OHS Board structure has been established for service units with 50 or more employees, and as of 2025, there are a total of 30 OHS Boards within the Bank.

In 2025, 98.1% of the legally required board meetings were held. Employee representatives can participate in board meetings to express their views and suggestions and take part in the decisions made. Employees can submit their suggestions and opinions via email (isg@halkbank.com.tr) or through the Pi Excellent Ideas suggestion system; decisions made in this regard are evaluated in Management Review meetings and communicated to union representatives and the union. Halkbank ensures that the authorities and responsibilities of all employees, managers, and board members are protected in accordance with applicable legislation.

The Bank identifies potential hazards through site visits carried out at all locations and documents the resulting risk assessments. This process identifies both routine and non-routine risks, generates reports on mitigating these risks through corrective actions, and addresses identified risks according to the hierarchy of controls. The corrective actions implemented are tracked through specialized software.

In accordance with the relevant provisions of the Occupational Health and Safety Law No. 6331, the Bank employs 18 occupational safety specialists and an additional 35 specialists assigned through contracted firms to prevent occupational risks, conduct studies for protection against these risks, and ensure regulatory compliance.

The Bank provides services with five in-house occupational physicians and 34 physicians assigned through contracted firms. All service units are visited by occupational safety specialists and occupational physicians in accordance with legal timeframes. At the Halkbank IFC building, on-duty doctors and nurses provide health services after working hours to more effectively meet the health needs of the Bank's personnel.

Halkbank does not permit new employees to start work without completing OHS training and undergoing the necessary health checks. In 2025, pre-employment medical examinations were conducted for 1,419 employees.

In addition to regular site visits by OHS professionals at all the Bank's locations, internal audits are also conducted within the scope of the ISO 45001 Occupational Health and Safety Management System.

To raise employee awareness of OHS risks and promote an occupational health and safety culture throughout the organization, Halkbank provides information on employee health, prevention of potential risks, and disaster and emergency situations through the periodically published digital "OHS Bulletin." Drills are organized to reinforce the training, and employees are provided with training

on vital precautions to be taken against natural disasters. Additionally, information on occupational health and safety is shared on the "OHS and Social Support Community" page of the Bank's employee portal. Short informational videos on topics such as emergency measures, fire risks, and the use of electrical appliances are published to increase employee awareness.

Emergency response plans have been created as part of occupational health and safety to ensure preparedness for emergencies. The actions to be taken before, during, and after an incident are clearly defined. Scenarios have been prepared for earthquakes, fires, floods and water surges, storms, hurricanes, landslides, collapses, internal and external sabotage, robberies, social and terrorist events, and biological and chemical attacks. The responsibilities of the emergency response teams that will be on duty during an incident have been determined, communication charts have been created to outline how communication will be managed in emergencies, and specific emergency plans have been prepared for all service units.

In the field of Occupational Health and Safety, a total of 30,520.5 hours of training was provided to 3,499 participants. Additionally, within these training hours, a total of 4,980 hours of training was provided to 543 contractor company employees.

At Halkbank, all employees and external stakeholders can report situations they consider unsafe or a health risk to the OHS team (isg@halkbank.com.tr). Additionally, employees are informed via this email address, and in emergencies, through the announcement system or by telephone.

Within the scope of Occupational Health and Safety, expenditures of TRY 22.1 million were made in 2025.

As part of Water, Sanitation, and Hygiene (WASH) initiatives, the need for clean and healthy drinking water for personnel throughout the Bank is met with filtered water dispensers instead of bottled water.

	Bank Employees	Contractor Employees	Total (All Employees)
Number of Work Accidents	45	51	96
Number of Fatal Accidents	0	0	0
Number of Occupational Diseases	0	0	0
Number of Lost Workdays Due to Accidents	385.5	109	494.5
Total Number of Lost Days	540	129	669
Injury Rate	0.233	1.529	0.423
Lost Day Rate	1.993	3.268	2.181
Accident Frequency Rate	1.163	7.646	2.117
Accident Severity Rate	0.010	0.016	0.011
Lost Time Injury Frequency Rate	0.698	3.148	1.058

Click here for Halkbank's Occupational Health and Safety Policy: <https://www.halkbank.com.tr/content/dam/halkbank/tr/dokumanlar/bankamiz/surdurulebilirlik/EK-1IsSagligiveGuvenciligiPolitikasi.pdf>

1,419
Pre-Employment Health Screenings Conducted by Occupational Physicians



BUSINESS CONTINUITY AT HALKBANK

Halkbank has business continuity emergency and contingency plans, as well as process scenario plans, which are updated annually.

In 2025, four business continuity drills (green, yellow, orange, and red situations) were conducted.

Halkbank has established a planned and effective business continuity management system to be prepared for unexpected events that could cause disruptions and to overcome their negative effects with minimal loss; this system is regularly reviewed with a continuous improvement approach.

The Bank has business continuity emergency and contingency plans, as well as process scenario plans, which are updated annually. In this context, four business continuity drills (green, yellow, orange, and red situations) were conducted in 2025.

The "Bank Business Continuity Emergency and Contingency Committee" was established in accordance with the provisions of the Regulation on Banks' Internal Systems and Internal Capital Adequacy Assessment Process to perform the duties defined in the "Business Continuity Emergency and Contingency Plan Directive" when an emergency decision is required within the scope of Business Continuity Management.

5,402 PEOPLE
Number of Participants
in Disaster and
Emergency Awareness
Training

If an emergency decision is made, the Committee is responsible for determining the principles that relevant units will follow in emergency and unexpected situations, issuing the necessary instructions to implement those principles, providing direction and management, and putting the "Business Continuity Emergency and Contingency Plan" into effect. Additionally, "Business Continuity Representatives" have been appointed to ensure the flow of information and to play a role in resolving local service disruptions that may occur at all the Bank's locations.

In the event of an emergency at the Headquarters building, coordination is established with the relevant units, and some of the personnel are directed to the "Emergency Operations Center," while other personnel are enabled to work remotely. In the event of emergencies at regional coordination offices, cash operations centers, or branches, the ADKE (Emergency Coordination Team) WhatsApp group is used to quickly communicate with relevant units and take necessary actions.

To evaluate performance within the scope of Business Continuity Management, site visits, training assignments, and drills are conducted throughout the year. To increase business continuity awareness throughout the Bank, the following training programs were offered via Halk Academy: "Corporate and Commercial Branch Business Continuity Emergency and Contingency Plan Training," "TRNC Business Continuity Management System Training," "Sister Branch Awareness Training," and "Interactive Awareness Training for Business Continuity Representatives. Additionally, under the "Disaster and Emergency Awareness" topic, a total of 2,043 hours of training was provided to 5,402 participants.

Within the scope of audit activities, internal and external audits are conducted annually, and the applicability of Business Continuity Plans and Business Continuity Management System documents is regularly measured.

Click [here](#) for the Business Continuity Policy.



ACCESSIBLE BANKING

Halkbank enhances accessibility not only at physical touchpoints but also through digital and remote service channels.

Visually impaired customers can use the audio guidance service at Halkbank ATMs equipped with a headphone jack by plugging in their headphones.

Accessible Banking for All

Halkbank considers it a fundamental responsibility to make its financial services accessible to all segments of society, including disadvantaged groups. In line with this, since the launch of the Banking Without Disabilities project in May 2011, practices enabling individuals with physical and visual impairments to benefit from banking services independently, securely, and on equal terms have been systematically developed.

Accessible Bank24 ATMs are designed for use by individuals with disabilities; as of year-end 2025, the proportion of these ATMs within the total ATM network reached 58%. In this context, throughout the Bank:

- 2,317 ATMs are equipped with an audio guidance system for visually impaired individuals.
- 207 ATMs have a special design suitable for customers with physical disabilities.
- 131 ATMs can serve people with visual and physical disabilities simultaneously.
- ATMs feature accessibility options such as Braille keypads, a screen blanking feature, and tactile guide strips for visually impaired users.

Visually impaired customers can use the audio guidance service at Halkbank ATMs equipped with a headphone jack by plugging in their headphones. While in use, the screen dimming feature is activated to protect privacy. ATM keypads are designed for use by people with visual impairments; some ATMs feature tactile guidance strips, and accessibility features are being rolled out across the ATM network.

Halkbank enhances accessibility not only at physical touchpoints but also through digital and remote service channels. The Bank's digital channels have been made compatible with screen reader programs, and retail loan agreements have been prepared in Braille. The variety of accessible content on the website has been increased through the addition of audio information and videos interpreted in sign language. Digital channels are continuously being improved so that customers with visual impairments can use them comfortably and seamlessly with screen readers.

58%
Proportion of Accessible Bank 24 ATMs in the Total ATM Network

Solutions to Increase Accessibility for Disabled and Elderly Customers

- Customers with disabilities are connected to a customer representative on a priority basis when they contact the Customer Communication Center.
- For customers with disabilities and for older customers, the time allowed for key presses in the Interactive Voice Response (IVR) system has been extended to make transactions easier.
- Hearing-impaired customers can use the video call service through the Cisco Jabber infrastructure available at branch offices.
- Customers who are deaf or hard of hearing can complete their transactions with the assistance of staff proficient in sign language during the customer onboarding process.
- Customers aged 60 and over can access a customer representative directly without being routed to main menus.
- Customers aged 70 or older may, if needed, complete transactions during the customer acquisition process with the assistance of a third party.

In 2025, remote communication processes were simplified with a focus on accessibility to provide elderly and disabled customers with easier access to services, and usability was improved. In this context, communication flows were accelerated, and prioritization and routing applications supporting the customer experience were implemented.

To ensure the sustainability of the accessible banking approach, customer representatives serving customers with disabilities are provided with sign language training, with the aim of strengthening awareness and competencies for delivering accessible services at the corporate level.

In 2026 and beyond, Halkbank aims to enable customers with disabilities to use video call services via the mobile branch without having to visit a branch, to access a customer representative directly without being routed to main menus during service processes, and to implement mechanisms that automatically transfer calls when needed during self-service steps with voice guidance. These efforts are intended to further enhance accessibility, ease of transactions, and user experience.



FINANCIAL INCLUSION AND LITERACY

In 2025, Halkbank continued to develop innovative products to meet the diverse financial needs of individuals and businesses.

Halkbank has prioritized strengthening financial inclusion since its establishment and offers a wide range of products and services that cater to all segments of society.

Financial inclusion is not only a critical indicator for reducing extreme poverty and increasing shared prosperity but also an indispensable element of economic growth and development. The positive relationship between per capita national income and the financial inclusion index clearly demonstrates the contribution that increasing financial participation in Türkiye will make to economic development and social welfare. In this regard, Halkbank has prioritized strengthening financial inclusion since its establishment and offers a wide range of products and services that cater to all segments of society.

Halkbank has developed special products such as the “Young Business Loan,” “First Step Loan,” and “Gençlz Loan” to facilitate the inclusion of young people in the financial system and support their more effective role in the entrepreneurship ecosystem. These products contribute to helping young entrepreneurs, aspiring entrepreneurs, and recent graduates bring their business ideas to life and establish sustainable ventures. Additionally, the development of innovative business models is encouraged through the HUBrica Acceleration Program, which supports the scaling of technology-based startups and their entry into global markets.

In 2025, Halkbank continued to develop innovative products to meet the diverse financial needs of individuals and businesses. As part of the “Year of the Family,” the SME Family Support Package was launched in partnership with the Credit Guarantee Fund (KGF) to increase women’s participation in the workforce, support the balance between work and family life, and contribute to social development. In addition, to support access for elderly and disabled individuals to safe, peaceful, and quality living spaces, the Elderly and Disabled Care Homes Support Package was created to encourage the opening of such facilities and to meet the financing needs of existing ones.

Halkbank’s Support for the Economic and Social Empowerment of Women

Halkbank continues its efforts to support women’s entrepreneurship in Türkiye in line with its vision of being the “Bank for Producing Women,” under the Women Entrepreneur Department—the first and only banking unit in Türkiye established and dedicated exclusively to this field. Through this structure, the Bank has adopted the following as its core mission:

- To encourage women’s participation in entrepreneurship and to increase the rate of women entrepreneurship,
- To directly contribute to the Turkish economy, the enhancement of social welfare, and the reduction of gender inequality by offering advantageous services to women entrepreneurs across all end-to-end financial processes.

Halkbank enables women to take a more active role in economic life and grow their businesses with products such as the “Women Entrepreneurs Loan Package,” “Women’s Cooperatives Support Package,” and “Growing Woman Exporter Loan.” By providing financial and non-financial inclusion support to women entrepreneurs, it delivers holistic solutions for the entrepreneurship ecosystem and steadily expands its contribution to the economy.



Interest in the Producing Women Competition, initiated by Halkbank to support women entrepreneurs and now a longstanding tradition, grows each year, reflecting the Bank’s 87-year contribution to Türkiye’s national economy. The competition makes successful women entrepreneurs visible, serving as a source of inspiration for other women and playing an encouraging role in their entrepreneurial journeys. In the last five years, a total of 17,883 women entrepreneurs has applied to the competition; Halkbank has developed its existing projects with feedback from the contestants and has launched new initiatives to support women’s entrepreneurship.

In the 2025 Producing Women Competition, which awarded prizes in five categories, “Women Entrepreneur of the Year,” “Technology-Based Women Entrepreneur,” “Women’s Cooperative,” “Rising Star,” and “Zero Waste and Sustainability,” the winners received a total of TRY 3 million in cash prizes. In addition to cash prizes, the women entrepreneurs who placed in the competition were offered marketing and communication support, promotional opportunities, a Lifetime Banking Services Package, and exclusive training programs through the Producing Women Academy.

The 2025 Producing Women Gatherings, launched in 2021, were held in Eskişehir, Nicosia, İzmir, Tekirdağ, and Mardin. The gathering in Mardin was held with the participation of the Minister of Family and Social Services of the Republic of Türkiye, Ms. Mahinur Özdemir Göktaş, the Governor of Mardin, Mr. Tuncay Akkoyun, and our General Manager, Mr. Osman Arslan. The program, held on September 8–9, 2025, was attended by 31 women’s cooperatives from different provinces of Türkiye and nearly 200 women entrepreneurs; a visit was made to the Topraktan Tabağa Agricultural Development Cooperative, Türkiye’s first social cooperative, to observe firsthand the contribution of women’s labor to production and development. Participants received training from experts in the fields of leadership, brand management, and digital marketing.

To increase the sustainability of women’s cooperatives and develop their production and partnership capacities, the Workshop on Empowering Women’s Cooperatives was held on May 8, 2025, at the IFC Conference Hall in partnership with Marmara University Women’s Research Center and the Ministry of

Trade. At the workshop attended by the Bank’s senior executives, academics, and representatives of women’s cooperatives, participants discussed the structural barriers facing women’s cooperatives and proposed solutions.

As part of the 2025 Year of the Family, the “Rising Women: My Business, My Mark Project,” implemented in partnership with the Ministry of Family and Social Services of the Republic of Türkiye, aims to encourage women in their entrepreneurial journeys, help them realize their business ideas, and strengthen their economic independence. Information, skills, and support mechanisms are provided to help women, especially those living in rural areas and small cities, overcome the challenges they face in the process of starting a business. The increase in women’s entrepreneurship contributes not only to individual gains but also to raising family welfare, strengthening local economies, and diversifying Türkiye’s entrepreneurship ecosystem. The project was launched on October 3, 2025, in Afyonkarahisar, and the second leg of the Rising Women Gatherings was held in Antalya. The program is also planned to continue in 2026.

FINANCIAL INCLUSION AND LITERACY

Halkbank offers innovative digital platforms for children and young people to instill financial literacy from an early age.

Halkbank believes that the full and equal participation of women in economic life is of critical importance in achieving sustainable development goals.

The Rising Women Entrepreneurship Training Truck aims to inspire women entrepreneurs and enhance their competencies through content prepared by expert trainers on topics such as personal branding, entrepreneurship, e-commerce, financial processes, and team spirit. In this context, the training truck, which visited nine provinces along the Black Sea route, set off from Ankara on November 26, 2025, with the participation of the Minister of Family and Social Services of the Republic of Türkiye, Ms. Mahinur Özdemir Göktaş, and our General Manager, Mr. Osman Arslan.

Halkbank signed the UN Women's Empowerment Principles (WEPS) in 2023 to encourage women's participation in economic life in every sector and at every level. In this framework, it resolutely continues its efforts to ensure equal social rights for women, create safe working environments, support their professional development, and strengthen gender equality. The Bank believes that the full and equal participation of women in economic life is of critical importance in achieving sustainable development goals.

In 2024, Halkbank launched the Halkbank Producing Women Variable Fund to support the development of gender-sensitive investment practices. The fund offers investors the opportunity to invest in companies that prioritize women's empowerment and gender equality. At least 80% of the fund's portfolio consists of domestic debt instruments, domestic sukuk, and equity shares issued by companies listed on the BIST 100 that support women's involvement in employment and management.

Supporting the Building of a Conscious Society Through Financial Literacy Activities

Halkbank enables individuals to make more informed financial decisions and contribute to economic development by raising the level of financial literacy.

The SME Development Platform contributes to improving the financial knowledge and skills of small and medium-sized enterprises by organizing training on topics such as foreign trade, incentives, and legislation. The online training platform, launched with the understanding that "If SMEs develop, Türkiye develops," aims to support the development of SMEs and help them overcome obstacles they may encounter in business life with the knowledge they acquire.

Halkbank offers innovative digital platforms for children and young people to instill financial literacy from an early age. The Halkbank Children's Banking application teaches financial concepts to children through games and interactive content, while the Halkbank on Campus application provides information and banking services tailored to the financial needs of young people.

The Halkbank Children's Theater's play "Üç Kumbara" (Three Piggy Banks) was staged a total of 42 times in different provinces throughout 2025 to instill financial awareness in children at a young age.

The Gençiz Summit, held for the second time in December 2025, was an inspiring meeting for young people on financial literacy, sustainability, innovation, and career planning. At the summit, attended by 5,500 students, students from universities in Istanbul came together to find inspiration for their career journeys and to learn while having fun. Young people had the opportunity to meet one-on-one with industry leaders and establish professional connections. The Bank plans to continue the Gençiz Summit in the coming years, making it a tradition.

The Producing Women Academy offers a comprehensive online training program for women entrepreneurs, covering areas such as financial literacy, entrepreneurship, management, and organizational skills. Continuing to reach entrepreneurs in 2025, the Academy supports women in succeeding in business life and achieving financial freedom.

Halkbank also aims to strengthen financial literacy through projects developed for women entrepreneurs. In this context, a Master Class Brand Training Program was organized for the top 100 women entrepreneurs in the 2025 Producing Women Competition. As part of the program, three days of face-to-face training were held on topics such as brand design, workplace productivity, digital marketing, online commerce, and social media management. The training programs provided women entrepreneurs with the opportunity to share knowledge and experience and to develop their professional networks.

Increasing the education and employment of women in mathematics, science, technology, and engineering, where female representation is low, is also among the priorities of the 12th Development Plan. In this framework, the BiGE-Science with Girls for the Future Project was launched in partnership with Habitat to guide female students towards STEM (science, technology, engineering, and mathematics) fields, inform them about entrepreneurship, and encourage them. The project aims to encourage high school and university-level female



students across Türkiye by offering them opportunities in STEM and entrepreneurship, and to cultivate the STEM leaders of the future.

The Inspiration Meetings held in Adana, Ankara, Gaziantep, Istanbul, and Samsun were organized to increase young girls' awareness of technology and entrepreneurship. At the Hackathon Event organized as part of the project, 20 teams comprising 60 young women developed sustainable solutions in artificial intelligence, financial technologies, the climate crisis, and game development during a 48-hour technology competition. The top 10 teams selected by the jury earned the right to participate in the acceleration program. At the end of the two-month Acceleration Program, the teams presented their projects to leading figures in the technology world at the Demo Day event; three teams selected by the jury were entitled to receive financial support to implement their projects. Additionally, the award-winning startups gained the opportunity to apply to international entrepreneurship competitions.

621
Number of Personnel Trained in Financial Literacy in 2025

The BiGE-Science with Girls for the Future Project has become a transformation model that increases the visibility of young girls in STEM fields across Türkiye, brings new women leaders to the entrepreneurship ecosystem, and is aligned with the MTP goals. Within the scope of the project, a total of 1,002 young girls were reached, including 631 through the Inspiration Meetings held in five provinces and 371 through the Hackathon Event.

In 2025, a total of 3,931 hours of training was provided to 621 personnel in the field of "Financial Literacy," and a total of 188 hours of training was provided to 287 personnel in the field of "Diversity and Inclusion."

CONTRIBUTING TO SOCIAL WELFARE
THROUGH SOCIAL RESPONSIBILITY

Throughout 2025, Halkbank continued its efforts focusing on areas with high potential for social impact.

Drawing strength from its mission, Halkbank aims to support the country’s development while generating sustainable and high added value for all its stakeholders.

In line with its corporate stance shaped by the principle “We Are People First, and Then the Bank,” Halkbank regards creating social benefit as an integral part of its operations. Through its activities and sponsorship initiatives across a broad spectrum ranging from science and technology to education, tourism, art, and environmental protection, the Bank has adopted contributing to our country’s social and cultural development as a fundamental element of its corporate social responsibility strategy. Drawing strength from its mission, Halkbank aims to support the country’s development while generating sustainable and high added value for all its stakeholders.

In line with this approach, the Bank continued its efforts focused on areas with high potential for social impact throughout 2025, prioritizing impactful projects in areas such as women’s empowerment, youth education, and support for disadvantaged groups. As part of its corporate social responsibility, sponsorship support was provided to numerous projects. In particular, the Producing Women Competitions and Producing Women Meetings, which support the women’s entrepreneurship ecosystem and have become a brand, stood out as concrete examples of the Bank’s determined approach in this area.



CONTRIBUTING TO SOCIAL WELFARE THROUGH SOCIAL RESPONSIBILITY



Sponsorships in Culture, Arts, and Sports

- Sponsorship support for the “13th Clarinet Festival” events
- Sponsorship support for the “7th Istanbul International Folk Music Festival,” which aims to introduce the local music of Anatolian peoples to the world
- Sponsorship support for the “Workshop on the Role of Civil Society in the Reflection of Tourism on Urban Culture” and the “Workshop on the Contributions of Tourism to Anatolian Culture”
- Sponsorship support for the “38th Ahi-Order Week” events
- Title sponsorship support for the Women’s Basketball Super League and the Turkish Women’s Basketball League



Events & Projects

- “Producing Women Competition MasterClass Training Program” event
- “Producing Women Competition Award Ceremony” organization
- “Producing Women Meetings” event
- Press launch for the “Growing with Women Agents Project” and launch events for the “Rising Women Project”
- “Women’s Cooperatives Empowerment Workshop” event
- “Habitat BİGE Inspiration Meetings” and “Habitat BİGE Demo Day” events
- “Jet Luck 2” event
- “Gençiz Summit 2025” event
- “HUBrica Demo Day 2025” and “HUBrica Kick-Off” events
- “HUBrica Executive Meeting” event
- “Managers Meeting 2026” event
- “Look Good, Feel Good, Live Well” and “Hear Life” events as part of the “Health for All Meetings”
- “Healthy Minds, Happy Families” event
- “Hold My Hand, Walk with Me” event
- “Our World, Our Future” event
- “Let’s Charge Our World” event
- “Halkbank – UNDP Shaping a Green Future Conference” event
- “The Power Within: Our Voice is Our Strength Project” event



Environmental and Social Sponsorships

- Sponsorship support for the “Women’s Cooperatives Workshop”
- Sponsorship support for the “AileFest 2025” event
- Sponsorship support for the “Our Family, Our Future Photo Contest”
- Sponsorship support for the “Stitches That Bind to Life Project”
- Sponsorship support for the “10th Carbon Summit” event
- Sponsorship support for the “Zero Waste and Climate Change Forum”
- Sponsorship support for the “11th Energy Efficiency Forum”
- Sponsorship support for Altınbaş University’s “Sustainable Finance Conferences”
- Sponsorship support for the “Ümraniye Environment and Urbanism Event”
- Sponsorship support for the “Serçev – Early Intervention and Rehabilitation in Childhood Symposium”
- Sponsorship support for the “Cemre Foundation Seagrass Planting Project”
- Sponsorship support for the “There Are No Small Mistakes in Traffic Project”
- Sponsorship support for the “Tanır Yassihöyük Excavation and Archeopark Project”



Banking Services and Access to Finance

- Financing opportunities for groups with limited access to finance
 - SMEs
 - Tradesmen
 - Young entrepreneurs
 - Women entrepreneurs
- Loans to the education sector
- Loans to the health sector
- Loans for employment creation
- Loans for social housing financing and urban transformation
- Financial literacy services
- Children’s banking application
- Barrier-free banking services
- Digital banking services
- Open banking services

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Halkbank prioritizes supply chain management policies that deliver both cost and energy savings while promoting efficiency and prudent resource use.

Halkbank positions digitalization and technological infrastructure as fundamental elements of its supply chain management.

Halkbank regards supply chain management as a strategic function that ensures the procurement of the goods and services it requires in compliance with relevant legislation and internal regulations, while maintaining the desired balance of quality, timing, and cost. In this context, supply chain management involves the coordination of all activities leading up to the delivery of the final product or service.

The Department of Purchasing and Logistics Management operates within the authority limits delegated to it by the General Manager's Office under the framework of the Bank's Procurements Guidelines and Internal Directive on Governance. All procurement processes are carried out in accordance with these authorization limits, and the decision-making process is based on the principles of transparency, traceability, and internal control.

Given the energy-intensive nature of production and transportation in supply chains, Halkbank prioritizes supply chain management policies that deliver both cost and energy savings while promoting efficiency and prudent resource use. By integrating people, processes, and technology, the Bank adopts sustainable supply chain strategies that ensure the fastest and most efficient procurement of goods and services.

In line with this approach, Halkbank positions digitalization and technological infrastructure as fundamental elements of its supply chain management. Supported by an advanced technology infrastructure, the electronic tendering method is used in procurement processes; tender invitations, bid collection, and negotiation processes are conducted entirely in a digital environment. This enables remote participation by suppliers, reduces paper consumption, increases transparency and traceability through a digital trail, and lowers unit transaction costs.

Through the Enterprise Resource Planning (ERP) system used in operational activities, all stages of the supply chain can be monitored with real-time data, and product and service order processes can be tracked end-to-end. ERP contributes to reducing operational costs by providing transparency and traceability in the supply chain.

Artificial intelligence-based applications are already in use at the Bank's specific business models and decision points. With the rapid development of generative artificial intelligence solutions, integrating AI applications into procurement and purchasing processes is among the priority work areas for 2026 and beyond. With the launch of the "Major Procurement Application," developed as part of the digital transformation, planned for 2026, the goal is to accelerate workflows in procurement processes, simplify internal approval mechanisms, and enable all stakeholders to conduct their transactions on a reliable, traceable platform.



Supplier Selection Process and Criteria

In its supplier selection, Halkbank prioritizes suppliers that are adaptable to technological developments, can quickly procure requested equipment, keep their product stocks up-to-date, have strong customer references, and stand out in terms of cost-benefit balance. The alignment of the supplier's area of expertise with the Bank's needs is also a key factor considered in the selection process.

Suppliers of products and services are selected according to the provisions of the "Supplier Selection and Evaluation Procedure," prepared within the framework of the ISO 9001 Quality Management System. Supplier evaluations are conducted at the end of the contract for suppliers with one-year contracts, and once a year for ongoing contracts, in the month following the contract anniversary, using the "Supplier Selection and Evaluation Form."

This form is scored based on criteria such as the Company's compliance with specifications, overall satisfaction level, communication and accessibility, ability to provide quick solutions to problems, after-sales support (warranty and maintenance contracts), and compliance with legal requirements, ensuring the systematic monitoring of supplier performance. Thus, Halkbank aims to create a sustainable and reliable supplier structure that complies with the Bank's standards by continuously reviewing its supplier pool.

Sustainability in the Supply Chain and Sustainable Procurement

Aware of the growing importance of supply chain management in a rapidly globalizing world, Halkbank adopts sustainable supply chain strategies that integrate people, processes, and technology. The Bank is aware of its transformative power in procurement processes and uses this power to guide its suppliers toward better performance in environmental, social, and governance (ESG) areas, thereby contributing to the proliferation of sustainable practices both in its own operations and throughout its supply chain.

Through its Sustainability Policy, Halkbank adopts a development approach in its procurement processes that contributes to sustainable development, uses natural resources efficiently, and considers the needs of future generations. The Bank views its stakeholders and solution partners as an integral part of its sustainability activities and expects its suppliers to demonstrate the same sensitivity in their operations.

Under its Sustainable Banking approach, energy-efficient procurement and environmental impact management are essential. In the procurement of products, services, and equipment that affect energy performance, priority is given to evaluating energy performance and selecting highly energy-efficient products, while also considering the energy consumption and maintenance costs of the relevant products and services over their economic life cycle. Environmental aspects of procured products, such as waste management and emissions, are considered, and having international standards like ISO 14001 and ISO 50001 is regarded as an important reference factor in supplier selection. Compliance with the "Zero Waste" principle, use of recyclable materials, and the ability to provide energy savings are also among the criteria considered in supplier selection.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Thanks to e-tendering applications conducted using advanced technology, suppliers can access the process remotely, and managing tendering processes electronically both increases transparency and accelerates the procedures.



As of year-end 2025, the share of local suppliers in Halkbank’s supply chain was 95%.

Under the Sustainable Procurement Management section of the Sustainability Policy, suppliers with purchases exceeding a certain amount are subject to an ESG assessment. In this context, a “Supply Chain ESG Assessment Survey” is conducted regularly each year. The 21-question survey, covering topics such as environmental and energy management practices, employee and human rights, occupational health and safety, information security, ethical principles, and anti-corruption, allows for the monitoring of suppliers’ sustainability performance and the integration of ESG data into selection processes. In 2025, the survey was sent to suppliers covering 76% of total purchases, with the aim of increasing supplier awareness and encouraging progress in sustainability.

Halkbank prioritizes working with domestic suppliers within its supply chain. As of year-end 2025, the share of local suppliers in Halkbank’s supply chain was 95%. In 2025, the Bank continued to work predominantly with local suppliers for its purchases, with total spending reaching TRY 7.3 billion. Thanks to e-tendering applications conducted using advanced technology, suppliers can access the process remotely, and managing tendering processes electronically both increases transparency and accelerates the procedures.

Supplier Relations Management

Halkbank establishes its relations with its suppliers on the principle of creating mutual value, and in this context, it does not work with any clients or suppliers operating in a way that does not comply with Halkbank. In procurement processes, in addition to product and service quality, cost, compliance with legal regulations, and adherence to ethical standards are evaluated; business relationships with suppliers found to have issues in these areas are terminated.

The Bank conducts its procurement activities in line with the principle of “purchasing the right product at the right price, at the right time.” With the aim of increasing its purchasing power by reducing the costs, the Bank is in active communication with the current suppliers as well as the procurement departments of other banks operating in the sector, thereby expanding its supplier list and gaining the ability to benchmark procurement conditions across the sector.

By moving its supplier management processes to a digital environment, Halkbank reduces its internal operational workload, accelerates companies’ bidding processes, and enhances its capacity to report, evaluate, and analyze procurement activities more quickly. This increases transparency, traceability, and process efficiency in collaborations with suppliers.

Under its Sustainability Policy, Halkbank has the authority to audit its suppliers annually and/ or when deemed necessary. When requested by the Bank, suppliers are expected to be able to prove with documents, reports, or certificates that they operate in accordance with Halkbank’s sustainability approach and related sub-policies. For detailed information on the Responsibility of Halkbank Clients and Suppliers, please review the Human Rights and Human Resources Policy on the Bank’s website.

Supply Chain Risk Management

Risks and uncertainties in the supply chain have the potential to directly affect Halkbank’s profitability, operational continuity, and reputation. Therefore, the correct identification, prioritization, and effective management of supply chain risks are among the main priorities.

In this context, supply chain risks are identified based on their significance to the Bank and their probability of occurrence; the most likely scenarios that could arise if the risks materialize are analyzed, and rapid, viable strategies are developed for these scenarios. These strategies are developed based on the provisions of the “Corporate Risk Management Process Directive,” which is prepared in line with the provisions of the Banking Regulation and Supervision Agency’s (BRSA) “Regulation on the Internal Systems of Banks and Internal Capital Adequacy Assessment Process” regarding effective risk management.

Halkbank takes care to implement the necessary measures to avoid entering into business relationships with individuals and organizations prohibited under local and international legislation.

The risk management approach is supported by digitalization, traceability, and data-driven decision-making processes in the supply chain, enabling the Bank to proactively manage financial, operational, and compliance risks that may arise in its supplier structure and along the supply chain by detecting them at an earlier stage.

PROMINENT SUPPLIER SELECTION CRITERIA

- APTITUDE FOR TECHNOLOGICAL DEVELOPMENTS
- KEEPING PRODUCT STOCKS UP TO DATE AND ENSURING FAST SUPPLY
- STRONG CUSTOMER REFERENCES
- ENSURING COST-BENEFIT BALANCE
- THE SUPPLIER’S AREA OF EXPERTISE BEING IN LINE WITH THE BANK’S NEEDS

WINNING THE FUTURE WITH DIGITAL TRANSFORMATION

SDGs We Contribute to



104

Number of Digital Transformation Projects Implemented

210

MILLION PAGES

Amount of Paper Savings

3.5
BILLION

Total Number of Transactions Through Digital Channels

56

Number of Completed Artificial Intelligence Projects

7.2

MILLION

Number of Active Digital Customers

Halkbank operates with the vision of being a bank that not only follows digital transformation but also sets the direction of change. Through digital solutions that touch every aspect of its customers' lives and make their transactions easier and faster, the Bank saves them time and carries banking into the future.

The Bank continues its digitalization journey with the goal of making all banking processes more efficient and accessible. In 2025, it further deepened its transformation by combining AI-supported processes with innovative services delivered

to millions of customers through digital channels. Thanks to data integrations with various institutions and organizations (primarily Turkish Revenue Administration, MERSIS, and Türkiye Sigorta), the Bank continues to provide banking services with data quickly obtained from the right source. Furthermore, by adopting proactive security approaches against cyber risks brought about by digitalization, Halkbank protects data security and customer privacy at the highest level. You can access the details of the actions taken by the Bank in this regard on the "Cyber Security and Privacy of Customer Information" page.

In 2025, Halkbank successfully implemented 104 projects in critical areas ranging from core banking processes to hybrid banking activities, from mobile technologies to data analytics, artificial intelligence, and robotic automation, and from corporate applications to mobile internal applications. With these projects, it increased its gains in paper and labor metrics by four times compared to the previous year. Significant gains were achieved in areas such as end-to-end digital customer opening, information update, document approval, transaction completion and robotic process automation, which set trends in the sector.



GUIDANCE AND REALIZATION

2025 Targets	2025 Realizations	Goals for 2026 and Beyond	Action Plan
Increase the number of active digital channel users to 7 million	Realized as 7.2 million.	Updated target: Increasing the number of active digital channel users to 7.7 million	↑ Continuing efforts to encourage customers to use digital channels
Saving 149.3 million pages of paper	210 million pages of paper were saved.	Updated target: Saving 165.2 million pages of paper	↑ Increasing document types received digitally for all customer types, regardless of individual, legal entity and sole proprietorship ↑ Identifying and analyzing the processes that provide paper gains through transactions made in ADK channels and improvements made in banking screens
Ensuring that 50 more business processes are carried out by metal collar employees within the year	42 business processes were carried out with metal collar employees, reaching a total of 189 processes.	Updated target: Ensuring that 40 more business processes are carried out by metal collar employees within the year	↑ Identifying the processes within the Bank that create workload, especially in operational transactions, and focusing on process improvements ↑ Expanding the use of robots and increasing satisfaction in robot-owning units ↑ Ensuring widespread use by conducting process analysis in units where robots are not yet used
Increasing labor savings provided by AI support to 269 person-days and the number of projects to 75	103 person-days of labor savings were achieved. 56 artificial intelligence projects were implemented.	Updated target: Increase labor savings provided by AI support to 143 person-days and the number of projects to 75	↑ Developing strategies aligned with global AI trends and increasing efficiency in operational processes by designing AI-supported processes

WINNING THE FUTURE WITH DIGITAL TRANSFORMATION

Halkbank continues its efforts to achieve its digital transformation goals.



Digital Transformation Unit	
Digital Transformation Efforts Integrated with All Channels	
Strategic Planning for Digital Transformation	
ANKA Program Management	
Corporate Innovation Management	
Process Optimization Efforts	
Artificial Intelligence and Data Analytics	

INTERNET BANKING AND MOBILE BANKING

Comprehensive renewal efforts for Halkbank Mobile were continued in order to improve the customer experience and offer products and services tailored to customer needs.

7.2 MILLION
Number of Active Users
of Digital Channels

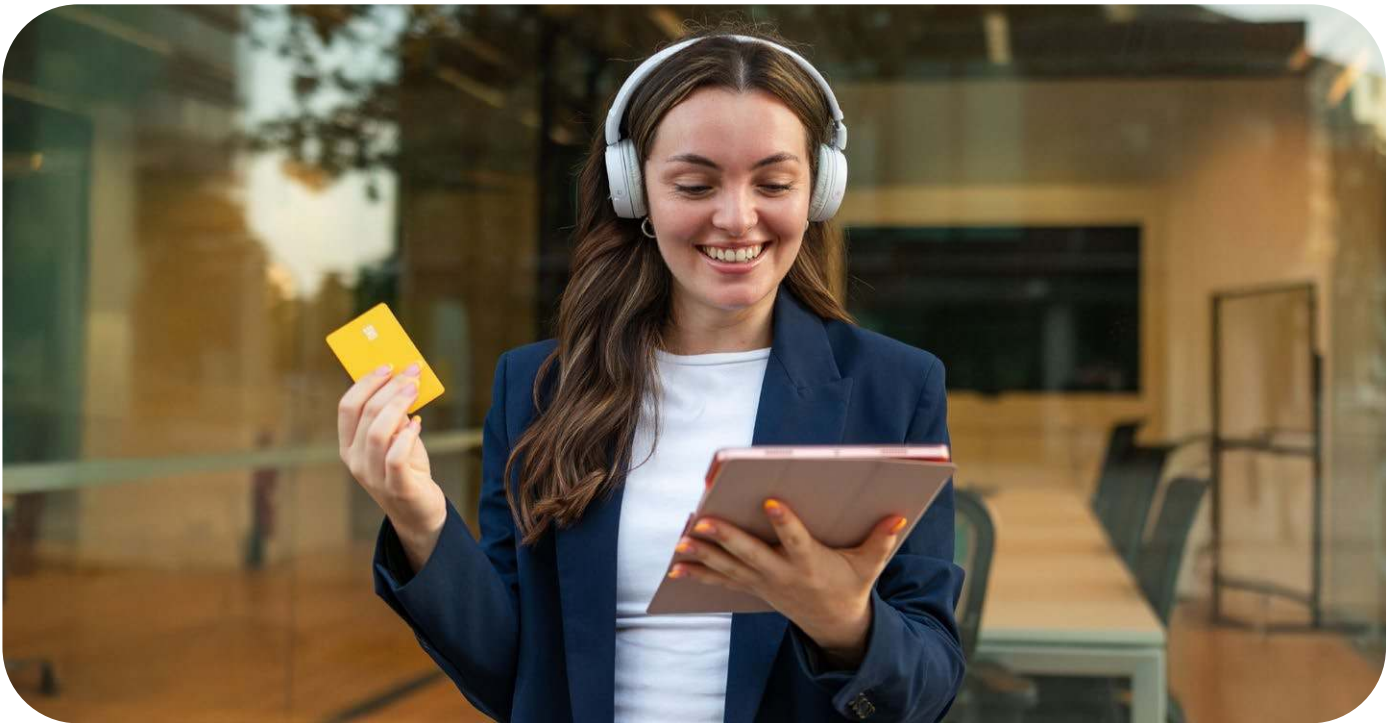
Halkbank continues to lead the sector through its innovative initiatives and to enhance its customer-oriented services with a focus on digitalization. Closely following developments in Digital Banking both globally and in our country, the Bank makes significant investments in digital transformation and renews its Halkbank Mobile and Internet Branch channels in line with the latest software technologies and design trends to respond to customer needs and expectations. These efforts aim to enable the seamless execution of all banking transactions through digital channels, increase customers’ digital usage rates, and enhance customer satisfaction, while also contributing to the Bank’s profitability.

The number of active users of digital channels, developed to allow customers to conduct transactions quickly and conveniently without visiting a branch, increased by 10% in 2025 compared to the previous year, reaching approximately 7.2 million. Throughout the year, an average of 9.6 million transactions were conducted daily via ATM, internet, and mobile channels, with the total number of transactions through digital channels reaching approximately 3.5 billion. The fact that approximately 78% of all transactions across the Bank were conducted through digital channels clearly demonstrates the impact of digitalization on operational efficiency and the transformation of customer behavior.

In addition to projects implemented in previous years, new functions and enhancements were launched on digital channels in 2025. To improve the customer experience and offer products and services tailored to their needs, comprehensive renewal efforts for Halkbank Mobile continued; a significant portion of AI-supported enhancements in the Loan, Investment, Card, Payment, and Account menus has been completed. In this context, process flows were simplified, menu structures were redesigned, and user-friendly screens were developed. While the Halkbank Mobile renewal project is ongoing, efforts to improve the user experience of the Internet Branch have also been initiated; new mass-market applications have been developed in mobile banking, and the necessary infrastructure has been prepared to launch new applications for different customer segments.

Open Banking Integration

With the Open Banking services launched in 2023, Halkbank enabled its individual and corporate customers to view their account balances and transactions at other banks and transfer money from other bank accounts via Halkbank Mobile and Internet Branches. In 2024, Halkbank continued to lead the sector by adding new functions to Open Banking integrations in cooperation with the Interbank Card Center (BKM). In line with this, the “Request to Pay” function was integrated into Halkbank Mobile, making payment processes more practical and user-friendly.



With the “Transfer Funds from Other Banks” function added in 2025, users were offered the convenience of accessing their accounts at different banks with a single tap via Halkbank Mobile and instantly transferring the required amount to their Halkbank accounts.

Halkbank Children’s Banking

With its Halkbank Children’s Banking application, launched to promote financial literacy and savings habits among customers aged 0–18, Halkbank offers children engaging content as well as functions such as “Request Allowance,” “Withdraw/Deposit with QR Code,” “Pay with QR Code,” and viewing card information.

In 2025, the application, which is continuously enriched with new content and features, including games themed around zero waste, a clean environment and health, was further enhanced with the addition of “Digital Coloring Area,” “Audio Stories,” e-school integration and “Spending Distribution Monitoring” features. Additionally, the “Split Expense” function allows children to split their expenses with their friends. This aims to help users under 18 grow into individuals who are both environmentally aware and financially literate.

Halkbank on Campus

In 2025, within the scope of the Halkbank on Campus application, efforts focused on evaluation, analysis, and development were carried out to address the changing needs and expectations of young users. During this period, the platform’s existing functionality, user experience, and content structure were reviewed from a holistic perspective, and areas for improvement were identified in line with a sustainable digital banking approach.

Throughout the year, the expectations of university students from digital banking applications were analyzed, and existing features offering solutions integrated with campus life were reviewed. The accessibility of content offered under the themes of education, career and financial awareness, as well as user engagement with such content, was evaluated, and preparations were made to make the platform more functional for young users.

Furthermore, the position of the Halkbank on Campus application within the mobile banking ecosystem was addressed; in-app navigation, content, and user flows were examined from a user experience perspective. In this context, recommendations were developed for simplifying the application, strengthening its customizable content structure, and developing modules specific to the young user segment. The year 2025 was considered a preparatory year for Halkbank on Campus, focusing on strengthening the existing structure and building a strategic foundation for future periods, rather than directly developing new features.

INTERNET BANKING AND MOBILE BANKING

Through the smart decision support tool integrated into mobile applications, which analyzes real-time data and monitors user behavior simultaneously, customers are provided with recommendations that enable them to take quick and appropriate actions.

To understand the extent to which functions added to digital channels create value for customers, app store reviews are regularly monitored.

Approach Focused on Continuously Improving the Digital Customer Experience
By combining digitalization with its vision of sustainable growth, Halkbank continued to implement innovative projects in 2025. Significant steps were taken to make its products and services environmentally friendly and to accelerate digital transformation investments; increasing the diversity of digital channels, improving transaction processes, and enhancing the customer experience were among the main priorities. In this context, while the Halkbank Mobile renewal project continued, efforts were initiated to improve the user experience of the Internet Branch, and new mass-market applications were developed in the mobile banking field. Additionally, paper savings were achieved by increasing the variety of contracts and forms approved through digital channels, thereby making a significant contribution to sustainability goals.

To understand the extent to which functions added to digital channels create value for customers, app store reviews are regularly monitored, and issues, suggestions, and comments conveyed through branches are meticulously evaluated to take necessary actions. The menu positioning, process flows, and visual designs of products on digital channels are regularly analyzed from a user experience perspective; based on the results of these measurements and evaluations, adjustments more suitable for the user interface and user experience are implemented.

In data management processes, digitalization is used as a strategic lever. With the Digital Analytics CRM project, customer behavior on digital channels is analyzed using machine learning techniques, and target audience studies and personalized offers are developed in line with customer trends. Through the smart decision support tool integrated into mobile applications, which analyzes real-time data and monitors user behavior simultaneously, customers are provided with recommendations that enable them to take quick and appropriate actions; in this way, the Bank aims both to increase the efficiency of data usage and to enhance the customer experience.

The ARP platform is actively used to automate manual reporting processes, providing authorized teams with secure and rapid access to critical performance indicators generated daily. Thanks to automation, operational efficiency increases, and decision-making processes become more transparent and effective. New projects include creating a closed-loop architecture that integrates the data warehouse with marketing platforms and optimizing campaign success with machine learning-based segmentation models. These efforts strengthen the Bank's digitalization vision and its capacity to create customer-centric value.

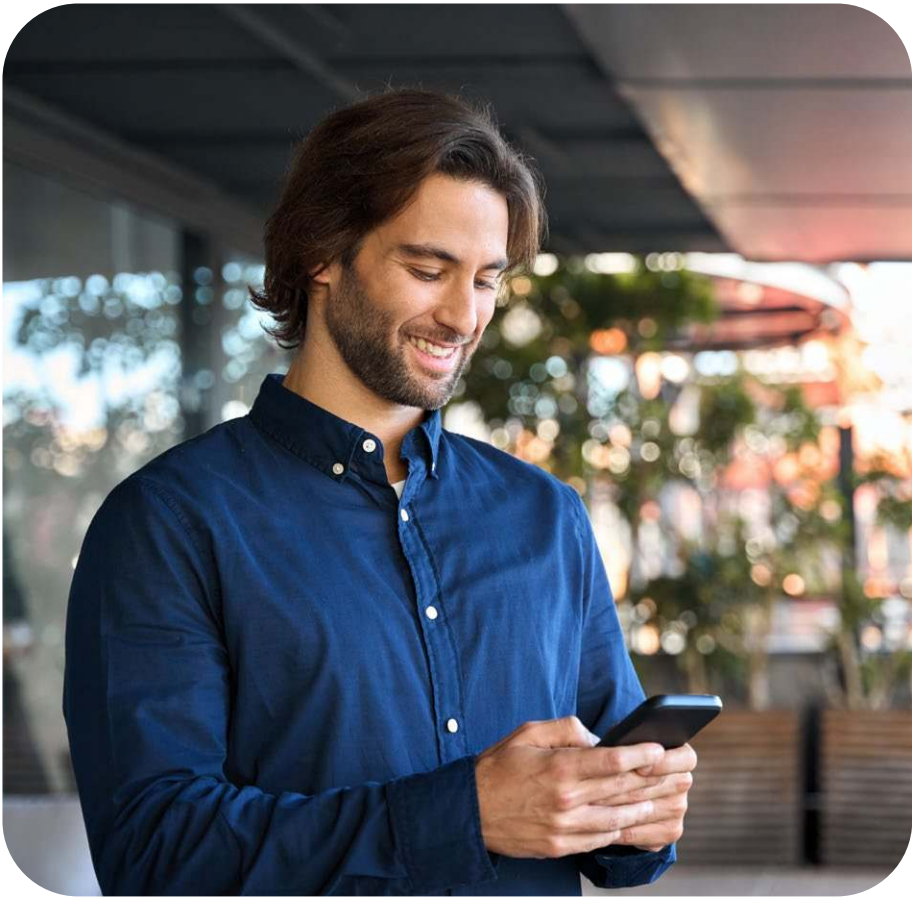
Information security and cyber risk management are among the top priorities of Halkbank's digital banking approach. To ensure customer security on digital channels, both regulatory-compliant security layers are applied, and integrated programs are used to perform transaction verification and device security checks. Through Skala integration, the "root" and "jailbreak" statuses of customer devices, as well as malware risks, are detected within the framework of defined fraud scenarios, and security controls are applied based on these scenarios. With Arksigner integration, identity verification processes for prospective customers during remote customer acquisition are conducted via video calls. With the Codevo application, which is currently in the integration process, the goal is to verify transactions on digital channels with a mobile digital signature, in compliance with the requirements of the Banking Regulation and Supervision Agency (BRSA).

Halkbank places importance on increasing the accessibility of its Internet Branch and Mobile Banking services for individuals with disabilities and users with relatively low levels of digital literacy. Short video and visual content aimed at increasing customers' digital literacy are offered through digital channels, and efforts to increase the number of these resources are ongoing. Visually impaired users can use the Halkbank Mobile, Paraf Mobile, Halkbank on Campus, and Halkbank Children's Banking applications in a manner compatible with VoiceOver on iOS and TalkBack on Android. For remote customer acquisition, sign language interpretation is offered for hearing-impaired users, and enhancements are made to support screen reader applications like JAWS, which provide voice commands, enabling visually impaired customers to use the Internet Branch. The goal is thus to create an accessible and inclusive service structure on digital channels for everyone.

The increase in digital banking processes shortens transaction times, enabling customers to complete their transactions from their location while reducing the operational workload at branches. Approximately 78% of transactions are executed via digital channels, which has eased branch operations and reduced paper use by decreasing the need for printed receipts and physical documents. Efforts to increase the variety of contracts and forms approved via digital channels for transactions initiated at branches began in 2023 and continued in 2025, resulting in significant paper savings that contribute to sustainability goals.

In this context, environmentally and nature-friendly products and services are offered through the "Green Environment Menu" added to the Halkbank Mobile homepage, allowing users to apply for the Paraf Doğal Credit Card, opt for electronic statements, and request digital receipts. Additionally, the digital credit card option reduces the need for physical card printing and encourages customers to choose environmentally friendly products.

Halkbank plans to strengthen its investments in digital banking in 2026 with projects focused on innovation and sustainable growth. In this context, the goals are to continue efforts to renew the Halkbank Mobile application, launch new mass-market applications, and increase product diversity in core menus such as cards, loans, transfers, payments, and investments. Increasing the diversity of digital channels, the number of digital customers, the volume of digital transactions, and digital channel revenues, and making all services accessible via Halkbank Mobile and other digital channels while considering resource, time, and efficiency principles, constitute the core elements of the Bank's digital banking vision for 2026 and beyond.



DIGITAL HALKBANK FOR SMEs, TRADESMEN AND ARTISANS

The SME Digital Loan Platform has been a significant milestone in Halkbank’s digitalization process for SME Banking.



300,000+
Number of Members
on the Halkbank SME
Platform

Halkbank considers the effective use of digital channels a strategic priority to help SMEs, tradesmen, and artisans enhance their competitiveness and adapt to the rapidly digitalizing world. In this context, the objective is to enable all processes to be carried out end-to-end through the Bank’s digital channels, from customer identification to digital loan application and disbursement, and from the provision of products and services tailored to customer segments to daily banking transactions. Minimizing mandatory transactions that require SMEs to visit a branch and enabling them to

manage their business more efficiently through digital banking applications is a top priority for customer satisfaction and sustainability.

Through the halkbankkobi.com.tr platform launched for its customers in the SME and Artisans Banking segment, Halkbank offers its products and services within an integrated structure while also providing easy access to financing applications. The SME Digital Loan Platform, launched in 2025 on this platform with over 300,000 members, has been a significant milestone in the Bank’s digitalization process for SME Banking.

~ TRY 45.7 BILLION
Loan Amount Disbursed
via the Digital Loan
Platform

Through the Digital Loan Platform, Halkbank offers all SMEs, whether they are customers or not, quick and practical access to the financing they need. With the loan products offered on the Digital Loan Platform, all real and legal SMEs that meet the conditions can apply without going to a branch and easily access the financing they need through fast allocation processes. Companies that have completed at least one year of operation and whose revenue for the last fiscal year does not exceed TRY 10 million can benefit from the products on the platform. While applying for these products within the specified limits, SMEs can also access traditional loan products that can meet their financing needs through the digital platform.

Applications received through the Digital Loan Platform are evaluated within one day and finalized in a decision matrix created specifically for the Digital Loan Platform. Applicant SMEs can track the status of their applications through the Application Inquiry section on halkbankkobi.com.tr. At the same time, SMEs are informed about the process via SMS.

In 2025, TRY 10.5 million of financing was provided to 38 women entrepreneurs through the “Digital Women Entrepreneurs Loan.” The Digital Loan Package developed on the platform was initially offered exclusively to women entrepreneurs and was later expanded with different packages for entrepreneurs. In this context, a total of TRY 76.6 million in entrepreneur loans was disbursed to 393 entrepreneurs through the platform during 2025.

The “Digital Tradesmen Loan” project, offered to tradesmen and artisans with the guarantee of ESKKK and interest support from the Ministry of Treasury and Finance, was implemented as of January 1, 2023, to facilitate loan application and disbursement processes. This allows tradesmen and artisans to apply for loans through the Bank’s internet branch without visiting a physical branch and to use their approved loans much more quickly in a digital environment. Under the Digital Tradesmen Loan, offered with the guarantee of ESKKK and interest support from the Ministry of Treasury and Finance, approximately 70,158 tradesmen were granted loans totaling TRY 45.7 billion through the Digital Loan Platform.

In the upcoming period, the aim is to diversify the products offered through the Digital Loan Platform and to make both existing and newly developed products available to SMEs in a digital environment. Efforts to enable SMEs to access the platform via Halkbank Corporate Internet Branch and Corporate Mobile Branch have reached the final stage, and this integration is planned to be implemented in the near future. Furthermore, preparations for the launch of the “Ready Digital Loan” product, which SMEs can use at any time and for any amount they need through the Corporate Internet Branch without visiting a physical branch, have been completed, and the product is targeted for release in 2026.

The “Paraf Digital Commercial Credit Card” (Paraf Dijital Ticari Kredi Kartı) was developed to respond more quickly to the expectations and needs of commercial customers, eliminate card delivery time so that customers can use their cards immediately, save on printing, shipping, and plastic costs, and position the Bank more competitively in the rapidly digitalizing world of payment systems. Applications for the Paraf Digital Commercial Credit Card can be submitted digitally via halkbankkobi.com.tr; following approval of the application, customers can electronically sign their contracts and start using their cards immediately without waiting for physical delivery.

Halkbank Guarantee for Payments and Collections in Trade with GETS

To reduce the payment and collection risks inherent in trade and to place operations on a secure footing, Halkbank developed GETS – the Guaranteed Electronic Commerce System. This system enables deferred payments and sales, and ensures that credit and collection flows are managed in a regular and transparent manner. From the moment an order is placed until the payment is completed, the entire payment and collection flow is carried out under the assurance of Halkbank. The goal is to ensure the smooth completion of commercial transactions by securing the buyer’s payment and the seller’s collection.

Development efforts for GETS are ongoing, in line with market dynamics and customer needs. In 2026, Halkbank aims to contribute to making trade safer, faster, and more seamless by adding new features to the system with a focus on digitalization.

In the upcoming period, in addition to continuing its efforts to enable SMEs, tradesmen, and artisans to become customers through digital channels, Halkbank will focus on enriching the range of products and services offered on digital channels, improving the user experience, and increasing transaction speed. Accordingly, the Bank aims to expand digital banking solutions that facilitate the real sector’s access to finance, save time and reduce costs, and support sustainable growth across a broader customer base.

CASH MANAGEMENT TRANSFORMATION

With its low-cost, fast, and secure transaction products and services, Halkbank helps companies optimize their cash flows and manage their financial processes in a more predictable and efficient manner.

In institutional collections, significant digitalization-focused steps were taken in 2025.

Halkbank offers its cash management services within a structure that simplifies companies' collection and payment processes, prioritizes digitalization, and increases operational efficiency. With its low-cost, fast, and secure transaction products and services, it helps companies optimize their cash flows and manage their financial processes in a more predictable and efficient manner.

In 2025, a total of TRY 1.2 billion in financing was provided to 25 companies under the Supplier Financing System (TFS). Within the system, the structure allowing discounted invoices to be paid partially or in full by the parent company before maturity was strengthened; the variety of reports was increased in line with user requests, and a transferability feature was added to the product. As of 2025, the Secure Title Deed Account application reached a total transaction volume of TRY 21.1 million in 12 successful transactions. With the activation of all bank channels and dissemination efforts, a significant increase in volume is targeted for 2026.

Since 2025, the Halkbank Secure Payment System has facilitated approximately 155,000 used vehicle sales transactions, generating approximately TRY 12 million in commission income.

With the activation of the branch channel in 2026, it is planned that the product will be used by a broader customer base and that transaction volume will increase. Another application supporting the cash management product set, "Cheque Endorsement by Proxy," was introduced with the aim of reducing risks such as cheques being lost or damaged during shipping, making the product more attractive in the marketplace, directing companies' cash flows to Halkbank, and increasing new customer acquisition and product ownership.

In institutional collections, significant digitalization-focused steps were taken in 2025. Through the "Quick Tax Payment" menu added to Halkbank Mobile, tax liabilities to the Revenue Administration are automatically queried using the Turkish ID numbers registered in the system for sole proprietorships and retail customers, and the tax identification numbers of corporate customers; customers can pay their tax debts via Halkbank Mobile without entering any information. Additionally, with the "Evrin Yazılım and Mikro Grup Integrations" launched in 2025, companies can quickly pay both taxes and customs duties and instantly carry out fund transfers through their own software. These integrations have contributed to new customer acquisition and have positively impacted tax collection figures.



The digital transformation in cash management has increased the use of non-branch channels while also contributing to the effective management of operational costs. By structuring the fee and exemption framework on a per-transaction basis for transfers made via web services, the fees collected from these transactions have become more manageable. A separate fee and exemption structure was created for EFTs and money transfers conducted through DTO (File Transfer Automation), aiming to increase fee and commission income. By designing precious metal transfer processes separately for branches, the call center, internet banking, and mobile banking, and by defining channel-specific fees and exemptions, pricing flexibility and revenue management have been strengthened.

In terms of sustainability, the Continuous Check Printing System has minimized potential errors in handwritten checks and shortened transaction times, resulting in operational labor savings. The Web Service Money Transfer product has facilitated access to banking services, aiming to reduce branch costs and increase financial inclusion by decreasing the need for physical branches. Thus, cash management solutions contribute both to the Bank's sustainability strategies and to our country's qualified development.

User experience and satisfaction are monitored through direct communication with companies. When necessary, instant contact is established with customers, and any technical or operational issues are resolved quickly in coordination with software teams. The feedback received during this process provides data for new developments.

Starting in 2026, the next phase of the cash management transformation will be the implementation of virtual IBANs. This aims to reduce the need for manual checks, minimize human error, and decrease operational risk and workload, especially for large-volume payments. Within the scope of digitalizing institutional collections, it is anticipated that the simultaneous integration of the software of contracted institutions and alternative distribution channels will lead to a higher collection volume and more demand deposits in a shorter time.

The Share of Digital Channels in Institutional Collections Continues to Grow
Approximately 97.3% of institutional collections in 2025 were carried out through the mobile and internet banking channels, automatic payment orders, Dialog and ATMs. Only 2.7% of all collection transactions were carried out through our branch tellers, reducing operational costs.

ROBOTIC PROCESS AUTOMATION INITIATIVES

As of 2025, robotic process automation has reached a robotization rate of nearly 100% across all units managing operational processes.

Robotic process automation has been integrated into many areas, primarily reporting, operational and repetitive tasks, and various banking transactions.

Operational Transformation Based on Data and Robotic Automation

For over five years, Halkbank has been supporting its operational processes with its "Steel Collar Employees" through its robotic process automation (RPA) initiatives. Robots contribute to business continuity and process efficiency by undertaking many tasks such as routine and bulk transactions, checks required outside of working hours, mass reporting, website discovery, data preparation, and triggering connected systems.

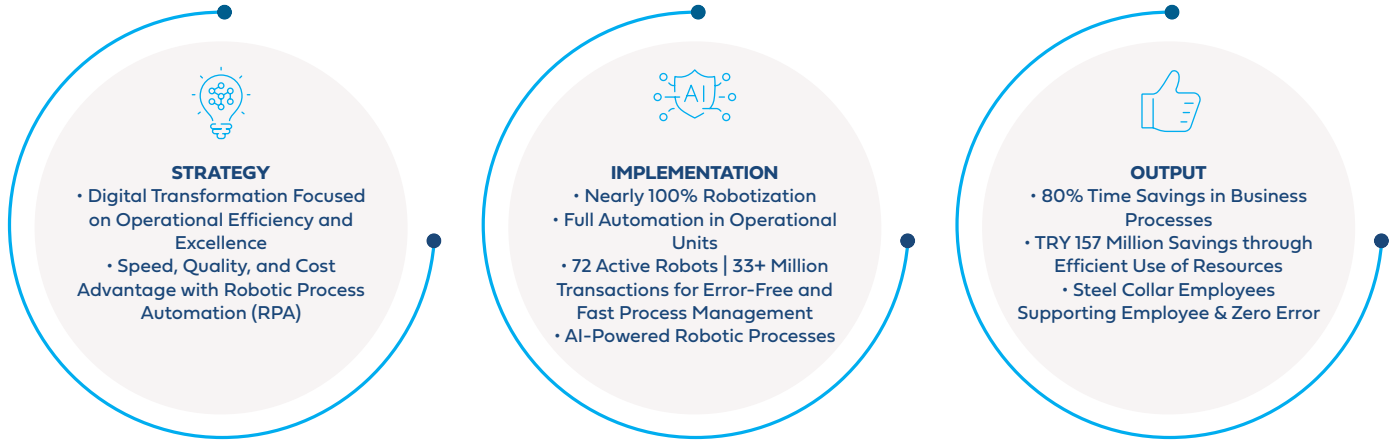
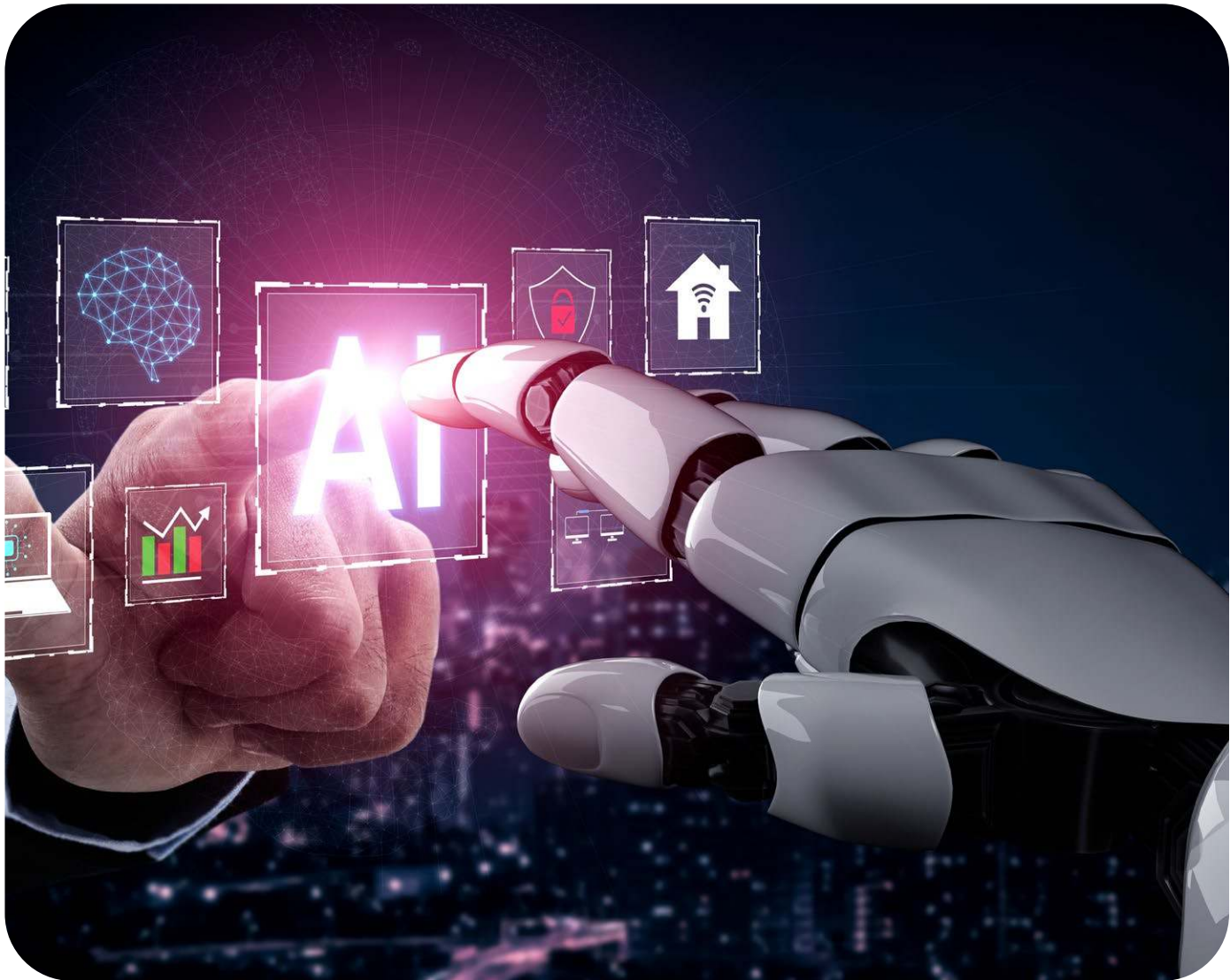
As of 2025, robotic process automation has achieved a near-100% robotization rate in all units managing operational processes. The proportion of RPA-supported service units across the entire organization, including the Head Office, branches, and country representative offices, has risen to 67%.

The Bank has utilized RPA technology in more than 200 processes since 2021, and as of today, it actively carries out 189 processes with 72 robots. In 2025 alone, approximately 7.7 million transactions were performed by robots, with over 33 million transactions completed in total since 2021. This resulted in savings of TRY 157 million in 2025 and over TRY 256 million in the 2021–2025 period, with a time saving of 11.2 million minutes specifically in 2025.

Robotic process automation has been integrated into many areas, primarily reporting, operational and repetitive tasks, and various banking transactions. The ability of robots to operate 24/7 has yielded time savings of up to 80% in time-critical tasks and has reduced the operational workload of central units, enabling processes to reach the field and customers more quickly. The fast and error-free execution of transactions has shortened waiting times, and the consistency and speed of service from branches and the head office have enhanced the customer experience. While robots take on repetitive and operational tasks, employees are able to devote more time to high-value-added processes requiring expertise, which also positively affects employee satisfaction.

Data obtained from RPA applications are used to monitor operational performance and accelerate decision-making processes. The continuous operation of robots prevents operational delays and ensures the timely production of outputs needed for decision-making processes. For process design purposes, robots are treated as employees; the business rules, approval mechanisms, and internal control steps that apply to personnel in manual processes are also designed to apply to robotic processes. Thus, internal control, security, and audit mechanisms are also operated effectively in RPA processes.

To develop the competencies of teams involved in robotic process automation initiatives, regular announcements and bulletins were published in 2025. One-on-one meetings with relevant units both raised awareness and gathered feedback for the design of new robotic processes. In the period ahead, Halkbank plans to increase process diversity by using collaborative robots integrated with artificial intelligence and digital assistants, include more complex workflows within the scope of robotic process automation, and make RPA a stronger component of its digital transformation strategy.



CYBER SECURITY AND CUSTOMER DATA PRIVACY

Halkbank has established a comprehensive corporate structure to ensure the security of its information assets and prevent privacy breaches.

Twice a Year
PDPL Compliance
Audit Frequency

Halkbank has established a comprehensive corporate structure to ensure the security of its information assets and prevent privacy breaches. The Bank's Information Systems Security Office operates directly under the authority of the General Manager's Office.

In line with the Circular on "Penetration Tests for Information Systems" issued by the BRSA, penetration tests are conducted at regular intervals by external firms to detect and resolve security vulnerabilities in the Bank's information systems before they can be exploited.

Once a Year
Number of Cyber
Incident Drills

The Bank's information security policies are regularly reviewed and updated as necessary. The Company's information security activities and current risks are reported to the Information Security Committee twice a year and to the Board of Directors annually, and necessary actions are taken accordingly. No significant information security breaches occurred in 2025.

A Cyber Incident Response Plan has been established to address cyber incidents at the appropriate level as soon as possible in accordance with their severity levels and to clearly define roles and responsibilities as well as workflows within the organization. Under this plan, drills are conducted annually using real attack scenarios with the participation of technical teams and/or senior management.

All servers and endpoint devices are protected by endpoint security solutions. Audit trails generated on systems and security alerts produced based on predefined rules are monitored 24/7 by the Security Intelligence and Defense Center, which carries out the necessary interventions for security incidents.

The Bank regularly conducts cybersecurity tests through both its internal teams and independent audit firms. These audits enable independent parties to assess and report on the Bank's cybersecurity status, ensuring continuous improvement. Cybersecurity incidents are monitored on a 24/7 basis by information security teams working in shifts, and potential impacts are minimized through rapid and effective intervention. Halkbank supports its approach to mitigating technology-based risks with its certified ISO 27001 Information Security Management System, enhancing service quality by ensuring continuous improvement in its information security processes.

The Bank has a disaster recovery policy and procedure in place. In the event that critical IT applications are interrupted due to reasons falling within the definition of an "emergency," the objective is to continue operations from the Emergency Center (ODM) as quickly as possible and with minimal loss, in accordance with defined procedures. Training, drills, meetings, and audits are conducted regularly to embed the disaster recovery policy into the corporate culture. A minimum of two communication drills and at least one emergency drill are conducted annually. In 2025, three communication drills and four emergency drills were carried out. Supplier companies are also included in the drills as needed.

Compulsory information security awareness training is provided for all employees in order to strengthen awareness within the organization and prevent violations. The training covers information security, cyber threats, personal data protection, and the Bank's information security policies. In addition, phishing tests are conducted for all personnel, social engineering tests for authorized personnel, and secure software development training for software teams. Additional training is assigned to employees of suppliers with access to the Bank's information systems, software teams, and personnel who fail phishing tests. Through annual awareness surveys, personnel's level of information security awareness is measured, and new training is planned in areas where needed. In 2025, Bank personnel received a total of 3,184.8 hours of e-training in the areas of "Cyber Security" and "Information Security." Additionally, employees are kept continuously informed about current information security risks through e-announcements.

A Personal Data Protection Committee has been established as part of compliance with the Personal Data Protection Law, and the Committee convenes once a year. The Personal Data Protection Committee Working Procedures and Principles Directive has been prepared to define the Committee's working procedures and principles. In addition, the Personal Data Protection and Processing Policy, the Special Categories of Personal Data Protection and Processing Policy, and the Personal Data Retention and Disposal Policy are in effect.

A Data Breach Response Plan has been created to define the actions and notification processes to be implemented in the event of a data breach within the Bank. This document serves as a guide covering notifications and reporting in the event of an attempted or actual data breach, assessment of potential consequences, and implementation of necessary measures. No data breach incidents or notifications occurred in 2025.



WINNING THE FUTURE OF THE PLANET WITH GREEN TRANSFORMATION

SDGs We Contribute to



A
CDP Climate
Change Score

20,214
Number of Companies
Assessed within the Scope
of Sustainability and
Environmental Assessment

A
CDP Water
Security Score

11%
Reduction in Total
Waste per Capita

79.71
LSEG ESG Score

Growing economic uncertainty and deepening ecological degradation on a global scale are positioning the financial sector in a key role in combating the climate crisis and promoting the responsible use of resources. Aware of this role, Halkbank considers reducing its environmental impacts, raising public awareness, and supporting its customers’ transition to less carbon-intensive, climate-resilient business models among its main priorities. In line with Türkiye’s 2053 net-zero target, the Bank aims to strengthen its environmental performance across its entire sphere of influence by integrating both its own operations and the projects it finances into the green transformation process.

Halkbank manages its environmental performance across the dimensions of climate, energy, water, waste, and biodiversity through measurable targets, policy frameworks, and environmental, social, and governance (ESG) criteria integrated into its credit processes. Reducing its operational footprint and supporting the green transformation through sustainable financing constitute the two main pillars of the Bank’s environmental management approach. The framework for Halkbank’s environmental approach and commitments is defined in its publicly available Sustainability Policy.

Under the Bank’s Integrated Management System, the environmental impacts of operations are continuously monitored, areas for improvement are identified, and

necessary actions are taken. In this context, approximately TRY 25 million in capital expenditures was made in 2025 to minimize environmental impacts. In 2025, no violations of environmental legislation arising from operations occurred, and the Bank was not subject to any penalties in this regard.

On this foundation, Halkbank aims to reduce environmental risks and create long-term value by addressing energy efficiency, water management, circular economy and zero-waste practices, carbon footprint management, biodiversity conservation, and climate-focused portfolio management in an integrated manner.

For detailed information on Sustainable Finance activities, please visit the Bank’s website.

GUIDANCE AND REALIZATION

2025 Targets	2025 Realizations	Goals for 2026 and Beyond	Action Plan
Increasing the CDP Climate Change score to level A	Realized as A.	Updated target: Continuing efforts to maintain CDP Climate Change score at level A	📌 An A score was received from the CDP Water Security program in 2025.
Reducing Scope 1+2 emissions by 50.4% in 2032 compared to the base year 2021	In progress	Target maintained.	📌 Ensuring that electricity consumption, one of the highest operational emission items, is sourced from renewable energy sources
Reducing project finance sourced electricity generation emissions in the loan portfolio by 52.6% per MWh in 2032 compared to the base year 2021	In progress	Target maintained.	
Reducing other electricity generation emissions in the loan portfolio by 73.8% per MWh in 2032 compared to the base year 2021	In progress	Target maintained.	📌 Lending activities that support the green transformation of sectors will continue.
Reducing emissions from the commercial real estate sector in the loan portfolio by 60% per square meter in 2032 compared to the base year 2021	In progress	Target maintained.	
Ensuring that all active Halkbank subsidiaries are certified under ISO 14001 and ISO 50001 standards	All active domestic subsidiaries have complied with ISO 14001 and ISO 50001 standards.	-	📌 All active domestic subsidiaries have been certified under ISO standards.
		Achieving 15% savings compared to the reference consumption calculated for branches covered by KEYS.	📌 Reducing electricity consumption through awareness and efficiency activities
Reducing the Bank’s total water consumption by at least 1% per person compared to the previous year	5% Increase	Target maintained.	📌 Reducing water consumption through awareness and efficiency activities
Reducing the Bank’s total waste amount by at least 2% per person compared to the previous year	11%	Target maintained.	📌 Reducing paper consumption by expanding digital banking applications

CLIMATE ACTION AND ENVIRONMENTAL COMPLIANCE

Halkbank does not view the fight against the climate crisis as being limited to reducing carbon emissions; it adopts an approach based on ecological balance and long-term sustainability.

Halkbank views its environmental approach not as a conflict with economic development goals, but as a strategic area of responsibility that makes these goals achievable in the long term. The Bank considers the continuous improvement of its environmental performance—reducing the negative environmental impacts of its activities, preventing pollution, and using resources in a way that respects the natural balance—as the foundation of its environmental impact management.

In this context, Halkbank does not view the fight against the climate crisis as being limited to reducing carbon emissions; it adopts an approach based on ecological balance and long-term sustainability. In all its environmental efforts, the Bank adheres to national legislation and international norms, aiming to manage its environmental impacts both in its own operations and through its financing activities. The Bank's environmental approach and commitments are framed by its publicly available Sustainability Policy.

Click [here](#) for the Sustainability Policy.

To systematize its environmental impact management at the corporate level, Halkbank integrated an Integrated Management System, comprising the ISO 14001:2015 Environmental Management System and the ISO 50001 Energy Management System, into its business processes in 2016. As the first Turkish bank to establish an ISO 50001 Energy Management System, Halkbank expanded this system in 2019 to cover all its service units. Additionally, all the Bank's service locations have been certified under the Zero Waste Regulation.

To support the Integrated Management System and Zero Waste practices, comprehensive training activities were conducted, providing a total of 4,781.3 hours of training, including 554 hours of in-class training for 162 participants and 4,227.3 hours of e-learning for 16,618 participants. This strengthened employees' contribution to the Bank's environmental sustainability goals and further developed the corporate capacity to combat climate change.

The functioning of practices within the Integrated Management System is monitored through regular internal audits; continuity and improvement in environmental and energy management are ensured through audits conducted by Integrated Management System Internal Auditors. Halkbank views compliance with all legal environmental requirements as a minimum standard and aims to go beyond this by promoting environmentally friendly product, service, and process designs.

The approach to combating climate change is not limited to the Bank's operations and borrowers but also includes the transformation of its suppliers and subsidiaries. In this context, all of the Bank's active domestic subsidiaries—Halk GYO, Halk Yatırım, Halk Faktoring, Halk Varlık Kiralama, Halk Finansal Kiralama, Halk Elektronik Para ve Ödeme Hizmetleri, and Halk Elektrik Üretim—have been certified for compliance with ISO 14001 and ISO 50001 standards to strengthen their sustainability management systems.

Green Financing and Climate-Focused Portfolio Management

Halkbank views the climate crisis as a multidimensional risk area affecting economic stability, social welfare, and global security, and demonstrates its responsibility in this area through science-based targets and long-term commitments. In 2025, as part of its efforts to combat climate change, the Bank continued to finance renewable energy, electric vehicle transition, and energy efficiency projects to make its loan portfolio and operations more resilient to climate risks.



Halkbank is taking significant steps through financing in areas such as expanding renewable energy sources and the domestic production of these technologies, energy efficiency and conservation, reducing carbon emissions, and supporting the electric vehicle transition and charging station investments. In line with Türkiye's goals for transitioning to a green and circular economy, the Bank supports the green transformation of businesses and investments with its Green Transformation and Sustainability Support Package, and encourages individuals to participate in this transition through environmentally friendly vehicle and housing loans.

Halkbank also considers climate change a significant financial risk factor and integrates climate-related risks into its business strategies. Heat map and stress test analyses for climate-related risks are conducted within the Bank, and risk appetite studies are carried out for carbon-intensive sectors. This provides a clearer view of the portfolio's exposure to climate risks, which are then considered in new product development and credit allocation processes.

The Bank also considers raising public awareness about climate change one of its core responsibilities, supporting the education of stakeholders within its broad sphere of influence through collaborations with public institutions, non-governmental organizations, and other stakeholders, as well as through volunteer activities.

Net-Zero Target, SBTi Targets, and Climate Action Plan

Halkbank aims to make its entire loan and investment portfolio net-zero by 2050. This approach is consistent with a roadmap based on Türkiye's 2053 net-zero targets. Near-term emission reduction targets approved by the SBTi were disclosed to the public in 2024; thus, the Bank aligned its climate targets with an international scientific framework.

Accordingly, based on 2021, Halkbank aims by 2032 to:

- Reduce absolute Scope 1 and Scope 2 emissions by 50.4%,
- Reduce GHG emissions from the power generation project finance portfolio by 52.6% per MWh,
- Reduce GHG emissions from the electricity generation sector within the corporate and commercial segment loan portfolio by 73.8% per MWh,
- Reduce GHG emissions from the commercial real estate sector by 60% per square meter.

Halkbank aims to make its entire loan and investment portfolio net-zero by 2050.

In addition, for its other long-term corporate loan, listed equity, corporate bond and private equity portfolios, the Bank aims to:

- Lower the Scope 1 + 2 portfolio temperature score from 3.2°C in 2021 to 2.67°C by 2028,
- Reduce the Scope 1 + 2 + 3 portfolio temperature score from 3.2°C in 2021 to 2.76°C by 2028.

With these targets, Halkbank is not only reducing its own carbon footprint but also supporting Türkiye's journey to a low-carbon economy by encouraging its customers to set net-zero-aligned transition strategies. In line with our country's 2053 net-zero target, the Bank also aims to improve the data quality in its emissions calculation processes to obtain more accurate, transparent, and reliable results.

ESG IMPACT IN LENDING

Halkbank utilizes an Internal Ratings Based Model to comprehensively analyze ESG factors when assessing the creditworthiness of its customers.

Adopting an approach of evaluating financed investment projects and companies from an environmental and social perspective, Halkbank conducts environmental and social impact assessments. The Bank analyzes the projects and companies it classifies according to green and social criteria in accordance with a provision of its Sustainability Policy stating, "to strive to appraise loan applications in accordance with the Bank's loan policies based on environmental and social factors in addition to economic factors." This process is carried out through the Company Rating Report (FDR) scoring methodology, and the results of the sustainability assessment affect the ratings of the companies.

The Bank also reviews the activities of companies applying for loans within the framework of sustainability principles, thereby promoting a transformation in the economy that takes environmental and social impacts into account.

The main topics included in the Sustainability Assessment are as follows:

- Physical and Transition Risk Assessment Linked to Climate Change
- Assessment of National and International Memberships and Commitments related to Sustainability
- Carbon Emission Assessment through Local and Global Standards
- Strategies and Plans within the scope of Carbon Footprint Reduction
- Renewable Energy, Energy Efficiency and Water Saving Assessments
- Occupational Health and Safety Assessment
- Assessment on Sensitivity to Consumer Rights
- Employment Assessment for Disadvantaged Groups

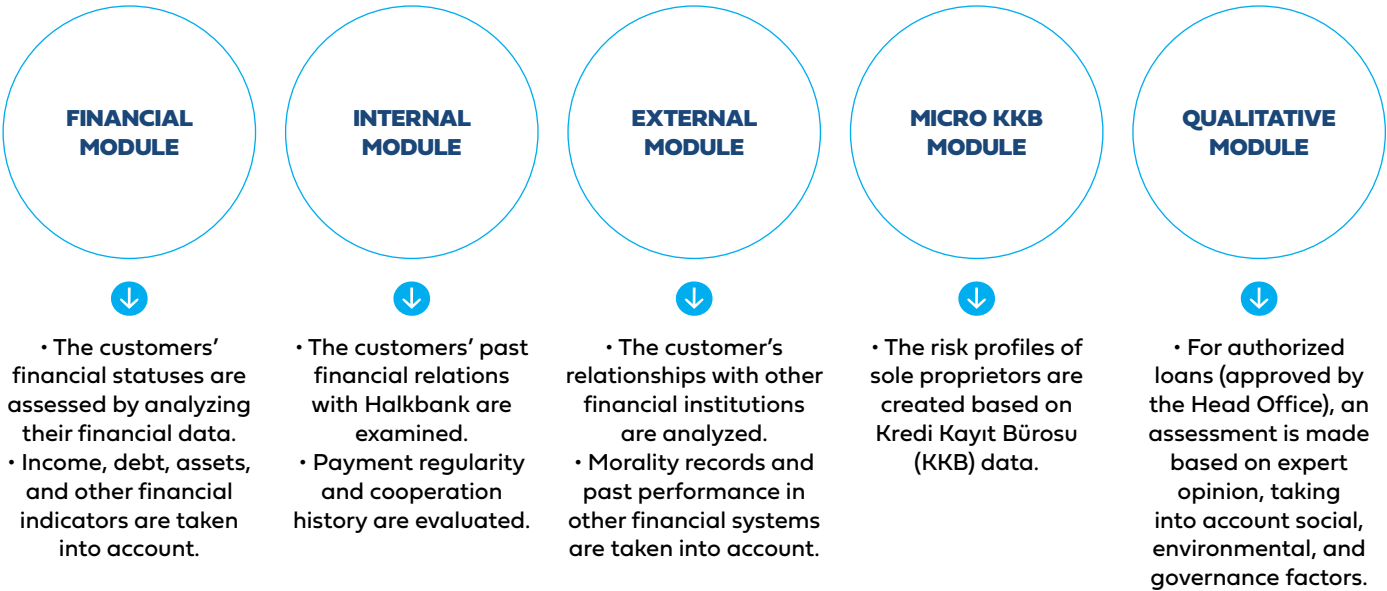
As of December 31, 2025, all 20,214 companies evaluated under the Sustainability and Environmental Assessment have been scored.

Due to its corporate size, industry requirements, and status as a public bank, Halkbank closely monitors numerous economic, social, and environmental developments. The Bank, which prioritizes environmental sensitivity in all its operations, has identified minimizing its environmental impacts and continuously improving its performance in this area as one of its key objectives.

In the projects it finances, the Bank emphasizes not only meeting the environmental and social standards required by legal and corporate policies but also meticulously assessing social and environmental risks and taking necessary precautions. In this context, the financing provided is expected to create not only economic benefits but also added value in its environmental and social dimensions. From detailed pre-loan assessments to ongoing monitoring processes throughout the loan term, Halkbank closely follows investments at every stage, conducting site visits when necessary to ensure the effective management of project-specific risks.

Halkbank utilizes an Internal Ratings Based Model to comprehensively analyze ESG factors when assessing the creditworthiness of its customers. This model, which allows for assessments based on varying criteria within the rating segmentation, provides a basis for a sustainable financing process by enabling the analysis of customers based on environmental, social, and financial criteria.

INTERNAL RATINGS BASED MODEL



CARBON FOOTPRINT MANAGEMENT

In addition to direct emission reductions, Halkbank also contributes to indirect emission reductions through its financing activities.

The Corporate Energy Management System (KEYS) project, initiated to strengthen carbon footprint management, enables real-time monitoring of energy consumption and is targeted for expansion across all branches.

As part of its efforts to combat the climate crisis, Halkbank calculates its corporate carbon footprint annually to measure, monitor, and reduce the environmental impacts of its operations. The Bank’s environmental sustainability approach is based on reducing greenhouse gas emissions, using natural resources efficiently, and creating long-term value in line with its net-zero emission target. Within this framework, necessary steps are systematically taken to implement environmentally friendly practices, reduce the carbon footprint, and increase public awareness in this area.

The carbon footprint management process is conducted within a structured framework. Halkbank performs its corporate carbon calculations via an application named İKLİM; it regularly collects data on energy consumption, fuel usage, business travel, logistics, waste, and other emission sources for each unit and branch. This data is classified and reported in accordance with the Greenhouse Gas (GHG) Protocol, and data entries are periodically checked to ensure the reliability of calculations.

In 2025, practices were strengthened in line with the Climate Transition Plan to reduce carbon emissions. Energy efficiency practices were expanded in operations, the use of employee shuttles was supported to limit emissions from commuting, meetings and training were held online or at the Headquarters building whenever possible, and measures to reduce plastic use were maintained at all service locations.

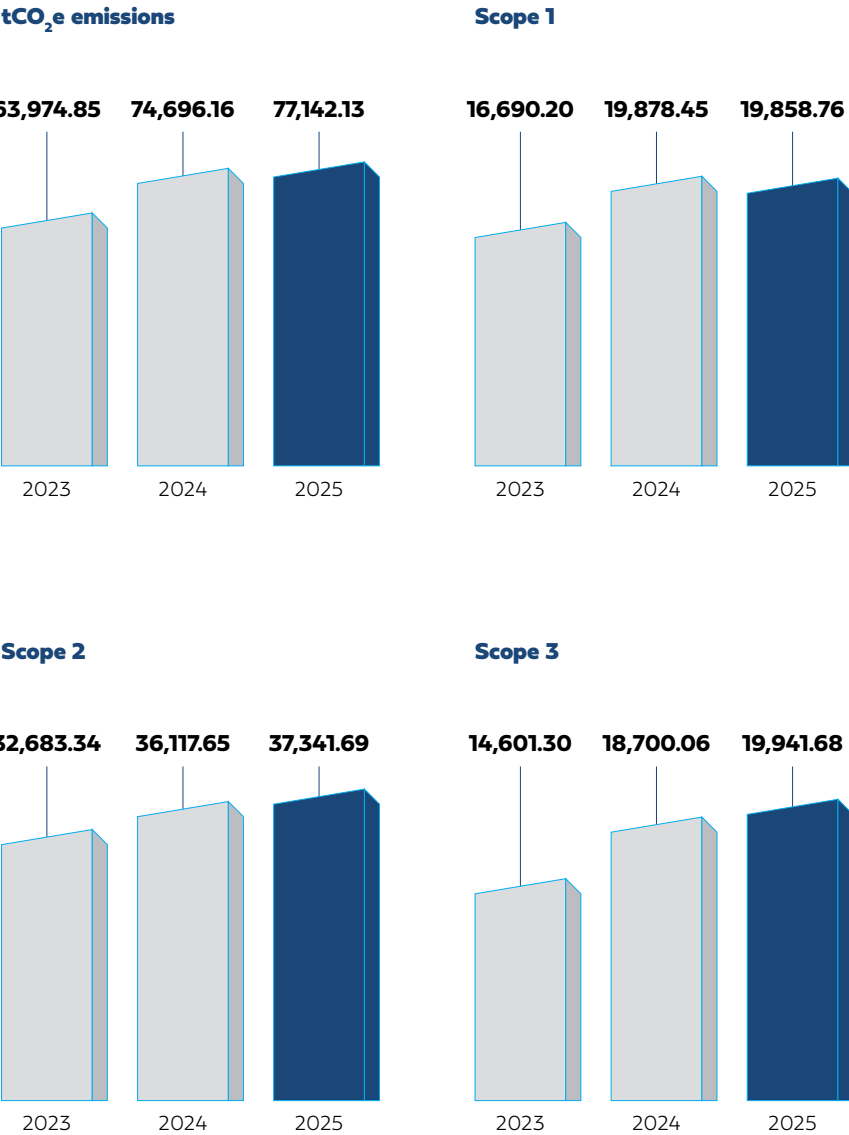
In addition to direct emission reductions, Halkbank also contributes to indirect emission reductions through its financing activities. The clean energy loans extended by the Bank contributed to an emission reduction of 680,553 tCO₂e, thereby also supporting the transition to a low-carbon economy through credit policies and product designs.

In the upcoming period, the aim is to strengthen carbon footprint management by expanding the Corporate Energy Management System (KEYS), which enables real-time monitoring of energy consumption, across all branches. This is intended to allow for closer monitoring of operational emission sources and to support reduction plans with more precise data.



In 2025, practices were strengthened in line with the Climate Transition Plan to reduce carbon emissions.

Absolute GHG Emissions by Years (tCO₂e)



ENERGY EFFICIENCY AND MANAGEMENT

Halkbank develops innovative solutions to increase efficiency and reduce losses in order to decrease energy consumption from its operations.

628,828.09
Total Energy Consumed
In-house (GJ)

44,417 kWh
Amount of Directly
Consumed Renewable
Energy

~2.8
MILLION kWh
Energy Savings
Achieved Through the
Branch Signboard Turn
Off Project

Adopting the motto "Keep Our Energy for the Future," Halkbank aims to continuously improve its energy performance, reduce energy losses, and increase efficiency through its "Energy Management", a subcomponent of its "Sustainability Policy."

Within the scope of the ISO 50001 Energy Management System, Halkbank regularly monitors and analyzes its energy consumption and carries out improvement efforts based on these analyses, giving top priority to energy efficiency in its operations and purchasing processes.

Through the project to keep branch signboards turned off, annual electricity savings of approximately 2.8 million kWh are achieved, corresponding to an estimated annual emission reduction of approximately 1,220 tCO_{2e}.*

Exemplary Energy Efficiency Practices with Effective Resource Utilization

Halkbank develops innovative solutions to increase efficiency and reduce losses in order to decrease energy consumption from its operations. In this regard, a comprehensive model is being developed that provides performance analyses based on resource consumption by monitoring consumption variables, building climate control conditions, and all possible environmental impacts through energy monitoring systems.

Fluorescent lamps in branches undergoing renovation are being replaced with LEDs, and all electronic and mechanical devices in the Bank's service buildings are maintained at specified intervals.

The Bank's Headquarters Building in the Istanbul Finance Center was constructed in accordance with the highest energy efficiency standards. According to the energy modeling based on architectural features, lighting fixture selections in common areas, and the device list in the implementation projects, it is possible to achieve 30% energy efficiency compared to a building compliant with the ASHRAE 90.1-2007 standard. The building also met high-level sustainability criteria and was awarded the LEED Platinum Certificate, the highest level for environmental performance.



The Bank complies with national and international legal requirements related to energy consumption and efficiency in line with its ISO 50001:2018 Energy Management System and corporate strategies. In addition, it undertakes activities to improve performance by procuring energy-efficient products and services in its purchasing processes.

Halkbank informs its employees and all stakeholders about energy efficiency through various communication tools and training, and conducts awareness-raising activities.

The Bank has also integrated energy savings into its overall performance management. Energy savings directly affect the performance bonuses of the Deputy General Manager of International Banking, the Head of the Sustainability Department, and the managers and employees of the Sustainability Department.

A Strategic Step in Energy Management by Halkbank

Halkbank has implemented the Corporate Energy Management System (KEYS) to monitor and manage energy consumption at its service locations in real time. With KEYS, electricity consumption, temperature, humidity, light intensity, carbon dioxide levels, and air conditioning systems are monitored via sensors and analyzers. This aims to ensure more efficient and sustainable resource management at the branches.

Halkbank continues to contribute to sustainable development by increasing the resource efficiency of its operations with KEYS.

In addition, in order to reduce its carbon footprint and meet its electricity consumption from renewable energy sources, Halk Elektrik Üretim A.Ş., a renewable energy generation company, was established as a wholly owned subsidiary and commenced operations.

Innovative Approaches in Energy Efficiency Efforts

KEYS Project: The AI-supported energy management platform and mobile application developed under the project prevent energy waste. This has resulted in 20% electricity savings at service locations where the KEYS infrastructure is installed.



Branch Energy Consumption Analyses: The energy consumption data of Halkbank branches are analyzed in detail on a quarterly basis. These analyses help identify branches with high energy consumption, and necessary improvement efforts are made to increase energy efficiency. Based on the energy consumption analyses, an evaluation is conducted among Halkbank branches every six months, and the top three branches with the best energy consumption performance are identified and awarded the title of "Energy Champion." This practice aims to create a competitive environment for energy efficiency among branches and to increase awareness.

*Exceptions may be applied based on geographical characteristics and location of branches.

WATER EFFICIENCY AND MANAGEMENT

Halkbank is strengthening its water management perspective not only in its own operations but also at the credit portfolio level.

Halkbank achieved an A score in the CDP “Water Security” Program in 2025, placing it at the leadership level.

Water is the fundamental source of life and is indispensable for the balance of ecosystems and the sustainable future of humanity. Acting with this awareness, Halkbank considers the protection and effective management of water resources an integral part of its environmental and sustainability approach; it regularly monitors and measures its water consumption under the guidance of international standards and relevant legislation, and develops action plans accordingly.

Within the framework of “Water Management,” a subcomponent of its Sustainability Policy, Halkbank bases its long-term strategies, targets, and action plans on the efficient use of water in its operational and business processes. In this context, the Bank considers financing assets that help reduce water risks and creating value through water management in its own operations and across its stakeholders as part of its goal to continuously improve its sustainability performance.

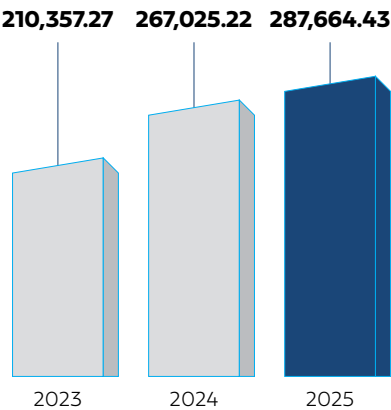
Halkbank, which tracks water consumption and calculates its water footprint at all service locations, aims to raise awareness and support behavioral change by notifying units with high per capita water consumption. In central offices and branches, sensor-operated taps, low-flow fixtures, water dispensers, recycling, and smart monitoring systems are used to save water; efficient water use is supported through sensor-based fixtures in new concept branches and the Headquarters building.

At the Headquarters building, approximately 40% savings in municipal water consumption are achieved through practices such as not using municipal water in landscaping and irrigation systems, preferring graywater for toilet cleaning, and using water-saving fixtures and reservoirs. In addition, to support user awareness of water consumption, “3 liters” and “6 liters” labels have been placed on flush systems in all restrooms in the Headquarters building; this practice aims to prevent unnecessary consumption by encouraging efficient and conscious use of water.

Halkbank is strengthening its water management approach not only in its own operations but also at the loan portfolio level. By monitoring the loans it extends within the scope of water management, it is taking strategic steps to support activities and investments that will contribute to reducing the negative effects of water scarcity and drought. This approach is aligned with the Bank’s risk management and sustainable finance framework.

As a result of these efforts, Halkbank achieved an A score in the CDP “Water Security” Program in 2025, placing it at the leadership level and confirming its performance in water management on an international scale.

Water Consumption by Years (m³)



CIRCULAR ECONOMY AND ZERO WASTE MANAGEMENT

Waste is separated at source in all service buildings of Halkbank.

Adopting the zero waste principle, Halkbank contributes to the conservation of natural resources and a more sustainable future by reducing, and recycling the waste generated during its operations. As a result of the efforts related to the Zero Waste Regulation, which came into force on July 12, 2019, Zero Waste Certificates were obtained for 1,086 service locations, including all branches; as of 2025, the Istanbul Finance Center Headquarters Building has also been awarded this certificate.

The separate collection of food, plastic, and packaging waste and the effective management of recycling processes are adopted as fundamental principles at the Bank for both environmental sustainability and the efficient use of resources. These practices contribute to the conservation of natural resources and support the circular economy. Waste is separated at source in all service buildings of Halkbank, and the generated waste is delivered to the relevant municipalities or to recycling and disposal companies licensed by the Ministry.

In 2025, 22 tons of hazardous waste resulting from the Bank’s activities were sent to licensed companies for recycling and disposal, thereby preventing environmental pollution. A sustainable approach is also adopted in the management of electronic waste; e-waste is regularly sent for recycling, and in 2025, 1,681 units of e-waste were recycled.

During the period, Halkbank initiated a project involving self-purifying water dispensers to meet the clean water needs of its employees, thereby eliminating the use of plastic bottles. With this transformation, the generation of approximately 165 tons of plastic waste was prevented in 2025, and drinking water costs were significantly reduced. Care was taken not to use materials containing components harmful to human health during the construction of the Headquarters Building.

In 2025, second-hand clothes in good condition were collected in the textile bank in the IFC Headquarters building and delivered to Ümraniye Municipality to be delivered to those in need. In addition, the “Compost Food” project was implemented in the cafeteria of the Headquarters. As a first and pioneering initiative in the sector, Halkbank converts food waste into cat and dog food through the “Compost Conversion Center” established at its Headquarters building. With the project announced with the slogan “Karınları Tok, Mamaları Temiz Olsun (Let Their Stomachs Be Full, Their Food Be Clean),” the food waste generated daily in the cafeteria of the IFC Headquarters Building is composted and turned into food for our pawed friends. Through the project, approximately 3.7 tons of pet food were produced from approximately 7 tons of food waste in 2025, creating value.

These activities carried out in line with the zero waste target were cited as an example of good practice on the Zero Waste website of the Republic of Türkiye Ministry of Environment, Urbanization and Climate Change,

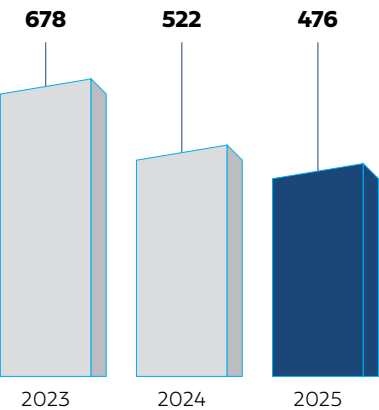
and Halkbank thus broke new ground in the finance sector. For more information, please visit <https://sifiratik.gov.tr/kutuphane/sifir-atik-iyi-uygulamalari/kurum-kuruluslarda-sifir-atik-iyi-uygulamalari>.

Paper Saving Through Paperless Banking Applications

Halkbank is expanding practices such as paperless banking, electronic signatures, and digital processes to reduce waste generation in its office and branch operations. By transferring banking processes end-to-end to a digital environment, it prevents paper waste and increases operational efficiency.

In 2025, paperless banking practices resulted in savings of 210 million sheets of paper, which contributed to reducing environmental impacts, more efficient use of time and lower costs. The Bank aims to strengthen such waste-reduction and digitalization-focused practices in the future, in line with its circular economy and zero-waste approach.

Waste Recovery Performance by Years (tons)



BIODIVERSITY CONSERVATION

Recognizing that the fight against climate change is closely linked to the conservation of biodiversity and ecosystems, Halkbank places importance on preventing deforestation and supporting afforestation efforts.

In 2025, carbon sink areas totaling 20,000 trees were created in Şanlıurfa and Manisa, thereby contributing to both increasing carbon sequestration capacity and strengthening local ecosystems.

Halkbank considers the conservation of biodiversity and the sustainability of natural ecosystems as fundamental elements of its environmental responsibility approach. With the awareness that protecting natural assets directly contributes to sustainable development goals and long-term social welfare, it conducts its activities from this perspective.

Recognizing that the fight against climate change is closely linked to the conservation of biodiversity and ecosystems, Halkbank also places importance on preventing deforestation and supporting afforestation efforts. In 2025, carbon sink areas with a total of 20,000 trees were established in Şanlıurfa and Manisa, thereby contributing both to an increase in carbon sink capacity and to the strengthening of local ecosystems. These efforts are carried out in collaboration with relevant public institutions and non-governmental organizations.

In 2026 and beyond, the Bank plans to continue its efforts to increase our country’s forest assets through afforestation activities and to support marine ecosystems through projects aimed at protecting seagrass meadows. This aims to strengthen a biodiversity-focused environmental approach that considers both terrestrial and marine ecosystems.



REPORT OF THE BOARD OF DIRECTORS

Leveraging our 87 years of experience as a well-established institution in the sector, we at Halkbank continued to support the real economy in 2025 by offering premium products and services, underpinned by our robust risk management and agility in responding to market conditions. We continued to significantly contribute to the national economy through our sustained support for tradespeople, SMEs, and women and young entrepreneurs. This support was fueled by our broad deposit base and acquired funds from our capital increase and the capital market instruments we issued both domestically and internationally. Within the scope of the 2025 Year of the Family, we introduced tailored products designed to encourage women’s participation in the workforce, support work–life balance, and contribute to social development.

In 2025, Halkbank increased its assets from 3,022.2 billion Turkish lira to 4,292.8 billion Turkish lira, up by 42 percent year-over-year. It also ranked fourth in asset size within the sector. By the year-end, cash loans accounted for 46.5 percent of the balance sheet. Its commercial loans, including the SME loans, rose to 1,761.7 billion Turkish lira and its retail loans to 232.3 billion Turkish lira. The Bank ranked fifth in cash loans within the sector. Cash and non-cash loan volumes increased from 2,262.2 billion Turkish lira to 3,168.5 billion Turkish lira, up 40.1 percent year-on-year. Loan disbursement for artisan loans was recorded at 175.8 billion Turkish lira, as the artisan loan balance increased by 20.1 percent year-on-year to 319.7 billion Turkish lira.

By the end of 2025, the Bank provided 120 billion Turkish lira in financial support to 264,000 women entrepreneurs through the Women Entrepreneurs Loan Package introduced in 2021. We at Halkbank are committed to fostering the growth of the women’s entrepreneurship ecosystem through our ongoing initiatives, including the fifth annual Productive Women Competition held in February 2026, and the Productive Women Academy MasterClass Brand Training Sessions.

We continued to stand by young entrepreneurs through an expanding range of entrepreneurship initiatives, including the “HUBrica Acceleration Program,” launched to enhance the global competitiveness of projects in fintech, artificial intelligence, and sustainability; the “Gençiz Youth Summit,” which connects young potential with entrepreneurship opportunities and technology; and the “Jet Luck Elevator Pitch Competition,” designed to help entrepreneurs present their projects to the business world. We also continued to offer the “Young Business Loan” and the “First Step Loan,” introduced to facilitate young people’s access to the financial system and to support their active participation in the entrepreneurship ecosystem. Additionally, in 2025, we launched the “Gençiz Loan” to encourage recent university graduates to pursue entrepreneurship, offering favorable costs and flexible repayment terms. By year-end 2025, we have issued a total of 38.4 billion Turkish lira in financing to 227,000 entrepreneurs through our Entrepreneurs Loans.

In 2025, the Bank’s securities portfolio expanded to 1,186.8 billion Turkish lira, up by 51.7 percent year-on-year, accounting for 27.6 percent of the balance sheet. In 2025, Halkbank issued additional Tier 1 bonds abroad with a total nominal value of \$1 billion, and further secured \$1.6 billion worth of foreign funding, comprising \$700 million obtained through loan agreements with various international banks and \$900 million through repo and collateralized loan agreements. The Bank also issued commercial papers to qualified domestic investors without making any public offering with a par value of 4.1 billion Turkish lira.

Halkbank’s total deposit base grew by 46.4 percent to 3,487.1 billion Turkish lira, up from 2,381.8 billion Turkish lira year-on-year, ranking us second in the sector. In addition, demand deposit volume amounted to 997.4 billion Turkish lira in 2025.

The Bank posted a 27.1 billion Turkish lira year-end profit, marking a 23.1 percent increase from the previous year, showcasing its sustainable profitability in 2025. The Bank’s equity increased by 31.1 percent to 218.3 billion Turkish lira, with a capital adequacy ratio of 16.17 percent.

With 17 new branches opening in 2025, Halkbank expanded its branch network to 1,105 branches and ended the year with 22,575 employees.

We express our gratitude to our employees, whose dedication and efforts have propelled Halkbank’s sustained growth in 2025, contributing to a profitable and productive year. We hereby submit the Board of Directors’ and Auditors’ Reports, as well as financial statements for the year 2025, to our esteemed shareholders and their representatives for their consideration.

Respectfully,

Osman ARSLAN
Board Member
General Manager

R.Süleyman ÖZDİL
Chairman

ANNUAL REPORT COMPLIANCE STATEMENT



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CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR’S REPORT ON THE BOARD OF DIRECTORS’ ANNUAL REPORT
ORIGINALLY ISSUED IN TURKISH

To the General Assembly of Türkiye Halk Bankası Anonim Şirketi

Opinion

We have audited the annual report of Türkiye Halk Bankası Anonim Şirketi (the “Bank”) for the period between 1 January 2025 and 31 December 2025, since we have audited the complete set of consolidated and unconsolidated financial statements for this period.

In our opinion, the consolidated and unconsolidated financial information included in the annual report and the analysis of the Board of Directors by using the information included in the audited consolidated and unconsolidated financial statements regarding the position of the Bank are consistent, in all material respects, with the audited complete set of consolidated and unconsolidated financial statements and information obtained during the audit and provides a fair presentation.

Basis for Opinion

We conducted our audit in accordance with “Regulation on Independent Audit of the Banks” published in the Official Gazette No.29314 dated 2 April 2015 by Banking Regulation and Supervision Agency (“BRSA Auditing Regulation”) and Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”) (“Standards on Auditing issued by POA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Annual Report section of our report. We declare that we are independent of the Bank in accordance with the Code of Ethics for Auditors (including Independence Standards) issued by POA (POA’s Code of Ethics), as applicable to audits of the public interest entities and the ethical requirements in other regulations that are relevant to audits of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the POA’s Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor’s Opinion on Complete Set of Consolidated and Unconsolidated Financial Statements

We have expressed unqualified opinions on the complete set of consolidated and unconsolidated financial statements of the Bank for the period between 1 January 2025 and 31 December 2025 on 20 February 2026.

Board of Directors’ Responsibility for the Annual Report

In accordance with the Articles 514 and 516 of the Turkish Commercial Code numbered 6102 (“TCC”) and Regulation on the Principles and Procedures Concerning the Preparation of and Publishing Annual Reports by the Bank (“Regulation”) published in the Official Gazette dated 1 November 2006 and Numbered 26333, the Bank’s management is responsible for the following regarding the annual report:

- a) The Bank’s management prepares its annual report within the first three months following the date of statement of financial position and submits it to the general assembly.
- b) The Bank’s management prepares its annual report in such a way that it reflects the operations of the year and the consolidated and unconsolidated financial position of the Bank accurately, completely, directly, true and fairly in all respects. In this report, the financial position is assessed in accordance with the Bank’s consolidated and unconsolidated financial statements. The annual report shall also clearly indicate the details about the Bank’s development and risks that might be encountered. The assessment of the Board of Directors on these matters is included in the report.
- c) The annual report also includes the matters below:
 - Significant events occurred in the Company after the reporting period,
 - The Bank’s research and development activities.
 - Financial benefits such as wages, premiums and bonuses paid to board members and key management personnel, appropriations, travel, accommodation and representation expenses, benefits in cash and kind, insurance and similar guarantees.

When preparing the annual report, the Board of Directors also considers the secondary legislation arrangements issued by the Ministry of Trade and related institutions.

Auditor’s Responsibility for the Audit of the Annual Report

Our objective is to express an opinion on whether the consolidated and unconsolidated financial information included in the annual report in accordance with the TCC and the Regulation, and analysis of the Board of Directors by using the information included in the audited consolidated and unconsolidated financial statements regarding the position of the Bank are consistent with the audited consolidated and unconsolidated financial statements of the Bank and the information obtained during the audit and give a true and fair view and form a report that includes this opinion.

We conducted our audit in accordance with BRSA Auditing Regulation and Standards on Auditing issued by POA. Those standards require compliance with ethical requirements and planning of audit to obtain reasonable assurance on whether the consolidated and unconsolidated financial information included in the annual report and analysis of the Board of Directors by using the information included in the audited consolidated and unconsolidated financial statements regarding the position of the Bank are consistent with the consolidated and unconsolidated financial statements and the information obtained during the audit and provides a fair presentation.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

Orhan Akova, SMMM
Partner
10 March 2026
İstanbul, Türkiye

AUDIT COMMITTEE’S ASSESSMENT ON THE OPERATION OF THE INTERNAL CONTROL, COMPLIANCE, INTERNAL AUDIT AND RISK MANAGEMENT SYSTEMS AND INFORMATION ABOUT ITS ACTIVITIES IN 2025

Board of Internal Auditors

The Board of Internal Auditors carries out its activities under the Board of Directors through the Audit Committee.

The Board of Internal Auditors aims to carry out banking activities covering all units, subsidiaries and branches at home and abroad to be conducted in accordance with the Law and other relevant legislations, Bank’s internal strategies, policies, principles and objectives, to determine the effectiveness and adequacy of the internal control, compliance and risk management systems, to prevent the recurrence determined deficiencies, errors and misuses and to ensure the effective and productive usage of the banking system and resources.

The Board of Internal Auditors operating within the framework of international audit norms and ISO 9001:2015 Quality Management System Standards, is managed and administered by the Board that consists of the Head and (5) Deputy Head, and carries out audit activities with a risk-oriented approach in three different ways and methods that complement each other: On-site Audit, Central Audit and Information Technologies Audit.

Internal audit activities were carried out on the basis of the work program prepared in accordance with the relevant legislation at the Bank’s units and subsidiaries included in the annual audit plan of the Onsite Audit team, and the Bank’s reporting systems were used together with the exception reports created by the Central Audit team during audit activities. In addition, the process audits carried out aimed at detecting malfunctioning/inefficient business processes and contributed to increasing the efficiency of the Bank’s operations. The findings of the studies were conveyed to relevant units both in the form of written reports and written cover letters in order to take action.

In order to detect possible irregularities proactively and effectively, the records that are thought to be risky produced by the scenario based reporting that is run regularly were examined by the Central Audit team, and in addition to these, possible irregular actions have been tried to be detected with different methods through spot reports prepared at certain periods. In addition, irregularity scenarios were revised by taking into account current events, legislation, workflows and processes. Also, controls regarding our Bank’s processes were carried out and the detected systemic problems and suggestions to increase efficiency were shared with relevant business units. To ensure the effective use of all software and technological tools in carrying out these activities, training aimed at enhancing personnel competencies continued, and in this context, the “Data Analysis School” training program was launched in 2025.

The Information Technology Audit team conducted internal audit activities regarding the effectiveness, adequacy, and compliance of the information systems used in the Bank’s units and consolidated subsidiaries. Audits were also carried out within the scope of regulations on information systems and banking processes published by the BRSA and the measures in the Information and Communication Security Guide prepared by the Presidency’s Digital Transformation Office.

Examination and investigation activities have been carried out regarding the transactions that are in contradiction of the legislation which are determined as a result of central audit and on-site audit activities and/or arising from notifications and complaints. The reasons and realization processes of the actions that took place in the said studies were examined, and control points were established in order not to repeat them, and the inspections were ensured to cover these areas as well. Additionally, recommendations for administrative and systemic improvements to prevent the irregularities identified in the investigation reports were shared with the relevant business units.

The recommendations made by the inspectors in their inspection, examination, and investigation reports, or regarding any banking practice, were shared with the relevant business units, and the actions taken based on these recommendations were monitored. Efforts were made to increase the Bank’s profitability and efficiency through audits of business processes and recommendations for improvement.

Through the Findings Tracking System, the current risk status of findings identified during audit activities and the work done by the relevant

units to resolve these findings were reported. The actions taken to rectify deficiencies were monitored through the system, and necessary reminders were sent to the relevant business units to ensure the prompt resolution of the findings. This approach went beyond simply identifying errors, as the resolution status of the findings was also tracked, ensuring that risks were minimized.

In accordance with the relevant provisions of the Regulation on Banks’ Internal Systems and Internal Capital Adequacy Assessment Process, periodic evaluation reports on the procurement of Support Services, Valuation Services, Independent Audit Services, and Rating Services were prepared and submitted to the Board of Directors.

Management declaration studies have been carried out regarding the business processes executed by the Head Office, the data specified in the Internal Capital Adequacy Evaluation Process (ICAAP) report have been validated and the statistical models and econometric data used in the report have been effectively assessed through validation efforts. Thus, the Bank’s compliance with all requirements stipulated by legal and administrative regulations was meticulously examined.

By providing internal and external training opportunities to the Members of the Board of Internal Auditors who have the opportunity to gain experience in every field of banking by carrying out audits in various units of the Bank, their professional and personal developments have been supported and by transferring these persons to administrative positions, the Bank continued to provide qualified workforce to the Bank’s administrative staff.

Internal Control

The Internal Control Department aims to protect the Bank’s assets, to carry out activities effectively and efficiently in accordance with the law and other relevant legislation, in-house policies and rules, and to ensure the reliability, integrity of the accounting and financial reporting system and timely availability of information in line with the ISO 9001:2015 Quality Management System standards, within the framework of generally accepted professional standards and business ethics rules, with a proactive and preventive approach through financial, operational and other control points, simultaneous, impartial and objective reporting to the monitoring, examination, evaluation and management levels. In order to carry out these activities, it carries out its duties administratively reporting to the Audit Committee and the Board of Directors through the Internal Systems Group Presidency.

In 2025, periodic meetings were held with the Audit Committee to provide information on the activities and annual reports were submitted to the Board of Directors on a semi-annual basis.

The Presidency monitors the laws, regulations, BRSA regulations and the current legislation of the Bank, and the changes made are reflected on the control instructions and control points simultaneously. Thus, it is ensured that the control instructions and control points which determine the scope of on-site and central control activities are kept up-to-date in line with the legislation and the Bank’s targets.

By analyzing business processes, opinions and suggestions for reducing risks and increasing operational efficiency and effectiveness are conveyed to the relevant units. Internal Control activities’ results

are periodically analyzed, and service points and topic-based risk assessments are regularly presented to the Executive Management.

Efforts are made to prevent mistakes and abuses, and to create an internal control culture by raising awareness of the personnel by the “Awareness Notices” made throughout the Bank, particularly in operational processes.

With the transition of internal control reporting to a web-based electronic system, paper-based processes have been eliminated, and all transactions are carried out through the system. The findings tracking process has also been integrated into the system, enabling the monitoring of actions taken by branches for unresolved findings. In addition, all information is stored in the data warehouse, allowing for the generation and analysis of quantitative data related to control results.

Branch control activities are carried out through hybrid (remote and on-site) activities without loss of efficiency and productivity. Central control activities are carried on by expanding the field of activity simultaneously with on-site controls. Data obtained from the banking system is analyzed, and findings and proposed solutions for risks that can be prevented at system level are shared with relevant units. Scenarios are created for the risk elements which are not possible to prevent systematically, or which require a long time span to prevent, and these scenarios are updated continuously. The results of these scenarios are checked centrally, or relayed to the internal controller for on-site checks. Additionally, controls for regional coordination offices are performed and concluded in a hybrid (remote and on-site) manner.

AUDIT COMMITTEE’S ASSESSMENT ON THE OPERATION OF THE INTERNAL CONTROL, COMPLIANCE, INTERNAL AUDIT AND RISK MANAGEMENT SYSTEMS AND INFORMATION ABOUT ITS ACTIVITIES IN 2025

Continuous control activities are carried out throughout the year to ensure real-time monitoring of business processes within the Bank’s units, as well as the interactive and multidimensional systems that interact with each other. In this context, such activities are maintained across nine departments under four Deputy General Directorates.

In addition, information systems internal control activities which should be fulfilled in accordance with the Regulation on Banks’ Internal Systems and Internal Capital Adequacy Assessment Process are carried out by the Information Systems Controls Group organized at the Departmental Management level within the Internal Control Department. This team also carries out activities to control communication channels and information systems to ensure that information generated within the Bank is reliable, complete, traceable, consistent and fit for purpose, and accessible to relevant units and personnel in a timely manner, as well as fulfilling its assigned roles in ensuring external data security, preventing data leakage and raising awareness.

Additionally, activities related to information systems management within the bank and its external service providers are regularly reviewed in terms of compliance of the processes supporting these activities and the established information systems controls with the legislation and in-bank policies, procedures and standards, by the Regulation on Banks’ Information Systems and Electronic Banking Services, together with the personnel who have the qualifications required by the Regulation. Findings, suggestions and action plans regarding the findings are periodically reported to the Internal Control Unit Manager, Audit Committee and Executive Management. Said personnel also form opinions on planned changes, innovations in the bank’s products and processes, or in-bank policies, procedures and process documents upon request and participates in projects and working groups, boards and committees related to critical processes within its scope of duty. Information systems internal control activities are carried out in line with the plan approved by the Bank’s Audit Committee. Information systems internal control and information systems internal audit activities are carried out in a coordinated manner based on mutual cooperation and informing, and resources are used effectively by planning internal control and internal audit activities in a way that ensures that systems, processes and areas of importance are evaluated on time and with priority.

Investigations are conducted upon requests from the Bank’s Executive Management, the Board of Internal Auditors, General Management divisions and Regional Coordinatorships, as well as on specific issues identified by Internal Controllers during control activities, and the results are reported. During the examination studies, information and documents regarding the issues that constitute the subject of the examination are evaluated in detail, the issues that require an inspector’s examination are referred to the Board of Internal Auditors, and the issues that can be resolved by administrative measures are referred to the relevant General Directorate units.

Importance is attached to all trainings needed for the professional and personal development of the internal controllers working under the Presidency, from the day they take office until they move onto administrative duties, and with support to the professional and personal development of the personnel, professional certifications in various fields are encouraged. In addition, the personnel who will work in the information systems internal control functions receive at least 20 hours of training annually and at least 120 hours over three years in information systems internal control, information systems auditing, establishment of information systems governance and controls or information security, and participate in conferences and seminars.

Compliance

A Compliance Department was established pursuant to the Board of Directors’ resolution numbered 39 dated November 14, 2017 in order to carry out the Bank’s obligations in accordance with the Prevention of Laundering of Crime Revenues legislation more effectively and to oversee the Bank’s legal and regulatory compliance activities.

The Bank Compliance Program was issued in order to fulfill the Bank’s responsibilities within the scope of Law no. 5549 on Prevention of Laundering Proceeds of Crime. The risk management, monitoring, and control activities included in the Compliance Program, as well as activities aimed at ensuring compliance with national and international regulations on the prevention of laundering of proceeds of crime, financing of terrorism, and proliferation of weapons of mass destruction (AML/CFT), are carried out by the Compliance Department within the Internal Systems Group, reporting to the Board of Directors through the Audit Committee.

Within the Compliance Department, risks related to AML/CFT that the Bank may be exposed to are identified and classified, measures to mitigate these risks are determined and their effectiveness and efficiency are assessed; current compliance risk trends are also monitored, and the Bank’s products, services and customer structure are subject to risk analysis processes within this framework.

A Risk Assessment Report is created to fulfill the requirement of the relevant article of the national regulation on Risk Management Activities; to consolidate the work done within the scope of the Compliance Program during the year into a single report, to evaluate and, if necessary, update the Bank’s compliance risk areas, to form a basis for updating the Bank’s policies and procedures, and to conduct a self-assessment by measuring the effectiveness of activities. The report is presented to the Audit Committee for its information, and recommendations for process improvements are forwarded to the relevant business units.

As a result of risk analysis studies, one or more of the measures listed in Article 26/A of the Regulation on Measures are applied, based on a risk-based approach, to customers, products/services, sectors and countries assessed as high risk.

In addition, the Bank actively participates in the MASAK (Financial Crimes Investigation Board) Working Group established within the Banks Association of Türkiye as well as its sub-working committees, the National Risk Assessment and Training Groups, thereby making significant contributions to improving processes across our country.

Scenarios that will serve as a basis for monitoring and control activities are designed considering risk-based approaches, existing scenarios are updated at least once a year in line with current risks and measures, and new scenarios are created considering AML/CFT trends. The system settings of the modules where scenarios are managed, which are an integral part of monitoring and control activities, are updated according to needs, and work is carried out in coordination with the relevant teams to resolve technical issues.

A customer risk scoring module has been created within the framework of FATF recommendations and new risk management approaches to measure the compliance risks posed by the Bank’s customers. With this module, the risk levels of customers are determined daily based on criteria such as their past transactions, demographic structure, and the sector in which they operate.

In order to maintain healthy correspondent banking relations, the Bank responds to information requests from correspondent banks on the prevention of laundering of crime revenues and financing of terrorism and conducts surveys. In addition, opinions are provided on the compliance processes of existing and newly established correspondent relationships.

Training for Bank personnel on matters in our national legislation is organized in coordination with the Department of Halk Academy, and documents related to training topics are updated considering both the minimum obligations set by the legislation and international developments. Additionally, the training needs of the Compliance Department personnel are evaluated with the same approach.

AUDIT COMMITTEE’S ASSESSMENT ON THE OPERATION OF THE INTERNAL CONTROL, COMPLIANCE, INTERNAL AUDIT AND RISK MANAGEMENT SYSTEMS AND INFORMATION ABOUT ITS ACTIVITIES IN 2025

Pursuant to Article 4 of the Law on Prevention of Laundering Proceeds of Crime, monitoring and control activities are carried out to fulfill the obligation to report suspicious transactions. In cases deemed suspicious in terms of AML/CFT as a result of the evaluation, a suspicious transaction report is filed with MASAK.

As part of our country's fight against money laundering and the financing of terrorism, numerous information requests are sent by MASAK, or regulatory audits are conducted to examine whether the obligations under the Law are being fulfilled. The requested information/documents in both information requests and audits are submitted to MASAK in a timely and complete manner.

The implementation of asset freezing decisions issued by the authorities of our country and the necessary system improvements are ensured, and the necessary measures are implemented immediately by following the newly issued decisions.

The Bank carries out its activities in compliance with international sanctions programs, and commitments are made, especially to correspondent banks, that the necessary measures have been taken in this regard in the transactions intermediated by the Bank. In this context, the Compliance Department oversees the Bank's compliance with the sanctions programs; monitors the relevant legislation, news and trends;

establishes the necessary policies and procedures for compliance with sanctions regulations; takes systemic measures for workflows and processes and shares opinions within the scope of accepting customers deemed risky in terms of sanctions and conducting business relations. Additionally, periodic reports are prepared for the assessment of sanctions risks.

Within the scope of regulatory compliance controls arising from the ICAAP Regulation, compliance controls are carried out for the compliance of the Bank's planned activities, new transactions and products with the Banking Law and other relevant legislation, in-house policies and rules and banking practices. Bank personnel are informed of changes to the law and other relevant legislation.

The Compliance Department is responsible for ensuring that compliance activities are carried out across the Halkbank Financial Group. For this purpose, the Group Compliance Policy is prepared, and it comes into effect upon the approval of the Board of Directors. The Compliance Department oversees whether the Bank's subsidiaries act in accordance with this policy. Although each subsidiary with liabilities has a separate Compliance Officer, in accordance with MASAK legislation, the Compliance Officer of Halk Bank is also the Compliance Officer of the financial group.

Risk Management

Pursuant to the provisions of the Regulation by the BRSA on "the Banks' Internal Systems and Evaluation Process of Internal Capital Adequacy" which was published in the Official Gazette dated July 11, 2014, and numbered 29057, Risk Management Department operates under the Internal Systems Group, and reports to the Board of Directors, through the Audit Committee.

Reports prepared by the Risk Management Department on credit, market and operational risks, as well as risks related to asset-liability management, together with scenario analyses, stress test results and credit risk model and validation results, were examined by the Audit Committee.

In this scope, it is understood that:

The ratios related to the Bank's capital and liquidity adequacy and interest rate risks as well as other ratios followed within the scope of risk appetite were calculated and reported based on the legal limitations determined within the scope of national and Bank legislation,

Considering the Value at Risk results from the Bank's internal model for measuring market risk, the market risk remains below the determined upper limits and is at a level that can be covered by the Bank's equity,

Opinions on the Bank's new products and services are provided through established systems, opinions on companies to receive support services within the scope of the Regulation on the Procurement of Support Services by Banks are submitted and annual collective risk assessments are made,

Regular review activities are carried out and necessary revisions are made regarding risk management policies and implementation procedures, and necessary coordination is carried out for the creation of the Bank's ICAAP Report and Precaution Plan, and the reports are submitted to the BRSA in a timely and complete manner,

The models used to calculate the Expected Credit Loss Provision (ECLP) within the scope of TFRS-9 are regularly renewed, and the models are put into practice by calibrating the models, monthly behavioral notes for credit customers are produced and used in the Bank's ECLP calculation, validation studies of the models used in the calculation of ECLs within the scope of TFRS-9 are carried out,

Probability of default, loss given default, and default amount models developed pursuant to the Communiqué on Calculation of the Amount Subject to Credit Risk with an Internal Rating Approach are validated on a regular basis and monitored to be revised where necessary,

As a result of the validation efforts performed in order to measure the effectiveness of the Bank's internal rating systems, the results generated by the Bank's rating systems are at acceptable levels, loan default rates are at reasonable levels,

The probability of default models developed for individual and commercial customers are used as a decision support system in allocation decisions, the infrastructure for the use of model outputs in the Bank's important business processes such as allocation, provisioning, pricing and monitoring has been established, and the structure continues to be used, necessary actions have been carried out in order to ensure that the Amount Subject to Credit Risk be calculated with Internal Rating Based Approaches and the reports have been issued regularly,

In addition, the Bank carries out activities to monitor the risk management reports of its domestic and international branches and subsidiaries and to ensure their compliance with local risk management regulations, and provides support in modeling and validation processes.

Mevlüt UYSAL
Vice Chairman of the Board of Directors
Audit Committee Member

R. Süleyman ÖZDİL
Chairman of the Board of Directors
Chairman of the Audit Committee

EXECUTIVES OF THE
INTERNAL SYSTEMS UNITS

Head of Internal Systems Group: Hamdi COŞGUN	
Tenure in Current Position	3 years and 7 months
Professional Experience	25 years and 1 month
Educational Background	Bachelor's Degree in Türkiye

Head of Inspection Board of Internal Auditors: Mehmet TANRIVERDİ	
Tenure in Current Position	1 year and 4 months
Professional Experience	21 years and 10 months
Educational Background	Bachelor's Degree in Türkiye

Head of the Internal Control Department: Şenol ŞENGÜL	
Tenure in Current Position	3 months
Professional Experience	25 years and 5 months
Educational Background	Master's Degree in Türkiye

Head of the Risk Management Department: Burak KARATAŞ	
Tenure in Current Position	2 years and 4 months
Professional Experience	15 years and 8 months
Educational Background	Bachelor's Degree in Türkiye

Head of the Compliance Department: Samet DEMİRCİ	
Tenure in Current Position	3 years and 7 months
Professional Experience	15 years and 3 months
Educational Background	Bachelor's Degree in Türkiye

RISK MANAGEMENT POLICIES BY RISK TYPES AND
RISK MANAGEMENT INFORMATION

The Bank developed its risk management policies and implementation principles on the basis of risk types, in accordance with the provisions of Article 36 of the “Regulation on the Internal Systems of Banks and Internal Capital Adequacy Assessment Process” published in the Official Gazette No. 29057 dated July 11, 2014 and the good practices guidelines related to risk types.

Halkbank's risk management policies aim to ensure that the Bank conducts its operations in accordance with the procedures and principles stipulated in the Banking Law and in line with its mission and goals of profitability and productivity while safeguarding the interests of the Bank's depositors and the shareholders to the maximum extent possible.

Within the scope of the policy documents on the management of each type of risk put into practice with the Decision of the Board of Directors of the Bank and the liquidity emergency action plan:

- Risk appetite limit levels, the sub-limits and trigger levels in order for these limits to be managed in a healthy manner,
- Principles of risk analyses to be conducted in relation to the rating systems used in the Bank's lending process and the validation of these systems,
- Treasury operations stop-loss limits for capital markets positions and foreign currency positions, and limits for capital markets and foreign currency and money market transactions,
- Limits on the Bank's foreign exchange position and counterparty risk in transactions with correspondent banks,

- Limits to contain the impact of interest rate shocks on the Bank's economic value,
- Metrics for the prediction of stress and crisis situations regarding liquidity,
- Limits regarding the management of the liquidity risk have been determined and the course of the mentioned metrics and the levels of compliance with the limits are being periodically monitored.

Credit Risk Policy

The Bank has established its Credit Policies, which have been approved and put into effect by the Bank's Board of Directors, for the purpose of converting resources into credit risk in accordance with the principles of reliability, prudence, liquidity, creditworthiness, profitability, and efficiency, and for the effective and adequate measurement, evaluation, and management of said risk.

Objectives of the Bank's loan policies are:

- To create reliable lending standards,
- To monitor the credit relationship accurately and timely,
- To define credit risks and to manage the portfolio,
- To ensure the repayment of credits.

Within the framework of this policy, the Board of Directors has the authority to extend credit and to delegate this authority to the Credit Committee or the General Manager's Office within the framework of legal obligations, procedures and principles, and in accordance with the Bank's risk appetite, risk profile, budget and strategic plan, based on managerial practices. The General Manager's Office may use the credit authorization delegated to it through the allocation units of the Headquarters, Regional Coordination Offices and Branches.

It is mandatory to use company/group rating reports, the principles of which are determined by the Board of Directors, in lending transactions. In both proposal stage and credit extension stage, evaluations are made by considering factors such as credit product type, maturity and collateral within the framework of specifications on clients' credibility. Credit line limits are specified considering the Bank's strategic objectives and the historical risk records.

Credit strategies are determined and approved in writing by the Board of Directors, taking into account target markets and targeted portfolio structure, market conditions, the Bank's financial position, risk appetite, expected profitability level and equity level. These strategies are updated no less than once a year.

Credit processes are managed by the Headquarters units in line with the principle of separation of duties without causing any conflict of interest. In this context, the preparation of the credit proposal, the review and approval of the credit proposal, the extension of the approved credit limit, the monitoring of the customers to whom credit is extended, the monitoring of limit overruns and collateral worthiness, and the collection process for non-performing loans are conducted by separate Bank organizations.

RISK MANAGEMENT POLICIES BY RISK TYPES AND RISK MANAGEMENT INFORMATION

Credit risk is measured using standardized and internal methods in accordance with the related regulations and communiqués. Models have been developed and basic risk parameters (Probability of Default, Loss Given Default and Default Amount) have been calculated in order to evaluate loan customers with internal rating-based methods. These are used as inputs in the Bank’s key business processes (allocation, monitoring, pricing, provisioning). Reports prepared for internal rating, and which summarize the Bank’s risk profile are regularly reported supporting the Bank’s Executive Management in critical decision-making processes.

The approaches used in credit rating models are subject to qualitative and quantitative validation, and these rating models are monitored, and the performance and stability of the model are regularly assessed.

Credit risk stress tests and scenario analyses are conducted to assess the impact of unexpected market and Bank-specific conditions on credit risk and the results of these tests are regularly reported.

Liquidity Risk Policies

Within the scope of the Policies on Liquidity Risk Management approved by the Board of Directors, the general framework for liquidity management has been set out and duties and responsibilities have been determined. Within the scope of this risk, the liquidity risk analyses (gap analyses) made according to the maturity structures of the balance sheet and off-balance sheet items of the Bank as well as the Bank-specific risk that may impact the liquidity of the Bank are closely monitored.

Liquidity risks are managed within the scope of the approved risk and transaction limits by the Board of Directors.

As part of liquidity risk management, the early warning levels and limits for Bank-specific metrics and systemic metrics determined by the “Liquidity Contingency Plan (LCP),” approved by the Board of Directors, are monitored on a daily basis. Within the scope of LAEP, the actions to be taken against liquidity stress/crisis and their priority order were determined in writing. The “Liquidity Risk Committee” was established for closely monitoring the process.

The analysis results regarding liquidity risk are regularly reported to the Executive Management of the Bank.

Interest Rate Risk Policies

The Policies Regarding the Management of the Interest Rate Risk, approved by the Board of Directors of the Bank cover the management of interest rate risks that the Bank is exposed to due to its balance sheet and off-balance sheet positions.

The economic value approach which measures the impact of the change in the interest rates on the economic value of the Bank position and the incomes approach which measures the impact of the change in the interest rates on the Bank’s net interest income form the basis of the interest rate risk analyses.

The interest rate risks, risk appetite and warning levels approved by the Board of Directors is followed and regularly reported to the Bank’s Executive Management.

Market Risk Policies

The Policies of the Bank Regarding the Market Risk cover the management of market risks of the trading accounts and the measurement, reporting and management of the risk arising from balance sheet and off-balance sheet exchange position other than the trading accounts.

The market risks the Bank positions are exposed to due to the fluctuations in risk factors, especially the interest rates, exchange rates, stock and commodity prices are being closely monitored. The risk appetite and warning levels specified by the Board of Directors is monitored, associating the Value at Risk calculated for the Bank’s positions with the legal equity and are reported to the Executive Management of the Bank.

In addition to standardized scenario analyses and stress tests, customizable stress test results are also presented to the Bank’s Executive Management.

Operational Risk Policy

The Bank has established an operational risk management policy approved by the Board of Directors regarding operational risks. The policy sets out the general framework for the identification, analysis, measurement, monitoring and the oversight of operational risk by Executive Management and is supported by internal procedures for implementation.

In order to measure the amount subject to operational risk, capital requirement levels related to operational risk are calculated by using Basic Indicator Approach, Advanced Measurement Approach and New Standard Method.

With the Operational Risk Management Policy, risk appetite was determined by associating the gross loss amount with the allocated capital amount and operational risk limits were established in order not to exceed the said risk appetite. The risk appetite and the level of compliance with the limits are regularly monitored and reported to the Bank’s Executive Management. Limits and procedures determined within this scope are periodically reviewed.

Operational Risk Committee examines and assesses operational risk on a single and consolidated basis and decides on the precautions that should be taken. The Committee ensures that the operational risk loss data is up-to-date, considering the regulatory and non-regulatory changes, both at the national and international level. In this context, studies are carried out to determine the meeting agendas of the Operational Risk Committee by taking into account the developments and operational risk events in the Bank, in the country and in the world, to monitor the implementation of the decisions taken in the committee meetings and to ensure the coordination of the committee in general.

Regarding operational risk management, a loss database that also includes data from subsidiaries was created for the purposes of specifying risky business processes and activities, running frequency/severity analysis of risk levels, monitoring operational risk both on a single and on a consolidated basis, using loss data as input when applying advanced measurement techniques, specifying the collections made for transactions resulting with operational losses and to specify the sources of these collections, and monitoring the historical change in operational risks. Analyses of the Bank’s operational risk loss data and the areas in which concentrations of these data are observed, including developments regarding operational risks, are regularly reported to the members of the Operational Risk Committee and the Bank’s Executive Management.

Policy and Implementation Procedure Documents Specific to Other Risk Types

The Bank conducts gap analysis within the scope of good practice guidelines published by the BRSA and carries out the activities of creating policy documents specific to each risk type within the scope of compliance with the guidelines and reviewing them at least once a year and updating them if necessary.

In this context, “Policies on the Management of Concentration Risk,” “Policies for Strategy Risk Management,” “Policies for Country Risk Management” and “Policies on the Management of Reputation Risk” as well as “Stress Test Framework,” “Risk Appetite Framework,” “Capital Emergency Action Plan,” “Directive on Procedures and Principles Regarding the Internal Capital Adequacy Assessment Process (ICAAP)” and “Directive on Procedures and Principles Regarding the Precaution Plan” were established and put into practice.

ANTI-BRIBERY AND ANTI-CORRUPTION

Corruption risk on a global scale is one of the major risks that the banking sector may face. Adhering to ethical values and international standards, Halkbank takes a resolute stance in the fight against bribery and corruption. The Anti-Corruption Policy was adopted by the Board of Directors’ Resolution No. 5-50 dated February 23, 2016, in order to set forth principles and rules in favor of identifying and preventing actions that may be deemed to be “corrupt” and to inform and guide Bank employees through internal regulations while also implementing maximum compliance standards in line with national and international regulations.

The Anti-Corruption Policy is implemented by the Human Resources and Communications Group on behalf of the Board of Directors. The Anti-Corruption Policy includes detailed explanations covering risk areas such as gifts and hospitality, hiring offers, facilitation payments, and donations.

The confidentiality of employees (whistleblowers) who report violations of the Bank’s Anti-Corruption Policy and their reports is strictly maintained, and these employees are protected against any retaliation, discrimination, or unfair treatment as a result of their reporting.

The Bank’s Anti-Corruption Policy is adopted and implemented by employees. Any identified act of corruption may result in legal or disciplinary sanctions not only for those who commit the act but also for managers who fail to fulfill their supervisory duties at the time of the act. Cases of employees found to have violated the Policy are assessed and concluded within the framework of the Internal Audit System; this process may result in significant disciplinary sanctions and/or criminal proceedings.

As part of combating bribery and corruption, training is provided to all Bank employees. Following the training, employees’ knowledge levels are assessed as deemed necessary.

In 2025, 682 employees participated in anti-bribery and anti-corruption training, totaling 339 hours of e-training.

Practice of Code of Ethics

The Türkiye Halk Bankası A.Ş. Ethical Principles were adopted by the Board of Directors’ resolution dated February 23, 2016, and reviewed on June 10, 2024. Their most significant feature is their foundation in universal human values. The Bank’s Ethical Principles are implemented by the Human Resources and Communications Group on behalf of the Board of Directors. The Ethical Principles include detailed explanations under main headings covering topics such as the principle of equality, confidentiality of customer information, conflict of interest, outside business activities, responsibilities of managers, and acceptance of gifts and personal benefits.

The Bank’s Ethics Committee was established to perform the duties specified in the Ethical Principles Compliance Notification and Action Procedure, and is accountable to the Corporate Governance Committee, which serves as the final appeal authority. The Committee operates in accordance with the Banking Ethical Principles, Law No. 5176 on the Establishment of the Public Officials Ethics Board and Amendments to Certain Laws, and the Regulation on the Ethical Conduct Principles of Public Officials and Application Procedures and Principles.

The primary purpose of the Ethics Committee is to strengthen and sustain the ethical culture at the Bank by periodically reviewing the Ethical Principles framework and its implementation, submitting proposals for necessary changes and improvements to the relevant authorities, enhancing ethical awareness through internal training, seminars, and awareness activities, and defining appropriate corporate actions by assessing the cases of personnel reported to the Human Resources Department where first- and second-level actions have not resulted in positive outcomes.

The Ethics Committee is accountable to the Corporate Governance Committee, which serves as the final authority for appeals. The Committee’s secretariat duties are carried out by the Ethics and Discipline Department.

The personnel of the Ethical Practices and Disciplinary Department, which operates under the Human Resources Department, serve as the Ethical Practices Team. This section serves as the channel through which concerns about unethical or illegal behavior, as well as matters related to corporate integrity, can be reported. The Ethical Practices and Disciplinary Department performs secretariat duties for the Disciplinary Committee and its subcommittees, including the presentation of investigation reports, appeals, and other petitions to the Committee; submission of reports and related matters to the Committee; drafting Committee decisions and notifying them to the relevant units and personnel; and reporting on the outcomes of its activities. Investigation reports submitted by the Board of Inspectors, appeals against decisions, and supplementary decisions regarding previous rulings are processed by the Ethical Practices and Disciplinary Department and made ready for presentation to the Disciplinary Committee within a maximum of 25 days.

When employees become aware of a situation that violates the principles in the Bank’s Ethical Principles document, they first report the matter to their immediate supervisor. If they are unsure about the appropriateness of this method, they report the issue to the Ethical Practices Team. If this method is also deemed unsuitable, the process shall be carried out using the alternative application channel stipulated in the relevant regulations.

All employees of the Bank can report to the Ethical Practices Team within this scope. Confidentiality is essential for employees who report violations of the principles and for their reports (whistleblowing). Whistleblowers are not subject to any retaliation, discrimination, or unfair treatment as a result of their reporting. Any form of retaliation is strictly not tolerated, and such actions result in administrative sanctions. The Bank’s Code of Ethics stipulates that employees are also obliged to comply with the Anti-Corruption Policy. The circumstances of any employee who is ascertained to have violated this Policy will be considered within the framework of the Bank’s Internal Control System and action will be taken accordingly; however, serious disciplinary consequences and/or criminal prosecution may be put on the agenda during this evaluation process.

To ensure the effective and transparent conduct of ethics processes, three primary reporting channels are available: the Ethics Hotline (0216 503 50 50), the Ethics email address (etik@halkbank.com.tr), and the Ethics Reporting and Application Platform. These reporting channels enable employees to report any situations they consider to be in violation of ethical principles through secure and accessible channels, while also contributing to the strengthening and sustainability of the ethical culture across the Bank. Additionally, for violation reports submitted through the Bank’s Ethics Hotline (0216 503 50 50), the reporter’s personal information, such as first and last name and telephone number, may be kept confidential and is protected in accordance with confidentiality principles. Data on reports/applications received through the Ethics Reporting and Application platform in 2025 are provided in the table below:

TYPE OF SUBMISSION/NOTIFICATION	NUMBER OF SUBMISSIONS/NOTIFICATIONS
Ethical Submission	197
Notification of Violation of Ethical Principles	45
Corruption Submission	0

As a result of the investigations, necessary actions were taken for all submissions and notifications.

The document regarding the Bank’s Ethical Principles is published on the Bank’s portal and website.

The Ethical Principles are announced to the Bank’s organization annually via e-announcement and are implemented by all full-time and part-time employees, including senior management. The Halkbank Ethical Principles have also been adopted by all of Halkbank’s subsidiaries.

Participation in the Ethical Principles and other related e-training, which are open to all employees, is mandatory for newly hired employees and those who have been promoted. In 2025, 5,409 employees participated in ethics and compliance training, totaling 12,110 hours of training. One of these training sessions, the “Ethical Principles Compliance, Reporting, and Action Procedure” training, is designed to ensure that employees use ethics reporting channels correctly and securely, increase their awareness of reporting ethical violations, and encourage their active participation in the process. A total of 37 employees attended this training, totaling 32.5 hours of e-learning. The relevant training also covered business processes related to the actions managers should take in response to non-compliance with ethical principles.

RATING NOTES

Fitch Ratings (January 28, 2026)	
Long-Term Foreign Currency Credit Rating	BB- (Positive)
Short-Term Foreign Currency Credit Rating	B
Long-Term Local Currency Credit Rating	BB- (Positive)
Short-Term Local Currency Credit Rating	B
Long-Term National Credit Rating	AA (tur) (Stable)
Viability Rating	b-
Government Support Rating	bb-

JCR Eurasia (November 28, 2025)	
Long-Term International Foreign Currency Rating	BB (Stable)
Long-Term International Local Currency Rating	BB (Stable)
Long-Term National Rating	AAA (tr) (Stable)
Short-Term National Rating	J1+ (tr) (Stable)

BOARD OF DIRECTORS AND COMMITTEES

Board of Directors

The Bank is managed and represented by the Board of Directors in accordance with the Turkish Commercial Code, Banking Legislation, Capital Markets Legislation, other relevant regulations, and the Bank’s Articles of Association.

The Board of Directors holds the ultimate authority to oversee whether persons entrusted with management act in compliance with the laws, the Articles of Association, internal directives, and the written instructions of the Board of Directors.

The Board of Directors consists of nine (9) members. Board Members are elected by the General Assembly.

At its first meeting following the oath-taking ceremony, the Board of Directors elects one of its members as Chairman. At this meeting, a member is also elected as Vice Chairman. When the Chairman is not present, the Vice Chairman presides over the Board of Directors.

Independent Members of the Board of Directors shall be determined in accordance with the provisions of Capital Markets and Banking legislation.

The Board of Directors convenes upon the call of the Chairman, Vice Chairman, or a Member. The Board is required to meet at least once a month.

As a rule, Board of Directors meetings are held in the city where the Bank’s headquarters is located. However, meetings may also be held outside the headquarters with the consent of a majority of the total membership.

Board of Directors meetings can be held physically and/or electronically. Those entitled to attend the Bank’s Board of Directors meetings may also participate electronically in accordance with Article 1527 of the Turkish Commercial Code. Pursuant to the provisions of the “Communiqué on Board Meetings at Corporations Other Than Joint Stock Company General Assembly Meetings To Be Held in an Electronic Environment,” the Bank may establish an electronic meeting system that permits the rights holders to attend these meetings and to vote in an electronic environment, or it may opt to procure the service from systems that are created for this function. At meetings, rights holders shall be able to exercise the rights set out in the applicable legislation and within the scope of the Communiqué, either through the system established under this provision of the Articles of Association or via a system from which support services are procured.

The agenda for the Board of Directors meeting is set by the convening Chairman or Deputy Chairman at least 24 hours before the meeting and is sent to the Members, along with the meeting notice, by the Board of Directors Office Services Department or delivered by hand. In urgent cases, items may be added to the agenda at the request of the Chairman, and Board Members may also submit motions on matters requiring a Board resolution.

Motions to be included in the Board of Directors’ meeting agenda, along with any attachments, must be submitted by the proposing member to the Board of Directors Office Services Department before the agenda is finalized. The motions that will be taken up as part of the Board of Directors agenda are presented to the Chairman, Vice Chairman and members of the Board of Directors as well as to the General Manager by the Board of Directors Secretariat Services Department.

If an agenda item is proposed by the Chairman, Vice Chairman, and/or a Board Member, the matter is drafted into a motion by the Board of Directors Office Services Department, signed by the proposing Board Member(s), and submitted to the Board of Directors.

The Board of Directors convenes with the majority of the total number of Members and takes its decisions by a majority of the Members present at the meeting.

A Board of Directors resolution can also be passed by obtaining the written consent of at least a majority of the total number of Members, provided that a proposal made by one of them on a specific issue has been circulated to all Board Members and none of the Members has requested a deliberation.

In 2025, the Board of Directors convened 59 times with a 98.8% member attendance rate, passing 1,005 resolutions.

BOARD OF DIRECTORS AND COMMITTEES

Audit Committee

The duties, authorities, and responsibilities of the Halkbank Audit Committee, which was established by the Board of Directors’ resolution No. 34-01 dated October 31, 2006, and whose qualifications, duties, and authorities are specified in Article 4.2 of the Internal Directive for Management, as last amended by the Board of Directors’ resolution No. 26-01 dated May 31, 2019, have been determined as follows, in accordance with the provisions of the ‘Regulation on Banks’ Internal Systems and Internal Capital Adequacy Assessment Process’ published in the Official Gazette No. 29057 dated July 11, 2014, and the Law.

Duties of the Audit Committee

- a) Overseeing the efficiency and adequacy of the Bank’s internal control, risk management, compliance and internal audit systems, the functioning of these systems and accounting and reporting systems within the framework of the Law and related regulations, and the integrity of the information produced on behalf of the Board of Directors, to make the necessary preliminary assessments for the selection of independent audit institutions and rating, valuation and support service institutions by the Board of Directors, to regularly monitor the activities of these institutions selected and contracted by the Board of Directors, and to ensure the continuation and coordination of the internal audit activities of companies subject to consolidation in accordance with the regulations enacted pursuant to the Law,
- b) Establishing communication channels that will enable the personnel of the units in the internal systems reach them directly,
- c) To monitor whether the internal audit system covers the current and planned activities of the Bank and the risks arising from these activities, to examine the internal regulations regarding the internal audit that will come into effect as per the approval of the Board of Directors,
- d) To make suggestions to the Board of Directors regarding the election of the managers of the units within the scope of the internal systems who are subordinate to the Audit Committee, to give opinions during the dismissal of them by the Board of Directors,
- e) Receiving and evaluating the opinions and suggestions of senior management regarding internal systems,
- f) Ensuring the establishment of communication channels that will enable internal irregularities to be reported directly to itself or to the internal audit unit or inspectors,
- g) To monitor whether the inspectors fulfill their duties independently and impartially,
- h) Reviewing internal audit plans,
- i) To make suggestions to the Board of Directors regarding the qualifications to be sought in the personnel who will work in the units within the scope of internal systems,
- j) Monitoring the measures taken by the senior management and their affiliated units regarding the issues identified in the internal audit reports,
- k) Evaluating the professional education levels and competence of the managers and personnel working in the units within the scope of internal systems,
- l) Evaluating whether the necessary methods, tools and implementation procedures exist for the identification, measurement, monitoring and control of the Bank’s risks,
- m) Holding meetings with the inspectors and the independent auditors of the independent audit firm that conducts the Bank’s independent audit at regular intervals, and not less than four times a year, within the scope of the program and agenda to be determined,
- n) Informing the Board of Directors of the opinions and evaluations of the relevant senior management, the personnel working in the risk management, internal control and internal audit units, and the independent audit firm regarding the practices required to fulfill the relevant duties and responsibilities, and ensuring and enhancing their effectiveness,
- o) Reviewing the evaluations of the independent audit firm regarding the compliance of the Bank’s accounting practices with the Law and other relevant legislation, and obtaining explanations from the relevant senior management regarding any identified inconsistencies,
- p) Evaluating the independent audit results, annual and quarterly financial statements and their related documents and the independent audit report in conjunction with the senior management and the independent auditors and resolving other issues that the independent auditors have reservations about,
- q) Evaluating the independence of the Bank’s contracting institutions, independent auditing institutions and valuation institutions, including the information systems auditors, and their chairman and members of the board of directors, auditors, managers and employees in their activities related to the Bank and the adequacy of the allocated resources, and submitting their evaluations in a report to the Board of Directors, and to repeat these transactions regularly for a period of no more than one year for valuation companies and three months for other institutions during the contract period in case of service is provided,
- r) Conducting a risk assessment regarding the support service that the Bank will receive, to present its assessments to the Board of Directors in a report, to repeat these transactions regularly and not less than once a year during the contract period in case of service, and also to watch the adequacy of the services provided by the support service institution.
- s) Monitoring whether the Bank’s financial reports cover all real and reflective information, whether it is prepared in accordance with the Law and other relevant legislation, and to correct detected errors and irregularities,

- t) Discussing with the independent auditors whether the financial reports accurately reflect the Bank’s financial position, the results of operations, and cash flows, and whether they are prepared in accordance with the procedures and principles set forth in the Law and other relevant legislation,
- u) Reporting the activities carried out and the results of these activities during the period provided that it does not exceed a six-month period to the Board of Directors, and to include the opinions on the measures to be taken at the Bank, the practices that need to be done and other matters that the Bank deems important for safe continuation of its activities in the report,
- v) Monitoring whether those with credit-granting authority participate in the assessment and decision-making stages of credit transactions to which they, their spouses, their children under their custody, or other natural and legal persons forming a risk group with them are parties, and to establish communication channels to ensure that such matters are reported to them,
- w) Obtaining information and documents from all units of the Bank, contracted support service institutions, and independent audit firms, and, subject to the approval of the Board of Directors, obtaining consultancy services from experts in their respective fields at the Bank’s expense,
- x) Carrying out the duty of early detection of factors that endanger the existence, development, and continuity of the Bank within the scope of “Early Detection and Management of Risk” as set forth in the Turkish Commercial Code, making recommendations to the Board of Directors on the necessary measures and actions to be taken for identified risks and on risk management, and conducting the necessary studies through the relevant units of the Bank in line with the aforementioned duty, and submitting, where applicable, a report to the Board of Directors containing the situation assessment and recommendations,
- y) Establishing the audit and control process that will provide the necessary assurance about the adequacy and accuracy of the Internal Capital Adequacy Assessment Process (ISEDES),
- z) Ensuring, on behalf of the Board of Directors, that the Bank’s obligations arising from Law No. 5549 on the Prevention of Laundering Proceeds of Crime, the Regulation issued thereunder, and other relevant legislation are fulfilled, and that the compliance program as a whole is implemented adequately and effectively,
- aa) Receiving reports from the units established within the scope of the internal control, internal audit, and risk management systems, as well as from independent audit firms, regarding the tasks they perform, and, in the event of issues that may adversely affect the continuous and safe conduct of the Bank’s activities or in case of any breach of legislation or internal regulations, informing the Board of Directors thereof.

In 2025, the Audit Committee convened 31 times with the full participation of its members and the Bank’s potential risks, stress tests and scenario analyses, risk management policies and implementation procedures were discussed at the meetings.

Members of the Audit Committee	Position	Title
Recep Süleyman ÖZDİL	Chairman	Chairman/Independent Board Member
Mevlüt UYSAL	Member	Vice Chairman/Independent Board Member

Operational Risk Committee

The Operational Risk Committee convenes at least four times a year, once every quarter. However, the Committee shall also convene at dates and times determined by the Committee Chairman when the Chairman deems it necessary or in exceptional circumstances.

The duties, authorities, and responsibilities of the Operational Risk Committee are defined as follows:

- a) Examines and evaluates the operational risks of the Bank on a solo and consolidated basis and takes decisions on issues that need to be taken precautions for.
- b) Makes suggestions so that the operational risk loss database created for monitoring operational risks can adapt to both national and international legislation and changes arising from non-legislative developments.
- c) Appoints the unit managers responsible for the implementation of the decisions recorded in the committee meetings in order to prevent the operational risks that occur in the Bank and our subsidiaries.
- d) Risk appetite and risk limits for operational risks determined by the Board of Directors is evaluated. Assessing the risk analysis reports prepared by the business units on the explanation of the causes of operational risks that resulted in the exceedance and oversees the decision-making process regarding the prevention, transfer and/or acceptance of the risk.
- e) Makes recommendations to enhance employee awareness of operational risks when deemed necessary to promote an operational risk culture (e.g., classroom training, e-training, electronic announcements on “Operational Risk Alerts,” and “Security Alerts” regarding potential risks the Bank may face).
- f) Establishes sub-working groups deemed appropriate by the committee chairman to assess operational risks more frequently, if necessary.

BOARD OF DIRECTORS AND COMMITTEES

The Operational Risk Committee convened four times in 2025 with the full participation of its members. During these meetings, decisions were made to identify transactions causing operational losses and to prevent such losses.

Credit Committee

Within the scope of the authorities granted by the Board of Directors, the Credit Committee makes decisions on loans that fall within its authorization limits, including new allocations, maturity extensions, increases, changes in terms, and restructuring matters such as interest rate reductions. The Committee sets the mandatory rules and principles governing the Bank’s credit decisions. It consists of the Bank’s General Manager and at least two members, selected by the Board of Directors from among its members who meet the qualifications required for the General Manager, except for the requirement concerning the term of office, to perform the duties that the Board assigns with respect to loans. Two alternate members are elected from among the Board Members who meet the qualifications for General Manager, except the term requirement, to serve in place of any Credit Committee member who is unable to attend a meeting.

The election of Credit Committee members and alternates requires the affirmative vote of at least three-fourths of the Board of Directors. The General Manager chairs the Credit Committee. In the absence of the General Manager, one of the other permanent members of the Credit Committee chairs the Committee. The Chairman of the Credit Committee is responsible for coordinating the effective and sound execution of the Committee’s activities.

Duties and Authorities of the Credit Committee

- a) Implements the Bank’s credit policy approved by the Board of Directors, as well as policies regarding the size of the total loan portfolio and its distribution by sector, region, and loan type.
- b) Makes recommendations to the Board of Directors regarding the establishment of procedures and principles for the Bank’s credit policies and lending activities on a portfolio and individual/corporate basis.
- c) Ensures the management of the loan portfolio in accordance with generally accepted credit risk management principles.
- d) Can delegate some of its duties and authorities by clearly stating the limit and scope, cannot delegate authority regarding open loan transactions on other loan types except for individual loans, monitors and supervises the practices of the body to which it has delegated its authority.
- e) Performs the authorizations and duties delegated by the Board of Directors.

The Credit Committee convened 50 times in 2025 with the full participation of its members and passed 823 resolutions.

Members of the Credit Committee	Position	Title
Osman ARSLAN	Chairman	General Manager and Board Member
Recep Süleyman ÖZDİL	Member	Chairman/Independent Board Member
Mevlüt UYSAL	Member	Vice Chairman/Independent Board Member

Asset-Liability Committee (ALCO)

This committee was established to manage the Bank’s assets and liabilities, determine policies regarding fund movements, and make and implement decisions to be executed by the relevant units for managing the Bank’s balance sheet.

The duty of the Asset-Liability Committee is to discuss and evaluate the Bank’s financial structure, portfolio, budget, loan and deposit interest rates, developments in money and capital markets, and developments at the Bank and other banks.

ALCO meets regularly on a weekly basis and, at a minimum, once a month, on the date and at the location determined by the Chair of the Committee. The ALCO meeting commences its work in line with the agenda set by the Chairman. Other Deputy General Managers and officials invited by the Committee may also attend Committee meetings to obtain information and/or express their views. During the meetings, decisions made and actions taken in previous meetings are evaluated, followed by the identification of new decisions and actions to be taken. The decisions taken and the actions that need to be implemented are submitted to the General Manager for approval before being forwarded to the Deputy General Manager.

The Asset-Liability Committee convened 34 times in 2025 with the full participation of its members. The Committee Members attended the meetings regularly.

Members of Assets and Liabilities Committee	Position	Title
Osman ARSLAN	Chairman	General Manager and Board Member
Yalçın MADENCİ	Member	Deputy General Manager Responsible for Corporate and Commercial Marketing
Murat YILDIRIM	Member	Deputy General Manager Responsible for SME Banking
Altan TAŞKIRAN	Member	Deputy General Manager Responsible for Retail and Digital Banking
Seyit Mehmet YAYDEMİR	Member	Deputy General Manager Responsible for Loan Policies Monitoring and Specialized Loans
Tahir DEMİRKIRAN	Member	Deputy General Manager Responsible for Credit Allocation and Management
Celal CANDAN	Member	Deputy General Manager Responsible for Credit Risk Monitoring and Legal Proceedings
Ahmet HOŞCAN	Member	Deputy General Manager Responsible for Treasury and Resource Management (a.)
Mustafa ERMIŞ	Member	Deputy General Manager Responsible for Operational Transactions
Yusuf Duran OCAK	Member	Deputy General Manager Responsible for Financial Management and Planning
Olcay ATLIOĞLU	Member	Deputy General Manager Responsible for Information Technologies
Miraç TAŞ	Member	Deputy General Manager Responsible for International Banking (a.)
Caner GÖKBULUT	Member	Head of Human Resources and Communications Group
Hamdi COŞGUN	Member	Head of Internal Systems Group
Hacı BEKDUR	Member	Head of Support Services and Construction Group
Mehmet TANRIVERDİ	Member	Head of Inspection Board of Internal Auditors
Burak KARATAŞ	Member	Head of Risk Management Department
İbrahim Okan ÇAĞLAR	Member	Head of Budget and Reporting Department

Corporate Governance Committee

The Corporate Governance Committee oversees the Bank’s compliance with the Corporate Governance Principles, identifies conflicts of interest that may arise in this matter and undertakes improvement efforts. The Chairman of the Corporate Governance Committee is appointed by the Board of Directors from among its independent and non-executive members. The date and location of the Corporate Governance Committee meetings are determined by the Committee Chairman. Upon invitation by the Committee Chairman, other officials may attend these meetings to obtain information and/or offer opinions.

The duty of the Corporate Governance Committee is to monitor the Bank’s compliance with the Corporate Governance Principles, undertake improvement efforts, and submit recommendations to the Board of Directors, in accordance with the provisions of the “Regulation on Corporate Governance Principles of Banks” published by the Banking Regulation and Supervision Agency (BRSA) and the “Corporate Governance Principles” published by the Capital Markets Board of Türkiye (CMB). The Committee also oversees the activities of the Investor Relations Department. The Corporate Governance Committee also fulfills the duties of the Nomination Committee under the Corporate Governance Communiqué.

The Corporate Governance Committee convened once in 2025 with the full participation of its members.

BOARD OF DIRECTORS AND COMMITTEES

Members of the Corporate Governance Committee	Position	Title
Recep Süleyman ÖZDİL	Chairman	Chairman/Independent Board Member
Şeref AKSAÇ	Member	Board Member
Yusuf Duran OCAK	Member	Deputy General Manager Responsible for Financial Management and Planning
Miraç TAŞ	Member	Deputy General Manager Responsible for International Banking (a.)
Caner GÖKBULUT	Member	Head of Human Resources and Communications Group
Osman BEKTAŞ	Member	Head of Financial Accounting Department
Neşe SATICI	Member	Head of Human Resources Department

Remuneration Committee

The Remuneration Committee was established by the Board of Directors’ decision dated December 27, 2011, and numbered 41-32, to monitor and supervise the Bank’s remuneration practices on behalf of the Board of Directors. The Committee is composed of at least two non-executive Members of the Board of Directors.

The Remuneration Committee convened once in 2025 with the full participation of its members. The committee members attended the meeting.

Members of the Remuneration Committee	Position	Title
Mihrimah Belma SEKMEN	Chairman	Independent Board Member
Meltem TAYLAN AYDIN	Member	Board Member

Sustainability Committee

The Sustainability Committee was established by the Board of Directors’ decision dated April 16, 2015, to coordinate the Bank’s sustainability efforts.

The Committee was established under the Board of Directors’ oversight to enhance the Bank’s long-term value creation capacity and to integrate economic, environmental, and social factors, together with corporate governance principles, into the Bank’s operations and decision-making processes.

As one of the most established institutions in the Turkish banking sector, Halkbank is among the organizations in Türkiye that have integrated sustainability principles into their business processes. Considering future generations and contributing to sustainable development have become an integral part of the Bank’s policies.

The duties and authorities of the Sustainability Committee are as follows:

- a) Monitors and implements the “Sustainability Policy” determined by the Board of Directors.
- b) Coordinates the Bank’s efforts on sustainability and evaluates the economic, environmental and social impacts of its operations.
- c) Forms study groups on sustainability from related departments. If necessary, the Committee seeks technical support from outside the Bank without the approval of the Board of Directors.
- d) Makes necessary determinations on sustainability in order to reduce the possible negative effects of the Bank’s activities.
- e) Determines the energy and natural resources management procedures and principles of the Bank. The Committee analyzes the results of the energy management data, shares them with the Bank’s related units, makes recommendations regarding the measures to be taken and presents reports and/or makes disclosures on public disclosure platforms as necessary.
- f) Prepares the appropriate infrastructure for the Bank in situations that require legal or illegal obligations in the field of sustainability.
- g) As a publicly traded bank listed on Borsa Istanbul, in an effort to be part of the BIST Sustainability Index consisting of companies with high corporate sustainability performances and to ensure the Bank’s continuity in the index, the Committee carries out the necessary initiatives and coordinates the Bank’s internal regulations geared toward this goal.
- h) Reports its opinions and suggestions to the Board of Directors regarding the activities and deficiencies throughout the Bank in the field of sustainability.

The Committee convened 4 times in 2025 with the full participation of the members.

Members of the Sustainability Committee	Position	Title
Mihrimah Belma SEKMEN	Chairman	Independent Board Member
Ebubekir ŞAHİN	Member	Board Member
Yusuf Duran OCAK	Member	Deputy General Manager Responsible for Financial Management and Planning
Yalçın MADENCİ	Member	Deputy General Manager Responsible for Corporate and Commercial Marketing
Miraç TAŞ	Member	Deputy General Manager Responsible for International Banking (a.)
Mustafa ERMiŞ	Member	Deputy General Manager Responsible for Operational Transactions
OlcaY ATLIOĞLU	Member	Deputy General Manager Responsible for Information Technologies
Murat YILDIRIM	Member	Deputy General Manager Responsible for SME and Retail Banking
Seyit Mehmet YAYDEMİR	Member	Deputy General Manager Responsible for Loan Policies Monitoring and Specialized Loans
Hamdi COŞGUN	Member	Head of International Banking Group
Hacı BEKDUR	Member	Head of Support Services and Construction Group
Necati Kürşad DAMÇAYIRI	Member (Rapporteur)	Head of Sustainability Department
İbrahim Okan ÇAĞLAR	Member	Head of Budgeting and Reporting Department
Muharrem BAYKARA	Member	Head of Investor Relations Department
Seda GÜDEN	Member	Head of the International Banking and Financial Institutions Department
Süleyman Baran KOYUNCU	Member	Head of Branch Operations Department
Mehmet Hakan TERCAN	Member	Head of Infrastructure Management Department
Abdurrahman ERCAN	Member	Head of Credit Policies Department
Fatih DOĞAN	Member	Head of Corporate and Project Analysis Department
Burak KARATAŞ	Member	Head of Risk Management Department
Muhammed Fatih GÜNEY	Member	Head of Procurement and Logistics Management Department (a.)
Gökay ÖZDER	Member	Head of Construction Appraisal and Real Estate Management Department
Selma ŞEN	Member	Head of Enterprise Architecture Department
Neşe SATICI	Member	Head of Human Resources Department
Tuna ALCI	Member	Head of Corporate Communications Department

INFORMATION ON SUPPORT SERVICES PROVIDERS

Under the “Regulation on Bank’s Procurement of Support Services,” Halkbank procured the following support services provided by the companies listed below:

- Development and maintenance services for necessary internet and telephone banking software, received from Veripark Yazılım A.Ş.,
- Security guard procurement services for the Bank’s units, received from İlkim 07 Özel Güvenlik Hizmetleri Ltd. Şti., Ekol Grup Güvenlik Koruma ve Eğitim Hizmetleri A.Ş., and Eva Grup Koruma ve Özel Güvenlik Ltd. Şti.
- Card payment systems software development and maintenance services, received from Bilişim Bilgisayar Hizmetleri A.Ş. (Banksoft),
- Operational services received from Bileşim Finansal Teknolojiler ve Ödeme Sistemleri A.Ş. for credit and debit cards, printing office operations, and ATM and HGS.
- Personnel employment services for staff to be assigned to the Call and Operations Center, procured from KRM Yönetim Danışmanlık A.Ş.,
- Preservation, storage, and disposal services for the Company’s physical archives, received from Hobim Arşivleme ve Basım Hizmetleri A.Ş.,
- Physical gold assaying services received from İstanbul Altın Rafinerisi A.Ş. and İSGOLD Altın Rafinerisi A.Ş.,
- Mortgage establishment services, received from FU Gayrimenkul Yatırım Danışmanlık A.Ş., Pusula Girişim Gayrimenkul Yatırım ve Danışmanlık Hizmetleri A.Ş., İpoteka Gayrimenkul Yatırım Danışmanlık A.Ş., Tagar Tapu Garanti Hizmetleri A.Ş., Avi Gayrimenkul Yatırım Değerleme ve Danışmanlık A.Ş., and BBS Danışmanlık Gayrimenkul ve Eğitim A.Ş.,
- Prepaid payment/pass card services at universities, public/private institutions, and organizations; mobile application design, software, and campaign management for on-campus spending via QR code, received from Etisan Proje Bilgi ve Yazılım Teknolojileri San. Tic. A.Ş.,
- Check printing services, received from Güzel Sanatlar Çek Basım Ltd. Şti.,
- Call center service received from Assist Rehberlik ve Müşteri Hizmetleri A.Ş., Akkoyunlar Otomotiv İletişim Tekstil San. ve Dış Tic. Ltd. Şti., and Ülkem İMG Hayvancılık İnşaat San. ve Tic. Ltd. Şti.,
- Appraisal request tracking system service received from Key Yazılım Çözümleri A.Ş.,
- Software and technology development services received from Bilge Adam Yazılım ve Teknoloji A.Ş.,
- Software and technology development services received from RDC Partner Bilişim Danışmanlık ve Teknoloji Hizmetleri A.Ş.,
- Cabinet, hosting, office space, and warehouse space rental services for the disaster recovery center, received from KKB Kredi Kayıt Bürosu A.Ş.,
- Virtual POS infrastructure, software development, and maintenance services received from Payten Teknoloji A.Ş.,
- Installation, customization, integration, and software development services for Treasury software received from Globit Global Bilgi Teknolojileri A.Ş.,
- Outsourcing of software and technology development services received from Roof Stacks Yazılım A.Ş.,
- Outsourcing of software and technology development services received from Türkgen Yazılım Danışmanlık San. ve Ticaret A.Ş.,
- Digital Message Management license, software development, maintenance, and support services received from ODC İş Çözümleri Danışmanlık Ticaret A.Ş.
- Procurement of outsourcing services for software and technology development from Maro Uluslararası Bilgi Teknolojileri Danışmanlık Geliştirme Destek Hizmetleri San. ve Tic. A.Ş.,
- Procurement of outsourced software and technology development services from OBSS Teknoloji A.Ş.,
- Virtual POS application development and maintenance service from Halk Elektronik Para ve Ödeme Hizmetleri A.Ş.,
- Identity management system product maintenance and support services from Platin Bilişim A.Ş.,
- Check and promissory note software and maintenance services obtained from Maraton Arşiv ve Doküman Yönetim Hizmetleri Tic. Ltd. Şti.,
- Digital onboarding product license, maintenance, and support services from Arksigner Yazılım ve Donanım Sanayi Ticaret A.Ş.,
- Secure transaction signing product license, maintenance, and support services from Codevo Bilişim Yazılım ve Danışmanlık Hizmeti Ticaret A.Ş.

TRANSACTIONS WITH THE RISK GROUP

Details and related disclosures regarding the Bank’s transactions with its risk group during 2025 are provided in Note VII of Section Five of the Unconsolidated Financial Statements and Independent Auditor’s Report.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION IN 2025

There were no amendments to the Bank’s Articles of Association in 2025.

PROFIT DISTRIBUTION POLICY

The Bank acts in accordance with the provisions of the Turkish Commercial Code, the Banking Law, the Capital Markets Law, related legislation, and the Articles of Association in its dividend distribution processes.

The profit distribution policy is determined by the Bank’s Board of Directors, submitted for the approval of the General Assembly, publicly disclosed, and published on the Bank’s website.

The Bank will distribute at least 5% of its distributable net profit for the period to its shareholders in the form of cash and/or bonus shares. The amount of dividend to be paid to persons other than shareholders who are entitled to share in the profit is disclosed in the Board of Directors’ dividend distribution proposal.

In accordance with the regulations of the Banking Regulation and Supervision Agency, the Company’s Board of Directors determines the most appropriate dividend distribution proposal each year, taking into account the capital adequacy ratio, equity capacity, loan disbursement plans, market developments, and investor demands. The proposal is publicly disclosed on the Bank’s website and submitted to the General Assembly for approval.

The dividend distribution date is determined by the General Assembly upon the proposal of the Bank’s Board of Directors. The General Assembly may accept the date proposed by the Board of Directors or set a different date, provided it is within the legal timeframes.

The Bank does not have a practice of making advance dividend payments.

CORPORATE GOVERNANCE PRINCIPLES

Türkiye Halk Bankası A.Ş. is subject to the corporate governance structure, process, and principle provisions set forth by banking and capital markets legislation and conducts its activities in compliance with the mandatory principles in the Corporate Governance Communiqué.

Following a comprehensive review by JCR Avrasya Derecelendirme A.Ş., the Bank’s Corporate Governance Principles Compliance Rating was determined to be 9.46 as of June 26, 2025.

In accordance with the Capital Markets Board of Türkiye’s Decision No. 2/49 dated January 10, 2019, our practices regarding voluntary principles and the existing corporate governance process under the Corporate Governance Communiqué No. II-17.1 are included in the Corporate Governance Compliance Report (CRF) and the Corporate Governance Information Form (CGIF).

Corporate Governance Compliance Report		Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable		
1.1. Facilitating the Exercise of Shareholder Rights							
1.1.2 - Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X						
1.2. Right to Obtain and Review Information							
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X						
1.3. General Assembly							
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X						
1.3.7 - Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X		
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X						
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X						
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.			X				Since there is no legal obligation, no action has been taken in this direction.

CORPORATE GOVERNANCE PRINCIPLES

Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
1.4. Voting Rights						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	
1.5. Minority Rights						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			Since there is no legal obligation, no action has been taken in this direction.
1.6. Dividend Right						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X					
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. Transfer of Shares						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					

Corporate Governance Compliance Report		Company Compliance Status				Explanation
	Yes	Partial	No	Exempted	Not Applicable	
2.1. Corporate Website						
2.1.1 - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2. Annual Report						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. Corporation's Policy on Stakeholders						
3.1.1 - The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/ manuals), regulate the participation of employees in management.			X			The Bank has not established such regulation.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.			X			In 2025, it was not deemed that a significant decision was taken against the interests of the beneficiaries. Hence, a survey/consultation study was not conducted.

CORPORATE GOVERNANCE PRINCIPLES

Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.3. Human Resources Policy						
3.3.1 – The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.			X			Key positions have been determined, and work on determining backup policies and establishing backup repositories continues.
3.3.2 – Recruitment criteria are documented.	X					
3.3.3 – The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 – Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 – Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 – Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 – Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 – The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 – A safe working environment for employees is maintained.	X					

Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.4. Relations with Customers and Suppliers						
3.4.1 - The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. Ethical Rules and Social Responsibility						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2 - The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. Role of the Board of Directors						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					

CORPORATE GOVERNANCE PRINCIPLES

Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.2. Activities of the Board of Directors						
4.2.1 - The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3 - The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					
4.2.7 - The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.		X				Damages caused by the defects of board members during their duties are insured. However, the insurance amount does not exceed 25% of our Bank's capital.

Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.3. Structure of the Board of Directors						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.		X				The Board of Directors Diversity Policy, which entered into force on 03.09.2024, the article includes “In line with this goal, the Bank aims to have at least 25% of the Board of Directors represented by female executives within 5 years from the effective date of this Policy.” As of 2025, two of our 9 Board Members are women, and this rate is 22%.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. Board Meeting Procedures						
4.4.1 -Each board member attend the majority of the board meetings in person or via an electronic board meeting system	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7 - There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.	X					

CORPORATE GOVERNANCE PRINCIPLES

Corporate Governance Compliance Report	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.5. Board Committees						
4.5.5 – Board members serve in only one of the Board’s committees.		X				Considering the number of the Board Members of the Bank, a Board Member is able to take part in more than one committee
4.5.6 – Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 – If external consultancy services are used, the independence of the provider is stated in the annual report.					X	
4.5.8 – Minutes of all committee meetings are kept and reported to board members.	X					
4.6. Financial Rights						
4.6.1 – The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.			X			Since 2021, KPI's set for executives including General Manager, Deputy General Managers, Group Manager and Head of Departments have been monitored. But we don't have a performance measurement for board of directors.
4.6.4 – The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.			X			Such credit facilities are allowed within the limits of the Banking Law no 5411.
4.6.5 – The individual remuneration of board members and executives is disclosed in the annual report.			X			The remuneration is included in the total amount.

Corporate Governance Information Form

Corporate Governance Information Form	
Shareholders	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	76
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	0
The number of special audit requests that were accepted at the General Shareholders' Meeting	0
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/en/Bildirim/1411483
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Materials for the General Shareholders' Meeting in English and Turkish is provided at the same time.
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	None
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	None
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	None
The name of the section on the corporate website that demonstrates the donation policy of the company	www.halkbank.com.tr/Investor Relations/Corporate Governance/Policies/Policy on Donations and Aids
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/270323
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	There is not the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting.
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	There is not stakeholder groups that participated in the General Shareholders' Meeting.
1.4. Voting Rights	
Whether the shares of the company have differential voting rights	No
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	None
The percentage of ownership of the largest shareholder	91.49%
1.5. Minority Rights	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No
If yes, specify the relevant provision of the articles of association.	The scope of minority rights have not been enlarged.

CORPORATE GOVERNANCE PRINCIPLES

1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	www.halkbank.com.tr/Investor Relations/Corporate Governance/Policies/Dividend Distribution Policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	https://www.halkbank.com.tr/content/dam/corporate-website/en/documents/investor-relations/general-assembly/2024/Summary%20of%20the%20General%20Shareholders%20Assembly.pdf
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	https://www.kap.org.tr/en/Bildirim/1429516

General Assembly Meetings									
General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
25.04.2025	0	93.8754%	0.0014%	93.8740%	www.halkbank.com.tr/Investor Relations/Corporate Governance/General Assembly	None	None	82	https://www.kap.org.tr/tr/Bildirim/1429516

Disclosure and Transparency	
2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	www.halkbank.com.tr/Investor Relations
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	None
List of languages for which the website is available	Turkish and English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	2025 Integrated Annual Report/About Halkbank/Board of Directors and the Supervisory Board/Executive Management/Corporate Governance/ Corporate Governance Principles/Other Explanations About Corporate Governance Principles
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	2025 Integrated Annual Report/Corporate Governance/Board of Directors and Committees
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	2025 Integrated Annual Report/Corporate Governance/Board of Directors and Committees
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	There is not amendments in the legislation which may significantly affect the activities of the corporation.
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	2025 Integrated Annual Report/Corporate Governance/Corporate Governance Principles/Other Explanations About Corporate Governance Principles
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	-
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	There is not the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%.
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	2025 Integrated Annual Report/Winning People and Society Through Inclusiveness
Stakeholders	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	www.halkbank.com.tr/Investor Relations/Corporate Governance/Policies/Policy on Indemnities
The number of definitive convictions the company was subject to in relation to breach of employee rights	68
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	The position of the person responsible for the alert mechanism is Manager of Ethical Practices and Discipline Team. The alerts are evaluated by Head of Group.
The contact detail of the company alert mechanism	Although there are many notification mechanisms such as our Bank's Dialog channels, mails sent to Audit Units, the access information for our Department is: etik@halkbank.com.tr e-mail address and 0216 503 50 50 ethics line.

CORPORATE GOVERNANCE PRINCIPLES

3.2. Supporting the Participation of the Stakeholders in the Corporation’s Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	-
Corporate bodies where employees are actually represented	-
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	Studies on key positions are conducted within the framework of the powers transferred to the Head of Group with the resolutions of the Board of Directors and the Internal Directive approved by the Board of Directors.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	www.halkbank.com.tr/Investor Relations/Corporate Governance/Policies/Human Rights and Human Resources Policy * Perform the activities the Bank needs to undertake to achieve its purposes with an adequate number of staff; * Select and assign eligible staff with competencies that match the respective job requirements; * Value and respect employees’ personalities, protect their pecuniary and nonpecuniary rights, and ensure the confidentiality of their personal information; * Offer a safe working environment suited to the nature of the assignment; * Provide the means for building social relations and a work environment that help boost motivation and engagement; * Provide employees with fair and equitable work, and training and development opportunities that match individual skills/ competencies; * Establish a "remuneration and benefits" system that encourages employees to continue working without losing interest and productivity, and that provides the Bank with the means to recruit the necessary manpower to meet the qualification and staff size requirements for the services it provides; * Provide employees with the means to help them increase their knowledge and experience; reward accomplished employees within the available means; * Inform and advise employees on the issues that concern them, in a timely manner; ensure that their views are sought at all times, and their opinions and ideas are easily communicated to the management; * Ensure that employees work while adhering to the principles of productivity and profitability, and with the cost consciousness required; * Encourage employees to produce new ideas that will help cultivate creative thinking and develop transactions/procedures; * Grant promotions by taking into consideration the skills, achievements, education, and duration of employment of each employee, with the aim of preserving and developing the Bank’s corporate culture and identity; * Evaluate each employee under objective criteria and on an equitable basis.
Whether the company provides an employee stock ownership programme	There isn't an employee stock ownership programme.
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	https://www.halkbank.com.tr/content/dam/corporate-website/en/documents/investor-relations/policies/15Human_Rights_and_Human_Resources_Policy.pdf
The number of definitive convictions the company is subject to in relation to health and safety measures	We do not have current and/or final cases.

3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	www.halkbank.com.tr/Investor Relations/Corporate Governance/Ethical Principles/Halkbank Code of Ethics
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	www.halkbank.com.tr/Investor Relations/Corporate Governance/Policies/ Social Responsibility and Public Relation Policy
Any measures combating any kind of corruption including embezzlement and bribery	Halkbank’s legislation encompasses Anti-Corruption Policy and Code of Ethics to combat any breaches concerned with corruption including embezzlement and bribery. Within the frame work of these regulations; The Bank’s employees must comply with the Code of Ethics, the governance of which is rooted in the notions of fairness, integrity, honesty and social responsibility. The Department of Human Resources that contains the Ethical Practices Team is in charge of the implementation of The Code of Ethics. The Code of Ethics also comprises the obligation to complying with the Anti-Corruption Policy. Namely, all of the Bank’s employees are liable for complying with the Anti-Corruption Policy, too. According to these regulations; every employee who becomes aware of any violation of these policies must notify their immediate supervisor.If you are not sure whether this method is appropriate, you will notify The Ethical Practices Team (etik@halkbank.com.tr), and the Ethics Line (0216 503 50 50). In 2024, 106 ethical notifications and 25 notifications of violation of ethical principles were received, and all notifications are administratively evaluated and finalized by the Human Resources Department. If it is not sure that this method is appropriate, it notifies the Corporate Governance Committee. Both the conduct of the Bank’s activities in accordance with the requirements of the Bank’s Code of Ethics and with the Anti-Corruption Policy, which is an integral part of that code and the ethical behaviour of Bank employees in the fulfilment of their duties are subject to the oversight of the Corporate Governance Committee. The circumstances of any employee who is ascertained to have violated the Code of Ethics will be considered within the framework of the Bank’s Internal Control System and action will be taken accordingly. If any Bank employee breaches any of these policies, serious disciplinary actions or criminal prosecution may be come up. In practice, The Ethical Practices Team which is a part of the Department of Human Resources is available to manage all violations concerned with corruption. If any feedback comes to The Ethical Practices Team as a inquiry report, the team reports the issue to the Halkbank’s Disciplinary Committee with all the information and documents to be assessed in accordance with the Bank’s disciplinary regulations. An e-announcement concerning the Code of Ethics is sent out annual to the entire organizations. E-training resources concerning the Code of Ethics and related issues are available for all Bank employees. Such training is mandatory for newly-hired personnel and for personnel seeking a promotions. In addition, Anti Corruption Policy is publicly disclosed to the Bank’s internal and external stakeholders through its corporate website. The Bank employees are regularly provided with classroom and online training on issues pertaining both to the Anti-Corruption Policy and to other Bank-approved policies. When deemed to be necessary, employees’ knowledge of these issues is tested to determine the effectiveness of such training.
Board of Directors-I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	Performance evaluation is not conducted for the board.
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	https://www.kap.org.tr/en/Bildirim/1429543
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	4

CORPORATE GOVERNANCE PRINCIPLES

Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	2025 Integrated Annual Report/Corporate Governance/Audit Committee's Assessment on the Operation of the Internal Control, Compliance, Internal Audit and Risk Management Systems and Information about its Activities in 2025
Name of the Chairman	Recep Süleyman ÖZDİL
Name of the CEO	Osman ARSLAN
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	-
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	-
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	www.halkbank.com.tr/Investor Relations/Corporate Governance/Policies/Board of Directors Policy on Diversity
The number and ratio of female directors within the Board of Directors	2, (2/9)

Composition of The Board of Directors							
Name, Surname of Board Member	Whether Executive Director or Not	Whether Independent Director or Not	The First Election Date to Board	Link to PDP Notification that Includes the Independency Declaration	Whether the Independent Director Considered by the Nomination Committee	Whether She/He Is the Director Who Ceased to Satisfy the Independence or Not	Whether the Director Has at Least 5 Years' Experience on Audit Accounting and/or Finance or Not
Recep Süleyman ÖZDİL	Non-executive	Independent director	28.08.2015	-	-	No	Yes
Mevlüt UYSAL	Non-executive	Independent director	27.05.2019	-	-	No	Yes
Osman ARSLAN	Executive	Not Independent director	08.06.2017	-	-	-	Yes
Şeref AKSAÇ	Non-executive	Not Independent director	26.03.2021	-	-	-	Yes
Meltem TAYLAN AYDIN	Non-executive	Not Independent director	08.06.2017	-	-	-	Yes
Mihrimah Belma SEKMEN	Non-executive	Independent director	02.08.2023	https://www.kap.org.tr/en/Bildirim/1184992	Considered	No	No
Maksut SERİM	Non-executive	Not Independent director	08.06.2017	-	-	-	Yes
Ebubekir ŞAHİN	Non-executive	Not Independent director	12.06.2020	-	-	-	Yes
Sezai UÇARMAK	Non-executive	Not Independent director	27.02.2019	-	-	-	Yes

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Board of Directors-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical or electronic board meetings in the reporting period (meetings in person)	59
Director average attendance rate at board meetings	98.8%
Whether the board uses an electronic portal to support its work or not	Yes
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	3-4 days
The name of the section on the corporate website that demonstrates information about the board charter	www.halkbank.com.tr/Investor Relations/Corporate Governance/Articles of Association (Article 22)
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	None
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	2025 Integrated Annual Report/Corporate Governance/Board of Directors and Committees
Link(s) to the PDP announcement(s) with the board committee charters	-

Composition of Board Committees-I				
Names of the Board Committees	Name of Committes Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committe Chair or Not	Whether Board Member or Not
Audit Committee		Recep Süleyman ÖZDİL	Yes	Board member
Audit Committee		Mevlüt UYSAL	No	Board member
Corporate Governance Committee		Recep Süleyman ÖZDİL	Yes	Board member
Corporate Governance Committee		Şeref AKSAÇ	No	Board member
Corporate Governance Committee		Yusuf Duran OCAK	No	Not board member
Corporate Governance Committee		Miraç TAŞ (a.)	No	Not board member
Corporate Governance Committee		Caner GÖKBULUT	No	Not board member
Corporate Governance Committee		Osman BEKTAŞ	No	Not board member
Corporate Governance Committee		Neşe SATICI	No	Not board member
Remuneration Committee		Mihrimah Belma SEKMEN	Yes	Board member
Remuneration Committee		Meltem TAYLAN AYDIN	No	Board member
Other	Credit Committee	Osman ARSLAN	Yes	Board member

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CORPORATE GOVERNANCE PRINCIPLES

Composition of Board Committees-I				
Names of the Board Committees	Name of Committes Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committee Chair or Not	Whether Board Member or Not
Other	Credit Committee	Recep Süleyman ÖZDİL	No	Board member
Other	Credit Committee	Mevlüt UYSAL	No	Board member
Other	Credit Committee (Substitute Member)	Sezai UÇARMAK	No	Board member
Other	Credit Committee (Substitute Member)	Maksut SERİM	No	Board member
Other	Assets and Liabilities Committee	Osman ARSLAN	Yes	Board member
Other	Assets and Liabilities Committee	Yalçın MADENCİ	No	Not board member
Other	Assets and Liabilities Committee	Murat YILDIRIM	No	Not board member
Other	Assets and Liabilities Committee	Altan TAŞKIRAN	No	Not board member
Other	Assets and Liabilities Committee	Seyit Mehmet YAYDEMİR	No	Not board member
Other	Assets and Liabilities Committee	Tahir DEMİRKIRAN	No	Not board member
Other	Assets and Liabilities Committee	Celal CANDAN	No	Not board member
Other	Assets and Liabilities Committee	Ahmet HOŞCAN (a.)	No	Not board member
Other	Assets and Liabilities Committee	Mustafa ERMİŞ	No	Not board member
Other	Assets and Liabilities Committee	Yusuf Duran OCAK	No	Not board member
Other	Assets and Liabilities Committee	Olcay ATLIOĞLU	No	Not board member
Other	Assets and Liabilities Committee	Miraç TAŞ (a.)	No	Not board member
Other	Assets and Liabilities Committee	Caner GÖKBULUT	No	Not board member
Other	Assets and Liabilities Committee	Hacı BEKDUR	No	Not board member
Other	Assets and Liabilities Committee	Hamdi COŞGUN	No	Not board member
Other	Assets and Liabilities Committee	Mehmet TANRIVERDİ	No	Not board member
Other	Assets and Liabilities Committee	Burak KARATAŞ	No	Not board member
Other	Assets and Liabilities Committee	Tuna ALCI	No	Not board member
Other	Assets and Liabilities Committee	İbrahim Okan ÇAĞLAR	No	Not board member
Other	Sustainability Committee	Mihrimah Belma SEKMEN	Yes	Board member
Other	Sustainability Committee	Ebubekir ŞAHİN	No	Board member
Other	Sustainability Committee	Yusuf Duran OCAK	No	Not board member
Other	Sustainability Committee	Miraç TAŞ (a.)	No	Not board member
Other	Sustainability Committee	Mustafa ERMİŞ	No	Not board member
Other	Sustainability Committee	Yalçın MADENCİ	No	Not board member
Other	Sustainability Committee	Murat YILDIRIM	No	Not board member
Other	Sustainability Committee	Olcay ATLIOĞLU	No	Not board member
Other	Sustainability Committee	Seyit Mehmet YAYDEMİR	No	Not board member
Other	Sustainability Committee	Hacı BEKDUR	No	Not board member
Other	Sustainability Committee	Hamdi COŞGUN	No	Not board member
Other	Sustainability Committee	Necati Kürşad DAMÇAYIRI	No	Not board member

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Composition of Board Committees-I				
Names of the Board Committees	Name of Committes Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committee Chair or Not	Whether Board Member or Not
Other	Sustainability Committee	Abdurrahman ERCAN	No	Not board member
Other	Sustainability Committee	Muharrem BAYKARA	No	Not board member
Other	Sustainability Committee	Seda GÜDEN	No	Not board member
Other	Sustainability Committee	Süleyman Baran KOYUNCU	No	Not board member
Other	Sustainability Committee	Muhammed Fatih GÜNEY (a.)	No	Not board member
Other	Sustainability Committee	Gökay ÖZDER	No	Not board member
Other	Sustainability Committee	İbrahim Okan ÇAĞLAR	No	Not board member
Other	Sustainability Committee	Selma ŞEN	No	Not board member
Other	Sustainability Committee	Mehmet Hakan TERCAN	No	Not board member
Other	Sustainability Committee	Neşe SATICI	No	Not board member
Other	Sustainability Committee	Burak KARATAŞ	No	Not board member
Other	Sustainability Committee	Tuna ALCI	No	Not board member
Other	Sustainability Committee	Fatih DOĞAN	No	Not board member
Other	Information Technologies Strategy Committee	Osman ARSLAN	Yes	Board member
Other	Information Technologies Strategy Committee	Yalçın MADENCİ	No	Not board member
Other	Information Technologies Strategy Committee	Murat YILDIRIM	No	Not board member
Other	Information Technologies Strategy Committee	Seyit Mehmet YAYDEMİR	No	Not board member
Other	Information Technologies Strategy Committee	Celal CANDAN	No	Not board member
Other	Information Technologies Strategy Committee	Ahmet HOŞCAN (a.)	No	Not board member
Other	Information Technologies Strategy Committee	Mustafa ERMİŞ	No	Not board member
Other	Information Technologies Strategy Committee	Yusuf Duran OCAK	No	Not board member
Other	Information Technologies Strategy Committee	Miraç TAŞ (a.)	No	Not board member
Other	Information Technologies Strategy Committee	Olcay ATLIOĞLU	No	Not board member
Other	Information Technologies Strategy Committee	Tahir DEMİRKIRAN	No	Not board member
Other	Information Technologies Strategy Committee	Altan TAŞKIRAN	No	Not board member
Other	Information Technologies Strategy Committee	Caner GÖKBULUT	No	Not board member
Other	Information Technologies Strategy Committee	Hacı BEKDUR	No	Not board member

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CORPORATE GOVERNANCE PRINCIPLES

Composition of Board Committees-I				
Names of the Board Committees	Name of Committes Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committe Chair or Not	Whether Board Member or Not
Other	Information Technologies Strategy Committee	Hamdi COŞGUN	No	Not board member
Other	Information Technologies Strategy Committee	Mehmet TANRIVERDİ	No	Not board member
Other	Information Technologies Strategy Committee	Okan KARADAĞ	No	Not board member
Other	Information Technologies Strategy Committee	Sadettin YILMAZ	No	Not board member
Other	Information Technologies Strategy Committee	Tuncer DEMİREL	No	Not board member
Other	Information Technologies Strategy Committee	Mehmet Hakan TERCAN	No	Not board member
Other	Information Technologies Strategy Committee	Gökhan BALCI	No	Not board member
Other	Information Technologies Strategy Committee	Ebru TÜRKMEN BAKIR	No	Not board member
Other	Information Technologies Strategy Committee	Alper TORUN	No	Not board member
Other	Information Security Committee	Osman ARSLAN	Yes	Board member
Other	Information Security Committee	Mustafa ERMIŞ	No	Not board member
Other	Information Security Committee	Olca ATLIOĞLU	No	Not board member
Other	Information Security Committee	Ebru TÜRKMEN BAKIR	No	Not board member
Other	Information Security Committee	Okan KARADAĞ	No	Not board member
Other	Information Security Committee	Sadettin YILMAZ	No	Not board member
Other	Information Security Committee	Tuncer DEMİREL	No	Not board member
Other	Information Security Committee	Mehmet Hakan TERCAN	No	Not board member
Other	Information Security Committee	Gökhan BALCI	No	Not board member
Other	Information Security Committee	Mehmet TANRIVERDİ	No	Not board member
Other	Information Security Committee	Neşe SATICI	No	Not board member
Other	Information Security Committee	Öner KAYA	No	Not board member
Other	Information Security Committee	Samet DEMİRCİ	No	Not board member
Other	Information Security Committee	Burak KARATAŞ	No	Not board member
Other	Information Security Committee	Alper TORUN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Osman ARSLAN	Yes	Board member
Other	Bank Business Continuity and Emergency Action Committee	Yalçın MADENCİ	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Murat YILDIRIM	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Seyit Mehmet YAYDEMİR	No	Not board member

Composition of Board Committees-I				
Names of the Board Committees	Name of Committes Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committe Chair or Not	Whether Board Member or Not
Other	Bank Business Continuity and Emergency Action Committee	Celal CANDAN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Ahmet HOŞCAN (a.)	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Mustafa ERMIŞ	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Yusuf Duran OCAK	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Olca ATLIOĞLU	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Tahir DEMİRKIRAN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Altan TAŞKIRAN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Miraç TAŞ (a.)	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Caner GÖKBULUT	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Hacı BEKDUR	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Hamdi COŞGUN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Mehmet TANRIVERDİ	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Süleyman Baran KOYUNCU	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Hakan ARMAĞAN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Uğur Deniz ŞAHİN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Abdullah GÜRHAN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Kadriye Çimen BOZACI	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Hamza ÖZDEMİR	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Muhammed Fatih GÜNEY (a.)	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Gökay ÖZDER	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Okan KARADAĞ	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Sadettin YILMAZ	No	Not board member

CORPORATE GOVERNANCE PRINCIPLES

Composition of Board Committees-I				
Names of the Board Committees	Name of Committes Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committee Chair or Not	Whether Board Member or Not
Other	Bank Business Continuity and Emergency Action Committee	Tuncer DEMİREL	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Mehmet Hakan TERCAN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Gökhan BALCI	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Neşe SATICI	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Mustafa SIR	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Dilhan ELÇİ	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Cüneyt EYİN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Kaan KANDEMİR	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Mustafa TEMİZKAN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Osman BEKTAŞ	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	İbrahim Okan ÇAĞLAR	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Selma ŞEN	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Tuna ALCI	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Cem SAÇAR	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Şenol ŞENGÜL	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Burak KARATAŞ	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Ebru TÜRKMEN BAKIR	No	Not board member
Other	Bank Business Continuity and Emergency Action Committee	Alper TORUN	No	Not board member

Board of Directors-III	
4.5. Board Committees-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	2025 Integrated Annual Report/Corporate Governance/ Board of Directors and Committees
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/ website)	2025 Integrated Annual Report/Corporate Governance/ Board of Directors and Committees
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	2025 Integrated Annual Report/Corporate Governance/ Board of Directors and Committees
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/ website)	2025 Integrated Annual Report/Corporate Governance/ Board of Directors and Committees
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	2025 Integrated Annual Report/Corporate Governance/ Board of Directors and Committees
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	2025 Integrated Annual Report/Corporate Governance
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	www.halkbank.com.tr/Investor Relations/Corporate Governance/ Policies/Policy on Renumeration
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	2025 Integrated Annual Report/Corporate Governance/ Corporate Governance Principles/Other Explanations About Corporate Governance Principles

CORPORATE GOVERNANCE PRINCIPLES

Composition of Board Committees-II					
Names of The Board Committees	Name of Committees Defined as "Other" in the First Column	The Percentage of Non-executive Directors	The Percentage of Independent Directors in the Committee	The Number of Meetings Held in Person	The Number of Reports on Its Activities Submitted to the Board
Audit Committee		100%	100%	31	42
Corporate Governance Committee		28.6%	14.3%	1	0
Remuneration Committee		100%	50%	1	1
Other	Credit Committee	66.7%	66.7%	50	0
Other	Assets and Liabilities Committee	0%	0%	34	34
Other	Sustainability Committee	8%	4%	4	1
Other	Information Technologies Strategy Committee	0%	0%	2	1
Other	Information Security Committee	0%	0%	2	1
Other	Bank Business Continuity and Emergency Action Committee	0%	0%	2	0

Other Issues Within the Scope of Corporate Governance Principles

Statement of Independence of the Independent Board Member

The following is the statement of independence by Mihrimah Belma SEKMEN, who was elected an Independent Board Member at the Ordinary General Assembly on August 02, 2023:

To the Corporate Governance Committee of Türkiye Halk Bankası A.Ş.,

I am a candidate to serve as an Independent Board Member of Türkiye Halk Bankası A.Ş., and I hereby state the following;

- a) There is no employment relationship between myself, my wife and my relatives by blood and affinity up to the second degree, in a managerial position who will assume important duties and responsibilities in the last five years, with the Bank's partnerships in which the Bank has management control or significant influence, and shareholders who hold the management control of the Bank or have significant influence in the Bank, and legal entities over which these partners have management control, and I do not own more than 5% of the capital or voting rights or privileged shares, together or alone, or have no significant commercial relations,
- b) Within the last five years, I have not been a shareholder (5% and above), a board member, or an executive in charge of significant duties and responsibilities, at the companies that are providing audit services to the Bank, including tax audit, regulatory audit and internal audit, the companies that are providing rating and advisory services to the Bank, the companies that the Bank is purchasing from/selling to products or services in significant amounts; during the term in which such services and products are being provided,
- c) I have the professional training, knowledge and experience to duly fulfill the duties I shall undertake for the independent membership of the Board of Directors,
- d) I will not work full-time in public institutions and organizations if I am elected a member,
- e) I am a resident of Türkiye according to the Income Tax Law dated December 31, 1960 and numbered 193,
- f) I have strong ethical standards, professional reputation and experience to make a positive contribution to the operations of the Bank, to keep my impartiality in conflicts of interest to arise between the Bank and shareholders, and to make decisions freely by taking into account the rights of stakeholders;
- g) I will be able to allocate the necessary time for the Bank's affairs, to follow the operation of the Bank's activities and fully fulfill the requirements of the duties I will undertake,
- h) I have not been a Board Member of the Bank for more than 6 years in the last 10 years,
- i) I have not served as an independent board member in more than three of the companies where the same person, the Bank or the shareholders holding the management control of the Bank have management control, and in more than five of the companies traded in the stock exchange in total,
- j) I have not been registered and announced on behalf of the legal person elected as the board member."

CORPORATE GOVERNANCE PRINCIPLES

Financial Rights

According to Article 23 of the Bank’s Articles of Association, Board Members are paid a monthly fee, the amount of which is determined by the General Assembly. In this context, a gross payment of TRY 109.9 million was made to the Bank’s Board Members and Senior Management in 2025. However, in line with banking industry practice, the remuneration and all benefits provided to Board Members and executives with administrative responsibility are not disclosed on an individual basis.

Other Matters

Regarding the criminal case filed against the Bank in the U.S. on October 15, 2019, it was decided that a Deferred Prosecution Agreement (DPA) be signed between the Bank and the U.S. Department of Justice’s U.S. Attorney’s Office for the Southern District of New York to conclude the case by way of settlement.

Under this settlement agreement, the Bank does not admit to any criminal offense and will not pay any judicial or administrative fines. Following the submission of a compliance report, to be prepared by an expert firm, to the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) and a copy to the U.S. Attorney’s Office for the Southern District of New York, the Bank and the U.S. Attorney’s Office for the Southern District of New York will jointly submit a letter to the U.S. District Court for the Southern District of New York for the dismissal of the case. Upon the court’s approval, the criminal proceedings against the Bank in the U.S., which have been ongoing for approximately nine years, will be concluded. Additionally, OFAC has informed the Bank that it has closed the administrative proceedings against it without taking any further action.

Furthermore, a civil lawsuit filed against the Bank on March 27, 2020, in the U.S. District Court for the Southern District of New York by plaintiffs seeking compensation on the grounds that they were unable to collect their receivables from Iran due to sanctions violations was decided in favor of the Bank by the U.S. Supreme Court. The case was finally dismissed on January 8, 2024. A new civil lawsuit filed on July 26, 2023, in the U.S. District Court for the Southern District of New York has been suspended by the District Court’s decision dated May 1, 2024, pending a final decision in the criminal case against the Bank.

There are no administrative or judicial sanctions imposed on Board Members due to practices contrary to legislative provisions.

There are no significant administrative or judicial sanctions imposed on the Bank due to practices contrary to legislative provisions.

The total amount of donations and grants made by Halkbank in 2025 was TRY 250 million; including consolidated subsidiaries, the total amount of donations and grants was TRY 257 million.

SUSTAINABILITY PRINCIPLES

Sustainability Compliance Report	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A. GENERAL PRINCIPLES						
A1. Strategy, Policy and Goals						
A1.1. The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X					2025 Integrated Annual Report: Material Topics and Materiality Analysis pages 76-78
A1.1. The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	X					Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.	X					2025 Integrated Annual Report: Building Trust Through Offered Products and Services, pages 96-123 Fostering Human and Social Value Through Inclusivity, pages 124-155 Harnessing Digital Transformation to Save Time, pages 156-171 Securing the Planet's Future Through Green Transformation, pages 172-185
A2. Implementation/Monitoring						
A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	X					2025 Integrated Annual Report: Governance and Organizational Structure of Sustainability, page 64
A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	X					2025 Integrated Annual Report: Governance and Organizational Structure of Sustainability, page 64

SUSTAINABILITY PRINCIPLES

Sustainability Compliance Report	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.	X					2025 Integrated Annual Report: Building Trust Through Offered Products and Services, pages 96-123 Fostering Human and Social Value Through Inclusivity, pages 124-155 Harnessing Digital Transformation to Save Time, pages 156-171 Securing the Planet's Future Through Green Transformation, pages 172-185
A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.	X					2025 Integrated Annual Report: Building Trust Through Offered Products and Services, pages 96-123 Fostering Human and Social Value Through Inclusivity, pages 124-155 Harnessing Digital Transformation to Save Time, pages 156-171 Securing the Planet's Future Through Green Transformation, pages 172-185
A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	X					2025 Integrated Annual Report: Building Trust Through Offered Products and Services, pages 96-123 Fostering Human and Social Value Through Inclusivity, pages 124-155 Harnessing Digital Transformation to Save Time, pages 156-171 Securing the Planet's Future Through Green Transformation, pages 172-185
A3. Reporting						
A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	X					2025 Integrated Annual Report: Building Trust Through Offered Products and Services, pages 96-123, Fostering Human and Social Value Through Inclusivity, pages 124-155, Harnessing Digital Transformation to Save Time, pages 156-171, Securing the Planet's Future Through Green Transformation, pages 172-185
A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	X					2025 Integrated Annual Report: Contributions to the Sustainable Development Goals, pages 78-90

Sustainability Compliance Report	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
A3.3. The lawsuits filed and/ or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.	X					2025 Integrated Annual Report: Corporate Governance Principles, pages 211-234
A4. Verification						
A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.	X					2025 Integrated Annual Report Independent Assurance Report, pages 572-573
B. ENVIRONMENTAL PRINCIPLES						
B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.	X				ISO 14001:2015 Environmental Energy Management System and ISO 50001:2018 Energy Management System (Integrated Management System) standards are applied in all service locations of Halkbank.	2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185
B2. The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.	X					2025 Integrated Annual Report: About this Report, page 1

SUSTAINABILITY PRINCIPLES

Sustainability Compliance Report	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B4. The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).	X				Halkbank has included the energy saving indicator in the Bank's performance management. Energy saving is an indicator that directly affects the performance bonuses of the Head of International Banking Group, Head of Sustainability Department and department managers and employees.	2025 Integrated Annual Report Energy Efficiency and Management, pages 180-181
B5. How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.	X					2025 Integrated Annual Report: Material Topics and Materiality Analysis pages 76-77
B7. The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.	X					2025 Integrated Annual Report: Environmentally Beneficial Products and Sustainable Finance pages 100-105 Sustainable Supply Chain Management, pages 152-155 ESG Impact in Credit Processes, pages 176-177
B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.	X					2025 Integrated Annual Report: Corporate Memberships and Supported Initiatives, page 74 Contributions to the Sustainable Development Goals (SDGs), pages 78-90

Sustainability Compliance Report	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B9. In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185 Performance Tables, pages 553-555
B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.	X					2025 Integrated Annual Report: Reporting Guide, pages 556-563
B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185 Performance Tables, pages 553-555
B12. The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185
B14. The programs/ procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185 Sustainable Supply Chain Management, pages 152-155

SUSTAINABILITY PRINCIPLES

Sustainability Compliance Report	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.	X				Suppliers are evaluated annually within the scope of ESG, and when deemed necessary, remedial actions are taken within the scope of the Sustainability Policy.	2025 Integrated Annual Report: Sustainable Supply Chain Management, pages 152-155 Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies
B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185
B16. The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185 Performance Tables, pages 553-555
B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185
B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185
B19. The renewable energy production and usage data has been publicly disclosed.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185
B20. The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185

Sustainability Compliance Report	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
B21. The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.	X					2025 Integrated Annual Report: Securing the Planet's Future Through Green Transformation, pages 172-185 Performance Tables, pages 553-555
B22. The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).				X	There is no carbon pricing system involved in banking operations or activities.	
B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.	X				In 2025, 19 tons of emissions caused by the Paraf Doğal card throughout its life cycle were neutralized with Gold standard carbon certificates.	2025 Integrated Annual Report: Environmentally Beneficial Products and Sustainable Finance, pages 100-105
B24. If carbon pricing is applied within the Company, the details have been disclosed.	X					2024 TSRS-Compliant Sustainability Report : https://www.halkbank.com.tr/content/dam/corporate-website/tr/dokumanlar/yatirimci-iliskileri/faaliyet-raporlari/2024-TSRS-Uyumlu-Surdurulebilirlik-Raporu.pdf Internal Carbon Pricing and Its Impact on Financial Planning, page 39
B25. The platforms where the Company discloses its environmental information have been disclosed.	X				The bank shares its environmental information through CDP, SBTi, BIST Sustainability Index and FTSE4 Good Emerging Markets Index.	2025 Integrated Annual Report: Corporate Memberships and Supported Initiatives, page 74 Securing the Planet's Future Through Green Transformation, pages 172-185

SUSTAINABILITY PRINCIPLES

Sustainability Compliance Report	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C. SOCIAL PRINCIPLES						
C1. Human Rights and Employee Rights						
C1.1. The Institutional Human Rights and Employee Rights Policy has been established in the light of the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation. The policy and the officials that responsible for the implementation of it have been determined and disclosed.	X					Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies Human Rights and Human Resources Policy
C1.2. Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	X					Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies Human Rights and Human Resources Policy Sustainability Policy
C1.3. The measures taken for the minority rights/ equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.	X					Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies Human Rights and Human Resources Policy Sustainability Policy
C1.4. The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.	X					Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies Human Rights and Human Resources Policy

Sustainability Compliance Report	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C1.5. Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	X					Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies Human Rights and Human Resources Policy
C1.5. The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X					Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies Human Rights and Human Resources Policy
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	X					2025 Integrated Annual Report: Career and Talent Management, pages 130-135
C1.6. The occupational health and safety policies have been established and disclosed.	X					Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies Occupational Health and Safety Policy
C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	X					2025 Integrated Annual Report: Occupational Health and Safety, pages 138-139
C1.7. The personal data protection and data security policies have been established and disclosed.	X					Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies Policy on the Protection and Processing of Personal Data
C1.8. The ethics policy have been established and disclosed.	X					Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies
C1.9. The studies related to social investment, social responsibility, financial inclusivity and access to finance have been explained.	X					2025 Integrated Annual Report: Contributing to Social Welfare Through Social Responsibility, pages 148-151

SUSTAINABILITY PRINCIPLES

Sustainability Compliance Report	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X					2025 Integrated Annual Report: Career and Talent Management, pages 130-135
C2. Stakeholders, International Standards and Initiatives						
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	X					Corporate Website: https://www.halkbank.com.tr/tr/bankamiz/surdurulebilirlik/surdurulebilirlik/ilkeler-ve-politikalar.html , Principles and Policies Customer Communication Center Policy Happy Customer Center Policy
C2.2. The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	X					2025 Integrated Annual Report: Stakeholder Engagement, pages 68-73
C2.3. The international reporting standards that adopted in reporting have been explained.	X					2025 Integrated Annual Report: Reporting Guide, pages 556–563
C2.4. The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.	X					2025 Integrated Annual Report: Corporate Memberships and Supported Initiatives, page 74 Contributions to the Sustainable Development Goals (SDGs), pages 78-90
C2.5. The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	X					2025 Integrated Annual Report: Management Review and Analysis, pages 22-23 Corporate Memberships and Supported Initiatives, page 74 Securing the Planet’s Future Through Green Transformation, pages 172-185
D. CORPORATE GOVERNANCE PRINCIPLES						
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	X					2025 Integrated Annual Report: Material Topics and Materiality Analysis, pages 76-78
D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X					2025 Integrated Annual Report: Fostering Human and Social Value Through Inclusivity, pages 124-155 Contributing to Social Welfare Through Social Responsibility, pages 148-151

REPORT OF THE SUPERVISORY BOARD

The 2025 Supervisory Board Report of Türkiye Halk Bankası A.Ş. has been prepared by us, and the findings are presented below.

The Bank is subject to public audit and is periodically audited by the Banking Regulation and Supervision Agency (BRSA), the Turkish Court of Accounts, and an independent audit firm in accordance with Article 30 of the Company's Articles of Association.

As of year-end 2025, compared to year-end 2024, the banking sector’s total assets increased by 43.7% to TRY 46,946,798 million, total securities increased by 34.2% to TRY 7,012,501 million, total deposits increased by 43.5% to TRY 28,283,591 million, non-cash loan volume increased by 47.8% to TRY 8,999,180 million, cash loan volume increased by 44.1% to TRY 23,127,970 million, and the Non-Performing Loans/Total Cash Loans ratio was 2.5%.

In line with the developments in the banking sector in 2025, as of year-end 2025, Türkiye Halk Bankası A.Ş.’s total assets increased by 42% year-over-year to TRY 4,292,781 million, non-cash loans increased by 46.7% from TRY 800,473 million to TRY 1,174,496 million, and cash loans increased by 34.1% from TRY 1,373,373 million to TRY 1,842,074 million.

The loan volume for financing SMEs, a key driver of Türkiye’s growth, increased by 29.5% from TRY 681,170 million in 2024 to TRY 881,829 million in 2025, enabling the Bank to maintain its leadership position in the sector with a 14.2% market share in SME loans. The tradesmen loan balance increased by 19.6% from TRY 248,448 million to TRY 297,213 million. Total securities increased by 51% from TRY 523,472 million to TRY 790,326 million, while total deposits increased by 47.6% from TRY 2,335,689 million to TRY 3,448,295 million. The Non-Performing Loans / Total Cash Loans ratio stood at 3.28%.

In 2025, the Bank issued Additional Tier 1 capital bonds with a total nominal value of USD 1 billion abroad. Additionally, it secured a total of USD 1.6 billion in funding from abroad, including USD 700 million under loan agreements with various international banks and USD 900 million under repo and secured loan agreements. Domestically, it issued financing bills with a total nominal value of TRY 4.1 billion through private placement to qualified investors.

In line with its historical mission, the Bank provides loans to small and medium-sized enterprises and tradesmen, as well as to firms in the corporate, commercial, and retail segments. In this context, the Cash Loans/Total Assets ratio, a key indicator of asset quality, was 42.9% for the Bank at year-end 2025, compared to the sector average of 49.3%.

The Bank’s registered capital ceiling is TRY 30,000 million and its issued capital is TRY 7,185 million. Its equity increased by 31.1% from TRY 166,535 million at year-end 2024 to TRY 218,333 million at year-end 2025.

REPORT OF THE SUPERVISORY BOARD

The Bank’s net profit for the period was TRY 27,131 million at year-end 2025.

In 2025, the Bank’s number of credit cards reached 7.3 million, while the number of POS devices increased from 598 thousand to 653 thousand, and the number of member merchants rose from 397 thousand to 427 thousand.

Through its "Women Entrepreneurs Loan Support Package," launched in 2021 to support women’s entrepreneurship, the Company provided TRY 120 billion in financial support to 264,000 women entrepreneurs by year-end 2025. The Bank supports innovative ideas and projects regardless of sector to foster an entrepreneurial culture in Türkiye. In this context, the "Gençiz Loan" was launched in 2025 to facilitate young entrepreneurs’ access to finance with affordable and flexible payment options. By year-end 2025, a total of TRY 38.4 billion in financing support was provided to 227 thousand entrepreneurs under the "Entrepreneur Loan," "Techno-Entrepreneur Loan," "Youth Business Loan," "First Step Loan," and "Gençiz Loan" programs.

For the accounting period of January 1–December 31, 2025, the Bank’s financial statements and information regarding its annual activities are reflected in accordance with the procedures and principles in force under Banking Law No. 5411, Turkish Commercial Code No. 6102, Capital Markets Law No. 6362, Banking Regulation and Supervision Agency legislation, the Regulation on Banks’ Internal Systems and Internal Capital Adequacy Assessment Process, the provisions of the Bank’s Articles of Association on Accounting and Financial Reporting, generally accepted accounting principles, and other relevant legislative provisions. The Bank’s bookkeeping system, mandatory books, and records are maintained in compliance with legal requirements, with records and supporting documents preserved in an orderly manner. Decisions regarding the Bank’s management are recorded in the board of directors’ resolution book, and accounting and reporting systems are operated properly and efficiently.

The Bank’s internal control, risk management, and internal audit systems are operated properly and effectively through audits conducted at both the head office and local levels.

In 2025, the Bank’s growth activities continued with the opening of 17 new branches, increasing the number of domestic branches to 1,097. The Bank continues to operate with a total of 1,105 branches, including eight branches abroad (seven in Cyprus and one in Bahrain). Additionally, activities are carried out through one representative office each in Tehran and London.

In 2024, a total of 442 people left the Bank due to retirement or other reasons. To meet its human resource needs, the Bank hired 1,497 new employees, bringing the total number of employees to 22,575. The ratio of personnel expenses to total income was 30.4% in 2025, down from 39.8% in 2024.

In 2025, the ratio of employees with higher education degrees at the Bank increased by 20 basis points year-over-year to 89.8%.

With the aim of developing its employees, in-service training continued without interruption. In 2025, the average number of training hours per employee, including both classroom and distance learning, was 52.00 hours.

We respectfully submit the Supervisory Board Report, prepared in accordance with Article 31 of the Articles of Association of Türkiye Halk Bankası A.Ş., for the information of the General Assembly.

Mehmet AYDIN
Supervisory Board Member

Faruk ÖZÇELİK
Supervisory Board Member

FINANCIAL STANDING, PROFITABILITY AND DEBT-SERVICING CAPABILITY

Asset Structure

During 2025, the Bank’s total assets increased by 42% to TRY 4,292,781 million.

The main components of the Bank’s placements were loans, with a 46.5% share amounting to TRY 1,994,031 million; securities, with a 27.6% share amounting to TRY 1,186,846 million; liquid assets, with a 20.8% share amounting to TRY 891,857 million; and other placements with a 5.1% share.

As of year-end 2025, significant year-over-year increases were observed in cash loans by TRY 532,335 million, in securities by TRY 404,422 million, and in liquid assets by TRY 241,770 million.

The Bank increased its cash loans by 36.4% as of year-end 2025. The loan-to-deposit ratio was 57.2%.

As of year-end 2025, non-performing loans amounted to TRY 79,020 million, and the non-performing loans to total cash loans ratio was 3.96%.

Composition of Liabilities

The main components of the Bank’s funding sources were deposit accounts, with an 81.2% share amounting to TRY 3,487,119 million; non-deposit funds, with a 7.5% share amounting to TRY 321,661 million; equity, with a 5.1% share amounting to TRY 218,333 million; and other sources with a 6.2% share.

As of year-end 2025, a significant year-over-year increase of TRY 1,105,365 million was observed in deposits.

An analysis of deposits, the Bank’s most important funding source, by type shows that within total deposits, savings deposits accounted for 24.1% (TRY 840,018 million), commercial deposits for 22.5% (TRY 784,780 million), foreign currency deposits for 20.2% (TRY 702,783 million), bank deposits for 13.8% (TRY 482,102 million), precious metal deposits for 8.1% (TRY 282,894 million), public sector deposits for 6% (TRY 210,340 million), and other institutional deposits for 5.3% (TRY 184,202 million).

Of total deposits, 63.6% were in TRY accounts and 36.4% were in foreign currency accounts. The share of demand deposits in total deposits was 28.6%.

* Figures are stated excluding rediscounts.

FINANCIAL STANDING, PROFITABILITY AND DEBT-SERVICING CAPABILITY

Profitability Structure

The Bank completed the 2025 operating period with a net profit of TRY 27,131 million. The significant income and expense items constituting the profit for the period are detailed below.

The Bank’s most significant income item is interest income earned from its asset placements. It amounted to TRY 901,955 million at year-end.

Of the interest income, 60.4% (TRY 545,157 million) was generated from loans and 29.3% (TRY 264,515 million) from securities. The most significant increase compared to the previous period was TRY 109,702 million in interest income from loans.

An analysis of interest expense accounts shows that the largest component was interest paid on deposits, with an 86.1% share amounting to TRY 699,084 million. Interest expense on deposits was the Bank’s main expense item in 2025. Including other interest expenses of TRY 113,099 million, total interest expenses amounted to TRY 812,183 million.

The Bank’s net interest income increased by 133.8% year-over-year to TRY 89,772 million.

Net fee and commission income increased by 53.2% compared with the previous period, to TRY 60,312 million.

The Bank set aside a provision for expected credit losses of TRY 35,145 million for its activities in 2025.

Personnel expenses, a significant component of operating expenses, increased by 64.5% year-over-year to TRY 48,626 million.

As a result of its 2025 activities, the Bank generated a profit before tax of TRY 29,870 million. After setting aside a tax provision of TRY 2,739 million, the net profit for the year was TRY 27,131 million. The Bank maintained its sustainable profitability in 2025.

FIVE-YEAR SUMMARY FINANCIAL INFORMATION

ASSETS (TRY million)	2021	2022	2023	2024	2025
Liquid Assets	126,959	166,171	289,554	650,087	891,857
Securities	223,301	374,181	584,393	782,425	1,186,846
Cash Loans	539,588	842,618	1,270,545	1,461,696	1,994,031
Partnership Investments	8,963	19,707	28,273	57,947	106,094
Fixed Assets	9,191	13,811	24,222	35,984	77,299
Other	15,629	29,861	46,978	77,074	101,986
Expected Loss Provision	22,414	53,400	48,678	42,993	65,332
Total Assets	901,217	1,392,949	2,195,287	3,022,220	4,292,781

LIABILITIES (TRY million)	2021	2022	2023	2024	2025
Deposits	625,904	1,060,923	1,872,848	2,381,754	3,487,119
Money Market Funds	139,170	102,159	20,182	246,987	226,485
Funds Borrowed	13,545	13,422	16,991	53,015	94,733
Funds	139	238	572	927	443
Securities Issued	6,143	8,976	9,252	4,649	0
Other	72,816	116,579	147,036	168,353	265,668
Shareholders' Equity	43,500	90,652	128,406	166,535	218,333
Net Profit/Loss for the Period	1,508	15,266	10,112	22,038	27,130
Total Liabilities	901,217	1,392,949	2,195,287	3,022,220	4,292,781

TÜRKİYE HALK BANKASI ANONİM ŞİRKETİ

UNCONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025
WITH AUDITORS' REPORT THEREON

(CONVENIENCE TRANSLATION OF UNCONSOLIDATED
FINANCIAL STATEMENTS AND RELATED DISCLOSURES AND FOOTNOTES
ORIGINALLY ISSUED IN TURKISH)



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Convenience Translation of the Independent Auditor’s Report Originally Prepared and Issued in Turkish to English

To the General Assembly of Türkiye Halk Bankası A.Ş.

A) Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the unconsolidated financial statements of Türkiye Halk Bankası A.Ş. (“the Bank”) which comprise the unconsolidated balance sheet as at 31 December 2025 and the unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders’ equity, unconsolidated statement of cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying unconsolidated financial statements present fairly, in all material respects, the financial position of Türkiye Halk Bankası A.Ş. as at 31 December 2025, and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with the “Banking Regulation and Supervision Agency (“BRSA”) Accounting and Reporting Legislation” which includes the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” published in the Official Gazette No. 26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Board and circulars and interpretations published by BRSA and requirements of Turkish Financial Reporting Standards (“TFRS”) for the matters not regulated by the aforementioned legislations.

Basis for Opinion

We conducted our audit in accordance with the “Regulation on Independent Audit of the Banks” (“BRSA Audit Regulation”) published in the Official Gazette No.29314 dated 2 April 2015 by BRSA and Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”) (“Standards on Auditing issued by POA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Unconsolidated Financial Statements section of our report. We declare that we are independent of the Bank in accordance with the Code of Ethics for Auditors (including Independence Standards) issued by POA (“POA’s Code of Ethics”) as applicable to audits of the unconsolidated financial statements of public interest entities, and the ethical requirements in other regulations that are relevant to our audits of the unconsolidated financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the POA’s Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As detailed in footnote number one of section six, a criminal case was filed against the Bank 15 October 2019 by the United States of America (“the U.S.”) Attorney for the Southern District of New York for alleged violations of the U.S. sanctions on Iran. By the date of the report the case has not been concluded yet, and the Bank management stated that no penalties, judgements, sanctions or measures arising from said lawsuit and proceedings have been imposed, nor any liabilities have arisen which would require the Bank to make provisions in its financial statements. Even though the uncertainty as to the lawsuit’s process continues, this fact does not affect the conclusion provided by us.

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of loans measured at amortised cost

The details of accounting policies and significant estimates and assumptions for impairment of loans measured at amortised cost are presented in Section III, No: VIII of the unconsolidated financial statements.

Key audit matter	How the matter is addressed in our audit
As of 31 December 2025, loans measured at amortised cost comprise 46% of the Bank’s total assets. The total provision for expected credit loss amounting to TRY 65.012.459 Thousand as of 31 December 2025.	Our procedures for testing the impairment of loans included below:
The Bank recognizes expected credit loss allowances for its loans measured at amortized cost in accordance with TFRS 9 Financial Instruments (“the Standard”).	• We tested the design and operating effectiveness of the controls on lending, collateralization, collection, follow-up, classification and impairment procedures are tested with the involvement of information risk management specialists.
The Bank applies the “expected credit loss model” in determining the impairment of financial assets in accordance with the Standard. The model which contains significant assumptions and estimates is reviewed by the Bank management annually.	• We evaluated the adequacy of the subjective and objective criteria that are defined in the Bank’s impairment accounting policy compared with the Standard.
The significant assumptions and estimates of the Bank’s management are as follows: • Significant increase in credit risk; • Incorporating the forward-looking macroeconomic information in calculation of credit risk; • Design and implementation of expected credit loss model.	• We evaluated the Banks’s business model and methodology and the evaluation of the calculations were carried out with the control testing and detailed analysis by the involvement of specialist. • We performed loan reviews for selected loan samples which include a detailed examination of loan files and related information and testing their classification. • We evaluated the accuracy of the expected credit loss calculations by selecting sample for the loans which are assessed on individual basis.



The determination of the impairment of loans measured at amortised cost depends on the default status of loan, the model based on the change in the credit risk since initial recognition and whether these loans are placed at the appropriate stage within that model. Establishing stage allocation is a significant process as the calculation of expected credit loss varies to the staging of the financial assets.	• We tested the accuracy and completeness of the data in the calculation models for the loans which are assessed on collective basis. The expected credit loss calculation was tested through recalculation. The models used for the calculation of the risk parameters were examined and the risk parameters for the selected sample portfolios were recalculated.
The Bank calculates expected credit losses on both an individual and a collective basis. Individual provisions consider the estimated future performance of the business and the fair value of the collateral provided for credit transactions.	• We assessed the macroeconomic models, that are used to reflect forward looking expectations and tested the effect of the risk parameters by recalculation method.
The collective basis expected credit loss calculation is based on complex processes which are modelled by using current and past data sets and expectations including collaterals. The completeness and accuracy of data sets in the model are also considered. In addition, the future expectations are reflected through macroeconomic models.	• We evaluated the qualitative and quantitative assessments which are used in determining the significant increase in credit risk.
As explained above, impairment on loans measured at amortised cost has been identified as key audit matter, due its complex nature and the involvement of management judgments and significant estimates and assumptions.	• We also evaluated the adequacy of the unconsolidated financial statements disclosures related to impairment provisions.

Responsibilities of Management and Those Charged with Governance for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of these unconsolidated financial statements in accordance with the “BRSA Accounting and Reporting Legislation”, and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Bank’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Unconsolidated Financial Statements

Responsibilities of auditors in an audit are as follows:

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with BRSA Auditing Regulation and Standards on Auditing issued by POA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.



As part of an audit in accordance with BRSA Auditing Regulation and Standards on Auditing issued by POA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



TÜRKİYE HALK BANKASI AŞ
THE UNCONSOLIDATED FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

B) Report on Other Legal and Regulatory Requirements

- 1) Pursuant to the fourth paragraph of Article 402 of the Turkish Commercial Code ("TCC") No. 6102; no significant matter has come to our attention that causes us to believe that the Bank's bookkeeping activities for the period 1 January - 31 December 2025 are not in compliance with TCC and provisions of the Bank's articles of association in relation to financial reporting.
- 2) Pursuant to the fourth paragraph of Article 402 of the TCC; the Board of Directors provided us the necessary explanations and required documents in connection with the audit.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Orhan Akova, SMMM
Partner

20 February 2026
İstanbul, Türkiye

1. The Bank's Headquarter Address:
Finanskent Mahallesi Finans Caddesi No:42/1 Ümraniye/İstanbul
2. The Bank's Contact Phone and Fax:
Phone : 0216 503 70 70
Fax : 0212 340 93 99
3. The Bank's Website and E-mail Address:
Website: www.halkbank.com.tr
E-mail Address: halkbank.ir@halkbank.com.tr

The unconsolidated financial report for the year ended prepared in accordance with the Communiqué on Financial Statements to be Disclosed to Public by Banks and Explanations and Footnotes Thereof as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

- **Section One** : GENERAL INFORMATION ABOUT THE BANK
- **Section Two** : UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- **Section Three** : EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD
- **Section Four** : INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK
- **Section Five** : EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
- **Section Six** : OTHER EXPLANATIONS
- **Section Seven** : AUDITOR'S REPORT

The unconsolidated financial statements for the year ended 31 December 2025 and related disclosures and footnotes that are subject to audit and are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements and guidance, and in compliance with the financial records of our Bank and, unless stated otherwise, presented in **thousands of Turkish Lira**.

İstanbul, 20 February 2026

R. Süleyman Özdil

Osman Arslan

Mevlüt Uysal

Yusuf Duran Ocak

Osman Bektaş

*Chairman of the
Board of Directors,
Chairman of the
Audit Committee*

*Member of the
Board of Directors,
Chief Executive Officer*

*Vice Chairman of the
Board of Directors,
Member of the Audit
Committee*

*Financial Management
and Planning
Vice Chief Executive
Officer*

*Head of Financial
Accounting
Department*

For any questions regarding this financial report, contact details of the personnel in charge is given below:

Name Surname/Title : Sercan PAT/Manager
Tel : 0216 503 52 13
Fax No : 0212 340 09 90

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TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION I: GENERAL INFORMATION ABOUT THE BANK

I. HISTORY OF THE BANK INCLUDING FOUNDATION DATE, INITIAL LEGAL STATUS, AMENDMENTS TO LEGAL STATUS

Türkiye Halk Bankası Anonim Şirketi (the “Bank” or “Halkbank”) began its operations in accordance with the Law No: 2284 in 1938 and still continues its activities as a public commercial bank.

II. EXPLANATION ABOUT THE BANK’S CAPITAL STRUCTURE, SHAREHOLDERS OF THE BANK WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS DURING THE YEAR (IF ANY) AND THE GROUP THE BANK BELONGS TO

The capital of the Bank is controlled directly by the Türkiye Varlık Fonu.

As of 31 December 2025 the shareholders’ structure and their respective ownerships are summarized as follows:

Shareholders	31 December 2025	%	31 December 2024	%
Türkiye Varlık Fonu ⁽¹⁾	6.573.604	91,49	6.573.604	91,49
Public shares ⁽¹⁾	611.095	8,51	611.093	8,51
Other shareholders ⁽²⁾	79	0,00	81	0,00
Total	7.184.778	100,00	7.184.778	100,00

⁽¹⁾ The shares of the Türkiye Varlık Fonu amounting to TRY 5.935.328 have been included in Public shares.
⁽²⁾ TRY 79 of the shares included in the “Other Shareholders” group belong to shareholders whose shares do not trade on the exchange.

In accordance with the Law No: 6327 dated 13 June 2012 and 3rd sub-article added to the Article 2 of the Law No: 4603, as per the Turkish Commercial Code, the Public shares will be controlled and represented by the Minister the Bank is reporting to, until the sale procedures of the public shares are completed.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION I: GENERAL INFORMATION ABOUT THE BANK (continued)

III. EXPLANATIONS ON THE BANK’S CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS, AUDIT COMMITTEE MEMBERS, CHIEF EXECUTIVE OFFICER AND EXECUTIVE VICE PRESIDENTS AND RESPONSIBILITIES AND SHAREHOLDING IN THE BANK, IF ANY

Name	Title
Recep Süleyman ÖZDİL	Chairman of the Board of Directors, Independent Member of the Board of Directors, Chairman of the Audit Committee
Mevlüt UYSAL	Vice Chairman of the Board of Directors, Independent Member of the Board of Directors, Member of the Audit Committee
Osman ARSLAN	Member of the Board of Directors, Chief Executive Officer
Şeref AKSAÇ	Member of the Board of Directors
Meltem TAYLAN AYDIN	Member of the Board of Directors
Mihrimah Belma SEKMEN	Independent Member of the Board of Directors
Maksut SERİM	Member of the Board of Directors
Ebubekir ŞAHİN	Member of the Board of Directors
Sezai UÇARMAK	Member of the Board of Directors
Mehmet AYDIN	Member of the Supervisory Board
Faruk ÖZÇELİK	Member of the Supervisory Board
OlcaY ATLIOĞLU	Executive Vice President, Information Technologies
Celal CANDAN	Executive Vice President, Credit Risk Monitoring and Legal Proceedings
Tahir DEMİRKIRAN	Executive Vice President, Loan Allocation and Management
Mustafa ERMİŞ	Executive Vice President, Banking Operations and Digital Transformation
Yalçın MADENCİ	Executive Vice President, Corporate and Commercial Marketing
Yusuf Duran OCAK	Executive Vice President, Financial Management and Planning
Altan TAŞKIRAN	Executive Vice President, Retail and Digital Banking
Seyit Mehmet YAYDEMİR	Executive Vice President, Loan Policies, Monitoring and Specialized Loans
Murat YILDIRIM	Executive Vice President, SME and Retail Banking
Ahmet HOŞCAN	Executive Vice President (p.), Treasury and Resource Management
Miraç TAŞ	Executive Vice President (p.), International Banking

People mentioned above do not own any shares in the Bank’s capital.

a) The Bank’s top management members who have assigned to their position are listed with titles and dates of assignment.

Title	Name and Surname	Beginning Date
Executive Vice President	Murat YILDIRIM	17 July 2025
Executive Vice President (p.)	Seyit Mehmet YAYDEMİR	7 October 2025
Executive Vice President (p.)	Ahmet HOŞCAN	27 November 2025
Executive Vice President (p.)	Miraç TAŞ	2 January 2026

b) The Bank’s top management members who have left their position are listed with titles and dates of leaving.

Title	Name and Surname	Leaving Date
Executive Vice President	Fatih ŞAHBAZ	29 August 2025
Executive Vice President	İlhan BÖLÜKBAŞ	17 September 2025
Executive Vice President	Ali ŞÖNER	27 November 2025

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION I: GENERAL INFORMATION ABOUT THE BANK (continued)

IV. EXPLANATION ON THE BANK’S QUALIFIED SHAREHOLDERS

Except for the Türkiye Varlık Fonu, no person or institute has any qualified shares attributable to the Bank.

V. SUMMARY INFORMATION ON THE BANK’S SERVICE TYPE AND FIELDS OF OPERATION

General information about the Bank:

Türkiye Halk Bankası Anonim Şirketi began its operations in 1938 in accordance with the Law No: 2284 and still continues its activities as a public commercial bank.

Bank’s restructuring process:

Law numbered 4603 regarding the “Law on Türkiye Cumhuriyeti Ziraat Bankası, Türkiye Halk Bankası Anonim Şirketi and Türkiye Emlak Bankası Anonim Şirketi”, was prepared within the framework of the “Macro-Economic Program” for the period 2000-2002. The purpose of the law is to modernize the operations of the banks to arrive at a point where the requirements of the international norms and international competition can both be reached and it also aims to sell the majority of the banks’ shares to individuals or legal entities in the private sector. The Bank revised its charter of establishment, elected a new board of directors and increased its nominal capital from TRY 250.000 to TRY 1.250.000 in the extraordinary general assembly held on 14 April 2001. Within the scope of the restructuring process, the Bank received government bonds in settlement of the accumulated specific duty losses and the Bank’s whole specific duty loss receivable was thus eliminated as at 30 April 2001. In addition, a significant number of personnel were encouraged to sign new contracts and transferred to other government institutions.

According to Article 2.2 of Law No: 4603, subsequent to the completion of the restructuring procedures, the procedures involved in sale of the shares of the Bank were to be concluded under the provisions of Law No: 4046 based on the “Regulation of Privatization Applications and Amendment of Some Laws and Decrees with the Force of Law”. The procedures relating to restructuring and sale of the shares were going to be completed within three years (until 25 November 2003) as of the effective date of the related law. However, by Law No: 5230 dated 31 July 2004, the term “ 3 years” in Article 2.2 of Law numbered 4603 was previously amended to “5 years” and subsequently by Law No: 5572 dated 10 January 2007 the related term was amended to “10 years”. As a result of these amendments, the privatization period of the Bank was extended. The Council of Ministers has the authority to extend this period by the half of that period for one time only. The Council of Ministers extended the half of that “10 years” period as published in the Official Gazette by the Decree numbered 2010/964 and dated 6 November 2010.

As per the Higher Council of Privatization decision numbered 2006/69 dated 11 August 2006, the public shares were transferred to the Privatization Administration and 99,9% of the Bank shares were decided to be sold before 25 May 2008 using the block sale method. 13th Department of Council of State with its decision numbered 2006/4258 dated 29 November 2006 to cease the execution of the High Council of Privatization’s decision numbered 2006/69 dated 11 August 2006. Thereupon, as per the decision of the Higher Council of Privatization numbered 2007/8 dated 5 February 2007, up to 25% of the public shares that were previously transferred to the Privatization Administration, were decided to be privatized by a public offering and it was decided to be concluded by the end of 2007. The first phase of the privatization process of the Bank corresponding to 24,98% was completed in the first week of May 2007 and Halkbank shares were started to trade on Borsa İstanbul AŞ as of 10 May 2007 with the base price of TRY full 8,00. As per the decision of the Higher Council of Privatization numbered 2012/150 dated 4 October 2012; 23,92% of the public shares held by the Privatization Administration were privatized by a second public offering and privatization was completed on 21 November 2012.

Under No: 25539 Law regarding the “Act No: 5230 with regards to the transfer of Pamukbank Türk Anonim Şirketi to Türkiye Halk Bankası AŞ and amendments to other acts” which came into force as published in the Official Gazette numbered 25539 dated 31 July 2004, Pamukbank (whose shares, management, and control were previously inherited to the Saving Deposit Insurance Fund (“SDİF”)) was transferred to the Bank. Insolvent Pamukbank TAŞ was a private sector deposit bank established by Çukurova İthalat ve İhracat TAO, Karamehmetler limited partnership and more than five hundred shareholders. Pamukbank started its private banking operations as an incorporation in accordance with the decision of the Council of Ministers numbered 4/4573 dated 5 March 1955. According to the decision of the Banking Regulation and Supervision Agency numbered 742 published in the Official Gazette numbered 24790 dated 19 June 2002 including 3rd and 4th Sub-articles in the Article 14 of the Banking Law No: 4389, the shareholders rights, excluding dividends, management and supervision of Pamukbank were transferred to the Saving Deposit Insurance Fund as of 18 June 2002.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements
for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION I: GENERAL INFORMATION ABOUT THE BANK (continued)

V. SUMMARY INFORMATION ON THE BANK’S SERVICE TYPE AND FIELDS OF OPERATION (continued)

The Bank’s service activities and operating areas:

The Bank’s operating areas include, commercial financing and corporate banking, fund management operations, retail banking and credit card operations.

As of 31 December 2025, the Bank operates with a total of 1.105 branches consisting of 1.097 domestic and 8 foreign branches that are 7 in Turkish Republic of Northern Cyprus and 1 in Bahrain. Domestic branches include 35 satellite branches. The Bank has also 2 representative offices in England and Iran.

VI. DIFFERENCES BETWEEN THE COMMUNIQUE ON PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF BANKS AND TURKISH ACCOUNTING STANDARDS AND SHORT EXPLANATION ABOUT THE INSTITUTIONS SUBJECT FULL CONSOLIDATION OR PROPORTIONAL CONSOLIDATION AND INSTITUTIONS WHICH ARE DEDUCTED FROM EQUITY OR NOT INCLUDED IN THESE THREE METHODS

Halk Elektrik Üretim AŞ, one of the Bank’s subsidiaries, and Bileşim Finansal Teknolojiler ve Ödeme Sistemleri AŞ, one of its associates, are not consolidated in accordance with the ‘Communiqué on the Preparation of Consolidated Financial Statements of Banks’ as they are not financial institutions. In the consolidated financial statements prepared in accordance with International Financial Reporting Standards, Halk Elektrik Üretim AŞ is fully consolidated, while Bileşim Finansal Teknolojiler ve Ödeme Sistemleri AŞ is consolidated using the equity method.

The Bank’s subsidiaries Halk Yatırım Menkul Değerler AŞ, Halk Gayrimenkul Yatırım Ortaklığı AŞ, Halk Finansal Kiralama AŞ, Halk Banka AD Skopje and its subsidiary Halk Osiguruvanje AD Skopje, Halk Faktoring AŞ, Halkbank AD Beograd, Halk Varlık Kiralama AŞ, Halk Elektronik Para ve Ödeme Hizmetleri AŞ and Halk Katılım Bankası AŞ are included in the scope of full consolidation.

DHB Bank NV, Kobi Girişim Sermayesi Yatırım Ortaklığı AŞ, Yıldız Tekno Girişim Sermayesi Yatırım Ortaklığı AŞ and Birleşim Varlık Yönetim AŞ which are classified as investments in associates, are included in the financial statements based on equity method of consolidation. Associates are the domestic or foreign subsidiaries which the Bank participates to equity with significant influence but without controlling interest.

VII. CURRENT OR LIKELY ACTUAL OR LEGAL BARRIERS TO IMMEDIATE TRANSFER OF SHAREHOLDERS’ EQUITY OR THE REPAYMENT OF DEBTS BETWEEN THE BANK AND ITS SUBSIDIARIES

Immediate transfer of the equity between the Bank and its subsidiaries is not in question. Dividend distribution from equity is made according to the related regulations.

There are no current or likely actual or legal barriers to the repayment of debts between the Bank and its subsidiaries. The Bank collects or disburses the amounts related to the purchase or prestation of services with its subsidiaries within the scope of service contracts.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements
for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION II: UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK

- I. Balance Sheet (Statement of Financial Position)
- II. Statement of Off-Balance Sheet
- III. Statement of Profit or Loss
- IV. Statement of Profit or Loss and Other Comprehensive Income
- V. Statement of Changes in Shareholders’ Equity
- VI. Statement of Cash Flows
- VII. Statement Of Profit Distribution

TÜRKİYE HALK BANKASI AŞ

Unconsolidated Balance Sheet as of 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

		Audited			Audited		
		Current Period			Restated Prior Period ⁽¹⁾		
		31 December 2025			31 December 2024		
ASSETS	Note	TRY	FC	TOTAL	TRY	FC	TOTAL
I. FINANCIAL ASSETS (Net)		560.228.465	727.470.588	1.287.699.053	478.035.812	394.368.176	872.403.988
1.1 Cash and Cash Equivalents		417.852.651	473.778.305	891.630.956	368.931.592	280.991.319	649.922.911
1.1.1 Cash and Balances with Central Bank	(1)	397.940.087	449.659.346	847.599.433	356.952.528	266.164.382	623.116.910
1.1.2 Banks	(3)	20.138.508	24.118.959	44.257.467	12.143.477	14.826.937	26.970.414
1.1.3 Money Markets Placements		-	-	-	-	-	-
1.1.4 Expected Loss Provision (-)		225.944	-	225.944	164.413	-	164.413
1.2 Financial Assets at Fair Value Through Profit or Loss	(2)	9.598.323	103.154.240	112.752.563	1.104.721	56.490.364	57.595.085
1.2.1 Government Debt Securities		65	102.616.342	102.616.407	1.647	56.220.365	56.222.012
1.2.2 Equity Instruments		-	-	-	-	-	-
1.2.3 Other Financial Assets		9.598.258	537.898	10.136.156	1.103.074	269.999	1.373.073
1.3 Financial Assets at Fair Value Through Other Comprehensive Income	(4)	132.777.491	147.381.147	280.158.638	107.999.499	55.444.194	163.443.693
1.3.1 Government Debt Securities		132.613.001	145.670.850	278.283.851	107.887.190	54.186.667	162.073.857
1.3.2 Equity Instruments		164.490	1.710.297	1.874.787	112.309	1.257.527	1.369.836
1.3.3 Other Financial Assets		-	-	-	-	-	-
1.4 Derivative Financial Assets	(2)(11)	-	3.156.896	3.156.896	-	1.442.299	1.442.299
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		-	3.156.896	3.156.896	-	1.442.299	1.442.299
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST(Net)		2.043.410.317	679.448.823	2.722.859.140	1.530.379.951	449.872.309	1.980.252.260
2.1 Loans	(5)	1.413.695.347	580.335.322	1.994.030.669	1.099.134.597	362.561.229	1.461.695.826
2.2 Lease Receivables	(10)	-	-	-	-	-	-
2.3 Factoring Receivables		-	-	-	-	-	-
2.4 Other Financial Assets Measured at Amortised Cost	(6)	694.821.347	99.113.501	793.934.848	474.074.684	87.311.080	561.385.764
2.4.1 Government Debt Securities		694.821.347	99.113.501	793.934.848	471.665.583	87.311.080	558.976.663
2.4.2 Other Financial Assets		-	-	-	2.409.101	-	2.409.101
2.5 Expected Credit Loss (-)		65.106.377	-	65.106.377	42.829.330	-	42.829.330
III. NON CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(14)	-	-	-	-	-	-
3.1 Held for Sale		-	-	-	-	-	-
3.2 Discontinued Operations		-	-	-	-	-	-
IV. EQUITY INVESTMENTS		71.621.530	34.472.876	106.094.406	34.852.439	23.094.729	57.947.168
4.1 Investments in Associates (Net)	(7)	650.838	4.146.393	4.797.231	502.770	2.902.429	3.405.199
4.1.1 Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		650.838	4.146.393	4.797.231	502.770	2.902.429	3.405.199
4.2 Subsidiaries (Net)	(8)	70.970.692	30.326.483	101.297.175	34.349.669	20.192.300	54.541.969
4.2.1 Unconsolidated Financial Subsidiaries		70.830.119	30.326.483	101.156.602	34.349.669	20.192.300	54.541.969
4.2.2 Unconsolidated Non- Financial Subsidiaries		140.573	-	140.573	-	-	-
4.3 Joint Ventures (Net)	(9)	-	-	-	-	-	-
4.3.1 Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures		-	-	-	-	-	-
V. TANGIBLE ASSETS (Net)		45.456.185	70.407	45.526.592	28.246.405	67.713	28.314.118
VI. INTANGIBLE ASSETS (Net)		4.510.335	-	4.510.335	2.592.199	-	2.592.199
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		4.510.335	-	4.510.335	2.592.199	-	2.592.199
VII. INVESTMENT PROPERTIES (Net)	(12)	27.261.842	-	27.261.842	5.077.555	-	5.077.555
VIII. CURRENT TAX ASSET		-	103.388	103.388	-	-	-
IX. DEFERRED TAX ASSET	(13)	19.030.358	-	19.030.358	23.587.810	-	23.587.810
X. OTHER ASSETS (Net)	(15)	75.538.139	4.157.904	79.696.043	48.748.558	3.296.068	52.044.626
TOTAL ASSETS		2.847.057.171	1.445.723.986	4.292.781.157	2.151.520.729	870.698.995	3.022.219.724

⁽¹⁾ Explained in Note XXV of the third section.

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Unconsolidated Balance Sheet as of 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

		Audited			Audited		
		Current Period			Restated Prior Period ⁽¹⁾		
		31 December 2025			31 December 2024		
LIABILITIES	Note	TRY	FC	TOTAL	TRY	FC	TOTAL
I. DEPOSITS	(1)	2.216.156.690	1.270.962.489	3.487.119.179	1.610.318.566	771.435.818	2.381.754.384
II. FUNDS BORROWED	(3)	672.376	94.060.190	94.732.566	19.657.157	33.357.988	53.015.145
III. MONEY MARKET FUNDS		117.479.408	109.005.826	226.485.234	161.194.767	85.791.960	246.986.727
IV. SECURITIES ISSUED (Net)	(4)	-	-	-	4.649.481	-	4.649.481
4.1 Bills		-	-	-	4.649.481	-	4.649.481
4.2 Assets Backed Securities		-	-	-	-	-	-
4.3 Bonds		-	-	-	-	-	-
V. FUNDS		442.915	-	442.915	927.087	-	927.087
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		442.915	-	442.915	927.087	-	927.087
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	(2)(7)	-	2.777.519	2.777.519	-	2.492.642	2.492.642
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		-	2.777.519	2.777.519	-	2.492.642	2.492.642
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
VIII. FACTORING LIABILITIES		-	-	-	-	-	-
IX. LEASE LIABILITIES	(6)	8.311.242	83.538	8.394.780	4.354.032	70.158	4.424.190
X. PROVISIONS	(8)	13.816.047	-	13.816.047	9.717.120	-	9.717.120
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reserve for Employee Benefits		9.313.781	-	9.313.781	6.663.779	-	6.663.779
10.3 Insurance for Technical Provision (Net)		-	-	-	-	-	-
10.4 Other Provisions		4.502.266	-	4.502.266	3.053.341	-	3.053.341
XI. CURRENT TAX LIABILITIES	(9)	17.224.885	1.203	17.226.088	9.005.959	1.456	9.007.415
XII. DEFERRED TAX LIABILITIES	(9)	-	-	-	-	-	-
XIII. NON CURRENT LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(10)	-	-	-	-	-	-
13.1 Held for Sale		-	-	-	-	-	-
13.2 Discontinued Operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT INSTRUMENTS	(11)	50.403.797	42.955.243	93.359.040	50.184.304	-	50.184.304
14.1 Loans		17.108.662	-	17.108.662	16.577.458	-	16.577.458
14.2 Other Debt Instruments		33.295.135	42.955.243	76.250.378	33.606.846	-	33.606.846
XV. OTHER LIABILITIES	(5)	117.654.531	12.440.117	130.094.648	86.866.996	5.659.544	92.526.540
XVI. SHAREHOLDERS' EQUITY	(12)	207.175.672	11.157.469	218.333.141	161.679.048	4.855.641	166.534.689
16.1 Paid-in Capital		7184.778	-	7184.778	7184.778	-	7184.778
16.2 Capital Reserves		44.444.087	-	44.444.087	45.431.582	722.749	46.154.331
16.2.1 Share Premium		44.465.222	-	44.465.222	44.465.222	-	44.465.222
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		(21.135)	-	(21.135)	966.360	722.749	1.689.109
16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		45.411.439	1.037.899	46.449.338	27.016.732	4.958	27.021.690
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		(5.318.890)	10.119.570	4.800.680	(6.277.606)	4.127.934	(2.149.672)
16.5 Profit Reserves		70.309.493	-	70.309.493	54.395.568	-	54.395.568
16.5.1 Legal Reserves		5.514.588	-	5.514.588	4.685.607	-	4.685.607
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		64.747.724	-	64.747.724	49.662.780	-	49.662.780
16.5.4 Other Profit Reserves		47.181	-	47.181	47.181	-	47.181
16.6 Income or (Loss)		45.144.765	-	45.144.765	33.927.994	-	33.927.994
16.6.1 Prior Periods' Income or (Loss)		18.014.069	-	18.014.069	11.890.173	-	11.890.173
16.6.2 Current Period Income or (Loss)		27.130.696	-	27.130.696	22.037.821	-	22.037.821
16.7 Minority Shares		-	-	-	-	-	-
TOTAL LIABILITIES		2.749.337.563	1.543.443.594	4.292.781.157	2.118.554.517	903.665.207	3.022.219.724

⁽¹⁾ Explained in Note XXV of the third section.

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Unconsolidated Statement of Off-Balance Sheet Items as of 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

II. STATEMENT OF OFF BALANCE SHEET

			Audited			Audited		
			Current Period			Prior Period		
			31 December 2025			31 December 2024		
	Note	TRY	FC	TOTAL	TRY	FC	TOTAL	
OFF-BALANCE SHEET								
A. COMMITMENTS AND CONTINGENCIES (I+II+III)		1,486,440,232	847,352,255	2,333,792,487	937,993,841	509,787,309	1,447,781,150	
I. GUARANTEES AND WARRANTIES	(1)	785,493,059	389,002,456	1,174,495,515	552,153,010	248,319,734	800,472,744	
1.1 Letters of guarantee		635,881,707	335,698,041	991,579,748	461,482,810	228,952,872	690,435,682	
1.1.1 Guarantees subject to public procurement law		29,085,593	47,871,407	77,057,000	22,250,844	29,850,050	52,080,894	
1.1.2 Guarantees given for foreign trade operations		1,177,755	86,901,207	88,018,962	570,974	57,836,406	58,407,380	
1.1.3 Other letters of guarantee		625,678,359	200,825,427	826,503,786	438,660,992	141,286,416	579,947,408	
1.2 Bank loans		73,466,549	5,080,327	78,546,876	54,059,349	1,139,027	55,198,376	
1.2.1 Import acceptances		-	2,350,876	2,350,876	-	894,738	894,738	
1.2.2 Other bank acceptances		73,466,549	2,729,451	76,196,000	54,059,349	244,289	54,303,638	
1.3 Letters of credit		597,496	48,224,088	48,821,584	194,998	18,227,835	18,422,833	
1.3.1 Documentary letters of credit		597,496	48,224,088	48,821,584	194,998	18,227,835	18,422,833	
1.3.2 Other letters of credit		-	-	-	-	-	-	
1.4 Guaranteed refinancing		-	-	-	-	-	-	
1.5 Endorsements		-	-	-	-	-	-	
1.5.1 Endorsements to Central Bank of the Republic of Türkiye		-	-	-	-	-	-	
1.5.2 Other Endorsements		-	-	-	-	-	-	
1.6 Purchase guarantees on marketable security issuance		-	-	-	-	-	-	
1.7 Factoring guarantees		-	-	-	-	-	-	
1.8 Other guarantees		55,547,307	-	55,547,307	36,415,853	-	36,415,853	
1.9 Other sureties		-	-	-	-	-	-	
II. COMMITMENTS		560,690,141	61,980,527	622,670,668	305,071,914	21,849,395	326,921,309	
2.1 Irrevocable commitments	(1)	535,711,471	38,258,932	573,970,403	294,458,436	4,856,905	299,315,341	
2.1.1 Forward asset purchase commitments		37,854,910	38,258,932	76,113,842	884,087	4,856,905	5,740,992	
2.1.2 Forward deposit purchase and sale commitments		-	-	-	-	-	-	
2.1.3 Capital commitments to subsidiaries and associates		-	-	-	-	-	-	
2.1.4 Loan granting commitments		30,331,401	-	30,331,401	24,483,297	-	24,483,297	
2.1.5 Securities underwriting commitments		-	-	-	-	-	-	
2.1.6 Payment commitments for reserve deposits		-	-	-	-	-	-	
2.1.7 Payment commitments for Cheques	(3)	38,797,420	-	38,797,420	30,831,741	-	30,831,741	
2.1.8 Tax and fund liabilities from export commitments		1,342,798	-	1,342,798	1,224,652	-	1,224,652	
2.1.9 Commitments for credit card expenditure limits		345,814,552	-	345,814,552	184,400,885	-	184,400,885	
2.1.10 Commitments for credit cards and banking services promotions		426,744	-	426,744	243,446	-	243,446	
2.1.11 Receivables from short sale commitments		-	-	-	-	-	-	
2.1.12 Payables for short sale commitments		-	-	-	-	-	-	
2.1.13 Other irrevocable commitments		81,143,646	-	81,143,646	52,390,328	-	52,390,328	
2.2 Revocable commitments		24,978,670	23,721,595	48,700,265	10,613,478	16,992,490	27,605,968	
2.2.1 Revocable loan granting commitments		-	-	-	-	-	-	
2.2.2 Other revocable commitments		24,978,670	23,721,595	48,700,265	10,613,478	16,992,490	27,605,968	
III. DERIVATIVE FINANCIAL INSTRUMENTS	(2)	140,257,032	396,369,272	536,626,304	80,768,917	239,618,180	320,387,097	
3.1 Derivative financial instruments held for risk management		-	-	-	-	-	-	
3.1.1 Fair value risk hedging transactions		-	-	-	-	-	-	
3.1.2 Cash flow risk hedging transactions		-	-	-	-	-	-	
3.1.3 Net foreign investment risk hedging transactions		-	-	-	-	-	-	
3.2 Transactions for trading		140,257,032	396,369,272	536,626,304	80,768,917	239,618,180	320,387,097	
3.2.1 Forward foreign currency buy/sell transactions		29,692,119	79,791,592	109,483,711	46,932,595	69,222,684	116,155,279	
3.2.1.1 Forward foreign currency transactions-buy		14,192,584	38,037,385	52,229,969	19,381,549	32,894,610	52,276,159	
3.2.1.2 Forward foreign currency transactions-sell		15,499,535	41,754,207	57,253,742	27,551,046	36,328,074	63,879,120	
3.2.2 Currency and interest rate swaps		105,759,732	244,878,320	350,638,052	33,561,628	153,978,954	187,540,582	
3.2.2.1 Currency swap-buy		-	118,289,269	118,289,269	-	40,390,435	40,390,435	
3.2.2.2 Currency swap-sell		105,759,732	75,563,653	181,323,385	33,421,628	9,105,347	42,526,975	
3.2.2.3 Interest rate swap-buy		-	25,512,699	25,512,699	70,000	52,241,586	52,311,586	
3.2.2.4 Interest rate swap-sell		-	25,512,699	25,512,699	70,000	52,241,586	52,311,586	
3.2.3 Currency, interest rate and marketable securities options		4,805,181	5,284,263	10,089,444	274,694	435,323	710,017	
3.2.3.1 Currency call options		2,402,590	2,642,037	5,044,627	137,200	217,767	354,967	
3.2.3.2 Currency put options		2,402,591	2,642,226	5,044,817	137,494	217,556	355,050	
3.2.3.3 Interest rate call options		-	-	-	-	-	-	
3.2.3.4 Interest rate put options		-	-	-	-	-	-	
3.2.3.5 Marketable securities call options		-	-	-	-	-	-	
3.2.3.6 Marketable securities put options		-	-	-	-	-	-	
3.2.4 Currency futures		-	-	-	-	-	-	
3.2.4.1 Currency futures-buy		-	-	-	-	-	-	
3.2.4.2 Currency futures-sell		-	-	-	-	-	-	
3.2.5 Interest rate buy/sell futures		-	-	-	-	-	-	
3.2.5.1 Interest rate futures-buy		-	-	-	-	-	-	
3.2.5.2 Interest rate futures-sell		-	-	-	-	-	-	
3.2.6 Other		-	66,415,097	66,415,097	-	15,981,219	15,981,219	
B. CUSTODY AND PLEDGED ASSETS (IV+A+V+VI)		14,876,585,143	3,391,937,822	18,268,522,965	10,220,042,282	2,112,020,397	12,332,062,679	
IV. CUSTODIES		7,263,430,281	1,060,477,770	8,323,908,051	4,628,644,736	452,717,066	5,081,361,802	
4.1 Assets under management		-	-	-	-	-	-	
4.2 Custody marketable securities		586,009,794	177,597,281	763,607,075	369,560,093	49,113,394	418,673,487	
4.3 Cheques in collection process		264,888,342	647,579,198	912,467,540	197,284,895	243,312,473	440,597,368	
4.4 Commercial notes in collection process		5,980,374,580	61,168,753	6,041,543,333	3,810,690,405	46,776,448	3,857,466,853	
4.5 Other assets in collection process		-	-	-	-	-	-	
4.6 Underwritten securities		-	-	-	-	-	-	
4.7 Other custodies		7824,969	1,703,224	9,528,193	3,140,908	27,831	3,168,739	
4.8 Custodians		424,332,596	172,429,314	596,761,910	247,968,435	113,486,920	361,455,355	
V. PLEDGED ASSETS		7,613,154,862	2,331,460,052	9,944,614,914	5,591,397,546	1,659,303,331	7,250,700,877	
5.1 Marketable securities		37,640,905	4,990,173	42,631,078	24,443,700	4,290,938	28,734,638	
5.2 Collateral notes		85,676,626	6,892,118	92,568,744	68,571,930	3,222,670	71,794,600	
5.3 Commodity		25,813	-	25,813	25,813	-	25,813	
5.4 Warranty		-	-	-	-	-	-	
5.5 Land and buildings		6,863,434,506	1,658,954,899	8,522,389,405	4,981,187,961	1,195,674,286	6,176,862,247	
5.6 Other pledged assets		573,895,716	499,626,481	1,073,522,197	411,522,779	384,303,126	795,825,905	
5.7 Pledges		52,481,296	160,996,381	213,477,677	105,645,363	71,812,311	177,457,674	
VI. ACCEPTED BILL, GUARANTEES AND SURETIES		-	-	-	-	-	-	
TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)		16,363,025,375	4,239,290,077	20,602,315,452	11,158,036,123	2,621,807,706	13,779,843,829	

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Unconsolidated Statement of Profit or Loss for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

III. STATEMENT OF PROFIT OR LOSS

		Audited		Audited	
		Current Period		Restated Prior Period(*)	
		1 January -31 December 2025		1 January -31 December 2024	
	Note				
INCOME AND EXPENSES					
I.	(1)	901,954,571	665,005,364		
1.1		545,156,590	435,454,388		
1.2		81,307,273	45,154,585		
1.3		8,674,651	5,527,719		
1.4		1,973,655	-		
1.5		264,515,027	178,335,929		
1.5.1		2,142,324	804,104		
1.5.2		50,593,646	38,947,218		
1.5.3		211,779,057	138,584,607		
1.6		-	-		
1.7		327,375	532,743		
II.	(2)	812,183,035	626,615,054		
2.1		699,084,123	558,294,299		
2.2		16,417,325	7,000,218		
2.3		70,668,940	51,809,839		
2.4		17,870,137	5,926,503		
2.5		2,247,921	1,121,470		
2.6		5,894,589	2,462,725		
III.		89,771,536	38,390,310		
IV.		60,311,501	39,366,878		
4.1		85,619,023	57,602,699		
4.1.1		13,528,425	9,831,928		
4.1.2	(11)	72,090,598	47,770,771		
4.2		25,307,522	18,235,821		
4.2.1		866	541		
4.2.2	(11)	25,306,656	18,235,280		
V.		57,894	32,263		
VI.	(3)	(13,050,661)	(22,075,828)		
6.1		590,615	7,682,696		
6.2		10,401,251	(20,204,148)		
6.3		(24,042,527)	(9,554,376)		
VII.	(4)	21,652,224	18,538,109		
VIII.		158,742,494	74,251,732		
IX.	(5)	35,144,908	7,249,890		
X.	(5)	229,069	42,061		
XI.		48,626,145	29,568,519		
XII.	(6)	56,023,001	29,909,543		
XIII.		18,719,371	7,481,719		
XIV.		-	-		
XV.		11,150,177	7,961,053		
XVI.		-	-		
XVII.	(7)	29,869,548	15,442,772		
XVIII.	(8)	(2,738,852)	6,595,049		
18.1		1,079,999	955,643		
18.2		15,659,176	16,238,984		
18.3		14,000,323	23,789,676		
XIX.	(9)	27,130,696	22,037,821		
XX.		-	-		
20.1		-	-		
20.2		-	-		
20.3		-	-		
XXI.		-	-		
21.1		-	-		
21.2		-	-		
21.3		-	-		
XXII.		-	-		
XXIII.		-	-		
23.1		-	-		
23.2		-	-		
23.3		-	-		
XXIV.		-	-		
XXV.	(10)	27,130,696	22,037,821		
25.1		27,130,696	22,037,821		
25.2		-	-		
		3,776,135	3,067,293		

TÜRKİYE HALK BANKASI AŞ

Unconsolidated Statement of Profit or Loss and Other Comprehensive Income for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
		Audited	Audited
		Current Period	Restated Prior Period ^(a)
		1 January - 31 December 2025	1 January - 31 December 2024
I.	CURRENT PERIOD INCOME/LOSS	27,130,696	22,037,821
II.	OTHER COMPREHENSIVE INCOME	26,378,000	2,975,314
2.1	Not Reclassified Through Profit or Loss	19,427,648	7,657,636
2.1.1	Revaluation Increase/Decrease of Tangible Assets	19,693,850	8,981,795
2.1.2	Revaluation Increase/Decrease of Intangible Assets	-	-
2.1.3	Defined Benefit Pension Plan Remeasurement Gain/Loss	478,247	(764,074)
2.1.4	Other Comprehensive Income Items Not Reclassified Through Profit or Loss	1,083,694	-
2.1.5	Tax on Other Comprehensive Income Items Not Reclassified Through Profit or Loss	(1,828,143)	(560,085)
2.2	Reclassified Through Profit or Loss	6,950,352	(4,682,322)
2.2.1	Foreign Currency Translation Differences	20,017,042	285,238
2.2.2	Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	3,720,802	(7,203,615)
2.2.3	Cash Flow Hedge Income/Loss	-	-
2.2.4	Foreign Net Investment Hedge Income/Loss	(15,717,036)	-
2.2.5	Other Comprehensive Income Items Reclassified Through Profit or Loss	-	-
2.2.6	Tax on Other Comprehensive Income Items Reclassified Through Profit or Loss	(1,070,456)	2,236,055
III.	TOTAL COMPREHENSIVE INCOME (I+II)	53,508,696	25,013,135

^(*) Explained in Note XXV of the third section.

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Unconsolidated Statement of Changes in Shareholders' Equity for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

W. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss		Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss		Other (Cash Flow Hedge Gain/ Loss, Shares of Instruments Valued by Equity Method in Other Comprehensive Income Not Classified as Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Not Reclassified Through Other Pension Plan)		Other (Shares of Instruments Valued by Equity Method in Other Comprehensive Income Not Classified as Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Not Reclassified Through Other Pension Plan)		Accumulated Reclassification Adjustment Gain/Loss of Defined Benefit Pension Plan		Total Equity
	Share Cancellation Premiums	Share Capital	Accumulated Increase/ Decrease of Fixed Assets	Accumulated Reclassification Adjustment Gain/Loss of Defined Benefit Pension Plan	Accumulated Reclassification Adjustment Gain/Loss of Defined Benefit Pension Plan	Accumulated Reclassification Adjustment Gain/Loss of Defined Benefit Pension Plan	Accumulated Reclassification Adjustment Gain/Loss of Defined Benefit Pension Plan	Accumulated Reclassification Adjustment Gain/Loss of Defined Benefit Pension Plan	Accumulated Reclassification Adjustment Gain/Loss of Defined Benefit Pension Plan		
Audited Restated Prior Period ¹⁾ (1 January -31 December 2024)											
I. Balances at Beginning of Period	7184,778	44,465,222	-	1658,361	7730,330	(1,880,044)	14,315,198	(430,061)	158,795	-	128,406,019
II. Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	(676,284)	11,749,595	2,488	(12,553,513)	3,341,920	(537,404)	-	12,408,503
21 Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-
22 Effects of the Changes in Accounting Policies	-	-	-	(676,284)	11,749,595	2,488	(12,553,513)	3,341,920	(537,404)	-	12,408,503
III. Adjusted Beginning Balance (I+II)	7184,778	44,465,222	-	982,077	19,479,925	(1,877,556)	1,761,685	2,911,859	(379,209)	-	140,814,522
IV. Total Comprehensive Income	-	-	-	-	8,193,034	(535,418)	-	285,238	(4,907,560)	-	25,013,135
V. Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase by Internal Sources	-	-	-	-	-	-	-	-	-	-	-
VII. Paid in Capital Inflection Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds to Share	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-
X. Increase / Decrease by Other Changes	-	-	-	707,032	-	-	-	-	-	-	707,032
XI. Profit Distribution	-	-	-	-	-	-	-	-	-	-	-
111 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-
112 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-
113 Other	-	-	-	-	-	-	-	-	-	-	-
Period End Balance (II+IV+...+XI+XII)	7184,778	44,465,222	-	1,689,109	27,672,979	(2,412,974)	1,761,685	3,197,097	(5,346,769)	-	166,534,689
Audited											
(1 January -31 December 2025)											
I. Prior Period End Balance	7184,778	44,465,222	-	1,689,109	27,672,979	(2,412,974)	1,761,685	3,197,097	(5,346,769)	-	166,534,689
II. Corrections and Accounting Policy Changes Made According to TAS 8	-	-	-	-	-	-	-	-	-	-	-
21 Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-
22 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-
III. Adjusted Beginning Balance (I+II)	7184,778	44,465,222	-	1,689,109	27,672,979	(2,412,974)	1,761,685	3,197,097	(5,346,769)	-	166,534,689
IV. Total Comprehensive Income	-	-	-	-	18,012,558	331,396	1,083,694	20,017,042	2,650,346	(15,770,36)	53,508,696
V. Capital Increase by Cash	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase by Internal Sources	-	-	-	-	-	-	-	-	-	-	-
VII. Paid in Capital Inflection Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds to Share	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-
X. Increase / Decrease by Other Changes	-	-	-	(17,024,44)	-	-	-	-	-	-	(17,024,44)
XI. Profit Distribution	-	-	-	-	-	-	-	-	-	-	-
111 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-
112 Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	-
113 Other	-	-	-	-	-	-	-	-	-	-	-
Period End Balance (II+IV+...+XI+XII)	7184,778	44,465,222	-	(211,35)	45,685,537	(2,081,576)	2,845,379	23,214,139	(2,696,423)	-	218,333,141

^{*)} Explained in Note XXV of the third section.

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Unconsolidated Statement of Cash Flows for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VI. STATEMENT OF CASH FLOWS

		Audited	Audited
		Current Period	Prior Period
		1 January -	1 January -
	Note	31 December	31 December
		2025	2024
A.	CASH FLOWS FROM BANKING OPERATIONS		
1.1	Operating Profit Before Changes in Operating Assets and Liabilities	(55.444.275)	(94.011.052)
1.1.1	Interest received	734.840.879	513.086.817
1.1.2	Interest paid	(818.506.212)	(611.330.752)
1.1.3	Dividend received	1.800.334	1.060.948
1.1.4	Fees and commissions received	85.620.192	57.836.681
1.1.5	Other income	17.159.514	15.333.224
1.1.6	Collections from previously written off receivables	11.096.452	10.220.272
1.1.7	Cash payments to personnel and service suppliers	(48.831.428)	(30.710.843)
1.1.8	Taxes paid	(9.533.508)	(3.323.572)
1.1.9	Other	(1)(29.090.498)	(46.183.827)
1.2	Changes in Assets and Liabilities Subject to Banking Operations	309.026.491	401.015.719
1.2.1	Net (increase) / decrease in financial assets at fair value through profit or loss	(6.516.838)	(12.396.518)
1.2.2	Net (increase) / decrease in due from banks	(503.032)	-
1.2.3	Net (increase) / decrease in loans	(408.737.077)	(128.157.576)
1.2.4	Net (increase) / decrease in other assets	(173.443.520)	(96.168.511)
1.2.5	Net increase / (decrease) in bank deposits	130.708.005	55.477.917
1.2.6	Net increase / (decrease) in other deposits	725.694.241	327.760.741
1.2.7	Net increase / (decrease) in financial liabilities at fair value through profit or loss	-	-
1.2.8	Net increase / (decrease) in funds borrowed	29.475.325	33.850.146
1.2.9	Net increase / (decrease) in matured payables	-	-
1.2.10	Net increase / (decrease) in other liabilities	(1)12.349.387	220.649.520
I.	Net cash provided from banking operations	253.582.216	307.004.667
B.	CASH FLOWS FROM INVESTMENT ACTIVITIES		
II.	Net Cash Provided from/ (used in) Investing Activities	(225.859.620)	(66.915.662)
2.1	Cash paid for purchase of joint ventures, associates and subsidiaries	(13.615.211)	(1.966.061)
2.2	Cash obtained from sale of entities joint ventures, associates and subsidiaries	-	-
2.3	Fixed assets purchases	(22.094.181)	(4.968.396)
2.4	Fixed assets sales	918.620	3.454.315
2.5	Cash paid for purchase of financial assets at fair value through other comprehensive income	(216.899.161)	(65.113.784)
2.6	Cash obtained from sale of financial assets at fair value through other comprehensive income	108.473.782	19.584.457
2.7	Cash paid for purchase of investment securities	(121.628.081)	(129.852.072)
2.8	Cash obtained from sale of investment securities	41.871.456	113.570.186
2.9	Other	(2.886.844)	(1.624.307)
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
III.	Net Cash Flow from Financing Activities	33.308.767	1.289.630
3.1	Cash obtained from loans borrowed and securities issued	40.544.450	35.814.795
3.2	Cash used for repayment of loans borrowed and securities issued	(4.118.277)	(33.905.100)
3.3	Bonds issued	-	-
3.4	Dividends paid	-	-
3.5	Payments for leases	(3.117.406)	(620.065)
3.6	Other	-	-
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	(1)36.741.501	22.486.258
V.	Net Increase / (Decrease) in Cash and Cash Equivalents	97.772.864	263.864.893
VI.	Cash and Cash Equivalents at Beginning of the Period	(4)404.701.289	140.836.396
VII.	Cash and Cash Equivalents at End of the Period	(5)502.474.153	404.701.289

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Unconsolidated Statement of Profit Distribution for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VII. STATEMENT OF PROFIT DISTRIBUTION

		Audited	Audited
		Current Period ^(*)	Prior Period ^(**)
		31 December 2025	31 December 2024
I.	DISTRIBUTION OF CURRENT YEAR PROFIT		
1.1.	Current Period Profit	29.869.548	8.510.404
1.2.	Taxes and Legal Duties Payables (-)	(2.738.852)	6.595.049
1.2.1.	Corporate Tax (Income Tax)	(1.079.999)	(955.643)
1.2.2.	Withholding Tax	-	-
1.2.3.	Other Taxes and Duties	(1.658.853)	7.550.692
A.	Net Profit For The Period (1.1-1.2)	27.130.696	15.105.453
1.3.	Accumulated Losses (-)	-	-
1.4.	First Legal Reserves (-)	-	755.273
1.5.	Other Statutory Reserves (-)	-	-
B.	Net Profit Available for Distribution [(A-(1.3+1.4+1.5))]	-	14.350.180
1.6.	First Dividend to shareholders (-)	-	-
1.6.1.	To Owners of Ordinary Shares	-	-
1.6.2.	To Owners of Privileged Shares	-	-
1.6.3.	To Owners of Redeemed Shares	-	-
1.6.4.	To Profit Sharing Bonds	-	-
1.6.5.	To Holders of Profit and Loss Sharing Certificates	-	-
1.7.	Dividends to personnel (-)	-	-
1.8.	Dividends to Board of Directors (-)	-	-
1.9.	Second Dividend to Shareholders (-)	-	-
1.9.1.	To Owners of Ordinary Shares	-	-
1.9.2.	To Owners of Privileged Shares	-	-
1.9.3.	To Owners of Redeemed Shares	-	-
1.9.4.	To Profit Sharing Bonds	-	-
1.9.5.	To Holders Of Profit And Loss Sharing Certificates	-	-
1.10.	Second Legal Reserves (-)	-	-
1.11.	Status Reserves ^(***)	-	15.158.652
1.12.	Extraordinary Reserves	-	-
1.13.	Other Reserves	-	-
II.	Distribution of Reserves		
2.1.	Appropriated Reserves	-	-
2.2.	Second Legal Reserves (-)	-	-
2.2.1.	Dividends to Shareholders (-)	-	-
2.2.2.	To Owners of Ordinary Shares	-	-
2.3.3.	To Owners of Privileged Shares	-	-
2.3.4.	To Profit Sharing Bonds	-	-
2.3.5.	To Holders of Profit and Loss Sharing Certificates	-	-
2.3.	Dividends to Personnel (-)	-	-
2.4.	Dividends to the Boards of Directors (-)	-	-
III.	Earnings per Share		
3.1.	To Owners of Ordinary Shares	3,78	2,1
3.2.	To Owners of Ordinary Shares (%)	%377,61	%210,24
3.3.	To Owners of Privileged Shares	-	-
3.4.	To Owners of Privileged Shares (%)	-	-
IV.	Dividend per Share		
4.1.	To Owners of Ordinary Shares	-	-
4.2.	To Owners of Ordinary Shares (%)	-	-
4.3.	To Owners of Privileged Shares	-	-
4.4.	To Owners of Privileged Shares (%)	-	-

^(*) As of 31 December 2025 financial repoting date, General Assembly has not been held yet.

^(**) The profit distribution table approved during the annual general assembly of 2024 includes the balances pertaining to the distributed period profits.

^(***) The balance of 808.472 TRY, which occurred due to the change in accounting policy taking place in November 2023 regarding the adoption of the fair value method within the scope of Turkish Accounting Standards (TAS) 40 "Investment Property Standard" for investment properties and was monitored in the accumulated profit account, is also transferred to the extraordinary reserves account.

The accompanying notes are an integral part of these unconsolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES

I. EXPLANATIONS ON BASIS OF PRESENTATION

The Bank prepares its unconsolidated financial statements in accordance with the BRSA Accounting and Reporting Regulation” which includes the regulation on “The Procedures and Principles Regarding Banks’ Accounting Practices and Maintaining Documents” published in the Official Gazette dated 1 November 2006 with No. 26333, and other regulations on accounting records of banks published by the Banking Regulation and Supervision Board (“BRSA”) and circulars and pronouncements published by the BRSA and Turkish Financial Reporting Standards (TAS/IFRS) published by the Public Oversight Accounting and Auditing Standards Authority (“POA”) for the matters not regulated by the aforementioned legislations.

Financial statements are prepared on a historical cost basis, except for financial assets and liabilities measured at fair value, with changes in fair value recognised in profit or loss, real estates, subsidiaries accounted for using the equity method and financial investments. Amounts are expressed in thousands of Turkish Lira (“TRY”) unless otherwise stated.

Accounting policies and valuation principles used in the preparation of financial statements, have been determined and implemented in accordance with accounting and financial reporting principles in scope of the regulations, communiqués, explanations and circulars issued by the BRSA and for the matters not legislated by the aforementioned regulations, in accordance with TAS / IFRS principles (all together referred to as “BRSA Accounting and Financial Reporting Regulations”) issued by the POA.

Public Oversight Accounting and Auditing Standards Authority (“POA”), with its announcement dated 23 November 2023, applied that the financial statements of businesses applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting in Hyperinflationary Economies (“TAS 29”), however, institutions or organizations authorized to regulate and supervise in their own fields may determine different transition dates for the applying of TAS 29. According to the decision numbered 10825 dated 11 January 2024, by BRSA, it was decided that banks, financial leasing, factoring, financing, savings finance, and asset management companies would transition to “TAS 29 Financial Reporting Standard in High Inflation Economies” from 1 January 2025, onwards. However, with the decision numbered 11021 dated 5 December 2024, by BRSA, it was decided that inflation accounting will not be applied in 2025. Therefore, inflation adjustment according to TAS 29 was not applied in the financial statements as of 31 December 2025.

Additional Paragraph for English Translation

BRSA Accounting and Reporting Regulations explained in detail in this Section differ from International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board with respect to the application of inflation accounting. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES(continued)

II. EXPLANATIONS ON THE STRATEGY OF USE OF FINANCIAL INSTRUMENTS AND FOREIGN CURRENCY TRANSACTIONS

a) The Bank’s strategy on financial instruments:

Due to its historical mission, the Bank focuses on granting loans to Small and Medium Size Enterprises (SMEs) and craftsmen besides corporate, commercial and individual segmented customers. In addition to the main fund source deposits, the Bank can raise funds from money markets and borrowings abroad.

The Bank follows the developments in the markets and uses funds raised in most yielding areas. The strategies of the Bank are evaluated Asset and Liability Committee meetings.

b) The Bank’s explanations on foreign currency transactions:

In the statutory records of the Bank, transactions accounted in foreign currencies (currencies except for TRY) are converted into TRY by using the prevailing exchange rates at the transaction dates. Foreign currency monetary asset and liability items are converted into TRY by using the prevailing exchange rate at the balance sheet date. Non-monetary items in foreign currencies carried at fair value are converted into TRY by using the exchange rates at the date of which the fair value is determined. Exchange differences arising from the conversions of monetary foreign currency items and settlements of foreign currency transactions are reflected to the statement of profit or loss.

The financial statements of the foreign branches of the Bank are prepared in the currency of the primary economic environment in which the entity operates (functional currency). The financial statements of foreign branches are expressed in TRY which is the functional currency of the Bank and the presentation currency of the financial statements.

The assets and liabilities of the Bank’s foreign branches are expressed in TRY in the financial statements using the exchange rates prevailing at the balance sheet date. Income and expenses are converted at the exchange rates on the transaction date.

The Bank applies a net investment hedge to mitigate the currency risk arising from Halkbank AD Beograd (subsidiary), Halk Banka AD Skopje (subsidiary), and DHB Bank NV (associate), which are accounted for using the equity method in the unconsolidated financial statements and located abroad. Within this scope, the Bank designates its investments in these entities as hedged items and uses Euro-denominated deposits as hedging instruments, thereby applying hedge accounting for net investment risk. The change in value of the hedging instrument due to exchange rate fluctuations during the current period, which has been determined to be effective, is presented under “Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss” within Equity. There is no ineffective portion of the financial hedging transaction.

III. EXPLANATIONS ON ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES

While, in the unconsolidated financial statements, subsidiaries and associates are accounted for in accordance with TAS 27 “Separate Financial Statements” and TAS 28 “Investments in Associates and Joint Ventures,” within the framework of IFRS 9 “Financial Instruments”, the Bank has decided to change its accounting policy by adopting the equity method defined in TAS 28 for the accounting of subsidiaries and financial affiliates, believing that a more suitable reflection of its financial position will be achieved within the scope of the Bank’s equity investment strategy.

Under the equity method, in accordance with TAS 28, the book value of subsidiaries is reflected in the financial statements based on the Bank’s share of the net assets of these investments. The Bank’s share of the profit or loss of subsidiaries is recognised in the Bank’s Statement of Profit or Loss, while its share of other comprehensive income items is recognised under the relevant other comprehensive income components within Equity. Dividends received from these entities are accounted for by reducing the book value of the investment.

Non-financial associates are presented in the financial statements at cost, less any impairment losses, in accordance with TAS 27. Dividends received from these entities are recognised in the Statement of Profit or Loss.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements
for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

IV. EXPLANATIONS ON FORWARD AND OPTION CONTRACTS AND DERIVATIVE INSTRUMENTS

Derivative transactions of the Bank consist of foreign currency and interest rate swaps, options and forwards. The Bank uses derivative instruments for economic hedging purposes and recognises them in accordance with the provisions of TFRS 9.

Pledges arising from derivative transactions recorded in off-balance sheet accounts with their agreement amounts. Derivative transactions are valued at their fair values and the changes in their fair values are recorded on balance sheet under Derivative Financial Assets or Derivative Financial Liabilities, respectively depending on the fair values being positive or negative. Fair value changes of derivative instruments are recorded under statement of profit or loss in the gains and losses on Derivative Financial Transactions line. Fair values of derivatives are calculated using discounted cash flow model or market value.

V. EXPLANATIONS ON INTEREST INCOME AND EXPENSES

Interest income and expenses are recognized on an accrual basis using the effective interest method (the rate that equals the future cash flows of a financial asset or liability to its present net book value) in conformity.

The Bank, within the scope of TFRS 9 Financial Instruments, recognizes interest income on non-performing loans that have been classified as credit impaired (Stage 3), by applying the effective interest method based on the net carrying amount of related loans. Within this context, the accounting principles and practices related to recognizing interest income on non-performing loans were reviewed within the reporting period and adjustments were made in the current period.

Based on the performed assessment, it was concluded that the non-recognition of interest income from non-performing loans in prior periods, did not have a material impact on the financial statements of the previous period. Therefore, no adjustments have been made to the prior period financial statements.

VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSES

Some of the banking service incomes are recorded as income in the period they are collected. Prepaid fees and commission income obtained from cash and non-cash loans are recorded in the related period by using discounting method with internal rate of return according to the loan maturity within the matching principle.

Fee and commission expenses on borrowings that are paid to other institutions and incorporations for financial liabilities comprise operational costs. These fee and commission expenses are booked under prepaid expenses and transferred to expense accounts in the related periods by using the accrual method according to the financial borrowing maturity within the matching principle.

VII. EXPLANATIONS ON FINANCIAL ASSETS

Financial instruments comprise financial assets, financial liabilities and derivative instruments. The financial assets are included in the balance sheet of the Bank, if the Bank is a legal party of these financial assets.

The purchase or sale of financial instruments through standard procedures is recognized or derecognized in the financial statements using one of the accounting methods at the transaction date or delivery date. Securities purchase and sale transactions are accounted for at the delivery date.

Financial assets mainly constitute the majority of the commercial activities and operations of the Bank. These instruments have the ability to expose, affect and diminish the risks of liquidity, credit and interest in the financial statements.

Fair value is the amount for which an asset could be exchanged or a liability could be settled, between knowledgeable willing parties in an arm’s length transaction. Market value is the amount obtainable from the sale or payable on the acquisition of a financial instrument in an active market, if one exists.

The estimated fair values of financial assets have been determined by the Bank using the available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to develop the estimated fair value. Hence, estimations presented in this report may not be same with the prices in the current market conditions in the case of assets disposals. Book values of some financial assets (which equals to their costs) are assumed to approximate to their fair values due to their short term nature.

Classification of the category of a financial instrument at initial recognition depends on both the business model for managing the financial assets and their contractual cash flow characteristics.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements
for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS (continued)

Assessment of Business Model

The Bank classifies its financial assets in accordance with TFRS 9 through its business model which is used for financial assets management.

The Bank’s business model is related to how the Bank manages its financial assets to generate cash flows. In other terms, the source of cash flows depends on the Bank’s business model whether the cash flow is generated from contractual terms or through sale of financial asset or both. Classification of financial assets is made at initial recognition considering the aim of purchase of the financial asset. The Bank’s business models are classified in three main categories in accordance with TFRS 9.

1. A Business Model Whose Objective is to Hold to Collect Contractual Cash Flows:

A business model whose objective is to hold to collect contractual cash flows are managed to realise cash flows by collecting contractual payments over the life of the instrument. The purpose of the business model does not require to hold to collect the contractual cash flows of the instruments over their life, even the aim of the business model is to hold the instruments up to maturity for the contractual cash flows. Therefore, even when financial asset sales are anticipated or expected to occur in the future, the business model may still be a model that aims to retain financial assets in order to collect contractual cash flows.

The financial assets that are held within the scope of this business model are measured at amortized cost when the contractual terms of the financial assets meet the condition of giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. A Business Model Whose Objective is Achieved by Both Collecting Contractual Cash Flows and Selling Financial Assets:

The Bank may hold financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Fair value changes of the financial assets that are held within the scope of this business model are accounted for under other comprehensive income when the contractual terms of the financial asset meet the condition of giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. Other Business Models:

Financial assets are measured at fair value through profit or loss if they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. The Bank makes its decisions on the basis of business model, which is based on the fair value of the assets and manages the assets to obtain their fair value. Therefore, if the financial assets are held for the purpose of obtaining cash flows arising from their sale, the change in fair value are measured at fair value through profit or loss.

Measurement Categories of Financial Assets and Liabilities

The Bank classified all its financial assets based on the business model for managing the financial assets. Accordingly, the financial assets are classified as per TFRS 9 in three main categories listed below:

- 1) Financial assets measured at amortized cost
- 2) Financial assets measured at fair value through other comprehensive income
- 3) Financial assets measured at fair value through profit/loss

TFRS 9, explains how financial assets are classified in accordance with above methods explained in Article 1 and 2 and other than these financial assets, remaining financial assets are classified in accordance with the method detailed in Article 3.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS (continued)

Measurement Categories of Financial Assets and Liabilities (continued)

a. Financial Assets Measured at Amortised Cost

A financial asset is measured at amortized cost if both of the following conditions are met:

- (a) Asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- (b) Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost are loans and receivables and financial assets. Subsequent to the initial recognition, financial investments are accounted for at amortised cost calculated by using the effective interest rate method. Loans are initially recognized with their cost and carried at their amortized costs calculated using the internal rate of return subsequent to recognition.

Cash Equivalents and Banks

Cash and bank balances denominated in foreign currencies are valued by using the Bank's current period end exchange rates. The presented values of cash in TRY, foreign currency cash and banks at balance sheet are the estimated fair values of these assets. The related financial assets have been measured at amortized cost.

Loans

Loans and receivables represent unquoted financial assets in an active market that provide money, goods or services to the debtor with fixed or determinable payments.

Loans and receivables are initially recognized with their fair values including settlement costs and carried at their amortized costs calculated using the internal rate of return subsequent to recognition. Transaction fees, dues and other expenses paid for loan guarantees are recognized under the profit and loss accounts.

Consumer and corporate cash loans are recognized under the accounts specified by the Uniform Chart of Accounts and Explanations with their original balances based on their context.

Consumer Price Indexed Government Bonds Accounting Policy

The Parent Bank's securities portfolio includes government bonds, issued by the Republic of Türkiye Ministry of Treasury and Finance, that are indexed to the Consumer Price Index (CPI). The effective interest method is used to account for securities that are classified as measured at amortized cost, whereas those securities classified as measured at fair value through other comprehensive income (FVOCI) are presented in the financial statements at their fair value. For the valuation calculations of these securities, the bond's real coupon rate, the reference inflation index at the issuance date and the projected inflation rates for the bond's maturity date and coupon payment dates are taken into consideration.

The inflation assumptions applied during the valuation of the CPI-indexed securities are determined by taking the bonds' maturity profile and coupon repayment dates into account, with the Bank using swap curves that are reflective of market data. Given that inflation has become more predictable in both the medium and long term, and also taking the maturity structure of the relevant securities into account, the assumptions applied when determining inflation forecasts during the reporting period have been reviewed and the forecast horizon has been updated to align with the coupon rates and maturities of the relevant securities.

Changes in the inflation assumptions used have an impact on the interest income obtained from CPI-indexed securities. If inflation rates are decreased or increased by 1%, the interest income from such securities decreases or increases by TRY 4.452.818, respectively.

b. Financial Assets Measured at Fair Value Through Other Comprehensive Income

A financial asset is measured if both of the following conditions are met:

- (a) Financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- (b) Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A gain or loss on a financial asset measured at fair value through other comprehensive income shall be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS (continued)

Assessment of Business Model (continued)

Equity Instruments Measured at Fair Value Through Other Comprehensive Income

At initial recognition, the Bank may make an irrevocable election to designate that subsequent changes in the fair value of an investment in an equity instrument within the scope of TFRS 9 are recognized in other comprehensive income. The Bank makes this election separately for each financial instrument. Changes in the fair value of the relevant instruments recognized in Other Comprehensive Income are not reclassified to profit or loss in subsequent periods but are transferred to retained earnings instead.

c. Financial Assets Measured at Fair Value Through Profit or Loss

In accordance with TFRS 9; Unless a financial asset is measured at amortized cost or at fair value through other comprehensive income, it is measured at fair value through profit or loss. However, the Bank may irrevocably prefer to apply to the financial assets at fair value through other comprehensive income for reflecting future changes in fair value for certain investments in equity instruments that would normally be measured at fair value through profit or loss at the time of initial inception in the financial statements.

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS

As of 1 January 2018, the Bank recognizes loan loss allowances for expected credit losses on financial assets and loans measured at amortised cost and measured at fair value through other comprehensive income, loan commitments and financial guarantee contracts not measured at fair value through profit / loss based on TFRS 9 and the regulation published in the Official Gazette no. 29750 dated 22 June 2016 in connection with "Procedures and Principals regarding Classifications of Loans and Allowances Allocated for Such Loans" effective from 1 January 2018. Financial assets measured at fair value are not assessed for impairment.

In accordance with TFRS 9, the Bank assesses all financial instruments for which there has been a significant increase in credit risk since initial recognition, by taking into account all supportable information, including reasonable and prospective ones.

As of the reporting date, if the credit risk on a financial instrument has not increased significantly since initial recognition, the Bank shall measure the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. However, if there is a significant increase in credit risk of a financial instrument since initial recognition, the Bank measures loss allowance regarding such instrument at an amount equal to lifetime expected credit losses.

The Bank calculates the expected credit loss on a collective or individual basis by grouping the financial assets having common credit risk features.

The Bank constituted a policy in order to make an assessment whether the credit risk on a financial instrument has increased significantly since initial recognition by taking into consideration the change in the risk of a default event occurring over the expected life of the financial instrument.

Calculation of Expected Credit Losses

A credit loss is present value of calculated difference between the total cash flows that will occur based on the contractual terms of financial instruments and the total cash flows, which the Bank expects to collect, with the initial effective interest rate. The Bank estimates the cash flows over the expected life of the financial instrument by taking into account all contractual terms of the financial instrument and considers the weighted average of loan losses according to the relevant default risk probabilities for determining expected credit losses.

TFRS 9 Financial Instruments permits the measurement of expected credit loss allowances on either a collective or an individual basis by grouping financial assets that share similar credit risk characteristics.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES(continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (continued)

Calculation of Expected Credit Losses (continued)

In the case that the Bank performs the expected credit loss calculation on an individual basis for financial instruments, it determines the credit loss risk by jointly evaluating the possible outcomes related to the credit loss and the likelihood of these outcomes occurring. Within this context, the estimated expected credit losses are calculated in a manner that reflects an unbiased, probability-weighted figure, taking into consideration the range of possible outcomes.

Under the scope of the collective assessment approach, financial assets are grouped based on shared credit risk characteristics and the expected credit loss is calculated using the relevant risk parameters. Expected Credit Loss is measured on either a 12-month or lifetime basis depending on whether there has been a significant increase in credit risk since the initial recognition or whether an asset is considered credit-impaired or not. Expected credit loss is calculated using the components of Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD).

Macroeconomic indicators are taken into consideration in the determination of the probability of default component in the calculation of expected credit losses. Forward-looking macroeconomic forecasts are incorporated into expected credit losses through the use of multiple scenarios.

Forward-looking macroeconomic information is included in the risk parameters used in TFRS 9 calculations. When incorporating macroeconomic information, econometric models and projections that reflect the relationships between the model risk parameters and macroeconomic variables are taken into consideration.

The expected credit loss calculation is performed by taking three different scenarios into account; optimistic, pessimistic and baseline. The final outcomes are calculated by weighing them according to the scenario probabilities.

Within the scope of TFRS 9, models have been developed for EAD, PD and LGD. During the reporting period, the PD model used for commercial and retail segment customers was updated by calibrating it with recent data and subsequently putting it into use. The Credit Conversion Factor (CCF) and LGD models were reviewed using updated data as part of the annual TFRS 9 model review activities. The models developed under TFRS 9 have a detailed segmentation structure. Loans with similar characteristics have been segmented for the purpose of recognising expected credit losses on a collective basis in the financial statements.

Probability of Default (PD)

PD is defined as the likelihood that a borrower will fail to fulfill their obligations to the bank, or in other words, the probability that they will not repay their debt to the bank. This ratio is calculated separately for each loan based on maturity, internal behavior model, external behavior model and financial module data using various statistical assumptions.

The Bank uses two different PD values when calculating expected credit losses in accordance with TFRS 9: 12-month PD, which is the estimated probability of default within the 12 months following the reporting date and Lifetime PD, which is the estimated probability of default over the expected life of the financial instrument.

The definition of default used in PD calculations is determined within the scope of the Bank's policies and practices. The models are created in accordance with this definition and are calibrated based on past default events. The Bank uses internal rating approaches for both retail and corporate portfolios. The PD is determined by taking into account historical data, current conditions and forward-looking macroeconomic expectations (scenarios) and it is updated on a periodic basis.

Loss Given Default (LGD)

LGD represents the percentage parameter that shows the economic loss the Bank will incur in the event of a credit default. LGD is determined based on historical cash flows related to post-default recoveries, collateral realizations and collection costs. LGD rates are developed on a segment basis by considering past realizations that best reflect current conditions, as well as collateral information and default amounts assessed within the portfolio's risk drivers. These rates are reviewed regularly. LGD calculations incorporate the "time value of money" effect by discounting recovery and collateral cash flows using the effective interest rate, taking the timing of these cash flows into account. For Stage 3 loans, increasing LGD rates that reflect the post-default recovery cycle are used, based on the time spent in default and also past recovery performance. In the Bank's LGD estimates, changes in post-default recovery performance and collateral valuation assumptions are monitored and the parameters are updated when deemed necessary.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES(continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (continued)

Exposure at Default (EAD)

EAD is the parameter that shows the outstanding balance at which a loan will default. For a spot or installment loan, the Exposure at Default corresponds to the amount shown in the payment schedule on the date of default. However, for credit cards, overdraft accounts and non-cash loans, the Exposure at Default is calculated using a parameter called the CCF. Since the Bank is committed to the limit for overdraft accounts and credit cards and the future exposure amount at default cannot be known at the time of loan origination, it is estimated by multiplying the exposure by a statistically derived Credit Conversion Factor.

The Bank's "three-stage" impairment model under TFRS 9, which is based on changes in credit quality after initial recognition, is explained below.

12 Month expected Credit Loss

It represents the portion of lifetime expected credit losses that corresponds to the expected credit losses arising from default events that may occur within 12 months after the reporting date. Paragraph 5.5.5 of the TFRS 9 Standard states that: "...if the credit risk on a financial instrument has not increased significantly since its initial recognition, the entity shall measure the loss allowance for that financial instrument at an amount equal to the 12-month expected credit losses."

According to this, the 12-month expected credit loss is calculated based on the 12-month probability of default (PD) associated with default events expected to occur within 12 months after the reporting date and is determined by multiplying this probability by the loss given default (LGD) and exposure at default (EAD) components for the relevant period. In this calculation, the 12-month probabilities of default (PD) generated under good, adverse and baseline scenarios—reflecting forward-looking macroeconomic expectations—are weighted based on the assigned scenario probabilities to obtain a single weighted PD. The 12-month expected credit loss is then calculated using this weighted PD. If a loan is classified under Group 1 – Standard Loans (Stage 1), a 12-month expected credit loss is calculated over 365 days even if the maturity of the loan exceeds one year. However, when the remaining maturity of the loan falls below one year, the number of days to maturity is used in the calculation (excluding revolving loans and credit cards).

Lifetime Expected Credit Loss

This refers to the expected credit losses arising from all possible default events that may occur over the expected life of the financial instrument. The TFRS 9 standard states that: "...if the credit risk on a financial instrument has increased significantly since initial recognition, an entity shall measure the loss allowance for that financial instrument at an amount equal to the lifetime expected credit losses at each reporting date."

If a customer or a loan is classified under Group 2 – Under-Monitoring Loans (Stage 2) or Group 3 – Non-Performing Loans (Stage 3), a lifetime expected credit loss provision is calculated for the loan based on the probabilities of default associated with all possible default events that may occur over the entire life of the loan. Based on this, the lifetime expected credit loss is determined by multiplying the probability of default (PD) for the relevant period by the loss given default (LGD) and exposure at default (EAD) components. In this calculation, the probabilities of default (PD) generated under good, adverse and baseline scenarios—reflecting forward-looking macroeconomic expectations—are weighted by the probabilities assigned to each scenario to obtain a single weighted PD. The lifetime expected credit loss is then calculated using this weighted PD.

The methods used to calculate expected credit loss provisions for Stage 2 and Stage 3 loans are similar; however, for Stage 3 loans, the probability of default is assumed to be 100%. Furthermore, in the expected credit loss calculations for Stage 3 loans, increasing LGD rates that reflect the post-default recovery cycle are applied, taking into account the time spent in default and historical recovery performance. If the time spent in default exceeds a certain threshold and additional time does not lead to a meaningful change in the expected loss, an LGD rate of 100% is assumed for the relevant loans and it is considered that no further recoveries are expected.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES(continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (continued)

Definition of Default

The TFRS 9 Standard does not explicitly provide a definition of default; however, it requires entities to apply a definition of default that is consistent with the one used in their credit risk management practices. When defining default for the purpose of determining credit risk, an entity shall use a definition that is consistent with the definition used for the entity’s internal credit risk management purposes and, where appropriate, shall consider qualitative indicators (for example, financial covenants). However, unless the entity has reasonable and supportable information demonstrating that a default would occur later when a longer period of past-due status exists, there is a rebuttable presumption that default does not occur later than 90 days past due on a financial instrument. In accordance with this provision, the Bank applies the 90-day past-due criterion and, in line with the definition of default set out in the “Regulation on the Calculation of Credit Risk Using Internal Ratings-Based Approaches,” considers a borrower to be in default if at least one of the two conditions specified below is met, unless there is evidence demonstrating that another definition of default would be more appropriate for a particular financial instrument.

- a) The Bank concludes that the borrower is unable to fully repay its obligations to the Bank or to any of its consolidated financial subsidiaries without recourse to collateral.
- b) The borrower is more than 90 days past due on any material obligation to the Bank or to any of its consolidated financial subsidiaries.

For loans classified as non-performing (Stage 3), the expected credit loss provision is calculated using the estimated Loss Given Default (LGD). This estimation is performed on a segment basis using historical data and it is determined by applying the principle that the portion remaining after recoveries made during the period following the date the exposure becomes non-performing is written off.

Portfolios with Low Credit Risk

The TFRS 9 Standard states that, for certain portfolios where historical default data are not available and therefore reliable results cannot be produced, expected credit loss provisions may be calculated using a low probability of default.

This provision is explained in the Standard as follows:

“If, at the reporting date, a financial instrument is determined to have low credit risk, an entity may assume that the credit risk on that financial instrument has not increased significantly since initial recognition.”

At the Bank, these transactions are classified as follows:

- a) Central Bank of the Republic of Türkiye (CBRT) Transactions (balances held at the CBRT and Required Reserves)
- b) Securities (Financial Assets at Fair Value Through Other Comprehensive Income and Financial Assets Measured at Amortized Cost)
- c) Treasury Loans
- d) Treasury-Guaranteed Transactions

Significant Increase in Credit Risk

A Significant Increase in Credit Risk requires the Bank to recognize expected credit loss provisions on the basis of Lifetime Expected Credit Loss instead of 12-Month Expected Credit Loss.

Within this framework, when there is a significant increase in credit risk after the date on which the financial asset was initially recognized, the related financial asset is transferred to Stage 2.

The Bank performs both qualitative and quantitative assessments to determine whether there has been a significant increase in credit risk. Under TFRS 9, a holistic approach is adopted in assessing changes in credit risk; while quantitative criteria form the basis of the assessment, qualitative indicators are also incorporated into the evaluation. In determining whether there has been a significant increase in credit risk based on quantitative criteria, the Bank uses an approach that focuses on the deterioration in the probability of default (PD).

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES(continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (continued)

Significant Increase in Credit Risk (continued)

Qualitative Assessment

The Bank classifies a financial asset as Stage 2 (Significant Increase in Credit Risk) if any of the following conditions determined through qualitative assessment are met:

- Receivables that are more than 30 days past due as of the reporting date
- Receivables classified under the “Under-Monitoring” category
- Restructuring arrangements granted to a borrower due to financial difficulties that the borrower is experiencing or is likely to experience—where such concessions would not be granted to a borrower that is not experiencing repayment difficulties
- The Bank’s assessment that the customer is a risky borrower, in line with the principle of prudence
- The customer has a partnership or ownership relationship with another borrower whose exposures have been classified as non-performing

Quantitative Assessment

The quantitative assessment used to determine a significant increase in credit risk is based on comparing the probability of default calculated at loan origination with the updated probability of default at the reporting date. The absolute and relative thresholds used in assessing probability of default may vary across segments or loan groups. The Bank classifies a financial asset as Stage 2 (Significant Increase in Credit Risk) when both of the following quantitative criteria are met:

- Relative change in Probability of Default (PD): The relative difference between the PD at the reporting date and the PD at initial recognition exceeds the defined threshold.
- Absolute change in Probability of Default (PD): The absolute difference between the PD at the reporting date and the PD at initial recognition exceeds the defined threshold.

IX. EXPLANATIONS ON OFFSETTING FINANCIAL INSTRUMENTS

A financial asset and a financial liability shall be offset and the net amount shall be presented in the balance sheet only when a party currently has a legally enforceable right to set off the recognized amounts or intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS (REPOS) AND TRANSACTIONS ON SECURITIES LOANED

Marketable securities subject to repurchase agreements are valued according to the valuation principles of the related portfolios.

Funds obtained from the repurchase agreements are recognized under “Money Market Funds” account in liabilities. For the difference between the sale and repurchase prices determined by the repo agreements for the period; expense accrual is calculated using the internal rate of return method.

Reverse repo transactions are recognized under the “Money Market Placements” account. For the difference between the purchase and resale prices determined by the reverse repo agreements for the period; income accrual is calculated using the internal rate of return method.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XI. EXPLANATIONS ON ASSETS HELD FOR SALE, ASSETS OF DISCONTINUED OPERATIONS AND RELATED LIABILITIES

Assets that meet the criteria to be classified as held for sale are measured at carrying amount and depreciation of such assets is ceased and they are presented separately in the balance sheet. In order to classify an asset as held for sale, the asset (or the disposal group) should be available for an immediate sale in its present condition subject to the terms of any regular sales of such assets (or such disposal groups) and the sale should be highly probable. For a highly probable sale, the appropriate level of management must be committed to a plan to sell the asset (or the disposal group) and an active program to complete the plan should be initiated to locate a customer. Also, the asset (or the disposal group) should have an active market sale value, which is a reasonable value in relation to its current fair value. Events or circumstances may extend the completion of the sale more than one year.

Such assets are still classified as held for sale if there is sufficient evidence that the delay in the sale process is due to the events and circumstances occurred beyond the control of the entity or the entity remains committed to its plan to sell the asset (or disposal group).

A discontinued operation is a component of a bank that either has been disposed of, or is classified as held for sale. Gains or losses relating to discontinued operations are presented separately in the statement of profit or loss.

XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS

As at the balance sheet date, there is no goodwill recorded in the unconsolidated balance sheet of the Bank.

Intangible assets that are purchased prior to 1 January 2005 are carried at their restated historical costs and intangible assets that are purchased in the subsequent periods are carried at their historical cost, less any accumulated amortization and any impairment losses. Intangible assets are amortized by using the straight line method based on their useful lives. Amortization method and period are assessed periodically at the end of each year. Intangible assets consist of software expenses and they are amortized by using the straight line method over 5 years. There is no significant change in the accounting estimates expected or to be expected having a significant effect on the amortization method, amortization period or residual value.

XIII. EXPLANATIONS ON TANGIBLE ASSETS

Tangible assets that are purchased prior to 1 January 2005 are carried at their 31 December 2004 dated restated costs and tangible assets that are purchased in the subsequent periods are carried at cost, less any accumulated depreciation and any impairment losses. Tangible assets are amortized by using the straight line method during their useful lives.

Gain or loss arising from the disposal or retirement of an item of tangible assets is determined as the difference between the sales proceeds and the carrying amount of that asset.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements
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(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XIII. EXPLANATIONS ON TANGIBLE ASSETS (continued)

As of 1 April 2015, the Bank adopted the revaluation method for buildings in tangible assets in accordance with the Standard on Property, Plant and Equipment (TAS 16). Expertise values calculated by independent appraisal companies are reflected in the financial statements as of related period. Revaluation differences are recorded in shareholders’ equity.

Ordinary maintenance and repair expenses of tangible assets items are recognized as expenses.

Estimated useful lives of tangible assets are as follows:

	Estimated Useful Lives (Years)	Depreciation Rate
Buildings	50	2%
Safes	50	2%
Other movable properties	3-25	33,33-4%

Assets Acquired in Settlement of the Bank’s Receivables are classified under Tangible Assets in the financial statements and are accounted for by deducting accumulated depreciation and, if any, accumulated impairment losses. The assets acquired in settlement of the Bank’s receivables consist of properties, movable properties, and other similar assets held for disposal.

Leasehold improvements are depreciated over the useful lives on a straight-line basis. In any case useful life cannot exceed the lease period. If the duration of lease agreement is not determined or longer than five years, depreciation duration is considered as five years.

There is no change in accounting estimates that is expected to have significant effect in current period and subsequent periods.

There are no material mortgages, pledges or similar in cumbrances designated for the tangible assets.

Classification of Investment Properties:

If a land or building is being used by an owner and the intention is changed to an investment property, this property is classified as an investment property.

When the use of an immovable is changed and reclassified as an investment property, the actual value of the date on which the change in the use of the named property takes place will be the cost of the subsequent accounting.

XIV. EXPLANATIONS ON INVESTMENT PROPERTIES

Investment properties are properties held to earn rentals and/or for capital appreciation.

While these properties were accounted for at acquisition cost less accumulated depreciation and permanent impairment losses if any, the Bank changed its accounting policy as of November 2023 and adopted the fair value method for investment properties within the scope of TAS 40 Investment Property Standard. The appraisal values calculated by independent appraisal companies are reflected in the financial statements during the related period. Revaluation differences are recognized in the Statement of Profit or Loss.

XV. EXPLANATIONS ON LEASING TRANSACTIONS

Assets acquired under financial leases are carried at the lower of their fair values or amortized value of the lease payments. Leasing payables are recognized as liabilities in the balance sheet while the interest payable portions of the payables are recognized as a deferred amount of interest. Assets held under financial leases are recognized under the tangible assets at account and are depreciated by using the straight line method.

The Bank does not participate in the financial leasing transactions as a “lessor”.

Leasing transactions are presented under “Tangible Assets” account as right-of-use assets by lessees and presented under “Lease Liabilities” account in liabilities.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XV. EXPLANATIONS ON LEASING TRANSACTIONS (continued)

The Bank assesses whether the contract has the quality of a lease or whether the transaction includes a lease at the beginning of a contract.

A lease agreement is an agreement between two or more parties that gives the tenure the legally enforceable rights and obligations of the underlying asset. In case the contract is transferred for a certain period of time to control the use of the asset defined for a price, it is either leased or includes a lease. The Bank reflects the existence of a right-of-use and a lease liability to the financial statements at the effective date of the lease.

Existence of right-of-use:

As a result of internal evaluations, the Bank accounts real estate and vehicles subject to operational lease in accordance with TFRS 16. ATMs and other leasing transaction balances are not considered within the scope of TFRS 16 as they are below the materiality level and the corresponding rent payments are recognized under Current Period Expense.

At the commencement date, the Bank measures the right-of-use real estates considered as the cost of right-of-use asset being the right-of-use asset in accordance with TFRS 16. The cost of the right-of- use;

- a)The amount of the initial measurement of the lease liability,
- b)Any lease payments made at or before the commencement date, less any lease incentives received,
- c) Any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Bank takes into account the accumulated depreciation and impairment losses for the subsequent period measurement of the existence of right-of-use. The Bank applies the depreciation requirements in TAS 16 Property, Plant and Equipment in depreciating real assets considered as right-of-use asset.

The Bank applies TAS 36 Impairment of Assets to determine whether the real estates considered as right-of-use assets are impaired and to account for any impairment loss identified.

The Lease Obligations:

Based on TFRS 16, at the commencement date, the Bank measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the alternative borrowing interest rate.

After the commencement date, the Bank measures the lease liability as follows:

- a)Increasing the carrying amount to reflect interest on the lease liability,
- b)Reducing the book value to reflect the lease payments made,
- c) Reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease.

Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

In the event of a modification in the lease agreement which affects the lease payments or defined assets, the Bank re-measures its lease liability by using the current borrowing rate. The Bank reflects the remeasured leasing liability and the right-of-use in the financial statements. On the other hand, changes such as the shortening of the lease term, the termination of the contract and the decreases in the scope of the underlying asset, the gains or losses are recognized in profit or loss.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XVI. EXPLANATIONS ON PROVISIONS AND CONTINGENT LIABILITIES

Provision and contingent liabilities are accounted in conformity with Turkish Accounting Standard on “Provisions, Contingent Liabilities and Contingent Assets” (TAS 37).

In the financial statements, a provision is made for an existing commitment resulted from past events if it is probable that the commitment will be settled and a reliable estimate can be made of the amount of the obligation. Provisions are calculated based on the best estimates of The Bank’s management on the expenses to incur as of the balance sheet date and, if material, such expenses are discounted for their present values. If the amount is not reliably estimated and there is no probability of cash outflow from the Bank to settle the liability, the related liability is considered as “contingent” and disclosed in the notes to the financial statements.

XVII. EXPLANATIONS ON EMPLOYEE BENEFIT LIABILITIES

Employee benefits liabilities are recognized in accordance with the TAS 19 “Employee Benefits”. According to related legislation and union agreements, the Bank is required to make lump sum retirement payments to employees who has completed one year of service, is called up for military service, dies, resigns, retires or whose employment is terminated without due cause, or for female employees who resigns subsequent to her marriage within one year. The Bank provides provision by estimating the present value of the future retirement pay liability.

The retirement pay provision of the Bank has been determined by the actuarial report of an independent actuary firm. As of 1 January 2013, actuarial gains and losses are recorded under the shareholders’ equity according to the revised TAS 19.

T. Halk Bankası Pension Fund, T. Ziraat Bankası and T. Halk Bankası Employee Pension Fund Foundations were founded in accordance with the provisional article 20 of the Social Insurance Act (SIA) No: 506 and their members including employees of the Bank. Provisional article 23 of the Banking Act No: 5411 requires the Bank’s pension funds founded in the scope of SIA to be transferred to the Social Insurance Institution (SII) within 3 years subsequent to the publishing date of the act. The procedure and essentials for the transfer were determined by the Council of Ministers’ decision dated 30 November 2006 and numbered 2006/11345 and accordingly, both pension funds would have been transferred to SSI. However, with the decree of the Constitutional Court numbered E.2005/139, K.2007/13 and K.2007/33 published in the Official Gazette dated 31 March 2007 and numbered 26479, the first paragraph of the temporary first article of the provisional article 23 of the Banking Act No: 5411 is cancelled and the execution has been ceased starting from the date the decree is published.

After the justified decree related to cancelling the provisional article 23 of the Banking Law was announced by the Constitutional Court on the Official Gazette dated 15 December 2007 and numbered 26731, Turkish Grand National Assembly (TGNA) started to work on establishing new legal regulations and after it was approved at the General Assembly of the TGNA, the Law numbered 5754 “Emendating Social Security and General Health Insurance Act and Certain Laws and Decree Laws”, which was published on the Official Gazette dated 8 May 2008 and numbered 26870, came into effect. The new law decrees that the contributors of the bank pension funds, the ones who receive salaries or income from these funds and their rightful beneficiaries will be transferred to the Social Security Institution and will be subject to this Law within 3 years after the release date of the related article, without any need for further operation. The three year transfer period can be prolonged for maximum 2 years by the Cabinet decision. However related transfer period has been prolonged for 2 years by the Council of Ministers decision dated 14 March 2011, which was published on the Official Gazette dated 9 April 2011 and numbered 27900. In addition, by the Law numbered 6283 “Emendating Social Security and General Health Insurance Act”, which was published on the Official Gazette dated 8 March 2012 and numbered 28227, the authority of the Council of Ministers extending 2 years has been raised to 4 years.

The statement “The Council of Ministers have entitled to determine transfer period” has taken place in the scope of the Article 51 of the Law No: 6645 which was published on the Gazette on 23 April 2015 and numbered 29335.

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Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XVII. EXPLANATIONS ON EMPLOYEE BENEFIT LIABILITIES (continued)

In accordance with the related legislation, as of the transfer date, the income and expenses of the transferred funds will be considered by the insurance branches and the present value of the actuarial liabilities will be calculated with the technical interest rate of 9,8%. Moreover, after the transfer to Social Insurance Institution, the unfulfilled other social rights and payments existed in the settlement deeds of the subjected pension funds of the transferred participants, members or the rightful owners will be continued to be fulfilled by the employer entities of the funds and its participants. The transferable rights have been calculated in accordance with the transfer conditions and it has been concluded that there is no technical deficit as of 31 December 2025. Therefore, no liability emerges for the Bank. The benefits that are not subject to the transfer have been measured in alignment with the TAS 19 “Benefits Provided for Employees” standard and no liability has emerged for the Bank.

XVIII. EXPLANATIONS ON TAXATION

Corporate Tax:

The commercial profits of corporations in Türkiye face a corporate tax that is based on the statuorty tax base that is calculated by adding non-deductible expenses imposed by tax legislation and subtracting exemptions and allowances.

The Bank has calculated corporate tax at a rate of 30% on its corporate earnings for the taxation period ended 31 December 2025 (31 December 2024: 30%).

Income tax expense consists of the total of current tax and deferred tax expense. The current period tax liability is calculated based on the portion of that period’s profit that is subject to be taxed. There is a difference between taxable profit and profit reported in the income statement because taxable profit excludes items that are taxable or deductible in other periods, as well as items that are not taxable or deductible.

Current tax payables are offset against prepaid tax amounts and reflected in the financial statements.

Pursuant to Repetitive Article 298 of the Tax Procedure Law No. 213, an inflation adjustment for the financial statements would have been required for the 2021 fiscal year due to an increase in the price index exceeding 100% over the last three fiscal years, including the current period and more than 10% in the current fiscal year. However, under Temporary Article 33, added to the Tax Procedure Law by Law No. 7352, it is stipulated that the financial statements for the 2021 and 2022 fiscal years, including temporary tax periods and the temporary tax periods in the 2023 fiscal year shall not be subject to inflation adjustments under Article 298, regardless of whether the conditions for such adjustments are met. Accordingly, under the Tax Procedure Law, the financial statements for the 2021 and 2022 fiscal years will not be subject to inflation adjustments. The financial statements as of 31 December 2023 however, will be subject to inflation adjustments regardless of whether the conditions are met. Any gains or losses resulting from the inflation adjustment will be presented in the retained earnings account.

Under the paragraph added to Temporary Article 33 of Law No. 213 by Article 17 of Law No. 7491 on Amendments to Certain Laws and Decrees, it is stipulated that any gains or losses arising from inflation adjustments made by banks, including temporary tax periods, for the 2024 and 2025 fiscal years shall not be taken into account in the determination of taxable profit. Furthermore, the President has been granted the authority to issue regulations stipulating that, if an inflation adjustment is made by the aforementioned institutions in the 2026 fiscal year, including temporary tax periods, any gains or losses resulting from such adjustments shall not be taken into account in the determination of taxable profit.

Under Temporary Article 37, added to the Tax Procedure Law by Article 34 of Law No. 7571, it is stipulated that the financial statements for the 2025 fiscal year and for the 2026 and 2027 fiscal years including temporary tax periods (and, for those with a special fiscal year, for the periods ending in 2026, 2027 and 2028), shall not be subject to inflation adjustments under Article 298, regardless of whether the conditions for such adjustments are met.

For the purposes of the application of paragraph (g) of Repetitive Article 298, the periods for which it is stated in the first paragraph that no inflation adjustment shall be made (including periods extended under the granted authority) are considered as periods in which the conditions for inflation adjustment have not been met.

In addition, under the additional articles added to the Corporate Tax Law by Law No. 7524 dated 2 August 2024, the profits of subsidiaries of multinational groups are subject to a 15% global minimum top-up corporate tax.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XVIII. EXPLANATIONS ON TAXATION (continued)

Deferred Tax:

Deferred tax is recognized by the Bank in its accounts, aligned with TAS 12 Income Taxes for taxable or deductible temporary differences arising between the carrying amount of an asset or liability and its tax base. For all taxable temporary differences, deferred tax liabilities are calculated. Deferred tax assets arising from deductible temporary differences are recognized when it is highly probable that future taxable profits will be available against which these differences can be utilized.

As of the current period, a tax rate of 30% has been used in the calculation of deferred tax assets and liabilities (31 December 2024: 30%).

The carrying amount of deferred tax assets is reviewed at each balance sheet date. A reduction takes place for the carrying amount of a deferred tax asset, to the extent that is it no longer likely that sufficient taxable profit will be available to allow all or part of the benefit of that deferred tax asset to be realized.

The tax rates applicable in the period in which the assets/liabilities are realized or settled respectively and is recognized as income or expense in the income statement, are used to calculate deferred tax. However, if the deferred tax relates to items that are recognized directly in equity in the same or a different period, it is also recognized directly in equity.

Deferred tax assets and liabilities are netted and reflected in the financial statements.

Within the framework of Temporary Article 37 and Repetitive Article 298 of the Tax Procedure Law, the tax effects arising from the revaluation of the financial statements as of 31 December 2025 in accordance with the Tax Procedure Law have been included in the deferred tax calculation as of 31 December 2025.

Tax practices in the countries that foreign branches operate:

Turkish Republic of Northern Cyprus (TRNC)

According to the tax regulations in the Turkish Republic of Northern Cyprus, corporate gains are subject to 10% of corporate tax and this taxed amount is subject to 15% of income tax. Advance corporate tax is calculated as 15% of taxable income. Temporary taxes paid are deducted from the corporate tax and income tax calculated at the end of the year.

The tax bases for corporate are determined by adding the expenses that cannot be deducted according to TRNC regulations, to commercial gains and by subtracting exemptions and deductions from commercial gains. On the other hand, withholding tax is paid over interest income in TRNC. The relevant withholding tax payments are deducted from the corporate taxes paid.

Bahrain

Banks operating in Bahrain are subject to the Global Minimum Corporate Tax starting from 1 January 2025.

XIX. ADDITIONAL EXPLANATIONS ON BORROWINGS

The Bank borrows funds from domestic and foreign institutions and issues marketable securities when needed. These borrowing activities are recognized at fair value including the acquisition costs at the transaction date and they are valued at amortized costs by using the internal rate of return method.

Interest rate and liquidity risks are reduced by having assets with shorter or equal maturity terms than borrowing instruments such as syndication, securitization and borrowing with collateral and bears higher interest than costs of those instruments.

Also, asset composition is designed in accordance with the fixed/variable cost nature of borrowing instruments.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XX. EXPLANATIONS ON SHARES ISSUED

Share issuances related to costs are recognized as expenses. Dividends related to the equity shares are determined by the General Assembly of the Bank.

In accordance with the decision of the Higher Council of Privatization dated 5 February 2007 and numbered 2007/8, the process of public offering for the 24,98% of shares pertaining to the Privatization Administration was completed and the Bank shares were registered with the Capital Markets Board as per the CMB decision dated 26 April 2007 and numbered 16/471, and the shares were traded on the Borsa İstanbul AŞ as of 10 May 2007.

As per the decision of the Higher Council of Privatization numbered 2012/150 and dated 4 October 2012; 23,92% of the public shares that were previously held by the Privatization Administration were privatized by a second public offering and privatization was completed on 21 November 2012.

On 20 May 2020, share capital increased by amounting to TRY 1.223.776 from TRY 1.250.000 to TRY 2.473.776 by the way of the private placement without a public offering.

In accordance with the decision of the Board of Directors of the Bank dated 9 February 2022, the capital is increased, where the total sales proceeds through the capital increase shall amount to TRY 13.400.000, by the total nominal capital amount to be calculated based on the share sale price to be determined in accordance with the Wholesale Transactions Procedure of Borsa İstanbul AŞ with the Decision of the Capital Markets Board dated 17 February 2022. Accordingly, the recognition of the capital increase of TRY 2.495.345 on 9 March 2022 was realized on 14 March 2022, based on the permission obtained from the BRSA. The change made to the relevant Articles of Association was registered on 22 March 2022 and it was announced in the Trade Registry Gazette dated 23 March 2022 and numbered 10543. After the increase, TRY 2.495.345 of nominal and TRY 10.904.655 of share premium, amounting to a capital increase of TRY 13.400.000, were recognized in the financial statements. Mentioned capital increase was made by the Bank’s main shareholder Türkiye Varlık Fonu.

As a result of the capital increase, the issued capital increased from TRY 2.473.776 to TRY 4.969.121.

In accordance with the decision of the Board of Directors of the Bank dated 21 March 2023, the capital is increased, where the total sales proceeds through the capital increase shall amount to TRY 30.000.000, by the total nominal capital amount to be calculated based on the share sale price to be determined in accordance with the Wholesale Transactions Procedure of Borsa İstanbul AŞ with the Decision of the Capital Markets Board dated 27 March 2023. Accordingly, the recognition of the capital increase of TRY 2.215.657 was realized on 31 March 2023, based on the permission obtained from the BRSA. After the increase, TRY 2.215.657 of nominal and TRY 27.784.343 of share premium, amounting to a capital increase of TRY 30.000.000, were recognized in the financial statements. The change made to the relevant Articles of Association was registered on 17 April 2023, and it was announced in the Trade Registry Gazette dated 18 April 2023 and numbered 10814. Mentioned capital increase was made by the Bank’s main shareholder Türkiye Varlık Fonu.

As a result of the capital increase, the issued capital increased from TRY 4.969.121 to TRY 7.184.778.

XXI. EXPLANATIONS ON BILL GUARANTEES AND ACCEPTANCES

Bill guarantees and acceptances are realized simultaneously with the customer payments and they are presented as possible liabilities and commitments in the off-balance sheet accounts.

XXII. EXPLANATIONS ON GOVERNMENT INCENTIVES

The Bank has no government incentives in the current or prior period.

XXIII. EXPLANATIONS ON SEGMENT REPORTING

Segment reporting focuses on business segment considering the main source and nature of the risks and returns of the Bank. The Bank operates mainly in corporate, commercial and entrepreneur banking.

The information of the Bank’s business segments is explained in Section Four, disclosure numbered VIII.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XXIV. EXPLANATIONS ON EARNINGS PER SHARE

Earnings per share calculated under the TAS 33 Earnings Per Share Standard is determined by dividing the net profit by the number of shares outstanding for the relevant period.

	Current Period		Prior Period	
	Basic Earnings Per Share	Diluted Earnings Per Share	Basic Earnings Per Share	Diluted Earnings Per Share
Net Income/(Loss) to be Appropriated to Ordinary Shareholders	27130.696	27130.696	22.037.821	22.037.821
Number of Issued Ordinary Shares (Thousand)	7184.778	7184.778	7184.778	7184.778
Earnings Per Share (In full TRY)	3,77614	3,77614	3,06729	3,06729

There are no paid-in shares issued during the current period. (31 December 2024: None)

XXV. EXPLANATIONS ON OTHER MATTERS

The international rating agency Fitch Ratings has affirmed Our Bank’s Long-Term Foreign Currency Issuer Default Rating “B+”, Short-Term Foreign Currency Issuer Default Rating “B”, Long-Term Local Currency Issuer Default Rating “BB-”, Short-Term Local Currency Issuer Default Rating “B”, Viability Rating “b-”, Government Support Rating “b+” on June 18, 2025. The outlooks of the relevant ratings have been revised to “Stable” from “Rating Watch Negative”.

The international rating agency Fitch Ratings has upgraded the Bank’s Long-Term Foreign Currency Issuer Default Rating from “B+” to “BB-” and its Government Support Rating from “b+” to “bb-” on 17 November 2025. The outlook of the relevant ratings remain unchanged.

JCR-Eurasia Rating has affirmed the Bank’s Long Term National Rating as “AAA (tr)” and Short Term National Rating as “J1+ (tr)” along with a “Stable” outlook which denotes the highest investment grade category on 28 November 2025. For the Long Term International Local and Foreign Currency Ratings category, the Bank has been affirmed as “BB”, along with a “Stable” outlook.

As of 1 January 2018, upon the initial adoption of TFRS 9 “Financial Instruments,” the Bank classified certain securities in its portfolio as financial assets measured at fair value through other comprehensive income. However, shortly thereafter, on 23 May 2018, the Bank reclassified these securities as financial assets measured at amortized cost, despite not meeting the reclassification criteria set out in paragraph 4.4.1 of TFRS 9 “Financial Instruments.” In the current period, the Bank reassessed the classification process it applied during the initial adoption of TFRS 9 and determined that, as of the date the business model was identified, not all relevant conditions and circumstances existing at that time, nor all reasonably available information, had been taken into account. The Bank did not consider this situation as a reclassification under paragraph 4.4.1 of TFRS 9 “Financial Instruments,” but rather assessed it as a correction of an error in accordance with TAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors.” Although, as part of this error correction, the Bank would be required to retrospectively restate its financial statements as if these assets had been measured at amortized cost since the initial adoption of TFRS 9, there is no impact on the financial statements, as these financial assets had already been measured at amortized cost prior to the beginning of the comperative period.

In the unconsolidated financial statements, the Bank previously accounted for its associates and subsidiaries in accordance with TAS 27 and TAS 28 within the framework of TFRS 9. As of September 2025, the Bank changed its accounting policy and adopted the equity method as defined in TAS 28 for their recognition.

The impact of the accounting policy change on the Bank’s financial statements for the previous periods (for the periods ended 31 December 2024 and 1 January 2024) is as follows and there is no impact on the cash flow statement prepared for the period ended 31 December 2024:

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XXV. EXPLANATIONS ON OTHER MATTERS (continued)

31.12.2024			
ASSETS	Before Adjustment	Adjustment Effect	After Adjustment
Financial Assets (Net)	873.122.161	(718.173)	872.403.988
Financial Assets at Fair Value Through Other Comprehensive Income	164.161.866	(718.173)	163.443.693
Equity Instruments	2.088.009	(718.173)	1.369.836
Equity Investments	43.259.183	14.687.985	57.947.168
Investments in Associates (Net)	3.634.228	(229.029)	3.405.199
Unconsolidated Associates	3.634.228	(229.029)	3.405.199
Subsidiaries (Net)	39.624.955	14.917.014	54.541.969
Unconsolidated Financial Subsidiaries	39.624.955	14.917.014	54.541.969
TOTAL ASSETS	3.008.249.912	13.969.812	3.022.219.724
LIABILITIES			
Shareholders' Equity	152.564.877	13.969.812	166.534.689
Capital Reserves	46.964.884	(810.553)	46.154.331
Other Capital Reserves	2.499.662	(810.553)	1.689.109
Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss	33.809.425	(6.787.735)	27.021.690
Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss	(5.703.703)	3.554.031	(2.149.672)
Income or (Loss)	15.913.925	18.014.069	33.927.994
Prior Periods' Income or (Loss)	808.472	11.081.701	11.890.173
Current Period Income or (Loss)	15.105.453	6.932.368	22.037.821
TOTAL LIABILITIES	3.008.249.912	13.969.812	3.022.219.724
01.01.2024			
ASSETS	Before Adjustment	Adjustment Effect	After Adjustment
Financial Assets (Net)	447.057.148	(445.809)	446.611.339
Financial Assets at Fair Value Through Other Comprehensive Income	115.067.083	(445.809)	114.621.274
Equity Instruments	1.555.917	(445.809)	1.110.108
Equity Investments	28.272.656	12.854.312	41.126.968
Investments in Associates (Net)	3.024.545	(191.266)	2.833.279
Unconsolidated Associates	3.024.545	(191.266)	2.833.279
Subsidiaries (Net)	25.248.111	13.045.578	38.293.689
Unconsolidated Financial Subsidiaries	24.650.003	13.540.545	38.190.548
Unconsolidated Non- Financial Subsidiaries	598.108	(494.967)	103.141
TOTAL ASSETS	2.195.286.886	12.408.503	2.207.695.389
LIABILITIES			
Shareholders' Equity	128.406.019	12.408.503	140.814.522
Capital Reserves	46.123.583	(676.284)	45.447.299
Other Capital Reserves	1.658.361	(676.284)	982.077
Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss	20.165.484	(801.430)	19.364.054
Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss	(271.866)	2.804.516	2.532.650
Income or (Loss)	10.920.437	11.081.701	22.002.138
Prior Periods' Income or (Loss)	808.472	4.362.911	5.171.383
Current Period Income or (Loss)	10.111.965	6.718.790	16.830.755
TOTAL LIABILITIES	2.195.286.886	12.408.503	2.207.695.389

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(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XXV. EXPLANATIONS ON OTHER MATTERS (continued)

31.12.2024			
INCOME AND EXPENSES	Before Adjustment	Adjustment Effect	After Adjustment
Dividend Income	1.060.948	(1.028.685)	32.263
Gross Operating Income	75.280.417	(1.028.685)	74.251.732
Net Operating Income /Loss	8.510.404	(1.028.685)	7.481.719
Income /(Loss) from Investments in Subsidiaries Consolidated Based on Equity Method	-	7.961.053	7.961.053
Profit / Loss Before Tax From Continued Operations	8.510.404	6.932.368	15.442.772
Current Period Profit / Loss From Continued Operations	15.105.453	6.932.368	22.037.821
NET PROFIT/(LOSS)	15.105.453	6.932.368	22.037.821
Profit / (Loss) Per Share (full TRY)	2,10242446	0,96486878	3,06729324

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK

I. EXPLANATIONS ON SHAREHOLDERS’ EQUITY

Equity amount and capital adequacy standard ratio calculation is made within the framework of “Regulation on Equities of the Banks” and “Regulation on Measurement and Evaluation of Banks’ Capital Adequacy” and in accordance with the amendment announced by the BRSA in the resolution dated 12 December 2023, 19 December 2024 and 25 March 2025.

Within the scope of the regulations that the net valuation differences of the securities held in the “Marketable Securities at Fair Value Through Other Comprehensive Income” portfolio as of 1 January 2024 are negative, these differences will not be taken into account in the equity amount to be used for the capital adequacy ratio and the amount subject to credit risk will be calculated using the Central Bank’s foreign exchange buying rates as of 28 June 2024. The Bank’s own shares acquired through repurchase from Borsa İstanbul AŞ Equity Market after 17 March 2025 are not considered to deduction item from Tier I Capital until 31 December 2025.

As of 31 December 2025, the capital adequacy ratio and the capital amount of the Bank were realized as 16,17% (31 December 2024: 15,74%) and TRY 333.552.942 (31 December 2024: TRY 228.468.205 which were calculated within the scope of the above-mentioned regulation amendments.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

I. EXPLANATIONS ON SHAREHOLDERS’ EQUITY (continued)

(1) Information on Equity Items:

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL		
Paid-in Capital to be Entitled for Compensation after All Creditors	8.405.229	8.405.229
Share Premium	44.465.222	44.465.222
Reserves	70.309.493	54.395.568
Other Comprehensive Income according to TAS	78.454.290	37.776.155
Profit	45.144.765	33.927.994
Current Period Profit	27.130.696	22.037.821
Prior Period Profit	18.014.069	11.890.173
Bonus Shares from Associates, Affiliates and Joint-Ventures not Accounted in Current Period's Profit	1.083.694	1.045.055
Common Equity Tier 1 Capital Before Deductions	247.862.693	180.015.223
Deductions from Common Equity Tier 1 Capital		
Valuation adjustments calculated as per the article 9. (i) of the Regulation on Bank Capital	-	-
Current and Prior Periods' Losses not Covered by Reserves and Losses Accounted under Equity according to TAS	17.798.614	2.413.575
Leasehold Improvements on Operational Leases	4.463.183	3.380.447
Goodwill Netted with Deferred Tax Liabilities	-	-
Other Intangible Assets Netted with Deferred Tax Liabilities Except Mortgage Servicing Rights	4.510.335	2.592.199
Remaining after deducting from the related deferred tax liability with the deferred tax asset based on future taxable income, except for deferred tax assets based on temporary differences	-	-
Differences arise when assets and liabilities not held at fair value, are subjected to cash flow hedge accounting	-	-
Total credit losses that exceed total expected loss calculated according to the Regulation on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Securitization gains	-	-
Unrealized gains and losses from changes in bank's liabilities’ fair values due to changes in creditworthiness	-	-
Net amount of defined benefit plans	-	-
Direct and Indirect Investments of the Bank on its own Tier I Capital	471.241	471.241
Shares Obtained against Article 56, Paragraph 4 of the Banking Law	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
Mortgage Servicing Rights Exceeding the 10% Threshold of Tier I Capital	-	-
Net Deferred Tax Assets arising from Temporary Differences Exceeding the10% Threshold of Tier I Capital	-	6.472.034
Amount Exceeding the 15% Threshold of Tier I Capital as per the Article 2, Clause 2 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks	-	-
The Portion of Net Long Position of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital not deducted from Tier I Capital	-	-
Mortgage Servicing Rights not deducted	-	-
Excess Amount arising from Deferred Tax Assets from Temporary Differences	-	-
Other items to be Defined by the BRSA	-	-
Deductions from Tier I Capital in cases where there are no adequate Additional Tier I or Tier II Capitals	-	-
Total Deductions from Common Equity Tier I Capital	27.243.373	15.329.496
Total Common Equity Tier I Capital	220.619.320	164.685.727

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

I. EXPLANATIONS ON SHAREHOLDERS’ EQUITY (continued)

(1) Information on Equity Items: (continued)

ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity Tier I Capital and the Related Share Premiums	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	59.355.000	16.500.000
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	59.355.000	16.500.000
Deductions from Additional Tier I Capital		
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	-
Investments of Bank to Banks that invest in Bank’s additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be defined by the BRSA	-	-
Items to be Deducted from Tier I Capital during the Transition Period		
Goodwill and Other Intangible Assets and Related Deferred Taxes not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)	-	-
Net Deferred Tax Asset/Liability not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)	-	-
Deduction from Additional Tier I Capital when there is not enough Tier II Capital (-)	-	-
Total Deductions From Additional Tier I Capital	-	-
Total Additional Tier I Capital	59.355.000	16.500.000
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	279.974.320	181.185.727
TIER II CAPITAL		
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	30.143.036	31.328.795
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)	-	-
Provisions (Amounts explained in the first paragraph of the article 8 of the Regulation on Bank Capital)	23.626.820	16.184.771
Tier II Capital Before Deductions	53.769.856	47.513.566
Deductions From Tier II Capital		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank’s Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	53.769.856	47.513.566
Total Equity (Total Tier I and Tier II Capital)	333.744.176	228.699.293
Total Tier I and Tier II Capital (Total Equity)		
Loans Granted against the Articles 50 and 51 of the Banking Law	-	-
Net Book Values of Movables and Immovable Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	-
Other items to be defined by the BRSA	191.234	231.088

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

I. EXPLANATIONS ON SHAREHOLDERS’ EQUITY (continued)

(1) Information on Equity Items: (continued)

Items to be Deducted from the Sum of Tier I and Tier II Capital (Capital) During the Transition Period		
The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Tier I Capital, Additional Tier I Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation	-	-
The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Additional Tier I Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance The Portion of Net Long Position of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital, of the Net Deferred Tax Assets arising from Temporary Differences and of the Mortgage Servicing Rights not deducted from Tier I Capital as per the Temporary Article 2, Clause 2, Paragraph (1) and (2) and Temporary Article 2, Clause 1 of the Regulation	-	-
TOTAL CAPITAL		
Total Capital (Total of Tier I Capital and Tier II Capital)	333.552.942	228.468.205
Total Risk Weighted Assets	2.062.824.866	1.451.130.570
Capital Adequacy Ratios		
CET1 Capital Ratio (%)	10,70	11,35
Tier I Capital Ratio (%)	13,57	12,49
Capital Adequacy Ratio (%)	16,17	15,74
BUFFERS		
Bank-specific total CET1 Capital Ratio (a+b+c)	2,510	2,510
a) Capital Conservation Buffer Ratio (%)	2,500	2,500
b) Bank-specific Counter-Cyclical Capital Buffer Ratio (%)	0,010	0,010
c) Systemic significant bank buffer ratio (%)	-	-
Additional CET1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation (%)	6,195	6,486
Amounts Lower Than Excesses as per Deduction Rules		
Remaining Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital	1.872.908	1.367.956
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Issued Share Capital	-	-
Remaining Mortgage Servicing Rights	-	-
Net Deferred Tax Assets arising from Temporary Differences	19.030.358	17.115.776
Limits for Provisions Used in Tier II Capital Calculation		
General Loan Provisions for Exposures in Standard Approach (before limit of one hundred and twenty five per ten thousand)	28.575.275	26.828.770
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	23.626.820	16.184.771
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0,6% Risk Weighted Assets	-	-
Debt Instruments Covered by Temporary Article 4 (effective between 1 January 2018-1 January 2022)		
Upper Limit for Additional Tier I Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier I Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-
Upper Limit for Additional Tier II Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier II Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-

* Amounts in this column represents the amounts of items that are subject to transitional provisions.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

I. EXPLANATIONS ON SHAREHOLDERS’ EQUITY (continued)

(2) Information on Differences Between Equity Items Calculated in Accordance with the Regulation on Equity of Banks and Balance Sheet Amounts:

Within the scope of the “Regulation on Banks’ Equity” (Regulation), the equity that is the basis for the capital adequacy standard ratio calculation is calculated after deducting the values to be deducted from the equity from the total capital and supplementary capital. The main difference between the “Equity” in the balance sheet and the equity calculated within the scope of the Regulation arises from the Stage 1 and Stage 2 expected credit loss allowances in the Tier II capital and the subordinated debt instruments included in the Tier II capital. In addition, within the scope of the BRSA’s Board Decision dated 12 December 2023, in case the net valuation differences of the securities in the portfolio of “Securities at Fair Value through Other Comprehensive Income” as of 1 January 2024 are negative, these differences may not be taken into account in the calculated equity amount. In addition, within the scope of the BRSA’s Board Decision dated 25 March 2025, the Bank’s own shares acquired through repurchase from the Borsa Istanbul AŞ Equity Market after 17 March 2025, are not considered to deduction item from Tier I Capital until 31 December 2025. In accordance with the regulation, operating lease development costs, which are presented under the Tangible Assets item in the balance sheet and Intangible Fixed Assets for the calculation of capital adequacy are taken into account as a discount item from the core capital. In addition; in accordance with the regulation, operating lease development costs, which are presented under the Tangible Assets item in the balance sheet and Intangible Fixed Assets for the calculation of capital adequacy are taken into account as a discount item from the core capital. Similarly, some accounts determined by the Board are deducted from the total Equity in the calculation of the “Equity” amount, which is the basis for the capital adequacy calculation.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

I. EXPLANATIONS ON SHAREHOLDERS’ EQUITY (continued)

(3) Information about instruments to be included in the Equity Calculation:

Information about instruments included in total capital calculation:						
Issuer	T. Halk Bankası AŞ	T. Halk Bankası AŞ	T. Halk Bankası AŞ	T. Halk Bankası AŞ	T. Halk Bankası AŞ	Türkiye Varlık Fonu
Unique identifier (CUSIP, ISIN etc.)	TRSTHALE2716	TRSTHAL83015	TRSTHALK3419	XS3094751198	XS3246998135	-
Governing Law(s) of the instrument	BRSA and CMB Legislation	BRSA and CMB Legislation	BRSA and CMB Legislation	BRSA and CMB Legislation	BRSA and CMB Legislation	BRSA Legislation
Regulatory treatment						
Subject to 10% deduction as of 1/1/2015	No	No	No	No	No	No
Eligible at unconsolidated / consolidated	Consolidated - Unconsolidated	Consolidated - Unconsolidated	Consolidated - Unconsolidated	Consolidated - Unconsolidated	Consolidated - Unconsolidated	Consolidated - Unconsolidated
Instrument type (types to be specified by each jurisdiction)	Bond	Bond	Bond	Bond	Bond	Loan
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	200	3.943	26.000	29.999	12.856	16.500
Par value of instrument (Currency in mil)	1.000	4.929	26.000	29.999	12.856	-
Accounting classification	346.011	346.011	346.011	347.001	347.001	346.0001
Original date of issuance	20.10.2017	27.08.2024	11.12.2024	26.06.2025	11.12.2025	27.12.2024
Demand or time	Time	Time	Time	Demand	Demand	Demand
Original maturity date	20.10.2017	27.08.2024	11.12.2024	26.06.2025	11.12.2025	27.12.2024
Issuer call subject to prior supervisory approval	Early redemption option at the end of the fifth year	Early redemption option at the end of the fifth year	Early redemption option at the end of the fifth year	Early redemption option at the end of the fifth year	Early redemption option at the end of the fifth year	Early redemption option at the end of the fifth year
Optional call date, contingent call dates and redemption amount	-	-	-	-	-	-
Subsequent call dates, if applicable	-	-	-	-	-	-
Coupons / dividends						
Fixed or floating dividend/coupon	Floating Coupon	Indexed to TLREF	Indexed to TLREF	Fixed	Fixed	Indexed to TLREF
Coupon rate and any related index	Government Debt Security for 5 years +350 base points	6 months TLREF+0,50 bps	3 months TLREF+0,875 bps	9,30%	8,90%	TLREF
Existence of a dividend stopper	-	-	-	-	-	-
Fully discretionary, partially discretionary or mandatory	-	-	-	-	-	-
Existence of step up or other incentive to redeem	-	-	-	-	-	-
Noncumulative or cumulative	-	-	-	-	-	-
Convertible or non-convertible						
If convertible, conversion trigger (s)	-	-	-	-	-	-
If convertible, fully or partially	-	-	-	-	-	-
If convertible, conversion rate	-	-	-	-	-	-
If convertible, mandatory or optional conversion	-	-	-	-	-	-
If convertible, specify instrument type convertible into	-	-	-	-	-	-
If convertible, specify issuer of instrument it converts into	-	-	-	-	-	-

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

I. EXPLANATIONS ON SHAREHOLDERS’ EQUITY (continued)

(3) Information about instruments to be included in the Equity Calculation (continued):

Write-down feature						
If write-down, write-down trigger(s)	-	-	-	Decrease in core capital adequacy ratio below 5,125%	Decrease in core capital adequacy ratio below 5,125%	Decrease in core capital adequacy ratio below 5,125%
If write-down, full or partial	-	-	-	Fully or partially	Fully or partially	Fully or partially
If write-down, permanent or temporary	-	-	-	Permanent or temporary	Permanent or temporary	Permanent or temporary
If temporary write-down, description of write-up mechanism	-	-	-	-	-	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After borrowing, before Additional Tier I Capital	After borrowing, before Additional Tier I Capital	After borrowing, before Additional Tier I Capital	After borrowings and Tier II Capital	After borrowings and Tier II Capital	After borrowings and Tier II Capital
In compliance with article number 7 and 8 of “Own fund regulation”	The instrument is in compliance with article number 8.	The instrument is in compliance with article number 8.	The instrument is in compliance with article number 8.	The instrument is in compliance with article number 7.	The instrument is in compliance with article number 7.	The instrument is in compliance with article number 7.
Details of incompliances with article number 7 and 8 of “Own fund regulation”	The instrument is not in compliant with article numbered 7.	The instrument is not in compliant with article numbered 7.	The instrument is not in compliant with article numbered 7.	The instrument is not in compliant with article numbered 8.	The instrument is not in compliant with article numbered 8.	The instrument is not in compliant with article numbered 8.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK

Credit risk is defined as risks and losses that may occur if the counterparty fails to comply with the agreement’s requirements and cannot perform its obligations partially or completely on the terms set. In compliance with the legislation, the credit limits are set for the financial position and credit requirements of customers within the authorization limits assigned for Branches, Regional Lending Committees, Lending Departments, Executive Vice President responsible of Lending, General Manager, Credit Committee and Board of Directors. The limits are subject to revision if necessary.

In accordance with the risk management policies of the Bank, the limits are specified in respect of the main and sub-sectors. Those limits are monitored periodically.

The Bank, in the credit allocation process, restricts its risk exposure by working with highly credible banks and entities considering the credit ratings for the purpose of managing its risks. Under the scope of credit risk management, the Bank rates all of its borrowers’ credit and requires additional collaterals from whose risk is higher. The Bank has the policy of not granting loans/credits and/or limiting the amount of such loans/credits. The Bank’s risk is concentrated in Türkiye. As per the loan procedures, limits are determined based on the type of loans and customers and risk and limit information is controlled periodically.

Loans granted to other banks and risk limits set for the correspondent bank transactions are controlled on a daily basis. Risk concentrations concerning the off-balance sheet operations based on the customers and banks are monitored systematically.

Except for the restructured loan follow-up system determined in the related communiqué, such loans are incorporated into the new rating groups or risk weightings under the risk management systems of the banks, and new precautionary measures are taken for these processes. Since longterm commitments are more risky than the short-term commitments, risks are diversified in accordance with the Bank’s risk management system.

As prescribed in the related Communiqué, the credit worthiness of the debtors of the loans and other receivables is monitored regularly and statements of accounts taken for the loans are audited in line with the related regulations. Guarantee factors are developed in accordance with the decision of the credit committee and updated according to the top management’s initiatives and changes in the economic conditions. The Bank receives sufficient collaterals in consideration of the loans and other receivables granted. Guarantees obtained are surety ships, immovable mortgages, cash blockages and customer or real person cheques.

When the Bank is exposed to significant credit risks, it has the tendency to discontinue its forward or similar type of transactions by exercising rights, fulfilling the requirements of or disposing of the agreements entered into to mitigate the total risk.

The Bank’s largest 100 and 200 cash loan customers compose 27,75% and 34,25% of the total cash loan, respectively.

The Bank’s largest 100 and 200 non-cash loan customers compose 32,04% and 42,73% of the total non-cash loan portfolio, respectively.

The Bank’s largest 100 ve 200 cash and non-cash loan customers represent 13,35% and 17,78% of the total “on and off balance sheet” assets, respectively.

Stage I and Stage II expected losses for credit risks of the Bank is TRY 25.409.697 (31 December 2024: TRY 24.342.488).

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK (continued)

	Current Period		Prior Period	
	Credit Risk Amount ⁽¹⁾	Average Risk Amount	Credit Risk Amount ⁽¹⁾	Average Risk Amount
Exposure Categories:				
Conditional and unconditional exposures to central governments or central banks	1.706.806.793	1.480.661.819	1.201.352.485	1.004.463.883
Conditional and unconditional exposures to regional governments or local authorities	5.711.214	5.170.431	5.339.253	4.786.717
Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	9.477.091	8.641.962	8.637.620	6.266.778
Conditional and unconditional exposures to multilateral development banks	-	-	-	-
Conditional and unconditional exposures to international organisations	-	-	-	-
Conditional and unconditional exposures to banks and brokerage houses	40.442.065	29.969.984	26.512.797	19.668.135
Conditional and unconditional exposures to corporates	985.380.446	928.386.132	736.721.718	650.166.817
Conditional and unconditional retail exposures	724.634.540	580.030.354	513.338.722	471.534.256
Conditional and unconditional exposures secured by real estate property	584.582.829	523.224.194	444.170.030	378.195.640
Past due items	42.124.693	27.746.629	13.469.389	8.424.805
Items in regulatory high-risk categories	-	-	1.932.303	73.308.923
Exposures in the form of bonds secured by mortgages	-	-	-	-
Securitisation positions	-	-	-	-
Short term exposures to banks, brokerage houses and corporates	-	-	-	-
Exposures in the form of collective investment undertakings	-	-	-	-
Stock Investments	114.507.495	65.954.049	56.736.030	32.854.126
Other Receivables	205.883.449	167.394.579	126.800.721	110.527.469

⁽¹⁾ Includes the risk amounts after credit conversions.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK (continued)

Profile of significant exposures in major regions:

Risk Classifications ⁽¹⁾											
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	Conditional and unconditional exposures to Multilateral Development Banks	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional exposures to retail exposures	Conditional and unconditional exposures secured by real estate property	Past due receivables	Items in regulatory high-risk categories	Stock Investments
Current Period											
1. Domestic	1.706.806.793	5.711.214	9.477.091	-	26.922.785	983.236.525	724.554.041	583.579.652	42.124.553	-	114.507.495
2. European Union (EU) Countries	-	-	-	-	5.522.032	248.548	36.385	67276	49	-	-
3. OECD Countries ⁽²⁾	-	-	-	-	609.295	-	1.307	3.729	-	-	-
4. Off-Shore Banking Regions	-	-	-	-	85.029	1.521.918	1.336	913.186	-	-	-
5. USA, Canada	-	-	-	-	2.973.829	-	3.567	4.510	-	-	-
6. Other Countries	-	-	-	-	4.329.095	373.455	37904	14.476	91	-	30.966
7. Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-
8. Unallocated Assets/ Liabilities ⁽³⁾	-	-	-	-	-	-	-	-	-	-	-
Total	1.706.806.793	5.711.214	9.477.091	-	40.442.065	985.380.446	724.634.540	584.582.829	42.124.693	-	114.507.495
Prior Period											
1. Domestic	1.201.352.485	5.339.253	8.637.620	-	15.550.748	735.437.085	513.282.358	444.056.918	13.469.341	1.932.303	56.736.030
2. European Union (EU) Countries	-	-	-	-	5.058.733	265.302	29.744	32.381	45	-	-
3. OECD Countries ⁽²⁾	1	-	-	-	1.149.616	-	663	1.428	1	-	-
4. Off-Shore Banking Regions	-	-	-	-	65.124	664.961	1026	8.322	-	-	-
5. USA, Canada	-	-	-	-	1.678.309	-	7471	2.462	1	-	-
6. Other Countries	-	-	-	-	3.010.267	354.370	17.460	68.519	1	-	28.268
7. Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-
8. Unallocated Assets/ Liabilities ⁽³⁾	-	-	-	-	-	-	-	-	-	-	-
Total	1.201.352.486	5.339.253	8.637.620	-	26.512.797	736.721.718	513.338.722	444.170.030	13.469.389	1.932.303	56.736.030

⁽¹⁾ Refers to the risk classifications in the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”.

⁽²⁾ OECD Countries other than the EU Countries, USA and Canada.

⁽³⁾ Assets and liabilities that are not consistently allocated.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK (continued)

Profile of significant exposures by sectors:

Current Period	Risk Sinfileri ⁰⁾									
	Conditional and unconditional exposures to central governments or central authorities	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional exposures to administrative bodies and undertakings	Conditional and unconditional exposures to Derivatives Banks	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional exposures to retail property	Conditional and unconditional exposures secured by property	Past due receivables	Items in regulatory high-risk categories
Agriculture	254.110	233	98	-	-	1.939.860	6.157.545	2.824.323	349.372	-
Farming and Stockbreeding	156.575	-	85	-	-	576.875	2.926.509	1.631.597	122.874	-
Forestry	76.771	233	13	-	-	745.497	2.852.250	935.431	188.893	-
Fishery	20.764	-	-	-	-	617.488	378.786	2574.95	376.05	-
Manufacturing	14.586.346	-	538.406	-	-	376.681.715	98.883.466	157.058.417	11.482.656	-
Mining and Quarrying	201.963	-	-	-	-	20.422.428	1.926.096	3.519.935	113.693	-
Production	14.244.497	-	538.406	-	-	299.091.942	96.150.724	151.988.738	11.339.071	-
Electricity, Gas and Water	139.886	-	-	-	-	57.866.745	806.646	1.539.744	29.892	-
Construction	2.727.326	-	78	-	-	255.890.992	34.645.301	106.415.920	6.449.685	-
Wholesale and Retail Trade	955.955.633	5.648.577	8.933.580	-	26.708.984	269.906.458	367.634.500	225.986.006	18.743.706	-
Accommodation and Dining	9.369.383	-	402	-	-	155.946.574	226.004.286	135.590.321	13.523.370	-
Telecom.	1.363.510	86	-	-	-	30.388.000	24.016.936	47.864.565	94.9341	-
Transportation and Financial Institutions	563.750	-	48	-	-	20.119.754	97.704.682	10.555.749	1.349.735	-
Real Estate and Rental Services	67.851	-	334	-	-	26.708.984	682.056	5.064.495	11.128	-
Professional Services	354.042	-	9	-	-	23.923.890	8.121.775	15.024.863	474.077	-
Educational Services	38.524	-	-	-	-	13.296	5.137.130	10.33.017	63.797	-
Health and Social Services	339.957	-	4.468.991	-	-	1.267.659	2.216.942	6.281.208	4.9375	-
Other	943.858.616	5.649.491	4.463.796	-	-	15.349.579	3.750.693	4.571.788	2.222.883	-
Total	733.283.378	61.404	4.929	-	13.733.081	80.962.021	217.213.728	92.297.963	5.099.274	-
Total	1.706.806.793	5.711.214	9.477.091	-	40.442.065	985.380.446	724.634.540	584.582.829	42.324.693	-

⁰⁾Refers to the risk classifications in the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”.

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK (continued)

Profile of significant exposures by sectors (continued):

Prior Period	Risk Classifications ⁰⁾									
	Conditional and unconditional exposures to central governments or central authorities	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	Conditional and unconditional exposures to Multilateral Development Banks	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional exposures to retail property	Conditional and unconditional exposures secured by real estate	Past due receivables	Items in regulatory high-risk categories
Agriculture	184.955	-	82	-	-	1.729.925	4.324.679	2.555.798	77.539	4.720
Farming and Stockbreeding	122.561	-	65	-	-	652.053	2.123.024	1.235.729	40.131	-
Forestry	43.187	-	17	-	-	685.431	2.026.474	977.166	36.444	4.720
Fishery	19.207	-	-	-	-	392.441	175.181	342.903	964	-
Manufacturing	13.351.834	-	204.131	-	-	301.540.562	60.585.804	111.295.095	3.964.304	1.119.149
Mining and Quarrying	221.818	-	-	-	-	14.683.165	905.944	2.598.488	174.50	-
Production	12.685.243	-	204.131	-	-	241.374.828	59.155.075	10.717.237	3.942.209	1.119.149
Electricity, Gas and Water	444.573	-	-	-	-	45.482.569	524.785	1.519.370	4.645	-
Construction	3.214.142	-	41	-	-	162.784.402	17.208.684	64.913.323	2.077.075	108.103
Services	592.617.475	5.261.971	8.425.101	-	16.832.218	210.184.501	275.151.192	180.969.507	5.508.389	618.906
Wholesale and Retail Trade	612.172	-	276	-	-	122.412.090	162.421.322	104.852.237	3.908.073	514.006
Accommodation and Dining	1.472.624	86	-	-	-	23.257.624	16.433.582	42.326.290	44.881	42.173
Telecom.	499.894	-	57	-	-	13.101.379	79.791.989	76.18.366	560.719	-
Financial Institutions	9.133	-	88	-	-	16.832.218	19.728.240	475.334	3.047.921	80.946
Real Estate and Rental Services	258.337	-	5	-	-	16.584.521	5.824.332	11.799.518	268.332	28.785
Professional Services	27.731	-	-	-	-	3.545	5.207.479	1.066.658	31.637	621
Educational Services	365.659	-	3.697.927	-	-	889.966	1.607.698	3.758.490	29.212	33.321
Health and Social Services	583.862.925	5.261.885	4.726.748	-	-	14.207.136	3.389.456	6.500.027	181.679	-
Other	591.984.279	77.282	8.265	-	-	9.680.579	60.482.328	156.068.363	84.436.307	1.842.082
Total	1.201.352.485	5.339.253	8.637.620	-	26.512.797	736.721.718	513.338.722	444.170.030	13.469.389	1.932.303

⁰⁾ Refers to the risk classifications in the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK (continued)

Analysis of maturity-bearing exposures according to remaining maturities^(*):

Current Period	Term to Maturity				
Exposure Categories	1 month	1-3 months	3-6 months	6-12 months	Over 1 year
1. Conditional and unconditional exposures to central governments or central banks	732.603.528	33.478.552	18.429.333	58.021.020	864.274.360
2. Conditional and unconditional exposures to regional governments or local authorities	171.878	42.797	83.167	569.685	4.843.687
3 Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	1.644.833	476.102	375.087	2.107.246	4.873.823
4. Conditional and unconditional exposures to Multilateral Development Banks	-	-	-	-	-
5. Conditional and unconditional exposures to banks and brokerage houses	35.960.727	2.826.793	1.291.353	20.282	342.910
6. Conditional and unconditional exposures to corporates	269.620.420	37.598.731	57.496.600	173.841.730	446.822.965
7. Conditional and unconditional retail exposures	197.617.719	26.530.000	41.769.566	99.952.515	358.764.740
8. Conditional and unconditional exposures secured by real estate property	116.393.826	27.837.015	38.548.476	130.231.561	271.571.951
9. Past due items	42.098.902	84	120	1.556	24.031
10. Items in Regulatory High-Risk Categories	-	-	-	-	-
11. Stock Investments	114.507.495	-	-	-	-
12. Other Items	205.880.094	269	2.179	907	-
Total	1.716.499.422	128.790.343	157.995.881	464.746.502	1.951.518.467

(*) Includes risk amounts after the effect of credit risk mitigation and after the credit conversions.

Prior Period	Term to Maturity				
Exposure Categories	1 month	1-3 months	3-6 months	6-12 months	Over 1 year
1. Conditional and unconditional exposures to central governments or central banks	550.239.090	4.734.333	18.171.389	35.894.669	592.313.004
2. Conditional and unconditional exposures to regional governments or local authorities	90.319	317.865	73.282	282.378	4.575.409
3 Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	1.251.781	604.769	571.284	941.629	5.268.157
4. Conditional and unconditional exposures to Multilateral Development Banks	-	-	-	-	-
5. Conditional and unconditional exposures to banks and brokerage houses	26.096.078	4.246	44.193	48.650	319.630
6. Conditional and unconditional exposures to corporates	192.227.427	40.034.740	43.628.844	141.118.165	319.712.542
7. Conditional and unconditional retail exposures	120.585.963	14.403.091	24.340.498	61.120.567	292.888.603
8. Conditional and unconditional exposures secured by real estate property	82.235.991	18.966.917	31.882.855	95.239.753	215.844.514
9. Past due items	13.442.730	115	577	4.748	21.219
10. Items in Regulatory High-Risk Categories	325.793	45.238	134.841	195.275	1.231.156
11. Stock Investments	56.736.030	-	-	-	-
12. Other Items	126.788.427	1.795	10.443	56	-
Total	1.170.019.629	79.113.109	118.858.206	334.845.890	1.432.174.234

(*) Includes risk amounts after the effect of credit risk mitigation and after the credit conversions.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK (continued)

Information on the risk classifications as per the Article 6 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks:

Information on the risk classifications as per the Article 6 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks:

Fitch Ratings’ rating grades are used for the risk classes listed below, provided that they are resident abroad.

- Receivables on banks and intermediary institutions
- Receivables on regional governments or local authorities
- Receivables on administrative bodies and other non-commercial undertakings on multilateral development banks
- Corporate receivables

The relevant risk classification is used in determining the risk weights on a receivable that is classificated as per the second section, Article 8 of the Additional Regulation 1 on Measurement and Assessment of Capital Adequacy Ratios of Banks. In the absence of a specific rating, the provisions of paragraph a,b and c of Article 9 of the regulation mentioned should be used.

In the case of other risk classes included in the table, Fitch Ratings notes are taken into account if the rated party is a foreign resident, the supervisor of the relevant country has equivalent regulation and supervision structure, authorized in the country notes.

Implementation of the risk weights to receivables from Regional Governments or local authorities are subject to the same conditions as receivables from banks and intermediary institutions but this implementation exemption cannot be applied for the receivables from banks and intermediary institutions which have less than 90 days to maturity.

The national long-term local currency ratings assigned by JCR-Eurasia are used to determine the risk weights of the Bank’s Turkish Lira receivables classified as corporate receivables.

The implementation of the risk weights to receivables from multilateral development banks except those listed in the Additional Regulation 1 on Measurement and Assessment of Capital Adequacy Ratios of Banks, are subject to the same conditions as receivables from banks and intermediary institutions but this implementation exemption is not applied for the receivables from banks and intermediary institutions which have less than 90 days to maturity.

The implementation of the risk weight for unrated receivables from banks and intermediary institutions is not lower than the risk weight of receivables from sovereigns which they are settled in.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK (continued)

Information on the risk classifications as per the Article 6 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (continued):

Credit Quality Grade and Rating Matching Table								
Credit Quality Grade	Fitch						JCR Eurasia	
	Exposures to administrative bodies and other non-commercial undertakings			Exposures to Banks and Brokerage Houses		Exposures to Corporates	Rating	Exposures to Corporates (TRY)
	Rating	Institutions and Organizations included in the tables (I), (II), (III) and (IV) annexed to the Public Financial Management and Control Law No. 5018	Other Public Institutions and Organizations	Exposures with Original Maturities Less Than 90 Days	Exposures with Original Maturities Less More 90 Days			
1	AAA	0%	20%	20%	20%	20%	AAA	20%
	AA+						AA+	
	AA						AA	
	AA-						AA-	
2	A+	20%	50%	20%	50%	50%	A+	50%
	A						A	
	A-						A-	
3	BBB+	50%	100%	20%	50%	100%	BBB+	100%
	BBB						BBB	
	BBB-						BBB-	
4	BB+	100%	100%	50%	100%	100%	BB+	100%
	BB						BB	
	BB-						BB-	
5	B+	100%	100%	50%	100%	150%	B+	150%
	B						B	
	B-						B-	
6	CCC+	150%	150%	150%	150%	150%	CCC+	150%
	CCC						CCC	
	CC						CC	
	C						C	
	D						D	

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK (continued)

Information on receivables from the private sector:

Country	RWAs of Banking Book for Private Sector Lending	RWAs of Trading Book	Total
Türkiye	1.594.624.482	-	1.594.624.482
Cyprus	3.329.323	-	3.329.323
Marshall Islands	1.860.642	-	1.860.642
Kyrgyzstan	373.455	-	373.455
Malta	248.528	-	248.528
United Arab Emirates	111.149	-	111.149
Liberia	98.999	-	98.999
Germany	5.600	-	5.600
United Kingdom	5.154	-	5.154
Other ^(*)	2.211	-	2.211

(*) Risk-Weighted Assets below TRY 5.000 are grouped under otherheadings.

Exposures by risk weights:

Current Period															
Risk Weights	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	2%	4%	500%	Deductions from Equity	
1 Exposures before Credit Risk Mitigation	1.690.598.857	-	318.331.585	-	247.913.393	1.417.382.784	1.644.112.114	25.878.170	-	4.022.461	-	-	-	191.234	
2 Exposures after Credit Risk Mitigation	1.773.943.216	-	283.119.903	300.549.996	475.338.866	491.341.444	1.076.656.634	14.578.095	-	4.022.461	-	-	-	191.234	
Prior Period															
Risk Weights	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	2%	4%	500%	Deductions from Equity	
1 Exposures before Credit Risk Mitigation	1.182.164.021	-	297.932.952	-	163.321.729	898.000.446	1.145.438.604	21.342.777	-	2.484.945	-	-	1.932.302	231.088	
2 Exposures after Credit Risk Mitigation	1.254.881.422	-	273.933.039	235.740.568	330.397.952	320.727.049	700.172.520	14.741.270	-	2.484.945	-	-	1.932.302	231.088	

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK (continued)

Information by major sectors and type of counterparties:

Current Period	Credits		
Major Sectors /Counterparties	Significant Increase in Credit Risk (Stage II) ⁽¹⁾	Credit – Impaired Losses (Stage III) ⁽²⁾	Expected Credit Loss (TFRS 9) ⁽³⁾
Agriculture	737.494	483.598	265.098
Farming and Stockbreeding	598.838	409.267	219.759
Forestry	58.509	17190	12.235
Fishery	80.147	57141	33.104
Manufacturing	51.675.116	16.791.642	10.875.538
Mining and Quarrying	1.119.507	168.214	123.102
Production	36.922.135	15.951.262	9.213.833
Electricity, Gas and Water	13.633.474	672.166	1.538.603
Construction	21.403.938	8.013.759	5.785.284
Services	64.237.760	25.302.093	16.740.457
Wholesale and Retail Trade	30.993.861	16.900.181	9.661.034
Accommodation and Dining	17.500.376	1.711.238	2.307.517
Transportation and Telecommunication	5.688.451	1.118.456	997.258
Financial Institutions	36.928	429.446	335.443
Real Estate and Rental Services	8.730.043	2.281.242	2.068.465
Professional Services	251.718	68.517	59.952
Educational Services	363.970	449.451	441.850
Health and Social Services	672.413	2.343.562	868.938
Other	27.200.851	11.913.764	11.393.292
Total	165.255.159	62.504.856	45.059.669

⁽¹⁾ Income accruals amounting to TRY 16.056.063 are not included in the table.
⁽²⁾ Income accruals amounting to TRY 16.515.643 are not included in the table.
⁽³⁾ The provision for accruals of stage three loans amounting to TRY 7.925.878 and the provision for accruals of stage two loans amounting to TRY 1.197.484 are not included in the table.

Prior Period	Credits		
Major Sectors /Counterparties	Significant Increase in Credit Risk (Stage II) ⁽¹⁾	Credit – Impaired Losses (Stage III) ⁽²⁾	Expected Credit Loss (TFRS 9) ⁽³⁾
Agriculture	881.743	157.684	148.162
Farming and Stockbreeding	832.098	129.422	125.934
Forestry	27847	13.433	7.358
Fishery	21.798	14.829	14.870
Manufacturing	31.281.693	8.162.373	8.144.859
Mining and Quarrying	214.710	54.200	44.980
Production	20.987.232	7.521.890	5.010.473
Electricity, Gas and Water	10.079.751	586.283	3.089.406
Construction	14.155.520	4.050.202	4.986.308
Services	52.610.459	10.977.384	14.561.463
Wholesale and Retail Trade	18.544.010	6.784.596	5.144.616
Accommodation and Dining	19.841.824	1.172.337	3.556.999
Transportation and Telecommunication	3.529.623	500.070	572.481
Financial Institutions	35.233	375.979	298.252
Real Estate and Rental Services	8.050.357	1.509.563	4.200.980
Professional Services	209.012	46.359	47.241
Educational Services	235.882	411.252	429.435
Health and Social Services	2.164.518	177.228	311.459
Other	16.042.712	5.513.938	5.528.002
Total	114.972.127	28.861.581	33.368.794

⁽¹⁾ Income accruals amounting to TRY 8.186.573 are not included in the table.
⁽²⁾ Income accruals amounting to TRY 1.536.840 are not included in the table.
⁽³⁾ The provision for accruals of stage three loans amounting to TRY 1.528.473 and the provision for accruals of stage two loans amounting to TRY 1.568.723 are not included in the table.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK (continued)

Movements in value adjustments and loan loss provisions:

Current Period	Opening Balance	Provision for Period	Provision Reversals	Other Adjustments	Closing Balance
1. Stage III expected credit loss	18.418.592	24.652.555	(3.468.385)	-	39.602.762
2. Stage I and Stage II expected credit loss	24.342.488	9.038.612	(7.971.403)	-	25.409.697
Prior Period	Opening Balance	Provision for Period	Provision Reversals	Other Adjustments	Closing Balance
1. Stage III expected credit loss	15.128.761	6.498.295	(3.208.464)	-	18.418.592
2. Stage I and Stage II expected credit loss	33.380.766	527.454	(9.565.732)	-	24.342.488

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

II. EXPLANATIONS ON CREDIT RISK (continued)

The net value and type of collaterals of the loans amounting followed under loans and other receivables under close monitoring section is below.

	Net Value of Collateral
Collateral Types	Current Period ⁽¹⁾
Real estate mortgage	44.552.499
Salary pledge, vehicle pledge and pledge of commercial undertaking	3.961.117
CGF	855.142
Cheque / bills	1.002.116
Sureties	80.805.585
Other ⁽²⁾	34.078.700
Total	165.255.159

⁽¹⁾ Income accruals amounting TRY 16.056.063 are not included in the table.
⁽²⁾ Comprised of share certificates, blockage on receivables, uncollateralized etc.

	Net Value of Collateral
Collateral Types	Prior Period ⁽¹⁾
Real estate mortgage	29.771.840
Salary pledge, vehicle pledge and pledge of commercial undertaking	2.805.748
CGF	1.218.857
Cheque / bills	623.474
Sureties	59.510.571
Other ⁽²⁾	21.041.637
Total	114.972.127

⁽¹⁾ Income accruals amounting TRY 8.186.573 are not included in the table.
⁽²⁾ Comprised of share certificates, blockage on receivables, uncollateralized etc.

The net value and type of collaterals belongs to loans followed under non-performing loans section is below.

	Net Value of Collateral
Collateral Types	Current Period ⁽²⁾
Cash	26.888
Mortgage	22.567.979
Pledge	865.909
Cheque / bills	62.381
Sureties	24.840.425
Other ⁽¹⁾	14.141.274
Total	62.504.856

⁽¹⁾ Income accruals amounting to TRY 16.515.643 are not included in the table.
⁽²⁾ Comprised of share certificates, blockage on receivables, uncollateralized etc.

	Net Value of Collateral
Collateral Types	Prior Period ⁽²⁾
Cash	25.997
Mortgage	9.204.742
Pledge	323.295
Cheque / bills	108.086
Sureties	12.142.891
Other ⁽¹⁾	7.056.570
Total	28.861.581

⁽¹⁾ Income accruals amounting to TRY 1.536.840 are not included in the table.
⁽²⁾ Comprised of share certificates, blockage on receivables, uncollateralized etc.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

III. EXPLANATIONS ON CURRENCY RISK

Foreign currency risk indicates the probability of loss that banks are subject to due to the exchange rate movements in the market. While calculating the share capital requirement, all foreign currency assets, liabilities and forward transactions of the Bank are taken into consideration. Net short term and long term positions of each currency are calculated in terms of the Turkish Lira.

In accordance with “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”, the foreign currency position risk of the Bank is measured by “standard method” and is calculated daily and is reported monthly. In addition to the standard method, foreign currency risk is also calculated by using internal methods and the value at risk (VaR) calculated in this way is reported to the senior management. In addition, the value at risk limit determined by the Bank’s Board of Directors for the value at risk, including the currency risk, is monitored daily and reported to the senior management. As a foreign currency risk management policy, the Bank is not exposed to currency risk to a significant extent and positions related to currency risk are balanced with derivative transactions made when deemed necessary.

Current foreign exchange buying rates announced by the Bank as of the financial statement date and the last 5 business days before that and foreign exchange buying rates of the Bank for the thirty days before the financial statement date are as follows:

	USD	EUR	CHF	GBP	JPY
Balance sheet valuation rate:	42,8550000	50,3032000	53,9980000	57,5278000	0,2723250
Before the balance sheet date;					
Current foreign exchange buying rate on the 1st business day	42,8747000	50,4142000	54,1595000	57,7127000	0,2734786
Current foreign exchange buying rate on the 2nd business day	42,8648000	50,5097000	54,2396000	57,7892000	0,2737833
Current foreign exchange buying rate on the 3rd business day	42,7675000	50,4165000	54,1543000	57,7050000	0,2727163
Current foreign exchange buying rate on the 4th business day	42,7797000	50,4137000	54,2385000	57,7663000	0,2736693
Current foreign exchange buying rate on the 5th business day	42,7398000	50,3582000	54,1432000	57,6378000	0,2732825
Last 30 days arithmetic average:	42,6152696	49,9426739	53,4564261	57,0072435	0,2726003

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

III. EXPLANATIONS ON CURRENCY RISK (continued)

Information related to currency risk:

Current Period	EUR	USD	OTHER FC	TOTAL
Assets				
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious metals) and balances with the CBRT	152.753.309	176.713.393	120.192.644	449.659.346
Banks	14.928.496	6.402.549	2.787.914	24.118.959
Financial assets at fair value through profit and loss	124.455	129.247	102.900.538	103.154.240
Money market placements	-	-	-	-
Financial assets at fair value through other comp. income	13.284.724	134.096.423	-	147.381.147
Loans	383.190.586	189.634.112	7.510.624	580.335.322
Subsidiaries, associates and joint ventures	4.146.393	-	30.326.483	34.472.876
Financial assets measured at amortised cost	361.092	98.752.409	-	99.113.501
Derivative financial assets held for risk management	-	-	-	-
Tangible assets	-	2.766	67.641	70.407
Intangible assets	-	-	-	-
Other assets ⁽²⁾	2.284.967	1.638.201	2.054.132	5.977.300
Total assets	571.074.022	607.369.100	265.839.976	1.444.283.098
Liabilities				
Bank deposits	228.474.234	55.492.664	1.318.710	285.285.608
Foreign currency deposits	375.159.732	315.136.512	295.380.637	985.676.881
Money market funds	15.854.971	93.150.855	-	109.005.826
Funds provided from other financial institutions	12.744.764	81.315.426	-	94.060.190
Securities issued	-	-	-	-
Miscellaneous payables	3.905.189	4.201.342	2.025.441	10.131.972
Derivative financial liabilities held for risk management	-	-	-	-
Other liabilities ⁽²⁾	1.509.983	44.605.145	718.213	46.833.341
Total liabilities	637.648.873	593.901.944	299.443.001	1.530.993.818
Net balance sheet position	(66.574.851)	13.467.156	(33.603.025)	(86.710.720)
Net off-balance sheet position	51.171.780	(11.206.708)	69.102.918	109.067.990
Financial derivative assets ⁽³⁾⁽⁴⁾	76.774.507	92.512.894	74.936.006	244.223.407
Financial derivative liabilities ⁽³⁾⁽⁴⁾	25.602.727	103.719.602	5.833.088	135.155.417
Non-cash loans ⁽¹⁾	189.745.564	172.682.819	26.574.073	389.002.456
Prior period				
Total assets	365.825.331	362.385.542	142.461.355	870.672.228
Total liabilities	414.641.987	359.499.847	119.079.286	893.221.120
Net balance sheet position	(48.816.656)	2.885.695	23.382.069	(22.548.892)
Net off-balance sheet position	33.651.130	(5.359.461)	11.451.083	39.742.752
Financial derivative assets	40.077.381	31.284.613	18.303.523	89.665.517
Financial derivative liabilities	6.426.251	36.644.074	6.852.440	49.922.765
Non-cash loans ⁽¹⁾	118.772.160	113.303.328	16.244.246	248.319.734

⁽¹⁾ Non-cash loans are not included in the off-balance sheet position items.
⁽²⁾ In accordance with the principles of the "Regulation on Measurement and Practices of Banks' Net Overall FC Position / Shareholders' Equity Ratio on a Consolidated and Unconsolidated Basis", Foreign currency derivative financial instruments foreign currency income discounts, equity and derivative financial instruments foreign currency expense discounts in liabilities are not taken into consideration in the currency risk measurement.
⁽³⁾ Financial derivative assets include forward precious metal purchase transactions amounted to TRY 5.471.777. Financial derivative liabilities include forward precious metal sale transactions amounted to TRY 372.560. Besides, derivative transactions under forward foreign currency purchase and sale commitments are included.
⁽⁴⁾ In accordance with the provisions of the "Regulation on the Calculation and Application of the Standard Foreign Currency Net General Position/ Equity Ratio by Banks on a Consolidated and Unconsolidated Basis", money options are included in the calculation of exchange rate risk with delta equivalents.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

III. EXPLANATIONS ON CURRENCY RISK (continued)

Exposure to currency risk

10% depreciation of the TRY against US Dollar and EUR as at and for the period ended 31 December 2025 and 31 December 2024 would have effect on equity and profit or loss (without tax effects) by the amounts shown below.

This analysis assumes that all other variables, in particular interest rates, remain constant.

	Current Period		Prior Period	
	Profit or loss	Equity ^(*)	Profit or loss	Equity ^(*)
USD	225.768	552.741	(247.653)	(181.692)
EUR	(1.540.307)	(1.487.994)	(1.167.587)	(1.155.799)
Other Currencies	3.543.225	3.580.972	2.915.017	2.915.017
Total (Net) ^(**)	2.228.686	2.645.719	1.499.777	1.577.526

^(*) Equity effect also includes profit or loss effect of 10% devaluation of TRY against related currencies.
^(**) Associates, subsidiaries and jointly controlled entities have been included in statement of profit or loss impact calculation, but not in the equity impact calculation. The amounts of tangible and intangible fixed assets are not included in the equity and statement of profit or loss impact calculations.

10% appreciation of the TRY against US Dollar and EUR as at and for the period ended 31 December 2025 and 31 December 2024 would have effect on equity and profit or loss (without tax effects) by the amounts shown below.

	Current Period		Prior Period	
	Profit or loss	Equity ^(*)	Profit or loss	Equity ^(*)
USD	(225.768)	(552.741)	247.653	181.692
EUR	1.540.307	1.487.994	1.167.587	1.155.799
Other Currencies	(3.543.225)	(3.580.972)	(2.915.017)	(2.915.017)
Total (Net) ^(**)	(2.228.686)	(2.645.719)	(1.499.777)	(1.577.526)

^(*) Equity effect also includes profit or loss effect of 10% revaluation of TRY against related currencies.
^(**) Associates, subsidiaries and jointly controlled entities have been included in statement of profit or loss impact calculation, but not in the equity impact calculation. The amounts of tangible and intangible fixed assets are not included in the equity and statement of profit or loss impact calculations.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

IV. EXPLANATIONS ON INTEREST RATE RISK

Loss that may arise due to asset-liability and interest-sensitive assets mismatches based on the repricing (interest rate change) periods of the off-balance sheet positions represent the interest rate risk. Among the positions subject to these risks, those evaluated in trading accounts are taken into account in market risk, while positions in banking books are subject to interest rate risk calculations arising from banking books.

The Bank’s interest rate risks are monitored with internal limits determined within the scope of the “Policies for the Management of Interest Rate Risk” which is approved by the Board of Directors. Interest rate risks are measured on a daily basis primarily through risk weighted asset and economic value change measurements, sensitivity, duration and gap analyses. Measurement results are daily reported to the Bank’s Top Management and related business units.

1. Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on re-pricing dates):

Current Period	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and over	Non-bearing interest	Total
Assets							
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious metals) and balances with the CBRT	254.967.289	-	-	-	-	592.632.144	847.599.433
Banks	22.194.196	2.263.644	503.032	-	-	19.296.595	44.257.467
Financial assets at fair value through profit and loss	229.193	62.040.141	42.331.682	43	-	8.151.504	112.752.563
Money market placements	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	36.255.370	27.851.268	93.710.720	66.039.090	54.427.403	1.874.787	280.158.638
Loans	902.176.501	330.443.358	270.562.865	253.548.938	72.669.700	164.629.307	1.994.030.669
Financial assets measured at amortised cost	189.212.358	88.793.964	112.455.507	195.829.314	207.643.705	-	793.934.848
Other assets ⁽¹⁾⁽⁴⁾	3.237.302	69.500	309.396	553.676	59.193	215.818.472	220.047.539
Total assets	1.408.272.209	511.461.875	519.873.202	515.971.061	334.800.001	1.002.402.809	4.292.781.157
Liabilities							
Bank deposits	218.815.657	20.291.364	1.129.894	-	-	241.865.064	482.101.979
Other deposits	1.578.534.580	581.094.869	50.565.549	471.871	-	794.350.331	3.005.017.200
Money market funds	188.359.073	37.847.751	-	-	-	278.410	226.485.234
Miscellaneous payables	8.980.342	-	-	-	-	81.674.612	90.654.954
Securities issued	-	-	-	-	-	-	-
Funds provided from other financial institutions ⁽³⁾	21.050.865	53.227.541	17.330.897	2.543.991	-	579.272	94.732.566
Other liabilities ⁽²⁾	1.000.000	30.926.697	59.357.183	-	-	302.505.344	393.789.224
Total liabilities	2.016.740.517	723.388.222	128.383.523	3.015.862	-	1.421.253.033	4.292.781.157
Balance sheet long position	-	-	391.489.679	512.955.199	334.800.001	-	1.239.244.879
Balance sheet short position	(608.468.308)	(211.926.347)	-	-	-	(418.850.224)	(1.239.244.879)
Off-balance sheet long position	165.717.277	57.704.611	29.372.810	14.324.404	-	-	267.119.102
Off-balance sheet short position	(165.648.811)	(60.173.994)	(29.694.740)	(13.989.657)	-	-	(269.507.202)
Total position	(608.399.842)	(214.395.730)	391.167.749	513.289.946	334.800.001	(418.850.224)	(2.388.100)

⁽¹⁾ TRY 19.030.358 of net deferred tax assets is disclosed under the non-bearing interest column in other assets.
⁽²⁾ Shareholders’ equity balance is disclosed under the non-bearing interest column in other liabilities line.
⁽³⁾ Funds provided from other financial institutions include borrowings.
⁽⁴⁾ Asset accounts that comprises the balance sheet such as tangible and intangible assets, associates and subsidiaries, stock of goods, prepaid expenses, which are needed to continue banking activities and do not have the possibility of turning into cash in a short time and expected credit losses are shown in the non-bearing interest column of the Other Assets line.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

IV. EXPLANATIONS ON INTEREST RATE RISK (continued)

1. Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on re-pricing dates): (continued)

Prior Period	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and over	Non-bearing interest	Total
Assets							
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious metals) and balances with the CBRT	233.900.559	-	-	-	-	389.216.351	623.116.910
Banks	12.356.696	-	-	-	-	14.613.718	26.970.414
Financial assets at fair value through profit and loss	245.087	3.897.457	11.757.862	40.928.144	20	766.515	57.595.085
Money market placements	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	38.196.453	19.583.797	47.973.324	30.963.380	25.356.903	1.369.836	163.443.693
Loans	459.954.294	249.031.276	255.517.060	321.874.672	81.796.732	93.521.792	1.461.695.826
Financial assets measured at amortised cost	163.290.253	46.574.574	91.333.679	77.245.449	182.941.809	-	561.385.764
Other assets ⁽¹⁾⁽⁴⁾	6.147.038	53.290	255.982	620.438	75.805	120.859.479	128.012.032
Total assets	914.090.380	319.140.394	406.837.907	471.632.083	290.171.269	620.347.691	3.022.219.724
Liabilities							
Bank deposits	100.580.272	15.109.465	1.989.772	-	-	164.200.161	281.879.670
Other deposits	1.031.472.770	476.090.399	104.142.270	640.971	-	487.528.304	2.099.874.714
Money market funds	230.013.651	16.477.946	21.107	-	-	474.023	246.986.727
Miscellaneous payables	4.499.440	-	-	-	-	59.205.437	63.704.877
Securities issued	1.628.188	3.021.293	-	-	-	-	4.649.481
Funds provided from other financial institutions ⁽³⁾	21.710.007	21.725.509	4.294.057	2.943.761	-	2.341.811	53.015.145
Other liabilities ⁽²⁾	1.000.000	30.928.795	16.000.000	-	-	224.180.315	272.109.110
Total liabilities	1.390.904.328	563.353.407	126.447.206	3.584.732	-	937.930.051	3.022.219.724
Balance sheet long position	-	-	280.390.701	468.047.351	290.171.269	-	1.038.609.321
Balance sheet short position	(476.813.948)	(244.213.013)	-	-	-	(317.582.360)	(1.038.609.321)
Off-balance sheet long position	51.205.520	38.697.674	42.502.786	17.493.729	8.924.712	-	158.824.421
Off-balance sheet short position	(52.119.425)	(40.543.359)	(42.481.523)	(17.493.657)	(8.924.712)	-	(161.562.676)
Total position	(477.727.853)	(246.058.698)	280.411.964	468.047.423	290.171.269	(317.582.360)	(2.738.255)

⁽¹⁾ TRY 23.587.810 of net deferred tax assets is disclosed under the non-bearing interest column in other assets.
⁽²⁾ Shareholders’ equity balance is disclosed under the non-bearing interest column in other liabilities line.
⁽³⁾ Funds provided from other financial institutions include borrowings.
⁽⁴⁾ Asset accounts that comprises the balance sheet such as tangible and intangible assets, associates and subsidiaries, stock of goods, prepaid expenses, which are needed to continue banking activities and do not have the possibility of turning into cash in a short time and expected credit losses are shown in the non-bearing interest column of the Other Assets line.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

IV. EXPLANATIONS ON INTEREST RATE RISK (continued)

2. Average interest rates applied to the monetary financial instruments (%):

Current Period	EUR	USD	JPY	TRY
Assets				
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased) and balances with the CBRT	-	1,76	-	20,77
Banks ⁽¹⁾	3,15	3,90	-	36,71
Financial assets at fair value through profit and loss	3,86	4,65	-	36,27
Money market placements	-	-	-	-
Financial assets at fair value through other comprehensive income	5,00	6,12	-	36,05
Loans ⁽²⁾	6,60	8,07	-	43,26
Financial assets measured at amortised cost	4,31	5,76	-	36,50
Liabilities				
Bank deposits ⁽⁴⁾	0,36	2,34	-	37,09
Other deposits ⁽⁴⁾	0,77	1,54	-	34,02
Money market funds	3,87	3,99	-	45,09
Miscellaneous payables ⁽³⁾	-	-	-	5,00
Securities issued ⁽⁵⁾	-	4,59	-	54,21
Funds provided from other financial institutions	4,18	6,22	-	37,50

⁽¹⁾ Interest rates are calculated using weighted average method for placements as of the balance sheet date.
⁽²⁾ Interest rates for loans given as of the balance sheet date are calculated by using client based weighted average interests.
⁽³⁾ Equals to 12-month TRY deposit base interest rate announced as of 31 December 2025.
⁽⁴⁾ Demand deposit amounts are considered in the average interest rate calculation.
⁽⁵⁾ Subordinated debt instruments are presented under securities issued.

Prior Period	EUR	USD	JPY	TRY
Assets				
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased) and balances with the CBRT	-	-	-	22,89
Banks ⁽¹⁾	3,75	-	-	46,91
Financial assets at fair value through profit and loss	-	4,62	-	30,05
Money market placements	-	-	-	-
Financial assets at fair value through other comprehensive income	4,80	6,90	-	39,18
Loans ⁽²⁾	6,54	8,89	-	43,44
Financial assets measured at amortised cost	-	5,71	-	38,99
Liabilities				
Bank deposits ⁽⁴⁾	0,20	5,88	-	48,72
Other deposits ⁽⁴⁾	0,69	1,62	-	40,82
Money market funds	3,37	4,36	-	48,66
Miscellaneous payables ⁽³⁾	-	-	-	5,00
Securities issued ⁽⁵⁾	-	-	-	53,19
Funds provided from other financial institutions	3,91	5,50	-	48,79

⁽¹⁾ Interest rates are calculated using weighted average method for placements as of the balance sheet date.
⁽²⁾ Interest rates for loans given as of the balance sheet date are calculated by using client based weighted average interests.
⁽³⁾ Equals to 12-month TRY deposit base interest rate announced as of 31 December 2024.
⁽⁴⁾ Demand deposit amounts are considered in the average interest rate calculation.
⁽⁵⁾ Subordinated debt instruments are presented under securities issued.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

IV. EXPLANATIONS ON INTEREST RATE RISK (continued)

3. The interest rate risk of the banking book items:

In accordance with the "Regulation on the Measurement and Assessment of Interest Rate Risk Arising from Banking Books (IRRBB) Using the Standardized Approach," published in the Official Gazette dated 12 May 2025 and numbered 32898, the measurement based on the Change in Economic Value of Equity (CEVE) calculation method is performed on a solo basis, and is calculated and reported monthly as of 1 October 2025.

Interest Rate Risk Arising from Banking Book Accounts (IRRBB) is defined as the adverse impact of changes in market interest rates on the bank's economic value or net interest income, resulting from inconsistencies between the repricing periods and maturities of on- and off-balance sheet items in the banking book, as well as from the optionality embedded in such items.

Interest rate risk is managed through specific risk metrics, taking both the market conditions as well as the Bank's processes and organizational structure into account. The management of Interest Rate Risk in the Banking Book (IRRBB) encompasses processes for the regular monitoring of its impact on economic value and net interest income, in line with the Bank's risk appetite framework that establishes certain limits. Both the Bank's interest rate risk appetite and trigger levels are governed by limits that are based on the CEVE and NII ratios.

The IRRBB ratio is monitored through scenario analyses on a weekly basis. Furthermore, a variety of stress test scenarios are analyzed and reported through the monthly interest rate risk assessment report. These related analysis reports as well as the IRRBB ratio are submitted on a daily/weekly/monthly basis to Senior Management, and on a quarterly basis, to the Audit Committee and the Board of Directors.

Strategies to mitigate Interest rate risk are formulated through action proposals that are related to balance sheet management, also taking both foreign exchange rates as well as yield curves into account. Risks can be managed through both strategies aimed at addressing interest rate and maturity mismatches, as well as through the use of off-balance sheet derivative instruments.

To ensure the monitoring of interest rate risk and compliance with the established limits, a calculation and reporting system supported by information systems is in place.

To measure sensitivity to IRRBB, duration, gap, and sensitivity analyses are performed. In calculating the CEVE risk amount, scenarios applied to the yield curve include parallel upward and parallel downward shifts, short-term upward and short-term downward shocks, as well as steepening and flattening scenarios.

In net interest income analyses, changes in the Bank's net interest income over a one-year horizon are generally assessed within the framework of specified parallel interest rate shocks. This way, both static and dynamic simulation studies are conducted under the net interest income framework, and potential changes in the Bank's net interest income over a minimum one-year period are calculated.

To allocate demand deposits across maturities, the bank uses an internal model. Rates that are related to early loan repayments and early term deposit withdrawals are applied in accordance with the regulations specified in the BRSA Communiqué.

If the interest rate risk profile approaches the Bank's risk appetite level more than originally anticipated, early warning signal signs are exceeded, or if there is a significant increase in concentration of certain risk factors, the Bank may need to take certain actions to mitigate the interest rate risk and hedging strategies may be implemented through derivative transactions.

The CEVE risk amount is calculated in accordance with the Interest Rate Risk Management Regulation for Banking Accounts published by the BDDK on 12 May 2025. In relation to the CEVE risk amount, work is in progress to include margins related to interest rates in the cash flows used in the calculation.

The average repricing period for demand deposits is determined according to Bank's core demand deposit model.

Rates related to early loan repayments and early term deposit terminations have been applied in accordance with the BRSA Communiqué.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

IV. EXPLANATIONS ON INTEREST RATE RISK (continued)

3. The interest rate risk of the banking book items (continued):

In net interest income analyses, under static simulations, the net interest income change over a one-year horizon is analyzed by calculating interest income and expense under shocks on the repricing principal/nominal amounts of on- and off-balance sheet items, taking the remaining maturities to repricing of the Bank’s existing positions into account. In the dynamic simulation approach, more detailed assumptions are developed regarding expected market changes and the future level of interest rates over a specific period. Thereby, in the current analyses, moving balance sheet assumptions can be applied together with market forward rates, whether shocked or unshocked.

As stated in the Regulation on the Measurement and Assessment of Interest Rate Risk Arising from Banking Book Accounts (IRRBB) Using the Standard Approach, all asset items tracked in the banking book-excluding deductions from core capital, tangible fixed assets, intangible fixed assets, and equity investments-whose share exceeds 5% of total assets, as well as all liability items outside core capital whose share exceeds 5% of total liabilities, are reported by currency, specifically in TRY, USD, EUR, and XAU. For each currency, the shock rates assigned to it as specified in the Regulation have been applied. Interest rate correlations between different currencies have not been included, as they would reduce the reported risk amount and would not comply with the prudence principle.

	Current Period
	CEVE ⁽¹⁾
Parallel Up (-)	16.760.553
Parallel Down (+)	(18.373.744)
Steepener (-)	(5.779.515)
Flattener (+)	8.479.580
Short-Term Up (-)	11.087.852
Short-Term Down (+)	(10.581.583)
Maximum	16.760.553
Tier I Capital	269.487.023

⁽¹⁾ The amounts presented in the table above have been converted into TRY equivalents based on the currencies and interest-related commodities specified in Article 5, paragraph 2(a) of the Regulation on the Measurement and Assessment of Interest Rate Risk Arising from Banking Book Accounts Using the Standard Approach.

In calculating the CEVE risk amount, the TLREF yield curve was used for TRY, SOFR for USD and ESTR for EUR. Among the various shock scenarios provided in the Regulation, the upward interest rate shock scenario producing the worst outcome is reported in the calculation of the interest rate risk ratio.

The sensitivity of IRRBB is 6,22%, resulting from the loss amount under the Parallel Upward scenario divided by the Bank’s Core Capital, which is below the regulatory limit of 15%.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

V. EXPLANATIONS ON POSITION RISK OF SHARES

Information about position risk of shares:

Current Period	Comparison			
Equities	Carrying Value	Fair Value	Market Value	Capital Requirements
Investment in Shares-Grade A	48.329.544	11.423.039	11.423.039	3.866.364
Quoted Securities ⁽¹⁾	48.329.544	11.423.039	11.423.039	3.866.364
Investment in Shares-Grade B	-	-	-	-
Quoted Securities	-	-	-	-
Investment in Shares-Grade C	-	-	-	-
Quoted Securities	-	-	-	-
Investment in Shares-Grade D	-	-	-	-
Other	57.931.416	-	-	5.162.134

Prior Period	Comparison			
Equities	Carrying Value	Fair Value	Market Value	Capital Requirements
Investment in Shares-Grade A	26.985.571	7.017.761	7.017.761	2.158.846
Quoted Securities ⁽¹⁾	26.985.571	7.017.761	7.017.761	2.158.846
Investment in Shares-Grade B	-	-	-	-
Quoted Securities	-	-	-	-
Investment in Shares-Grade C	-	-	-	-
Quoted Securities	-	-	-	-
Investment in Shares-Grade D	-	-	-	-
Other	31.075.969	-	-	2.855.154

⁽¹⁾ The Bank’s subsidiary Halk Gayrimenkul Yatırım Ortaklığı AŞ was privatized by a public offering on 22 February 2013 and the shares are traded on the Borsa İstanbul AŞ.

Realized gains/losses, revaluation surpluses and unrealized gains/losses on equity securities and results included in Common Equity and Tier II Capital:

Portfolio	Realized gains/ losses in the current period	Revaluation Increases		Unrealized gains and losses		
		Total	Included To Total Core Capital(2)	Total	Included To Total Core Capital	Included to Supplementary Capital
1. Private equity investments	-	-	-	-	-	-
2. Share certificates quoted on a stock exchange ⁽¹⁾	-	46.178.462	46.178.462	-	-	-
3. Other share certificates	-	22.542.928	22.542.928	-	-	-
Total	-	68.721.390	68.721.390	-	-	-

⁽¹⁾ The Bank’s subsidiary Halk Gayrimenkul Yatırım Ortaklığı AŞ was privatized by a public offering on 22 February 2013 and the shares are traded on the Borsa İstanbul AŞ.

⁽²⁾ Represents the amounts after valuation using the equity method for subsidiaries and financial associates.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO

The liquidity risk occurs when there is insufficient cash or cash inflows to meet the cash outflows fully and timely. Liquidity risk may also occur when the market penetration is not adequate, when the open position cannot be closed immediately at the suitable prices in sufficient amounts due to barriers and break-ups in the markets.

The liquidity risks of the Bank are managed within the framework of risk and transaction limits approved by the Board of Directors, and the written duties and responsibilities of the units related to liquidity risk management is established. Although the Board of Directors is primarily responsible for managing liquidity risk, committees have been established to ensure the efficient function. The committees responsible for managing liquidity risk are the Asset-Liability Committee (ALCO) and the Liquidity Risk Committee.

The desired level of risk that the bank intends to assume with regard to liquidity risk is determined within the Risk Appetite Framework Directive approved by the Bank's Board of Directors. Within the scope of the risk appetite framework, the level of risk capacity, risk appetite, and trigger levels have been determined on both consolidated and non-consolidated bases.

Regarding treasury transactions; maturity and amount limits are determined for TRY and FC transactions made in the interbank over-the-counter market, and limits are set on the maximum foreign currency position, forward and swap transactions that can be carried.

Liquidity risk analyzes are conducted on a daily/weekly/monthly basis and shared with the Bank's top management and related departments. Periodical stress tests are performed in line with the Bank's liquidity management policies.

The Bank has determined a high-quality liquid asset stock as a liquidity buffer for managing liquidity risk. Extending the maturity structure of the time deposits, which constitute a significant source of funds for the Bank, developing new products to encourage savings, and maintaining the core deposit level are adopted as strategic objectives to reduce liquidity risk. Limits and principles regarding the issuance of bonds and bills in TRY have been determined to provide long-term funding other than deposits as part of extending the maturity structure of liabilities. In line with the Bank's needs, new borrowing opportunities are utilized, and within this framework, price/cost movements in international capital markets are closely monitored, and alternative sources of funding are evaluated when conditions are favorable.

The Bank aims to obtain its funding sources from the longest-term and most stable sources possible, taking into account legal and internal limits as well as cost factors. In this context, concentration ratios such as the share of retail funding sources in total sources, the share of high-value deposits in total deposits, and the share of money market funds in bank borrowings and market volumes are monitored daily within the framework of the Liquidity Early Warning System.

Short-term or daily foreign currency liquidity needs can be met through swap transactions, and sufficient liquidity is kept with correspondent banks for effective management of repayments. Adequate liquidity buffer is maintained by the Bank to meet its intraday liquidity and short-term liquidity needs. In general context, liquidity management is managed within the limits defined by the market makers for the Bank and the limit structures defined by the Bank on the basis of counterparty and transaction type.

The reduction of liquidity risk is provided by effective collateral management structure. Upper borrowing limits are determined under certain criteria and balance sheet size related to the domestic organized markets (CBRT, BIST and Takasbank) by the relevant authorities. Existing limits available to use are continuously monitored, through the Bank's projected and instant liquidity needs under the condition that depositing and/or withdrawing additional collateral.

The Risk Management Department conducts routine and periodic stress tests based on rapid deposit outflows, defaults on cash and non-cash loans, liquidity outflows with significant loan expansions that may affect the Bank's liquidity such as pandemics and natural disasters, potential losses in the Bank's securities portfolio, FC outflows, scenarios related to the obligations of subsidiaries, and similar fundamental issues. Stress test scenarios that are for other all matters related to liquidity risk management are prepared in collaboration with relevant business units. Analysis of stress test scenarios is shared with the Bank's Top Management and relevant business units, and necessary actions are taken.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Systemic and bank specific metrics within the scope of "Liquidity Emergency Action Plan" (LEAP) approved by the Board of Directors and early warning indicators related to these metrics are monitored on a daily basis. Written actions, if required, to be taken as part of this plan are determined. In extent with LEAP, necessary actions and their priority for possible liquidity stress/crisis have been determined.

The Bank does not have any operational or legal restrictions on liquidity transfer to subsidiaries or foreign branches. Each of the consolidated subsidiaries manage their own liquidity risk and liquidity adequacy is ensured on a consolidated basis.

Liquidity Coverage Ratio:

According to the BRSA's "Regulation for Banks' Liquidity Coverage Ratio Calculations" published in the Official Gazette No. 28948 dated 21 March 2014, FC and TRY+FC liquidity coverage ratios are calculated by using high quality liquid assets divided by net cash outflows. Within this context, the Bank is required to have the ability to cover net cash outflows with high quality liquid assets and its related ratios should be in compliance with the legal limits. In accordance with the relevant Regulation, liquidity coverage ratio is calculated by taking the monthly simple arithmetic average on a consolidated basis and by taking the weekly simple arithmetic average on a non-consolidated basis.

During the fourth quarter of 2025, the increase in the Bank's securities portfolio led to a rise in total unrestricted securities, and consequently, total high-quality liquid assets on a TRY+FC basis increased. The increase in net cash outflows occurred as a result of the growth in deposit balances with a remaining maturity of 30 days or less. As the percentage growth in high-quality liquid assets on a TRY+FC basis remained lower than the increase in net cash outflows, a decline was recorded in the TRY+FC liquidity coverage ratio during the period. On the other hand, despite the increase in net foreign currency cash outflows, the rise in high-quality foreign currency liquid assets led to an improvement in the foreign currency liquidity coverage ratio during the fourth quarter. During the period, both the foreign currency and TRY+FC liquidity coverage ratios remained above the regulatory minimum limits.

High quality liquid assets are composed of 51,36% accounts held by the CBRT and the Central Banks of the foreign branches, 47,51% securities considered as high quality liquid assets and 1,13% cash and cash equivalents. The primary funding source for the Bank is deposit. Other important funding sources are money market funds, securities issued and borrowings.

Derivative transactions did not cause a net cash outflow that would negatively affect the liquidity position. However, there are periodical fluctuations in the foreign currency liquidity coverage ratio due to foreign currency swap transactions that have TRY side. The estimated cash outflows from derivative financial instruments and other liabilities calculated on the basis of the changes in fair value in the last 24 months are TRY 3.603.031.

The Bank's minimum and maximum FC and TRY+FC liquidity coverage ratios calculated based on last three months averages, and the realized weeks of these ratios in the current period are disclosed in the table below;

Liquidity Minimum-Maximum

Liquidity Coverage Ratio	FC		TRY+FC	
Current Period	Related Week	(%)	Related Week	(%)
Maximum	03.11.2025 - 09.11.2025	251,34	29.09.2025 - 05.10.2025	188,26
Minimum	13.10.2025 - 19.10.2025	206,71	01.12.2025 - 07.12.2025	169,58
Prior Period	Related Week	(%)	Related Week	(%)
Maximum	18.11.2024 - 24.11.2024	233,60	14.10.2024 - 20.10.2024	189,83
Minimum	30.09.2024 - 06.10.2024	190,91	02.12.2024 - 08.12.2024	176,05

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Liquidity Coverage Ratio:

	Total Unweighted Value (average) ⁽¹⁾		Total Weighted Value (average) ⁽¹⁾	
Current Period	TRY+FC	FC	TRY+FC	FC
High Quality Liquid Assets				
High Quality Liquid Assets			1.470.901.994	618.743.934
Cash Outflows				
Retail and Small Business Customers Deposits	1.570.111.256	604.376.544	142.286.409	60.437.654
Stable Deposits	294.494.327	-	14.724.716	-
Less Stable Deposits	1.275.616.929	604.376.544	127.561.693	60.437.654
Unsecured wholesale funding	1.577.299.124	592.531.353	759.057.648	256.324.718
Operational Deposits	315.990.231	209.933.354	78.997.556	52.483.339
Non-operational Deposits	1.164.555.433	353.391.766	611.899.976	175.047.279
Other Unsecured Funding	96.753.460	29.206.233	68.160.116	28.794.100
Secured Funding			-	-
Other cash outflows	32.826.104	3.723.809	27.881.279	3.714.504
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	4.327.899	3.708.301	4.327.899	3.708.301
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	28.498.205	15.508	23.553.380	6.203
Other revocable off-balance sheet commitments and Contractual Obligations	-	-	-	-
Other irrevocable or conditionally revocable off-balance sheet Obligations	1.608.293.203	395.133.339	114.392.018	29.538.254
Total Cash Outflows			1.043.617.354	350.015.130
Cash Inflows				
Secured Lending	-	-	-	-
Unsecured Lending	360.554.029	46.846.485	225.726.260	36.837.697
Other Cash Inflows	1.428.512	30.837.408	1.428.512	30.837.408
Total Cash Inflows	361.982.541	77.683.893	227.154.772	67.675.105
Total Adjusted Value				
Total HQLA Stock			1.470.901.994	618.743.934
Total Net Cash Outflows			816.462.582	282.340.025
Liquidity Coverage Ratio (%)			180,35%	220,09%

⁽¹⁾ Calculated by simple arithmetic average, weekly average calculated for the last three months of the values.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Liquidity Coverage Ratio: (continued)

	Total Unweighted Value (average) ⁽¹⁾		Total Weighted Value (average) ⁽¹⁾	
Prior Period	TRY+FC	FC	TRY+FC	FC
High Quality Liquid Assets				
High Quality Liquid Assets			1.005.499.079	343.448.464
Cash Outflows				
Retail and Small Business Customers Deposits	1.173.370.965	366.719.904	106.718.891	36.671.991
Stable Deposits	212.364.137	-	10.618.207	-
Less Stable Deposits	961.006.828	366.719.904	96.100.684	36.671.991
Unsecured wholesale funding	1.051.351.108	379.744.554	481.979.194	146.955.256
Operational Deposits	239.501.745	163.364.675	59.875.436	40.841.169
Non-operational Deposits	745.019.892	208.815.606	378.914.696	98.750.188
Other Unsecured Funding	66.829.471	7.564.273	43.189.062	7.363.899
Secured Funding			-	-
Other cash outflows	22.530.345	3.089.858	19.699.123	3.083.236
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	4.367.584	3.078.822	4.367.584	3.078.822
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	18.162.761	11.036	15.331.539	4.414
Other revocable off-balance sheet commitments and Contractual Obligations	-	-	-	-
Other irrevocable or conditionally revocable off-balance sheet Obligations	1.062.282.090	252.893.282	76.221.783	19.077.325
Total Cash Outflows			684.618.991	205.787.808
Cash Inflows				
Secured Lending	-	-	-	-
Unsecured Lending	221.827.382	25.502.425	134.924.663	21.480.612
Other Cash Inflows	181.353	19.799.828	181.353	19.799.828
Total Cash Inflows	222.008.735	45.302.253	135.106.016	41.280.440
Total Adjusted Value				
Total HQLA Stock			1.005.499.079	343.448.464
Total Net Cash Outflows			549.512.975	164.507.368
Liquidity Coverage Ratio (%)			183,17%	209,52%

⁽¹⁾ Calculated by simple arithmetic average, weekly average calculated for the last three months of the values.

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VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

1. Presentation of assets and liabilities according to their remaining maturities:

The Bank follows up and measures the consistency of payments comparing its assets and liabilities with the interest rates on a daily and transactional basis.

Current Period	Demand	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and over	Undistributed	Total
Assets								
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious metals) and balances with the CBRT	481.602.445	365.996.988	-	-	-	-	-	847.599.433
Banks	19.180.253	22.308.275	2.265.363	503.576	-	-	-	44.257.467
Financial assets at fair value through profit and loss	-	229.181	62.040.141	42.331.682	55	-	8.151.504	112.752.563
Money market placements	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	14.944.162	12.392.947	89.395.961	101.998.499	59.552.282	1.874.787	280.158.638
Loans ⁽⁴⁾	25.875.649	243.440.348	384.844.191	369.071.653	762.437.980	129.340.349	79.020.499	1.994.030.669
Financial assets measured at amortised cost	-	69.974.464	22.293.197	71.704.800	369.010.815	260.951.572	-	793.934.848
Other assets ⁽²⁾	-	1.928.084	448.084	906.706	938.481	7.712	215.818.472	220.047.539
Total assets	526.658.347	718.821.502	484.283.923	573.914.378	1.234.385.830	449.851.915	304.865.262	4.292.781.157
Liabilities								
Bank deposits	240.179.434	220.385.372	20.399.027	1.138.146	-	-	-	482.101.979
Other deposits	757.211.741	1.606.300.956	589.801.133	51.073.473	627.047	2.850	-	3.005.017.200
Funds provided from other financial institutions ⁽³⁾	-	6.867.353	8.655.860	32.244.651	39.746.653	7.218.049	-	94.732.566
Money market funds	-	188.571.375	11.731.446	-	26.182.413	-	-	226.485.234
Securities issued	-	-	-	-	-	-	-	-
Miscellaneous payables	161.710	54.209.948	1.293.083	5.516.732	16.062.030	18.430	13.393.021	90.654.954
Other liabilities ⁽¹⁾	-	40.901.968	2.646.816	1.524.146	66.945.072	32.843.050	248.928.172	393.789.224
Total liabilities	997.552.885	2.117.236.972	634.527.365	91.497.148	149.563.215	40.082.379	262.321.193	4.292.781.157
Liquidity Gap	(470.894.538)	(1.398.415.470)	(150.243.442)	482.417.230	1.084.822.615	409.769.536	42.544.069	-
Net off-Balance Sheet Position	-	68.466	(2.469.383)	(321.933)	334.750	-	-	(2.388.100)
Derivative Financial Assets	-	165.717.277	57.704.611	17.191.153	26.506.061	-	-	267.119.102
Derivative Financial Liabilities	-	(165.648.811)	(60.173.994)	(17.513.086)	(26.171.311)	-	-	(269.507.202)
Non-Cash Loans	412.992.020	25.703.171	87.014.329	380.019.483	220.019.246	48.747.266	-	1.174.495.515
Prior Period								
Total Assets	430.254.957	482.975.641	299.800.593	397.083.785	864.053.031	394.657.466	153.394.251	3.022.219.724
Total Liabilities	605.753.561	1.494.838.231	529.638.068	119.180.838	49.902.342	40.671.818	182.234.866	3.022.219.724
Liquidity Gap	(175.498.604)	(1.011.862.590)	(229.837.475)	277.902.947	814.150.689	353.985.648	(28.840.615)	-
Net off-Balance Sheet Position	-	(913.905)	(1.845.685)	21.263	72	-	-	(2.738.255)
Derivative Financial Assets	-	51.205.520	38.697.674	16.381.993	34.689.810	17.849.424	-	158.824.421
Derivative Financial Liabilities	-	(52.119.425)	(40.543.359)	(16.360.730)	(34.689.738)	(17.849.424)	-	(161.562.676)
Non-Cash Loans	267.336.759	21.645.694	70.804.442	259.266.798	140.866.498	40.552.553	-	800.472.744

⁽¹⁾ Shareholders' equity is disclosed in other liabilities line under the undistributed column.

⁽²⁾ Asset accounts that comprises the balance sheet such as tangible and intangible assets, associates and subsidiaries, stock of goods, prepaid expenses, which are needed to continue banking activities and do not have the possibility of turning into cash in a short time and expected credit losses are shown in the undistributed column of the Other Assets line.

⁽³⁾ Funds provided from other financial institutions include funds borrowed.

⁽⁴⁾ Non-performing loans is disclosed in under the undistributed column.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Analysis of non-derivative financial liabilities by remaining contractual maturities:

Current Period	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Adjustments ⁽¹⁾	Total
Liabilities							
Deposits	2.840.576.760	636.738.103	54.985.504	735.780	3.930	(45.920.898)	3.487.119.179
Funds provided from other financial intuitions	7.600.046	9.579.369	35.684.892	43.987.297	7.988.157	(10.107.195)	94.732.566
Money market borrowings	189.059.519	12.009.523	914.021	28.150.678	-	(3.648.507)	226.485.234
Securities issued	-	-	-	-	-	-	-
Funds	17.452	35.032	178.988	198.794	12.649	-	442.915
Subordinated Debt Instruments	27.959	3.853.175	21.054.716	155.124.660	69.894.240	(156.595.710)	93.359.040
Total	3.037.281.736	662.215.202	112.818.121	228.197.209	77.898.976	(216.272.310)	3.902.138.934
Prior Period							
Liabilities							
Deposits	1.782.012.476	531.834.296	120.257.438	959.828	3.351	(53.313.005)	2.381.754.384
Funds provided from other financial intuitions	19.607.353	5.076.995	5.484.612	22.545.701	7.514.994	(7.214.510)	53.015.145
Money market borrowings	230.698.987	13.157.755	241.530	4.407.777	-	(1.519.322)	246.986.727
Securities issued	1.846.578	3.549.489	-	-	-	(746.586)	4.649.481
Funds	50.232	70.834	317.377	447.400	41.244	-	927.087
Subordinated Debt Instruments	28.483	4.851.660	16.059.158	79.236.654	54.790.846	(104.782.497)	50.184.304
Total	2.034.244.109	558.541.029	142.360.115	107.597.360	62.350.435	(167.575.920)	2.737.517.128

⁽¹⁾ Adjustments column represents the difference between the total expected cash flows and the carrying values of non-derivative financial liabilities.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Analysis of Bank’s derivative financial instruments according to their remaining maturities:

Current Period ⁽¹⁾	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
Forwards Contracts- Buy	58.486.020	20.253.407	11.543.589	-	-	90.283.016
Forward Contracts – Sell	63.520.460	20.273.827	11.520.250	-	-	95.314.537
Swaps – Buy	75.500.961	36.621.302	4.024.256	2.142.750	-	118.289.269
Swaps – Sell	136.072.121	39.073.744	4.369.520	1.808.000	-	181.323.385
Credit Default Swap – Buy	-	-	-	-	-	-
Credit Default Swap – Sell	-	-	-	-	-	-
Forward Precious Metal - Buy	5.471.777	-	-	-	-	5.471.777
Forward Precious Metal - Sell	372.560	-	-	-	-	372.560
Money Buy Options	3.740.812	829.890	473.925	-	-	5,044.627
Money Sell Options	3.744.467	826.425	473.925	-	-	5,044.817
Swaps Interest – Buy	-	-	1.149.388	24.363.311	-	25.512.699
Swaps Interest – Sell	-	-	1.149.388	24.363.311	-	25.512.699
Futures – Buy	-	-	-	-	-	-
Futures – Sell	-	-	-	-	-	-
Swaps Precious Metal - Buy	60.570.760	-	-	-	-	60.570.760
Swaps Precious Metal - Sell	-	-	-	-	-	-
Total	407.479.938	117.878.595	34.704.241	52.677.372	-	612.740.146
Prior Period ⁽²⁾	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
Forwards Contracts- Buy	16.340.632	22.365.302	16.145.913	297.647	-	55.149.494
Forward Contracts – Sell	27.648.923	22.675.703	16.124.575	297.576	-	66.746.777
Swaps – Buy	22.825.507	17.564.928	-	-	-	40.390.435
Swaps – Sell	23.415.415	19.111.560	-	-	-	42.526.975
Credit Default Swap – Buy	-	-	-	-	-	-
Credit Default Swap – Sell	-	-	-	-	-	-
Forward Precious Metal - Buy	13.487.198	4.076	-	-	-	13.491.274
Forward Precious Metal - Sell	2.489.945	-	-	-	-	2.489.945
Money Buy Options	118.892	-	236.075	-	-	354.967
Money Sell Options	118.892	-	236.158	-	-	355.050
Swaps Interest – Buy	15.000	55.000	-	34.392.161	17.849.425	52.311.586
Swaps Interest – Sell	15.000	55.000	-	34.392.161	17.849.425	52.311.586
Futures – Buy	-	-	-	-	-	-
Futures – Sell	-	-	-	-	-	-
Swaps Precious Metal - Buy	-	-	-	-	-	-
Swaps Precious Metal - Sell	-	-	-	-	-	-
Total	106.475.404	81.831.569	32.742.721	69.379.545	35.698.850	326.128.089

⁽¹⁾ Foreign exchange purchase and sale commitments of TRY 76.113.842 are included in the table.

⁽²⁾ Foreign exchange purchase and sale commitments of TRY 5.740.992 are included in the table.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Explanations on Net Stable Funding Ratio:

In accordance with the “Regulation on Calculation of Net Stable Funding Ratio of Banks” published by BRSA in the Official Gazette dated 26 May 2023 and numbered 32202, foreign currency (FC) and total (TRY+FC) NSFR ratios are calculated by dividing the available stable funding amount by the required stable funding amount. In this context, the Bank is required to cover the portion of equity and liabilities expected to be permanent with assets according to its liquidity capacity and to comply with the legal limits regarding the related ratios. In accordance with the relevant Regulation, the Net Stable Funding Ratio is calculated on a quarterly basis by taking the simple arithmetic average of monthly data over both consolidated and unconsolidated bases.

The Bank’s Net Stable Funding Ratio (NSFR) partial decrease from 139,46% to 139,09% on a solo basis between December 2024 and December 2025. It continued above the legal limit (100%). In the relevant period, considering the rates of consideration, deposits of individuals and retail customers constitute 58,28% of the available stable fund amount, while payables to other persons constitute 28,01% of the available stable fund amount. Performing Loans have the largest share in the Required Stable Fund amount, constituting 70,23%.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Net Stable Funding Ratio:

Current Period		a	b	c	ç	d
Unweighted Amount According to Residual Maturity						
		Demand ^(*)	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	Total Weighted Amount
Available stable funding						
1	Capital	244.261.091	-	-	55.084.965	299.346.056
2	Tier I and tier II capital	244.261.091	-	-	55.084.965	299.346.056
3	Other capital instruments	-	-	-	-	-
4	Deposits from natural persons and small business customers	482.637.521	1.051.188.496	19.653.542	3.194.974	1.416.155.907
5	Stable deposits /participation funds	104.925.679	196.642.179	680.730	727.969	287.827.729
6	Less stable deposits /participation funds	377.711.842	854.546.317	18.972.812	2.467.005	1.128.328.178
7	Wholesale funding	216.047.882	1.059.289.227	27.716.120	29.215.536	680.742.151
8	Operational deposits	44.262.084	124.431.555	-	-	84.346.820
9	Other wholesale funding	171.785.798	934.857.672	27.716.120	29.215.536	596.395.331
10	Liabilities with matching interdependent assets					
11	Other liabilities	379.373.217	348.141.842	6.615.464	30.572.900	33.880.632
12	Derivative liabilities			3.692.404		
13	All other equity and liabilities not included in the above categories	379.373.217	344.449.438	6.615.464	30.572.900	33.880.632
14	Available Stable Funding					2.430.124.746
Required stable funding						
15	High-quality liquid assets (HQLA)					135.771.785
16	Deposits held at credit institutions or financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities	33.872.428	45.705.021	432.461.001	1.313.071.774	1.226.991.556
18	Performing loans to credit institutions or financial institutions secured by Level 1 HQLA	7	-	-	-	1
19	Performing loans to credit institutions or financial institutions secured by non Level 1 HQLA and unsecured performing loans to credit institutions or financial institutions	17.076.587	12.045.885	1.683.559	8.685.854	13.896.005
20	Performing loans to non financial corporate clients, loans to natural person customers and small business customers, and loans to sovereigns, central banks and PSEs	15.425.005	27.920.086	353.203.430	1.134.679.743	1.101.621.330
21	Loans with a risk weight of less than or equal to 35%	-	-	-	305.653.562	198.674.815
22	Performing loans encumbered with residential mortgages	-	5.739.050	77.574.012	169.706.177	110.309.015
23	Loans with a risk weight of less than or equal to 35%	-	5.739.050	77.574.012	169.706.177	110.309.015
24	Exchange traded equities and securities that are not in default and do not qualify as HQLA	1.370.829	-	-	-	1.165.205
25	Assets with matching interdependent liabilities					
26	Other assets	297.776.508	-	-	3.804.298	301.580.720
27	Physical traded commodities, including gold	-				-
28	Assets posted as initial margin for derivative contracts or contributions to default funds of central counterparties			574		488
29	Derivative assets			3.434.484		3.434.484
30	Derivative liabilities before deduction of variation margin posted			369.240		369.240
31	All other assets not included in the above categories	297.776.508	-	-	-	297.776.508
32	Off-balance sheet items		1.657.166.351	-	-	82.858.318
33	Required Stable Fund					1.747.202.379
34	Net Stable Funding Ratio (%)					139,09%

(*) Items reported in the Non-maturity column do not have a specific maturity. These include, but are not limited to, equity items with no fixed maturity, demand deposits, short positions, positions with no fixed maturity, high quality illiquid equities and commodities with physical delivery.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Net Stable Funding Ratio: (contiuned)

Prior Period		a	b	c	ç	d
Unweighted Amount According to Residual Maturity						
		Demand ^(*)	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	Total Weighted Amount
Available stable funding						
1	Capital	160.517.492	-	-	31.453.714	191.971.206
2	Tier I and tier II capital	160.517.492	-	-	31.453.714	191.971.206
3	Other capital instruments	-	-	-	-	-
4	Deposits from natural persons and small business customers	284.566.953	859.410.674	17.856.373	3.820.136	1.060.281.892
5	Stable deposits /participation funds	71.290.044	151.274.138	777.284	521.934	212.670.230
6	Less stable deposits /participation funds	213.276.909	708.136.536	17.079.089	3.298.202	847.611.662
7	Wholesale funding	148.172.864	741.070.104	10.927.642	17.751.693	467.836.999
8	Operational deposits	27.901.886	82.913.746	1.053	-	55.408.343
9	Other wholesale funding	120.270.978	658.156.358	10.926.589	17.751.693	412.428.656
10	Liabilities with matching interdependent assets					
11	Other liabilities	275.429.038	222.396.661	1.807.074	16.190.382	17.093.919
12	Derivative liabilities			2.751.846		
13	All other equity and liabilities not included in the above categories	275.429.038	219.644.815	1.807.074	16.190.382	17.093.919
14	Available Stable Funding					1.737.184.016
Required stable funding						
15	High-quality liquid assets (HQLA)					60.691.217
16	Deposits held at credit institutions or financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities	23.460.034	49.382.715	306.006.963	1.086.732.478	989.095.087
18	Performing loans to credit institutions or financial institutions secured by Level 1 HQLA	7230	-	-	-	723
19	Performing loans to credit institutions or financial institutions secured by non Level 1 HQLA and unsecured performing loans to credit institutions or financial institutions	11.238.819	7.927.903	24.879.661	11.648.039	26.962.878
20	Performing loans to non financial corporate clients, loans to natural person customers and small business customers, and loans to sovereigns, central banks and PSEs	10.915.034	36.531.102	226.688.166	931.603.545	867.764.797
21	Loans with a risk weight of less than or equal to 35%	-	-	-	305.826.833	198.787.441
22	Performing loans encumbered with residential mortgages	-	4.923.710	54.439.136	143.480.894	93.262.581
23	Loans with a risk weight of less than or equal to 35%	-	4.923.710	54.439.136	143.480.894	93.262.581
24	Exchange traded equities and securities that are not in default and do not qualify as HQLA	1.298.951	-	-	-	1.104.108
25	Assets with matching interdependent liabilities					
26	Other assets	139.611.849	-	-	1.829.279	141.441.020
27	Physical traded commodities, including gold	-				-
28	Assets posted as initial margin for derivative contracts or contributions to default funds of central counterparties			721		613
29	Derivative assets			1.553.373		1.553.373
30	Derivative liabilities before deduction of variation margin posted			275.185		275.185
31	All other assets not included in the above categories	139.611.849	-	-	-	139.611.849
32	Off-balance sheet items		1.087.656.641	-	-	54.382.832
33	Required Stable Fund					1.245.610.156
34	Net Stable Funding Ratio (%)					139,46%

(*) Items reported in the Non-maturity column do not have a specific maturity. These include, but are not limited to, equity items with no fixed maturity, demand deposits, short positions, positions with no fixed maturity, high quality illiquid equities and commodities with physical delivery.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VII. EXPLANATIONS ON LEVERAGE RATIO

Leverage ratio calculated according to the article "Regulation Regarding the Measurement and Evaluation of Banks' Leverage Level" published in the Official Gazette No. 28812 dated 5 November 2013 is as follows.

	Current Period ⁽¹⁾	Prior Period ⁽¹⁾
On-Balance Sheet Assets		
1. On-balance sheet assets (excluding derivatives and sfts, but including collateral)	4.175.993.006	2.940.585.641
2. Assets that are deducted from core capital	(31.860.966)	(27.656.088)
3. Total on balance sheet exposures (sum of rows 1 and 2)	4.144.132.040	2.912.929.553
Derivative Exposures And Credit Derivatives		
4. Replacement cost associated with derivative financial instruments and credit derivatives	2.229.225	879.040
5. The potential amount of credit risk with derivative financial instruments and credit derivatives	3.991.547	2.153.176
6. The total amount of risk on derivative financial instruments and credit derivatives (sum of rows 4 and 5)	6.220.772	3.032.216
Investment Securities Or Commodity Collateral Financing Transactions		
7. The amount of risk investment securities or commodity collateral financing transactions (excluding on balance sheet assets)	(31.512.324)	9.261.656
8. Risk amount of exchange brokerage operations	-	-
9. Total risks related to securities or commodity financing transactions (sum of rows 7 and 8)	(31.512.324)	9.261.656
Off -Balance Sheet Items		
10. Gross notional amount of off-balance sheet items	1.694.366.685	1.097.410.432
11. (Adjustments for conversion to credit equivalent amounts)	(42.606.640)	(24.044.099)
12. The total risk of off-balance sheet items (sum of rows 10 and 11)	1.651.760.045	1.073.366.333
Capital And Total Exposures		
13. Tier 1 capital	244.261.091	160.517.492
14. Total exposures (sum of rows 3, 6, 9 and 12)	5.770.600.533	3.998.589.758
Leverage Ratio		
15.Leverage ratio	4,23%	4,01%

⁽¹⁾ The amounts in the table represent three-month averages.

The change in the leverage ratio in the current period is due to the increase in the total risk amount of on-balance sheet and off-balance sheet assets.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VIII. EXPLANATIONS ON BUSINESS SEGMENTATION

The Bank's operations are grouped under the commercial/corporate, integrated banking and treasury/investment banking categories.

Integrated branches primarily serve SMEs and individual customers.

The Bank is rendering services to a wide range of companies in all sectors, especially to Small and Medium Size Enterprises as well as individual consumers. In this context, the Bank has no restrictions on the area in which it operates.

The Bank categorizes its real and legal entities that it renders services into three groups as; firms, individual customers and other customers.

Firms are composed of traders and small-scale retailers having real and legal entity status. Within the Bank's application, firms are segmented as corporate firms, commercial firms, enterprising business firms, small size enterprises and small-scale retailers.

Individual customers are real persons without having any commercial or professional purposes other than their individual demands in the Bank's application.

Other customers are referred to as associations, organizations, trade unions, foundations, societies, building managements, parent-teacher associations and similar institutions that are not included in the afore-mentioned classification.

The following are the services provided by the Bank to all of its customers:

- Accepting deposits,
- Issuance of cash, noncash loans,
- All kinds of reimbursements and cash receipt operations, including cash and deposit reimbursements, fund transfers, correspondent banking transactions and use of checking accounts,
- Purchasing cheques and bank bills,
- Performing custody services,
- Issuing payment instruments such as; credit cards, cash cards and travel cheques, and performing related transactions,
- Including spot transactions, foreign exchange transactions, trading of money market securities, bullion trading and/or performing the related custody services,
- Trading of forward transaction agreements, option agreements and financial instruments with more than one derivative instrument and performing the related intermediary services based on the economic and financial indicators, capital markets instruments, commodities, precious metals and exchange rates,
- Assuming guarantee transactions such as; warranties and other liabilities in favor of others,
- Having intermediary transactions on Interbank money market transactions,
- Rendering insurance agency transactions and individual pension services,
- Acting as a market maker in trade operations in accordance with liabilities assumed within the context of the agreement organised by the Republic of Türkiye Ministry of Treasury and Finance and/or Central Bank and associations,
- Trading capital market instruments and performing repurchase and reverse repo transactions,
- Acting as an intermediary in the sale process of capital market instruments by means of issuing instruments or through a public offering,
- Trading the capital market instruments in the secondary market for the purpose of performing intermediary services,
- Acting as an operator in order to provide risk management systems related to technical support and consulting services,
- Providing technical support and consulting services to Bank's subsidiaries,
- Acting as a custodian in order to keep client's assets related to individual portfolio management of portfolio management companies,
- Acting as a portfolio management agency

Under the Treasury transactions, medium and long-term fund provision is performed through securities exchange, money market operations, spot and time TRY and foreign exchange transactions, derivative instruments such as; forwards, swaps, futures and options, syndication and securitization, etc.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VIII. EXPLANATIONS ON BUSINESS SEGMENTATION (continued)

Details of the segment information prepared in accordance with the Act on “Disclosure of Financial Statements of Banks and The Related Presentations and Notes” as of 31 December 2025 are presented in the table below.

	Commercial/ Corporate	Integrated	Treasury/ Investment	Total
Current Period				
1 January -31 December 2025				
OPERATING INCOME / EXPENSES				
Interest Income	116.263.421	408.935.958	376.755.192	901.954.571
Interest on Loans	116.206.036	408.668.659	20.281.895	545.156.590
Interest Income on Marketable Securities Portfolio	-	104.446	264.410.581	264.515.027
Interest on Banks	-	-	8.674.651	8.674.651
Other Interest Income	57.385	162.853	83.388.065	83.608.303
Interest Expense	258.017.419	415.223.584	138.942.032	812.183.035
Interest on Deposits	257.510.827	409.426.630	32.146.666	699.084.123
Interest on Funds Borrowed	81.698	512.040	15.823.587	16.417.325
Interest on Money Market Transactions	-	292.834	70.376.106	70.668.940
Interest on Securities Issued	-	-	17.870.137	17.870.137
Other Interest Expense	424.894	4.992.080	2.725.536	8.142.510
Net Interest Income	(141.753.998)	(6.287.626)	237.813.160	89.771.536
Net Fees and Commissions Income	15.009.839	39.477.681	5.823.981	60.311.501
Trading Income/Loss (Net)	168.527	10.801.106	(24.020.294)	(13.050.661)
Dividend Income	-	-	57.894	57.894
Other Operating Income	403.025	3.271.289	17.977.910	21.652.224
Expected Loss Provisions Expenses	1.464.290	18.647.397	15.033.221	35.144.908
Other Expenses	1.956.943	44.560.816	58.360.456	104.878.215
Income /(Loss) from Investments in Subsidiaries Consolidated Based on Equity Method	-	-	11.150.177	11.150.177
Income Before Taxes	(129.593.840)	(15.945.763)	175.409.151	29.869.548
Income Tax Provision	-	-	(2.738.852)	(2.738.852)
Net Profit For The Period	(129.593.840)	(15.945.763)	172.670.299	27.130.696
SEGMENT ASSETS				
31 December 2025				
Marketable Securities ⁽¹⁾	-	2.322.612	1.184.429.519	1.186.752.131
Derivative Financial Assets	-	89.328	3.067.568	3.156.896
Banks and Money Market Placements	-	3.868	44.221.295	44.225.163
Associates and Subsidiaries (Net)	-	-	106.094.406	106.094.406
Loans ⁽¹⁾	704.952.345	1.223.741.089	324.776	1.929.018.210
Other Assets	5.139.181	52.669.009	965.726.161	1.023.534.351
TOTAL ASSETS	710.091.526	1.278.825.906	2.303.863.725	4.292.781.157
SEGMENT LIABILITIES				
31 December 2025				
Deposits	1.188.929.886	1.941.770.104	356.419.189	3.487.119.179
Derivative Financial Liabilities	-	125.462	2.652.057	2.777.519
Money Market Funds	-	-	226.485.234	226.485.234
Borrowing Funding Loans	550.988	8.012.462	86.169.116	94.732.566
Securities Issued	-	-	-	-
Other Liabilities	28.634.647	55.164.962	148.491.774	232.291.383
Provisions and Current Tax Payable	4.492.224	9.217.933	17.331.978	31.042.135
Shareholders' Equity	(129.593.840)	(15.945.763)	363.872.744	218.333.141
TOTAL LIABILITIES	1.093.013.905	1.998.345.160	1.201.422.092	4.292.781.157
OFF-BALANCE SHEET ITEMS				
31 December 2025				
Guarantees and Sureties	522.767.737	492.565.153	159.162.625	1.174.495.515
Commitments	4.487.802	147.834.680	470.348.186	622.670.668
Derivative Financial Instruments	-	31.715.457	504.910.847	536.626.304
TOTAL OFF-BALANCE SHEET ITEMS	527.255.539	672.115.290	1.134.421.658	2.333.792.487

⁽¹⁾ TFRS 9 Expected Credit Loss provisions are presented in related lines.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

VIII. EXPLANATIONS ON BUSINESS SEGMENTATION (continued)

	Commercial/ Corporate	Integrated	Treasury/ Investment	Total
Prior Period				
1 January -31 December 2024				
OPERATING INCOME / EXPENSES				
Interest Income	112.276.780	308.731.580	243.997.004	665.005.364
Interest on Loans	112.012.273	304.875.317	18.566.798	435.454.388
Interest Income on Marketable Securities Portfolio	-	3.636.168	174.699.761	178.335.929
Interest on Banks	-	-	5.527.719	5.527.719
Other Interest Income	264.507	220.095	45.202.726	45.687.328
Interest Expense	208.403.138	333.335.334	84.876.582	626.615.054
Interest on Deposits	208.199.285	328.400.558	21.694.456	558.294.299
Interest on Funds Borrowed	104.779	457.241	6.438.198	7.000.218
Interest on Money Market Transactions	-	1.494.737	50.315.102	51.809.839
Interest on Securities Issued	-	-	5.926.503	5.926.503
Other Interest Expense	99.074	2.982.798	502.323	3.584.195
Net Interest Income	(96.126.358)	(24.603.754)	159.120.422	38.390.310
Net Fees and Commissions Income	9.113.833	23.137.333	7.115.712	39.366.878
Trading Income/Loss (Net)	138.529	8.161.744	(30.376.101)	(22.075.828)
Dividend Income	-	-	32.263	32.263
Other Operating Income	783.685	2.075.856	15.678.568	18.538.109
Expected Loss Provisions Expenses	152.053	5.218.640	1.879.197	7.249.890
Other Expenses	1.208.166	26.259.058	32.052.899	59.520.123
Income /(Loss) from Investments in Subsidiaries	-	-	7.961.053	7.961.053
Consolidated Based on Equity Method	-	-	-	-
Income Before Taxes	(87.450.530)	(22.706.519)	125.599.821	15.442.772
Income Tax Provision	-	-	6.595.049	6.595.049
Net Profit For The Period	(87.450.530)	(22.706.519)	132.194.870	22.037.821
SEGMENT ASSETS				
31 December 2024				
Marketable Securities ⁽¹⁾	-	32.575.352	749.780.940	782.356.292
Derivative Financial Assets	-	371.302	1.070.997	1.442.299
Banks and Money Market Placements	-	65.159	26.892.914	26.958.073
Associates and Subsidiaries (Net)	-	-	57.947.168	57.947.168
Loans ⁽¹⁾	491.560.393	927.082.956	291.397	1,418,934,746
Other Assets	1,824,964	20,873,569	711,882,613	734,581,146
TOTAL ASSETS	493.385.357	980.968.338	1,547,866,029	3,022,219,724
SEGMENT LIABILITIES				
31 December 2024				
Deposits	743.518.587	1,425,089,335	213,146,462	2,381,754,384
Derivative Financial Liabilities	-	330,614	2,162,028	2,492,642
Money Market Funds	-	16,397,840	230,588,887	246,986,727
Borrowing Funding Loans	1,160,427	3,237,125	48,617,593	53,015,145
Securities Issued	-	-	4,649,481	4,649,481
Other Liabilities	13,081,780	40,110,735	94,869,606	148,062,121
Provisions and Current Tax Payable	2,122,293	4,631,466	11,970,776	18,724,535
Shareholders' Equity	(87,450,530)	(22,706,519)	276,691,738	166,534,689
TOTAL LIABILITIES	672.432.557	1,467,090.596	882.696.571	3,022,219.724
OFF-BALANCE SHEET ITEMS				
31 December 2024				
Guarantees and Sureties	376.921.771	332.000.834	91.550.139	800.472.744
Commitments	3.406.350	105.633.206	217.881.753	326.921.309
Derivative Financial Instruments	-	67.859.960	252.527.137	320.387.097
TOTAL OFF-BALANCE SHEET ITEMS	380.328.121	505.494.000	561.959.029	1,447,781.150

⁽¹⁾ TFRS 9 Expected Credit Loss provisions are presented in related lines.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

IX. EXPLANATIONS ON PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

	Current Period		Prior Period	
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets	3.991.843.213	4.143.412.942	2.863.088.341	2.833.145.676
Cash and Balances with the Central Bank of Türkiye	847.599.433	847.599.433	623.116.910	623.116.910
Financial assets at fair value through P&L ^{(3) (4)}	111.049.211	111.049.211	56.988.527	56.988.527
Banks	44.257.467	31.557.931	26.970.414	26.952.060
Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income ⁽¹⁾	279.992.084	279.992.084	163.329.321	163.329.321
Other Financial Assets Measured at Amortised Cost	793.934.848	709.271.901	561.385.764	502.786.704
Loans ⁽²⁾	1.915.010.170	2.163.942.382	1.431.297.405	1.459.972.154
Financial Liabilities	3.910.164.232	3.871.401.268	2.757.027.446	2.762.601.350
Bank deposits	482.101.979	447.389.585	281.879.670	282.045.260
Other Deposits	3.005.017.200	3.015.738.674	2.099.874.714	2.102.595.248
Derivative financial liabilities held for trading	2.777.519	2.777.519	2.492.642	2.492.642
Funds provided from other financial institutions	94.732.566	80.157.734	53.015.145	56.440.455
Money market borrowings	226.485.234	226.288.022	246.986.727	245.766.282
Securities issued	-	-	4.649.481	5.132.396
Miscellaneous payables	90.654.954	90.654.954	63.704.877	63.704.877
Leasing payables	8.394.780	8.394.780	4.424.190	4.424.190

⁽¹⁾ As of 31 December 2025, TRY 166.554 (31 December 2024: TRY 114.372) of “equity investments not quoted on stock exchange” followed in financial assets at fair value through other comprehensive income are not included.
⁽²⁾ Net of follow-up loans has not been included in the table above.
⁽³⁾ As of 31 December 2025, marketable securities amounting to TRY 1.703.352 (31 December 2024: TRY 606.558) that are not valued with market price, are not included in financial assets at fair value through Profit and Loss.

The methodologies and assumptions used to determine fair values for those financial instruments which are not already recorded at fair value in the financial statements:

- The fair value of the held to maturity assets is determined at other financial assets measured at amortised cost, when the market prices are not available, quoted market prices of other marketable securities which are amortised with the same terms of interest maturity and other similar conditions are used.
- The prevailing interest rates as of balance sheet date are used in the calculation of fair value of money market placements, banks, loans, deposits, funds provided from other financial intuitions and sundry creditors.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

IX. EXPLANATIONS ON PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE (continued)

Classification of Fair Value Measurement

“TFRS 7 – Financial Instruments Requires” the classification of fair value measurements into a fair value hierarchy by reference to the significance of the inputs used in measuring fair value of financial instruments measured at fair value to be disclosed. This classification basically relies on whether the relevant inputs are observable or not. Observable inputs refer to the use of market data obtained from independent sources, whereas unobservable inputs refer to the use of predictions and assumptions about the market made by the Bank. This distinction brings about a fair value measurement classification generally as *follows*:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Fair value measurements using inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Classification requires using observable market data if possible.

In this context, the fair value classification of financial assets and liabilities measured at fair values are as followed:

Current Period	Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value:				
Financial Assets Measured at Fair Value through Profit/Loss ⁽²⁾	111.049.211	-	-	111.049.211
Derivative financial assets	-	3.156.896	-	3.156.896
Financial Assets at Fair Value through Other Comprehensive Income ⁽¹⁾	278.283.851	-	-	278.283.851
Total Financial Assets	389.333.062	3.156.896	-	392.489.958
Financial Liabilities Measured at Fair Value:				
Derivative financial liabilities	-	2.777.519	-	2.777.519
Total Financial Liabilities	-	2.777.519	-	2.777.519

⁽¹⁾ As of 31 December 2025, share certificates amounting to TRY 166.554 of “securities not quoted on the stock exchange” in financial assets at fair value through other comprehensive income are not included in the above table.
⁽²⁾ As of 31 December 2025, marketable securities amounting to TRY 1.703.352 that are not valued at fair value, are not included in financial assets at fair value through profit or loss.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

IX. EXPLANATIONS ON PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE (continued)

Prior Period	Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value:				
Financial Assets Measured at Fair Value through Profit/Loss ⁽²⁾	56.988.527	-	-	56.988.527
Derivative financial assets	-	1.442.299	-	1.442.299
Financial Assets at Fair Value through Other Comprehensive Income ⁽¹⁾	162.073.857	-	-	162.073.857
Total Financial Assets	219.062.384	1.442.299	-	220.504.683
Financial Liabilities Measured at Fair Value:				
Derivative financial liabilities	-	2.492.642	-	2.492.642
Total Financial Liabilities	-	2.492.642	-	2.492.642

⁽¹⁾ As of 31 December 2024, share certificates amounting to TRY 114.372 of “securities not quoted on the stock exchange” in financial assets at fair value through other comprehensive income are not included in the above table.
⁽²⁾ As of 31 December 2024, marketable securities amounting to TRY 606.558 that are not valued at fair value, are not included in financial assets at fair value through profit or loss.

The movement of financial assets classified as level three are as follows:

None. (31 December 2024: None)

X. EXPLANATIONS RELATED TO TRANSACTIONS MADE ON BEHALF OF OTHERS AND TRANSACTIONS BASED ON TRUST

The Bank performs buying transactions on behalf of customers, and gives custody, administration and consultancy services.

The Bank does not engage in fiduciary transactions.

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Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS

Explanations Related To Risk Management

The Bank’s business model creates a comprehensive risk profile that includes all units of the Bank. Credit risk is a key component of the risk profile. The Bank effectively implements risk management policies and procedures for loan and other risks which is determined within the framework of risk capacity and appetite and approved by board of directors. Risk appetite and capacity, which are directly related to the Bank’s strategic objectives, are limited by legal rates therefore the Bank associated with them.

Regarding the risk management structure; The Internal Audit Department, Internal Control Department and Risk Management Department, which are units within the scope of internal systems, carry out their activities in accordance with the Regulation on Internal Systems of Banks and the Internal Capital Adequacy Assessment Process published in the Official Gazette No. 29057 dated 11 July 2014 and subject to the Board of Directors through the Audit Committee.

The structure of the internal systems determines the level of risk by identifying the risks that the bank is exposed to. The Department of Compliance, another unit within the scope of internal systems, performs the compliance function of the Parent Bank’s activities regarding MASAK and Anti-Money Laundering and Prevention of Terrorist Financing. In this direction, the relevant units are responsible for monitoring, controlling and reporting risks, limited to their areas of responsibility. Outside of internal systems, Top Management is directly responsible to the Board of Directors for the risks to which the Bank is exposed in relation to its duties.

The Bank is using information technologies and training documents openly and effectively for the dissemination and application of risk culture, and the development of bank staff is supported in line with this goal with face to face learning and e-learning. In addition, all personnel are regularly informed and aware of the risks that the Bank is exposed to.

Risk measurement systems are based on accepted risk models and workflows for the identification, monitoring and reporting of risks in accordance with legislation. Methods and software that are in line with international standards are used for risk groups such as credit, market, operational and counterparty credit risk etc.

Within the scope of risk management activities, regular reporting and presentations are made by related units to the board of directors, asset-liability and audit committees and to the other committees, in order to manage the risks that the Bank is exposed to more effectively, to support the decision making processes related to them, to create new strategies and policies.

The Bank reports to the BRSA by applying the stress tests determined in accordance with the Internal Capital Adequacy Assessment Process (ICAAP). In addition, stress tests are carried out in line with the scenarios created by the risks exposed and the macroeconomic conditions. This test which is made by applying shocks for various risk factors, shows the results on risk weighted assets, own funds and capital adequacy ratio.

The Bank monitors its effectiveness by closely monitoring the processes of managing and reducing the risks arising from the business model. The Bank regularly revises the strategies it has established regarding these processes in line with the existing conditions and sets policies.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Overview of Risk Weighted Amounts^(*):

		Risk Weighted Amounts		Minimum Capital Requirements	
		Current Period	Prior Period	Current Period	Prior Period
1	Credit risk (excluding counterparty credit risk) (CCR) ^(**)	1.866.515.772	1.274.986.004	149.321.262	101.998.880
2	Standardized approach (SA)	1.866.515.772	1.274.986.004	149.321.262	101.998.880
3	Internal rating-based (IRB) approach	-	-	-	-
4	Counterparty credit risk ^(**)	13.573.704	12.865.104	1.085.896	1.029.208
5	Standardized approach for counterparty credit risk (SA-CCR)	13.573.704	12.865.104	1.085.896	1.029.208
6	Internal model method (IMM)	-	-	-	-
7	Basic risk weight approach to internal models equity position in the banking account	-	-	-	-
8	Investments made in collective investment companies look-through approach	-	-	-	-
9	Investments made in collective investment companies mandate-based approach	-	-	-	-
10	Investments made in collective investment companies 1250% weighted risk approach	-	-	-	-
11	Settlement risk	-	-	-	-
12	Securitization positions in banking accounts	-	-	-	-
13	IRB ratings-based approach (RBA)	-	-	-	-
14	IRB Supervisory Formula Approach (SFA)	-	-	-	-
15	SA/simplified supervisory formula approach (SSFA)	-	-	-	-
16	Market risk	59.239.975	70.290.125	4.739.198	5.623.210
17	Standardized approach (SA)	59.239.975	70.290.125	4.739.198	5.623.210
18	Internal model approaches (IMM)	-	-	-	-
19	Operational Risk	113.439.262	86.058.801	9.075.141	6.884.704
20	Basic Indicator Approach	113.439.262	86.058.801	9.075.141	6.884.704
21	Standard Approach	-	-	-	-
22	Advanced measurement approach	-	-	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	10.056.153	6.212.362	804.492	542.795
24	Floor adjustment	-	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	2.062.824.866	1.450.412.396	165.025.989	116.078.797

^(*) Amounts below the thresholds for deductions from capital are excluded from credit risk standard approach of RWA amount.
^(**) Based on the Board Decision dated 19 December 2024 published by the BRSA, CBRT’s foreign exchange buying rates as of 28 June 2024 was used in the calculation of the amount subject to credit risk.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Differences and matching between asset and liabilities’ carrying values in financial statements and in capital adequacy calculation:

		Carrying values of items in accordance with Turkish Accounting Standards				
		Carrying values in financial statements prepared as per TAS	Credit Risk	Counterparty credit risk	Securitization positions	Market Risk
Assets						Not subject to capital requirements or subject to deduction from capital
Cash and Balances with the Central Bank		847.489.173	847.489.173	-	-	-
Derivative Financial Assets		3.156.896	-	1.027.788	-	2.129.108
Financial assets at fair value through profit and loss		112.752.563	112.752.495	-	-	66
Banks		44.225.163	44.225.163	-	-	-
Receivables from Money markets		-	-	-	-	-
Financial assets at fair value through OCI (net)		280.158.638	145.785.149	-	-	134.373.489
Loans		1.929.018.210	1.928.826.976	-	-	-
Receivables from factoring		-	-	-	-	-
Financial assets measured at amortised cost (net)		793.840.930	793.840.930	-	-	-
Subsidiaries (net)		4.797.231	4.797.231	-	-	-
Associates (net)		101.297.175	101.297.175	-	-	-
Jointly controlled entities (joint ventures) (net)		-	-	-	-	-
Finance lease receivables		-	-	-	-	-
Derivative financial liabilities held for risk management		-	-	-	-	-
Tangible Assets (net)		45.526.592	41.063.408	-	-	-
Intangible Assets (net)		4.510.335	-	-	-	-
Real estate for investment purpose (net)		27.261.842	27.261.842	-	-	-
Tax asset		103.388	103.388	-	-	-
Deferred Tax Assets		19.030.358	-	-	-	-
Assets Held For Sale and Discontinued Operations (net)		-	-	-	-	-
Other assets		79.612.663	79.608.284	-	-	4.379
Total Assets		4.292.781.157	4.127.051.214	1.027.788	-	136.507.042
Liabilities		-	-	-	-	-
Deposits		3.487.119.179	-	-	-	-
Derivative financial liabilities		2.777.519	-	-	-	1.021.859
Loans		94.732.566	-	-	-	-
Money market borrowings		226.485.234	-	226.485.234	-	-
Securities issued		-	-	-	-	-
Funds		442.915	-	-	-	-
Other liabilities		130.094.648	-	-	-	-
Factoring payables		-	-	-	-	-
Finance lease payables		8.394.780	-	-	-	-
Derivative financial liabilities held for risk management		-	-	-	-	-
Provisions		13.816.047	-	-	-	-
Tax Liability		17.226.088	-	-	-	-
Deffered Tax Liability		-	-	-	-	-
Liabilities regarding assets held for sale and discontinued operations (net)		-	-	-	-	-
Subordinated Loans		93.359.040	-	-	-	-
Shareholders’ equity		218.333.141	-	-	-	-
Total liabilities		4.292.781.157	-	226.485.234	-	1.021.859

4.065.274.064

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Main Sources of Differences between Regulatory Exposure Amounts and Carrying Values in Financial Statements:

		Total	Credit risk	Securitization positions	Counterparty credit risk	Market Risk
1	Asset carrying value amount under scope of regulatory consolidation	4.292.781.157	4.127.051.214	-	1.027.788	136.507.042
2	Liabilities carrying value amount under regulatory scope of consolidation	-	-	-	226.485.234	1.021.859
3	Total net amount under regulatory scope of consolidation	4.292.781.157	4.127.051.214	-	(225.457.446)	135.485.183
4	Off-balance Sheet Amounts	2.333.792.487	705.329.710	-	6.496.192	274.675.601
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules, other than those already included in row 2	-	-	-	-	-
7	Differences due to consideration of provisions	-	-	-	-	-
8	Differences due to prudential filters	-	-	-	-	-
9	Differences due to risk reduction	-	4.832.380.924	-	(218.961.254)	410.160.784

Explanations of differences between accounting and regulatory exposure amounts:

There is no material differences between the carrying values in financial statements and the risk amounts in capital adequacy calculation of assets and liabilities.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Explanations Related to Counterparty Credit Risk

The Bank provides the necessary definitions and classifications for the CCR that take into account the clearing and pre-clearing risk in relation to the management policies and procedures of the CCR, thereby managing these risks on a counterparty basis and across the bank.

The impact of the new products and activities on the Bank’s CCR level is assessed and these evaluations are included in the product / activity approval process.

The market, liquidity, compliance risk and operational risk that may be associated with the CCR are taken into account and the general / specific limit levels of the Bank’s transactions to the CCR are determined. These limits established within the framework of the CCR are regularly monitored. The Bank uses risk mitigation techniques to the extent that it is appropriate, through applications such as margin taking and margin fulfillment.

The Bank uses methods and models in accordance with international standards for the identification, measurement, monitoring, control and reporting of the CCR. Independent scrutiny and supervision is carried out on the integrity, correctness and effectiveness of the CCR management systems. These activities are carried out by the Bank’s internal audit units and independent audit institutions.

Agreements entered into with counterparty financial institutions resulting in credit risk according to the attributes of the transaction are evaluated by taking into account ISDA framework and CSA framework for derivative transactions, GMRA framework for repurchase agreements. The risk is mitigated by receiving cash or other forms of collaterals as per the counterparty limits designated by the Board of Directors.

In secured lending and repo transactions, the haircut amounts are reduced from the counterparty limits. In cases whereby possible decreases or increases in ratings affects the current replacement cost, margin call agreements are used as a risk mitigator.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Counterparty Credit Risk (CCR) Approach Analysis:

	Replacement cost	Potential Future exposure	EEPE ^(*)	Alpha used for computing regulatory EAD	EAD post-CRM	Risk Weighted Assets
Standardised Approach - CCR (for derivatives)	993.740	3.646.397		1,4	6.496.192	2.920.000
Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					12.294.462	10.197.431
Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					-	-
Total					18.790.654	13.117.431

(*) Expected effective positive risk amount.

Capital requirement for credit valuation adjustment (CVA):

	EAD post-CRM	Risk weighted amount
Total portfolios subject to the Advanced CVA capital obligation	-	-
(i) VaR component (including the 3*multiplier)	-	-
(ii) Stressed VaR component (including the 3*multiplier)	-	-
All portfolios subject to the Standardised CVA capital obligation	6.496.192	456.263
Total subject to the CVA capital obligation	6.496.192	456.263

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Standardised Approach - Counterparty Risk Per Risk Classification And Risk Weighted Amounts:

	0%	10%	20%	50%	75%	100%	150%	2%	4%	Total Credit Risk
Risk weight / Risk Classifications										
Claims on sovereigns and Central Banks	144.379	-	-	-	-	-	-	-	-	144.379
Claims on regional governments or local authorities	-	-	-	-	-	-	-	-	-	-
Claims on administrative bodies and other non-commercial undertakings	-	-	-	-	-	7	-	-	-	7
Claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-
Claims on international organizations	-	-	-	-	-	-	-	-	-	-
Claims on banks and intermediary institutions	-	-	5.949.399	1.184.500	-	8.043.339	-	-	-	15.177.238
Claims on corporates	-	-	189.279	19.239	-	3.196.383	-	-	-	3.404.901
Claims included in the regulatory retail portfolios	-	-	-	-	64.128	-	-	-	-	64.128
Claims secured by residential property	-	-	-	-	-	-	-	-	-	-
Overdue loans	-	-	-	-	-	-	-	-	-	-
Higher risk categories decided by the Board	-	-	-	-	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-	-	-	-	-	-
Equity share investments	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	456.264	-	-	-	456.264
Total	144.379	-	6.138.678	1.203.739	64.128	11.695.993	-	-	-	19.246.917

Collaterals for Counterparty Credit Risk:

	Collateral for derivative transactions				Collateral for other transactions	
	Received Collaterals		Given Collaterals		Received Collaterals	Given Collaterals
	Segregated	Nonsegregated	Segregated	Nonsegregated		
Cash-domestic currency	-	2.784	-	-	-	-
Cash-foreign currency	-	4.664.839	-	118.280	-	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	4.667.623	-	118.280	-	-

Counterparty Credit Risk-Credit Derivatives:

None.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Exposures to Central Counterparty (CCP):

	Exposure post-CRM	RWA
Total Exposure to Qualified Central Counterparties (QCCPs)		10
Exposures for trades with QCCPs (excluding initial margin and guarantee fund)	-	-
(i) Over the counter derivative financial instruments	-	-
(ii) Other derivative financial instruments	-	-
(iii) Repo-reverse repo transactions, margin trading and securitites or commodity lending or borrowing	-	-
(iv) Counterparties where cross product netting applied	-	-
Reserved initial collateral	417	
Unreserved initial collateral	-	-
Pre-funded guarantee fund contributions	500	10
Unfunded guarantee fund contributions	-	-
Total Exposures to Non-QCCPs		-
Exposures for trades with QCCPs (excluding initial margin and guarantee fund)	-	-
(i) Over the counter derivative financial instruments	-	-
(ii) Other derivative financial instruments	-	-
(iii) Repo-reverse repo transactions, margin trading and securitites or commodity lending or borrowing	-	-
(iv) Counterparties where cross product netting applied	-	-
Reserved initial collateral	-	-
Unreserved initial collateral	-	
Pre-funded guarantee fund contributions	-	-
Unfunded guarantee fund contributions	-	-

Explanations on securization:

None.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Qualitative Disclosure on Credit Risk:

Credit risk, which is the most important risk profile of the Bank’s business model, refers to risks and losses arising from counterparty’s failure to meet its obligations under contracts that the Bank is a party to. Credit limits are set according to the risk appetite and capacity of the Bank.

Credit limits are assigned according to the customer’s financial condition and credit need by the branches, regional credit committee, head of credit department, executive vice president in charge of loans, general manager, credit committee and board of directors and revised whenever required. As part of its risk policies, the Bank monitors limits designated by sectors and sub sectors.

Within the scope of internal systems, internal audit activities are carried out by the Board of Inspectors and the Internal Audit Department in order to ensure that the activities of the Bank are carried out in accordance with the Bank’s policies determined in compliance with the legal regulations. The Risk Management Department, which is the risk unit within the internal systems, performs the functions of measuring, monitoring, controlling and reporting on the credit risk to which the Bank is exposed to. These units are regularly reporting the risks exposed to the Bank’s Senior Management.

The Bank, in the credit allocation process, restricts its risk exposure by working with highly creditworthy banks and institutions considering the credit ratings for the purpose of managing its risks. Under the scope of credit risk management, the Bank rates all of its borrowers’ credit and requires additional collaterals from whose risk is higher. The Bank has the policy of not granting loans/ credits and/or limiting the amount of such loans/credits. The Bank’s risk is concentrated in Türkiye.

Limits are determined based on the type of loans and customers and risk and limit information is controlled periodically. Loans granted to other banks and risk limits set for the correspondent bank transactions are controlled on a daily basis. Risk concentrations are monitored systematically, concerning the off-balance sheet operations based on the customers and banks.

Credit Quality of Assets

		Gross carrying value as per TAS	Allowances/ amortisation and impairments	Net values
		Defaulted	Non-Defaulted	
1	Loans	79.020.499	1.915.010.170	65.012.459
2	Debt Securities	-	1.187.879.708	1.127.577
Off-balance sheet exposures				
3		7.947.374	1.789.218.809	3.493.593
4	Total	86.967.873	4.892.108.687	69.633.629
				4.909.442.931

Changes in Stock of Defaulted Loans and Debt Securities

1	Defaulted loans and debt securities at end of the previous reporting period	30.398.421
2	Loans and debt securities defaulted since the last reporting period	63.308.811
3	Receivables back to preforming status	8.797
4	Amounts written off	747.667
5	Other changes	(13.930.269)
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	79.020.499

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Additional Disclosure Related To The Credit Quality Of Assets:

Breakdown According to Maturity:

31 December 2025	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 years and Over	Total
Loans ^(*)	25.875.649	243.440.348	384.844.191	369.071.653	762.437.980	129.340.349	1.915.010.170

(*) Non-performing loans has not been included in the table above.

Exposures Provisioned Against By Major Regions:

31 December 2025	Non-Performing Loans	ECL (Stage 3)
Domestic	78.918.398	39.537.588
European Union (EU) Countries	110	76
OECD Countries	43	39
Off-Shore Banking Regions	-	-
USA, Canada	7	7
Other Countries	101.941	65.052
Total	79.020.499	39.602.762

Exposures Provisioned Against By Sectors:

Explained in Section 4-II Information According to Sectors and Counterparties

Aging analysis of overdue but not impaired financial assets:

31 December 2025	
30-60 days overdue	17.146.672
60-90 days overdue	14.633.278
Total	31.779.950

Breakdown of restructured receivables based on whether or not provisions are allocated:

31 December 2025 ^(*)	
Loans Structured from Standard Loans	12.417
Loans Composed of Follow-up Loans	75.504.970
Loans Restructured from Non-Performing Loans	1.440.211

(*) Rediscounts are not included in the amount.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Qualitative Disclosure on Credit Risk Mitigation Techniques

The risk mitigation factors used in the lending activities of the Bank are listed below.

- Financial warranties (Treasury Bills, Government Bonds, Cash, Pledged Deposits, Gold, Pledged Securities)
- Guarantees
- Mortgage (Although mortgage lending in Basel II has been considered as a risk class, it has also been included in this section in terms of valuation methods and concentrations).

The financial guarantees in the Bank are subject to valuation on a daily basis. The creditworthinesses of guarantors are monitored and assessed within the framework of credit revision schedules.

As long as the mortgage that constitutes the collateral of the credits continues to be related to the loan, the risk-guarantee balances are monitored and revalued each year. Action plans are developed for the possibility of diminution in value of collaterals.

As per the BRSA regulations, guarantees given by the Treasury and banks are regarded as risk reduction elements and the creditworthiness of banks is regularly monitored.

The volatility in the real estate market is closely monitored by the Bank and fluctuations that may occur depending on the market movements related to the mentioned risk class, are taken into account according to the principles stated in the related regulation.

In the portfolios where the comprehensive financial guarantee method is used, the risk mitigating effects of collateral are determined through standard volatility adjustments.

Concentration checks are conducted on guarantors and collateral providers.

There is no on-balance sheet or off-balance sheet offsetting.

Credit Risk Mitigation Techniques- Overview

	Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees, of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount
1 Loans ⁽¹⁾	1.135.549.794	754.050.679	632.661.782	115.059.328	105.963.578	-	-
2 Debt Instruments	1.186.752.131	-	-	-	-	-	-
3 Total	2.322.301.925	754.050.679	632.661.782	115.059.328	105.963.578	-	-
4 Of which defaulted	14.681.208	24.736.529	20.334.706	1.824.109	1.487.712	-	-

⁽¹⁾ As collateral, within the scope of the Standard Approach, collaterals to be used to mitigate credit risk, are taken into consideration.

Information about the Banks’ Use of Ratings in Calculating Credit Risk by Using Standard Approach

Explained in risk classifications related to Article 6 of Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks in 4-II Financial Position and Risk Management of Bank – Credit Risk section.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Standardised Approach- Credit Risk Exposure and Credit Risk Mitigation Techniques

Risk Classification	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Claims on sovereigns and Central Banks	1.620.758.236	2.611.524	1.705.301.965	1.504.828	1.937.547	0,11%
Claims on regional governments or local authorities	5.486.790	528.203	5.486.184	225.030	2.855.607	50,00%
Claims on administrative bodies and other non-commercial undertakings	8.237.602	3.893.408	8.033.231	1.443.860	9.477.092	100,00%
Claims on multilateral development banks	-	-	-	-	-	-
Claims on international organizations	-	-	-	-	-	-
Claims on banks and intermediary institutions	30.337.538	12.229.386	30.337.538	10.104.527	24.965.020	61,73%
Claims on corporates	578.223.879	747.470.809	513.727.310	471.653.136	872.841.925	88,58%
Claims included in the regulatory retail portfolios	664.164.417	599.845.190	630.477.722	94.156.818	434.430.855	59,95%
Claims secured by residential property	257.722.100	83.985.540	257.722.100	42.827.896	105.192.499	35,00%
Claims secured by commercial property	213.739.581	107.155.887	213.739.581	70.293.252	149.669.406	52,69%
Overdue loans	41.322.660	6.732.854	39.521.881	2.602.812	35.232.905	83,64%
Higher risk categories decided by the Board	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-	-
Equity share investments	110.485.034	-	110.485.034	-	110.485.034	100,00%
Other receivables	205.772.514	43.513.748	205.772.514	110.935	119.427.882	58,01%
Total	3.736.250.351	1.607.966.549	3.720.605.060	694.923.094	1.866.515.772	42,27%

Standardised Approach- Claims By Risk Classification And Risk Weights

Risk Classification														Total risk amount (pt-CCF and CRM)
	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	2%	4%	500%	
Claims on sovereigns and Central Banks	1.704.869.247	-	-	-	-	-	1.937.546	-	-	-	-	-	-	1.706.806.793
Claims on regional governments or local authorities	-	-	-	-	5.711.214	-	-	-	-	-	-	-	-	5.711.214
Claims on administrative bodies and other non-commercial undertakings	-	-	-	-	-	-	9.477.091	-	-	-	-	-	-	9.477.091
Claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on banks and intermediary institutions	34.395	-	17.499.332	-	2.886.369	-	20.021.969	-	-	-	-	-	-	40.442.065
Claims on corporates	4.011.786	-	75.093.403	-	109.177.633	2.564	784.820.171	12.274.889	-	-	-	-	-	985.380.446
Claims included in the regulatory retail portfolios	-	-	165.195.538	-	72.750.017	486.688.985	-	-	-	-	-	-	-	724.634.540
Claims secured by residential property	-	-	-	300.549.996	-	-	-	-	-	-	-	-	-	300.549.996
Claims secured by commercial property	-	-	-	-	268.726.855	-	15.305.978	-	-	-	-	-	-	284.032.833
Overdue loans	-	-	-	-	16.086.778	-	23.734.709	2.303.206	-	-	-	-	-	42.124.693
Higher risk categories decided by the Board	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity share investments	-	-	-	-	-	-	110.485.034	-	-	-	-	-	-	110.485.034
Other receivables	65.027.788	-	25.331.630	-	-	4.649.895	110.874.136	-	-	-	-	-	-	205.883.449
Total	1.773.943.216	-	283.119.903	300.549.996	475.338.866	491.341.444	1.076.656.634	14.578.095	-	-	-	-	-	4.415.528.154

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XI. EXPLANATIONS ON RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Publicly Announced Qualitative Disclosure on Market Risk

The Bank’s market risks are managed within the framework of the “Policies Related to the Management of the Market Risk” approved by the Board of Directors, and the trading activities of the positions and portfolios subject to the market risks are carried out in accordance with the “Trading Strategy Policy”.

The Bank’s market risks are measured by two methods, namely the standard method and the risk measurement method. In statutory reporting, the standard method is used in accordance with the “Regulation Regarding the Measurement and Evaluation of Banks’ Capital Adequacy”. In addition, the risk measurement model and the value at risk (VAR) are measured in accordance with the “Communiqué on Calculation of Market Risk and Risk Measurement Models and Evaluation of Risk Measurement Models”.

Within the scope of the Bank’s “Policies for the Management of Market Risks”; VAR based limit and risk appetite has been determined and VAR results have been associated with statutory equity. The level of compliance with these limits is monitored daily. On the other hand, periodic stress tests are applied for market risks.

Concerning market risks, the results obtained by both the standard method and the risk measurement model and the level of compliance with the limits are reported to the Bank’s Top Management and related business units on a daily basis.

The following table discloses the amounts that are calculated using the standard method.

Market Risk: Standardised approach

	RWA
Direct (Cash) Products	
Interest rate risk (general and specific)	19.847.075
Equity risk (general and specific)	3.416.475
Foreign exchange risk	32.875.813
Commodity risk	2.827.338
Options	
Simplified approach	-
Delta-plus method	273.275
Scenario approach	-
Securitization	-
Total	59.239.975

Information related to Operational Risk

The value at operational risk is calculated according to the basic indicator approach and once a year with year-end datas.

	2 PP Amount	1 PP Amount	CP Amount	Total/ No. Of Years of Positive Gross	Rate (%)	Total
Gross Income	72.019.873	48.772.527	60.710.421	60.500.940	15	9.075.141
Amount at Operational Risk (Total * 12,5)						113.439.262

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK (continued)

XII. EXPLANATIONS ON REMUNERATION POLICIES

Disclosures related with Remuneration Committee

The Bank’s Remuneration Committee is comprised of two board members. The committee has convened for once during the year. The duties and responsibilities of the Committee include the following:

- The scope and structure of the Bank’s operations and strategies ensure the effectiveness of a wage policy and wage policy that is consistent with its long-term goals and risk management structures, prevents excessive risk taking and contributes to effective risk management.
- Controls and follows the remuneration practices on behalf of the Board of Directors
- Ensures accordance of ethical values, strategical targets and internal balance of the Bank with the wage policy.
- Evaluates the remuneration policy and its practices in the context of risk management and submits proposals to the Board of Directors.
- Fulfills the other duties specified in the related regulations

The fundamental principles of the remuneration policy are applicable for General Manager, Deputy General Managers, and all bank employees.

Key personnel refer to the bank employee who performs a function that has a significant impact on the Bank’s risk profile. Establishment of a good governance system in banks is possible by organizing an effective risk management and creating environments where effective communication, transparency and accountability are ensured; for this reason, the Bank gives importance to identify and separate key personnel.

Positions specified below are considered as key personnel by the Bank:

- Board Members
- Deputy General Managers
- Group Presidents
- Head of the Supervisory Board
- Head of Internal Control Department
- Head of Risk Management Department
- Head of Compliance Department

As of the end of 2025, the number of critical key personnel is 26.

Information on the design and structure of remuneration process

Benefits to be paid to the managers and employees at all levels are in line with the Bank’s ethical values, internal balances and strategic objectives and cannot be associated only with the short term performance of the Bank. Regardless of the performance of the units that are audited by internal audit, the benefits of are determined on the basis of the general wage increase rate set by the Bank. Remuneration policy and practices are one of the important factors in ensuring employee engagement and improving performance. While determining the remuneration policy created to protect employees with high performance, sectoral data are taken into consideration by taking the internal wage balance and budget possibilities into account. Remuneration Committee at its meeting in December 2025 reviewed the remuneration policy and practices.

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XII. EXPLANATIONS ON REMUNERATION POLICIES (continued)

Evaluation about how the bank’s remuneration processes take the current and future risks into account

The Bank follows the Risk Management Principles while implementing all the remuneration processes.

Evaluation about how the Bank associates variable remunerations with performance

Although it is possible to make payments to the senior management and other personnel of the Bank depending on the Bank’s performance, these payments are subject to objective conditions and in a way that will positively affect the Bank’s corporate values.

Evaluation about the bank’s methods to adjust remunerations according to long-term performance

There are no variable remunerations (performance premium, gesture, etc.) to be deferred due to long-term performance for the critical key personnel.

Evaluation about the instruments used by the bank for variable remunerations and the purposes of use of such instruments

Cash and non-cash instruments are not used for the payment, wherefore no variable remunerations (performance premium, gesture, etc.) to be deferred due to long-term performance for the critical key personnel.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS

(1) Cash and Central Bank of the Republic of Türkiye and information on balances with the Central Bank of the Republic of Türkiye:

a) Information on Cash and Central Bank of the Republic of Türkiye:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Cash and foreign currency	6.884.468	14.607.552	5.600.099	10.497.962
CBRT	389.965.013	432.931.008	350.667.221	254.337.728
Other ⁽¹⁾	1.090.606	2.120.786	685.208	1.328.692
Total	397.940.087	449.659.346	356.952.528	266.164.382

⁽¹⁾ It includes the required reserve amounts held by the TRNC Central Bank.

b) Information on balances with the Central Bank of the Republic of Türkiye:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Demand unrestricted amount ⁽¹⁾	244.993.235	131.134.598	237.862.360	123.094.238
Time unrestricted amount	-	59.997.000	-	-
Time restricted amount	-	-	-	-
Other ⁽²⁾	144.971.778	241.799.410	112.804.861	131.243.490
Total	389.965.013	432.931.008	350.667.221	254.337.728

⁽¹⁾ Reserve deposits kept in the CBRT.

⁽²⁾ Blocked reserve deposits amounts held in the CBRT are included in the Other.

As per the Communiqué no. 2013/15 “Reserve Deposits” of the Central Bank of the Republic of Türkiye (CBRT), banks operating in Türkiye keep reserve deposits for their TRY liabilities with reserve deposit rates between 3%-40% (31 December 2024: between 3%-33%) varied according to their maturity compositions, for their FC liabilities and precious metal liabilities at TRY, US Dollar, Euro and/or standard gold with reserve deposit rates between 5%-32% (31 December 2024: between 5%-30%) varied according to their maturity compositions. In addition, an additional reserve requirement (excluding foreign bank deposits and precious metal deposit accounts) of 2,5% (31 December 2024: 4%) is established in Turkish lira for foreign currency deposits.

Required reserves established for TRY deposit accounts and exchange rate-protected accounts that were opened before 21 December 2024, and that have not been renewed, are paid by the CBRT.

On the other hand, there is a reserve requirement commission practice that includes targets aimed at increasing the share of Turkish Lira deposits for both individuals and corporates. If the targets related to the ratios calculated every four weeks as “Individual TRY Share” and “Corporate TRY Share” are not met, a commission amount in USD is calculated on the required reserve amount that must be maintained for foreign currency deposit liabilities, to be paid to the CBRT.

In addition, calculated on eight-week periods, if the growth rate of TRY cash loans extended to businesses classified as SMEs exceeds 5%, the growth rate of TRY cash loans extended to non-SME businesses exceeds 3%, the growth rate of foreign currency cash loans exceeds 1%, or the growth rates of consumer loans for personal needs and vehicle purchases exceed 4%, an amount of Turkish Lira required reserves equal to the excess loan amounts is blocked for one year.

With the decision No.1072 dated 27 December 2019 of the Central Bank of the TRNC, reserve requirement ratio is applied between 5% to 8% (31 December 2024: between 5%-8%) for the Turkish currency and foreign currency liabilities.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(2) Financial assets at fair value through profit and loss:

a) Financial assets at fair value through profit and loss blocked/given as collateral:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Given as collateral/blocked securities	-	101.743.404	-	55.697.275

b) Financial assets at fair value through profit and loss subject to repurchase agreements:

None. (31 December 2024: None.)

c) Positive differences related to the derivative financial assets at fair value through profit or loss:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward transactions	-	1.408.964	-	892.632
Swap transactions	-	1.740.610	-	549.667
Futures transactions	-	-	-	-
Options	-	7.322	-	-
Other	-	-	-	-
Total	-	3.156.896	-	1.442.299

(3) Information on banks and other financial institutions:

a) Information on banks:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks				
Domestic banks	6.395.948	5.327.550	2.478.489	361.246
Foreign banks	13.742.560	18.791.409	9.664.988	14.465.691
Branches and offices abroad	-	-	-	-
Total	20.138.508	24.118.959	12.143.477	14.826.937

b) Information on foreign banks:

	Unrestricted Balance		Restricted Balance	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	3.590.796	1.133.331	-	37.691
USA and Canada	3.882.425	2.325.165	-	-
OECD Countries ⁽¹⁾	4.137.844	2.055.187	118.280	4.620.336
Offshore Banking Regions	-	-	-	-
Other ⁽²⁾	20.804.624	13.958.969	-	-
Total	32.415.689	19.472.652	118.280	4.658.027

⁽¹⁾ OECD Countries other than EU countries, USA and Canada.

⁽²⁾ Other, generally consists of the TRNC and North Macedonia.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

4) Information on financial assets at fair value through other comprehensive income:

a) Financial assets at fair value through other comprehensive income blocked/given as collateral or subject to repurchase agreements:

a.1. Information on financial assets at fair value through other comprehensive income blocked/given as collateral:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Given as collateral/blocked securities	12.874.307	20.136.541	16.110.473	-

a.2. Information on financial assets at fair value through other comprehensive income subject to repurchase agreements:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Subject to repurchase agreements securities	191.610	81.751.244	-	43.169.595

b) Information on financial assets at fair value through other comprehensive income portfolio:

	Current Period	Prior Period
Debt securities	279.207.329	163.422.117
<i>Quoted on a stock exchange</i>	279.207.329	163.422.117
<i>Not quoted</i>	-	-
Equity Securities	1.892.068	1.387.117
<i>Quoted on a stock exchange</i>	1.708.234	1.255.463
<i>Not quoted</i>	183.834	131.654
Impairment provision (-)	940.759	1.365.541
Total	280.158.638	163.443.693

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans:

a) Information on all types of loans and advances given to shareholders and employees of the Bank^(*):

	Current Period		Prior Period	
	Cash Loans	Non-Cash Loans	Cash Loans	Non-Cash Loans
Direct loans granted to shareholders	-	-	-	-
<i>Corporate shareholders</i>	-	-	-	-
<i>Real person shareholders</i>	-	-	-	-
Indirect loans granted to shareholders	-	-	-	-
Loans granted to employees	6.726.582	-	3.903.635	-
Total	6.726.582	-	3.903.635	-

(*) Interest income accruals and discounts are not included in the table above.

b) Information on Performing Loans, Loans under Follow-up and restructured Loans under Follow-up:

Cash Loans	Standard Loans	Loans Under Follow-up		
		Loans Not Subject to Restructuring	Restructured Loans	
			Loans with Revised Contract Terms	Refinance
Non-specialized loans	1.421.084.071	80.929.272	4.236	83.223.461
<i>Corporation loans</i>	814.749.592	47.560.439	-	82.063.299
<i>Export loans</i>	121.696.924	5.067.219	-	-
<i>Import loans</i>	-	-	-	-
<i>Loans given to financial sector</i>	18.719.310	-	-	-
<i>Consumer loan</i>	131.908.468	4.023.261	4.236	979.939
<i>Credit cards</i>	140.079.139	17.773.725	-	1.125
<i>Other</i>	193.930.638	6.504.628	-	179.098
Specialized lending	312.614.877	17.154.253	-	-
Other receivables	-	-	-	-
Total	1.733.698.948	98.083.525	4.236	83.223.461

	Standard Loans		Loans Under Follow-up	
	Current Period	Prior Period	Current Period	Prior Period
12 Months Expected Loss Provision	10.829.428	6.295.090	-	-
Significant Increase in Credit Risk	-	-	14.580.269	18.047.398

In the current period, the increase in the Bank’s Stage 1 Expected Loss Provision balance is due to the increase in the balance of standard loans.

In the current period, the decrease in the Bank’s Stage 2 Expected Loss Provision balance is due to the decrease in overall risk levels.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

b) Information on Performing Loans, Loans under Follow-up and restructured Loans under Follow-up (continued):

Current Period	Commercial/ Corporate Loans	Consumer Loans	Total
Standard Loans	1.529.737.643	203.961.305	1.733.698.948
Loans Under Follow-up	160.982.284	20.328.938	181.311.222
Total	1.690.719.927	224.290.243	1.915.010.170
12 Months Expected Loss Provision	9.670.249	1.159.179	10.829.428
Significant Increase in Credit Risk	14.004.453	575.816	14.580.269
Total Expected Loss Provisions	23.674.702	1.734.995	25.409.697
Standard Loans (Net)	1.520.067.394	202.802.126	1.722.869.520
Loans Under Follow-up (Net)	146.977.831	19.753.122	166.730.953
Net Balance on Balance Sheet	1.667.045.225	222.555.248	1.889.600.473

Prior Period	Commercial/ Corporate Loans	Consumer Loans	Total
Standard Loans	1.138.964.313	169.174.392	1.308.138.705
Loans Under Follow-up	113.684.197	9.474.503	123.158.700
Total	1.252.648.510	178.648.895	1.431.297.405
12 Months Expected Loss Provision	5.803.352	491.738	6.295.090
Significant Increase in Credit Risk	17.798.278	249.120	18.047.398
Total Expected Loss Provisions	23.601.630	740.858	24.342.488

Standard Loans (Net)	1.133.160.961	168.682.654	1.301.843.615
Loans Under Follow-up (Net)	95.885.919	9.225.383	105.111.302
Net Balance on Balance Sheet	1.229.046.880	177.908.037	1.406.954.917

c) Distribution of cash loans by maturity structure:

Loans under close monitoring			
Current Period	Standard Loans	Loans Not Subject To Restructuring	Restructured
Short Term Loans	605.841.264	42.299.528	9.110.113
Medium and Long Term Loans	1.127.857.684	55.783.997	74.117.584
Prior Period			
Short Term Loans	411.111.166	24.639.722	2.475.265
Medium and Long Term Loans	897.027.539	44.610.848	51.432.865

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans (continued) :

d) Information on consumer loans, individual credit cards, personnel loans and credit cards^(*):

Current Period	Short-term	Medium and long-term	Total
Consumer loans-TRY	10.576.058	90.640.519	101.216.577
<i>Real estate loans</i>	23.438	78.656.720	78.680.158
<i>Vehicle loans</i>	800.687	1.606.101	2.406.788
<i>Consumer loans</i>	9.751.933	10.377.698	20.129.631
<i>Other</i>	-	-	-
Consumer loans- Indexed to FC	-	-	-
<i>Real estate loans</i>	-	-	-
<i>Vehicle loans</i>	-	-	-
<i>Consumer loans</i>	-	-	-
<i>Other</i>	-	-	-
Consumer loans- FC	-	-	-
<i>Real estate loans</i>	-	-	-
<i>Vehicle loans</i>	-	-	-
<i>Consumer loans</i>	-	-	-
<i>Other</i>	-	-	-
Individual credit cards-TRY	83.083.174	3	83.083.177
<i>Installment</i>	26.647.044	3	26.647.047
<i>Non-installment</i>	56.436.130	-	56.436.130
Individual credit cards-FC	46.636	-	46.636
<i>Installment</i>	-	-	-
<i>Non-installment</i>	46.636	-	46.636
Personnel loans-TRY	2.151.525	1.342.456	3.493.981
<i>Real estate loans</i>	-	-	-
<i>Vehicle loans</i>	-	-	-
<i>Consumer loans</i>	2.151.525	1.342.456	3.493.981
<i>Other</i>	-	-	-
Personnel loans-Indexed to FC	-	-	-
<i>Real estate loans</i>	-	-	-
<i>Vehicle loans</i>	-	-	-
<i>Consumer loans</i>	-	-	-
<i>Other</i>	-	-	-
Personnel loans-FC	-	-	-
<i>Real estate loans</i>	-	-	-
<i>Vehicle loans</i>	-	-	-
<i>Consumer loans</i>	-	-	-
<i>Other</i>	-	-	-
Personnel credit cards-TRY	1.899.305	-	1.899.305
<i>Installment</i>	540.896	-	540.896
<i>Non-installment</i>	1.358.409	-	1.358.409
Personnel credit cards-FC	4.398	-	4.398
<i>Installment</i>	-	-	-
<i>Non-installment</i>	4.398	-	4.398
Overdraft accounts-TRY (Retail customers) ^(**)	30.694.798	-	30.694.798
Overdraft accounts-FC (Retail customers)	-	-	-
Total	128.455.894	91.982.978	220.438.872

(*) Interest income accruals and rediscounts are not included in the table above.

(**) TRY 1.328.898 of the overdraft account consists of loans given to personnel.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans (continued) :

d) Information on consumer loans, individual credit cards, personnel loans and credit cards^(*) (continued):

Prior Period	Short-term	Medium and long-term	Total
Consumer loans-TRY	7.676.878	98.921.467	106.598.345
Real estate loans	7.923	84.317.441	84.325.364
Vehicle loans	1.685.268	4.720.588	6.405.856
Consumer loans	5.983.687	9.883.438	15.867.125
Other	-	-	-
Consumer loans- Indexed to FC	-	-	-
Real estate loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Consumer loans- FC	-	-	-
Real estate loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Individual credit cards-TRY	48.220.433	774	48.221.207
Installment	13.720.658	774	13.721.432
Non-installment	34.499.775	-	34.499.775
Individual credit cards-FC	15.136	-	15.136
Installment	-	-	-
Non-installment	15.136	-	15.136
Personnel loans-TRY	1.595.096	473.173	2.068.269
Real estate loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	1.595.096	473.173	2.068.269
Other	-	-	-
Personnel loans-Indexed to FC	-	-	-
Real estate loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel loans-FC	-	-	-
Real estate loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Personnel credit cards-TRY	1.154.295	-	1.154.295
Installment	297.617	-	297.617
Non-installment	856.678	-	856.678
Personnel credit cards-FC	1.386	-	1.386
Installment	-	-	-
Non-installment	1.386	-	1.386
Overdraft accounts-TRY (Retail customers) ^(**)	17.960.103	-	17.960.103
Overdraft accounts-FC (Retail customers)	-	-	-
Total	76.623.327	99.395.414	176.018.741

^(*) Interest income accruals and rediscounts are not included in the table above.
^(**) TRY 679.685 of the overdraft account consists of loans given to personnel.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans (continued) :

e) Information on commercial installments loans and corporate credit cards^(*):

Current Period	Short-term	Medium and long-term	Total
Commercial installment loans-TRY	28.571.563	141.714.686	170.286.249
Business premises loans	-	1.114.897	1.114.897
Vehicle loans	224.842	3.214.363	3.439.205
Consumer loans	28.346.721	137.385.426	165.732.147
Other	-	-	-
Commercial installment loans- Indexed to FC	-	-	-
Business premises loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Commercial installment loans - FC	2.320.082	155.963.152	158.283.234
Business premises loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	2.320.082	155.963.152	158.283.234
Other	-	-	-
Corporate credit cards-TRY	69.411.581	94	69.411.675
Installment	14.631.543	94	14.631.637
Non-installment	54.780.038	-	54.780.038
Corporate credit cards-FC	6.433	-	6.433
Installment	-	-	-
Non-installment	6.433	-	6.433
Overdraft accounts-TRY (Commercial customers)	63.970.348	-	63.970.348
Overdraft accounts-FC (Commercial customers)	-	-	-
Total	164.280.007	297.677.932	461.957.939

^(*) Interest income accruals and rediscounts are not included in the table above.

Prior Period	Short-term	Medium and long-term	Total
Commercial installment loans-TRY	21.222.978	101.935.956	123.158.934
Business premises loans	-	1.429.081	1.429.081
Vehicle loans	311.883	2.048.837	2.360.720
Consumer loans	20.911.095	98.458.038	119.369.133
Other	-	-	-
Commercial installment loans- Indexed to FC	-	-	-
Business premises loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
Commercial installment loans - FC	738.148	110.002.146	110.740.294
Business premises loans	-	-	-
Vehicle loans	-	-	-
Consumer loans	738.148	110.002.146	110.740.294
Other	-	-	-
Corporate credit cards-TRY	57.819.382	1.808	57.821.190
Installment	12.354.903	1.808	12.356.711
Non-installment	45.464.479	-	45.464.479
Corporate credit cards-FC	5.298	-	5.298
Installment	-	-	-
Non-installment	5.298	-	5.298
Overdraft accounts-TRY (Commercial customers)	43.202.153	-	43.202.153
Overdraft accounts-FC (Commercial customers)	-	-	-
Total	122.987.959	211.939.910	334.927.869

^(*) Interest income accruals and rediscounts are not included in the table above.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans (continued):

f) Loans by customers^(*):

	Current Period	Current Period
Public	21.582.140	24.904.769
Private	1.893.428.030	1.406.392.636
Total	1.915.010.170	1.431.297.405

(*) Non-performing loans balance is not included in the table above.

g) Domestic and foreign loans^(*):

	Current Period	Prior Period
Domestic loans	1.907.771.036	1.426.288.053
Foreign loans	7.239.134	5.009.352
Total	1.915.010.170	1.431.297.405

(*) Non-performing loans balance is not included in the table above.

h) Loans granted to subsidiaries and associates:

	Current Period	Prior Period
Direct loans granted to subsidiaries and associates	14.568.803	10.968.332
Indirect loans granted to subsidiaries and associates	-	-
Total	14.568.803	10.968.332

i) Specific provisions related to loans or credit-impaired losses (Stage III):

	Current Period	Prior Period
Loans with Limited Collectability	5.229.331	2.857.626
Loans with Doubtful Collectability	10.244.377	2.337.622
Uncollectible Loans	24.129.054	13.223.344
Total	39.602.762	18.418.592

The increase in the expected credit loss provision balance allocated for stage 3 loans is caused by the result of the increase in risk amount in the current period.

j) Information on non-performing loans (Net):

j.1. Information on non-performing loans and restructured loans^(*):

	III. Group Loans with Limited Collectability	IV. Group Loans with Doubtful Collectability	V. Group Uncollectible Loans
Current period			
Gross amounts before the provisions	464.277	494.997	480.937
Restructured loans	464.277	494.997	480.937
Prior period			
Gross amounts before the provisions	212.129	144.192	288.710
Restructured loans	212.129	144.192	288.710

(*) Rediscounts are not included.

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans (continued) :

j) Information on non-performing loans (Net) (continued):

j.2. Information on the movement of non-performing loans:

	III. Group Loans with Limited Collectability	IV. Group Loans with Doubtful Collectability	V. Group Uncollectible Loans
Current Period			
Prior period end balance	8.698.621	5.995.557	15.704.243
Additions (+)	48.332.165	6.833.704	8.142.942
Transfers from other categories of loans under non-performing (+)	-	35.128.760	18.018.351
Transfers to other categories of loans under non-performing (-)	35.717.395	17.429.716	-
Collections (-) ^(*)	5.714.228	3.735.998	4.488.840
Write-offs (-)	-	-	747.667
Sold (-)	-	-	-
Corporate and Commercial Loans	-	-	-
Consumer Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Current period end balance	15.599.163	26.792.307	36.629.029
Provision (-)	5.229.331	10.244.377	24.129.054
Net balance on balance sheet	10.369.832	16.547.930	12.499.975
Prior Period			
Prior period end balance	1.614.761	2.148.165	14.776.767
Additions (+)	22.378.505	231.583	421.085
Transfers from other categories of loans under non-performing (+)	-	12.290.022	4.268.183
Transfers to other categories of loans under non-performing (-)	12.509.480	4.048.725	-
Collections (-) ^(*)	2.785.165	4.625.488	3.590.554
Write-offs (-)	-	-	4.550
Sold (-)	-	-	166.688
Corporate and Commercial Loans	-	-	61.243
Consumer Loans	-	-	66.232
Credit Cards	-	-	39.213
Other	-	-	-
Current period end balance	8.698.621	5.995.557	15.704.243
Provision (-)	2.857.626	2.337.622	13.223.344
Net balance on balance sheet	5.840.995	3.657.935	2.480.899

(*) It also includes loan balances structured in non-performing loans and transferred to performing loan accounts during the period, as they meet the necessary conditions within the scope of the relevant articles of the Regulation of Allowance.

j.3. Donuk alacaklar segment kırılımına ilişkin bilgiler :

	Commercial/ Corporate Loans	Consumer Loans	Total
Current Period			
Non-Performing Loans	71.289.162	7.731.337	79.020.499
Stage 3 Loan Provisions	34.998.711	4.604.051	39.602.762
Non-Performing Loans (Net)	36.290.451	3.127.286	39.417.737
Prior Period			
Commercial/ Corporate Loans			
Non-Performing Loans	27.351.006	3.047.415	30.398.421
Stage 3 Loan Provisions	16.532.399	1.886.193	18.418.592
Non-Performing Loans (Net)	10.818.607	1.161.222	11.979.829

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans (continued):

j) Information on non-performing loans (Net) (continued):

j.4. Information on foreign currency non-performing loans and other receivables^(*):

	III. Group Loans with Limited Collectability	IV. Group Loans with Doubtful Collectability	V. Group Uncollectible Loans
Current period			
Balance at the end of the period	410.781	2.794.312	6.430.150
Provisions (-)	135.684	1.134.907	4.682.151
Net balance in the balance sheet	275.097	1.659.405	1.747.999
Prior period			
Balance at the end of the period	601.570	95.478	4.442.122
Provisions (-)	189.322	39.518	3.626.597
Net balance in the balance sheet	412.248	55.960	815.525

(*) Rediscounts are included.

j.5. Gross and net amounts of non-performing loans according to user groups:

	III. Group Loans with Limited Collectability	IV. Group Loans with Doubtful Collectability	V. Group Uncollectible Loans
Current period (Net)	10.369.832	16.547.930	12.499.975
Loans to granted real persons and legal entities (Gross)	15.599.163	26.792.307	36.629.029
Provisions (-)	5.229.331	10.244.377	24.129.054
Loans to granted real persons and legal entities (Net)	10.369.832	16.547.930	12.499.975
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other loans (Gross)	-	-	-
Provisions (-)	-	-	-
Other loans (Net)	-	-	-
Prior period (Net)	5.840.995	3.657.935	2.480.899
Loans to granted real persons and legal entities (Gross)	8.698.621	5.995.557	15.704.243
Provisions (-)	2.857.626	2.337.622	13.223.344
Loans to granted real persons and legal entities (Net)	5.840.995	3.657.935	2.480.899
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other loans (Gross)	-	-	-
Provisions (-)	-	-	-
Other loans (Net)	-	-	-

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans (continued) :

k) Information on interest accruals, discounts and valuation differences calculated for non- performing loans and their provisions:

	III. Group Loans with Limited Collectability	IV. Group Loans with Doubtful Collectability	V. Group Uncollectible Loans
Current Period (Net)	1.597.193	3.735.256	3.257.316
Interest Accruals and Valuation Differences	2.423.792	5.884.912	8.206.939
Provision (-)	826.599	2.149.656	4.949.623
Prior Period (Net)	8	49	8.310
Interest Accruals and Valuation Differences	554	3.208	1.533.078
Provision (-)	546	3.159	1.524.768

l) Information regarding expected credit loss provisions:

Current Period	Stage 1	Stage 2	Stage 3	Total
Period Beginning Balance	6.295.090	18.047.398	18.418.592	42.761.080
Additions	4.298.973	3.809.277	21.118.354	29.226.604
Transfer to Stage 1	1.320.756	(1.316.427)	(4.329)	-
Transfer to Stage 2	(791.605)	1.226.892	(435.287)	-
Transfer to Stage 3	(264.240)	(1.922.446)	2.186.686	-
Collections (-)	29.546	5.264.425	933.587	6.227.558
Sold (-)	-	-	-	-
Write-offs (-)	-	-	747.667	747.667
Period end Balance	10.829.428	14.580.269	39.602.762	65.012.459

Prior Period	Stage 1	Stage 2	Stage 3	Total
Period Beginning Balance	11.090.506	22.290.260	15.128.761	48.509.527
Additions	466.231	1.717.332	4.878.770	7.062.333
Transfer to Stage 1	268.980	(266.053)	(2.927)	-
Transfer to Stage 2	(669.678)	842.927	(173.249)	-
Transfer to Stage 3	(175.794)	(574.460)	750.254	-
Collections (-)	4.685.155	5.962.608	1.991.779	12.639.542
Sold (-)	-	-	166.688	166.688
Write-offs (-)	-	-	4.550	4.550
Period end Balance	6.295.090	18.047.398	18.418.592	42.761.080

TÜRKİYE HALK BANKASI AŞ

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for the Period Ended 31 December 2025

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans (continued) :

m) Main guidelines of the liquidation policy of the Bank about the uncollectible loans and receivables:

The Bank liquidates its uncollectible receivables through different methods. These are by making payment protocols and by presenting adequate repayment schedules for the lower amount of receivables. Within the context of this collection policy, non-performing loans are collected in considerable amounts. Collections are firstly offset against lawsuits and expenses, interest and principle receivables from loans.

n) Explanations on write-off policy:

As per the provisions of TFRS 9 Financial Instruments Standard and the Provisions Communiqué of the BRSA dated 27 November 2019, banks are allowed to derecognize the portion of the loans under non-performing in loan Group 5 which no reasonable expectation remains.

As a write-off does not mean that the Bank has waived its claim, legal and administrative follow-up procedures continue to be carried out effectively for written-off receivables, the same way as for receivables recorded on the balance sheet.

In the current period, the Bank has written off group 5 non-performing loans amounting to TRY 747.667 on the grounds due to the lack of expectation, resulting in a decrease in the Bank's non-performing loan ratio from 4,00% to 3,96% after the write-off non-performing loans in accordance with the amendment to the related Provisions Regulation. (In the previous period, the Bank has written off group 5 non-performing loans amounting to TRY 4.550 on the grounds due to the lack of expectation, and also sold non-performing loans amounting to TRY 166.688, resulting in a decrease in the Bank's non-performing loan ratio from 2,09% to 2,08% after the write-off and sale of non-performing loans in accordance with the amendment to the related Provisions Regulation.)

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements
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(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(6) Information on financial assets measured at amortised cost:

a) Information on financial assets measured at amortised cost blocked/given as collateral or subject to repurchase agreement transactions are explained comparatively with net value:

a.1. Financial assets measured at amortised cost investments blocked/given as collateral:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Given as collateral/blocked securities	37.868.233	49.818.119	106.094.488	25.024.197

a.2. Financial assets measured at amortised cost investments subject to repurchase agreements:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Subject to repurchase agreements securities	127.446.468	42.065.504	188.359.942	58.855.898

b) Information on public sector debt investments financial assets measured at amortised cost:

	Current Period	Prior Period
Government bonds	765.284.729	545.492.281
Treasury bills	-	-
Other public sector debt securities	28.650.119	13.484.382
Total	793.934.848	558.976.663

c) Information on financial assets measured at amortised cost:

	Current Period	Prior Period
Debt securities	793.934.848	561.385.764
<i>Quoted on a stock exchange</i>	<i>793.934.848</i>	<i>558.976.663</i>
<i>Not quoted</i>	<i>-</i>	<i>2.409.101</i>
Impairment provision (-)	-	-
Total	793.934.848	561.385.764

d) Movement of financial assets measured at amortised cost within the year:

	Current Period	Prior Period
Beginning balance	561.385.764	430.563.441
Foreign currency differences on monetary assets	18.532.953	32.665.751
Purchases during the year ⁽¹⁾	255.887.587	211.726.758
Disposals through sales and redemptions	(41.871.456)	(113.570.186)
Impairment provision (-)	-	-
Balance at the end of the period	793.934.848	561.385.764

⁽¹⁾ The difference between the discount amount of TRY 352.835.755 as of 31 December 2025 and the amount of discount amount of TRY 218.576.249 as of 31 December 2024 (31 December 2023: TRY 136.701.563) is presented in the line disposed by purchases during the year.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(7) Information on associates (Net):

a) Information on associates:

Description	Address (City/Country)	Bank's share percentage, if different-voting percentage (%)	Bank's risk group share percentage (%)
1. DHB Bank NV ⁽¹⁾	Rotterdam/The Netherlands	30,00	30,00
2. Kobi Girişim Sermayesi Yatırım Ortaklığı AŞ ⁽¹⁾	Ankara/Türkiye	31,47	33,12
3. Yıldız Tekno Girişim Sermayesi Yatırım Ortaklığı AŞ ⁽¹⁾	İstanbul/Türkiye	35,79	35,79
4. Birleşim Varlık Yönetim AŞ ⁽¹⁾	İstanbul/Türkiye	16,00	16,00
5. KKB Kredi Kayıt Bürosu AŞ ⁽²⁾	İstanbul/Türkiye	18,18	18,18
6. Bileşim Finansal Teknolojiler ve Ödeme Sistemleri AŞ ⁽²⁾	İstanbul/Türkiye	33,33	33,33
7. Bankalararası Kart Merkezi AŞ ⁽²⁾	İstanbul/Türkiye	9,28	9,28
8. JCR Avrasya Derecelendirme AŞ ⁽²⁾	İstanbul/Türkiye	2,86	2,86

b) Information related to the associates as shown in (a):

	Total assets	Shareholders' equity	Total fixed assets	Interest income	Income from marketable securities portfolio	Current period profit/loss	Prior period profit/loss	Fair value
1.	104.256.048	13.821.307	108.756	6.471.756	310.035	1.068.849	938.114	-
2.	697.607	689.839	770	238.706	-	198.084	164.405	-
3.	93.604	93.202	110	5.977	-	(825)	(1.011)	-
4.	1.932.729	1.541.557	26.944	863.229	-	250.388	119.326	-
5.	6.821.231	2.613.321	2.178.914	1.044.388	-	1.773.715	636.361	-
6.	1.266.533	864.218	461.987	111.748	-	96.701	56.875	-
7.	12.558.845	9.959.937	1.157.373	2.851.180	-	4.981.467	3.157.519	-
8.	1.330.896	1.005.314	209.171	170.721	60.402	570.247	395.897	-

⁽¹⁾ The financial information is obtained from 31 December 2025 financial statements used in consolidation.

⁽²⁾ The financial information is obtained from unaudited 31 December 2025 financial statement.

c) Movement of associates:

	Current Period	Prior Period
Balance at the beginning of the period	3.405.199	2.833.279
Movements during the period	1.392.032	571.920
Purchases ⁽¹⁾	15.211	-
Bonus shares obtained profit from current year's share	-	1.428
Dividends from current year income	422.759	351.901
Sales	-	-
Transfers	-	-
Revaluation decrease (-)/increase ⁽²⁾	954.062	218.591
Impairment provisions (-)/reversals	-	-
Balance at the end of the period	4.797.231	3.405.199
Capital commitments	-	-
Share percentage at the end of the period (%)	-	-

⁽¹⁾ During the current period, the Bank made a payment of TRY 15.211 due to the capital increase of Yıldız Tekno Girişim Sermayesi Yatırım Ortaklığı AŞ.

⁽²⁾ It includes amounts accounted for using the equity method, excluding the profit received from the current year's share.

d) Sectorial information and related carrying amounts of associates:

	Current Period	Prior Period
Banks	4.146.393	2.902.429
Insurance companies	-	-
Factoring companies	-	-
Leasing companies	-	-
Financing companies	-	-
Other financial investments	497.098	349.030
Other non- financial investments	153.740	153.740

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(7) Information on associates (Net) (continued):

e) Associates quoted on a stock exchange:

None. (31 December 2024: None.)

(8) Information on subsidiaries (Net):

a) Information on subsidiaries⁽¹⁾:

	Halk Yatırım Menkul Değerler AŞ ⁽¹⁾	Halk Gayrimenkul Yatırım Ortaklığı AŞ ⁽¹⁾	Halk Finansal Kiralama AŞ ⁽¹⁾	Halk Banka AD, Skopje ⁽¹⁾	Halk Faktoring AŞ ⁽¹⁾	Halk Bank AD, Beograd ⁽¹⁾	Halk Varlık Kiralama AŞ ⁽¹⁾	Halk Elektronik Para ve Ödeme Hizmetleri AŞ ⁽¹⁾	Halk Katılım Bankası AŞ ⁽¹⁾	Halk Elektrik Üretim AŞ ⁽¹⁾
COMMON EQUITY TIER I CAPITAL										
Paid in Capital	250.000	3.840.000	1.523.000	2.963.096	1.246.000	754.199	500	250.000	11.500.000	100.000
Effect of Inflation Adjustment on Paid in Capital	-	-	-	-	-	-	-	-	-	-
Share premium	-	50.372	-	11.633	-	773.455	-	-	-	-
Reserves	393.565	10.528.650	882.094	2.038.822	1.076.769	1.579.866	14.210	1.554	-	-
Other Comprehensive Income according to TAS	16.034	37.554.107	2.652	11.484.394	-	8.831.635	-	-	-	-
Profit / Loss	2.952.248	16.849.534	519.700	1.265.554	838.603	696.085	17.640	152.297	850.955	40.573
Net Profit	1.820.552	16.849.534	519.700	1.347.012	838.603	696.085	17.640	140.672	850.955	40.573
Prior Period Profit/Loss	1.131.696	-	-	(81.458)	-	-	-	11.625	-	-
Bonus Shares from Associates, Subsidiaries and Joint Ventures not Accounted in Current Period's Profit	-	-	-	-	-	-	-	-	-	-
Current and Prior Periods' Losses not Covered by Reserves, and Losses Accounted under Equity according to TAS (-)	3.030	6.239.555	-	-	5.360	7.651	-	-	-	-
Leasehold Improvements (-)	-	3.394	-	47182	-	98.204	-	-	-	-
Intangible Assets (-)	28.057	1.629	11.375	243.827	29.626	876.527	-	17134	-	490
Total Core Capital	3.580.760	62.578.085	2.916.071	17.472.490	3.126.386	11.652.858	32.350	386.717	12.350.955	140.083
SUPPLEMENTARY CAPITAL	-	-	161.720	669.360	304.024	224.445	-	-	-	-
CAPITAL	3.580.760	62.578.085	3.077.791	18.141.850	3.430.410	11.877.303	32.350	386.717	12.350.955	140.083
NET AVAILABLE CAPITAL	3.580.760	62.578.085	3.077.791	18.141.850	3.430.410	11.877.303	32.350	386.717	12.350.955	140.083

⁽¹⁾ The amounts are obtained from the unconsolidated financial statements of the companies used in consolidation as of 31 December 2025.

⁽²⁾ The relevant figures have been taken from the financial statements dated 31 December 2025.

There is no internal capital adequacy assessment approach for the subsidiaries.

Paid in capital has been indicated as Turkish Lira in articles of incorporation and registered in trade registry.

Effect of inflation adjustments on paid in capital is the difference caused by the inflation adjustment on shareholders' equity items.

Extraordinary reserves are the status reserves which have been appropriated with the General Assembly decision after distributable profit have been transferred to legal reserves.

Legal reserves are the status reserves which have been appropriated from distributable profit in accordance with the related clauses of Turkish Commercial Code no. 6102.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(8) Information on subsidiaries (Net) (continued):

b) Information on subsidiaries:

		Bank's share percentage, if different-voting percentage (%)	Bank's risk group share percentage (%)
Description	Address (City/Country)		
1. Halk Yatırım Menkul Değerler AŞ ⁽¹⁾	İstanbul/Türkiye	100,00	100,00
2. Halk Gayrimenkul Yatırım Ortaklığı AŞ ^{(1) (2)}	İstanbul/Türkiye	79,33	79,36
3. Halk Finansal Kiralama AŞ ⁽¹⁾	İstanbul/Türkiye	100,00	100,00
4. Halk Banka AD, Skopje ⁽¹⁾	Skopje/North Macedonia	99,66	99,66
5. Halk Faktoring AŞ ⁽¹⁾	İstanbul/Türkiye	100,00	100,00
6. Halkbank AD Beograd ⁽¹⁾	Belgrade/Serbia	100,00	100,00
7. Halk Varlık Kiralama AŞ ⁽¹⁾	İstanbul/Türkiye	100,00	100,00
8. Halk Elektronik Para ve Ödeme Hizmetleri AŞ ⁽¹⁾	İstanbul/Türkiye	100,00	100,00
9. Halk Elektrik Üretim AŞ ⁽⁵⁾	İstanbul/Türkiye	100,00	100,00
10. Halk Katılım Bankası AŞ ⁽¹⁾⁽⁴⁾	İstanbul/Türkiye	100,00	100,00

c) Information related to the subsidiaries as shown in (b):(1)

		Shareholders' equity		Interest/profit share income	Income from marketable securities portfolio	Current period profit/loss	Prior period profit/loss	Fair value
Total assets		Total fixed assets						
1. 8.385.504	3.608.817	115.678		2.895.824	90.335	1.820.552	1.777.311	-
2. 85.143.019	62.506.498	38.506.724		482.000	-	16.849.534	4.204.012	-
3. 24.191.290	2.927.446	44.930		4.487.050	-	519.700	442.349	-
4. 104.694.899	17.763.499	2.619.713		4.143.978	572.700	1.347.012	972.584	-
5. 18.683.495	3.156.012	40.027		5.639.880	-	838.603	743.290	-
6. 71.863.691	12.627.589	2.555.523		2.809.282	325.875	696.085	739.954	-
7. 18.556.555	32.350	36		9.609	-	17.640	7.001	-
8. 1.243.312	403.851	28.556		118.783	-	140.672	10.461	-
9. 144.285	140.573	623		34.528	-	40.573	-	-
10. 12.886.790	12.350.955	-		1.320.541	-	850.955	-	-

⁽¹⁾ The financial information is obtained from 31 December 2025 financial statements used in consolidation.
⁽²⁾ The Bank's subsidiary Halk Gayrimenkul Yatırım Ortaklığı AŞ was privatized by a public offering on 22 February 2013 and the shares are traded on the Borsa İstanbul AŞ.
⁽³⁾ The relevant figures have been taken from the financial statements dated 31 December 2025.
⁽⁴⁾ Halk Katılım Bankası AŞ was established with the permission of the BRSA dated 30 May 2025 and numbered 11222, and was registered on 22 September 2025. As of the current period, it has not yet started its operations.

d) Movement of the subsidiaries:

	Current Period	Prior Period
Balance at the beginning of the period	54.541.969	38.293.689
Movements during the period	46.755.206	16.248.280
Purchase ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	13.600.000	7.966.061
Bonus shares obtained/profit from current year's share	115.140	385.399
Dividends from current year income	10.727.418	6.580.467
Sales	-	-
Transfer	-	-
Revaluation increase/decrease ⁽⁵⁾	22.312.648	7.316.353
Impairment Provisions (-)/Reversals	-	-
Balance at the end of the period	101.297.175	54.541.969
Capital commitments	-	-
Share percentage at the end of the period (%)	-	-

⁽¹⁾ During the current period, the Bank made a payment of TRY 100.000 for the establishment of Halk Elektrik Üretim AŞ.
⁽²⁾ During the current period, the Bank made a payment of TRY 1.000.000 due to the capital increase of Halk Finansal Kiralama AŞ.
⁽³⁾ During the current period, the Bank made a payment of TRY 1.000.000 due to the capital increase of Halk Faktoring AŞ.
⁽⁴⁾ During the current period, the Bank made a payment of TRY 11.500.000 for the establishment of Halk Katılım Bankası AŞ.
⁽⁵⁾ It includes amounts accounted for using the equity method, excluding the profit received from the current year's share.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(8) Information on subsidiaries (Net) (continued):

e) Sectorial information on subsidiaries and the related carrying amounts:

	Current Period	Prior Period
Banks	42.677.438	20.192.300
Insurance companies	-	-
Factoring companies	3.161.941	1.728.708
Leasing companies	2.987.739	1.667.458
Financing companies	-	-
Other financial subsidiaries	52.329.484	30.953.503
Other non-financial subsidiaries	140.573	-

f) Subsidiaries quoted in the stock exchange:

	Current Period	Prior Period
Quoted to domestic stock ⁽¹⁾	48.329.544	26.985.571
Quoted foreign stock exchange	-	-

⁽¹⁾ The Bank's subsidiary Halk Gayrimenkul Yatırım Ortaklığı AŞ has privatized by a public offering on 22 February 2013 and the shares are traded on the Borsa İstanbul AŞ.

(9) Information on jointly controlled entities (joint ventures):

None. (31 December 2024: None.)

(10) Information on finance lease receivables (Net):

None. (31 December 2024: None.)

(11) Information on derivative financial assets for hedging purposes:

None. (31 December 2024: None.)

(12) Information on tangible assets:

Current Period	Balance at the end of the prior period	Additions	Revaluation Increase	Disposals (-)	Transfer	Balance at the end of the period
Cost:						
Immovable	16.810.972	6.300.924	4.942.613	87.643	(5.432.403)	22.534.463
Right of use assets – real estate	5.086.170	4.097.558	-	584.852	-	8.598.876
Right of use assets – movable assets	516.958	1.043.663	-	830.085	-	730.536
Office machines	3.725.433	1.435.590	-	347.183	-	4.813.840
Fixed assets obtained due to non-performing loans	3.444.509	7.975.578	-	1.550.635	-	9.869.452
Lease hold improvements costs	4.454.680	2.104.106	-	-	-	6.558.786
Other	1.462.777	2.199.979	-	28.186	-	3.634.570
Total Cost	35.501.499	25.157.398	4.942.613	3.428.584	(5.432.403)	56.740.523
Accumulated depreciation (-)						
Immovable	2.435.968	123.154	3.654.801	2.518.650	-	3.695.273
Right of use assets – real estate	1.343.445	955.439	-	554.465	-	1.744.419
Right of use assets – movable assets	139.403	313.227	-	88.881	-	363.749
Office machines	1.612.749	610.088	-	13.245	-	2.209.592
Fixed assets obtained due to non-performing loans	37.829	216.448	-	101.175	-	153.102
Lease hold improvements costs	1.074.233	1.021.370	-	-	-	2.095.603
Other	451.323	312.827	-	12.144	-	752.006
Total Accumulated Depreciation	7.094.950	3.552.553	3.654.801	3.288.560	-	11.013.744
Provision for impairment (-)						
Immovable	92.431	-	107.756	-	-	200.187
Fixed assets obtained due to non-performing loans	-	-	-	-	-	-
Total provision for impairment (-)	92.431	-	107.756	-	-	200.187
Net Book Value	28.314.118	21.604.845	1.180.056	140.024	(5.432.403)	45.526.592

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(12) Information on tangible assets (continued) :

	Balance at the end of the prior period	Additions	Revaluation Increase	Disposals (-)	Transfer	Balance at the end of the period
Prior Period						
Cost:						
Immovable	11.204.074	552.252	5.072.323	17.677	-	16.810.972
Right of use assets – real estate	4.345.272	1.476.617	-	735.719	-	5.086.170
Right of use assets – movable assets	52.629	539.108	-	74.779	-	516.958
Office machines	2.386.700	1.471.031	-	132.298	-	3.725.433
Fixed assets obtained due to non-performing loans	3.412.592	2.019.182	-	1.987.265	-	3.444.509
Lease hold improvements costs	2.167.925	2.307.312	-	20.557	-	4.454.680
Other	893.086	608.737	-	39.046	-	1.462.777
Total Cost	24.462.278	8.974.239	5.072.323	3.007.341	-	35.501.499
Accumulated depreciation (-)						
Immovable	1.456.840	84.079	898.380	3.331	-	2.435.968
Right of use assets – real estate	890.579	664.816	-	211.950	-	1.343.445
Right of use assets – movable assets	42.474	153.724	-	56.795	-	139.403
Office machines	1.107.548	515.323	-	10.122	-	1.612.749
Fixed assets obtained due to non-performing loans	15.423	35.505	-	13.099	-	37.829
Lease hold improvements costs	516.446	567.725	-	9.938	-	1.074.233
Other	334.538	130.729	-	13.944	-	451.323
Total Accumulated Depreciation	4.363.848	2.151.901	898.380	319.179	-	7.094.950
Provision for impairment (-)						
Immovable	49.560	-	54.314	11.443	-	92.431
Fixed assets obtained due to non-performing loans	278	-	-	278	-	-
Total provision for impairment (-)	49.838	-	54.314	11.721	-	92.431
Net Book Value	20.048.592	6.822.338	4.119.629	2.676.441	-	28.314.118

(13) Information on intangible assets:

	Balance at the end of the prior period	Additions	Disposals (-)	Transfer	Balance at the end of the period
Current Period					
Cost:					
Goodwill	-	-	-	-	-
Other intangible assets	4.004.146	3.200.201	313.357	-	6.890.990
Total Cost	4.004.146	3.200.201	313.357	-	6.890.990
Accumulated Depreciation (-)					
Goodwill	-	-	-	-	-
Other intangible assets	1.411.947	969.069	361	-	2.380.655
Total Accumulated Depreciation	1.411.947	969.069	361	-	2.380.655
Net Book Value	2.592.199	2.231.132	312.996	-	4.510.335

	Balance at the end of the prior period	Additions	Disposals (-)	Transfer	Balance at the end of the period
Prior Period					
Cost:					
Goodwill	-	-	-	-	-
Other intangible assets	2.379.839	1.711.116	86.809	-	4.004.146
Total Cost	2.379.839	1.711.116	86.809	-	4.004.146
Cost:					
Goodwill	-	-	-	-	-
Other intangible assets	881.488	530.459	-	-	1.411.947
Total Accumulated Depreciation	881.488	530.459	-	-	1.411.947
Net Book Value	1.498.351	1.180.657	86.809	-	2.592.199

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(14) Information on investment property:

	Current Period	Prior Period
Balance at the beginning of the period	5.077.555	2.675.524
Movements during the period	22.184.287	2.402.031
Purchase	10.053.582	29.064
Sales	-	-
Transfer ⁽¹⁾	5.432.403	-
Revaluation increase/decrease	6.698.302	2.372.967
Balance at the end of the period	27.261.842	5.077.555

⁽¹⁾ The Bank reclassified a real estate asset previously classified as Property, Plant and Equipment as Investment Property due to a change in its intended use.

While the Bank accounts for its investment properties by allocating accumulated depreciation and permanent impairment provision, if any, from their purchase cost values, it has changed its accounting policy as of November 2023 and adopted the fair value method within the scope of TAS 40 Investment Properties Standard for investment properties. Accordingly, Bank has an independent valuation firm that carries out the valuation report for its investment properties and recognizes the changes in fair value in the profit or loss accounts in the period in which they occur.

(15) Information on deferred tax assets:

	Current Period	Prior Period
Deferred Tax Asset /(Liability)		
Provisions ⁽¹⁾	11.970.645	10.570.229
Revaluation of Financial Assets	(24.068.888)	(9.891.057)
Other	31.128.601	22.908.638
Deferred Tax Asset /(Liability):	19.030.358	23.587.810

Deferred Tax Accounted Under Shareholders’ Equity	(1.829.900)	1.068.699
Fair Value Through Other Comprehensive Income Arising from Securities’ Internal Rate of Return-stock Market Difference	967.092	2.037.548
Actuarial Gains/Losses	887.538	1.034.389
Valuation of Subsidiaries	(3.684.530)	(2.003.238)

⁽¹⁾ Includes reserve for employee benefits, expected credit loss provisions and other provisions.

(16) Information on assets held for sale and held from discontinued operations:

None. (31 December 2024: None.)

(17) Information on other assets:

Other assets balance in the balance sheet amounts to TRY 79.696.043 and does not exceed 10% of the balance sheet total. (31 December 2024: TRY 52.044.626)

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES

(1) Information on maturity structure of deposits / funds collected:

a) Information on deposit / funds collected^(*):

Current Period									
	Demand	7 day call accounts	Up to 1 month	1-3 months	3-6 months	6 months -year	1 year and over	Accumulating deposits	Total
Saving deposits	66.089.158	-	37.967.182	594.969.973	137.788.391	1.342.905	1.692.681	167.806	840.018.096
Foreign currency deposits	266.236.063	-	59.573.924	301.532.842	38.870.445	18.082.620	18.453.152	33.590	702.782.636
Residents in Türkiye	231.016.429	-	58.873.433	284.603.977	34.415.591	13.734.190	13.854.592	32.685	636.530.897
Residents abroad	35.219.634	-	700.491	16.928.865	4.454.854	4.348.430	4.598.560	905	66.251.739
Public sector deposits	44.447.525	-	119.206.645	40.976.883	3.472.609	1.810.897	425.800	-	210.340.359
Commercial inst. deposits	118.913.119	-	228.254.936	354.860.416	70.946.372	11.548.628	256.173	-	784.779.644
Other inst. deposits	12.352.921	-	16.251.821	114.623.597	35.473.854	5.269.092	230.935	-	184.202.220
Precious metals	249.172.955	-	171.215	29.727.610	2.614.571	749.960	457.934	-	282.894.245
Interbank deposits	240.179.434	-	124.468.887	116.172.344	266.916	-	1.014.398	-	482.101.979
CBRT	21.227	-	-	-	-	-	-	-	21.227
Domestic banks	1.279.263	-	106.957.374	67.089.727	229.362	-	-	-	175.555.726
Foreign banks	208.794.391	-	494.263	49.082.617	37.554	-	1.014.398	-	259.423.223
Participation banks	30.084.553	-	17.017.250	-	-	-	-	-	47.101.803
Total	997.391.175	-	585.894.610	1.552.863.665	289.433.158	38.804.102	22.531.073	201.396	3.487.119.179

(*) As of 31 December 2025, the Bank has a total deposit balance of TRY 4.689.122 without accrual regarding to FC indexed TRY deposit instruments announced by the CBRT and Ministry of Treasury and Finance.

Prior Period									
	Demand	7 day call accounts	Up to 1 month	1-3 months	3-6 months	6 months -year	1 year and over	Accumulating deposits	Total
Saving deposits	43.119.983	-	17.579.124	377.027.263	290.068.600	9.406.341	3.098.242	143.210	740.442.763
Foreign currency deposits	184.704.922	-	35.695.118	195.397.663	31.881.637	9.544.517	16.376.333	31.754	473.631.944
Residents in Türkiye	157.496.852	-	35.409.610	183.306.654	29.494.185	6.103.787	12.256.841	31.088	424.099.017
Residents abroad	27.208.070	-	285.508	12.091.009	2.387.452	3.440.730	4.119.492	666	49.532.927
Public sector deposits	27.303.098	-	8.430.178	18.190.715	11.933.940	628.480	11.079	-	66.497.490
Commercial inst. deposits	81.102.585	-	164.942.457	213.449.744	103.344.416	7.000.808	4.422.137	-	574.262.147
Other inst. deposits	8.113.691	-	7.537.040	65.479.199	33.582.399	14.412.054	54.931	-	129.179.314
Precious metals	98.496.855	-	72.704	15.525.905	1.020.079	423.413	322.100	-	115.861.056
Interbank deposits	162.822.292	-	66.290.502	50.222.961	1.683.944	493.160	366.811	-	281.879.670
CBRT	13.507	-	-	-	-	-	-	-	13.507
Domestic banks	1.113.035	-	49.539.858	25.317.797	1.633.651	12.587	-	-	77.616.928
Foreign banks	161.695.750	-	5.886.177	24.905.164	50.293	480.573	366.811	-	193.384.768
Participation banks	-	-	10.864.467	-	-	-	-	-	10.864.467
Total	605.663.426	-	300.547.123	935.293.450	473.515.015	41.908.773	24.651.633	174.964	2.381.754.384

(*) As of 31 December 2024, the Bank has a total deposit balance of TRY 166.842.496 without accrual regarding to FC indexed TRY deposit instruments announced by the CBRT and Ministry of Treasury and Finance.

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(1) Information on maturity structure of deposits / funds collected (continued):

b) Information on saving deposits in the scope of Saving Deposits Insurance Fund:

b.1. Amounts exceeding insurance limit:

b.1.1. Saving deposits under the guarantee of deposit insurance and exceeding the insurance limit:

Saving Deposits ^(*)	Under the guarantee insurance		Exceeding the insurance limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving deposits	253.695.686	186.349.427	582.917.707	552.799.325
Foreign currency saving deposits	79.023.959	60.318.464	264.452.852	169.795.883
Other deposits in the form of saving deposits	109.853.116	59.340.316	128.886.497	42.686.712
Foreign branches’ deposits under foreign authorities’ insurance	6.955.260	4.406.401	-	-
Off-shore banking regions’ deposits under foreign authorities’ insurance	-	-	-	-

(*) Within the scope of the SDIF Fund Board Decision published in the Official Gazette dated 7 December 2024 and numbered 32745, deposit amount subject to insurance which was TRY 650 as of 2024 has been determined as TRY 950, starting from the beginning of the 2025 calendar year.

All deposit and participation funds have been covered by insurance except official institutions, credit institutions and financial institutions in accordance with the “Amendment of Regulation on the Insurable Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund” published in the Official Gazette dated 27 August 2022 and numbered 31936. The balance of commercial deposits subject to insurance in this scope is TRY 90.593.025. This amount is not included in the above table that includes the insurance and exceeding the insurance limit information for saving deposits only.

b.1.2. Saving deposits at foreign branches are excluded from the scope of Saving Deposits Insurance Fund according to the related legislation, and are subject to insurance of foreign authorities in compliance with the foreign legislations.

c) Saving deposits which are not under the guarantee of deposit insurance fund:

	Current Period	Prior Period
Foreign branches’ saving deposits and other accounts	434.858	900.174
Deposits and other accounts belonging to dominant partners as well as their fathers, mothers, spouses and children under their custody	-	-
Deposits and other accounts belonging to the chairman and members of the board of directors, general managers and deputy general managers as well as their fathers, mothers, spouses and children under their custody	28.535	45.480
Deposits and other accounts covered by assets generated through the offenses mentioned in Article 282 of the Turkish Penal Code No.5237 and dated 26.9.2004	-	-
Deposits in the banks to be engaged exclusively in offshore banking in Türkiye	-	-

(2) Information on derivative financial liabilities:

Negative differences table related to the derivative financial liabilities:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward transactions	-	1.279.076	-	1.108.679
Swap transactions	-	1.490.441	-	1.383.920
Future transactions	-	-	-	-
Options	-	8.002	-	43
Other	-	-	-	-
Total	-	2.777.519	-	2.492.642

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(3) Information on funds borrowed:

a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Funds borrowed from CBRT	-	-	-	-
Domestic banks and institutions	672.301	9.075.717	794.174	4.617.260
Foreign banks, institutions and funds	75	84.984.473	18.862.983	28.740.728
Total	672.376	94.060.190	19.657.157	33.357.988

b) Maturity structure of funds borrowed:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-term	171.647	21.904.851	19.130.051	4.502.303
Medium and long-term	500.729	72.155.339	527.106	28.855.685
Total	672.376	94.060.190	19.657.157	33.357.988

c) Additional disclosures related to the concentrations of the Bank’s major liabilities:

Concentrations, fund providing customers, sector groups and other criteria where risk concentration is observed:

Main liability of the Bank is deposits, which is composed of 24,09% of saving deposits and 20,15% of foreign currency deposits. In order to fulfill the short term liquidity requirements, the Bank borrows loans from interbank money markets.

The Bank’s 59,18% of bank deposits and 32,80% of other deposits consist of foreign currency deposits.

(4) Marketable securities issued (net):

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Bills	-	-	4.649.481	-
Bonds	-	-	-	-
Assets Backed Securities	-	-	-	-
Total	-	-	4.649.481	-

(5) Explanations on the funds:

Funds are granted as loans in conformity with the protocols between the Bank and fund owner ministry or institutions.

Maturity structure of funds:

	Current Period	Prior Period
Short Term	1.629	711
Long Term	441.286	926.376
Total	442.915	927.087

(6) Information on other liabilities:

Other liabilities balance in the balance sheet amounts to TRY 130.094.648 and does not exceed 10% of the balance sheet total (31 December 2024: TRY 92.526.540).

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(7) Information on finance lease payables (Net):

a) The general explanations on criteria used in determining installments of financial lease agreements, renewal and purchasing options and restrictions in the agreements that create significant obligations to the Bank:

Installments are based on useful life, usage periods and provisions of the related accounting standards.

b) Explanation on finance lease payables:

None. (31 December 2024: None.)

c) Explanations on operational leases:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Up to 1 year	264.571	226.285	237.240	201.552
1 - 4 years	1.550.102	1.020.176	1.140.585	715.816
More than 4 years	20.138.831	7.148.319	9.394.707	3.506.822
Total	21.953.504	8.394.780	10.772.532	4.424.190

(8) Information on derivative financial liabilities for hedging purposes:

None. (31 December 2024: None.)

(9) Explanations on provisions:

a) Provisions for the foreign currency losses on the principal amount of foreign currency indexed loans and finance lease receivables:

As of 31 December 2025 the Bank does not have a provision amount of the currency differences on foreign currency indexed loans and finance lease receivables (31 December 2024: None).

b) Specific provisions provided for unindemnified and unfunded non-cash loans:

As of 31 December 2025, the Bank’s stage 3 expected credit loss provision for unindemnified non-cash loans balance is TRY 647.877. (31 December 2024: TRY 366.391)

c) Information on other provisions:

Total other provision balance amounting to TRY 4.502.266 (31 December 2024: TRY 3.053.341) consists of TRY 647.877 (31 December 2024: TRY 366.391) for stage 3 expected credit losses of unindemnified and unfunded non-cash loans, TRY 2.845.716 (31 December 2024: TRY 2.253.619) for stage 1 and stage 2 expected credit losses amount of non-cash loans, TRY 135.432 (31 December 2024: TRY 135.919) for legal cases filed against the Bank, and TRY 873.241 (31 December 2024: TRY 297.412) of other provisions.

d) Movement of employee termination benefits:

Severance indemnity provision as of 31 December 2025 is calculated by an independent company by using the actuarial conjectures. The amount calculated for the employee termination benefits as a result of the actuarial valuation according to TAS 19, is as follows;

	Current Period	Prior Period
Inflation Rate	23,38%	23,33%
Discount Rate	28,93%	28,70%
Estimated Real Wage Growth Rate	Inflation Rate + 0,2% ^(*)	11,54% / 23,53% ^(**)

^(*) A rate of 0,2% over the inflation rate was used for the year 2026.

^(**) For the first half of the 2025, a utilization rate of 11,54% is applied, while a rate of 23,53% is used for subsequent periods/years.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(9) Explanations on provisions (continued) :

d) Movement of employee termination benefits (continued) :

Calculated amounts as a result of actuarial conjectures are as follows:

	Current Period	Prior Period
As of 1 January	5.485.755	4.364.606
Charge for the year	588.614	482.748
Interest Expense	1.549.231	1.068.503
Actuarial gain/loss	(489.606)	762.287
Prior period service cost composed current period	5.868	404
Payment/The limitation of benefits/ Loss (Gain) therefore discharge	5.194	3.075
Benefits paid within the period (-)	(159.899)	(1.195.868)
Total	6.985.157	5.485.755

e) Liabilities for employee benefits:

The total employee benefits amounting to TRY 9.313.781 (31 December 2024: TRY 6.663.779) consist of TRY 2.328.624 for unused leave liabilities (31 December 2024: TRY 1.178.024), TRY 6.343.598 for severance pay liabilities set aside for personnel (31 December 2024: TRY 5.104.857), TRY 641.559 for severance pay liabilities set aside for subcontracted personnel (31 December 2024: TRY 380.898).

The Bank accounts for actuarial gains / losses under equity commencing from 1 January 2013.

f) Liabilities arising from retirement benefits:

f.1. Liabilities of pension funds founded as per the Social Security Institution:

None. (31 December 2023: None.)

f.2. Liabilities resulting from all kinds of pension funds, foundations etc. which provide post-retirement benefits for the employees:

Based on the results of the actuarial reports prepared as of 31 December 2025, it was determined that there is no technical deficit for Türkiye Halk Bankası AŞ Emekli Sandığı and T.C. Ziraat Bankası ve Türkiye Halk Bankası Çalışanları Emekli Sandığı Vakfı.

The above mentioned actuarial review, which was made in accordance with the principles of the related law, measures the present value of the liability as of 31 December 2025, in other words; it measures the amount to be paid to the Social Security Institution by the Bank. Actuarial assumptions used in the calculation are given below.

Assumptions	Current Period	Prior Period
Discount Rate	9,80%	9,80%
Mortality Rate	CSO 1980 women/men	CSO 1980 women/men

T. Halk Bankası Çalışanları Emekli Sandığı Vakfı, ("Fund") which was established by 20th provisional article of Social Security Law numbered 506. As of 31 December 2025, the number of personnel who benefit from the Fund is 44.242 (31 December 2024: 43.130 Personnel).

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(9) Explanations on provisions (continued):

f) Liabilities arising from retirement benefits (continued) :

f.2. Liabilities resulting from all kinds of pension funds, foundations etc. which provide post-retirement benefits for the employees (continued):

Below table shows the present values of premiums and salary payments as of 31 December 2025, by taking into account the health expenses within the Social Security Institution limits.

Transferable Pension and Medical Benefits:	Current Period	Prior Period
Net Present Value of Total Liabilities Other Than Health	(61.967.070)	(40.250.568)
Net Present Value of Long Term Insurance Line Premiums	77.618.017	40.814.221
Net Present Value of Total Liabilities Other Than Health	15.650.947	563.653
Net Present Value of Health Liabilities	(8.320.561)	(6.233.013)
Net Present Value of Health Premiums	46.177.909	25.492.263
Net Present Value of Health Liabilities	37.857.348	19.259.250

Pension Fund Assets	42.555.268	25.377.367
General Administration Expenses (1%)	(702.876)	(464.836)
Amount of Actuarial and Technical Deficit	95.360.687	44.735.434

Plan assets are comprised as follows:

Total Assets	Current Period	Prior Period
Banks	31.789.135	20.540.171
Marketable Securities	6.752.940	1.939.538
Property and Equipment	1.480.953	1.222.987
Other	2.532.240	1.674.671
Total	42.555.268	25.377.367

On the other hand, after the transfer, the currently paid health benefits will be revised within the framework of the Social Security Institution legislation and related regulations.The sensitivity analysis of defined benefit obligation of excess liabilities and retirement indemnities are as follows:

Change in Assumptions (%)			
Assumptions	Death Benefits	Medical Benefits	Total
Discount rate 1%	(15,6%)	(17,9%)	(17,9%)
Discount rate (1%)	20,1%	23,6%	23,6%
Inflation rate 1%	21,0%	29,1%	29,1%
Inflation rate (1%)	(16,3%)	(21,3%)	(21,3%)

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(10) Explanations related to tax liabilities:

a) Information on current tax liability:

a.1. Information on tax provision:

As of 31 December 2025, the Bank’s calculated current tax liability is amounting to TRY 320.520 and recognized under corporate tax provision account as of the mentioned date. (31 December 2024: TRY 431.358)

a.2. Information on taxes payable:

	Current Period	Prior Period
Corporate tax payable	320.520	431.358
Income on securities tax	11.208.057	4.977.394
Property income tax	21.964	14.680
Banking and insurance transactions tax (BITT)	3.293.521	2.380.696
Foreign exchange transactions tax	72.459	22.521
Value added tax payable	-	-
Other	1.266.712	621.889
Total	16.183.233	8.448.538

a.3. Information on premiums:

	Current Period	Prior Period
Social insurance premiums-employee	10	10
Social insurance premiums-employer	11	11
Bank social aid pension fund premium-employee	383.430	205.145
Bank social aid pension fund premium-employer	571.193	306.385
Pension fund membership fees and provisions-employee	-	-
Pension fund membership fees and provisions-employer	-	-
Unemployment insurance-employee	27.418	14.649
Unemployment insurance-employer	54.862	29.294
Other	5.931	3.383
Total	1.042.855	558.877

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(10) Explanations related to tax liabilities (continued):

b) Information on deferred tax liability:

It is explained in the 15th footnote of Section Five, Explanations And Notes Related To The Assets.

(11) Information on liabilities regarding assets held for sale and discontinued operations:

None. (31 December 2024: None.)

(12) Explanations on the number of subordinated loans the Bank used maturity, interest rate, institutions that the loan was borrowed from, and conversion option, if any: (*)

	Current Period		Prior Period	
Information on Subordinated Loans	TRY	FC	TRY	FC
To be included in the calculation of additional capital borrowings instruments	17.108.662	42.955.243	16.577.458	-
Subordinated loans	17.108.662	-	16.577.458	-
Subordinated debt instruments	-	42.955.243	-	-
Debt instruments to be included in contribution capital calculation	33.295.135	-	33.606.846	-
Subordinated loans	-	-	-	-
Subordinated debt instruments	33.295.135	-	33.606.846	-
Total	50.403.797	42.955.243	50.184.304	-

(*) Detailed information is disclosed in Section Four Footnote I.

(13) Information on shareholders’ equity:

a) Presentation of paid-in capital:

	Current Period	Prior Period
Common stock	7.184.778	7.184.778
Preferred stock	-	-

b) Application of registered capital system and registered capital ceiling amount:

There is an application of registered capital system and registered capital ceiling amount is TRY 30.000.000.

c) Information on share capital increases and their sources; other information on increased capital shares in the current period.

None.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(13) Information on shareholders’ equity (continued):

d) Information on additions from capital reserves to capital in the current period:

None.

e) Capital commitments in the last fiscal year and at the end of the following interim period, the general purpose of these commitments and projected resources required to meet these commitments:

None.

f) Information on the Bank’s acquired shares:

Between 1 January 2025, and 31 December 2025, a total of TRY 3.500 nominal worth of share buybacks were carried out, and no share sales were made.

g) Indicators of the Bank’s income, profitability and liquidity for the previous periods and possible effects of these future assumptions on the Bank’s equity due to the uncertainty of these indicators:

The Bank has sustainable profitability and equity structure. There are no uncertainties that would impact the current position.

h) Information on preferred shares:

None.

i) Information on marketable securities revaluation fund:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
From subsidiaries, associates and jointly controlled entities (joint ventures)	31.074	7.874.573	(412.512)	3.981.583
Valuation differences	31.074	377.470	(412.512)	193.005
Exchange rate difference	-	7.497.103	-	3.788.578
Financial assets at fair value through other comprehensive income	(5.334.924)	2.244.997	(5.850.054)	146.351
Valuation differences	(6.788.753)	3.698.826	(5.850.054)	737.832
Exchange rate difference	1.453.829	(1.453.829)	-	(591.481)
Total	(5.303.850)	10.119.570	(6.262.566)	4.127.934

j) Information on Profit Distrubiton:

The Ordinary General Assembly Meeting of the Bank was held on 25 April 2025. At the General Assembly Meeting, it was decided to transfer the remaining amount of TRY 14.350.180 to extraordinary reserves, after allocating TRY 755.273 of the unconsolidated net profit amounting to TRY 15.105.453 from the activities of the year 2024 as general legal reserves.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(13) Information on shareholders’ equity (continued):

k) Information on Legal Reserves

	Current Period	Prior Period
I. Legal Reserve	3.199.873	2.780.245
II. Legal Reserve	585.488	585.488
Special Reserves	485.588	149.943
Share Buyback Reserve Fund	1.243.639	1.169.931
Total	5.514.588	4.685.607

l) Information on Extraordinary Reserves:

	Current Period	Prior Period
Legal reserves that was allocated to be in compliance with the decisions made on the Annual General Assembly	64.747.724	49.662.780
Retained Earnings	-	-
Accumulated Losses	-	-
Exchange Rate Difference on Foreign Currency Capital (-)	-	-
Total	64.747.724	49.662.780

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

III. EXPLANATIONS AND NOTES RELATED TO THE OFF-BALANCE SHEET ITEMS

(1) Information on off-balance sheet liabilities:

a) Amount and nature of irrevocable loan commitments:

Types of irrevocable commitments	Current Period	Prior Period
Commitments for credit card expenditure limits	345.814.552	184.400.885
Payment commitments for cheques	38.797.420	30.831.741
Loan granting commitments	30.331.401	24.483.297
Forward asset purchase and sale commitments	76.113.842	5.740.992
Forward deposit purchase and sale commitments	-	-
Commitments for credit cards and banking services promotions	426.744	243.446
Tax and fund liabilities from export commitments	1.342.798	1.224.652
Share capital commitments to associates and subsidiaries	-	-
Other irrevocable commitments	81.143.646	52.390.328
Total	573.970.403	299.315.341

b) Amount and nature of probable losses and commitments from the off-balance sheet items including the below mentioned:

b.1. Non-cash loans including bank bill guarantees and acceptances, guarantees substituting financial guarantees and other letters of credit:

	Current Period	Prior Period
Letters of credit	48.821.584	18.422.833
Bank acceptances	78.546.876	55.198.376
Other guarantees	55.547.307	36.415.853
Total	182.915.767	110.037.062

b.2. Certain guarantees, tentative guarantees, sureties and similar transactions:

	Current Period	Prior Period
Letters of certain guarantees	163.855.427	109.060.667
Letters of advance guarantees	28.907.481	22.340.495
Letters of tentative guarantees	14.625.912	8.811.807
Letters of guarantee given to customs offices	26.634.127	20.213.626
Other letters of guarantee	757.556.801	530.009.087
Total	991.579.748	690.435.682

c) Information on non-cash loans:

c.1. Total non-cash loans:

	Current Period	Prior Period
Non-cash loans for providing cash loans	149.574.168	105.777.687
Within one year or less original maturity	9.970.483	9.225.705
Within more than one year maturity	139.603.685	96.551.982
Other non-cash loans	1.024.921.347	694.695.057
Total	1.174.495.515	800.472.744

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

III. EXPLANATIONS AND NOTES RELATED TO THE OFF-BALANCE SHEET ITEMS (continued)

c) Information on non-cash loans (continued):

c.2. Sectoral risk concentration of non-cash loans

	Current Period				Prior Period			
	TRY	(%)	FC	(%)	TRY	(%)	FC	(%)
Agriculture	2.662.407	0,34	175.248	0,05	1.586.816	0,28	113.627	0,04
Farming and Stockbreeding	1.332.280	0,17	68.899	0,02	961.597	0,17	33.560	0,01
Forestry	257106	0,03	-	-	192.253	0,03	-	-
Fishery	1.073.021	0,14	106.349	0,03	432.966	0,08	80.067	0,03
Manufacturing	195.518.802	24,89	165.144.999	42,46	149.358.072	27,05	111.865.172	45,05
Mining and Quarrying	13.502.957	1,72	3.070.110	0,79	7.800.465	1,41	2.528.298	1,02
Production	173.261.745	22,06	151.352.386	38,91	136.335.415	24,69	99.930.811	40,24
Electricity, Gas and Water	8.754.100	1,11	10.722.503	2,76	5.222.192	0,95	9.406.063	3,79
Construction	282.366.317	35,95	118.295.739	30,41	183.632.974	33,26	77.174.834	31,08
Services	300.516.175	38,26	103.503.519	26,60	211.738.899	38,35	56.904.700	22,92
Wholesale and Retail Trade	189.713.137	24,15	54.651.713	14,05	135.352.945	24,52	32.945.182	13,27
Accommodation and Dining	16.962.701	2,16	10.678.190	2,75	14.004.337	2,54	10.125.089	4,08
Transportation and Telecom.	12.889.362	1,64	13.889.756	3,57	8.444.849	1,53	2.892.210	1,16
Financial Institutions	33.691.492	4,29	423.193	0,11	20.068.255	3,63	292.273	0,12
Real Estate and Rental Services	40.565.281	5,16	23.625.245	6,07	29.283.898	5,30	10.493.243	4,23
Professional Services	217992	0,03	4.019	-	119.356	0,02	3.278	-
Educational Services	2.035.700	0,26	136.009	0,03	914.209	0,17	83.163	0,03
Health and Social Services	4.440.510	0,57	95.394	0,02	3.551.050	0,64	70.262	0,03
Other	4.429.358	0,56	1.882.951	0,48	5.836.249	1,06	2.261.401	0,91
Total	785.493.059	100,00	389.002.456	100,00	552.153.010	100,00	248.319.734	100,00

c.3. Non-cash loans classified under I. and II. Group

Current Period	Group I		Group II	
	TRY	FC	TRY	FC
Non-Cash Loans	772.287.418	364.482.515	10.856.858	18.921.350
Letters of Guarantee	643.298.235	314.192.029	10.251.675	17.366.191
Bills of Exchange and Bank Acceptances	72.844.866	5.080.327	605.183	-
Letters of Credit	597.496	45.210.159	-	1.555.159
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Guarantees and Sureties	55.546.821	-	-	-

Prior Period	Group I		Group II	
	TRY	FC	TRY	FC
Non-Cash Loans	541.854.543	227.721.505	8.539.257	19.181.401
Letters of Guarantee	451.459.162	208.597.898	8.269.175	18.938.146
Bills of Exchange and Bank Acceptances	53.784.767	1.139.027	270.082	-
Letters of Credit	194.998	17.984.580	-	243.255
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Guarantees and Sureties	36.415.616	-	-	-

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

III. EXPLANATIONS AND NOTES RELATED TO THE OFF-BALANCE SHEET ITEMS (continued)

2) Information on derivative financial instruments:

Derivative transactions according to purposes				
	Trading Derivatives		Derivative Financial Instruments held for Risk Management	
	Current Period	Prior Period	Current Period	Prior Period
Types of trading transactions				
Foreign Currency related Derivative Transactions (I):	419.185.809	199.782.706	-	-
Currency Forwards-Purchases/Sales	109.483.711	116.155.279	-	-
Currency Swaps-Purchases/Sales	299.612.654	82.917.410	-	-
Currency Futures-Purchases/Sales	-	-	-	-
Currency Options-Purchases/Sales	10.089.444	710.017	-	-
Interest Rate related Derivative Transactions (II)	51.025.398	104.623.172	-	-
Interest Rate Contracts	-	-	-	-
Interest Rate Swaps-Purchases/Sales	51.025.398	104.623.172	-	-
Interest Rate Options-Purchases/Sales	-	-	-	-
Interest Rate Futures-Purchases/Sales	-	-	-	-
Other Trading Derivatives (III) (1)	66.415.097	15.981.219	-	-
A. Total Trading Derivatives (I+II+III)	536.626.304	320.387.097	-	-
Derivative Financial Instruments held for Risk Management				
Fair Value Hedges	-	-	-	-
Cash Flow Hedges	-	-	-	-
FC investment in associates risk hedge	-	-	-	-
B. Total Derivative Financial Instruments held for Risk Management	-	-	-	-
Total Derivative Transactions (A+B)	536.626.304	320.387.097	-	-

⁽¹⁾ Other trading derivative transactions consist of TRY 5.471.777 and TRY 372.560 from forward precious metal purchase and sale transactions, respectively, and TRY 60.570.760 from swap transactions for the purchase of precious metals.

3) Explanations related to credit derivatives and its risk exposures:

The Bank has credit termly derivative transactions as part of its trading transactions. These transactions include credit default swaps which based on Treasury of Türkiye Republic’s credit risk. As of 31 December 2025, the Bank has credit default conditioned cross currency swap transaction amounting to USD 50 million with 5 year maturity (weighted average remaining maturity 4,1 years). In this transactions the Bank sells protection.

4) Information on contingent liabilities and assets:

Bank’s commitments for the cheques given to customers are TRY 38.797.420 (31 December 2024: TRY 30.831.741).

5) Services provided on behalf of others:

None. (31 December 2024: None.)

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF PROFIT OR LOSS

(1) Information on interest income:

a) Information on interest income on loans:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Interest on loans ⁽¹⁾				
Short term loans	224.024.678	4.766.595	167.714.971	3.201.338
Medium and long term loans	262.125.127	32.562.541	232.588.669	23.328.846
Interest on non-performing loans	21.677.649	-	8.620.564	-
Premiums from resource utilization support fund	-	-	-	-
Total	507.827.454	37.329.136	408.924.204	26.530.184

⁽¹⁾ Includes fees and commissions obtained from cash loans.

b) Interest received from banks:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
CBRT	-	2.507.095	-	2.041.963
Domestic banks	2.061.572	3.020	785.545	8.047
Foreign banks	3.989.158	113.806	2.566.894	125.270
Foreign headquarters and branches	-	-	-	-
Total	6.050.730	2.623.921	3.352.439	2.175.280

c) Interest income on marketable securities:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Financial Assets at Fair Value through Profit or Loss	581.113	1.561.211	229.029	575.075
Financial Assets at Fair Value through Other Comprehensive Income	44.528.631	6.065.015	35.665.977	3.281.241
Financial Assets Measured at Amortized Cost	206.217.012	5.562.045	132.812.193	5.772.414
Total	251.326.756	13.188.271	168.707.199	9.628.730

d) Interest income from subsidiaries and associates:

	Current Period	Prior Period
Interest income from subsidiaries and associates	4.226.131	3.135.692

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF PROFIT OR LOSS (continued)

(2) Information on interest expenses:

a) Information on interest expense on funds borrowed (1):

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks	3.144.580	3.832.673	3.228.958	1.570.964
<i>CBRT</i>	-	-	-	-
<i>Domestic banks</i>	210.952	384.287	398.268	164.758
<i>Foreign banks</i>	2.933.628	3.448.386	2.830.690	1.406.206
<i>Foreign headquarters and branches</i>	-	-	-	-
Other institutions	9.369.703	70.369	77.458	2.122.838
Total	12.514.283	3.903.042	3.306.416	3.693.802

⁽¹⁾ Includes fees and commissions obtained from cash loans.

b) Interest expenses to subsidiaries and associates:

	Current Period	Prior Period
Interest expenses given to subsidiaries and associates	2.795.005	1.291.446

c) Information on interest expenses to securities issued:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Interest on securities issued	16.393.198	1.476.939	5.926.503	-

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF PROFIT OR LOSS (continued)

(2) Information on interest expenses (continued):

d) Maturity structure of interest expenses on deposits:

Current Period	Time deposits							Total
	Demand deposits	Up to 1 month	Up to 3 months	Up to 6 months	Up to 1 year	More than 1 year	Accumulating Deposit Accounts	
Account name								
Turkish Lira								
<i>Bank deposits</i>	104.627	39.690.940	15.384.259	221.864	2.730	-	-	55.404.420
<i>Saving deposits</i>	275	12.543.329	224.491.178	84.482.175	926.370	657.323	22.282	323.122.932
<i>Public deposits</i>	57	10.257.492	11.341.688	1.571.171	434.393	35.816	-	23.640.617
<i>Commercial deposits</i>	77	84.498.677	108.198.090	27105.665	3.763.813	672.941	-	224.239.263
<i>Other deposits</i>	9	3.676.178	37.326.767	14.717.193	4.714.638	23.271	-	60.458.056
<i>7 days call accounts</i>	-	-	-	-	-	-	-	-
Total	105.045	150.666.616	396.741.982	128.098.068	9.841.944	1.389.351	22.282	686.865.288
Foreign currency								
<i>Deposits</i>	10	1.284.379	6.786.011	1.243.484	672.067	240.874	63	10.226.888
<i>Bank deposits</i>	221	7.827	1.921.887	3.329	17.041	28.284	-	1.978.589
<i>7 days call accounts</i>	-	-	-	-	-	-	-	-
<i>Precious metal</i>	-	53	11.267	1.085	450	503	-	13.358
Total	231	1.292.259	8.719.165	1.247.898	689.558	269.661	63	12.218.835
Grand total	105.276	151.958.875	405.461.147	129.345.966	10.531.502	1.659.012	22.345	699.084.123

Prior Period	Time deposits							Total
	Demand deposits	Up to 1 month	Up to 3 months	Up to 6 months	Up to 1 year	More than 1 year	Accumulating Deposit Accounts	
Account name								
Turkish Lira								
<i>Bank deposits</i>	162.653	26.239.843	11.095.777	223.398	318	-	-	37.721.989
<i>Saving deposits</i>	6	5.735.648	128.896.192	88.637.283	35.132.670	1.483.381	19.384	259.904.564
<i>Public deposits</i>	3	14.552.219	8.717.484	3.034.365	97.960	141.424	-	26.543.455
<i>Commercial deposits</i>	3	50.411.128	65.561.654	37.515.961	23.286.528	4.233.535	-	181.008.809
<i>Other deposits</i>	2	2.876.063	18.324.937	15.931.340	6.830.107	24.253	-	43.986.702
<i>7 days call accounts</i>	-	-	-	-	-	-	-	-
Total	162.667	99.814.901	232.596.044	145.342.347	65.347.583	5.882.593	19.384	549.165.519
Foreign currency								
<i>Deposits</i>	1	930.878	5.125.594	715.896	293.615	488.722	221	7.554.927
<i>Bank deposits</i>	1.781	22.602	1.496.918	48	4.862	875	-	1.527.086
<i>7 days call accounts</i>	-	-	-	-	-	-	-	-
<i>Precious metal</i>	-	248	33.772	3.976	1.712	7.059	-	46.767
Total	1.782	953.728	6.656.284	719.920	300.189	496.656	221	9.128.780
Grand total	164.449	100.768.629	239.252.328	146.062.267	65.647.772	6.379.249	19.605	558.294.299

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(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF PROFIT OR LOSS (continued)

(3) Information on dividend income:

	Current Period	Prior Period
Financial Assets at Fair Value Through Profit or Loss	-	-
Financial Assets at Fair Value Through other Comprehensive Income	54.000	30.835
Other	3.894	1.428
Total	57.894	32.263

(4) Information on trading profit/loss:

	Current Period	Prior Period
Profit	498.299.238	266.480.619
Trading gains on securities	5.001.847	7.705.142
Gains on derivate financial transactions	58.530.443	32.953.873
Foreign exchange gains	434.766.948	225.821.604
Loss (-)	511.349.899	288.556.447
Trading losses on securities	4.411.232	22.446
Losses on derivate financial transactions	48.129.192	53.158.021
Foreign exchange losses	458.809.475	235.375.980

Information on gain/loss from derivative financial instruments:

	Current Period	Prior Period
Profit on derivative financial instruments	58.530.443	32.953.873
Effect of the change in foreign exchange on profit	57.662.845	31.837.590
Effect of the change in interest rate on profit	867.598	1.116.283
Loss on derivative financial instruments (-)	48.129.192	53.158.021
Effect of the change in foreign exchange on loss	47.295.104	52.067.407
Effect of the change in interest rate on loss	834.088	1.090.614
Profit/loss on derivative financial instruments	10.401.251	(20.204.148)

(5) Information on other operating income:

	Current Period	Prior Period
Adjustments for prior period expenses	11.510.225	13.848.681
Income from the asset sale	781.032	767.826
Rent income	302.630	124.062
Other income	9.058.337	3.797.540
Total	21.652.224	18.538.109

(6) Information on Expected Credit Losses and other provision expenses:

	Current Period	Prior Period
Expected Credit Losses	35.144.908	7.249.890
12 Month Expected Credit Loss (Stage 1)	6.581.980	92.438
Significant Increase in Credit Risk (Stage 2)	3.490.980	499.231
Non – Performing Loans (Stage 3)	25.071.948	6.658.221
Marketable Securities Impairment Expense	-	-
Financial Assets at Fair Value through Profit or Loss	-	-
Financial Assets at Fair Value through Other Comprehensive Income	-	-
Impairment losses from associates, subsidiaries, jointly controlled entities	-	-
Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other	229.069	42.061
Total	35.373.977	7.291.951

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF PROFIT OR LOSS (continued)

(7) Information on other operating expenses:

	Current Period	Prior Period
Reserve for employee termination benefits	1.988.908	358.961
Bank social aid provision fund deficit provision	-	-
Tangible assets impairment expense	107.756	54.314
Depreciation expenses of fixed assets	3.336.105	2.116.396
Intangible assets impairment expense	-	-
Goodwill impairment expense	-	-
Amortization expenses of intangible assets	969.069	530.459
Impairment expense for equity shares subject to the equity method accounting	-	-
Impairment expense of assets to be sold	-	-
Amortization expenses of assets to be sold	216.448	35.505
Impairment expense for tangible assets held for sale	-	-
Other operating expenses	29.754.098	16.589.523
Leasing Expenses on TFRS 16 Exceptions	832.716	638.548
Maintenance expenses	686.973	382.782
Advertisement expenses	2.941.919	1.879.685
Other expenses ^(*)	25.292.490	13.688.508
Loss on sales of assets	2.436	1.673
Other ^(**)	19.648.181	10.222.712
Total	56.023.001	29.909.543

^(*) Other expenses mainly comprise fees related to credit card and other banking transactions.
^(**) Other, includes SDIF premium expenses of TRY 4.099.606 (31 December 2024: TRY 2.884.129) and tax and fee expenses of TRY 9.194.927 (31 December 2024: TRY 3.699.112).

(8) Information on profit/loss from continuing and discontinued operations before taxes:

The Bank’s income before tax/loss is due from continuing activities. Net interest income is TRY 89.771.536 (31 December 2024: TRY 38.390.310), net fees and commisions income is TRY 60.311.501 (31 December 2024: TRY 39.366.878) and the profit from operations before tax is TRY 29.869.548 (31 December 2024: TRY 15.442.772 profit from operations before tax).

(9) Information on tax provisions for continuing and discontinued operations:

For the period then ended 31 December 2025, the Bank’s tax provision expense amounting to TRY 2.738.852 (31 December 2024: TRY 6.595.049 tax provision income) consists of TRY 1.079.999 (31 December 2024: TRY 955.643) of current tax charge and TRY 15.659.176 (31 December 2024: TRY 16.238.984) of deferred tax charge, TRY 14.000.323 (31 December 2024: TRY 23.789.676) of deferred tax income.

(10) Information on net income/expense from continuing and discontinued operations after tax:

For the period then ended 31 December 2025, the Bank’s net operating income after tax is amounting to TRY 27.130.696 (31 December 2024: TRY 22.037.821).

(11) Information on net profit/loss:

a) If disclosure of the nature, size and recurrence rate of income and expense items arising from ordinary banking transactions is necessary for an understanding of the Bank’s performance during the period, an explanation of the nature and amount of these items:

There is no issue to be disclosed.

b) Effects of changes in accounting estimates on the current and future periods’ profit/loss:

There is no issue to be disclosed.

(12) Other items in the income statement:

The Other Items under Fees and Commissions Received and Fees and Commissions Paid generally consist of credit card and other banking transaction commissions.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

V. EXPLANATIONS AND NOTES RELATED TO THE STATEMENT OF CHANGES IN SHAREHOLDERS’ EQUITY

Explanations on inflation adjustments for equity items:

As per the BRSA circular announced on 28 April 2005, inflation accounting applied in the banking system has been ceased as of 1 January 2005 in accordance with the BRSA decree numbered 1623 and dated 21 April 2005.

According to this circular, TRY 1.220.451 of inflation adjustment related to paid in capital was transferred to the “Other Capital Reserves” account, which was previously recognized in “Paid-in Capital Inflation Adjustment” account before 31 December 2005. However, inflation adjustments related to other equity items are presented under the related equity item.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

VI. EXPLANATIONS AND NOTES RELATED TO THE CASH FLOW STATEMENT

(1) Disclosures for the “other” and “the effect of foreign exchange differences on cash and cash equivalents” items of cash flow statement:

The “net increase in other liabilities” under the changes in operating assets and liabilities is resulted from the changes in the funds obtained through repurchase agreements, miscellaneous payables, other external funding payables and taxes, duties and premiums payables and amounts to TRY 12.349.387 increase for the year 2025 (31 December 2024: TRY 220.649.520 increase). “Other” item in operating profit is composes of other operating expenses excluding fees and commissions expense, foreign exchange gain, other operating income and decrease by TRY 29.090.498 for the year 2025 (31 December 2024: TRY 46.183.827 decrease).

For the year ended 31 December 2025, effect of foreign currency translation differences on cash and cash equivalents is TRY 36.741.501 increase (31 December 2024: TRY 22.486.258 increase). The average exchange rates of last five weekdays were taken into consideration as of the balance sheet date when calculating the effect of change in the exchange rates.

(2) Items used in determination of cash and cash equivalents:

Cash in TRY and cash in foreign currency, Central Bank and bank deposits in cash having maturity less than three months and banks and money market receivables are defined as cash and cash equivalents.

(3) The effect of any change in accounting policies:

None.

(4) Cash and cash equivalents balance at the beginning of the period:

	Current Period	Prior Period
Cash	392.344.593	134.343.009
Cash in TRY, foreign currency and others ⁽¹⁾	16.819.287	13.465.519
Demand CBRT and Banks	375.525.306	120.877.490
Cash equivalents	12.356.696	6.493.387
Time Deposits Up to 3 Months	12.356.696	6.493.387
Money Market Placements	-	-
Total Cash and Cash Equivalents	404.701.289	140.836.396

⁽¹⁾ Others items include cheques received.

(5) Cash and cash equivalents balance at the end of the period:

	Current Period	Prior Period
Cash	418.019.313	392.344.593
Cash in TRY, foreign currency and others ⁽¹⁾	22.711.227	16.819.287
Demand CBRT and Banks	395.308.086	375.525.306
Cash equivalents	84.454.840	12.356.696
Time Deposits Up to 3 Months	84.454.840	12.356.696
Money Market Placements	-	-
Total Cash and Cash Equivalents	502.474.153	404.701.289

⁽¹⁾ Others items include cheques received.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

VII. EXPLANATIONS RELATED TO THE RISK GROUP OF THE BANK

(1) Volume of the Bank’s transactions with its risk group and outstanding loan and deposit balances as of the period-end, period income and expenses from the risk group:

a) Information on the loans of the Bank’s risk group:

Current Period						
Bank’s risk group	Subsidiaries, associates and jointly controlled entities (joint ventures)		Direct or indirect shareholders of the Bank		Other real and legal persons in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans						
Beginning Balance	10.968.332	536.620	-	-	-	-
Closing Balance	14.568.803	541.001	-	-	-	-
Interest and commissions income	4.224.614	3.515	-	-	-	-

Prior Period						
Bank’s risk group	Subsidiaries, associates and jointly controlled entities (joint ventures)		Direct or indirect shareholders of the Bank		Other real and legal persons in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans						
Beginning Balance	10.785.628	221.290	-	-	-	-
Closing Balance	10.968.332	536.620	-	-	-	-
Interest and commissions income	3.132.841	3.131	-	-	-	-

b) Deposits held by the Bank’s risk group:

Bank’s risk group	Subsidiaries, associates and jointly controlled entities (joint ventures)		Direct or indirect shareholders of the Bank		Other real and legal persons in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Beginning Balance	4.701.653	4.319.223	-	-	-	-
Closing Balance	13.815.776	4.701.653	-	-	-	-
Interest expense on deposits	2.795.005	1.291.446	-	-	-	-

c) Forward and option contracts and similar transactions with the Bank’s risk group:

Bank’s risk group	Subsidiaries, associates and jointly controlled entities (joint ventures)		Direct or indirect shareholders of the Bank		Other real and legal persons in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Transactions at Fair Value Through Profit or Loss						
Beginning Balance	-	-	-	-	-	-
Closing Balance	756.198	-	-	-	-	-
Total Profit/Loss	16.964	(3.124)	-	-	-	-

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

VII. EXPLANATIONS RELATED TO THE RISK GROUP OF THE BANK (continued)

(2) Disclosures for risk group:

a) The relations of the Bank with the entities controlled by the Bank and its related parties, regardless of whether there are any transactions or not:

In the normal course of its banking activities, the Bank conducted various business transactions with related parties at commercial terms and at rates which approximate market rates.

The Bank performs brokerage on the activities of Halk Yatırım Menkul Değerler AŞ within the scope of “the Brokerage Contract for Order Submission”.

b) Besides the structure of relationship, nature of the transaction, amount and ratio to the total volume of transactions, amount of major items and ratio to all items, pricing policies and other factors:

Current Period	Amount	Compared To The Amounts In The Financial Statements (%)
Cash Loans	14.568.803	0,73
Non-Cash Loans	541.001	0,05
Deposits	13.815.776	0,40
Forward and Option Contracts	756.198	0,14

Prior Period	Amount	Compared To The Amounts In The Financial Statements (%)
Cash Loans	10.968.332	0,75
Non-Cash Loans	536.620	0,07
Deposits	4.701.653	0,20
Forward and Option Contracts	-	-

Pricing of these transactions are in accordance with the general pricing policies of the Bank and are in line with market rates.

c) In cases whereby separate disclosure is not necessary, the total of similar items in order to present the total impact on the financial statements:

Explained in b).

d) Transactions accounted under the equity method:

As stated under the heading “Explanations and Notes related to Assets” in notes 7 and 8.

(3) Benefits given to the key management personnel:

Benefits given to the key management personnel are TRY 109.853 for the period ended 31 December 2025 (31 December 2024: TRY 79.308).

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

VIII. EXPLANATION AND NOTES RELATED TO THE BANKS’ DOMESTIC, FOREIGN, COASTAL BANKING REGIONS OR SUBSIDIARIES AND FOREIGN REPRESENTATIONS

(1) Explanations on the Bank’s domestic branches, agencies/branches abroad and off-shore branches

Current Period	Quantity	Number of Employees	Countries		
Domestic Branch	1.097	22.444			
Abroad Agencies	1	1	IRAN		
	1	2	ENGLAND		
				Total Assets	Statutory Capital
Overseas Branch	7	124	T.R.N.C.	36.789.795	-
	1	4	BAHRAIN	89.746.527	-
Off-shore Branches	-	-	-	-	-
Prior Period	Quantity	Number of Employees	Countries		
Domestic Branch	1.084	21.402			
Abroad Agencies	1	1	IRAN		
	1	1	ENGLAND		
				Total Assets	Statutory Capital
Overseas Branch	7	112	T.R.N.C.	23.819.800	-
	1	4	BAHRAIN	108.714.818	-
Off-shore Branches	-	-	-	-	-

(2) Explanations on branch and agency openings or closings or other significant operational changes of the Bank:

The Bank opened 17 branches during the year 2025.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (continued)

IX. FEES RELATED WITH THE SERVICES PROVIDED BY INDEPENDENT AUDITORS/INDEPENDENT AUDIT AGENCIES

In accordance with the decision of the POA dated 26 March 2021, the fee information for the reporting period regarding the services received from the independent auditor or independent audit firm is given in the table below over VAT excluded amounts.

	Current Period	Prior Period
a. Independent audit fees	28.438	17.627
b. Fees for other services	15.041	2.553
<i>Fees for other assurance services</i>	14.832	2.553
<i>Fees for tax advisory</i>	209	-
<i>Fees for other services except independent audit</i>	-	-
Total	43.479	20.180

X. EXPLANATIONS RELATED TO THE SUBSEQUENT EVENTS

The international rating agency Fitch Ratings has affirmed the Bank’s Long-Term Foreign Currency Issuer Default Rating “BB-”, Long-Term Local Currency Issuer Default Rating “BB-” and its Government Support Rating “bb-” on 28 January 2026. The outlook of the relevant ratings have been revised to “Positive” from “Stable”.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements
for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION VI: OTHER EXPLANATIONS

I. OTHER EXPLANATIONS ON THE BANKS’ ACTIVITY

On October 15, 2019, the United States Attorney’s Office for the Southern District of New York under the U.S. Department of Justice indicted the Bank by repeating the allegations set forth in the case filed against the former executive of the Bank due to the Iranian sanction violations.

The Bank’s personal jurisdiction and recusal objections were denied by the District Court on December 5, 2019, and the same objections the Bank appealed with the U.S. Court of Appeals for the Second Circuit (“Second Circuit”) were denied on February 21, 2020.

At the hearing held in the District Court on June 30, 2020; the schedule was determined regarding the motion to recuse, discovery motions, and filings of other motions. It was decided that the jury trials would begin on March 1, 2021 for which the schedule was revised on October 26, 2020. Accordingly, the jury trials are scheduled to be held on May 3, 2021. In this regard, the Bank filed its recusal motion on July 14, 2020 and its other motions to dismiss the indictment on August 10, 2020 at the District Court.

Bank’s recusal motion was denied by the District Court on August 24, 2020 and the Second Circuit on December 23, 2020. District Court denied Bank’s motion to dismiss the indictment on October 1, 2020. The Bank appealed to the Second Circuit against the dismissal of its motion to dismiss the indictment on the grounds that the Bank entitled to sovereign immunity under both the FSIA (Foreign Sovereign Immunity Act) and common law.

The Second Circuit ruled to stay the Bank’s proceedings at the District Court on December 23, 202, and also agreed to hear the appeal on the merits. Following the oral argument presented on April 12, 2021, the Second Circuit denied the Bank’s appeal on October 22, 2021.

Because the Bank would escalate its sovereign immunity appeal with the Supreme Court of the United States, the Second Circuit ruled on January 14, 2022 to stay the District Court proceedings until the Supreme Court process is completed.

Following the oral argument at the U.S. Supreme Court on January 17, 2023, the opinion was announced on April 19, 2023. The Supreme Court ruled that FSIA applied only in civil cases and not in criminal cases. On the other hand, the Supreme Court ruled that the Second Circuit did not fully consider the Bank’s sovereign immunity status under common law and remanded the case to the Court of Appeals for reconsideration.

Upon further review, with its decision dated October 22, 2024 the Second Circuit rejected the Bank’s common law immunity request and affirmed the District Court’s order. On December 12, 2024, the Bank filed a motion to stay the Second Circuit’s mandate, which was granted on December 18, 2024, and the mandate was stayed pending the filing and disposition of the Bank’s petition for a writ of certiorari to the U.S. Supreme Court.

The Bank filed its petition for a writ of certiorari with the U.S. Supreme Court on May 5, 2025. The Bank’s petition for a writ of certiorari was denied by the U.S. Supreme Court on October 6, 2025. Accordingly, the legal process regarding the Bank’s objections under sovereign immunity was completed. The District Court is expected to set a schedule to proceed with the hearing of the case on the merits, and a status conference will take place at the District Court on February 24, 2026. The Bank’s efforts to resolve the case by settlement are also ongoing.

In addition, a civil case (the Owens or first civil case) was filed by a group of plaintiffs against the Bank on March 27, 2020 with a claim for damages in the Southern District of New York Court “on the grounds that they (the plaintiffs) could not collect their judgments from Iran due to violations of sanctions” and it was served to the Bank’s attorneys on July 1, 2020. The Bank filed a motion at the District Court to dismiss the complaint, and thus to dismiss the case on September 25, 2020, and the case was fully briefed on December 16, 2020. The District Court conditionally granted Bank’s motion to dismiss on the grounds of forum non conveniens on February 16, 2021, and the case was closed at the District Court on March 3, 2021.

The Plaintiffs appealed to the decision by taking the District Court’s decision to the Second Circuit on June 30, 2021. After the case is fully briefed, the oral arguments were heard before the Second Circuit on October 13, 2022. The Second Circuit ruled in the Bank’s favor and dismissed the lawsuit seeking to satisfy judgements on May 2, 2023. Plaintiffs applied to the US Supreme Court on August 30, 2023 for a writ of certiorari in order to appeal the Second Circuit decision. The Supreme Court reviewed the application on January 5, 2024 and announced its decision to reject the plaintiff’s appeal on January 8, 2024. Accordingly, the Owens case brought against the Bank on March 27, 2020 was conclusively dismissed.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements
for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION VI: OTHER EXPLANATIONS

I. OTHER EXPLANATIONS ON THE BANKS’ ACTIVITY(continued)

Finally, on July 26, 2023, 151 plaintiffs filed a complaint in the U.S. District Court for the Southern District of New York and a new civil case (the Hughes or second civil case) against the Bank seeking to satisfy judgments similar to the Owens case.

The service was processed on October 1, 2023. According to the complaint, the plaintiffs seek judgments decision from the Court to the fullest extent permitted by law, attempting to establish a connection between certain aggrievements they have suffered in various countries and the supposed allegations in the current criminal case against the Bank, which was filed on October 15, 2019.

The Bank filed its motion to dismiss with the District Court on December 22, 2023 and the fully briefing is ended on April 22, 2024. On May 1, 2024, the district court in an appeal against the Government’s request, ruled to stay all judicial proceedings in the civil case until the conclusion of the criminal proceedings against the Bank. Therefore, the Hughes case is stayed until the final decision is made in the criminal case against the Bank. The proceedings of both the criminal case and the civil case are closely monitored by the Bank through U.S. law firms with relevant expertise.

Even though the uncertainty as to the processes of the lawsuits continue, as a result of the assessment made by the Bank’s management the afore-mentioned cases are not expected to affect the Bank’s financial statements.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Unconsolidated Financial Statements
for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION VII: AUDITORS’ REPORT

I. EXPLANATIONS ON INDEPENDENT AUDITORS’ REPORT

The unconsolidated financial statements of the Bank as at and for the period ended 31 December 2025 have been audited by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik AŞ and the independent auditors’ report dated 20 February 2026 is presented before the unconsolidated financial statements.

II. EXPLANATIONS AND NOTES PREPARED BY THE INDEPENDENT AUDITOR

None.

TÜRKİYE HALK BANKASI
ANONİM ŞİRKETİ

CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2025
WITH AUDITORS’ REPORT THEREON

(CONVENIENCE TRANSLATION OF CONSOLIDATED
FINANCIAL STATEMENTS AND RELATED DISCLOSURES AND FOOTNOTES
ORIGINALLY ISSUED IN TURKISH)



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Convenience Translation of the Independent Auditor’s Report Originally Prepared and Issued in Turkish to English

To the General Assembly of Türkiye Halk Bankası A.Ş.

A) Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Türkiye Halk Bankası A.Ş. (“the Bank”) and its subsidiaries (together will be referred as “the Group”) which comprise the consolidated balance sheet as at 31 December 2025 and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders’ equity, consolidated statement of cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Türkiye Halk Bankası A.Ş. and its consolidated financial subsidiaries as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the “Banking Regulation and Supervision Agency (“BRSA”) Accounting and Reporting Legislation” which includes the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” published in the Official Gazette No. 26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Board and circulars and interpretations published by BRSA and requirements of Turkish Financial Reporting Standards (“TFRS”) for the matters not regulated by the aforementioned legislations.

Basis for Opinion

We conducted our audit in accordance with the “Regulation on Independent Audit of the Banks” (“BRSA Audit Regulation”) published in the Official Gazette No.29314 dated 2 April 2015 by BRSA and Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”) (“Standards on Auditing issued by POA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We declare that we are independent of the Bank in accordance with the Code of Ethics for Auditors (including Independence Standards) issued by POA (“POA’s Code of Ethics”), as applicable to audits of the consolidated financial statements of public interest entities, and the ethical requirements in other regulations that are relevant to our audits of the consolidated financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the POA’s Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As detailed in footnote number one of section six, a criminal case was filed against the Bank 15 October 2019 by the United States of America (“the U.S.”) Attorney for the Southern District of New York for alleged violations of the U.S. sanctions on Iran. By the date of the report the case has not been concluded yet, and the Bank management stated that no penalties, judgements, sanctions or measures arising from said lawsuit and proceedings have been imposed, nor any liabilities have arisen which would require the Bank to make provisions in its financial statements. Even though the uncertainty as to the lawsuit’s process continues, this fact does not affect the conclusion provided by us.

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of loans measured at amortised cost

The details of accounting policies and significant estimates and assumptions for impairment of loans measured at amortised cost are presented in Section III, No: VIII of the consolidated financial statements.

Key audit matter	How the matter is addressed in our audit
As of 31 December 2025, loans measured at amortised cost comprise 47% of the Group’s total assets. The total provision for expected credit loss amounting to TRY 67.446.514 Thousand as of 31 December 2025.	Our procedures for testing the impairment of loans included below:
The Group recognizes expected credit loss allowances for its loans measured at amortized cost in accordance with TFRS 9 Financial Instruments (“the Standard”).	• We tested the design and operating effectiveness of the controls on lending, collateralization, collection, follow-up, classification and impairment procedures are tested with the involvement of information risk management specialists.
The Group applies the “expected credit loss model” in determining the impairment of financial assets in accordance with the Standard. The model which contains significant assumptions and estimates is reviewed by the Group management annually.	• We evaluated the adequacy of the subjective and objective criteria that are defined in the Group’s impairment accounting policy compared with the Standard.
The significant assumptions and estimates of the Group’s management are as follows:	• We evaluated the Group’s business model and methodology and the evaluation of the calculations were carried out with the control testing and detailed analysis by the involvement of specialist.
• Significant increase in credit risk; • Incorporating the forward-looking macroeconomic information in calculation of credit risk; • Design and implementation of expected credit loss model.	• We performed loan reviews for selected loan samples which include a detailed examination of loan files and related information and testing their classification. • We evaluated the accuracy of the expected credit loss calculations by selecting sample for the loans which are assessed on individual basis.



The determination of the impairment of loans measured at amortised cost depends on the default status of loan, the model based on the change in the credit risk since initial recognition and whether these loans are placed at the appropriate stage within that model. Establishing stage allocation is a significant process as the calculation of expected credit loss varies to the staging of the financial assets.	• We tested the accuracy and completeness of the data in the calculation models for the loans which are assessed on collective basis. The expected credit loss calculation was tested through recalculation. The models used for the calculation of the risk parameters were examined and the risk parameters for the selected sample portfolios were recalculated.
The Group calculates expected credit losses on both an individual and a collective basis. Individual provisions consider the estimated future performance of the business and the fair value of the collateral provided for credit transactions.	• We assessed the macroeconomic models, that are used to reflect forward looking expectations and tested the effect of the risk parameters by recalculation method.
The collective basis expected credit loss calculation is based on complex processes which are modelled by using current and past data sets and expectations including collaterals. The completeness and accuracy of data sets in the model are also considered. In addition, the future expectations are reflected through macroeconomic models.	• We evaluated the qualitative and quantitative assessments which are used in determining the significant increase in credit risk. • We also evaluated the adequacy of the consolidated financial statements disclosures related to impairment provisions.
As explained above, impairment on loans measured at amortised cost has been identified as key audit matter, due its complex nature and the involvement of management judgments and significant estimates and assumptions.	

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the “BRSA Accounting and Reporting Legislation”, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Responsibilities of auditors in an audit are as follows:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with BRSA Auditing Regulation and Standards on Auditing issued by POA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with BRSA Auditing Regulation and Standards on Auditing issued by POA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



THE CONSOLIDATED FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

B) Report on Other Legal and Regulatory Requirements

- 1) Pursuant to the fourth paragraph of Article 402 of the Turkish Commercial Code (“TCC”) No. 6102; no significant matter has come to our attention that causes us to believe that the Bank’s bookkeeping activities for the period 1 January - 31 December 2025 are not in compliance with TCC and provisions of the Bank’s articles of association in relation to financial reporting.
- 2) Pursuant to the fourth paragraph of Article 402 of the TCC; the Board of Directors provided us the necessary explanations and required documents in connection with the audit.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Orhan Akova, SMMM
Partner
20 February 2026
İstanbul, Türkiye

1. The Bank’s Headquarter Address:
Finanskent Mahallesi Finans Caddesi No: 42/1 Ümraniye/İstanbul
2. The Bank’s Contact Phone and Fax:
Phone : 0216 503 70 70
Fax : 0212 340 93 99
3. The Bank’s Website and E-mail Address:
Website: www.halkbank.com.tr
E-mail Address: halkbank.ir@halkbank.com.tr

The consolidated financial report for the year ended prepared in accordance with the Communiqué on Financial Statements to be Disclosed to Public by Banks and Explanations and Footnotes Thereof as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

- **Section One:** :GENERAL INFORMATION ABOUT THE PARENT BANK
- **Section Two** :CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- **Section Three** : EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD
- **Section Four** :INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE GROUP
- **Section Five** :EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS
- **Section Six** :OTHER EXPLANATIONS
- **Section Seven** :AUDITOR’S REPORT

Subsidiaries and associates which are consolidated within this financial report are as below:

Subsidiaries	Associates
1. Halk Yatırım Menkul Değerler AŞ	1. DHB Bank NV
2. Halk Gayrimenkul Yatırım Ortaklığı AŞ	2. Kobi Girişim Sermayesi Yatırım Ortaklığı AŞ
3. Halk Finansal Kiralama AŞ	3. Yıldız Tekno Girişim Sermayesi Yatırım Ortaklığı AŞ
4. Halk Faktoring AŞ	4. Birleşim Varlık Yönetim AŞ
5. Halk Banka AD, Skopje	
6. Halkbank AD, Beograd	
7. Halk Varlık Kiralama AŞ	
8. Halk Elektronik Para ve Ödeme Hizmetleri AŞ	
9. Halk Katılım Bankası AŞ	

The consolidated financial statements for the nine-month period ended 30 September 2025 and related disclosures and footnotes that are subject to limited review and are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements and guidance, and in compliance with the financial records of our Bank and, unless stated otherwise, presented in **thousands of Turkish Lira**.

İstanbul, 20 February 2026

R. Süleyman Özdil	Osman Arslan	Mevlüt Uysal	Yusuf Duran Ocak	Osman Bektaş
<i>Chairman of the Board of Directors, Chairman of the Audit Committee</i>	<i>Member of the Board of Directors, Chief Executive Officer</i>	<i>Vice Chairman of the Board of Directors, Member of the Audit Committee</i>	<i>Financial Management and Planning Vice Chief Executive Officer</i>	<i>Head of Financial Accounting Department</i>

For any questions regarding this financial report, contact details of the personnel in charge is given below:
Name-Surname/Title : Atiye Ece GÜLERGÜN/ Manager
Tel No : 0216 503 52 48
Fax No : 0212 340 09 90

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TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION I: GENERAL INFORMATION ABOUT THE PARENT BANK

I. HISTORY OF THE PARENT BANK INCLUDING FOUNDATION DATE, INITIAL LEGAL STATUS, AMENDMENTS TO LEGAL STATUS

Türkiye Halk Bankası Anonim Şirketi (the “Parent Bank” or “Halkbank”) began its operations in accordance with the law no: 2284 in 1938 and still continues its activities as a public commercial bank.

II. EXPLANATION ABOUT THE PARENT BANK’S CAPITAL STRUCTURE, SHAREHOLDERS OF THE BANK WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS DURING THE YEAR (IF ANY) AND THE GROUP THE BANK BELONGS TO

The capital of the Parent Bank is controlled directly by the Türkiye Varlık Fonu.

As of 31 December 2025 the shareholders’ structure and their respective ownerships are summarized as follows:

Shareholders	31 December 2025	%	31 December 2024	%
Türkiye Varlık Fonu ⁽¹⁾	6.573.604	91,49	6.573.604	91,49
Public shares ⁽¹⁾	611.095	8,51	611.093	8,51
Other shareholders ⁽²⁾	79	0,00	81	0,00
Total	7.184.778	100,00	7.184.778	100,00

⁽¹⁾ The shares of the Türkiye Varlık Fonu amounting to TRY 5.935.328 have been included in Public shares.

⁽²⁾ TRY 79 of the shares included in the “Other Shareholders” group belong to shareholders whose shares do not trade on the exchange.

In accordance with the Law No: 6327 dated 13 June 2012 and 3rd sub-article added to the Article 2 of the Law No: 4603, as per the Turkish Commercial Code, the Public shares will be controlled and represented by the Minister the Parent Bank is reporting to, until the sale procedures of the public shares are completed.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION I: GENERAL INFORMATION ABOUT THE PARENT BANK (continued)

III. EXPLANATIONS ON THE PARENT BANK’S CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS, AUDIT COMMITTEE MEMBERS, CHIEF EXECUTIVE OFFICER AND EXECUTIVE VICE PRESIDENTS AND RESPONSIBILITIES AND SHAREHOLDING IN THE BANK, IF ANY

Name	Title
Recep Süleyman ÖZDİL	Chairman of the Board of Directors, Independent Member of the Board of Directors, Chairman of the Audit Committee
Mevlüt UYSAL	Vice Chairman of the Board of Directors, Independent Member of the Board of Directors, Member of the Audit Committee
Osman ARSLAN	Member of the Board of Directors, Chief Executive Officer
Şeref AKSAÇ	Member of the Board of Directors
Meltem TAYLAN AYDIN	Member of the Board of Directors
Mihrimah Belma SEKMEN	Independent Member of the Board of Directors
Maksut SERİM	Member of the Board of Directors
Ebubekir ŞAHİN	Member of the Board of Directors
Sezai UÇARMAK	Member of the Board of Directors
Mehmet AYDIN	Member of the Supervisory Board
Faruk ÖZÇELİK	Member of the Supervisory Board
Olcay ATLIOĞLU	Executive Vice President, Information Technologies
Celal CANDAN	Executive Vice President, Credit Risk Monitoring and Legal Proceedings
Tahir DEMİRKİRAN	Executive Vice President, Loan Allocation and Management
Mustafa ERMİŞ	Executive Vice President, Banking Operations and Digital Transformation
Yalçın MADENCİ	Executive Vice President, Corporate and Commercial Marketing
Yusuf Duran OCAK	Executive Vice President, Financial Management and Planning
Altan TAŞKIRAN	Executive Vice President, Retail and Digital Banking
Seyit Mehmet YAYDEMİR	Executive Vice President, Loan Policies, Monitoring and Specialized Loans
Murat YILDIRIM	Executive Vice President, SME and Retail Banking
Ahmet HOŞCAN	Executive Vice President (p.), Treasury and Resource Management
Miraç TAŞ	Executive Vice President (p.), International Banking

People mentioned above do not own any shares in the Parent Bank’s capital.

a) The Parent Bank’s top management members who have assigned to their position are listed with titles and dates of assignment.

Title	Name and Surname	Beginning Date
Executive Vice President	Murat YILDIRIM	17 July 2025
Executive Vice President (p.)	Seyit Mehmet YAYDEMİR	7 October 2025
Executive Vice President (p.)	Ahmet HOŞCAN	27 November 2025
Executive Vice President (p.)	Miraç TAŞ	2 January 2026

b) The Parent Bank’s top management members who have left their position are listed with titles and dates of leaving.

Title	Name and Surname	Beginning Date
Executive Vice President	Fatih ŞAHBAZ	29 August 2025
Executive Vice President	İlhan BÖLÜKBAŞ	17 September 2025
Executive Vice President	Ali ŞÖNER	27 November 2025

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION I: GENERAL INFORMATION ABOUT THE PARENT BANK (continued)

IV. EXPLANATION ON THE PARENT BANK’S QUALIFIED SHAREHOLDERS

Except for the Türkiye Varlık Fonu, no person or institute has any qualified shares attributable to the Parent Bank.

V. SUMMARY INFORMATION ON THE PARENT BANK’S SERVICE TYPE AND FIELDS OF OPERATION

1) General information about the Parent Bank:

Türkiye Halk Bankası Anonim Şirketi began its operations in 1938 in accordance with the Law No: 2284 and still continues its activities as a public commercial bank.

2) Parent Bank’s restructuring process:

Law numbered 4603 regarding the “Law on Türkiye Cumhuriyeti Ziraat Bankası, Türkiye Halk Bankası Anonim Şirketi and Türkiye Emlak Bankası Anonim Şirketi”, was prepared within the framework of the “Macro Economic Program” for the period 2000-2002. The purpose of the law is to modernize the operations of the banks to arrive at a point where the requirements of the international norms and international competition can both be reached and it also aims to sell the majority of the banks’ shares to individuals or legal entities in the private sector. The Parent Bank revised its charter of establishment, elected a new board of directors and increased its nominal capital from TRY 250.000 to TRY 1.250.000 in the extraordinary general assembly held on 14 April 2001. Within the scope of the restructuring process, the Parent Bank received government bonds in settlement of the accumulated specific duty losses and the Parent Bank’s whole specific duty loss receivable was thus eliminated as at 30 April 2001. In addition, a significant number of personnel were encouraged to sign new contracts and transferred to other government institutions.

According to Article 2.2 of Law No: 4603, subsequent to the completion of the restructuring procedures, the procedures involved in sale of the shares of the Parent Bank were to be concluded under the provisions of Law No: 4046 based on the “Regulation of Privatization Applications and Amendment of Some Laws and Decrees with the Force of Law”. The procedures relating to restructuring and sale of the shares were going to be completed within three years (until 25 November 2003) as of the effective date of the related law. However, by Law No: 5230 dated 31 July 2004, the term “ 3 years” in Article 2.2 of Law numbered 4603 was previously amended to “5 years” and subsequently by Law No: 5572 dated 10 January 2007 the related term was amended to “10 years”. As a result of these amendments, the privatization period of the Parent Bank was extended. The Council of Ministers has the authority to extend this period by the half of that period for one time only. The Council of Ministers extended the half of that “10 years” period as published in the Official Gazette by the Decree numbered 2010/964 and dated 6 November 2010.

As per the Higher Council of Privatization decision numbered 2006/69 dated 11 August 2006, the public shares were transferred to the Privatization Administration and 99,9% of the Parent Bank shares were decided to be sold before 25 May 2008 using the block sale method. 13th Department of Council of State with its decision numbered 2006/4258 dated 29 November 2006 to cease the execution of the High Council of Privatization’s decision numbered 2006/69 dated 11 August 2006. Thereupon, as per the decision of the Higher Council of Privatization numbered 2007/8 dated 5 February 2007, up to 25% of the public shares that were previously transferred to the Privatization Administration, were decided to be privatized by a public offering and it was decided to be concluded by the end of 2007. The first phase of the privatization process of the Bank corresponding to 24,98% was completed in the first week of May 2007 and Halkbank shares were started to trade on Borsa İstanbul AŞ as of 10 May 2007 with the base price of TRY full 8,00. As per the decision of the Higher Council of Privatization numbered 2012/150 dated 4 October 2012; 23,92% of the public shares held by the Privatization Administration were privatized by a second public offering and privatization was completed on 21 November 2012.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION I: GENERAL INFORMATION ABOUT THE PARENT BANK (continued)

V. SUMMARY INFORMATION ON THE PARENT BANK’S SERVICE TYPE AND FIELDS OF OPERATION (continued)

2) Parent Bank’s restructuring process (continued):

Under No: 25539 Law regarding the “Act No: 5230 with regards to the transfer of Pamukbank Türk Anonim Şirketi to Türkiye Halk Bankası AŞ and amendments to other acts” which came into force as published in the Official Gazette numbered 25539 dated 31 July 2004, Pamukbank (whose shares, management, and control were previously inherited to the Saving Deposit Insurance Fund (“SDIF”)) was transferred to the Halkbank. Insolvent Pamukbank TAŞ was a private sector deposit bank established by Çukurova İthalat ve İhracat TAO, Karamehmetler limited partnership and more than five hundred shareholders. Pamukbank started its private banking operations as an incorporation in accordance with the decision of the Council of Ministers numbered 4/4573 dated 5 March 1955. According to the decision of the Banking Regulation and Supervision Agency numbered 742 published in the Official Gazette numbered 24790 dated 19 June 2002 including 3rd and 4th Sub-articles in the Article 14 of the Banking Law No: 4389, the shareholders rights, excluding dividends, management and supervision of Pamukbank were transferred to the Saving Deposit Insurance Fund as of 18 June 2002.

3) The Parent Bank’s service activities and operating areas:

The Parent Bank’s operating areas include, commercial financing and corporate banking, fund management operations, retail banking and credit card operations.

As of 31 December 2025, the Parent Bank operates with a total of 1.105 branches consisting of 1.097 domestic and 8 foreign branches that are 7 in Turkish Republic of Northern Cyprus and 1 in Bahrain. Domestic branches include 35 satellite branches. The Parent Bank has also 2 representative offices in England and Iran.

VI. EXPLANATION ABOUT COMPANIES WITHIN THE SCOPE OF CONSOLIDATION

The Parent Bank and its subsidiaries;

- Halk Yatırım Menkul Değerler AŞ
- Halk Gayrimenkul Yatırım Ortaklığı AŞ
- Halk Finansal Kiralama AŞ
- Halk Faktoring AŞ
- Halk Banka AD, Skopje
- Halkbank AD Beograd
- Halk Katılım Bankası AŞ
- Halk Varlık Kiralama AŞ
- Halk Elektronik Para ve Ödeme Hizmetleri AŞ

are consolidated “line by line” in the accompanying consolidated financial statements.

The Parent Bank’s associates;

- DHB Bank NV
- Kobi Girişim Sermayesi Yatırım Ortaklığı AŞ
- Yıldız Tekno Girişim Sermayesi Yatırım Ortaklığı AŞ
- Birleşim Varlık Yönetim AŞ

are accounted for at “equity method” in the accompanying consolidated financial statements.

Halk Gayrimenkul Yatırım Ortaklığı AŞ (“Halk GYO”), a subsidiary of the Parent Bank established in 2010, was registered on 18 October 2010. Halk GYO’s main line of business is, to form and improve real estate portfolios and to invest in real estate based capital market instruments. Halk GYO’s main operational objective is to invest in capital market instruments based on real estates, real estate projects and rights based on real estates, as per the Capital Markets Board’s (“CMB”) regulation on investment trusts.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION I: GENERAL INFORMATION ABOUT THE PARENT BANK (continued)

VI. EXPLANATION ABOUT COMPANIES WITHIN THE SCOPE OF CONSOLIDATION (continued)

As at 15 February 2013 28% shares of Halk GYO has been offered to public. After collecting potential investors’ book building, Halk GYO’s shares started to be traded on Borsa İstanbul AŞ since 22 February 2013.

Halk Finansal Kiralama AŞ was established in September 1991 in Türkiye and its main line of business is financial leasing. Halk Leasing operates under the provisions of the Turkish financial leasing law number 6361.

Halk Banka AD, Skopje, formerly Export and Credit Bank AD, Skopje is a subsidiary of the Parent Bank as of 8 April 2011, operating in Macedonia. The Bank’s main activities include commercial lending, accepting deposits, and retail banking services in the country and abroad. In addition, the Company has been engaged in insurance activities through Halk Osiguruvanje purchased on 28 January 2019.

Halk Faktoring AŞ was established in June 2012 in Türkiye and its main line of business is to provide factoring services that include legitimate commercial lending for all domestic and international trade operation.

Halkbank AD Beograd is a subsidiary of the Parent Bank as of 28 May 2015. Its main activities include commercial lending, accepting deposits, and retail banking services in the country and abroad.

Halk Yatırım Menkul Değerler AŞ, was established in 1997 to carry out capital markets activities, to purchase and sell capital markets instruments, and to execute stock exchange transactions. Halk Yatırım became a subsidiary in early 2006 when Halkbank bought the shares of Türkiye Halk Bankası Personnel Provident Fund.

Halk Varlık Kiralama AŞ was established on 3 October 2017 with the purpose of issuing “Lease Certificate” in accordance with the Capital Markets Board Law No. 6362, the CMB Communiqué and the related regulations of the CMB.

Halk Elektronik Para ve Ödeme Hizmetleri AŞ obtained its license to operate as a payment services and electronic money institution from the CBRT on 13 February 2024 in accordance with Law No. 6493. It operates with many digital products including physical and virtual POS, link payment, digital wallet and open banking.

Halk Katılım Bankası AŞ was established on 22 September 2025, to contribute to the development of participation banking and economic growth in our country, and to serve all individual and corporate customers, primarily entrepreneurs and the SME segment. As of the current period, it has not yet started its operations.

For the purposes of the consolidated financial statements, the Parent Bank and its consolidated subsidiaries are referred to as “the Group”.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION I: GENERAL INFORMATION ABOUT THE PARENT BANK (continued)

VII. DIFFERENCES BETWEEN THE COMMUNIQUE ON PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF BANKS AND TURKISH ACCOUNTING STANDARDS AND SHORT EXPLANATION ABOUT THE INSTITUTIONS SUBJECT TO LINE-BY-LINE METHOD OR PROPORTIONAL CONSOLIDATION AND INSTITUTIONS WHICH ARE DEDUCTED FROM EQUITY OR NOT INCLUDED IN THESE THREE METHODS

Halk Elektrik Üretim AŞ, one of the Parent Bank’s subsidiaries, and Bileşim Finansal Teknolojiler ve Ödeme Sistemleri AŞ, one of its associates, are not consolidated in accordance with the ‘Communiqué on the Preparation of Consolidated Financial Statements of Banks’ as they are not financial institutions. In the consolidated financial statements prepared in accordance with International Financial Reporting Standards, Halk Elektrik Üretim AŞ is fully consolidated, while Bileşim Finansal Teknolojiler ve Ödeme Sistemleri AŞ is consolidated using the equity method.

The Parent Bank’s subsidiaries Halk Yatırım Menkul Değerler AŞ, Halk Gayrimenkul Yatırım Ortaklığı AŞ, Halk Finansal Kiralama AŞ, Halk Banka AD Skopje and its subsidiary Halk Osiguruvanje AD Skopje, Halk Faktoring AŞ, Halkbank AD Beograd, Halk Katılım Bankası AŞ, Halk Varlık Kiralama AŞ and Halk Elektronik Para ve Ödeme Hizmetleri AŞ are included in the scope of consolidation by line-by-line method.

DHB Bank NV, Kobi Girişim Sermayesi Yatırım Ortaklığı AŞ, Yıldız Tekno Girişim Sermayesi Yatırım Ortaklığı AŞ and Birleşim Varlık Yönetim AŞ which are classified as investments in associates, are included in the financial statements based on equity method of consolidation. Associates are the domestic or foreign subsidiaries which the Parent Bank participates to equity with significant influence but without controlling interest.

VIII. CURRENT OR LIKELY ACTUAL OR LEGAL BARRIERS TO IMMEDIATE TRANSFER OF SHAREHOLDERS’ EQUITY OR THE REPAYMENT OF DEBTS BETWEEN THE BANK AND ITS SUBSIDIARIES

Immediate transfer of the equity between the Parent Bank and its subsidiaries is not in question. Dividend distribution from equity is made according to the related regulations.

There are no current or likely actual or legal barriers to the repayment of debts between the Parent Bank and its subsidiaries. The Parent Bank collects or disburses the amounts related to the purchase or prestation of services with its subsidiaries within the scope of service contracts.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION II: CONSOLIDATED FINANCIAL STATEMENTS

- I. Consolidated Balance Sheet (Consolidated Statement of Financial Position)
- II. Consolidated Statement of Off-Balance Sheet
- III. Consolidated Statement of Profit or Loss
- IV. Consolidated Statement of Profit or Loss and Other Comprehensive Income
- V. Consolidated Statement of Changes in Shareholders’ Equity
- VI. Consolidated Statement of Cash Flows
- VII. Statement of Profit Distribution

TÜRKİYE HALK BANKASI AŞ

Consolidated Balance Sheet as of 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. CONSOLIDATED BALANCE SHEET (CONSOLIDATED STATEMENT OF FINANCIAL POSITION)

		Audited			Audited		
		Current Period			Prior Period		
		31 December 2025			31 December 2024		
	Note	TRY	FC	TOTAL	TRY	FC	TOTAL
I.	FINANCIAL ASSETS (NET)	577.247.788	775.925.056	1.353.172.844	480.536.227	427.063.217	907.599.444
1.1	Cash and Cash Equivalents	434.043.067	497.279.378	931.322.445	370.307.065	298.593.643	668.900.708
1.1.1	Cash and Balances with Central Bank	(1) 397.944.998	470.362.667	868.307.665	356.954.461	276.472.432	633.426.893
1.1.2	Banks	(3) 36.300.283	26.927.964	63.228.247	13.297.023	20.938.433	34.235.456
1.1.3	Money Markets Placements	23.734	-	23.734	220.000	1.192.154	1.412.154
1.1.4	Expected Loss Provision (-)	225.948	11.253	237.201	164.419	9.376	173.795
1.2	Financial Assets at Fair Value Through Profit or Loss	(2) 10.424.506	103.189.636	113.614.142	2.226.939	56.553.648	58.780.587
1.2.1	Government Debt Securities	18.900	102.616.342	102.635.242	148.643	56.220.365	56.369.008
1.2.2	Equity Instruments	121.099	35.396	156.495	1.380	63.284	64.664
1.2.3	Other Financial Assets	10.284.507	537.898	10.822.405	2.076.916	269.999	2.346.915
1.3	Financial Assets at Fair Value Through Other Comprehensive Income	(4) 132.780.215	172.296.751	305.076.966	108.002.223	70.472.511	178.474.734
1.3.1	Government Debt Securities	132.613.001	170.558.375	303.171.376	107.887.190	69.194.517	177.081.707
1.3.2	Equity Instruments	167.214	1.738.376	1.905.590	115.033	1.277.994	1.393.027
1.3.3	Other Financial Assets	-	-	-	-	-	-
1.4	Derivative Financial Assets	(2)(12) -	3.159.291	3.159.291	-	1.443.415	1.443.415
1.4.1	Derivative Financial Assets at Fair Value Through Profit or Loss	-	3.159.291	3.159.291	-	1.443.415	1.443.415
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	-	-	-
II.	FINANCIAL ASSETS MEASURED AT AMORTISED COST(Net)	2.056.039.001	804.095.067	2.860.134.068	1.538.387.567	522.954.687	2.061.342.254
2.1	Loans	(5) 1.403.039.961	692.947.008	2.095.986.969	1.091.295.923	430.347.527	1.521.643.450
2.2	Lease Receivables	(10) 9.929.325	10.417.066	20.346.391	7.460.984	5.589.692	13.050.676
2.3	Factoring Receivables	(11) 14.116.938	3.788.873	17.905.811	8.858.683	1.131.056	9.989.739
2.4	Other Financial Assets Measured at Amortised Cost	(6) 694.821.347	99.510.537	794.331.884	474.074.684	87.534.263	561.608.947
2.4.1	Government Debt Securities	694.821.347	99.510.537	794.331.884	471.665.583	87.534.263	559.199.846
2.4.2	Other Financial Assets	-	-	-	2.409.101	-	2.409.101
2.5	Expected Credit Loss (-)	65.868.570	2.568.417	68.436.987	43.302.707	1.647.851	44.950.558
III.	NON CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (NET)	(17) 212	-	212	1.034	-	1.034
3.1	Held for Sale	212	-	212	1.034	-	1.034
3.2	Discontinued Operations	-	-	-	-	-	-
IV.	EQUITY INVESTMENTS	791.411	4.146.393	4.937.804	502.770	2.902.429	3.405.199
4.1	Investments in Associates (Net)	(7) 650.838	4.146.393	4.797.231	502.770	2.902.429	3.405.199
4.1.1	Associates Valued Based on Equity Method	497.098	4.146.393	4.643.491	349.030	2.902.429	3.251.459
4.1.2	Unconsolidated Associates	153.740	-	153.740	153.740	-	153.740
4.2	Subsidiaries (Net)	(8) 140.573	-	140.573	-	-	-
4.2.1	Unconsolidated Financial Subsidiaries	-	-	-	-	-	-
4.2.2	Unconsolidated Non- Financial Subsidiaries	140.573	-	140.573	-	-	-
4.3	Joint Ventures (Net)	(9) -	-	-	-	-	-
4.3.1	Joint Ventures Valued Based on Equity Method	-	-	-	-	-	-
4.3.2	Unconsolidated Joint Ventures	-	-	-	-	-	-
V.	TANGIBLE ASSETS (Net)	(13) 82.911.372	4.131.631	87.043.003	46.772.727	2.319.320	49.092.047
VI.	INTANGIBLE ASSETS (Net)	(14) 4.598.156	1.135.535	5.733.691	2.671.140	780.022	3.451.162
6.1	Goodwill	-	-	-	-	-	-
6.2	Other	4.598.156	1.135.535	5.733.691	2.671.140	780.022	3.451.162
VII.	INVESTMENT PROPERTIES (Net)	(15) 49.684.304	46.564	49.730.868	25.315.013	35.074	25.350.087
VIII.	CURRENT TAX ASSET	-	103.388	103.388	-	7.140	7.140
IX.	DEFERRED TAX ASSET	(16) 19.358.532	21.597	19.380.129	23.835.883	14.114	23.849.997
X.	OTHER ASSETS (Net)	(18) 107.326.224	9.507.997	116.834.221	63.937.962	5.822.424	69.760.386
	TOTAL ASSETS	2.897.957.000	1.599.113.228	4.497.070.228	2.181.960.323	961.898.427	3.143.858.750

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Consolidated Balance Sheet as of 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

I. CONSOLIDATED BALANCE SHEET (CONSOLIDATED STATEMENT OF FINANCIAL POSITION)

		Audited			Audited		
		Current Period			Prior Period		
		31 December 2025			31 December 2024		
	Note	TRY	FC	TOTAL	TRY	FC	TOTAL
I.	DEPOSITS	(1) 2.208.356.919	1.399.481.174	3.607.838.093	1.608.960.582	851.659.873	2.460.620.455
II.	FUNDS BORROWED	(3) 3.564.960	112.646.007	116.210.967	23.738.099	40.732.710	64.470.809
III.	MONEY MARKET FUNDS	132.187.642	109.005.826	241.193.468	170.933.569	85.791.960	256.725.529
IV.	SECURITIES ISSUED (Net)	(4) 21.760.480	-	21.760.480	12.192.983	-	12.192.983
4.1	Bills	3.242.154	-	3.242.154	4.836.295	-	4.836.295
4.2	Assets Backed Securities	18.518.326	-	18.518.326	7.356.688	-	7.356.688
4.3	Bonds	-	-	-	-	-	-
V.	FUNDS	442.915	-	442.915	927.087	-	927.087
5.1	Borrower Funds	-	-	-	-	-	-
5.2	Other	442.915	-	442.915	927.087	-	927.087
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	(2)(7) -	2.778.458	2.778.458	-	2.493.751	2.493.751
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss	-	2.778.458	2.778.458	-	2.493.751	2.493.751
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	-	-	-	-	-	-
VIII.	FACTORING LIABILITIES	21.683	21	21.704	33.256	-	33.256
IX.	LEASE LIABILITIES	(6) 7.685.484	952.968	8.638.452	3.599.700	624.020	4.223.720
X.	PROVISIONS	(8) 14.025.018	1.469.018	15.494.036	9.861.995	925.102	10.787.097
10.1	Restructuring Provisions	-	-	-	-	-	-
10.2	Reserve for Employee Benefits	9.515.292	470.779	9.986.071	6.801.655	282.743	7.084.398
10.3	Insurance for Technical Provision (Net)	-	852.503	852.503	-	555.471	555.471
10.4	Other Provisions	4.509.726	145.736	4.655.462	3.060.340	86.888	3.147.228
XI.	CURRENT TAX LIABILITIES	(9) 18.914.095	254.888	19.168.983	9.627.765	60.267	9.688.032
XII.	DEFERRED TAX LIABILITIES	(9) 9.185.826	42.166	9.227.992	3.048.633	2.152	3.050.785
XIII.	NON CURRENT LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	(10) -	-	-	-	-	-
13.1	Held for Sale	-	-	-	-	-	-
13.2	Discontinued Operations	-	-	-	-	-	-
XIV.	SUBORDINATED DEBT INSTRUMENTS	(11) 50.403.797	42.955.243	93.359.040	50.184.304	-	50.184.304
14.1	Loans	17.108.662	-	17.108.662	16.577.458	-	16.577.458
14.2	Other Debt Instruments	33.295.135	42.955.243	76.250.378	33.606.846	-	33.606.846
XV.	OTHER LIABILITIES	(5) 122.684.170	15.306.444	137.990.614	91.183.092	7.341.733	98.524.825
XVI.	SHAREHOLDERS' EQUITY	(12) 205.975.522	16.969.504	222.945.026	161.080.798	8.855.319	169.936.117
16.1	Paid-in Capital	7.184.778	-	7.184.778	7.184.778	-	7.184.778
16.2	Capital Reserves	44.521.459	-	44.521.459	45.519.268	722.748	46.242.016
16.2.1	Share Premium	44.505.199	-	44.505.199	44.505.199	-	44.505.199
16.2.2	Share Cancellation Profits	-	-	-	-	-	-
16.2.3	Other Capital Reserves	16.260	-	16.260	1.014.069	722.748	1.736.817
16.3	Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss	43.826.920	1.037.982	44.864.902	26.124.794	4.930	26.129.724
16.4	Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss	(5.322.875)	10.103.885	4.781.010	(6.276.513)	4.065.778	(2.210.735)
16.5	Profit Reserves	81.057.447	3.575.834	84.633.281	55.970.348	1.785.454	57.755.802
16.5.1	Legal Reserves	6.097.930	3.218.961	9.316.891	5.076.625	1.428.581	6.505.206
16.5.2	Status Reserves	-	-	-	-	-	-
16.5.3	Extraordinary Reserves	74.912.336	356.873	75.269.209	50.846.542	356.873	51.203.415
16.5.4	Other Profit Reserves	47.181	-	47.181	47.181	-	47.181
16.6	Income or (Loss)	30.188.923	2.191.548	32.380.471	29.220.638	2.236.744	31.457.382
16.6.1	Prior Periods' Income or (Loss)	5.096.744	153.031	5.249.775	9.076.636	342.925	9.419.561
16.6.2	Current Period Income or (Loss)	25.092.179	2.038.517	27.130.696	20.144.002	1.893.819	22.037.821
16.7	Minority Shares	4.518.870	60.255	4.579.125	3.337.485	39.665	3.377.150
	TOTAL LIABILITIES	2.795.208.511	1.701.861.717	4.497.070.228	2.145.371.863	998.486.887	3.143.858.750

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Consolidated Statement of Off-Balance Sheet Items as of 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

II. CONSOLIDATED STATEMENT OF OFF BALANCE SHEET

				Audited			Audited		
				Current Period			Prior Period		
				31 December 2025			31 December 2024		
	Note	TRY	FC	TOTAL	TRY	FC	TOTAL		
CONSOLIDATED OFF-BALANCE SHEET									
A. COMMITMENTS AND CONTINGENCIES (I+II+III)		1.486.233.226	922.957.284	2.409.190.510	937.838.680	558.949.112	1.496.787.792		
I. GUARANTEES AND WARRANTIES	(1)	785.286.053	419.263.790	1.204.549.843	551.997.849	265.935.019	817.932.868		
11 Letters of guarantee		655.674.701	364.718.713	1.020.393.414	461.327.649	245.392.301	706.719.950		
11.1 Guarantees subject to public procurement law		29.085.593	47.971.407	77.057.000	22.250.844	29.830.050	52.080.894		
11.2 Guarantees given for foreign trade operations		1.117.755	87.899.666	89.017.421	570.974	58.677.011	59.247.985		
11.3 Other letters of guarantee		625.471.353	228.847.640	854.318.993	438.505.831	156.885.240	595.391.071		
12 Bank loans		73.466.549	5.080.327	78.546.876	54.059.349	1.139.027	55.198.376		
12.1 Import acceptances		-	2.350.876	2.350.876	-	894.738	894.738		
12.2 Other bank acceptances		73.466.549	2.729.451	76.196.000	54.059.349	244.289	54.303.638		
13 Letters of credit		597.496	49.369.716	49.967.212	194.998	19.244.049	19.439.047		
13.1 Documentary letters of credit		597.496	49.369.716	49.967.212	194.998	19.244.049	19.439.047		
13.2 Other letters of credit		-	-	-	-	-	-		
14 Guaranteed refinancing		-	-	-	-	-	-		
15 Endorsements		-	-	-	-	-	-		
15.1 Endorsements to Central Bank of the Republic of Türkiye		-	-	-	-	-	-		
15.2 Other Endorsements		-	-	-	-	-	-		
16 Purchase guarantees on marketable security issuance		-	-	-	-	-	-		
17 Factoring guarantees		-	-	-	-	-	-		
18 Other guarantees		55.547.307	95.034	55.642.341	36.415.853	159.642	36.575.495		
19 Other sureties		-	-	-	-	-	-		
II. COMMITMENTS		560.690.141	105.794.642	666.484.783	305.071.914	50.674.890	355.746.804		
21 Irrevocable commitments	(1)	535.711.471	42.886.225	578.597.696	294.458.436	9.150.337	303.608.773		
21.1 Forward asset purchase commitments		37.854.910	38.726.094	76.581.004	884.087	6.648.336	7.532.423		
21.2 Forward deposit purchase and sale commitments		-	-	-	-	-	-		
21.3 Capital commitments to subsidiaries and associates		-	-	-	-	-	-		
214 Loan granting commitments		30.331.401	342.953	30.674.354	24.483.297	143.716	24.627.013		
215 Securities underwriting commitments		-	-	-	-	-	-		
216 Payment commitments for reserve deposits		-	-	-	-	-	-		
217 Payment commitments for Cheques	(3)	38.797.420	-	38.797.420	30.831.741	-	30.831.741		
218 Tax and fund liabilities from export commitments		1.342.798	-	1.342.798	1.224.652	-	1.224.652		
219 Commitments for credit card expenditure limits		345.814.552	1.159.280	346.973.832	184.400.885	780.109	185.180.994		
2110 Commitments for credit cards and banking services promotions		426.744	-	426.744	243.446	-	243.446		
2111 Receivables from short sale commitments		-	-	-	-	-	-		
2112 Payables for short sale commitments		-	-	-	-	-	-		
2113 Other irrevocable commitments		81.143.646	2.657.898	83.801.544	52.390.328	1.578.176	53.968.504		
22 Revocable commitments		24.978.670	62.908.417	87.887.087	10.613.478	41.524.553	52.138.031		
22.1 Revocable loan granting commitments		-	27.673.707	27.673.707	-	18.776.645	18.776.645		
22.2 Other revocable commitments		24.978.670	35.234.710	60.213.380	10.613.478	22.747.908	33.361.386		
III. DERIVATIVE FINANCIAL INSTRUMENTS	(2)	140.257.032	397.898.852	538.155.884	80.768.917	242.339.203	323.108.120		
3.1 Derivative financial instruments held for risk management		-	-	-	-	-	-		
3.1.1 Fair value risk hedging transactions		-	-	-	-	-	-		
3.1.2 Cash flow risk hedging transactions		-	-	-	-	-	-		
3.1.3 Net foreign investment risk hedging transactions		-	-	-	-	-	-		
3.2 Transactions for trading		140.257.032	397.898.852	538.155.884	80.768.917	242.339.203	323.108.120		
3.2.1 Forward foreign currency buy/sell transactions		29.692.119	79.884.440	109.576.559	46.932.595	69.222.684	116.155.279		
3.21.1 Forward foreign currency transactions-buy		14.192.584	38.083.896	52.276.480	19.381.549	32.894.610	52.276.159		
3.21.2 Forward foreign currency transactions-sell		15.499.535	41.800.544	57.300.079	27.551.046	36.328.074	63.879.120		
3.2.2 Currency and interest rate swaps		105.759.732	246.315.052	352.074.784	33.561.628	156.699.977	190.261.605		
3.2.2.1 Currency swap-buy		-	119.007.842	119.007.842	-	41.750.662	41.750.662		
3.2.2.2 Currency swap-sell		105.759.732	76.281.812	182.041.544	33.421.628	10.466.145	43.887.771		
3.2.2.3 Interest rate swap-buy		-	25.512.699	25.512.699	-	52.241.586	52.311.586		
3.2.2.4 Interest rate swap-sell		-	25.512.699	25.512.699	-	52.241.586	52.311.586		
3.2.3 Currency, interest rate and marketable securities options		4.805.181	5.284.263	10.089.444	274.694	435.323	710.017		
3.2.3.1 Currency call options		2.402.590	2.642.037	5.044.627	137.200	217.767	354.967		
3.2.3.2 Currency put options		2.402.591	2.642.226	5.044.817	137.494	217.556	355.050		
3.2.3.3 Interest rate call options		-	-	-	-	-	-		
3.2.3.4 Interest rate put options		-	-	-	-	-	-		
3.2.3.5 Marketable securities call options		-	-	-	-	-	-		
3.2.3.6 Marketable securities put options		-	-	-	-	-	-		
3.24 Currency futures		-	-	-	-	-	-		
3.2.4.1 Currency futures-buy		-	-	-	-	-	-		
3.2.4.2 Currency futures-sell		-	-	-	-	-	-		
3.2.5 Interest rate buy/sell futures		-	-	-	-	-	-		
3.2.5.1 Interest rate futures-buy		-	-	-	-	-	-		
3.2.5.2 Interest rate futures-sell		-	-	-	-	-	-		
3.2.6 Other		-	66.415.097	66.415.097	-	15.981.219	15.981.219		
B. CUSTODY AND PLEDGED ASSETS (IV+V+VI)		14.981.881.960	3.541.976.343	18.523.858.303	10.279.340.011	2.220.065.134	12.499.405.145		
IV. CUSTODIES		7.364.642.673	1.063.135.782	8.427.778.455	4.685.802.836	453.982.800	5.139.785.636		
4.1 Assets under management		-	-	-	-	-	-		
4.2 Custody marketable securities		675.013.346	179.303.021	854.316.367	421.524.393	50.307.830	471.832.223		
4.3 Cheques in collection process		274.645.982	648.339.043	922.985.025	201.701.445	243.321.652	445.023.097		
4.4 Commercial notes in collection process		5.982.821.879	61.282.166	6.044.104.045	3.811.467.645	46.776.448	3.858.244.093		
4.5 Other assets in collection process		-	-	-	-	-	-		
4.6 Underwritten securities		-	-	-	-	-	-		
4.7 Other custodies		7.828.870	1.782.238	9.611.108	3.140.918	89.950	3.230.868		
4.8 Custodians		424.332.596	172.429.314	596.761.910	247.968.435	113.486.920	361.455.355		
V. PLEDGED ASSETS		7.617.239.287	2.478.840.561	10.096.079.848	5.593.537.175	1.766.082.334	7.359.619.509		
5.1 Marketable securities		41.725.330	5.472.046	47.197.376	26.583.329	4.617.115	31.200.444		
5.2 Collateral notes		85.676.626	12.048.826	97.725.452	68.571.930	745.9.864	76.031.794		
5.3 Commodity		-	25.813	25.813	-	-	25.813		
5.4 Warranty		-	-	-	-	-	-		
5.5 Land and buildings		6.863.434.506	1.787.028.469	8.650.462.975	4.981.187.961	1.287.544.896	6.268.732.857		
5.6 Other pledged assets		573.895.716	508.725.289	1.082.621.005	411.522.779	391.246.849	802.769.628		
5.7 Pledges		52.481.296	165.565.931	218.047.227	105.645.363	75.213.610	180.858.973		
VI. ACCEPTED BILL GUARANTEES AND SURETIES		-	-	-	-	-	-		
TOTAL OFF-BALANCE SHEET ACCOUNTS (A+B)		16.468.115.186	4.464.933.627	20.933.048.813	11.217.178.691	2.779.014.246	13.996.192.937		

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Consolidated Statement of Profit or Loss for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

III. CONSOLIDATED STATEMENT OF PROFIT OR LOSS

			Audited	Audited
			Current Period	Prior Period
			1 January -31 December 2025	1 January -31 December 2024
		Note		
INCOME AND EXPENSES				
I.	INTEREST INCOME	(1)	918.258.634	678.010.748
1.1	Interest on Loans		546.737.055	436.691.079
1.2	Interest on Reserve Requirements		81.334.302	45.173.425
1.3	Interest on Banks		10.924.779	6.568.655
1.4	Interest on Money Market Transactions		3.047.883	1.100.386
1.5	Interest on Marketable Securities		265.395.016	179.074.905
1.5.1	Fair Value Through Profit or Loss		2.123.738	929.490
1.5.2	Fair Value Through Other Comprehensive Income		51.476.672	39.549.985
1.5.3	Measured at Amortized Cost		211.794.606	138.595.430
1.6	Financial Lease Interest Income		4.448.485	4.164.211
1.7	Other Interest Income		6.371.114	5.238.087
II.	INTEREST EXPENSE (-)	(2)	821.739.361	634.949.484
2.1	Interest on Deposits		699.524.876	559.153.479
2.2	Interest on Funds Borrowed		19.036.077	9.108.086
2.3	Interest Expense on Money Market Transactions		76.627.560	56.718.762
2.4	Interest on Securities Issued		18.591.121	6.659.056
2.5	Interest on Leases		2.064.950	847.376
2.6	Other Interest Expenses		5.894.777	2.462.725
III.	NET INTEREST INCOME (I - II)		96.519.273	43.061.264
IV.	NET FEES AND COMMISSIONS INCOME		61.847.539	41.740.995
4.1	Fees and Commissions Received		88.958.851	60.970.381
4.1.1	Non – cash Loans		13.800.152	10.044.750
4.1.2	Other	(11)	75.158.699	50.925.631
4.2	Fees and Commissions Paid (-)		27.111.312	19.229.386
4.2.1	Non – cash Loans		91.037	78.112
4.2.2	Other	(11)	27.020.275	19.151.274
V.	DIVIDEND INCOME		61.380	33.244
VI.	TRADING INCOME / LOSS (Net)	(3)	(12.068.473)	(21.097.692)
6.1	Trading Gains / (Losses) on Securities		1.261.455	8.410.563
6.2	Gains / (Losses) on Derivate Financial Transactions		10.551.403	(20.054.283)
6.3	Foreign Exchange Gains / (Losses)		(23.881.331)	(9.453.972)
VII.	OTHER OPERATING INCOME	(4)	39.946.374	29.632.372
VIII.	GROSS OPERATING INCOME (III+IV+V+VI+VII+VIII)		186.306.093	93.370.183
IX.	EXPECTED LOSS PROVISIONS EXPENSES (-)	(5)	38.544.281	10.139.775
X.	OTHER PROVISION EXPENSES (-)	(5)	234.033	57.942
XI.	PERSONNEL EXPENSES (-)		52.200.497	31.773.575
XII.	OTHER OPERATING EXPENSES (-)	(6)	60.029.284	32.710.445
XIII.	NET OPERATING INCOME /LOSS (IX-X-XI)		35.297.998	18.688.446
XIV.	INCOME AFTER MERGER		-	-
XV.	INCOME / (LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD		463.332	351.901
XVI.	INCOME / (LOSS) ON NET MONETARY POSITION		-	-
XVII.	PROFIT / LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)	(7)	35.761.330	19.040.347
XVIII.	TAX PROVISIONS FOR CONTINUED OPERATIONS (±)	(8)	(6.840.539)	4.186.699
18.1	Current Tax Provision		3.968.691	2.502.773
18.2	Deferred Tax Income Effect (+)		17.098.737	17.241.224
18.3	Deferred Tax Expense Effect (-)		14.226.889	23.930.696
XIX.	CURRENT PERIOD PROFIT / LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)	(9)	28.920.791	23.227.046
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1	Income from Non-Current Assets Held for Sale		-	-
20.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-
20.3	Income from Other Discontinued Operations		-	-
XXI.	EXPENSES FOR DISCONTINUED OPERATIONS (-)		-	-
21.1	Expenses for Non-current Assets Held for Sale		-	-
21.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-
21.3	Expenses for Other Discontinued Operations		-	-
XXII.	PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)		-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1	Current Tax Provision		-	-
23.2	Deferred Tax Expense Effect (+)		-	-
23.3	Deferred Tax Income Effect (-)		-	-
XXIV.	CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-
XXV.	NET PROFIT/(LOSS) (XIX+XXIV)	(10)	28.920.791	23.227.046
25.1	Profit / (Loss) of Group		27.130.696	22.037.821
25.2	Profit / (Loss) of Minority Shares (-)		1.790.095	1.189.225
	Profit / (Loss) Per Share (full TRY)		3,77613560	3,06729320

TÜRKİYE HALK BANKASI AŞ

Consolidated Statement of Changes in Shareholders' Equity for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

V. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Kâr veya Zararda Yeniden Sınıflandırılmıyacak Bilirilmiş Diğer Kapsamlı Gelirler ve Giderler	Kâr veya Zararda Yeniden Sınıflandırılacak Bilirilmiş Diğer Kapsamlı Gelirler ve Giderler
Auditörlüğü (1 Ocak - 31 Aralık 2024)	Dijital Kapsamlı Gelirler ve Giderler	Diğer Kapsamlı Gelirler ve Giderler
I. Balances at Beginning of Period	-	-
II. Corrections and Accounting Policy Changes Made According to TAS 8	-	-
21 Effects of Corrections	-	-
III. Adjusted Beginning Balance (B+H)	-	-
IV. Total Comprehensive Income	-	-
V. Capital Increase by Cash	-	-
VI. Capital Increase by Internal Sources	-	-
VII. Paid in Capital Inflection Adjustment Difference	-	-
VIII. Convertible Bonds to Share	-	-
IX. Subordinated Debt Instruments	-	-
X. Increase / Decrease by Other Changes	-	-
XI. Profit Distribution	-	-
Dividends Paid	-	-
Transfer to Reserves	-	-
Other	-	-
Period End Balance ((B)+(V)+.....+(X)+(XI))	-	-
Auditörlüğü (1 Ocak - 31 Aralık 2025)	-	-
I. Prior Period End Balance	-	-
II. Corrections and Accounting Policy Changes Made According to TAS 8	-	-
21 Effects of Corrections	-	-
22 Effects of the Changes in Accounting Policies	-	-
III. Adjusted Beginning Balance (B+H)	-	-
IV. Total Comprehensive Income	-	-
V. Capital Increase by Cash	-	-
VI. Capital Increase by Internal Sources	-	-
VII. Paid in Capital Inflection Adjustment Difference	-	-
VIII. Convertible Bonds to Share	-	-
IX. Subordinated Debt Instruments	-	-
X. Increase / Decrease by Other Changes	-	-
XI. Profit Distribution	-	-
Dividends Paid	-	-
Transfer to Reserves	-	-
Other	-	-
Period End Balance ((B)+(V)+.....+(X)+(XI))	-	-

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Consolidated Statement of Cash Flow for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VI. CONSOLIDATED STATEMENT OF CASH FLOW

		Audited	Audited
		Current Period	Prior Period
	Note	1 January -31 December 2025	1 January -31 December 2024
A.	CASH FLOWS FROM BANKING OPERATIONS		
1.1	Operating Profit Before Changes in Operating Assets and Liabilities	(44.752.845)	(91.676.485)
1.1.1	Interest received	755.733.201	520.548.062
1.1.2	Interest paid	(828.244.810)	(627.533.361)
1.1.3	Dividend received	61.380	33.244
1.1.4	Fees and commissions received	88.960.020	61.204.363
1.1.5	Other income	37196.104	26.427.487
1.1.6	Collections from previously written off receivables	11.771.019	10.454.147
1.1.7	Cash payments to personnel and service suppliers	(52.405.780)	(32.915.899)
1.1.8	Taxes paid	(11.050.693)	(3.323.572)
1.1.9	Other	(46.773.286)	(46.570.956)
	(1)		
1.2	Changes in Assets and Liabilities Subject to Banking Operations	265.382.919	392.251.623
1.2.1	Net (increase)/decrease in financial assets at fair value through profit or loss	(2.890.316)	(12.768.835)
1.2.2	Net (increase)/decrease in due from banks	(234.987)	181.354
1.2.3	Net (increase)/decrease in loans	(426.417.658)	(143.681.938)
1.2.4	Net (increase)/decrease in other assets	(208.073.055)	(109.995.360)
1.2.5	Net increase/(decrease) in bank deposits	130.946.871	55.715.768
1.2.6	Net increase/(decrease) in other deposits	742.192.636	337.367.202
1.2.7	Net increase/(decrease) in financial liabilities at fair value through profit or loss	-	-
1.2.8	Net increase/(decrease) in funds borrowed	35.857.525	45.528.138
1.2.9	Net increase/(decrease) in matured payables	-	-
1.2.10	Net increase/(decrease) in other liabilities	(5.998.097)	219.905.294
	(1)		
I.	Net Cash Provided from Banking Operations	220.630.074	300.575.138
B.	CASH FLOWS FROM INVESTMENT ACTIVITIES		
II.	Net Cash Provided from/(used in) Investing Activities	(199.236.212)	(72.857.425)
2.1	Cash paid for purchase of joint ventures, associates and subsidiaries	(100.000)	-
2.2	Cash obtained from sale of entities joint ventures, associates and subsidiaries	-	-
2.3	Fixed assets purchases	(18.128.905)	(16.715.370)
2.4	Fixed assets sales	5.570.287	3.643.101
2.5	Cash paid for purchase of financial assets at fair value through other comprehensive income	(211.781.558)	(61.941.452)
2.6	Cash obtained from sale of financial assets at fair value through other comprehensive income	109.078.428	20.632.561
2.7	Cash paid for purchase of investment securities	(121.726.026)	(129.889.648)
2.8	Cash obtained from sale of investment securities	41.880.721	113.607.026
2.9	Other	(4.029.159)	(2.193.643)
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
III.	Net Cash Flow from Financing Activities	48.176.779	10.699.552
3.1	Cash obtained from loans borrowed and securities issued	54.761.428	45.677.492
3.2	Cash used for repayment of loans borrowed and securities issued	(4.118.277)	(34.260.288)
3.3	Bonds issued	-	-
3.4	Dividends paid	(2.938)	-
3.5	Payments for leases	(2.463.434)	(717.652)
3.6	Other	-	-
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	(1)	37.918.178
V.	Net Increase/(decrease) in Cash and Cash Equivalents	107.488.819	262.190.185
VI.	Cash and Cash Equivalents at Beginning of the Period	(4)	413.712.128
VII.	Cash and Cash Equivalents at End of the Period	(5)	521.200.947
		413.712.128	

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Statement of Profit Distribution for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

VII. STATEMENT OF PROFIT DISTRIBUTION

		Audited	Audited
		Current Period ^(*)	Prior Period ^(*)
		31 December 2025	31 December 2024
I.	DISTRIBUTION OF CURRENT YEAR PROFIT		
1.1.	Current Period Profit	29.869.548	8.510.404
1.2.	Taxes and Legal Duties Payables (-)	(2.738.852)	6.595.049
1.2.1.	Corporate Tax (Income Tax)	(1.079.999)	(955.643)
1.2.2.	Withholding Tax	-	-
1.2.3.	Other Taxes and Duties	(1.658.853)	7.550.692
A.	Net Profit For The Period (1.1-1.2)	27.130.696	15.105.453
1.3.	Accumulated Losses (-)	-	-
1.4.	First Legal Reserves (-)	-	755.273
1.5.	Other Statutory Reserves (-)	-	-
B.	Net Profit Available for Distribution [(A-(1.3+1.4+1.5)]	-	14.350.180
1.6.	First Dividend to shareholders (-)	-	-
1.6.1.	To Owners of Ordinary Shares	-	-
1.6.2.	To Owners of Privileged Shares	-	-
1.6.3.	To Owners of Redeemed Shares	-	-
1.6.4.	To Profit Sharing Bonds	-	-
1.6.5.	To Holders of Profit and Loss Sharing Certificates	-	-
1.7.	Dividends to personnel (-)	-	-
1.8.	Dividends to Board of Directors (-)	-	-
1.9.	Second Dividend to Shareholders (-)	-	-
1.9.1.	To Owners of Ordinary Shares	-	-
1.9.2.	To Owners of Privileged Shares	-	-
1.9.3.	To Owners of Redeemed Shares	-	-
1.9.4.	To Profit Sharing Bonds	-	-
1.9.5.	To Holders Of Profit And Loss Sharing Certificates	-	-
1.10.	Second Legal Reserves (-)	-	-
1.11.	Status Reserves (-)	-	15.158.652
1.12.	Extraordinary Reserves	-	-
1.13.	Other Reserves	-	-
II.	Distribution of Reserves		
2.1.	Appropriated Reserves	-	-
2.2.	Second Legal Reserves (-)	-	-
2.2.1.	Dividends to Shareholders (-)	-	-
2.2.2.	To Owners of Ordinary Shares	-	-
2.3.3.	To Owners of Privileged Shares	-	-
2.3.4.	To Profit Sharing Bonds	-	-
2.3.5.	To Holders of Profit and Loss Sharing Certificates	-	-
2.3.	Dividends to Personnel (-)	-	-
2.4.	Dividends to the Boards of Directors (-)	-	-
III.	Earnings per Share		
3.1.	To Owners of Ordinary Shares	3,78	2,10
3.2.	To Owners of Ordinary Shares (%)	377,61%	210,24%
3.3.	To Owners of Privileged Shares	-	-
3.4.	To Owners of Privileged Shares (%)	-	-
IV.	Dividend per Share		
4.1.	To Owners of Ordinary Shares	-	-
4.2.	To Owners of Ordinary Shares (%)	-	-
4.3.	To Owners of Privileged Shares	-	-
4.4.	To Owners of Privileged Shares (%)	-	-

(*) As of 31 December 2025 financial repoting date, General Assembly has not been held yet.
(**) The profit distribution table approved during the annual general assembly of 2023 includes the balances pertaining to the distributed period profits.
(***) The balance of 808.471 TRY, which occurred due to the change in accounting policy taking place in November 2023 regarding the adoption of the fair value method within the scope of Turkish Accounting Standards (TAS) 40 "Investment Property Standard" for investment properties and was monitored in the accumulated profit account, is also transferred to the extraordinary reserves account.

The accompanying notes are an integral part of these consolidated financial statements.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES

I. EXPLANATIONS ON BASIS OF PRESENTATION

The Parent Bank prepares its consolidated financial statements in accordance with the BRSA Accounting and Reporting Regulation” which includes the regulation on “The Procedures and Principles Regarding Banks’ Accounting Practices and Maintaining Documents” published in the Official Gazette dated 1 November 2006 with No. 26333, and other regulations on accounting records of banks published by the Banking Regulation and Supervision Board (“BRSA”) and circulars and pronouncements published by the BRSA and Turkish Financial Reporting Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”) for the matters not regulated by the aforementioned legislations.

The consolidated financial statements are prepared in accordance with the historical cost basis except for financial assets and liabilities measured at fair value through profit/loss, financial assets measured at fair value through other comprehensive income and real estates. Amounts expressed in thousand Turkish Lira (TRY”) unless otherwise stated.

Accounting policies and valuation principles used in the preparation of financial statements, have been determined and implemented in accordance with accounting and financial reporting principles in scope of the regulations, communiqués, explanations and circulars issued by the BRSA and for the matters not legislated by the aforementioned regulations, in accordance with TAS / TFRS principles (all together referred to as “BRSA Accounting and Financial Reporting Regulations”) issued by the POA.

Public Oversight Accounting and Auditing Standards Authority (“POA”), with its announcement dated 23 November 2023, applied that the financial statements of businesses applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting in Hyperinflationary Economies (“TAS 29”), however, institutions or organizations authorized to regulate and supervise in their own fields may determine different transition dates for the applying of TAS 29. According to the decision numbered 10825 dated 11 January 2024, by BRSA, it was decided that banks, financial leasing, factoring, financing, savings finance, and asset management companies would transition to “TAS 29 Financial Reporting Standard in High Inflation Economies” from 1 January 2025, onwards. However, with the decision numbered 11021 dated 5 December 2024, by BRSA, it was decided that inflation accounting will not be applied in 2025. Therefore, inflation adjustment according to TAS 29 was not applied in the financial statements as of 31 December 2025.

Additional Paragraph for English Translation

BRSA Accounting and Reporting Regulations explained in detail in this Section differ from International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board with respect to the application of inflation accounting. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

II. EXPLANATIONS ON THE STRATEGY FOR USE OF FINANCIAL INSTRUMENTS AND FOREIGN CURRENCY TRANSACTIONS

a) The Group’s strategy on financial instruments:

Due to its historical mission, the Parent Bank focuses on granting loans to Small and Medium Size Enterprises and craftsmen besides corporate, commercial and individual segmented customers. In addition to the main fund source deposits, the Group can raise funds from money markets and borrowings abroad.

The Group follows the developments in the markets and uses funds raised in most yielding areas. The strategies of the Parent Bank are evaluated Asset and Liability Committee meetings.

b) The Group’s explanations on foreign currency transactions:

In the statutory records of the Parent Bank, transactions accounted in foreign currencies (currencies except for TRY) are converted into TRY by using the prevailing exchange rates at the transaction dates. Foreign currency monetary asset and liability items are converted into TRY by using the prevailing exchange rate at the balance sheet date. Non-monetary items in foreign currencies carried at fair value are converted into TRY by using the exchange rates at the date of which the fair value is determined. Exchange differences arising from the conversions of monetary foreign currency items and collections of foreign currency transactions are reflected to the profit or loss statement.

The financial statements of the foreign branches and subsidiaries of the Parent Bank are prepared in the currency of the primary economic environment in which the entity operates (functional currency). The financial statements of foreign branches and subsidiaries are expressed in TRY which is the functional currency of the Group and the presentation currency of the financial statements.

Assets and liabilities of the foreign branches and subsidiaries of the Parent Bank are converted into TRY by using the prevailing exchange rates at the balance sheet date. The foreign branches’ income and expenses are converted by at exchange rates at the dates of the transactions. The foreign subsidiaries’ income and expenses are converted by average rate of the exchange of the current year.

The Group applies net investment hedging to protect against currency risk arising from Halkbank AD Beograd (subsidiary), Halk Banka AD Skopje (subsidiary), and DHB Bank NV (affiliate) located abroad. Within this scope, the Group designates its investments in subsidiaries as items subject to hedge accounting and applies net investment hedge accounting by using Euro-denominated deposits as hedging instruments. The change in value of the hedging instrument arising from exchange rate fluctuations, which arose during the current period and was determined to be effective, is presented under the heading “Accumulated Other Comprehensive Income or Expense to be Reclassified to Profit or Loss” under Equity. There is no ineffective portion of the financial hedging transaction.

III. INFORMATION ABOUT THE CONSOLIDATED ASSOCIATES AND SUBSIDIARIES

1. Basis of consolidation:

The accompanying consolidated financial statements are prepared in accordance with the communiqué on “Preparation of Consolidated Financial Statements of Banks” and the Turkish Accounting Standards are applied in the consolidation.

a) Basis of consolidation of subsidiaries:

The Parent Bank’s subsidiaries Halk Yatırım Menkul Değerler AŞ, Halk Gayrimenkul Yatırım Ortaklığı AŞ, Halk Finansal Kiralama AŞ, Halk Faktoring AŞ; Halk Banka AD, Skopje, Halkbank Osiguruvanje AD; Skopje (subsidiary), Halkbank AD Beograd, Halk Katılım Bankası AŞ, Halk Varlık Kiralama AŞ and Halk Elektronik Para ve Ödeme Hizmetleri AŞ are included in the scope of consolidation.

Subsidiaries are entities that are controlled by the Parent Bank. Control is the power of the Parent Bank to appoint or remove from office the decision-taking majority of members of board of directors through direct or indirect possession of the majority of a legal person’s capital irrespective of the requirement of owning minimum fifty-one per cent of its capital; or by having control over the majority of the voting right as a consequence of holding preferred shares or of agreements with other shareholders although not owning the majority of capital.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

III. INFORMATION ABOUT THE CONSOLIDATED ASSOCIATES AND SUBSIDIARIES (continued)

1. Basis of consolidation: (continued)

a) Basis of consolidation of subsidiaries: (continued)

Under line-by-line method, the assets, liabilities, income and expenses and off-balance sheet items of subsidiaries are combined with the equivalent items of the Parent Bank on a line-by-line basis. The book value of the Parent Bank’s investment in each subsidiary and the Group’s each subsidiary are eliminated. All significant transactions and balances between the Parent Bank and its consolidated subsidiaries are eliminated. Minority interests in the net income and in the equity of consolidated subsidiaries are calculated separately from the Group’s net income and the Group’s equity. Minority interests are identified separately in the balance sheet and in the income statement.

In preparing the consolidated financial statements, if a subsidiary uses accounting policies other than those adapted by the Parent Bank, appropriate adjustments are made to subsidiaries’ financial statements. There is no item that a different accounting policy is applied.

b) Basis of consolidation of associates:

The Parent Bank’s investments in associates, DHB Bank NV, Kobi Girişim Sermayesi Yatırım Ortaklığı AŞ, Yıldız Tekno Girişim Sermayesi Yatırım Ortaklığı AŞ and Birleşim Varlık Yönetim AŞ are presented in the accompanying financial statements based on the equity method of consolidation. An associate is an entity established domestically and abroad in which the Parent Bank invests with a significant influence but no control.

Significant influence is the power to participate in the financial and operating policy of the investee. If the Parent Bank holds ten percent or more of the voting power of the associate, it is presumed that the Parent Bank has significant influence unless otherwise demonstrated.

A substantial or majority ownership by another investor does not necessarily preclude an investor from having significant influence.

Equity accounting method is an evaluation method of associates by which the Parent Bank’s share in the associates’ equity is compared with the book value of the associate accounted for in the Parent Bank’s balance sheet.

Accounting principles used by the consolidated associates accounted for at equity method, DHB Bank NV, Kobi Girişim Sermayesi AŞ, Yıldız Tekno Girişim Sermayesi Yatırım Ortaklığı AŞ and Birleşim Varlık Yönetim AŞ are the same of the Parent Bank.

c) Basis of consolidation of joint ventures:

The Parent Bank does not have any joint ventures which subject to consolidation.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

III. INFORMATION ABOUT THE CONSOLIDATED ASSOCIATES AND SUBSIDIARIES (continued)

1. Basis of consolidation: (continued)

d) Principles applied during share transfer, merger and acquisition:

Accounting for business combinations

From 1 January 2010, the Group applies TFRS 3 Business Combinations (2008) in accounting for business combinations.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Acquisitions after 1 January 2010

Goodwill at the acquisition date for business combinations on or after 1 January 2010 are measured as below:

- The fair value of the acquisition cost; plus
- The recognized amount of any non-controlling interest in the acquiree; plus if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- The net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When this total is negative, the gain on acquisition is recognized immediately in profit or loss.

Fair values of the identifiable acquired assets, liabilities and contingent liabilities if the initial recognition of the combination is to be made temporarily at the end of the period in which the combination takes place since the cost of the combination can be determined only temporarily on the basis of the carrying values, the acquirer accounts for the business combination on with temporary amounts. The temporary acquisition value of the combination should be adjusted within 12 months to reflect the completion of the transaction, including adjusting the goodwill.

The acquisition cost does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent liability is recognized at fair value at the acquisition date. If the contingent amount is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent amount are recognized in profit or loss.

For acquisitions before 1 January 2010, goodwill represents the excess of the cost of the acquisition over the Group’s interest in the recognized amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative, the gain on acquisition is recognized immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations are capitalized as part of the cost of the acquisitions.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

IV. EXPLANATIONS ON FORWARD AND OPTION CONTRACTS AND DERIVATIVE INSTRUMENTS

Derivative transactions of the Group consist of foreign currency and interest rate swaps, options and forwards. The Group uses derivative instruments for economic hedging purposes and recognises them in accordance with the provisions of TFRS 9.

Pledges arising from derivative transactions recorded in off-balance sheet accounts with their agreement amounts. Derivative transactions are valued at their fair values and the changes in their fair values are recorded on balance sheet under "Derivative Financial Assets" or "Derivative Financial Liabilities", respectively depending on the fair values being positive or negative. Fair value changes of derivative instruments are recorded under "Statement of Profit or Loss" in the "Gains and Losses on Derivative Financial Transactions" line. Fair values of derivatives are calculated using discounted cash flow model or market value.

V. EXPLANATIONS ON INTEREST INCOME AND EXPENSES

Interest income and expenses are recognized on an accrual basis using the effective interest method (the rate that equals the future cash flows of a financial asset or liability to its present net book value) in conformity.

The Parent Bank, within the scope of TFRS 9 Financial Instruments, recognizes interest income on non-performing loans that have been classified as credit impaired (Stage 3), by applying the effective interest method based on the net carrying amount of related loans. Within this context, the accounting principles and practices related to recognizing interest income on non-performing loans were reviewed within the reporting period and adjustments were made in the current period.

Based on the performed assessment, it was concluded that the non-recognition of interest income from non-performing loans in prior periods, did not have a material impact on the financial statements of the previous period. Therefore, no adjustments have been made to the prior period financial statements.

VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSES

Some of the banking service incomes are recorded as income in the period they are collected. Prepaid fees and commission income obtained from cash and non-cash loans are recorded in the related period by using discounting method with internal rate of return according to the loan maturity within the matching principle.

Fee and commission expenses on borrowings that are paid to other institutions and incorporations for financial liabilities comprise operational costs. These fee and commission expenses are booked under prepaid expenses and transferred to expense accounts in the related periods by using the accrual method according to the financial borrowing maturity within the matching principle.

VII. EXPLANATIONS ON FINANCIAL ASSETS

Financial instruments comprise financial assets, financial liabilities and derivative instruments. The financial assets are included in the balance sheet of the Group, if the Group is a legal party of these financial assets.

The regular-way purchases or sales of financial instruments are recognized or derecognized in the financial statements using one of the recognition methods; on the trade date or the settlement date. Securities purchase and sale transactions are recognized on the settlement date.

Financial assets mainly constitute the majority of the commercial activities and operations of the Group. These instruments have the ability to expose, affect and diminish the risks of liquidity, credit and interest in the financial statements.

Fair value is the amount for which an asset could be exchanged or a liability could be settled, between knowledgeable willing parties in an arm's length transaction. Market value is the amount obtainable from the sale or payable on the acquisition of a financial instrument in an active market, if one exists.

The estimated fair values of financial assets have been determined by the Group using the available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to develop the estimated fair value. Hence, estimations presented in this report may not be same with the prices in the current market conditions in the case of assets disposals. Book values of some financial assets (which equals to their costs) are assumed to approximate to their fair values due to their short term nature.

Classification of the category of a financial instrument at initial recognition depends on both the business model for managing the financial assets and their contractual cash flow characteristics.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS (continued)

Assessment of Business Model

The Group classifies its financial assets in accordance with TFRS 9 through its business model which is used for financial assets management.

The Group's business model is related to how the Group manages its financial assets to generate cash flows. In other terms, the source of cash flows depends on the Group's business model whether the cash flow is generated from contractual terms or through sale of financial asset or both.

Classification of financial assets is made at initial recognition considering the aim of purchase of the financial asset.

The Group's business models are classified in three main categories in accordance with TFRS 9.

1. A Business Model Whose Objective is To Hold To Collect Contractual Cash Flows:

A business model whose objective is to hold to collect contractual cash flows are managed to realise cash flows by collecting contractual payments over the life of the instrument. The purpose of the business model does not require to hold to collect the contractual cash flows of the instruments over their life, even the aim of the business model is to hold the instruments up to maturity for the contractual cash flows. Therefore, even when financial asset sales are anticipated or expected to occur in the future, the business model may still be a model that aims to retain financial assets in order to collect contractual cash flows.

The financial assets that are held within the scope of this business model are measured at amortized cost when the contractual terms of the financial assets meet the condition of giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. A Business Model Whose Objective is Achieved By Both Collecting Contractual Cash Flows And Selling Financial Assets:

The Group may hold financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Fair value changes of the financial assets that are held within the scope of this business model are accounted for under other comprehensive income when the contractual terms of the financial asset meet the condition of giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. Other Business Models:

Financial assets are measured at fair value through profit or loss if they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. The Group makes its decisions on the basis of business model, which is based on the fair value of the assets and manages the assets to obtain their fair value. Therefore, if the financial assets are held for the purpose of obtaining cash flows arising from their sale, the change in fair value are measured at fair value through profit or loss.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS (continued)

Measurement Categories of Financial Assets and Liabilities

The Group classified all its financial assets based on the business model for managing the financial assets. Accordingly, the financial assets are classified as per TFRS 9 in three main categories listed below:

- 1. Financial assets measured at amortized cost,
- 2. Financial assets measured at fair value through other comprehensive income
- 3. Financial assets measured at fair value through profit/loss.

TFRS 9, explains how financial assets are classified in accordance with above methods explained in Article 1 and 2 and other than these financial assets, remaining financial assets are classified in accordance with the method detailed in Article 3.

a. Financial Assets Measured at Amortised Cost

A financial asset is measured at amortized cost if both of the following conditions are met:

- a) Asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- b) Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost are loans and receivables and financial assets. Subsequent to the initial recognition, financial investments are accounted for at amortised cost calculated by using the effective interest rate method. Loans are initially recognized with their cost and carried at their amortized costs calculated using the internal rate of return subsequent to recognition.

Cash Equivalents and Banks

Cash and bank balances denominated in foreign currencies are valued by using the Group’s current period end exchange rates. The presented values of cash in TRY, foreign currency cash and banks at balance sheet are the estimated fair values of these assets. The related financial assets have been measured at amortized cost.

Loans and Receivables

Loans and receivables represent unquoted financial assets in an active market that provide money, goods or services to the debtor with fixed or determinable payments.

Loans and receivables are initially recognized with their fair values including settlement costs and carried at their amortized costs calculated using the internal rate of return subsequent to recognition. Transaction fees, dues and other expenses paid for loan guarantees are recognized under the profit and loss accounts.

Consumer and corporate cash loans are recognized under the accounts specified by the Uniform Chart of Accounts and Explanations with their original balances based on their context.

Consumer Price Indexed Government Bonds Accounting Policy

The Parent Bank’s securities portfolio includes government bonds, issued by the Republic of Türkiye Ministry of Treasury and Finance, that are indexed to the Consumer Price Index (CPI). The effective interest method is used to account for securities that are classified as measured at amortized cost, whereas those securities classified as measured at fair value through other comprehensive income (FVOCI) are presented in the financial statements at their fair value. For the valuation calculations of these securities, the bond’s real coupon rate, the reference inflation index at the issuance date and the projected inflation rates for the bond’s maturity date and coupon payment dates are taken into consideration.

The inflation assumptions applied during the valuation of the CPI-indexed securities are determined by taking the bonds’ maturity profile and coupon repayment dates into account, with the Parent Bank using swap curves that are reflective of market data. Given that inflation has become more predictable in both the medium and long term, and also taking the maturity structure of the relevant securities into account, the assumptions applied when determining inflation forecasts during the reporting period have been reviewed and the forecast horizon has been updated to align with the coupon rates and maturities of the relevant securities.

Changes in the inflation assumptions used have an impact on the interest income obtained from CPI-indexed securities. If inflation rates are decreased or increased by 1%, the interest income from such securities decreases or increases by TRY 4.452.818 respectively.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

VII. EXPLANATIONS ON FINANCIAL ASSETS (continued)

Measurement Categories of Financial Assets and Liabilities (continued)

b. Financial Assets Measured at Fair Value through Other Comprehensive Income

A financial asset is measured if both of the following conditions are met:

- a) Financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- b) Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A gain or loss on a financial asset measured at fair value through other comprehensive income shall be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

Equity Instruments Measured at Fair Value through Other Comprehensive Income

At initial recognition, the Parent Bank may make an irrevocable election, in accordance with TFRS 9, to present subsequent changes in the fair value of an investment in an equity instrument in Other Comprehensive Income. The Parent Bank makes this election separately for each financial instrument. Changes in the fair value of the relevant instruments recognized in Other Comprehensive Income are not reclassified to profit or loss in subsequent periods but are transferred to retained earnings instead.

c. Financial Assets Measured at Fair Value through Profit or Loss

In accordance with TFRS 9; Unless a financial asset is measured at amortized cost or at fair value through other comprehensive income, it is measured at fair value through profit or loss.

However, the Group may irrevocably prefer to apply to the financial assets at fair value through other comprehensive income for reflecting future changes in fair value for certain investments in equity instruments that would normally be measured at fair value through profit or loss at the time of initial inception in the financial statements.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS

As of 1 January 2018, the Group recognizes loan loss allowances for expected credit losses on financial assets and loans measured at amortised cost and measured at fair value through other comprehensive income, loan commitments and financial guarantee contracts not measured at fair value through profit / loss based on TFRS 9 and the regulation published in the Official Gazette no. 29750 dated 22 June 2016 in connection with "Procedures and Principals regarding Classifications of Loans and Allowances Allocated for Such Loans" effective from 1 January 2018. Financial assets measured at fair value are not assessed for impairment.

In accordance with TFRS 9, the Group assesses all financial instruments for which there has been a significant increase in credit risk since initial recognition, by taking into account all supportable information, including reasonable and prospective ones.

As of the reporting date, if the credit risk on a financial instrument has not increased significantly since initial recognition, the Group shall measure the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. However, if there is a significant increase in credit risk of a financial instrument since initial recognition, the Group measures loss allowance regarding such instrument at an amount equal to lifetime expected credit losses.

The Group calculates the expected credit loss on a collective or individual basis by grouping the financial assets having common credit risk features.

The Group constituted a policy in order to make an assessment whether the credit risk on a financial instrument has increased significantly since initial recognition by taking into consideration the change in the risk of a default event occurring over the expected life of the financial instrument.

Calculation of Expected Credit Losses

A credit loss is present value of calculated difference between the total cash flows that will occur based on the contractual terms of financial instruments and the total cash flows, which the Group expects to collect, with the initial effective interest rate. The Group estimates the cash flows over the expected life of the financial instrument by taking into account all contractual terms of the financial instrument, and considers the weighted average of loan losses according to the relevant default risk probabilities for determining expected credit losses.

TFRS 9 Financial Instruments permits the measurement of expected credit loss allowances on either a collective or an individual basis by grouping financial assets that share similar credit risk characteristics.

In the case that the Group performs the expected credit loss calculation on an individual basis for financial instruments, it determines the credit loss risk by jointly evaluating the possible outcomes related to the credit loss and the likelihood of these outcomes occurring. Within this context, the estimated expected credit losses are calculated in a manner that reflects an unbiased, probability-weighted figure, taking into consideration the range of possible outcomes.

Under the scope of the collective assessment approach, financial assets are grouped based on shared credit risk characteristics, and the expected credit loss is calculated using the relevant risk parameters. Expected Credit Loss is measured on either a 12-month or lifetime basis depending on whether there has been a significant increase in credit risk since the initial recognition or whether an asset is considered credit-impaired or not. Expected credit loss is calculated using the components of Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD).

Macroeconomic indicators are taken into consideration in the determination of the probability of default component in the calculation of expected credit losses. Forward-looking macroeconomic forecasts are incorporated into expected credit losses through the use of multiple scenarios. Forward-looking macroeconomic information is included in the risk parameters used in TFRS 9 calculations. When incorporating macroeconomic information, econometric models and projections that reflect the relationships between the model risk parameters and macroeconomic variables are taken into consideration.

The expected credit loss calculation is performed by taking three different scenarios into account; optimistic, pessimistic, and baseline. The final outcomes are calculated by weighing them according to the scenario probabilities.

Within the scope of TFRS 9, models have been developed for EAD, PD and LGD. During the reporting period, the PD model used for commercial and retail segment customers was updated by calibrating it with recent data and subsequently putting it into use. The Credit Conversion Factor (CCF) and LGD models were reviewed using updated data as part of the annual TFRS 9 model review activities. The models developed under TFRS 9 have a detailed segmentation structure. Loans with similar characteristics have been segmented for the purpose of recognising expected credit losses on a collective basis in the financial statements.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (continued)

Probability of Default (PD)

It is defined as the probability that the debtor does not fulfill its obligations to the Group or in other words it can not repay its debts to the Group. This ratio is calculated for each loan based on various statistical assumptions depending on the maturity, internal behavioral model, external behavioral model and financial module data.

The Group uses two different PD values when calculating expected credit losses in accordance with TFRS 9: 12-month PD, which is the estimated probability of default within the 12 months following the reporting date, and Lifetime PD, which is the estimated probability of default over the expected life of the financial instrument.

The definition of default used in PD calculations is determined within the scope of the Bank's policies and practices. The models are created in accordance with this definition and are calibrated based on past default events. The Group uses internal rating approaches for both retail and corporate portfolios. The PD is determined by taking into account historical data, current conditions, and forward-looking macroeconomic expectations (scenarios), and it is updated on a periodic basis.

Loss given Default (LGD)

LGD represents the percentage parameter that shows the economic loss the Group will incur in the event of a credit default. LGD is determined based on historical cash flows related to post-default recoveries, collateral realizations, and collection costs. LGD rates are developed on a segment basis by considering past realizations that best reflect current conditions, as well as collateral information and default amounts assessed within the portfolio's risk drivers. These rates are reviewed regularly. LGD calculations incorporate the "time value of money" effect by discounting recovery and collateral cash flows using the effective interest rate, taking the timing of these cash flows into account. For Stage 3 loans, increasing LGD rates that reflect the post-default recovery cycle are used, based on the time spent in default and also past recovery performance. In the Group's LGD estimates, changes in post-default recovery performance and collateral valuation assumptions are monitored, and the parameters are updated when deemed necessary.

Exposure at Default (EAD)

It is the parameter that indicates how much of a loan will default. The default amount for a spot or installment loan is the amount, which is listed on the payment schedule at the time of default. Additionally, the default amount for the credit cards and limit gaps of overdraft accounts and non-cash loans, are calculated with a parameter called credit conversion factor (CCF).

The default risk amount in the future is estimated by calculating by the statistical methods with the credit conversion rate, since it is not known at the time of loan origination due to undrawn commitment for limit of credit cards and overdraft accounts.

The Group's "three-stage" impairment model under TFRS 9, which is based on changes in credit quality after initial recognition, is explained below.

12 Month Expected Credit Losses

It represents the portion of lifetime expected credit losses that corresponds to the expected credit losses arising from default events that may occur within 12 months after the reporting date. Paragraph 5.5.5 of the TFRS 9 Standard states that: "...if the credit risk on a financial instrument has not increased significantly since its initial recognition, the entity shall measure the loss allowance for that financial instrument at an amount equal to the 12-month expected credit losses."

According to this, the 12-month expected credit loss is calculated based on the 12-month probability of default (PD) associated with default events expected to occur within 12 months after the reporting date, and is determined by multiplying this probability by the loss given default (LGD) and exposure at default (EAD) components for the relevant period. In this calculation, the 12-month probabilities of default (PD) generated under good, adverse, and baseline scenarios—reflecting forward-looking macroeconomic expectations—are weighted based on the assigned scenario probabilities to obtain a single weighted PD. The 12-month expected credit loss is then calculated using this weighted PD. If a loan is classified under Group 1 – Standard Loans (Stage 1), a 12-month expected credit loss is calculated over 365 days even if the maturity of the loan exceeds one year. However, when the remaining maturity of the loan falls below one year, the number of days to maturity is used in the calculation (excluding revolving loans and credit cards).

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (continued)

Lifetime Expected Credit Losses

This refers to the expected credit losses arising from all possible default events that may occur over the expected life of the financial instrument. The TFRS 9 standard states that: "...if the credit risk on a financial instrument has increased significantly since initial recognition, an entity shall measure the loss allowance for that financial instrument at an amount equal to the lifetime expected credit losses at each reporting date."

If a customer or a loan is classified under Group 2 – Under-Monitoring Loans (Stage 2) or Group 3 – Non-Performing Loans (Stage 3), a lifetime expected credit loss provision is calculated for the loan based on the probabilities of default associated with all possible default events that may occur over the entire life of the loan. Based on this, the lifetime expected credit loss is determined by multiplying the probability of default (PD) for the relevant period by the loss given default (LGD) and exposure at default (EAD) components. In this calculation, the probabilities of default (PD) generated under good, adverse, and baseline scenarios—reflecting forward-looking macroeconomic expectations—are weighted by the probabilities assigned to each scenario to obtain a single weighted PD. The lifetime expected credit loss is then calculated using this weighted PD.

The methods used to calculate expected credit loss provisions for Stage 2 and Stage 3 loans are similar; however, for Stage 3 loans, the probability of default is assumed to be 100%. Furthermore, in the expected credit loss calculations for Stage 3 loans, increasing LGD rates that reflect the post-default recovery cycle are applied, taking into account the time spent in default and historical recovery performance. If the time spent in default exceeds a certain threshold and additional time does not lead to a meaningful change in the expected loss, an LGD rate of 100% is assumed for the relevant loans, and it is considered that no further recoveries are expected.

Definition of Default

TFRS 9 Standard does not include a direct definition of default, but requires a consistent definition of default to be used in credit risk management. The Group is considering qualitative indicators (e.g. financial commitments), if appropriate, when defining a default according to TFRS 9, for the purpose of determining the risk of business default and adopts a definition of default, consistent with the definition used for in-house credit risk management purposes for the relevant financial instruments. However, there is a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due unless an entity has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

In accordance with the article "The definition of default used for these purposes is applied consistently to all financial instruments unless information is available that proves that another definition of default is more appropriate for a particular financial instrument.", it takes into account past due more than 90 days and accepts that the debt is in default if at least one of the following two conditions occurs within the framework of the default definition of the Communiqué on Calculation of the Risk Weighted Exposure Amount for Credit Risk by Internal-ratings Based Approaches.

- a) Considering that a debtor is unlikely to pay credit obligations to the Parent Bank or to the Parent Bank's consolidated financial subsidiaries without using guarantees.
- b) Considering that a debtor having past due more than 90 days to the Parent Bank or its consolidated financial subsidiaries.

The expected loan loss provision for the loans classified as non-performing loans (Stage 3) is calculated using the estimation of loss given default (LGD). Aforementioned estimation is based on the historical data on a segment basis and determined by the principle loss charge, being the remaining amount after the collection made within the period after each segment has defaulted.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (continued)

Portfolios with Low Credit Risk

Since accurate results cannot be obtained for those portfolios which previous default information is not available, TFRS 9 Standard states that, the expected credit loss can be calculated by using low default rate for these portfolios.

If the entity determines that a financial instrument has a low credit risk as of the reporting date, it assumes that the credit risk on the financial instrument has not increased significantly following its initial recognition in the financial statement.

Those transactions in the Group are classified as follows:

- a) CBRT transactions (Currencies held in CBRT and reserve requirements)
- b) Securities (Fair value through other comprehensive income and financial assets measured at amortised cost)
- c) Treasury Loans
- d) Transactions guaranteed by Treasury of Republic of Türkiye

Significant Increase in Credit Risk

Significant increase in credit risk requires measurement of the Group's provision for expected credit losses at lifetime probability of default instead of 12 month expected credit loss.

In the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2.

The Group performs both qualitative and quantitative assessments to determine whether there has been a significant increase in credit risk. Under TFRS 9, a holistic approach is adopted in assessing changes in credit risk; while quantitative criteria form the basis of the assessment, qualitative indicators are also incorporated into the evaluation. In determining whether there has been a significant increase in credit risk based on quantitative criteria, the Group uses an approach that focuses on the deterioration in the probability of default (PD).

Qualitative Assessment:

The Group classifies a financial asset as Stage 2 (Significant Increase in Credit Risk) if any of the following conditions determined through qualitative assessment are met:

- Receivables that are more than 30 days past due as of the reporting date
- Receivables classified under the "Under-Monitoring" category
- Restructuring arrangements granted to a borrower due to financial difficulties that the borrower is experiencing or is likely to experience—where such concessions would not be granted to a borrower that is not experiencing repayment difficulties
- The Group's assessment that the customer is a risky borrower, in line with the principle of prudence
- The customer has a partnership or ownership relationship with another borrower whose exposures have been classified as non-performing

Quantitative Assessment:

The quantitative assessment used to determine a significant increase in credit risk is based on comparing the probability of default calculated at loan origination with the updated probability of default at the reporting date. The absolute and relative thresholds used in assessing probability of default may vary across segments or loan groups. The Bank classifies a financial asset as Stage 2 (Significant Increase in Credit Risk) when both of the following quantitative criteria are met:

- Relative change in Probability of Default (PD): The relative difference between the PD at the reporting date and the PD at initial recognition exceeds the defined threshold.
- Absolute change in Probability of Default (PD): The absolute difference between the PD at the reporting date and the PD at initial recognition exceeds the defined threshold.

TÜRKİYE HALK BANKASI AŞ

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

IX. EXPLANATIONS ON OFFSETTING FINANCIAL INSTRUMENTS

A financial asset and a financial liability shall be offset and the net amount shall be presented in the balance sheet only when a party currently has a legally enforceable right to set off the recognized amounts or intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS (REPOS) AND TRANSACTIONS ON SECURITIES LOANED

Marketable securities subject to repurchase agreements are valued according to the valuation principles of the related portfolios.

Funds obtained from the repurchase agreements are recognized under “Money Market Funds” account in liabilities. For the difference between the sale and repurchase prices determined by the repo agreements for the period; expense accrual is calculated using the internal rate of return method.

Reverse repo transactions are recognized under the “Money Market Placements” account. For the difference between the purchase and resale prices determined by the reverse repo agreements for the period; income accrual is calculated using the internal rate of return method.

XI. EXPLANATIONS ON ASSETS HELD FOR SALE, ASSETS OF DISCONTINUED OPERATIONS AND RELATED LIABILITIES

Assets that meet the criteria to be classified as held for sale are measured at carrying amount and depreciation of such assets is ceased and they are presented separately in the balance sheet. In order to classify an asset as held for sale, the asset (or the disposal group) should be available for an immediate sale in its present condition subject to the terms of any regular sales of such assets (or such disposal groups) and the sale should be highly probable. For a highly probable sale, the appropriate level of management must be committed to a plan to sell the asset (or the disposal group), and an active program to complete the plan should be initiated to locate a customer. Also, the asset (or the disposal group) should have an active market sale value, which is a reasonable value in relation to its current fair value. Events or circumstances may extend the completion of the sale more than one year.

Such assets are still classified as held for sale if there is sufficient evidence that the delay in the sale process is due to the events and circumstances occurred beyond the control of the entity or the entity remains committed to its plan to sell the asset (or disposal group).

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale. Gains or losses relating to discontinued operations are presented separately in the statement of profit or loss.

XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS

As at the balance sheet date, there is no goodwill recorded in the consolidated balance sheet of the Group.

Intangible assets that are purchased prior to 1 January 2005 are carried at their restated historical costs and intangible assets that are purchased in the subsequent periods are carried at their historical cost, less any accumulated amortization and any impairment losses. Intangible assets are amortized by using the straight line method based on their useful lives. Amortization method and period are assessed periodically at the end of each year. Intangible assets consist of software expenses and they are amortized by using the straight line method over 5 years. There is no significant change in the accounting estimates expected or to be expected having a significant effect on the amortization method, amortization period or residual value.

XIII. EXPLANATIONS ON TANGIBLE ASSETS

Tangible assets that are purchased prior to 1 January 2005 are carried at their 31 December 2004 dated restated costs and tangible assets that are purchased in the subsequent periods are carried at cost, less any accumulated depreciation and any impairment losses. Tangible assets are amortized by using the straight line method during their useful lives.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XIII. EXPLANATIONS ON TANGIBLE ASSETS (continued)

Gain or loss arising from the disposal or retirement of an item of tangible assets is determined as the difference between the sales proceeds and the carrying amount of that asset.

As of 1 April 2015, the Group adopted the revaluation method for buildings in tangible assets in accordance with Turkish Accounting Standard No: 16 “Property, Plant and Equipment” (TAS 16). Expertise values calculated by independent appraisal companies are reflected in the financial statements as of related period. Revaluation differences are recorded in shareholders’ equity.

Ordinary maintenance and repair expenses of tangible assets items are recognized as expenses.

Estimated useful lives of tangible assets are as follows:

	Estimated Useful Lives (Year)	Depreciation Rate
Buildings	50	2%
Safes	50	2%
Other movable properties	3-25	33,33-4 %

Assets Acquired in Settlement of the Group’s Receivables are classified under Tangible Assets in the financial statements and are accounted for by deducting accumulated depreciation and, if any, accumulated impairment losses. The assets acquired in settlement of the Group’s receivables consist of properties, movable properties, and other similar assets held for disposal.

Leasehold improvements are depreciated over the useful lives, on a straight-line basis. In any case useful life cannot exceed the lease period. If the duration of lease agreement is not determined or longer than five years, depreciation duration is considered as five years.

There is no change in accounting estimates that is expected to have significant effect in current period and subsequent periods.

There are no material mortgages, pledges or similar in cumbrances designated for the tangible assets.

Classification of Investment Properties:

If a land or building is being used by an owner and the intention is changed to an investment property, this property is classified as an investment property.

When the use of an immovable is changed and reclassified as an investment property, the actual value of the date on which the change in the use of the named property takes place will be the cost of the subsequent accounting.

XIV. EXPLANATIONS ON INVESTMENT PROPERTIES

Investment properties are properties held to earn rentals and/or for capital appreciation.

While these properties were accounted for at acquisition cost less accumulated depreciation and permanent impairment losses if any, the Group changed its accounting policy as of November 2023 and adopted the fair value method for investment properties within the scope of TAS 40 Investment Property Standard. The appraisal values calculated by independent appraisal companies are reflected in the financial statements at the related period. Revaluation differences are recognized in the Statement of Profit or Loss.

XV. EXPLANATIONS ON LEASING TRANSACTIONS

Assets acquired under financial leases are carried at the lower of their fair values or amortized value of the lease payments. Leasing payables are recognized as liabilities in the balance sheet while the interest payable portions of the payables are recognized as a deferred amount of interest. Assets held under financial leases are recognized under the tangible assets at account and are depreciated by using the straight line method.

The Parent Bank does not participate in the financial leasing transactions as a “lessor”.

Lease transactions recognised under “Tangible Assets” as an asset (tenure) and under “Lease Liabilities” as a liability.

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(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XV. EXPLANATIONS ON LEASING TRANSACTIONS (continued)

The Group assesses whether the contract has the quality of a lease or whether the transaction includes a lease at the beginning of a contract.

A lease agreement is an agreement between two or more parties that gives the tenure the legally enforceable rights and obligations of the underlying asset. In case the contract is transferred for a certain period of time to control the use of the asset defined for a price, it is either leased or includes a lease. The Group reflects the existence of a right-of-use and a lease liability to the financial statements at the effective date of the lease.

Existence of right-of-use:

As a result of internal evaluations, the Parent Bank accounts real estate and vehicles subject to operational lease in accordance with TFRS 16. ATMs, and other leasing transaction balances are not considered within the scope of TFRS 16 as they are below the materiality level and the corresponding rent payments are recognized under Current Period Expense.

At the commencement date, the Group measures the right-of-use real estates considered as the cost of right-of-use asset being the right-of-use asset in accordance with TFRS 16. The cost of the right-of- use;

- a)The amount of the initial measurement of the lease liability,
- b)Any lease payments made at or before the commencement date, less any lease incentives received,
- c) Any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Group takes into account the accumulated depreciation and impairment losses for the subsequent period measurement of the existence of right-of-use. The Group applies the depreciation requirements in TAS 16 Property, Plant and Equipment in depreciating real assets considered as right-of-use asset.

The Group applies TAS 36 Impairment of Assets to determine whether the real estates considered as right-of-use assets are impaired and to account for any impairment loss identified.

The Lease Obligations:

Based on TFRS 16, at the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the alternative borrowing interest rate.

After the commencement date, the Group measures the lease liability as follows:

- a)Increasing the carrying amount to reflect interest on the lease liability,
- b)Reducing the book value to reflect the lease payments made,
- c) Reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease.

Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

In the event of a modification in the lease agreement which affects the lease payments or defined assets, the Group re-measures its lease liability by using the current borrowing rate. The Group reflects the remeasured leasing liability and the right-of-use in the financial statements. On the other hand, changes such as the shortening of the lease term, the termination of the contract and the decreases in the scope of the underlying asset, the gains or losses are recognized in profit or loss.

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(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XVI. EXPLANATIONS ON PROVISIONS AND CONTINGENT LIABILITIES

Provision and contingent liabilities are accounted in conformity with TAS 37 “Provisions, Contingent Liabilities and Contingent Assets”.

In the financial statements, a provision is made for an existing commitment resulted from past events if it is probable that the commitment will be settled and a reliable estimate can be made of the amount of the obligation. Provisions are calculated based on the best estimates of the Group’s management on the expenses to incur as of the balance sheet date and, if material, such expenses are discounted for their present values. If the amount is not reliably estimated and there is no probability of cash outflow from the Group to settle the liability, the related liability is considered as “contingent” and disclosed in the notes to the financial statements.

XVII. EXPLANATIONS ON EMPLOYEE BENEFIT LIABILITIES

Employee benefits liabilities are recognized in accordance with the TAS 19 “Employee Benefits”. According to related legislation and union agreements, the Parent Bank is required to make lump sum retirement payments to employees who has completed one year of service, is called up for military service, dies, resigns, retires or whose employment is terminated without due cause, or for female employees who resigns subsequent to her marriage within one year. The Group provides provision by estimating the present value of the future retirement pay liability.

The retirement pay provision of the Parent Bank has been determined by the actuarial report of an independent actuary firm. As of 1 January 2013, actuarial gains and losses are recorded under the shareholders’ equity according to the revised TAS 19.

T. Halk Bankası Pension Fund, T. Ziraat Bankası and T. Halk Bankası Employee Pension Fund Foundations were founded in accordance with the provisional article 20 of the Social Insurance Act (SIA) No: 506 and their members including employees of the Parent Bank. Provisional article 23 of the Banking Act No: 5411 requires the Parent Bank’s pension funds founded in the scope of SIA to be transferred to the Social Insurance Institution (SII) within 3 years subsequent to the publishing date of the act. The procedure and essentials for the transfer were determined by the Council of Ministers’ decision dated 30 November 2006 and numbered 2006/11345 and accordingly, both pension funds would have been transferred to SSI. However, with the decree of the Constitutional Court numbered E.2005/139, K.2007/13 and K.2007/33 published in the Official Gazette dated 31 March 2007 and numbered 26479, the first paragraph of the temporary first article of the provisional article 23 of the Banking Act No: 5411 is cancelled and the execution has been ceased starting from the date the decree is published.

After the justified decree related to cancelling the provisional article 23 of the Banking Law was announced by the Constitutional Court on the Official Gazette dated 15 December 2007 and numbered 26731, Turkish Grand National Assembly (TGNA) started to work on establishing new legal regulations, and after it was approved at the General Assembly of the TGNA, the Law numbered 5754 “Emendating Social Security and General Health Insurance Act and Certain Laws and Decree Laws”, which was published on the Official Gazette dated 8 May 2008 and numbered 26870, came into effect. The new law decrees that the contributors of the bank pension funds, the ones who receive salaries or income from these funds and their rightful beneficiaries will be transferred to the Social Security Institution and will be subject to this Law within 3 years after the release date of the related article, without any need for further operation. The three year transfer period can be prolonged for maximum 2 years by the Cabinet decision. However related transfer period has been prolonged for 2 years by the Council of Ministers decision dated 14 March 2011, which was published on the Official Gazette dated 9 April 2011 and numbered 27900. In addition, by the Law numbered 6283 “Emendating Social Security and General Health Insurance Act”, which was published on the Official Gazette dated 8 March 2012 and numbered 28227, the authority of the Council of Ministers extending 2 years has been raised to 4 years.

The statement “The Council of Ministers have entitled to determine transfer period” has taken place in the scope of the Article 51 of the Law No: 6645 which was published on the Gazette on 23 April 2015 and numbered 29335.

In accordance with the related legislation, as of the transfer date, the income and expenses of the transferred funds will be considered by the insurance branches and the present value of the actuarial liabilities will be calculated with the technical interest rate of 9,8%. Moreover, after the transfer to Social Insurance Institution, the unfulfilled other social rights and payments existed in the settlement deeds of the subjected pension funds of the transferred participants, members or the rightful owners will be continued to be fulfilled by the employer entities of the funds and its participants.

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(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XVII. EXPLANATIONS ON EMPLOYEE BENEFIT LIABILITIES (continued)

The transferable rights have been calculated in accordance with the transfer conditions, and it has been concluded that there is no technical deficit as of 31 December 2025. Therefore, no liability emerges for the Parent Bank. The benefits that are not subject to the transfer have been measured in alignment with the TAS 19 “Benefits Provided for Employees” standard, and no liability has emerged for the Parent Bank.

XVIII. EXPLANATIONS ON TAXATION

Corporate Tax:

The commercial profits of corporations in Türkiye face a corporate tax that is based on the statuorty tax base that is calculated by adding non-deductible expenses imposed by tax legislation and subtracting exemptions and allowances.

The Parent Bank has calculated corporate tax at a rate of 30% on its corporate earnings for the taxation period ended 31 December 2025 (31 December 2024: 30%).

Income tax expense consists of the total of current tax and deferred tax expense. The current period tax liability is calculated based on the portion of that period’s profit that is subject to be taxed. There is a difference between taxable profit and profit reported in the income statement because taxable profit excludes items that are taxable or deductible in other periods, as well as items that are not taxable or deductible.

There is an offset between the payable current tax amounts and the prepaid tax amounts in the non-consolidated financial statements of the consolidated entities and are included in consolidation accordingly.

Pursuant to Repetitive Article 298 of the Tax Procedure Law No. 213, an inflation adjustment for the financial statements would have been required for the 2021 fiscal year due to an increase in the price index exceeding 100% over the last three fiscal years, including the current period, and more than 10% in the current fiscal year. However, under Temporary Article 33, added to the Tax Procedure Law by Law No. 7352, it is stipulated that the financial statements for the 2021 and 2022 fiscal years, including temporary tax periods, and the temporary tax periods in the 2023 fiscal year shall not be subject to inflation adjustments under Article 298, regardless of whether the conditions for such adjustments are met.

Accordingly, under the Tax Procedure Law, the financial statements for the 2021 and 2022 fiscal years will not be subject to inflation adjustments. The financial statements as of 31 December 2023 however, will be subject to inflation adjustments regardless of whether the conditions are met. Any gains or losses resulting from the inflation adjustment will be presented in the retained earnings account.

Under the paragraph added to Temporary Article 33 of Law No. 213 by Article 17 of Law No. 7491 on Amendments to Certain Laws and Decrees, it is stipulated that any gains or losses arising from inflation adjustments made by banks, including temporary tax periods, for the 2024 and 2025 fiscal years shall not be taken into account in the determination of taxable profit. Furthermore, the President has been granted the authority to issue regulations stipulating that, if an inflation adjustment is made by the aforementioned institutions in the 2026 fiscal year, including temporary tax periods, any gains or losses resulting from such adjustments shall not be taken into account in the determination of taxable profit.

Under Temporary Article 37, added to the Tax Procedure Law by Article 34 of Law No. 7571, it is stipulated that the financial statements for the 2025 fiscal year, and for the 2026 and 2027 fiscal years including temporary tax periods (and, for those with a special fiscal year, for the periods ending in 2026, 2027, and 2028), shall not be subject to inflation adjustments under Article 298, regardless of whether the conditions for such adjustments are met.

For the purposes of the application of paragraph (ç) of Repetitive Article 298, the periods for which it is stated in the first paragraph that no inflation adjustment shall be made (including periods extended under the granted authority) are considered as periods in which the conditions for inflation adjustment have not been met.

In addition, under the additional articles added to the Corporate Tax Law by Law No. 7524 dated 2 August 2024, the profits of subsidiaries of multinational groups are subject to a 15% global minimum top-up corporate tax.

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(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XVIII. EXPLANATIONS ON TAXATION (continued)

Deferred Tax:

Deferred tax is recognized by the Parent Bank in its accounts, aligned with TAS 12 Income Taxes for taxable or deductible temporary differences arising between the carrying amount of an asset or liability and its tax base. For all taxable temporary differences, deferred tax liabilities are calculated. Deferred tax assets arising from deductible temporary differences are recognized when it is highly probable that future taxable profits will be available against which these differences can be utilized.

As of the current period, a tax rate of 30% has been used in the calculation of deferred tax assets and liabilities (31 December 2024: 30%).

The carrying amount of deferred tax assets is reviewed at each balance sheet date. A reduction takes place for the carrying amount of a deferred tax asset, to the extent that is it no longer likely that sufficient taxable profit will be available to allow all or part of the benefit of that deferred tax asset to be realized.

The tax rates applicable in the period in which the assets/liabilities are realized or settled respectively and is recognized as income or expense in the income statement, are used to calculate deferred tax. However, if the deferred tax relates to items that are recognized directly in equity in the same or a different period, it is also recognized directly in equity.

Deferred tax assets and liabilities are also offset in the unconsolidated financial statements of the consolidated entities and are included in the consolidation on a net basis.

Within the framework of Temporary Article 37 and Repetitive Article 298 of the Tax Procedure Law, the tax effects arising from the revaluation of the financial statements as of 31 December 2025 in accordance with the Tax Procedure Law have been included in the deferred tax calculation as of 31 December 2025.

Tax Practices in the Countries That Foreign Branches Operate:

Turkish Republic of Northern Cyprus (TRNC)

According to the tax regulations in the Turkish Republic of Northern Cyprus, corporate gains are subject to 10% of corporate tax and this taxed amount is subject to 15% of income tax. Advance corporate tax is calculated as 15% of taxable income. Temporary taxes paid are deducted from the corporate tax and income tax calculated at the end of the year.

The tax bases for corporate are determined by adding the expenses that cannot be deducted according to TRNC regulations, to commercial gains and by subtracting exemptions and deductions from commercial gains. On the other hand, withholding tax is paid over interest income in TRNC. The relevant withholding tax payments are deducted from the corporate taxes paid.

Bahrain

Banks operating in Bahrain are subject to the Global Minimum Corporate Tax starting from 1 January 2025.

Tax Practices of the Consolidated Subsidiaries:

Halk Gayrimenkul Yatırım Ortaklığı AŞ

According to Article 5/1(d) (4) of the Corporate Tax Law No. 5520 (“CTL”), the income obtained from real estate investment partnerships is exempted from Corporate Tax. This exemption is also applied to interim temporary tax.

With the Law on Amendments to Tax Laws and Certain Laws and Decree Law No. 375, numbered 7524, published in the Official Gazette dated 2 August 2024, with an effective date of 1 January 2025;

TÜRKİYE HALK BANKASI AŞ

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XVIII. EXPLANATIONS ON TAXATION (continued)

Tax Practices of the Consolidated Subsidiaries: (continued)

- The application of the corporate tax exemption provided to the earnings of Real Estate Investment Partnerships (“REITs”) and Real Estate Investment Funds (“REITs”) is made conditional on the distribution of at least 50% of the earnings obtained from the real estates owned by the mentioned funds and partnerships as dividends by the end of the second month following the month in which the corporate tax return must be filed.
- With the addition of subparagraph c to Article 32 of the Corporate Tax Law, a 10% domestic minimum corporate tax application was introduced and it was stipulated that the profits obtained by REITs and REIFs from real estates cannot be taken into account as an exception or deduction from the corporate profit for which the minimum corporate tax will be calculated.

With the Law on Amendments to Tax Laws and Certain Laws and Legislative Decree No. 375 published in the Official Gazette dated 2 August 2024, the corporate tax exemption was abolished and a deferred tax of 30% was calculated starting from 2024.

Halk Banka AD Skopje

The Parent Bank's subsidiary, acquired in 2011, Halk Banka AD, Skopje is subject to tax regulations in the Republic of Macedonia and the corporate tax is 10%.

Alongside this, as of 1 January 2024, the provisions of the Minimum Global Income Tax Law have come into effect, and under this regulation, an additional tax amount is determined for companies that meet certain criteria. The minimum effective tax rate is applied for Halk Banka AD, Skopje is 15%.

Halk Bank AD Beograd

The Parent Bank's subsidiary, acquired in 2015, Halk Bank AD, Beograd is subject to tax regulations in the Republic of Serbia. The annual corporate income tax is payable at the rate of 15% on profit before tax, adjusted for temporary differences.

The Law on Corporate Income Tax in the Republic of Serbia does not allow any tax losses of the current period to be used to recover taxes paid in previous periods. However, any current year losses disclosed in the tax balance up to 2009 used to reduce tax base for future periods, but only for a period not longer than ten years. Tax losses carried forward after 2010 may be used for reduction of tax base for the following accounting periods for a maximum 5 years. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

XIX. ADDITIONAL EXPLANATIONS ON BORROWINGS

The Group borrows funds from domestic and foreign institutions and issues marketable securities when needed. These borrowing activities are recognized at fair value including the acquisition costs at the transaction date and they are valued at amortized costs by using the internal rate of return method.

Interest rate and liquidity risks are reduced by having assets with shorter or equal maturity terms than borrowing instruments such as syndication, securitization and borrowing with collateral and bears higher interest than costs of those instruments.

Also, asset composition is designed in accordance with the fixed/variable cost nature of borrowing instruments.

XX. EXPLANATIONS ON SHARES ISSUED

Cost related to share issuances are recognized as expense. Dividends related to the equity shares are determined by the General Assembly of the Parent Bank.

In accordance with the decision of the Higher Council of Privatization dated 5 February 2007 and numbered 2007/8, the process of public offering for the 24,98% of shares pertaining to the Privatization Administration was completed and the Parent Bank shares were registered with the Capital Markets Board as per the CMB decision dated 26 April 2007 and numbered 16/471, and the shares were traded on the Borsa İstanbul AŞ as of 10 May 2007. As per the decision of the Higher Council of Privatization numbered 2012/150 and dated 4 October 2012; 23,92% of the public shares that were previously held by the Privatization Administration were privatized by a second public offering and privatization was completed on 21 November 2012.

On 20 May 2020, share capital increased by amounting to TRY 1.223.776 from TRY 1.250.000 to TRY 2.473.776 by the way of the private placement without a public offering.

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XX. EXPLANATIONS ON SHARES ISSUED (continued)

In accordance with the decision of the Board of Directors of the Parent Bank dated 9 February 2022, the capital is increased, where the total sales proceeds through the capital increase shall amount to TRY 13.400.000, by the total nominal capital amount to be calculated based on the share sale price to be determined in accordance with the Wholesale Transactions Procedure of Borsa İstanbul AŞ with the Decision of the Capital Markets Board dated 17 February 2022. Accordingly, the recognition of the capital increase of TRY 2.495.345 on 9 March 2022 was realized on 14 March 2022, based on the permission obtained from the BRSA. The change made to the relevant Articles of Association was registered on 22 March 2022, and it was announced in the Trade Registry Gazette dated 23 March 2022 and numbered 10543. After the increase, TRY 2.495.345 of nominal and TRY 10.904.655 of share premium, amounting to a capital increase of TRY 13.400.000, were recognized in the financial statements. Mentioned capital increase was made by the Parent Bank's main shareholder Türkiye Varlık Fonu. As a result of the capital increase, the issued capital increased from TRY 2.473.776 to TRY 4.969.121.

In accordance with the decision of the Board of Directors of the Parent Bank dated 21 March 2023, the capital is increased, where the total sales proceeds through the capital increase shall amount to TRY 30.000.000, by the total nominal capital amount to be calculated based on the share sale price to be determined in accordance with the Wholesale Transactions Procedure of Borsa İstanbul AŞ with the Decision of the Capital Markets Board dated 27 March 2023. Accordingly, the recognition of the capital increase of TRY 2.215.657 was realized on 31 March 2023, based on the permission obtained from the BRSA. After the increase, TRY 2.215.657 of nominal and TRY 27.784.343 of share premium, amounting to a capital increase of TRY 30.000.000, were recognized in the financial statements. The change made to the relevant Articles of Association was registered on 17 April 2023, and it was announced in the Trade Registry Gazette dated 18 April 2023 and numbered 10814. Mentioned capital increase was made by the Parent Bank's main shareholder Türkiye Varlık Fonu. As a result of the capital increase, the issued capital increased from TRY 4.969.121 to TRY 7.184.778.

Halk GYO has applied to the CMB on 29 August 2012 to increase its issued capital from TRY 477.000 to TRY 662.500 within TRY 1.500.000 registered capital ceiling, by public offering of the corresponding B group bearer shares of TRY 185.500. Application was approved in accordance with the decision promulgated by the CMB's decision numbered 4/97 dated 8 February 2013. As at 15 February 2013 the public offering of B group bearer shares of TRY 185.500 was made by restricting the preemptive rights of the existing shareholders. After completing the investors' book building, Halk GYO's shares started to be traded on Borsa İstanbul AŞ on 22 February 2013.

XXI. EXPLANATIONS ON BILL GUARANTEES AND ACCEPTANCES

Bill guarantees and acceptances are realized simultaneously with the customer payments and they are presented as possible liabilities and commitments in the off-balance sheet accounts.

XXII. EXPLANATIONS ON GOVERNMENT INCENTIVES

The Parent Bank has no government incentives in the current or prior period.

XXIII. EXPLANATIONS ON SEGMENT REPORTING

Segment reporting focuses on business segment considering the main source and nature of the risks and returns of the Group. The Parent Bank operates mainly in corporate, commercial and entrepreneur banking.

The information of the Group's business segments is explained in Section Four, disclosure numbered VIII.

XXIV. EXPLANATIONS ON EARNINGS PER SHARE

Earnings per share calculated under the TAS 33 Earnings Per Share Standard is determined by dividing the net profit by the number of shares outstanding for the relevant period.

	Current Period		Prior Period	
	Basic Earnings Per Share	Diluted Earnings Per Share	Basic Earnings Per Share	Diluted Earnings Per Share
Net Income/(Loss) to be Appropriated to Ordinary Shareholders	27130.696	27130.696	22.037.821	22.037.821
Number of Issued Ordinary Shares (Thousand)	7.184.778	7.184.778	7.184.778	7.184.778
Earnings Per Share (In full TRY)	3,77614	3,77614	3,06729	3,06729

There are no paid-in shares issued during the current period. (31 December 2024: None.)

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

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SECTION III: EXPLANATIONS ON ACCOUNTING POLICIES (continued)

XXV. EXPLANATIONS ON OTHER MATTERS

The international rating agency Fitch Ratings has affirmed Parent Bank’s Long-Term Foreign Currency Issuer Default Rating “B+”, Short-Term Foreign Currency Issuer Default Rating “B”, Long-Term Local Currency Issuer Default Rating “BB-”, Short-Term Local Currency Issuer Default Rating “B”, Viability Rating “b-”, Government Support Rating “b+” on 18 June 2025. The outlooks of the relevant ratings have been revised to “Stable” from “Rating Watch Negative”.

The international rating agency Fitch Ratings has upgraded Parent Bank’s Long-Term Foreign Currency Issuer Default Rating from “B+” to “BB-”, and its Government Support Rating from “b+” to “bb-” on 17 November 2025. The outlook of the relevant ratings remain unchanged.

JCR-Eurasia Rating has affirmed the Parent Bank’s Long Term National Rating as “AAA (tr)” and Short Term National Rating as “J1+ (tr)” along with a “Stable” outlook which denotes the highest investment grade category on 28 November 2025. For the Long Term International Local and Foreign Currency Ratings category, the Parent Bank has been affirmed as “BB”, along with a “Stable” outlook.

As of 1 January 2018, upon the initial adoption of TFRS 9 “Financial Instruments,” the Parent Bank classified certain securities in its portfolio as financial assets measured at fair value through other comprehensive income. However, shortly thereafter, on 23 May 2018, the Parent Bank reclassified these securities as financial assets measured at amortized cost, despite not meeting the reclassification criteria set out in paragraph 4.4.1 of TFRS 9 “Financial Instruments.” In the current period, the Parent Bank reassessed the classification process it applied during the initial adoption of TFRS 9 and determined that, as of the date the business model was identified, not all relevant conditions and circumstances existing at that time, nor all reasonably available information, had been taken into account. The Parent Bank did not consider this situation as a reclassification under paragraph 4.4.1 of TFRS 9 “Financial Instruments,” but rather assessed it as a correction of an error in accordance with TAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors.” Although, as part of this error correction, the Parent Bank would be required to retrospectively restate its financial statements as if these assets had been measured at amortized cost since the initial adoption of TFRS 9, there is no impact on the financial statements, as these financial assets had already been measured at amortized cost prior to the beginning of the comperative period.

TÜRKİYE HALK BANKASI AŞ

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP

I. EXPLANATIONS ON THE CONSOLIDATED EQUITY

Equity amount and capital adequacy standard ratio calculation is made within the framework of “Regulation on Equities of the Banks” and “Regulation on Measurement and Evaluation of Banks’ Capital Adequacy” and in accordance with the amendment announced by the BRSA in the resolution dated 12 December 2023, 19 December 2024 and 25 March 2025.

Within the scope of the regulations that the net valuation differences of the securities held in the “Marketable Securities at Fair Value Through Other Comprehensive Income” portfolio as of 1 January 2024 are negative, these differences will not be taken into account in the equity amount to be used for the capital adequacy ratio and the amount subject to credit risk will be calculated using the Central Bank foreign exchange buying rates as of 28 June 2024 and the bank’s own shares acquired through repurchase from Borsa Istanbul AŞ Equity Market after 17 March 2025 are not considered to deduction item from Tier I Capital until 31 December 2025.

As of 31 December 2025, the capital adequacy ratio and the capital amount of the Group were realized as 15,56% (31 December 2024: 15,10%) and TRY 332.973.482 (31 December 2024: TRY 230.878.173) which were calculated within the scope of the above-mentioned regulation amendments.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

I. EXPLANATIONS ON THE CONSOLIDATED EQUITY (continued)

(1) Information About Total Consolidated Equity Items:

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL		
Paid-in Capital to be Entitled for Compensation after All Creditors	8.405.229	8.405.229
Share Premium	44.505.199	44.505.199
Reserves	84.633.281	57.755.802
Other Comprehensive Income according to TAS	83.137.815	38.521.259
Profit	32.380.471	31.457.382
<i>Current Period Profit</i>	<i>27.130.696</i>	<i>22.037.821</i>
<i>Prior Period Profit</i>	<i>5.249.775</i>	<i>9.419.561</i>
Bonus Shares from Associates, Affiliates and Joint-Ventures not Accounted in Current Period's Profit	1.083.694	777.659
Minority Interest	15.149	9.477
Common Equity Tier 1 Capital Before Deductions	254.160.838	181.432.007
Deductions from Common Equity Tier 1 Capital		
Valuation adjustments calculated as per the article 9. (i) of the Regulation on Bank Capital	-	-
Current and Prior Periods' Losses not Covered by Reserves, and Losses Accounted under Equity according to TAS (-)	24.048.850	3.796.604
Leasehold Improvements on Operational Leases (-)	4.611.963	3.467.598
Goodwill Netted with Deferred Tax Liabilities	-	-
Other Intangible Assets Netted with Deferred Tax Liabilities Except Mortgage Servicing Rights	5.733.691	3.451.162
Remaining after deducting from the related deferred tax liability with the deferred tax asset based on future taxable income, except for deferred tax assets based on temporary differences	-	-
Differences arise when assets and liabilities not held at fair value, are subjected to cash flow hedge accounting	-	-
Total credit losses that exceed total expected loss calculated according to the Regulation on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Securitization gains	-	-
Unrealized gains and losses from changes in bank's liabilities' fair values due to changes in creditworthiness	-	-
Net amount of defined benefit plans	-	-
Direct and Indirect Investments of the Bank on its own Tier I Capital (-)	471.241	471.241
Shares Obtained against Article 56, Paragraph 4 of the Banking Law (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
Mortgage Servicing Rights Exceeding the 10% Threshold of Tier I Capital (-)	-	-
Net Deferred Tax Assets arising from Temporary Differences Exceeding the10% Threshold of Tier I Capital (-)	-	3.775.620
<i>Amount Exceeding the 15% Threshold of Tier I Capital as per the Article 2, Clause 2 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)</i>	-	-
<i>The Portion of Net Long Position of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital not deducted from Tier I Capital (-)</i>	-	-
<i>Mortgage Servicing Rights not deducted (-)</i>	-	-
Excess Amount arising from Deferred Tax Assets from Temporary Differences (-)	-	-
Other items to be Defined by the BRSA (-)	-	-
Deductions from Tier I Capital in cases where there are no adequate Additional Tier I or Tier II Capitals (-)	-	-
Total Deductions from Common Equity Tier I Capital	34.865.745	14.962.225
Total Common Equity Tier I Capital	219.295.093	166.469.782

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

I. EXPLANATIONS ON THE CONSOLIDATED EQUITY (continued)

(1) Information About Total Consolidated Equity Items: (continued)

ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity Tier I Capital and the Related Share Premiums	-	-
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	59.355.000	16.500.000
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	59.355.000	16.500.000
Deductions from Additional Tier I Capital		
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be defined by the BRSA	-	-
Items to be Deducted from Tier I Capital during the Transition Period		
Goodwill and Other Intangible Assets and Related Deferred Taxes not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)	-	-
Net Deferred Tax Asset/Liability not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (-)	-	-
Deduction from Additional Tier I Capital when there is not enough Tier II Capital (-)	-	-
Total Deductions From Additional Tier I Capital	-	-
Total Additional Tier I Capital	59.355.000	16.500.000
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	278.650.093	182.969.782
TIER II CAPITAL		
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	30.143.036	31.328.795
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)	-	-
Provisions (Amounts explained in the first paragraph of the article 8 of the Regulation on Bank Capital)	24.371.587	16.810.684
Tier II Capital Before Deductions	54.514.623	48.139.479
Deductions From Tier II Capital		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital (-)	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	54.514.623	48.139.479
Total Equity (Total Tier I and Tier II Capital)	333.164.716	231.109.261
Total Tier I and Tier II Capital (Total Equity)		
Loans Granted against the Articles 50 and 51 of the Banking Law	-	-
Net Book Values of Movables and Immovable Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	-
Other items to be defined by the BRSA	191.234	231.088

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

I. EXPLANATIONS ON THE CONSOLIDATED EQUITY (continued)

(1) Information About Total Consolidated Equity Items: (continued)

Items to be Deducted from the Sum of Tier I and Tier II Capital (Capital) During the Transition Period		
The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Tier I Capital, Additional Tier I Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation (-)	-	-
The Portion of Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Additional Tier I Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation (-)	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance The Portion of Net Long Position of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital, of the Net Deferred Tax Assets arising from Temporary Differences and of the Mortgage Servicing Rights not deducted from Tier I Capital as per the Temporary Article 2, Clause 2, Paragraph (1) and (2) and Temporary Article 2, Clause 1 of the Regulation (-)	-	-
TOTAL CAPITAL		
Total Capital (Total of Tier I Capital and Tier II Capital)	332.973.482	230.878.173
Total Risk Weighted Assets	2.140.213.990	1.529.345.939
Capital Adequacy Ratios		
CET1 Capital Ratio (%)	10,25	10,89
Tier I Capital Ratio (%)	13,02	11,96
Capital Adequacy Ratio (%)	15,56	15,10
BUFFERS		
Bank-specific total CET1 Capital Ratio (a+b+c)	3,581	3,580
a) Capital Conservation Buffer Ratio (%)	2,500	2,500
b) Bank-specific Counter-Cyclical Capital Buffer Ratio (%)	0,081	0,080
c) Systemic significant bank buffer ratio %	1,000	1,000
Additional CET1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation (%)	5,746	5,964
Amounts Lower Than Excesses as per Deduction Rules		
Remaining Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital	1.872.908	1.367.956
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Issued Share Capital	-	-
Remaining Mortgage Servicing Rights	-	-
Net Deferred Tax Assets arising from Temporary Differences	10.152.137	17.023.592
Limits for Provisions Used in Tier II Capital Calculation		
General Loan Provisions for Exposures in Standard Approach (before limit of one hundred and twenty five per ten thousand)	24.371.587	27.572.009
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	29.934.824	16.810.684
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0,6% Risk Weighted Assets	-	-
Debt Instruments Covered by Temporary Article 4 (effective between 1.1.2018-1.1.2022)		
Upper Limit for Additional Tier I Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier I Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-
Upper Limit for Additional Tier II Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier II Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-

*Amounts in this column represents the amounts of items that are subject to transitional provisions.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

I. EXPLANATIONS ON THE CONSOLIDATED EQUITY (continued)

(2) Information on Differences Between Equity Items Calculated in Accordance with the Regulation on Equity of Banks and Balance Sheet Amounts:

Within the scope of the “Regulation on Banks’ Equity” (Regulation), the equity that is the basis for the capital adequacy standard ratio calculation is calculated after deducting the values to be deducted from the equity from the total capital and supplementary capital. The main difference between the “Equity” in the balance sheet and the equity calculated within the scope of the Regulation arises from the Stage 1 and Stage 2 expected credit loss allowances in the Tier II capital, and the subordinated debt instruments included in the Tier II capital. In addition, within the scope of the BRSA’s Board Decision dated 12 December 2023, in case the net valuation differences of the securities in the portfolio of “Securities at Fair Value through Other Comprehensive Income” as of 1 January 2024 are negative, these differences may not be taken into account in the calculated equity amount. In addition, within the scope of the BRSA’s Board Decision dated 25 March 2025, the bank’s own shares acquired through repurchase from the Borsa İstanbul AŞ Equity Market after 17 March 2025, are not considered to deduction item from Tier I Capital until 31 December 2025. In accordance with the regulation, operating lease development costs, which are presented under the Tangible Assets item in the balance sheet and Intangible Fixed Assets for the calculation of capital adequacy are taken into account as a discount item from the core capital. In addition; in accordance with the regulation, operating lease development costs, which are presented under the Tangible Assets item in the balance sheet and Intangible Fixed Assets for the calculation of capital adequacy are taken into account as a discount item from the core capital. Similarly, some accounts determined by the Board are deducted from the total Equity in the calculation of the “Equity” amount, which is the basis for the capital adequacy calculation.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

I. EXPLANATIONS ON THE CONSOLIDATED EQUITY (continued)

(3) Information about instruments to be included in the Equity Calculation :

Information about instruments included in total capital calculation:						
Issuer	T. Halk Bankası AŞ	T. Halk Bankası AŞ	T. Halk Bankası AŞ	T. Halk Bankası AŞ	T. Halk Bankası AŞ	Türkiye Varlık Fonu
Unique identifier (CUSIP, ISIN etc.)	TRSTHALE2716	TRSTHAL83015	TRSTHALK3419	XS3094751198	XS3246998135	-
Governing Law(s) of the instrument	BRSA and CMB Legislation	BRSA and CMB Legislation	BRSA and CMB Legislation	BRSA and CMB Legislation	BRSA and CMB Legislation	BRSA Legislation
Regulatory treatment						
Subject to 10% deduction as of 1/1/2015	No	No	No	No	No	No
Eligible at unconsolidated / consolidated	Consolidated - Unconsolidated	Consolidated - Unconsolidated	Consolidated - Unconsolidated	Consolidated - Unconsolidated	Consolidated - Unconsolidated	Consolidated - Unconsolidated
Instrument type (types to be specified by each jurisdiction)	Bond	Bond	Bond	Bond	Bond	Loan
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	200	3.943	26.000	29.999	12.856	16.500
Par value of instrument (Currency in mil)	1.000	4.929	26.000	29.999	12.856	-
Accounting classification	346.011	346.011	346.011	347.001	347.001	346.0001
Original date of issuance	20.10.2017	27.08.2024	11.12.2024	26.06.2025	11.12.2025	27.12.2024
Demand or time	Time	Time	Time	Demand	Demand	Demand
Original maturity date	20.10.2017	27.08.2024	11.12.2024	26.06.2025	11.12.2025	27.12.2024
Issuer call subject to prior supervisory approval	Early redemption option at the end of the fifth year	Early redemption option at the end of the fifth year	Early redemption option at the end of the fifth year	Early redemption option at the end of the fifth year	Early redemption option at the end of the fifth year	Early redemption option at the end of the fifth year
Optional call date, contingent call dates and redemption amount	-	-	-	-	-	-
Subsequent call dates, if applicable	-	-	-	-	-	-
Coupons / dividends						
Fixed or floating dividend/coupon	Floating Coupon	Indexed to TLREF	Indexed to TLREF	Fixed	Fixed	Indexed to TLREF
Coupon rate and any related index	Government Debt Security for 5 years +350 base points	6 months TLREF+0,50 bps	3 months TLREF+0,875 bps	9,30%	8,90%	TLREF
Existence of a dividend stopper	-	-	-	-	-	-
Fully discretionary, partially discretionary or mandatory	-	-	-	-	-	-
Existence of step up or other incentive to redeem	-	-	-	-	-	-
Noncumulative or cumulative	-	-	-	-	-	-
Convertible or non-convertible						
If convertible, conversion trigger (s)	-	-	-	-	-	-
If convertible, fully or partially	-	-	-	-	-	-
If convertible, conversion rate	-	-	-	-	-	-
If convertible, mandatory or optional conversion	-	-	-	-	-	-
If convertible, specify instrument type convertible into	-	-	-	-	-	-
If convertible, specify issuer of instrument it converts into	-	-	-	-	-	-

TÜRKİYE HALK BANKASI AŞ

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

I. EXPLANATIONS ON THE CONSOLIDATED EQUITY (continued)

(3) Information about instruments to be included in the Equity Calculation: (continued)

Write-down feature						
If write-down, write-down trigger(s)	-	-	-	Decrease in core capital adequacy ratio below 5,125%	Decrease in core capital adequacy ratio below 5,125%	Decrease in core capital adequacy ratio below 5,125%
If write-down, full or partial	-	-	-	Fully or partially	Fully or partially	Fully or partially
If write-down, permanent or temporary	-	-	-	Permanent or temporary	Permanent or temporary	Permanent or temporary
If temporary write-down, description of write-up mechanism	-	-	-	-	-	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After borrowing, before Additional Tier I Capital	After borrowing, before Additional Tier I Capital	After borrowing, before Additional Tier I Capital	After borrowings and Tier II Capital	After borrowings and Tier II Capital	After borrowings and Tier II Capital
In compliance with article number 7 and 8 of "Own fund regulation"	The instrument is in compliance with article number 8.	The instrument is in compliance with article number 8.	The instrument is in compliance with article number 8.	The instrument is in compliance with article number 7.	The instrument is in compliance with article number 7.	The instrument is in compliance with article number 7.
Details of incompliances with article number 7 and 8 of "Own fund regulation"	The instrument is not in compliant with article numbered 7.	The instrument is not in compliant with article numbered 7.	The instrument is not in compliant with article numbered 7.	The instrument is not in compliant with article numbered 8.	The instrument is not in compliant with article numbered 8.	The instrument is not in compliant with article numbered 8.

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK

Credit risk is defined as risks and losses that may occur if the counterparty fails to comply with the agreement’s requirements and cannot perform its obligations partially or completely on the terms set. In compliance with the legislation, the credit limits are set for the financial position and credit requirements of customers within the authorization limits assigned for Branches, , Regional Lending Committees, Lending Departments, Executive Vice President responsible of Lending, General Manager, Credit Committee and Board of Directors. The limits are subject to revision if necessary.

In accordance with the risk management policies of the Group, the limits are specified in respect of the main and sub-sectors. Those limits are monitored periodically.

The Group, in the credit allocation process, restricts its risk exposure by working with highly credible banks and entities considering the credit ratings for the purpose of managing its risks. Under the scope of credit risk management, the Parent Bank rates all of its borrowers’ credit and requires additional collaterals from whose risk is higher. The Parent Bank has the policy of not granting loans/ credits and/or limiting the amount of such loans/credits. The Group's risk is concentrated in Türkiye. As per the loan procedures, limits are determined based on the type of loans and customers and risk and limit information is controlled periodically.

Loans granted to other banks and risk limits set for the correspondent bank transactions are controlled on a daily basis. Risk concentrations concerning the off-balance sheet operations based on the customers and banks are monitored on daily basis.

Except for the restructured loan follow-up system determined in the related communiqué, such loans are incorporated into the new rating groups or risk weightings under the risk management systems of the banks, and new precautionary measures are taken for these processes. Since long-term commitments are more risky than the short-term commitments, risks are diversified in accordance with the Group’s risk management system.

As prescribed in the related Communiqué, the credit worthiness of the debtors of the loans and other receivables is monitored regularly and statements of accounts taken for the loans are audited in line with the related regulations. Guarantee factors are developed in accordance with the decision of the credit committee and updated according to the top management’s initiatives and changes in the economic conditions. The Group receives sufficient collaterals in consideration of the loans and other receivables granted. Guarantees obtained are surety ships, immovable mortgages, cash blockages and customer or real person cheques.

When the Group is exposed to significant credit risks, it has the tendency to discontinue cease its forward or similar type of transactions by exercising rights, fulfilling the requirements of the acquisitions or disposing of the agreements entered into to mitigate the total risk.

TÜRKİYE HALK BANKASI AŞ

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK

The Group's largest 100 and 200 cash loan customers compose 26,19% and 32,47% of the total cash loan, respectively.

The Group's largest 100 and 200 non-cash loan customers compose 31,35% and 41,92% of the total non-cash loan, respectively.

The Group's largest 100 ve 200 cash and non-cash loan customers represent 12,80% and 17,00% of the total "on and off balance sheet" assets, respectively.

Stage I and Stage II expected losses for credit risks of the Group is TRY 26.227.747. (31 December 2024: TRY 24.729.266).

	Current Period		Prior Period	
Exposure Categories:	Credit Risk Amount ⁽¹⁾	Average Risk Amount	Credit Risk Amount ⁽¹⁾	Average Risk Amount
Conditional and unconditional exposures to central governments or central banks	1.727.019.787	1.496.811.550	1.215.039.556	1.015.791.219
Conditional and unconditional exposures to regional governments or local authorities	5.748.592	5.213.309	5.404.740	4.866.292
Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	12.343.112	10.602.316	9.599.422	6.794.197
Conditional and unconditional exposures to multilateral development banks	-	-	-	-
Conditional and unconditional exposures to international organisations	-	-	-	-
Conditional and unconditional exposures to banks and brokerage houses	69.469.720	45.916.969	37.697.271	30.298.591
Conditional and unconditional exposures to corporates	1.034.369.936	973.547.878	768.882.163	676.527.182
Conditional and unconditional retail exposures	762.546.535	610.399.333	535.724.024	493.295.421
Conditional and unconditional exposures secured by real estate property	613.351.085	549.590.159	463.323.520	394.697.893
Past due items	43.008.698	28.602.788	14.255.507	9.171.869
Items in regulatory high-risk categories	-	-	1.932.302	73.929.723
Exposures in the form of bonds secured by mortgages	-	-	-	-
Securitisation positions	-	-	-	-
Short term exposures to banks, brokerage houses and corporates	-	-	-	-
Exposures in the form of collective investment undertakings	-	-	-	-
Stock Investments	13.348.073	9.839.014	3.205.658	3.043.591
Other Receivables	256.109.572	208.573.137	156.471.410	136.621.037

⁽¹⁾ Includes the risk amounts after credit conversions.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK (continued)

Profile of significant exposures in major regions:

Risk Classifications ⁽¹⁾											
Current Period	Conditional and unconditional exposures to central governments or local banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	Conditional and unconditional exposures to Multilateral Development Banks	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional exposures to retail estate property	Conditional and unconditional exposures secured by real estate property	Past due receivables	Items in regulatory high-risk categories	Stock Investments
1. Domestic	1.707.792.964	5.711.214	9.504.278	-	45.176.258	1.007.416.186	729.904.115	583.777.254	42.358.396	-	13.309.566
2. European Union (EU) Countries	-	-	-	-	703.8.856	336.082	77.013	91.098	735	-	126
3. OECD Countries ⁽²⁾	-	-	-	-	625.338	343.783	9.750	9.482	-	-	5
4. Off-Shore Banking Regions	-	-	-	-	85.029	1.521.918	13.40	913.186	-	-	20.015
5. USA, Canada	-	-	-	-	3.002.783	-	5.489	4.510	-	-	248
6. Other Countries	19.226.823	37.378	2.838.834	-	13.541.456	24.751.967	32.548.828	28.555.555	649.567	-	38.381
7. Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-
8. Unallocated Assets/ Liabilities ⁽³⁾	-	-	-	-	-	-	-	-	-	-	-
Total	1.727.019.787	5.748.592	12.343.112	-	69.469.720	1.034.369.936	762.546.535	613.351.085	43.008.698	-	13.348.073
Prior Period											
1. Domestic	1.202.236.166	5.339.252	8.647.139	-	17.307.521	747.041.194	515.620.901	444.216.970	13.602.120	1.932.302	3.145.368
2. European Union (EU) Countries	-	-	-	-	6.563.357	265.305	44.525	22.967	547	-	101
3. OECD Countries ⁽²⁾	1	-	-	-	1.333.971	6.571.96	664	1.428	1	-	3
4. Off-Shore Banking Regions	-	-	-	-	177.670	664.961	1.028	8.322	-	-	-
5. USA, Canada	-	-	-	-	1.703.332	-	-	3.342	1	-	72
6. Other Countries	12.803.389	65.488	952.283	-	10.611.420	20.273.507	20.047.368	19.070.491	652.838	-	60.189
7. Associates, Subsidiaries and Joint Ventures	-	-	-	-	-	-	-	-	-	-	-
8. Unallocated Assets/ Liabilities ⁽³⁾	-	-	-	-	-	-	-	-	-	-	-
Total	1.215.039.556	5.404.740	9.599.422	-	37.697.271	768.882.163	535.724.024	463.323.520	14.255.507	1.932.302	3.205.658

⁽¹⁾ Refers to the risk classifications in the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks".
⁽²⁾ OECD Countries other than the EU Countries, USA and Canada.
⁽³⁾ Assets and liabilities that are not consistently allocated.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK (continued)

Profile of significant exposures by sectors:

Current Period		Risk Sumfian ⁰⁾													
	Conditional and unconditional exposures to governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional exposures to administrative bodies and commercial undertakings	Conditional and unconditional exposures to Multilateral Development Banks	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional exposures to retail real estate	Conditional and unconditional exposures to property	Past due receivables	Items in regulatory high-risk categories	Stock Investments	Other	TRY	FC	Total
Agriculture	254.110	233	98	-	-	1.939.860	6.157.545	2.824.523	349.372	-	-	54	10.795.347	730.448	11.525.795
Farming and Stockbreeding	156.575	-	85	-	-	576.875	2.926.509	1.631.597	122.874	-	-	18	4.959.095	475.438	5.414.533
Forestry	76.771	233	13	-	-	745.497	2.852.250	935.431	188.893	-	-	32	4.641.016	158.104	4.799.120
Fishery	20.764	-	-	-	-	617.488	378.786	257.495	376.05	-	-	4	1.215.236	96.906	1.312.142
Manufacturing	14.586.346	-	538.406	-	-	376.681.115	98.883.466	157.058.417	11.482.656	-	-	533	415.692.745	243.538.194	659.230.939
Mining and Quarrying	201.963	-	-	-	-	20.422.428	1.926.096	3.519.935	113.693	-	-	22	16.543.263	9.640.874	26.184.137
Production	14.244.497	-	538.406	-	-	299.091.942	96.150.724	151.998.738	11.339.071	-	-	511	379.618.724	193.745.165	573.363.889
Electricity, Gas and Water	139.886	-	-	-	-	571.66.745	806.646	1.539.744	29.892	-	-	-	19.530.758	40.152.155	59.682.913
Construction	2.727.326	-	78	-	-	255.890.992	34.645.301	106.415.920	6.449.685	-	-	10	313.027.920	93.101.392	406.129.312
Services	955.955.633	56.49.577	8.933.580	-	22.903.953	2.65.874.938	3.67.634.500	225.986.006	18.743.706	-	-	7612	1.476.848.211	394.843.294	1.871.691.505
Wholesale and Retail Trade	9.369.383	-	402	-	-	155.946.574	226.004.286	135.590.321	13.523.370	-	-	1.036	485.520.334	54.915.038	540.435.372
Accommodation and Dining	1.363.510	86	-	-	-	30.388.000	24.016.936	47.864.565	94.9341	-	-	30	55.892.528	48.689.940	104.582.468
Transportation and Telecom.	563.750	-	48	-	-	20.119.754	97.704.682	10.555.749	1.349.735	-	-	63	114.440.762	15.853.019	130.293.781
Financial Institutions	67.851	-	334	-	22.903.953	18.866.186	682.056	5.064.495	111.128	-	-	6.223	30.775.076	16.929.150	47.704.226
Real Estate and Rental Services	354.042	-	9	-	-	23.923.890	8.121.775	15.024.863	474.077	-	-	10	36.066.724	11.831.942	47.898.666
Professional Services	38.524	-	-	-	-	13.296	5.137.150	1.033.017	63.797	-	-	182	6.285.372	574	6.285.946
Educational Services	339.957	-	4.468.991	-	-	1.267.659	2.216.942	6.281.208	49.375	-	-	14	11.813.405	2.810.741	14.624.146
Health and Social Services	94.3.858.616	5.649.491	4.463.796	-	-	15.349.579	3.750.695	4.571.788	2.222.883	-	-	54	736.054.010	243.812.890	979.866.900
Other	753.496.372	98.782	2.870.950	-	46.563.767	133.983.031	255.225.723	121.066.219	5.983.279	-	13.348.073	256.101.363	1.033.057.964	555.679.595	1.588.737.559
Total	1.727.019.787	5.748.592	12.343.112	-	69.469.720	1.034.369.936	782.546.535	613.351.085	43.008.698	-	13.348.073	256.109.572	3.249.422.187	1.287.892.923	4.537.315.110

⁰⁾ Refers to the risk classifications in the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”.

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK (continued)

Profile of significant exposures by sectors (continued):

Prior Period	Risk Classifications ⁰⁾														
	Conditional and unconditional exposures to central governments or central banks	Conditional and unconditional exposures to regional governments or local authorities	Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	Conditional and unconditional exposures to Banks	Conditional and unconditional exposures to banks and brokerage houses	Conditional and unconditional exposures to corporates	Conditional and unconditional exposures to retail real estate	Conditional and unconditional exposures to property	Past due receivables	Items in regulatory high-risk categories	Stock Investments				
	FC	TRY	Other	FC	TRY	Other	FC	TRY	Other	FC	Total				
Agriculture	184.955	-	82	-	-	1.729.927	4.324.679	2.555.798	77.539	4.720	-	55	8.050.759	826.996	8.877.755
Farming and Stockbreeding	122.361	-	65	-	-	652.054	2.123.024	1.235.729	40.131	-	-	18	3.897.453	276.129	4.173.582
Forestry	43.187	-	17	-	-	685.431	2.026.474	977.166	36.444	4.720	-	33	3.485.107	288.365	3.773.472
Fishery	19.207	-	-	-	-	392.442	175.181	342.903	964	-	-	4	668.199	262.502	930.701
Manufacturing	13.351.634	-	204.131	-	-	301.540.562	60.585.804	111.295.095	3.964.304	1.119.149	-	533	334.614.311	157.446.901	492.061.212
Mining and Quarrying	221.818	-	-	-	-	14.683.165	905.944	2.598.488	17.450	-	-	22	8.181.625	10.245.262	18.426.887
Production	12.685.243	-	204.131	-	-	241.374.829	59.155.075	107.177.237	3.942.209	1.119.149	-	511	311.040.370	114.618.014	425.658.384
Electricity, Gas and Water	444.573	-	-	-	-	45.482.568	524.785	1.519.370	4.645	-	-	-	15.392.316	32.583.625	47.975.941
Construction	3.214.142	-	41	-	-	162.784.404	172.08.684	64.913.323	2.077.075	108.103	-	10	204.613.596	45.692.186	250.305.782
Services	592.617.475	5.261.971	8.425.101	-	13.963.083	203.591.217	275.151.192	180.969.507	5.508.389	618.906	-	7.920	1.080.285.792	205.828.969	1.286.114.761
Wholesale and Retail Trade	6.121.172	-	276	-	-	122.412.090	162.421.322	104.852.237	3.908.073	514.006	-	1.061	364.361.511	35.868.726	400.230.237
Accommodation and Dining	1.472.624	86	-	-	-	23.257.624	16.433.582	42.326.290	447.891	42.173	-	30	41.439.110	42.541.190	83.980.300
Transportation and Telecom.	499.894	-	57	-	-	13.101.379	79.791.989	7.618.366	560.719	-	-	63	93.918.942	7.653.525	101.572.467
Financial Institutions	9.133	-	88	-	13.963.083	13.134.956	475.334	3.047.921	80.946	-	-	6.508	22.513.618	8.204.351	30.717.969
Real Estate and Rental Services	258.337	-	5	-	-	16.584.521	5.824.332	11.799.518	2.68.232	28.785	-	10	26.585.617	8.178.123	34.763.740
Professional Services	27.731	-	-	-	-	3.545	5.207.479	1.066.658	31.637	621	-	182	6.337.888	465	6.337.853
Educational Services	365.659	-	3.697.927	-	-	889.967	1.607.698	37.58.490	29.212	33.321	-	12	9.271.550	1.110.736	10.382.286
Health and Social Services	583.862.925	5.261.885	4.726.748	-	-	14.207.135	3.389.456	6.500.027	181.679	-	-	54	515.858.056	102.271.853	618.129.909
Other	605.671.350	142.769	970.067	-	23.734.188	99.236.053	178.453.665	103.589.797	2.628.200	81.424	3.205.658	156.462.892	790.811.593	383.364.470	1.174.176.063
Total	1.215.039.556	5.404.740	9.599.422	-	37.697.271	768.882.163	535.724.024	463.323.520	14.255.507	19.32.302	3.205.658	156.471.410	2.418.376.051	793.159.522	3.211.535.573

⁰⁾ Refers to the risk classifications in the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK (continued)

Analysis of maturity-bearing exposures according to remaining maturities(*):

Current Period	Term to Maturity				
Exposure Categories	1 month	1-3 months	3-6 months	6-12 months	Over 1 year
1. Conditional and unconditional exposures to central governments or central banks	747.463.839	33.478.552	18.429.333	58.021.020	869.627.043
2. Conditional and unconditional exposures to regional governments or local authorities	171.879	42.797	83.167	569.685	4.881.064
3 Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	1.854.301	495.929	455.292	2.157.946	7.379.644
4. Conditional and unconditional exposures to Multilateral Development Banks	-	-	-	-	-
5. Conditional and unconditional exposures to banks and brokerage houses	61.993.201	1.954.225	2.643.415	197.029	2.681.850
6. Conditional and unconditional exposures to corporates	276.697.768	41.880.511	61.220.125	178.448.500	476.123.032
7. Conditional and unconditional retail exposures	200.017.709	28.695.672	43.658.901	104.059.942	386.114.311
8. Conditional and unconditional exposures secured by real estate property	117.190.553	28.175.799	39.253.397	132.132.934	296.598.402
9. Past due items	42.982.907	84	120	1.556	24.031
10. Items in Regulatory High-Risk Categories	-	-	-	-	-
11. Stock Investments	13.348.073	-	-	-	-
12. Other Items	256.053.018	21.194	17.736	7.542	10.082
Total	1.717.773.248	134.744.763	165.761.486	475.596.154	2.043.439.459

(*) Includes risk amounts after the effect of credit risk mitigation and after the credit conversions.

Prior Period	Term to Maturity				
Exposure Categories	1 month	1-3 months	3-6 months	6-12 months	Over 1 year
1. Conditional and unconditional exposures to central governments or central banks	559.557.486	4.762.469	18.172.011	36.040.659	596.506.931
2. Conditional and unconditional exposures to regional governments or local authorities	115.762	317.865	73.282	287.454	4.610.377
3 Conditional and unconditional exposures to administrative bodies and non-commercial undertakings	1.302.700	612.797	641.561	1.019.788	6.022.576
4. Conditional and unconditional exposures to Multilateral Development Banks	-	-	-	-	-
5. Conditional and unconditional exposures to banks and brokerage houses	36.269.126	415.146	143.090	69.783	800.126
6. Conditional and unconditional exposures to corporates	195.610.130	44.499.865	47.336.737	145.142.297	336.293.134
7. Conditional and unconditional retail exposures	121.664.202	15.395.325	25.420.333	63.654.659	309.589.505
8. Conditional and unconditional exposures secured by real estate property	82.598.129	19.240.554	32.466.748	96.345.351	232.672.738
9. Past due items	14.228.848	115	577	4.748	21.219
10. Items in Regulatory High-Risk Categories	325.792	45.238	134.841	195.275	1.231.156
11. Stock Investments	3.205.658	-	-	-	-
12. Other Items	156.418.891	22.910	17.976	4.241	7.392
Total	1.171.296.724	85.312.284	124.407.156	342.764.255	1.487.755.154

(*) Includes risk amounts after the effect of credit risk mitigation and after the credit conversions.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK (continued)

Information on the risk classifications as per the Article 6 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks:

Fitch Ratings’ rating grades are used for the risk classes listed below, provided that they are resident abroad.

- Receivables on banks and intermediary institutions
- Receivables on regional governments or local authorities
- Receivables on administrative bodies and other non-commercial undertakings
- Receivables on multilateral development banks
- Corporate receivables

The relevant risk classification is used in determining the risk weights on a receivable that is classificated as per the second section, Article 8 of the Additional Regulation 1 on Measurement and Assessment of Capital Adequacy Ratios of Banks. In the absence of a specific rating, the provisions of paragraph a,b and c of Article 9 of the regulation mentioned should be used.

In the case of other risk classes included in the table, Fitch Ratings notes are taken into account if the rated party is a foreign resident, the supervisor of the relevant country has equivalent regulation and supervision structure, authorized in the country notes.

Implementation of the risk weights to receivables from Regional Governments or local authorities are subject to the same conditions as receivables from banks and intermediary institutions but this implementation exemption cannot be applied for the receivables from banks and intermediary institutions which have less than 90 days to maturity.

National long-term local currency notes issued by JCR-Eurasia are used to determine the risk weights of firms that are classified as corporate receivables and have Turkish Lira receivables from the Parent Bank.

The implementation of the risk weights to receivables from multilateral development banks except those listed in the Additional Regulation 1 on Measurement and Assessment of Capital Adequacy Ratios of Banks, are subject to the same conditions as receivables from banks and intermediary institutions but this implementation exemption cannot be applied for the receivables from banks and intermediary institutions which have less than 90 days to maturity.

The implementation of the risk weight for unrated receivables from banks and intermediary institutions can not be lower than the risk weight of receivables from sovereigns which they are settled in.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK (continued)

Information on the risk classifications as per the Article 6 of the Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (continued):

Credit Quality Grade and Rating Matching Table								
Credit Quality Grade	Fitch						JCR Eurasia	
	Exposures to administrative bodies and other non-commercial undertakings			Exposures to Banks and Brokerage Houses		Exposures to Corporates	Rating	Exposures to Corporates (TRY)
	Rating	Institutions and Organizations included in the tables (I), (II), (III) and (IV) annexed to the Public Financial Management and Control Law No. 5018	Other Public Institutions and Organizations	Exposures with Original Maturities Less Than 90 Days	Exposures with Original Maturities Less More 90 Days			
1	AAA	0%	20%	20%	20%	20%	AAA	20%
	AA+						AA+	
	AA						AA	
	AA-						AA-	
2	A+	20%	50%	20%	50%	50%	A+	50%
	A						A	
	A-						A-	
3	BBB+	50%	100%	20%	50%	100%	BBB+	100%
	BBB						BBB	
	BBB-						BBB-	
4	BB+	100%	100%	50%	100%	100%	BB+	100%
	BB						BB	
	BB-						BB-	
5	B+	100%	100%	50%	100%	150%	B+	150%
	B						B	
	B-						B-	
6	CCC+	150%	150%	150%	150%	150%	CCC+	150%
	CCC						CCC	
	CC						CC	
	C						C	
	D						D	

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK (continued)

Information on receivables from the private sector:

Country	RWAs of Banking Book for Private Sector Lending	RWAs of Trading Book	Total
Türkiye	1.644.939.878	-	1.644.939.878
North Macedonia	22.803.887	-	22.803.887
Serbia	20.377.439	-	20.377.439
Cyprus	3.329.323	-	3.329.323
Marshall Islands	1.860.642	-	1.860.642
Other*	3.091.787	-	3.091.787

(*) Risk-Weighted Assets below TRY 500.000 are grouped under other headings.

Exposures by Consolidated risk weights:

Current Period													
Risk Weights	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	2%	500%	Deductions from Equity
1 Exposures before Credit Risk Mitigation	1.711.974.962	-	327.446.892	-	262.546.985	1.489.016.313	1.683.938.200	27695.762	-	4.022.461	-	-	191.234
2. Exposures after Credit Risk Mitigation	1.795.393.101	-	292.246.911	304.427.176	512.674.535	529.228.305	1.082.994.238	16.328.384	-	4.022.461	-	-	191.234
Prior Period													
Risk Weights	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	2%	500%	Deductions from Equity
1 Exposures before Credit Risk Mitigation	1.195.750.390	-	297.513.793	-	166.268.263	940.866.824	1.190.094.091	21.554.206	-	2.713.974	-	1.932.302	231.088
2. Exposures after Credit Risk Mitigation	1.268.466.026	-	273.523.849	239.436.879	348.091.398	343.112.352	719.371.930	14.886.865	-	2.713.974	-	1.932.302	231.088

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK (continued)

Information by major sectors and type of counterparties:

Current Period		Credits	
Major Sectors /Counterparties	Significant Increase in Credit Risk (Stage II) ⁽¹⁾	Credit – Impaired Losses (Stage III) ⁽²⁾	Expected Credit Loss (TFRS 9) ⁽³⁾
Agriculture	1.074.126	667.323	430.364
<i>Farming and Stockbreeding</i>	915.343	592.540	384.468
<i>Forestry</i>	60.884	17.642	12.552
<i>Fishery</i>	97.899	57141	33.344
Manufacturing	56.428.870	17.419.362	11.421.589
<i>Mining and Quarrying</i>	2.321.555	170.500	166.103
<i>Production</i>	37.632.881	16.549.161	9.626.623
<i>Electricity, Gas and Water</i>	16.474.434	699.701	1.628.863
Construction	22.184.803	8.215.744	5.907.704
Services	66.780.828	25.744.007	17.139.535
<i>Wholesale and Retail Trade</i>	31.880.660	17.223.493	9.897.189
<i>Accommodation and Dining</i>	17.825.965	1.755.120	2.349.858
<i>Transportation and Telecommunication</i>	6.126.547	1.173.772	1.052.844
<i>Financial Institutions</i>	37.252	429.446	335.443
<i>Real Estate and Rental Services</i>	9.416.669	2.281.242	2.098.696
<i>Professional Services</i>	277.599	72.923	63.954
<i>Educational Services</i>	384.654	457.292	447.313
<i>Health and Social Services</i>	831.482	2.350.719	894.238
Other	28.557.955	12.875.325	12.070.676
Total	175.026.582	64.921.761	46.969.868

⁽¹⁾ Income accruals amounting to TRY 16.129.734 are not included in the table.
⁽²⁾ Income accruals amounting to TRY 16.632.096 are not included in the table.
⁽³⁾ The accruals of amounting to TRY 9.234.360 are not included in the table.

Prior Period		Credits	
Major Sectors /Counterparties	Significant Increase in Credit Risk (Stage II) ⁽¹⁾	Credit – Impaired Losses (Stage III) ⁽²⁾	Expected Credit Loss (TFRS 9) ⁽³⁾
Agriculture	1.096.832	356.702	247.009
<i>Farming and Stockbreeding</i>	1.047.187	328.440	224.781
<i>Forestry</i>	27.847	13.433	7.358
<i>Fishery</i>	21.798	14.829	14.870
Manufacturing	35.149.929	8.741.470	8.544.411
<i>Mining and Quarrying</i>	1.082.623	56.406	67.325
<i>Production</i>	22.280.165	8.079.623	5.318.926
<i>Electricity, Gas and Water</i>	11.787.141	605.441	3.158.160
Construction	15.799.073	4.206.532	5.109.363
Services	54.808.342	11.268.299	14.808.796
<i>Wholesale and Retail Trade</i>	19.029.332	7.006.727	5.297.957
<i>Accommodation and Dining</i>	20.335.316	1.195.030	3.589.195
<i>Transportation and Telecommunication</i>	4.024.657	537.985	606.268
<i>Financial Institutions</i>	35.233	375.979	298.252
<i>Real Estate and Rental Services</i>	8.521.941	1.509.871	4.208.913
<i>Professional Services</i>	309.162	48.909	49.688
<i>Educational Services</i>	330.469	411.252	431.448
<i>Health and Social Services</i>	2.222.232	182.546	327.075
Other	16.712.752	6.206.796	5.987.791
Total	123.566.928	30.779.799	34.697.370

⁽¹⁾ Income accruals amounting to TRY 8.270.468 are not included in the table.
⁽²⁾ Income accruals amounting to TRY 1.635.374 are not included in the table.
⁽³⁾ The accruals of amounting to TRY 3.191.272 are not included in the table.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK (continued)

Movements in value adjustments and loan loss provisions:

Current Period	Opening Balance	Provision for Period	Provision Reversals	Other Adjustments	Closing Balance
1. Stage III expected credit loss	19.588.091	26.076.456	(4.445.780)	-	41.218.767
2. Stage I and Stage II expected credit loss	24.729.266	10.725.806	(9.227.325)	-	26.227.747

Prior Period	Opening Balance	Provision for Period	Provision Reversals	Other Adjustments	Closing Balance
1. Stage III expected credit loss	15.845.130	7.738.992	(3.996.031)	-	19.588.091
2. Stage I and Stage II expected credit loss	33.595.979	1.529.129	(10.395.842)	-	24.729.266

The net value of the close monitoring loan collaterals and the separation of collateral types are given in the table below.

	Net Value of Collateral
Collateral Types	Current Period ⁽¹⁾
Real estate mortgage	47.935.714
Salary pledge, vehicle pledge and pledge of commercial undertaking	5.820.706
Financial collaterals (cash, securities pledge, etc.)	145.226
Cheque / bills	1.047.184
Sureties	80.818.849
CGF	855.142
Other ⁽²⁾	38.403.761
Total	175.026.582

⁽¹⁾ Income accruals amounting TRY 16.129.734 are not included in the table.
⁽²⁾ Comprised of share certificates, blockage on receivables, uncollateralized etc.

	Net Value of Collateral
Collateral Types	Prior Period ⁽¹⁾
Real estate mortgage	33.693.172
Salary pledge, vehicle pledge and pledge of commercial undertaking	3.835.730
Financial collaterals (cash, securities pledge, etc.)	40.855
Cheque / bills	647.420
Sureties	60.119.361
CGF	1.218.857
Other ⁽²⁾	24.011.533
Total	123.566.928

⁽¹⁾ Income accruals amounting TRY 8.270.468 are not included in the table.
⁽²⁾ Comprised of share certificates, blockage on receivables, uncollateralized etc.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

II. EXPLANATIONS ON THE CONSOLIDATED CREDIT RISK (continued)

The net value of the non-performing loan collaterals and the separation of collateral types are given in the table below.

	Net Value of Collateral
Collateral Types	Current Period ⁽¹⁾
Cash	30.764
Mortgage	23.576.983
Pledge	965.692
Cheque / bills	122.980
Sureties	24.849.470
Other ⁽²⁾	15.375.872
Total	64.921.761

⁽¹⁾ Income accruals amounting to TRY 16.632.096 are not included in the table.
⁽²⁾ Comprised of share certificates, blockage on receivables, uncollateralized etc.

	Net Value of Collateral
Collateral Types	Prior Period ⁽¹⁾
Cash	26.956
Mortgage	10.260.041
Pledge	440.696
Cheque / bills	162.069
Sureties	12.155.195
Other ⁽²⁾	7.734.842
Total	30.779.799

⁽¹⁾ Income accruals amounting to TRY 1.635.374 are not included in the table.
⁽²⁾ Comprised of share certificates, blockage on receivables, uncollateralized etc.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

III. EXPLANATIONS ON THE CONSOLIDATED CURRENCY RISK

Foreign currency risk indicates the probability of loss that banks are subject to due to the exchange rate movements in the market. While calculating the share capital requirement, all foreign currency assets, liabilities and forward transactions of the Group are taken into consideration. Net short term and long term positions of each currency are calculated in terms of the Turkish Lira.

In accordance with “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”, the foreign currency position risk of the Group is measured by “standard method” and is calculated daily and is reported monthly. In addition to the standard method, foreign currency risk is also calculated by using internal methods and the value at risk (VaR) calculated in this way is reported to the senior management. In addition, the value at risk limit determined by the Parent Bank’s Board of Directors for the value at risk, including the currency risk, is monitored daily and reported to the senior management. As a foreign currency risk management policy, the Parent Bank is not exposed to currency risk to a significant extent and positions related to currency risk are balanced with derivative transactions made when deemed necessary.

Current foreign exchange buying rates announced by the Parent Bank as of the financial statement date and the last 5 business days before that, and foreign exchange buying rates of the Parent Bank for the thirty days before the financial statement date are as follows:

	USD	EUR	CHF	GBP	JPY
Balance sheet valuation rate:	42,8550000	50,3032000	53,9980000	57,5278000	0,2723250
Before the balance sheet date;					
Current foreign exchange buying rate on the 1st business day	42,8747000	50,4142000	54,1595000	57,7127000	0,2734786
Current foreign exchange buying rate on the 2nd business day	42,8648000	50,5097000	54,2396000	57,7892000	0,2737833
Current foreign exchange buying rate on the 3rd business day	42,7675000	50,4165000	54,1543000	57,7050000	0,2727163
Current foreign exchange buying rate on the 4th business day	42,7797000	50,4137000	54,2385000	57,7663000	0,2736693
Current foreign exchange buying rate on the 5th business day	42,7398000	50,3582000	54,1432000	57,6378000	0,2732825
Last 30 days arithmetic average:	42,6152696	49,9426739	53,4564261	57,0072435	0,2726003

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

III. EXPLANATIONS ON THE CONSOLIDATED CURRENCY RISK (continued)

Information related to currency risk:

Current Period	EUR	USD	OTHER FC	TOTAL
Assets				
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious metals) and balances with the CBRT	162.203.095	176.781.106	131.378.466	470.362.667
Banks	11.962.331	6.683.933	8.281.700	26.927.964
Financial assets at fair value through profit and loss	124.455	129.247	102.935.934	103.189.636
Money market placements	-	-	-	-
Financial assets at fair value through other comp. income	16.527.054	135.026.866	20.742.831	172.296.751
Loans	431.031.552	186.854.863	75.060.593	692.947.008
Subsidiaries, associates and joint ventures	4.146.393	-	-	4.146.393
Financial assets measured at amortised cost	361.092	98.752.409	397.036	99.510.537
Derivative financial assets held for risk management	-	-	-	-
Tangible assets	-	2.766	4.128.865	4.131.631
Intangible assets	-	-	1.135.535	1.135.535
Other assets ⁽²⁾	12.266.413	8.397.718	2.360.087	23.024.218
Total assets	638.622.385	612.628.908	346.421.047	1.597.672.340
Liabilities				
Bank deposits	229.343.875	55.506.645	1.339.696	286.190.216
Foreign currency deposits	423.917.033	316.539.326	372.834.599	1.113.290.958
Money market funds	15.854.971	93.150.855	-	109.005.826
Funds provided from other financial institutions	26.150.897	84.794.119	1.700.991	112.646.007
Securities issued	-	-	-	-
Miscellaneous payables	3.966.320	4.262.481	2.025.498	10.254.299
Derivative financial liabilities held for risk management	-	-	-	-
Other liabilities ⁽²⁾	3.264.027	45.031.956	3.916.617	52.212.600
Total liabilities	702.497.123	599.285.382	381.817.401	1.683.599.906
Net balance sheet position	(63.874.738)	13.343.526	(35.396.354)	(85.927.566)
Net off-balance sheet position	50.280.191	(10.707.394)	69.495.751	109.068.548
Financial derivative assets ⁽⁵⁾⁽⁴⁾	77.002.230	93.035.378	75.184.449	245.222.057
Financial derivative liabilities ⁽⁵⁾⁽⁴⁾	26.722.039	103.742.772	5.688.698	136.153.509
Non-cash loans ⁽¹⁾	206.953.059	173.147.734	39.162.997	419.263.790
Prior period				
Total assets	408.489.628	365.126.798	188.255.234	961.871.660
Total liabilities	451.336.626	362.397.477	174.930.168	988.664.271
Net balance sheet position	(42.846.998)	2.729.321	13.325.066	(26.792.611)
Net off-balance sheet position	31.950.248	(4.829.621)	12.621.379	39.742.006
Financial derivative assets	40.355.188	31.814.453	19.751.730	91.921.371
Financial derivative liabilities	8.404.940	36.644.074	7.130.351	52.179.365
Non-cash loans ⁽¹⁾	128.243.109	113.626.566	24.065.344	265.935.019

⁽¹⁾ Non-cash loans are not included in the off-balance sheet position items.

⁽²⁾ In accordance with the principles of the "Regulation on Measurement and Practices of Banks' Net Overall FC Position / Shareholders' Equity Ratio on a Consolidated and Unconsolidated Basis", Foreign currency derivative financial instruments foreign currency income discounts, equity and derivative financial instruments foreign currency expense discounts in liabilities are not taken into consideration in the currency risk measurement.

⁽³⁾ Financial derivative assets include forward precious metal purchase transactions amounted to TRY 5.471.777. Financial derivative liabilities include forward precious metal sale transactions amounted to TRY 372.560. Besides, derivative transactions under forward foreign currency purchase and sale commitments are included.

⁽⁴⁾ In accordance with the provisions of the "Regulation on the Calculation and Application of the Standard Foreign Currency Net General Position/ Equity Ratio by Banks on a Consolidated and Unconsolidated Basis", money options are included in the calculation of exchange rate risk with delta equivalents.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

III. EXPLANATIONS ON THE CONSOLIDATED CURRENCY RISK (continued)

Exposure to currency risk

10% depreciation of the TRY against US Dollar and EUR as at and for the period ended 31 December 2025 and 31 December 2024 would have effect on equity and profit or loss (without tax effects) by the amounts shown below.

This analysis assumes that all other variables, in particular interest rates, remain constant.

	Current Period		Prior Period	
	Profit or loss	Equity ^(*)	Profit or loss	Equity ^(*)
USD	263.337	532.187	(210.307)	(144.346)
EUR	(1.359.455)	(1.321.399)	(1.089.675)	(1.077.887)
Other Currencies	2.883.500	2.921.247	2.284.987	2.284.987
Total (Net) ^(**)	1.787.382	2.132.035	985.005	1.062.754

^(*) Equity effect also includes profit or loss effect of 10% devaluation of TRY against related currencies.

^(**) Associates, subsidiaries, and jointly controlled entities have been included in statement of profit or loss impact calculation, but not in the equity impact calculation. The amounts of tangible and intangible fixed assets are not included in the equity and statement of profit or loss impact calculations.

10% appreciation of the TRY against US Dollar and EUR as at and for the period ended 31 December 2025 and 31 December 2024 would have effect on equity and profit or loss (without tax effects) by the amounts shown below.

	Current Period		Prior Period	
	Profit or loss	Equity ^(*)	Profit or loss	Equity ^(*)
USD	(263.337)	(532.187)	210.307	144.346
EUR	1.359.455	1.321.399	1.089.675	1.077.887
Other Currencies	(2.883.500)	(2.921.247)	(2.284.987)	(2.284.987)
Total (Net) ^(**)	(1.787.382)	(2.132.035)	(985.005)	(1.062.754)

^(*) Equity effect also includes profit or loss effect of 10% revaluation of TRY against related currencies.

^(**) Associates, subsidiaries, and jointly controlled entities have been included in statement of profit or loss impact calculation, but not in the equity impact calculation. The amounts of tangible and intangible fixed assets are not included in the equity and statement of profit or loss impact calculations

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

IV. EXPLANATIONS ON THE CONSOLIDATED INTEREST RATE RISK

Loss that may arise due to asset-liability and interest-sensitive assets mismatches based on the repricing (interest rate change) periods of the off-balance sheet positions represent the interest rate risk. Among the positions subject to these risks, those evaluated in trading accounts are taken into account in market risk, while positions in banking books are subject to interest rate risk calculations arising from banking books.

The Parent Bank’s interest rate risks are monitored with internal limits determined within the scope of the “Policies for the Management of Interest Rate Risk” which is approved by the Board of Directors. Interest rate risks are measured on a daily basis primarily through risk weighted asset and economic value change measurements, sensitivity, duration and gap analyses. Measurement results are daily reported to the Parent Bank’s Top Management and related business units.

1. Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on re-pricing dates):

Current Period	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and over	Non-bearing interest	Total
Assets							
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious metals) and balances with the CBRT	261.042.308	-	-	-	-	607.265.357	868.307.665
Banks	36.581.417	2.367.918	127.459	388.950	-	23.762.503	63.228.247
Financial assets at fair value through profit and loss	288.214	62.040.141	42.331.682	43	-	8.954.062	113.614.142
Money market placements	23.734	-	-	-	-	-	23.734
Financial assets at fair value through other comprehensive income	48.539.614	28.092.983	96.106.133	69.853.122	60.579.524	1.905.590	305.076.966
Loans	943.975.011	336.428.719	287.751.068	269.772.885	90.727.791	167.331.495	2.095.986.969
Financial assets measured at amortised cost	189.212.358	88.793.964	112.455.507	195.829.314	208.040.741	-	794.331.884
Other assets ⁽¹⁾⁽⁴⁾	18.812.550	10.981.979	16.931.981	11.381.434	1.698.633	196.694.044	256.500.621
Total assets	1.498.475.206	528.705.704	555.703.830	547.225.748	361.046.689	1.005.913.051	4.497.070.228
Liabilities							
Bank deposits	219.787.807	20.262.776	1.136.691	-	-	241.815.112	483.002.386
Other deposits	1.607.663.159	591.670.557	89.045.396	10.426.606	661.008	825.368.981	3.124.835.707
Money market funds	202.858.636	38.056.422	-	-	-	278.410	241.193.468
Miscellaneous payables	10.599.691	-	-	-	-	83.180.749	93.780.440
Securities issued	5.747.293	7203.653	8.809.534	-	-	-	21.760.480
Funds provided from other financial institutions ⁽³⁾	25.173.264	58.807.737	26.066.031	3.524.925	340.176	2.298.834	116.210.967
Other liabilities ⁽¹⁾⁽²⁾	1.000.000	30.926.697	59.357.183	-	-	325.002.900	416.286.780
Total liabilities	2.072.829.850	746.927.842	184.414.835	13.951.531	1.001.184	1.477.944.986	4.497.070.228
Balance sheet long position	-	-	371.288.995	533.274.217	360.045.505	-	1.264.608.717
Balance sheet short position	(574.354.644)	(218.222.138)	-	-	-	(472.031.935)	(1.264.608.717)
Off-balance sheet long position	166.172.912	58.014.060	29.372.810	14.324.404	-	-	267.884.186
Off-balance sheet short position	(166.104.730)	(60.482.571)	(29.694.740)	(13.989.657)	-	-	(270.271.698)
Total position	(574.286.462)	(220.690.649)	370.967.065	533.608.964	360.045.505	(472.031.935)	(2.387.512)

⁽¹⁾ TRY 19.380.129 of deferred tax assets is disclosed under the non-bearing interest column in other assets, TRY 9.227.992 of deferred tax liability is disclosed under the non-bearing interest column in other liabilities.

⁽²⁾ Shareholders' equity balance is disclosed under the non-bearing interest column in other liabilities line.

⁽³⁾ Funds provided from other financial institutions include borrowings.

⁽⁴⁾ Other asset items which are not expected to be converted into cash in short term but required for continuity of banking operations like lease receivables, factoring receivables, non current assets held for sale and discontinued operations, tangible and intangible assets, office supply inventory, associates and subsidiaries and prepaid expenses and expected credit losses are disclosed in other assets under the interest-free column.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

IV. EXPLANATIONS ON THE CONSOLIDATED INTEREST RATE RISK (continued)

1. Information related to the interest rate sensitivity of assets, liabilities and off-balance sheet items (based on re-pricing dates): (continued)

Prior Period	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and over	Non-bearing interest	Total
Assets							
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased, precious metals) and balances with the CBRT	234.712.270	-	-	-	-	398.714.623	633.426.893
Banks	11.011.793	572.450	82.474	257.727	-	22.311.012	34.235.456
Financial assets at fair value through profit and loss	245.087	3.903.056	11.899.259	40.928.144	20	1.805.021	58.780.587
Money market placements	1.412.154	-	-	-	-	-	1.412.154
Financial assets at fair value through other comprehensive income	44.850.983	20.878.074	48.638.907	34.179.380	28.534.363	1.393.027	178.474.734
Loans	486.916.663	252.615.654	264.977.515	330.978.876	90.412.995	95.741.747	1.521.643.450
Financial assets measured at amortised cost	163.290.253	46.574.574	91.333.679	77.245.449	183.164.992	-	561.608.947
Other assets ⁽¹⁾⁽⁴⁾	16.599.155	5.039.545	6.755.066	7.637.865	468.678	117.776.220	154.276.529
Total assets	959.038.358	329.583.353	423.686.900	491.227.441	302.581.048	637.741.650	3.143.858.750
Liabilities							
Bank deposits	101.037.008	15.109.465	1.989.772	-	-	164.196.629	282.332.874
Other deposits	1.053.173.612	482.029.889	124.677.499	8.947.466	414.111	509.045.004	2.178.287.581
Money market funds	238.980.242	17.250.157	21.107	-	-	474.023	256.725.529
Miscellaneous payables	4.499.440	-	-	-	-	61.304.087	65.803.527
Securities issued	4.580.613	5.429.788	2.182.582	-	-	-	12.192.983
Funds provided from other financial institutions ⁽³⁾	26.804.900	26.159.258	5.247.208	3.435.820	389.914	2.433.709	64.470.809
Other liabilities ⁽¹⁾⁽²⁾	1.000.000	30.928.795	16.000.000	-	-	236.116.652	284.045.447
Total liabilities	1.430.075.815	576.907.352	150.118.168	12.383.286	804.025	973.570.104	3.143.858.750
Balance sheet long position	-	-	273.568.732	478.844.155	301.777.023	-	1.054.189.910
Balance sheet short position	(471.037.457)	(247.323.999)	-	-	-	(335.828.454)	(1.054.189.910)
Off-balance sheet long position	52.177.035	39.086.386	42.502.786	17.493.729	8.924.712	-	160.184.648
Off-balance sheet short position	(53.091.135)	(40.932.445)	(42.481.523)	(17.493.657)	(8.924.712)	-	(162.923.472)
Total position	(471.951.557)	(249.170.058)	273.589.995	478.844.227	301.777.023	(335.828.454)	(2.738.824)

⁽¹⁾ TRY 23.849.997 of deferred tax assets is disclosed under the non-bearing interest column in other assets, TRY 3.050.785 of deferred tax liability is disclosed under the non-bearing interest column in other liabilities.

⁽²⁾ Shareholders’ equity balance is disclosed under the non-bearing interest column in other liabilities line.

⁽³⁾ Funds provided from other financial institutions include borrowings.

⁽⁴⁾ Other asset items which are not expected to be converted into cash in short term but required for continuity of banking operations like lease receivables, factoring receivables, non current assets held for sale and discontinued operations, tangible and intangible assets, office supply inventory, associates and subsidiaries and prepaid expenses and expected credit losses are disclosed in other assets under the interest-free column.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

IV. EXPLANATIONS ON THE CONSOLIDATED INTEREST RATE RISK (continued)

2. Average interest rates applied to the monetary financial instruments of the Group (%):

Current Period	EUR	USD	JPY	TRY
Assets				
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased) and balances with the CBRT	-	1,76	-	20,77
Banks ⁽¹⁾	2,90	3,85	-	37,23
Financial assets at fair value through profit and loss	3,86	4,65	-	36,24
Money market placements	-	-	-	37,98
Financial assets at fair value through other comprehensive income	4,81	6,13	-	36,05
Loans ⁽²⁾	6,43	8,19	-	43,59
Financial assets measured at amortised cost	4,31	5,76	-	36,50
Liabilities				
Bank deposits ⁽⁴⁾	0,39	2,34	-	37,10
Other deposits ⁽⁴⁾	1,01	1,54	-	34,02
Money market funds	3,87	3,99	-	44,70
Miscellaneous payables ⁽³⁾	-	-	-	5,00
Securities issued ⁽⁵⁾	-	4,59	-	53,35
Funds provided from other financial institutions	4,46	6,30	-	41,83

⁽¹⁾ Interest rates are calculated using weighted average method for placements as of the balance sheet date.
⁽²⁾ Interest rates for loans given as of the balance sheet date are calculated by using client based weighted average interests.
⁽³⁾ Equals to 12-month TRY deposit base interest rate announced as of 31 December 2025.
⁽⁴⁾ Demand deposit amounts are considered in the average interest rate calculation.
⁽⁵⁾ Subordinated debt instruments are presented under securities issued.

Prior Period	EUR	USD	JPY	TRY
Assets				
Cash (cash in vault, foreign currency cash, money in transit, cheques purchased) and balances with the CBRT	-	-	-	22,89
Banks ⁽¹⁾	2,88	4,03	-	47,03
Financial assets at fair value through profit and loss	-	4,62	-	33,19
Money market placements	-	-	-	52,50
Financial assets at fair value through other comprehensive income	4,43	6,91	-	39,55
Loans ⁽²⁾	6,45	8,90	-	43,39
Financial assets measured at amortised cost	-	5,71	-	38,99
Liabilities				
Bank deposits ⁽⁴⁾	0,29	5,88	-	48,73
Other deposits ⁽⁴⁾	0,99	1,63	-	40,85
Money market funds	3,37	4,36	-	48,77
Miscellaneous payables ⁽³⁾	-	-	-	5,00
Securities issued ⁽⁵⁾	-	-	-	53,16
Funds provided from other financial institutions	3,89	5,57	-	48,88

⁽¹⁾ Interest rates are calculated using weighted average method for placements as of the balance sheet date.
⁽²⁾ Interest rates for loans given as of the balance sheet date are calculated by using client based weighted average interests.
⁽³⁾ Equals to 12-month TRY deposit base interest rate announced as of 31 December 2024.
⁽⁴⁾ Demand deposit amounts are considered in the average interest rate calculation.
⁽⁵⁾ Subordinated debt instruments are presented under securities issued.

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Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

IV. EXPLANATIONS ON THE CONSOLIDATED INTEREST RATE RISK (continued)

3. Explanations on interest rate risk of the banking book:

In accordance with the "Regulation on the Measurement and Assessment of Interest Rate Risk Arising from Banking Books (IRRBB) Using the Standardized Approach," published in the Official Gazette dated 12 May 2025 and numbered 32898, the measurement based on the Change in Economic Value of Equity (CEVE) calculation method is performed on a solo basis, and is calculated and reported monthly as of 1 October 2025.

Interest Rate Risk Arising from Banking Book Accounts (IRRBB) is defined as the adverse impact of changes in market interest rates on the bank's economic value or net interest income, resulting from inconsistencies between the repricing periods and maturities of on- and off-balance sheet items in the banking book, as well as from the optionality embedded in such items.

Interest rate risk is managed through specific risk metrics, taking both the market conditions as well as the Bank's processes and organizational structure into account. The management of Interest Rate Risk in the Banking Book (IRRBB) encompasses processes for the regular monitoring of its impact on economic value and net interest income, in line with the Bank's risk appetite framework that establishes certain limits. Both the Bank's interest rate risk appetite and trigger levels are governed by limits that are based on the CEVE and Nil ratios.

The IRRBB ratio is monitored through scenario analyses on a weekly basis. Furthermore, a variety of stress test scenarios are analyzed and reported through the monthly interest rate risk assessment report. These related analysis reports as well as the IRRBB ratio are submitted on a daily/weekly/monthly basis to Senior Management, and on a quarterly basis, to the Audit Committee and the Board of Directors.

Strategies to mitigate Interest rate risk are formulated through action proposals that are related to balance sheet management, also taking both foreign exchange rates as well as yield curves into account. Risks can be managed through both strategies aimed at addressing interest rate and maturity mismatches, as well as through the use of off-balance sheet derivative instruments.

To ensure the monitoring of interest rate risk and compliance with the established limits, a calculation and reporting system supported by information systems is in place.

To measure sensitivity to IRRBB, duration, gap, and sensitivity analyses are performed. In calculating the CEVE risk amount, scenarios applied to the yield curve include parallel upward and parallel downward shifts, short-term upward and short-term downward shocks, as well as steepening and flattening scenarios.

In net interest income analyses, changes in the Bank's net interest income over a one-year horizon are generally assessed within the framework of specified parallel interest rate shocks. This way, both static and dynamic simulation studies are conducted under the net interest income framework, and potential changes in the Bank's net interest income over a minimum one-year period are calculated.

To allocate demand deposits across maturities, the bank uses an internal model. Rates that are related to early loan repayments and early term deposit withdrawals are applied in accordance with the regulations specified in the BRSA Communiqué.

If the interest rate risk profile approaches the Parent Bank's risk appetite level more than originally anticipated, early warning signal signs are exceeded, or if there is a significant increase in concentration of certain risk factors, the Bank may need to take certain actions to mitigate the interest rate risk and hedging strategies may be implemented through derivative transactions.

The CEVE risk amount is calculated in accordance with the Interest Rate Risk Management Regulation for Banking Accounts published by the BDDK on 12 May 2025. In relation to the CEVE risk amount, work is in progress to include margins related to interest rates in the cash flows used in the calculation.

The average repricing period for demand deposits is determined according to Bank's core demand deposit model.

Rates related to early loan repayments and early term deposit terminations have been applied in accordance with the BRSA Communiqué.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

IV. EXPLANATIONS ON THE CONSOLIDATED INTEREST RATE RISK (continued)

3. Explanations on interest rate risk of the banking book: (continued)

In net interest income analyses, under static simulations, the net interest income change over a one-year horizon is analyzed by calculating interest income and expense under shocks on the repricing principal/nominal amounts of on- and off-balance sheet items, taking the remaining maturities to repricing of the Bank’s existing positions into account. In the dynamic simulation approach, more detailed assumptions are developed regarding expected market changes and the future level of interest rates over a specific period. Thereby, in the current analyses, moving balance sheet assumptions can be applied together with market forward rates, whether shocked or unshocked.

As stated in the Regulation on the Measurement and Assessment of Interest Rate Risk Arising from Banking Book Accounts (IRRBB) Using the Standard Approach, all asset items tracked in the banking book—excluding deductions from core capital, tangible fixed assets, intangible fixed assets, and equity investments—whose share exceeds 5% of total assets, as well as all liability items outside core capital whose share exceeds 5% of total liabilities, are reported by currency, specifically in TRY, USD, EUR, and XAU. For each currency, the shock rates assigned to it as specified in the Regulation have been applied. Interest rate correlations between different currencies have not been included, as they would reduce the reported risk amount and would not comply with the prudence principle.

	Current Period
	CEVE ^(*)
Parallel Up (-)	16.760.553
Parallel Down (+)	(18.373.744)
Steepener (-)	(5.779.515)
Flattener (+)	8.479.580
Short-Term Up (-)	11.087.852
Short-Term Down (+)	(10.581.583)
Maximum	16.760.553
Tier I Capital	269.487.023

^(*) The amounts presented in the table above have been converted into TRY equivalents based on the currencies and interest-related commodities specified in Article 5, paragraph 2(a) of the Regulation on the Measurement and Assessment of Interest Rate Risk Arising from Banking Book Accounts Using the Standard Approach.

In calculating the EVE risk amount, the TLREF yield curve was used for TRY, SOFR for USD, and ESTR for EUR. Among the various shock scenarios provided in the Regulation, the upward interest rate shock scenario producing the worst outcome is reported in the calculation of the interest rate risk ratio.

The sensitivity of IRRBB is 6,22%, resulting from the loss amount under the Parallel Upward scenario divided by the Bank’s Core Capital, which is below the regulatory limit of 15%.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

V. EXPLANATIONS ON THE CONSOLIDATED POSITION RISK OF SHARES

Information on the carrying value, fair value, market value and capital requirement amounts of equity investments resulting from banking accounts:

Equities	Carrying Value ⁽¹⁾	Comparison		Capital Requirements
		Fair Value Change ⁽²⁾	Market Value	
Stock investment excluding A,B,C,D group	4.937.804	-	-	922.645

⁽¹⁾ Includes TRY 153.740 of unconsolidated associates, TRY 140.573 of unconsolidated subsidiaries and TRY 4.643.491 of associates accounted for under the equity method.
⁽²⁾ Investments that are not measured at fair value are not included in the table above.

Realized gains/losses, revaluation surpluses and unrealized gains/losses on equity securities and results included in Common Equity and Tier II Capital:

Portfolio	Realized gains/ losses in the current period	Revaluation Increases		Unrealized gains and losses		
		Total	Included To Total Core Capital	Total	Included To Total Core Capital	Included to Supplementary Capital
1. Private equity investments	-	-	-	-	-	-
2. Share certificates quoted on a stock exchange	-	-	-	-	-	-
3. Other share certificates	-	15.040	15.040	-	-	-
Total	-	15.040	15.040	-	-	-

TÜRKİYE HALK BANKASI AŞ

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VI. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO

The liquidity risk occurs when there is insufficient cash or cash inflows to meet the cash outflows fully and timely. Liquidity risk may also occur when the market penetration is not adequate, when the open position cannot be closed immediately at the suitable prices in sufficient amounts due to barriers and break-ups in the markets.

The liquidity risks of the Parent Bank are managed within the framework of risk and transaction limits approved by the Board of Directors, and the written duties and responsibilities of the units related to liquidity risk management is established. Although the Board of Directors is primarily responsible for managing liquidity risk, committees have been established to ensure the efficient function. The committees responsible for managing liquidity risk are the Asset-Liability Committee (ALCO) and the Liquidity Risk Committee.

The desired level of risk that the bank intends to assume with regard to liquidity risk is determined within the Risk Appetite Framework Directive approved by the Parent Bank’s Board of Directors. Within the scope of the risk appetite framework, the level of risk capacity, risk appetite, and trigger levels have been determined on both consolidated and non-consolidated bases.

Regarding treasury transactions; maturity and amount limits are determined for TRY and FC transactions made in the interbank over-the-counter market, and limits are set on the maximum foreign currency position, forward and swap transactions that can be carried.

Liquidity risk analyzes are conducted on a daily/weekly/monthly basis and shared with the Parent Bank’s top management and related departments. Periodical stress tests are performed in line with the Parent Bank’s liquidity management policies.

The Parent Bank has determined a high-quality liquid asset stock as a liquidity buffer for managing liquidity risk. Extending the maturity structure of the time deposits, which constitute a significant source of funds for the Parent Bank, developing new products to encourage savings, and maintaining the core deposit level are adopted as strategic objectives to reduce liquidity risk. Limits and principles regarding the issuance of bonds and bills in TRY have been determined to provide long-term funding other than deposits as part of extending the maturity structure of liabilities. In line with the Parent Bank’s needs, new borrowing opportunities are utilized, and within this framework, price/cost movements in international capital markets are closely monitored, and alternative sources of funding are evaluated when conditions are favorable.

The Parent Bank aims to obtain its funding sources from the longest-term and most stable sources possible, taking into account legal and internal limits as well as cost factors. In this context, concentration ratios such as the share of retail funding sources in total sources, the share of high-value deposits in total deposits, and the share of money market funds in bank borrowings and market volumes are monitored daily within the framework of the Liquidity Early Warning System.

Short-term or daily foreign currency liquidity needs can be met through swap transactions, and sufficient liquidity is kept with correspondent banks for effective management of repayments. Adequate liquidity buffer is maintained by the Parent Bank to meet its intraday liquidity and short-term liquidity needs. In general context, liquidity management is managed within the limits defined by the market makers for the Parent Bank and the limit structures defined by the Parent Bank on the basis of counterparty and transaction type.

The reduction of liquidity risk is provided by effective collateral management structure. Upper borrowing limits are determined under certain criteria and balance sheet size related to the domestic organized markets (CBRT, BIST and Takasbank) by the relevant authorities. Existing limits available to use are continuously monitored, through the Parent Bank’s projected and instant liquidity needs under the condition that depositing and/or withdrawing additional collateral.

The Risk Management Department conducts routine and periodic stress tests based on rapid deposit outflows, defaults on cash and non-cash loans, liquidity outflows with significant loan expansions that may affect the Parent Bank’s liquidity such as pandemics and natural disasters, potential losses in the Parent Bank’s securities portfolio, FC outflows, scenarios related to the obligations of subsidiaries, and similar fundamental issues. Stress test scenarios that are for other all matters related to liquidity risk management are prepared in collaboration with relevant business units. Analysis of stress test scenarios is shared with the Parent Bank’s Top Management and relevant business units, and necessary actions are taken.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VI. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Systemic and bank specific metrics within the scope of “Liquidity Emergency Action Plan” (LEAP) approved by the Board of Directors and early warning indicators related to these metrics are monitored on a daily basis. Written actions, if required, to be taken as part of this plan are determined. In extent with LEAP, necessary actions and their priority for possible liquidity stress/crisis have been determined.

The Parent Bank does not have any operational or legal restrictions on liquidity transfer to subsidiaries or foreign branches. Each of the consolidated subsidiaries manage their own liquidity risk and liquidity adequacy is ensured on a consolidated basis.

Liquidity Coverage Ratio:

According to the BRSA’s “Regulation for Banks’ Liquidity Coverage Ratio Calculations” published in the Official Gazette No. 28948 dated 21 March 2014, FC and TRY+FC liquidity coverage ratios are calculated by using high quality liquid assets divided by net cash outflows. Within this context, the Parent Bank is required to have the ability to cover net cash outflows with high quality liquid assets and its related ratios should be in compliance with the legal limits. In accordance with the relevant Regulation, liquidity coverage ratio is calculated by taking the monthly simple arithmetic average on a consolidated basis and by taking the weekly simple arithmetic average on a non-consolidated basis.

In the fourth quarter of 2025, the Parent Bank’s total unrestricted securities and the balance of liquid assets held at the CBRT increased, resulting in an increase in the total high-quality liquid assets in TRY+FC. The increase in net cash outflows occurred as a result of the growth in deposit balances with a remaining maturity of 30 days or less. As the growth in net cash outflows in TRY+FC terms exceeded the increase in high-quality liquid assets, a decline was recorded in the TRY+FC liquidity coverage ratio during the period. On the other hand, despite the growth in net cash outflows from foreign currency, the increase in high-quality foreign currency liquid assets improved the foreign currency liquidity coverage ratio during the fourth quarter.

On a consolidated basis, 50,99% of total high quality liquid assets consist of assets held at the Central Bank of the Republic of Türkiye and central banks with foreign branches, 47,91% of securities classified as high quality liquid assets and 1,10% of cash. The Parent Bank’s main source of funding is deposits. Other significant funding sources include money market borrowings and marketable securities issued.

Derivative transactions did not cause a net cash outflow that would negatively affect the liquidity position. However, there are periodical fluctuations in the foreign currency liquidity coverage ratio due to foreign currency swap transactions that have TRY side. The estimated cash outflows from derivative financial instruments and other liabilities calculated on the basis of the changes in fair value in the last 24 months are TRY 3.776.326.

TÜRKİYE HALK BANKASI AŞ

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VI. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

The consolidated liquidity coverage ratios for the last three months are indicated in the table below.

Current Period	FC (%)	TRY+FC (%)
October 2025	223,90	185,73
November 2025	239,43	182,14
December 2025	236,66	180,14

Prior Period	FC (%)	TRY+FC (%)
October 2024	218,33	189,07
November 2024	237,29	189,67
December 2024	218,73	185,16

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VI. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Liquidity Coverage Ratio:

	Total Unweighted Value (average) ⁽¹⁾		Total Weighted Value (average) ⁽¹⁾	
Current Period	TRY+FC	FC	TRY+FC	FC
High Quality Liquid Assets				
High Quality Liquid Assets			1.506.639.753	654.408.013
Cash Outflows				
Retail and Small Business Customers Deposits;	1.573.051.089	607.316.378	142.580.393	60.731.638
Stable Deposits	294.494.327	-	14.724.716	-
Less Stable Deposits	1.278.556.763	607.316.378	127.855.676	60.731.638
Unsecured wholesale funding;	1.595.590.038	597.132.137	774.149.474	258.663.121
Operational Deposits	315.990.231	209.933.354	78.997.556	52.483.339
Non-operational Deposits	1.170.013.190	357.288.345	614.158.646	176.681.477
Other Unsecured Funding	109.586.617	29.910.437	80.993.273	29.498.305
Secured Funding			-	-
Other cash outflows;	33.254.832	4.152.498	28.310.007	4.143.193
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	4.395.964	3.776.326	4.395.964	3.776.326
Obligations related to structured financial products	360.664	360.664	360.664	360.664
Commitments related to debts to financial markets and other off-balance sheet obligations	28.498.205	15.508	23.553.380	6.203
Other revocable off-balance sheet commitments and Contractual Obligations	-	-	-	-
Other irrevocable or conditionally revocable off-balance sheet Obligations	1.608.293.203	395.133.339	114.392.018	29.538.254
Total Cash Outflows			1.059.431.892	353.076.206
Cash Inflows				
Secured Lending	-	-	-	-
Unsecured Lending	368.390.184	51.339.215	232.118.369	40.417.919
Other Cash Inflows	1.429.168	30.838.026	1.429.168	30.838.026
Total Cash Inflows	369.819.352	82.177.241	233.547.538	71.255.945
Total Adjusted Value				
Total HQLA Stock			1.506.639.753	654.408.013
Total Net Cash Outflows			825.884.354	281.820.261
Liquidity Coverage Ratio (%)			182,68%	233,26%

⁽¹⁾ Calculated by simple arithmetic average, monthly average calculated for the last three months of the values.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VI. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Liquidity Coverage Ratio: (continued)

	Total Unweighted Value (average) ⁽¹⁾		Total Weighted Value (average) ⁽¹⁾	
Prior Period	TRY+FC	FC	TRY+FC	FC
High Quality Liquid Assets				
High Quality Liquid Assets			1.027.736.729	365.275.728
Cash Outflows				
Retail and Small Business Customers Deposits;	1.165.795.980	394.376.920	109.472.475	39.425.574
Stable Deposits	177.253.300	121.180	10.618.207	-
Less Stable Deposits	988.542.680	394.255.740	98.854.268	39.425.574
Unsecured wholesale funding;	1.047.889.028	383.878.765	483.954.594	149.018.320
Operational Deposits	239.501.748	163.364.676	59.875.437	40.841.169
Non-operational Deposits	741.557.809	212.949.814	380.890.096	100.813.251
Other Unsecured Funding	66.829.471	7.564.275	43.189.061	7.363.900
Secured Funding			-	-
Other cash outflows;	23.815.815	3.993.326	20.984.593	3.986.703
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	5.271.051	3.982.288	5.271.051	3.982.288
Obligations related to structured financial products	382.003	-	382.003	-
Commitments related to debts to financial markets and other off-balance sheet obligations	18.162.761	11.038	15.331.539	4.415
Other revocable off-balance sheet commitments and Contractual Obligations	-	-	-	-
Other irrevocable or conditionally revocable off-balance sheet Obligations	1.062.282.109	252.893.303	76.221.783	19.077.326
Total Cash Outflows			690.633.443	211.507.921
Cash Inflows				
Secured Lending	-	-	-	-
Unsecured Lending	229.553.178	32.206.735	142.052.248	27.587.204
Other Cash Inflows	1.158.814	20.777.288	1.158.814	20.777.288
Total Cash Inflows	230.711.992	52.984.023	143.211.062	48.364.492
Total Adjusted Value				
Total HQLA Stock			1.027.736.729	365.275.728
Total Net Cash Outflows			547.422.381	163.143.429
Liquidity Coverage Ratio (%)			187,95%	224,75%

⁽¹⁾ Calculated by simple arithmetic average, monthly average calculated for the last three months of the values.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VI. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

1. Presentation of assets and liabilities according to their remaining maturities:

The Parent Bank follows up and measures the consistency of payments comparing its assets and liabilities with the interest rates on a daily and transactional basis.

Current Period	Demand	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and over	Undistributed	Total
Assets								
Cash (cash in TRY, foreign currency cash, money in transit, cheques purchased, precious metals) and balances with the CBRT	486.199.870	371.925.807	1.105.186	8.719.225	297.214	60.363	-	868.307.665
Banks	24.000.706	36.088.874	2.374.269	148.859	421.370	151.933	42.236	63.228.247
Financial assets at fair value through profit and loss	681.458	269.367	62.040.141	42.336.010	14.562	-	8.272.604	113.614.142
Money market placements	-	23.734	-	-	-	-	-	23.734
Financial assets at fair value through other comprehensive income	-	20.189.142	12.634.662	91.791.374	107.143.656	71.412.542	1.905.590	305.076.966
Loans ⁽⁴⁾	26.215.318	245.414.597	389.325.217	391.813.606	802.866.399	158.797.975	81.553.857	2.095.986.969
Financial assets measured at amortised cost	-	69.974.464	22.293.197	71.704.800	369.010.815	261.348.608	-	794.331.884
Other assets ⁽²⁾	2.127.846	17.502.820	11.360.563	17.529.291	11.766.239	1.647.152	194.566.710	256.500.621
Total assets	539.225.198	761.388.805	501.133.235	624.043.165	1.291.520.255	493.418.573	286.340.997	4.497.070.228
Liabilities								
Bank deposits	240.121.120	221.343.600	19.894.574	1.643.092	-	-	-	483.002.386
Other deposits	803.894.460	1.619.623.798	600.379.681	89.625.917	10.615.170	696.681	-	3.124.835.707
Funds provided from other financial institutions ⁽³⁾	11.433	10.361.915	12.820.826	40.581.297	43.512.656	8.922.840	-	116.210.967
Money market balances	-	203.070.938	11.940.117	-	26.182.413	-	-	241.193.468
Bonds issued	-	5.747.293	7.203.653	8.809.534	-	-	-	21.760.480
Miscellaneous Payables	196.612	56.306.635	1.293.083	5.516.732	16.062.030	18.430	14.386.918	93.780.440
Other liabilities ⁽¹⁾	4.147.922	40.918.523	2.647.654	1.531.392	66.965.246	33.205.146	266.870.897	416.286.780
Total liabilities	1.048.371.547	2.157.372.702	656.179.588	147.707.964	163.337.515	42.843.097	281.257.815	4.497.070.228
Liquidity Gap	(509.146.349)	(1.395.983.897)	(155.046.353)	476.335.201	1.128.182.740	450.575.476	5.083.182	-
Net off-Balance Sheet Position	-	68.182	(2.468.511)	(321.933)	334.750	-	-	(2.387.512)
Derivative Financial Assets	-	166.172.912	58.014.060	17.191.153	26.506.061	-	-	267.884.186
Derivative Financial Liabilities	-	(166.104.730)	(60.482.571)	(17.513.086)	(26.171.311)	-	-	(270.271.698)
Non-Cash Loans	413.617.318	28.541.795	92.247.736	393.214.975	228.104.488	48.823.531	-	1.204.549.843
Prior Period								
Total Assets	443.939.738	497.405.117	311.109.844	421.375.809	901.132.232	418.975.183	149.920.827	3.143.858.750
Total Liabilities	636.251.739	1.525.960.895	542.431.644	142.867.411	60.346.724	41.670.168	194.330.169	3.143.858.750
Liquidity Gap	(192.312.001)	(1.028.555.778)	(231.321.800)	278.508.398	840.785.508	377.305.015	(44.409.342)	-
Net off-Balance Sheet Position	-	(914.100)	(1.846.059)	21.263	72	-	-	(2.738.824)
Derivative Financial Assets	-	52.177.035	39.086.386	16.381.993	34.689.810	17.849.424	-	160.184.648
Derivative Financial Liabilities	-	(53.091.135)	(40.932.445)	(16.360.730)	(34.689.738)	(17.849.424)	-	(162.923.472)
Non-Cash Loans	267.440.078	22.080.019	73.661.138	265.415.779	148.433.306	40.902.548	-	817.932.868

⁽¹⁾ Shareholders’ equity is disclosed in other liabilities line under the undistributed column.

⁽²⁾ Other asset items which are not expected to be converted into cash in short term but required for continuity of banking operations like lease receivables, factoring receivables, non current assets held for sale and discontinued operations, tangible and intangible assets, office supply inventory, associates and subsidiaries and prepaid expenses and expected credit losses are disclosed in other assets under the interest-free column.

⁽³⁾ Funds provided from other financial institutions include borrowings.

⁽⁴⁾ Non-performing loans is disclosed in under the undistributed column.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VI. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Net Stable Funding Ratio:

In accordance with the “Regulation on Calculation of Net Stable Funding Ratio of Banks” published by BRSA in the Official Gazette dated 26 May 2023 and numbered 32202, foreign currency (FC) and total (TRY+FC) NSFR ratios are calculated by dividing the available stable funding amount by the required stable funding amount. In this context, the Parent Bank is required to cover the portion of equity and liabilities expected to be permanent with assets according to its liquidity capacity and to comply with the legal limits regarding the related ratios. In accordance with the related Regulation, the Net Stable Funding Ratio is calculated on a consolidated and unconsolidated basis on a monthly basis and at the end of three months by taking the simple arithmetic average.

Considering the fourth quarter of 2025, deposits of real persons and retail customers constitute 58,77% of the total available stable fund amount on a consolidated basis, while payables to other persons constitute 27,83% of the available stable fund amount. The largest share of the required stable fund amount, 71,04%, is composed of performing receivables.

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VI. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Net Stable Funding Ratio:

Current Period		a	b	c	d	e
		Unweighted Amount According to Residual Maturity				Weighted value
		Demand*	Less than 6 months	6 months to < 1 year	1 year and more than 1 year	
Available stable funding						
1	Capital	246.030.408	-	-	56.213.242	302.243.650
2	Tier I and tier II capital	246.030.408	-	-	56.213.242	302.243.650
3	Other capital instruments	-	-	-	-	-
4	Deposits from natural persons and small business customers	523.369.484	1.077.199.258	32.631.708	8.897.060	1.493.036.587
5	Stable deposits /participation funds	104.925.679	196.642.179	680.730	727.969	287.827.729
6	Less stable deposits /participation funds	418.443.805	880.557.079	31.950.978	8.169.091	1.205.208.858
7	Wholesale funding	236.058.629	1.075.676.036	33.812.903	34.209.408	706.983.192
8	Operational deposits	44.262.084	124.431.555	-	-	84.346.820
9	Other wholesale funding	191.796.545	951.244.481	33.812.903	34.209.408	622.636.373
10	Liabilities with matching interdependent assets					
11	Other liabilities	425.883.299	365.983.519	9.466.148	33.609.773	38.342.847
12	Derivative liabilities			3.693.806		
13	All other equity and liabilities not included in the above categories	425.883.299	362.289.713	9.466.148	33.609.773	38.342.847
14	Available stable funding					2.540.606.276
Required stable funding						
15	High-quality liquid assets (HQLA)					136.726.036
16	Deposits held at credit institutions or financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities	12.384.903	54.161.130	378.861.736	1.402.930.908	1.310.168.184
18	Performing loans to credit institutions or financial institutions secured by Level 1 HQLA	81	-	-	-	8
19	Performing loans to credit institutions or financial institutions secured by non Level 1 HQLA and unsecured performing loans to credit institutions or financial institutions	10.909.092	18.882.509	592.299	6.570.135	11.335.025
20	Performing loans to non financial corporate clients, loans to natural person customers and small business customers, and loans to sovereigns, central banks and PSEs	-	27.500.016	296.207.508	1.223.428.681	1.140.252.653
21	Loans with a risk weight of less than or equal to 35%		-	-	307.577.440	199.925.336
22	Performing loans encumbered with residential mortgages		7.778.605	82.061.929	172.932.092	157.326.127
23	Loans with a risk weight of less than or equal to 35%		7.778.605	82.061.929	172.932.092	157.326.127
24	Exchange traded equities and securities that are not in default and do not qualify as HQLA	1.475.730	-	-	-	1.254.371
25	Assets with matching interdependent liabilities					
26	Other assets	310.701.034	-	-	3.806.193	314.507.141
27	Physical traded commodities, including gold	-				-
28	Assets posted as initial margin for derivative contracts or contributions to default funds of central counterparties			574		488
29	Derivative assets			3.436.238		3.436.238
30	Derivative liabilities before deduction of variation margin posted			369.381		369.381
31	All other assets not included in the above categories	310.701.034	-	-	-	310.701.034
32	Off-balance sheet items		1.657.166.351	-	-	82.858.318
33	Required Stable Fund					1.844.259.679
34	Net Stable Funding Ratio (%)					137,76%

(*) Items reported in the Non-maturity column do not have a specific maturity. These include, but are not limited to, equity items with no fixed maturity, demand deposits, short positions, positions with no fixed maturity, high quality illiquid equities and commodities with physical delivery.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VI. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Net Stable Funding Ratio:

Prior Period		a	b	c	d	e
		Unweighted Amount According to Residual Maturity				Weighted value
		Demand*	Less than 6 months	6 months to < 1 year	1 year and more than 1 year	
Available stable funding						
1	Capital	174.591.120	-	-	32.527.135	207.118.255
2	Tier I and tier II capital	174.591.120	-	-	32.527.135	207.118.255
3	Other capital instruments	-	-	-	-	-
4	Deposits from natural persons and small business customers	310.540.144	874.576.137	25.012.343	8.731.979	1.108.167.713
5	Stable deposits /participation funds	71.290.044	151.274.138	777.284	521.934	212.670.230
6	Less stable deposits /participation funds	239.250.100	723.301.999	24.235.059	8.210.045	895.497.483
7	Wholesale funding	160.069.902	745.101.629	18.805.267	21.291.397	483.279.797
8	Operational deposits	27.901.886	82.913.746	1.053	-	55.408.343
9	Other wholesale funding	132.168.016	662.187.883	18.804.214	21.291.397	427.871.454
10	Liabilities with matching interdependent assets					
11	Other liabilities	289.173.788	242.868.511	3.607.125	17.083.398	18.886.960
12	Derivative liabilities			2.752.079		
13	All other equity and liabilities not included in the above categories	289.173.788	240.116.432	3.607.125	17.083.398	18.886.960
14	Available stable funding					1.817.452.725
Required stable funding						
15	High-quality liquid assets (HQLA)					61.446.878
16	Deposits held at credit institutions or financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities	6.894.711	32.549.792	273.957.593	1.085.669.846	985.756.490
18	Performing loans to credit institutions or financial institutions secured by Level 1 HQLA	7.230	-	-	-	723
19	Performing loans to credit institutions or financial institutions secured by non Level 1 HQLA and unsecured performing loans to credit institutions or financial institutions	5.579.899	9.148.328	23.039.093	4.882.594	18.611.375
20	Performing loans to non financial corporate clients, loans to natural person customers and small business customers, and loans to sovereigns, central banks and PSEs	-	18.241.661	196.484.136	937.478.855	843.085.405
21	Loans with a risk weight of less than or equal to 35%	-	-	-	305.672.601	198.687.191
22	Performing loans encumbered with residential mortgages	-	5.159.803	54.434.364	143.308.397	122.947.542
23	Loans with a risk weight of less than or equal to 35%	-	5.159.803	54.434.364	143.308.397	122.947.542
24	Exchange traded equities and securities that are not in default and do not qualify as HQLA	1.307.582	-	-	-	1.111.445
25	Assets with matching interdependent liabilities					
26	Other assets	172.011.982	-	-	1.833.384	173.845.258
27	Physical traded commodities, including gold	-				-
28	Assets posted as initial margin for derivative contracts or contributions to default funds of central counterparties			721		613
29	Derivative assets			1.557.455		1.557.455
30	Derivative liabilities before deduction of variation margin posted			275.208		275.208
31	All other assets not included in the above categories	172.011.982	-	-	-	172.011.982
32	Off-balance sheet items		1.087.656.641	-	-	54.382.832
33	Required Stable Fund					1.275.431.458
34	Net Stable Funding Ratio (%)					142,50%

(*) Items reported in the Non-maturity column do not have a specific maturity. These include, but are not limited to, equity items with no fixed maturity, demand deposits, short positions, positions with no fixed maturity, high quality illiquid equities and commodities with physical delivery.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VI. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Analysis of non-derivative financial liabilities by remaining contractual maturities:

Current Period	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Adjustments ⁽¹⁾	Total
Liabilities							
Deposits	2.901.482.235	646.812.198	94.042.894	10.723.903	697.761	(45.920.898)	3.607.838.093
Funds provided from other financial intuitions	11.095.171	13.744.335	44.021.538	47.753.300	9.692.948	(10.096.325)	116.210.967
Money market borrowings	203.559.082	12.218.194	914.021	28.150.678	-	(3.648.507)	241.193.468
Securities issued	5.747.293	7.203.653	8.809.534	-	-	-	21.760.480
Funds	17.452	35.032	178.988	198.794	12.649	-	442.915
Subordinated Debt Instruments	27.959	3.853.175	21.054.716	155.124.660	69.894.240	(156.595.710)	93.359.040
Total	3.121.929.192	683.866.587	169.021.691	241.951.335	80.297.598	(216.261.440)	4.080.804.963
Prior Period	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Adjustments ⁽¹⁾	Total
Liabilities							
Deposits	1.825.117.078	537.778.273	140.806.111	9.293.724	938.274	(53.313.005)	2.460.620.455
Funds provided from other financial intuitions	23.737.783	8.739.171	6.439.930	24.640.635	8.119.257	(7.205.967)	64.470.809
Money market borrowings	239.665.578	13.929.966	241.530	4.407.777	-	(1.519.322)	256.725.529
Securities issued	4.799.003	5.957.984	2.182.582	-	-	(746.586)	12.192.983
Funds	50.232	70.834	317.377	447.400	41.244	-	927.087
Subordinated Debt Instruments	28.483	4.851.660	16.059.158	79.236.654	54.790.846	(104.782.497)	50.184.304
Total	2.093.398.157	571.327.888	166.046.688	118.026.190	63.889.621	(167.567.377)	2.845.121.167

(1) Adjustments column represents the difference between the total expected cash flows and the carrying values of non-derivative financial liabilities.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VI. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (continued)

Analysis of Group's derivative financial instruments according to their remaining maturities:

Current Period: ⁽¹⁾	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
Forwards Contracts- Buy	58.501.291	20.284.647	11.543.589	-	-	90.329.527
Forward Contracts – Sell	63.535.675	20.304.949	11.520.250	-	-	95.360.874
Swaps – Buy	75.941.325	36.899.511	4.024.256	2.142.750	-	119.007.842
Swaps – Sell	136.512.825	39.351.199	4.369.520	1.808.000	-	182.041.544
Credit Default Swap – Buy	-	-	-	-	-	-
Credit Default Swap – Sell	-	-	-	-	-	-
Forward Precious Metal - Buy	5.471.777	-	-	-	-	5.471.777
Forward Precious Metal - Sell	372.560	-	-	-	-	372.560
Money Buy Options	3.740.812	829.890	473.925	-	-	5.044.627
Money Sell Options	3.744.467	826.425	473.925	-	-	5.044.817
Swaps Interest – Buy	-	-	1.149.388	24.363.311	-	25.512.699
Swaps Interest – Sell	-	-	1.149.388	24.363.311	-	25.512.699
Currency Futures-Buy	-	-	-	-	-	-
Currency Futures-Sell	-	-	-	-	-	-
Swaps Precious Metal - Buy	60.570.760	-	-	-	-	60.570.760
Swaps Precious Metal - Sell	-	-	-	-	-	-
Total	408.391.492	118.496.621	34.704.241	52.677.372	-	614.269.726

Prior Period: ⁽²⁾	Up to 1 month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
Forwards Contracts- Buy	16.340.632	22.365.302	16.145.913	297.647	-	55.149.494
Forward Contracts – Sell	27.648.923	22.675.703	16.124.575	297.576	-	66.746.777
Swaps – Buy	23.797.022	17.953.640	-	-	-	41.750.662
Swaps – Sell	24.387.125	19.500.646	-	-	-	43.887.771
Credit Default Swap – Buy	-	-	-	-	-	-
Credit Default Swap – Sell	-	-	-	-	-	-
Forward Precious Metal - Buy	13.487.198	4.076	-	-	-	13.491.274
Forward Precious Metal - Sell	2.489.945	-	-	-	-	2.489.945
Money Buy Options	118.892	-	236.075	-	-	354.967
Money Sell Options	118.892	-	236.158	-	-	355.050
Swaps Interest – Buy	15.000	55.000	-	34.392.161	17.849.425	52.311.586
Swaps Interest – Sell	15.000	55.000	-	34.392.161	17.849.425	52.311.586
Currency Futures-Buy	-	-	-	-	-	-
Currency Futures-Sell	-	-	-	-	-	-
Swaps Precious Metal - Buy	-	-	-	-	-	-
Swaps Precious Metal - Sell	-	-	-	-	-	-
Total	108.418.629	82.609.367	32.742.721	69.379.545	35.698.850	328.849.112

⁽¹⁾ Foreign exchange purchase and sale commitments of TRY 76.113.842 are included in the table
⁽¹⁾ Foreign exchange purchase and sale commitments of TRY 5.740.992 are included in the table

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VII. EXPLANATIONS ON THE CONSOLIDATED LEVERAGE RATIO

	Current Period	Prior Period
Total Assets in The Consolidated Financial Statements Prepared in Accordance with TAS(1)	3.834.773.798	3.142.745.946
The difference between Total Assets in the Consolidated Financial Statements Prepared in Accordance with TAS and the Communiqué on Preparation of Consolidated Financial Statements of Banks(1)	(1.272.517)	(1.112.804)
The difference between total amount of derivative financial instruments and credit derivatives in the consolidated financial statements prepared in accordance with the Communiqué on Preparation of Consolidated Financial Statements of Banks, and total risk balances of such instruments(2)	254.858.921	158.535.730
The difference between total amount of risk investment securities or commodity collateral financing transactions in the consolidated financial statements prepared in accordance with the Communiqué on Preparation of Consolidated Financial Statements of Banks, and total risk amount of such instruments(2)	264.148.541	165.132.856
The difference between total amount of off-balance sheet transactions in the consolidated financial statements prepared in accordance with the Communiqué on Preparation of Consolidated Financial Statements of Banks, and total risk amount of such items(2)	77.951.694	46.042.642
The other differences between amount of assets in the consolidated financial statements prepared in accordance with the Communiqué on Preparation of Consolidated Financial Statements of Banks, and total risk amount of such items	-	-
Total Risk Amount	6.038.531.748	4.157.538.409

⁽¹⁾ The amounts are represented in the table as of 30 June 2025 and 31 December 2024.
⁽²⁾ The amounts in the table represent three-month averages.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VII. EXPLANATIONS ON THE CONSOLIDATED LEVERAGE RATIO (continued)

Leverage ratio calculated according to the article “Regulation Regarding the Measurement and Evaluation of Banks’ Leverage Level” published in the Official Gazette No. 28812 dated 5 November 2013 is as follows.

	Current Period ⁽¹⁾	Prior Period ⁽¹⁾
On-Balance Sheet Assets		
1.On-Balance Sheet Assets (Excluding Derivatives and Sfts, but Including Collateral)	4.364.880.848	3.066.125.212
2.Assets That Are Deducted from Core Capital	(34.190.498)	(27.057.120)
3.Total on Balance Sheet Exposures	4.330.690.350	3.039.068.092
Derivative Exposures And Credit Derivatives		
4.Replacement Cost Associated with Derivative Financial Instruments and Credit Derivatives	2.476.539	5.815.075
5.The Potential Amount of Credit Risk with Derivative Financial Instruments and Credit Derivatives	4.364.140	3.255.446
6.The Total Amount of Risk on Derivative Financial Instruments and Credit Derivatives	6.840.679	9.070.521
Investment Securities Or Commodity Collateral Financing Transactions		
7.The Amount of Risk Investment Securities or Commodity Collateral Financing Transactions (Excluding on Balance Sheet Assets)	13.562.906	12.927.295
8.Risk Amount of Exchange Brokerage Operations	-	-
9.Total Risks Related to Securities or Commodity Financing Transactions	13.562.906	12.927.295
Off -Balance Sheet Items		
10.Gross Notional Amount of Off-Balance Sheet Items	1.765.389.507	1.142.515.143
11.Adjustments for Conversion to Credit Equivalent Amounts	(77.951.694)	(46.042.642)
12.The Total Risk of Off-Balance Sheet Items	1.687.437.813	1.096.472.501
Capital And Total Exposures		
13.Tier 1 Capital	246.030.408	174.591.120
14.Total Exposures	6.038.531.748	4.157.538.409
Leverage Ratio		
15.Leverage Ratio	4,07%	4,20%

⁽¹⁾ The amounts in the table represent three-month averages.

The change in the leverage ratio in the current period is due to the increase in the total risk amount of on-balance sheet and off-balance sheet assets.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VIII. EXPLANATIONS RELATED TO THE CONSOLIDATED BUSINESS SEGMENTATION

The Group’s operations are grouped under the corporate, commercial, integrated banking and treasury/investment banking categories.

Integrated branches primarily serve SMEs and individual customers.

The Parent Bank is rendering services to a wide range of companies in all sectors, especially to Small and Medium Size Enterprises (SMEs) as well as individual consumers. In this context, the Parent Bank has no restrictions on the area in which it operates.

The Parent Bank categorizes its real and legal entities that it renders services into three groups as; firms, individual customers and other customers.

Firms are composed of traders and small-scale retailers having real and legal entity status. Within the Parent Bank’s application, firms are segmented as corporate firms, commercial firms, enterprising business firms, small size enterprises and small-scale retailers.

Individual customers are real persons without having any commercial or professional purposes other than their individual demands in the Parent Bank’s application.

Other customers are referred to as associations, organizations, trade unions, foundations, societies, building managements, parent-teacher associations and similar institutions that are not included in the afore-mentioned classification.

The following are the services provided by the Parent Bank to all of its customers:

- Accepting deposits,
- Issuance of cash, noncash loans,
- All kinds of reimbursements and cash receipt operations, including cash and deposit reimbursements, fund transfers, correspondent banking transactions and use of checking accounts,
- Purchasing cheques and bank bills,
- Performing custody services,
- Issuing payment instruments such as; credit cards, cash cards and travel cheques, and performing related transactions,
- Including spot transactions, foreign exchange transactions, trading of money market securities, bullion trading and/or performing the related custody services,
- Trading of forward transaction agreements, option agreements and financial instruments with more than one derivative instrument and performing the related intermediary services based on the economic and financial indicators, capital markets instruments, commodities, precious metals and exchange rates,
- Assuming guarantee transactions such as; warranties and other liabilities in favor of others,
- Having intermediary transactions on Interbank money market transactions,
- Rendering insurance agency transactions and individual pension services,
- Acting as a market maker in trade operations in accordance with liabilities assumed within the context of the agreement organised by the Republic of Türkiye Ministry of Treasury and Finance and/or Central Bank and associations,
- Trading capital market instruments and performing repurchase and reverse repo transactions,
- Acting as an intermediary in the sale process of capital market instruments by means of issuing instruments or through a public offering,
- Trading the capital market instruments in the secondary market for the purpose of performing intermediary services,
- Acting as an operator in order to provide risk management systems related to technical support and consulting services,
- Providing technical support and consulting services to Bank’s subsidiaries,
- Acting as a custodian in order to keep client’s assets related to individual portfolio management of portfolio management companies,
- Acting as a portfolio management agency

Under the Treasury transactions, medium and long-term fund provision is performed through securities exchange, money market operations, spot and time TRY and foreign exchange transactions, derivative instruments (such as; forwards, swaps, futures and options), syndication and securitization, etc.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VIII. EXPLANATIONS RELATED TO THE CONSOLIDATED BUSINESS SEGMENTATION (continued)

Details of the segment information prepared in accordance with the Act on “Disclosure of Financial Statements of Banks and The Related Presentations and Notes” as of 31 December 2025 are presented in the table below.

Current Period	Commercial/ Corporate	Integrated	Treasury/ Investment ⁽¹⁾	Other ⁽¹⁾	Total
1 January -31 December 2025					
OPERATING INCOME / EXPENSES					
Interest Income	115.721.287	410.461.570	381.213.157	10.862.620	918.258.634
Interest on Loans	115.503.436	410.194.270	20.281.895	757.454	546.737.055
Interest Income on Marketable Securities	15.549	104.446	265.275.021	-	265.395.016
Interest from Banks	107.757	-	10.541.083	275.939	10.924.779
Other Interest Income	94.545	162.854	85.115.158	9.829.227	95.201.784
Interest Expense	257.783.346	415.424.168	141.387.832	7.144.015	821.739.361
Interest on Deposits	257.152.045	409.883.412	32.146.943	342.476	699.524.876
Funds Borrowed	188.364	512.040	16.862.459	1.473.214	19.036.077
Interest on Money Market Transactions	-	292.834	71.252.912	5.081.814	76.627.560
Securities Issued	-	-	18.351.549	239.572	18.591.121
Other Interest Expense	442.937	4.735.882	2.773.969	6.939	7.959.727
Net Interest Income	(142.062.059)	(4.962.598)	239.825.325	3.718.605	96.519.273
Net Fees and Commissions Income	15.903.364	39.965.560	7.132.381	(1.153.766)	61.847.539
Trading Income/Loss (Net)	168.527	10.801.106	(23.310.658)	272.552	(12.068.473)
Dividend Income	1.999	-	59.381	-	61.380
Other Income	3.340.549	3.293.302	31.197.675	2.578.180	40.409.706
Expected Loss Provisions Expenses	3.645.879	19.235.018	15.036.279	627.105	38.544.281
Other Expenses	4.678.651	44.560.816	59.904.071	3.320.276	112.463.814
Income Before Taxes	(130.972.150)	(14.698.464)	179.963.754	1.468.190	35.761.330
Income Tax Provision	-	-	(6.117.387)	(723.152)	(6.840.539)
Net Profit For The Period	(130.972.150)	(14.698.464)	173.846.367	745.038	28.920.791
SEGMENT ASSETS					
31 December 2025					
Marketable Securities ⁽²⁾	-	2.322.612	1.210.605.355	1.107	1.212.929.074
Derivative Financial Assets	2.529	89.328	3.067.434	-	3.159.291
Banks and Money Market Placements ⁽²⁾	1.609.878	3.868	60.462.422	1.133.857	63.210.025
Investment in Associates and Subsidiaries (Net)	-	-	4.937.804	-	4.937.804
Loans ⁽²⁾	761.137.857	1.254.737.212	324.776	12.340.610	2.028.540.455
Other Assets ⁽²⁾	16.385.649	53.269.211	1.051.885.533	62.753.186	1.184.293.579
TOTAL ASSETS	779.135.913	1.310.422.231	2.331.283.324	76.228.760	4.497.070.228
SEGMENT LIABILITIES					
31 December 2025					
Deposits	1.245.646.429	1.982.923.150	356.419.189	22.849.325	3.607.838.093
Derivative Financial Liabilities	1.451	125.462	2.651.545	-	2.778.458
Money Market Funds	-	-	226.913.432	14.280.036	241.193.468
Borrowing Funding Loans	6.272.802	8.012.462	88.724.128	13.201.575	116.210.967
Securities Issued	-	-	2.188.631	19.571.849	21.760.480
Other Liabilities	29.551.435	55.231.747	152.958.660	2.710.883	240.452.725
Provisions and Current Tax Liabilities	4.492.224	9.217.933	29.583.259	597.595	43.891.011
Shareholders' Equity	(130.972.150)	(14.698.464)	362.095.981	6.519.659	222.945.026
TOTAL LIABILITIES	1.154.992.191	2.040.812.290	1.221.534.825	79.730.922	4.497.070.228
OFF-BALANCE SHEET ITEMS					
31 December 2025					
Guarantees and Warranties	540.310.100	492.693.660	171.449.563	96.520	1.204.549.843
Commitments	19.361.834	147.870.918	498.931.630	320.401	666.484.783
Derivative Financial Instruments	-	31.715.457	506.440.427	-	538.155.884
TOTAL OFF-BALANCE SHEET ITEMS	559.671.934	672.280.035	1.176.821.620	416.921	2.409.190.510

⁽¹⁾ Amounts arising from transactions of general directorate and Halk Yatırım Menkul Değerler AŞ and Halk Gayrimenkul Yatırım Ortaklığı AŞ transactions are presented under the Treasury / Investment column, Halk Finansal Kiralama AŞ, Halk Faktoring AŞ, Halk Varlık Kiralama AŞ and Halk Elektronik Para ve Ödeme Hizmetleri AŞ activities presented under the Other column.

⁽²⁾ TFRS 9 Expected Credit Loss provisions are presented in related lines

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

VIII. EXPLANATIONS RELATED TO THE CONSOLIDATED BUSINESS SEGMENTATION (continued)

Prior Period	Commercial/ Corporate	Integrated	Treasury/ Investment ⁽¹⁾	Other ⁽¹⁾	Total
1 January -31 December 2024					
OPERATING INCOME / EXPENSES					
Interest Income	111.884.634	309.884.168	247.438.743	8.803.203	678.010.748
Interest on Loans	111.512.798	306.027.901	18.566.798	583.582	436.691.079
Interest Income on Marketable Securities	10.823	3.636.168	175.427.914	-	179.074.905
Interest from Banks	94.508	-	6.272.003	202.144	6.568.655
Other Interest Income	266.505	220.099	47.172.028	8.017.477	55.676.109
Interest Expense	208.822.837	333.290.523	87.022.244	5.813.880	634.949.484
Interest on Deposits	208.488.853	328.679.794	21.694.617	290.215	559.153.479
Funds Borrowed	223.138	457.241	6.852.045	1.575.662	9.108.086
Interest on Money Market Transactions	457	1.494.737	51.446.992	3.776.576	56.718.762
Securities Issued	-	-	6.490.947	168.109	6.659.056
Other Interest Expense	110.389	2.658.751	537.643	3.318	3.310.101
Net Interest Income	(96.938.203)	(23.406.355)	160.416.499	2.989.323	43.061.264
Net Fees and Commissions Income	9.748.567	23.482.544	8.273.091	236.793	41.740.995
Trading Income/Loss (Net)	138.529	8.161.744	(29.610.144)	212.179	(21.097.692)
Dividend Income	-	-	33.244	-	33.244
Other Income	2.938.937	2.098.167	23.836.057	1.111.112	29.984.273
Expected Loss Provisions Expenses	1.858.546	5.958.459	1.883.314	439.456	10.139.775
Other Expenses	3.098.567	26.259.058	33.184.945	1.999.392	64.541.962
Income Before Taxes	(89.069.283)	(21.881.417)	127.880.488	2.110.559	19.040.347
Income Tax Provision	-	-	4.814.607	(627.908)	4.186.699
Net Profit For The Period	(89.069.283)	(21.881.417)	132.695.095	1.482.651	23.227.046
SEGMENT ASSETS					
31 December 2024					
Marketable Securities ⁽²⁾	-	32.575.352	766.219.559	1.107	798.796.018
Derivative Financial Assets	-	371.302	1.072.113	-	1.443.415
Banks and Money Market Placements ⁽²⁾	4.796.074	65.159	29.890.887	874.892	35.627.012
Investment in Associates and Subsidiaries (Net)	-	-	3.405.199	-	3.405.199
Loans ⁽²⁾	522.941.379	946.435.858	291.397	7.657.459	1.477.326.093
Other Assets ⁽²⁾	7183.066	21.337.835	764.152.707	34.587.405	827.261.013
TOTAL ASSETS	534.920.519	1.000.785.506	1.565.031.862	43.120.863	3.143.858.750
SEGMENT LIABILITIES					
31 December 2024					
Deposits	781.720.025	1.450.561.785	213.146.462	15.192.183	2.460.620.455
Derivative Financial Liabilities	1.109	330.614	2.162.028	-	2.493.751
Money Market Funds	-	16.397.840	230.785.049	9.542.640	256.725.529
Borrowing Funding Loans	3.664.806	3.237.125	50.554.750	7.014.128	64.470.809
Securities Issued	-	-	4.836.295	7.356.688	12.192.983
Other Liabilities	13.562.076	40.135.698	99.007.567	1.187.851	153.893.192
Provisions and Current Tax Liabilities	2.122.293	4.631.466	16.319.735	452.420	23.525.914
Shareholders' Equity	(89.069.283)	(21.881.417)	277.278.994	3.607.823	169.936.117
TOTAL LIABILITIES	712.001.026	1.493.413.111	894.090.880	44.353.733	3.143.858.750
OFF-BALANCE SHEET ITEMS					
31 December 2024					
Guarantees and Warranties	382.695.707	332.000.834	100.339.702	2.896.625	817.932.868
Commitments	11.142.941	105.665.304	238.897.538	41.021	355.746.804
Derivative Financial Instruments	-	67.859.960	255.248.160	-	323.108.120
TOTAL OFF-BALANCE SHEET ITEMS	393.838.648	505.526.098	594.485.400	2.937.646	1.496.787.792

⁽¹⁾ Amounts arising from transactions of general directorate and Halk Yatırım Menkul Değerler AŞ and Halk Gayrimenkul Yatırım Ortaklığı AŞ transactions are presented under the Treasury / Investment column, Halk Finansal Kiralama AŞ, Halk Faktoring AŞ and Halk Varlık Kiralama AŞ activities presented under the Other column.

⁽²⁾ TFRS 9 Expected Credit Loss provisions are presented in related lines

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

IX. EXPLANATIONS ON PRESENTATION OF THE CONSOLIDATED FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

	Current Period		Prior Period	
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets	4.182.080.914	4.333.650.643	2.972.709.553	2.942.766.888
Cash and Balances with the Central Bank of Türkiye	868.307.665	868.307.665	633.426.893	633.426.893
Financial assets at fair value through P&L ^{(3) (4)}	111.884.218	111.884.218	58.174.029	58.174.029
Banks	63.228.247	50.528.711	34.235.456	34.217.102
Money Market Placements	23.734	23.734	1.412.154	1.412.154
Financial Assets at Fair Value Through Other Comprehensive Income ⁽¹⁾	292.487.330	292.487.330	172.006.293	172.006.293
Other Financial Assets Measured at Amortised Cost	794.331.884	709.668.937	561.608.947	503.009.887
Loans ⁽²⁾	2.014.433.112	2.263.365.324	1.489.228.277	1.517.903.026
Lease Receivables	19.964.065	19.964.065	12.784.503	12.784.503
Factoring Receivables	17.420.659	17.420.659	9.833.001	9.833.001
Financial Liabilities	4.092.200.358	4.051.632.491	2.866.530.774	2.872.104.678
Banks Deposits	483.002.386	448.289.992	282.332.874	282.498.464
Other Deposits	3.124.835.707	3.135.557.181	2.178.287.581	2.181.008.115
Derivative financial liabilities held for trading	2.778.458	2.778.458	2.493.751	2.493.751
Funds provided from other financial institutions	116.210.967	101.636.135	64.470.809	67.896.119
Money market borrowings	241.193.468	240.996.256	256.725.529	255.505.084
Securities issued	21.760.480	19.955.577	12.192.983	12.675.898
Miscellaneous payables	93.780.440	93.780.440	65.803.527	65.803.527
Leasing payables	8.638.452	8.638.452	4.223.720	4.223.720

⁽¹⁾ As of 31 December 2025, TRY 12.589.636 (31 December 2024: TRY 6.468.441) of “equity investments not quoted on stock exchange” followed in financial assets at fair value through other comprehensive income are not included.
⁽²⁾ Net of follow-up loans has not been included in the table above.
⁽³⁾ As of 31 December 2025, marketable securities amounting to TRY 1.729.924 (31 December 2024: TRY 606.558) that are not valued with market price, are not included in financial assets at fair value through Profit and Loss.

The methods and assumptions used in calculating the fair value of financial instruments carried at values other than their fair value in the financial statements;

- The fair value of financial assets valued at amortized cost is determined based on market prices or, where this price cannot be determined, on quoted market prices for other securities with the same characteristics subject to amortization in terms of interest, maturity and other similar conditions.
- Interest rates applicable as of the balance sheet date have been used in calculating the fair value of receivables from the money market, loans given to banks, deposits, funds obtained from other financial institutions and prospective liabilities.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

IX. EXPLANATIONS ON PRESENTATION OF THE CONSOLIDATED FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE (continued)

Classification of Fair Value Measurement

TFRS 7 – Financial Instruments requires the classification of fair value measurements into a fair value hierarchy by reference to the significance of the inputs used in measuring fair value of financial instruments measured at fair value to be disclosed. This classification basically relies on whether the relevant inputs are observable or not. Observable inputs refer to the use of market data obtained from independent sources, whereas unobservable inputs refer to the use of predictions and assumptions about the market made by the Parent Bank. This distinction brings about a fair value measurement classification generally as follows:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3:** Fair value measurements using inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Classification requires using observable market data if possible.

In this context, the fair value classification of financial assets and liabilities measured at fair values are as followed:

Current Period	Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value:				
Financial Assets Measured at Fair Value through Profit/Loss ⁽²⁾	111.884.218	-	-	111.884.218
Derivative financial assets	-	3.159.291	-	3.159.291
Financial Assets at Fair Value through Other Comprehensive Income ⁽¹⁾	292.487.330	-	-	292.487.330
Total Financial Assets	404.371.548	3.159.291	-	407.530.839
Financial Liabilities Measured at Fair Value:				
Derivative financial liabilities	-	2.778.458	-	2.778.458
Total Financial Liabilities	-	2.778.458	-	2.778.458

⁽¹⁾ As of 31 December 2025, share certificates amounting to TRY 12.589.636 of “securities not quoted on the stock exchange” in financial assets at fair value through other comprehensive income are not included in the above table.
⁽²⁾ As of 31 December 2024, marketable securities amounting to TRY 1.729.924 that are not valued at fair value, are not included in financial assets at fair value through profit or loss.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

IX. EXPLANATIONS ON PRESENTATION OF THE CONSOLIDATED FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE (continued)

Classification of Fair Value Measurement (continued)

Prior Period	Level 1	Level 2	Level 3	Total
Financial Assets Measured at Fair Value:				
Financial Assets Measured at Fair Value through Profit/Loss ⁽²⁾	58.174.029	-	-	58.174.029
Derivative financial assets	-	1.443.415	-	1.443.415
Financial Assets at Fair Value through Other Comprehensive Income ⁽¹⁾	172.006.293	-	-	172.006.293
Total Financial Assets	230.180.322	1.443.415	-	231.623.737
Financial Liabilities Measured at Fair Value:				
Derivative financial liabilities	-	2.493.751	-	2.493.751
Total Financial Liabilities	-	2.493.751	-	2.493.751

⁽¹⁾ As of 31 December 2024, share certificates amounting to TRY 6.468.441 of “securities not quoted on the stock exchange” in financial assets at fair value through other comprehensive income are not included in the above table.
⁽²⁾ As of 31 December 2024, marketable securities amounting to TRY 606.558 that are not valued at fair value, are not included in financial assets at fair value through profit or loss.

The movement of financial assets in the third level:

None. (31 December 2024: None.)

X. Explanations Related To Transactions Made on Behalf of Others and transactions BASED ON TRUST

The Parent Bank performs buying transactions on behalf of customers, and gives custody, administration and consultancy services.

The Group does not engage in fiduciary transactions.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS

Explanations Related To Risk Management

The Parent Bank’s business model creates a comprehensive risk profile that includes all units of the Bank. Credit risk is a key component of the risk profile. The Parent Bank effectively implements risk management policies and procedures for loan and other risks which is determined within the framework of risk capacity and appetite and approved by board of directors. Risk appetite and capacity, which are directly related to the Parent Bank’s strategic objectives, are limited by legal rates therefore the Parent Bank associated with them.

Regarding the risk management structure; The Internal Audit Department, Internal Control Department and Risk Management Department, which are units within the scope of internal systems, carry out their activities in accordance with the Regulation on Internal Systems of Banks and the Internal Capital Adequacy Assessment Process published in the Official Gazette No. 29057 dated 11 July 2014 and subject to the Board of Directors through the Audit Committee.

The structure of the internal systems determines the level of risk by identifying the risks that the bank is exposed to. The Department of Compliance, another unit within the scope of internal systems, performs the compliance function of the Parent Bank’s activities regarding MASAK and Anti-Money Laundering and Prevention of Terrorist Financing.

In this direction, the relevant units are responsible for monitoring, controlling and reporting risks, limited to their areas of responsibility. Outside of internal systems, Top Management is directly responsible to the Board of Directors for the risks to which the Parent Bank is exposed in relation to its duties.

The Parent Bank is using information technologies and training documents openly and effectively for the dissemination and application of risk culture, and the development of bank staff is supported in line with this goal with face to face learning and e-learning. In addition, all personnel are regularly informed and aware of the risks that the Parent Bank is exposed to.

Risk measurement systems are based on accepted risk models and workflows for the identification, monitoring and reporting of risks in accordance with legislation. Methods and software that are in line with international standards are used for risk groups such as credit, market, operational and counterparty credit risk etc.

Within the scope of risk management activities, regular reporting and presentations are made by related units to the board of directors, asset-liability and audit committees and to the other committees, in order to manage the risks that the Parent Bank is exposed to more effectively, to support the decision making processes related to them, to create new strategies and policies.

The Parent Bank reports to the BRSA by applying the stress tests determined in accordance with the Internal Capital Adequacy Assessment Process (ICAAP). In addition, stress tests are carried out in line with the scenarios created by the risks exposed and the macroeconomic conditions. This test which is made by applying shocks for various risk factors, shows the results on risk weighted assets, own funds and capital adequacy ratio.

The Parent Bank monitors its effectiveness by closely monitoring the processes of managing and reducing the risks arising from the business model. The Parent Bank regularly revises the strategies it has established regarding these processes in line with the existing conditions and sets policies.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Overview of Risk Weighted Amounts ^(*):

		Risk Weighted Amounts		Minimum Capital Requirements	
		Current Period	Prior Period	Current Period	Prior Period
1	Credit risk (excluding counterparty credit risk) (CCR) ^(**)	1.925.744.202	1.321.251.380	154.059.536	105.700.110
2	Standardized approach (SA)	1.925.744.202	1.321.251.380	154.059.536	105.700.110
3	Internal rating-based (IRB) approach	-	-	-	-
4	Counterparty credit risk ^(**)	13.926.643	16.818.429	1.114.131	1.345.474
5	Standardized approach for counterparty credit risk (SA-CCR)	13.926.643	16.818.429	1.114.131	1.345.474
6	Internal model method (IMM)	-	-	-	-
7	Basic risk weight approach to internal models equity position in the banking account	-	-	-	-
8	Investments made in collective investment companies look-through approach	-	-	-	-
9	Investments made in collective investment companies mandate-based approach	-	-	-	-
10	Investments made in collective investment companies 1250% weighted risk approach	-	-	-	-
11	Settlement risk	-	-	-	-
12	Securitization positions in banking accounts	-	-	-	-
13	IRB ratings-based approach (RBA)	-	-	-	-
14	IRB Supervisory Formula Approach (SFA)	-	-	-	-
15	SA/simplified supervisory formula approach (SSFA)	-	-	-	-
16	Market risk	58.595.788	89.151.963	4.687.663	7.132.157
17	Standardized approach (SA)	58.595.788	89.151.963	4.687.663	7.132.157
18	Internal model approaches (IMM)	-	-	-	-
19	Operational Risk	131.891.205	95.339.232	10.551.296	7.627.139
20	Basic Indicator Approach	131.891.205	95.339.232	10.551.296	7.627.139
21	Standard Approach	-	-	-	-
22	Advanced measurement approach	-	-	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	10.056.152	6.784.935	804.492	542.795
24	Floor adjustment	-	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	2.140.213.990	1.529.345.939	171.217.118	122.347.675

^(*) Amounts below the thresholds for deductions from capital are excluded from credit risk standard approach of RWA amount.
^(**) Based on the Board Decision dated 19 December 2024 published by the BRSA, CBRT's foreign exchange buying rates as of 28 June 2024 was used in the calculation of the amount subject to credit risk.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Differences and Matching Between Accounting and Regulatory Scopes of Consolidation^(*):

Carrying values of items in accordance with Turkish Accounting Standards						
	Carrying values in financial statements prepared as per TAS	Credit Risk	Counterparty credit risk	Securitization positions	Market Risk	Not subject to capital requirements or subject to deduction from capital
Assets						
Cash and Balances with the Central Bank	868.195.800	868.195.800	-	-	-	-
Derivative Financial Assets	3.159.291	-	1.027.276	-	2.132.015	-
Financial assets at fair value through profit and loss	113.614.142	112.819.255	-	-	794.887	-
Banks	63.186.291	63.186.291	-	-	-	-
Receivables from Money markets	23.734	-	23.734	-	-	-
Financial assets at fair value through OCI (net)	305.076.966	170.703.477	-	-	134.373.489	-
Loans	2.028.540.455	2.028.349.221	-	-	-	191.234
Receivables from factoring	17.420.659	17.420.659	-	-	-	-
Financial assets measured at amortised cost (net)	794.237.966	794.237.966	-	-	-	-
Subsidiaries (net)	4.797.231	4.797.231	-	-	-	-
Associates (net)	140.573	140.573	-	-	-	-
Jointly controlled entities (joint ventures) (net)	-	-	-	-	-	-
Finance lease receivables	19.934.988	19.934.988	-	-	-	-
Derivative financial liabilities held for risk management	-	-	-	-	-	-
Tangible Assets (net)	870.43.003	82.579.819	-	-	-	4.463.184
Intangible Assets (net)	5.733.691	1.223.356	-	-	-	4.510.335
Real estate for investment purpose (net)	49.730.868	49.730.868	-	-	-	-
Tax asset	103.388	103.388	-	-	-	-
Deferred Tax Assets	19.380.129	-	-	-	-	19.380.129
Assets Held For Sale and Discontinued Operations (net)	212	212	-	-	-	-
Other assets	116.750.841	116.746.462	-	-	4.379	-
Total Assets	4.497.070.228	4.330.169.566	1.051.010	-	137.304.770	28.544.882
Liabilities						
Deposits	3.607.838.093	-	-	-	-	3.607.838.093
Derivative financial liabilities	2.778.458	-	-	-	1.023.310	1.755.148
Loans	116.210.967	-	-	-	-	116.210.967
Money market borrowings	241.193.468	-	241.193.468	-	-	-
Securities issued	21.760.480	-	-	-	-	21.760.480
Funds	442.915	-	-	-	-	442.915
Other liabilities	137.990.614	-	-	-	-	137.990.614
Factoring payables	21.704	-	-	-	-	21.704
Finance lease payables	8.638.452	-	-	-	-	8.638.452
Derivative financial liabilities held for risk management	-	-	-	-	-	-
Provisions	15.494.036	-	-	-	-	15.494.036
Tax Liability	19.168.983	-	-	-	-	19.168.983
Deffered Tax Liability	9.227.992	-	-	-	-	9.227.992
Liabilities regarding assets held for sale and discontinued operations (net)	-	-	-	-	-	-
Subordinated Loans	93.359.040	-	-	-	-	93.359.040
Shareholders' equity	222.945.026	-	-	-	-	222.945.026
Total liabilities	4.497.070.228	-	241.193.468	-	1.023.310	4.254.853.450

* Expected Loss Provisions presented in related lines.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Main Sources of Differences between Regulatory Exposure Amounts and Carrying Values in Financial Statements:

		Total	Credit risk	Securitization positions	Counterparty credit risk	Market Risk
1	Asset carrying value amount under scope of regulatory consolidation	4.497.070.228	4.330.169.566	-	1.051.010	137.304.770
2	Liabilities carrying value amount under regulatory scope of consolidation	-	-	-	241.193.468	1.023.310
3	Total net amount under regulatory scope of consolidation	4.497.070.228	4.330.169.566	-	(240.142.458)	136.281.460
4	Off-balance Sheet Amounts(*)	2.409.190.510	718.958.608	-	6.964.025	278.184.739
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules, other than those already included in row 2	-	-	-	-	-
7	Differences due to consideration of provisions	-	-	-	-	-
8	Differences due to prudential filters	-	-	-	-	-
9	Differences due to risk reduction	-	5.049.128.174	-	(233.178.433)	414.466.198

Explanations of differences between accounting and regulatory exposure amounts:

There is no material differences between the carrying values in financial statements and the risk amounts in capital adequacy calculation of assets and liabilities.

Explanations Related to Counterparty Credit Risk

The Parent Bank provides the necessary definitions and classifications for the CCR that take into account the clearing and pre-clearing risk in relation to the management policies and procedures of the CCR, thereby managing these risks on a counterparty basis and across the bank.

The impact of the new products and activities on the Parent Bank’s CCR level is assessed and these evaluations are included in the product / activity approval process.

The market, liquidity, compliance risk and operational risk that may be associated with the CCR are taken into account and the general / specific limit levels of the Parent Bank’s transactions to the CCR are determined. These limits established within the framework of the CCR are regularly monitored. The Parent Bank uses risk mitigation techniques to the extent that it is appropriate, through applications such as margin taking and margin fulfillment.

The Parent Bank uses methods and models in accordance with international standards for the identification, measurement, monitoring, control and reporting of the CCR. Independent scrutiny and supervision is carried out on the integrity, correctness and effectiveness of the CCR management systems. These activities are carried out by the Parent Bank’s internal audit units and independent audit institutions.

Agreements entered into with counterparty financial institutions resulting in credit risk according to the attributes of the transaction are evaluated by taking into account ISDA framework and CSA framework for derivative transactions, GMRA framework for repurchase agreements. The risk is mitigated by receiving cash or other forms of collaterals as per the counterparty limits designated by the Board of Directors.

In secured lending and repo transactions, the haircut amounts are reduced from the counterparty limits. In cases whereby possible decreases or increases in ratings affects the current replacement cost, margin call agreements are used as a risk mitigator.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Counterparty Credit Risk (CCR) Approach Analysis:

	Replacement cost	Potential Future exposure	EEPE(*)	Alpha used for computing regulatory EAD	EAD post-CRM	Risk Weighted Assets
Standardised Approach – CCR (for derivatives)	995.597	3.654.797		1,4	6.510.551	2.931.816
Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)			-	-	-	-
Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					-	-
Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					12.294.830	10.197.800
Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions					-	-
Total					18.805.381	13.129.616

* Expected effective positive risk amount.

Capital requirement for credit valuation adjustment (CVA):

	EAD post-CRM	Risk weighted amount
Total portfolios subject to the Advanced CVA capital obligation	-	-
(i) VaR component (including the 3*multiplier)	-	-
(ii) Stressed VaR component (including the 3*multiplier)	-	-
All portfolios subject to the Standardised CVA capital obligation	6.510.551	456.263
Total subject to the CVA capital obligation	6.510.551	456.263

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Standardised Approach – Counterparty Risk Per Risk Classification And Risk Weighted Amounts:

Risk weight / Risk Classifications	0%	10%	20%	50%	75%	100%	150%	2%	4%	Total Credit Risk
Claims on sovereigns and Central Banks	144.379	-	-	-	-	-	-	-	-	144.379
Claims on regional governments or local authorities	-	-	-	-	-	-	-	-	-	-
Claims on administrative bodies and other non-commercial undertakings	-	-	-	-	-	7	-	-	-	7
Claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-
Claims on international organizations	-	-	-	-	-	-	-	-	-	-
Claims on banks and intermediary institutions	-	-	5.952.576	1.184.500	-	8.054.520	-	-	-	15.191.596
Claims on corporates	-	-	189.279	19.239	-	3.196.752	-	-	-	3.405.270
Claims included in the regulatory retail portfolios	-	-	-	-	64.128	-	-	-	-	64.128
Claims secured by residential property	-	-	-	-	-	-	-	-	-	-
Overdue loans	-	-	-	-	-	-	-	-	-	-
Higher risk categories decided by the Board	-	-	-	-	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-	-	-	-	-	-
Equity share investments	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	456.263	-	-	-	456.263
Total	144.379	-	6.141.855	1.203.739	64.128	11.707.542	-	-	-	19.261.643

Collaterals for Counterparty Credit Risk:

	Collateral for derivative transactions				Collateral for other transactions	
	Received Collaterals		Given Collaterals		Received Collaterals	Given Collaterals
	Segregated	Nonsegregated	Segregated	Nonsegregated		
Cash-domestic currency	-	2.784	-	-	-	-
Cash-foreign currency	-	4.664.839	-	118.280	-	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	4.667.623	-	118.280	-	-

Counterparty Credit Risk–Credit Derivatives:

None.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Exposures to Central Counterparty (CCP):

	Exposure post-CRM	RWA
Total Exposure to Qualified Central Counterparties (QCCPs)		340.764
Exposures for trades with QCCPs (excluding initial margin and guarantee fund)	453.474	340.106
(i) Over the counter derivative financial instruments	-	-
(ii) Other derivative financial instruments	453.474	340.106
(iii) Repo-reverse repo transactions, margin trading and securitites or commodity lending or borrowing	-	-
(iv) Counterparties where cross product netting applied	-	-
Reserved initial collateral	32.802	
Unreserved initial collateral	-	-
Pre-funded guarantee fund contributions	32.885	658
Unfunded guarantee fund contributions	-	-
Total Exposures to Non-QCCPs		-
Exposures for trades with QCCPs (excluding initial margin and guarantee fund)	-	-
(i) Over the counter derivative financial instruments	-	-
(ii) Other derivative financial instruments	-	-
(iii) Repo-reverse repo transactions, margin trading and securitites or commodity lending or borrowing	-	-
(iv) Counterparties where cross product netting applied	-	-
Reserved initial collateral	-	-
Unreserved initial collateral	-	
Pre-funded guarantee fund contributions	-	-
Unfunded guarantee fund contributions	-	-

Securitisations:

None.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Qualitative Disclosure on Credit Risk:

Credit risk, which is the most important risk profile of the Parent Bank’s business model, refers to risks and losses arising from counterparty’s failure to meet its obligations under contracts that the Parent Bank is a party to. Credit limits are set according to the risk appetite and capacity of the Parent Bank.

Credit limits are assigned according to the customer’s financial condition and credit need by the branches, regional credit committee, head of credit department, executive vice president in charge of loans, general manager, credit committee and board of directors and revised whenever required. As part of its risk policies, the Parent Bank monitors limits designated by sectors and sub sectors.

Within the scope of internal systems, internal audit activities are carried out by the Board of Inspectors and the Internal Audit Department in order to ensure that the activities of the Parent Bank are carried out in accordance with the Parent Bank’s policies determined in compliance with the legal regulations. The Risk Management Department, which is the risk unit within the internal systems, performs the functions of measuring, monitoring, controlling and reporting on the credit risk to which the Parent Bank is exposed to. These units are regularly reporting the risks exposed to the Parent Bank’s Senior Management.

The Parent Bank, in the credit allocation process, restricts its risk exposure by working with highly creditworthy banks and institutions considering the credit ratings for the purpose of managing its risks. Under the scope of credit risk management, the Parent Bank rates all of its borrowers’ credit and requires additional collaterals from whose risk is higher. The Parent Bank has the policy of not granting loans/credits and/or limiting the amount of such loans/credits. The Parent Bank’s risk is concentrated in Türkiye.

Limits are determined based on the type of loans and customers and risk and limit information is controlled periodically. Loans granted to other banks and risk limits set for the correspondent bank transactions are controlled on a daily basis. Risk concentrations are monitored systematically, concerning the off-balance sheet operations based on the customers and banks.

Credit Quality of Assets

		Gross carrying value as per TAS		Allowances/ amortisation and impairments	Net values
		Defaulted	Non-Defaulted		
1	Loans	81.553.857	2.014.433.112	67.446.514	2.028.540.455
2	Debt Securities	-	1.214.056.651	1.127.577	1.212.929.074
3	Off-balance sheet exposures	8.030.240	1.863.004.386	3.604.401	1.867.430.225
4	Total	89.584.097	5.091.494.149	72.178.492	5.108.899.754

Changes in Stock of Defaulted Loans and Debt Securities

1	Defaulted loans and debt securities at end of the previous reporting period	32.415.173
2	Loans and debt securities defaulted since the last reporting period	65.098.330
3	Receivables back to preforming status	8.797
4	Amounts written off	1.086.539
5	Other changes	(14.864.310)
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	81.553.857

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Additional Disclosure Related To The Credit Quality Of Assets:

Breakdown According to Maturity:

31 December 2025	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 years and Over	Total
Loans	107.769.175	245.414.597	389.325.217	391.813.606	802.866.399	158.797.975	2.095.986.969

Exposures Provisioned Against By Major Regions:

31 December 2025	Non-Performing Loans	ECL (Stage 3)
Domestic	78.953.157	39.570.106
European Union (EU) Countries	4.200	3.582
OECD Countries	43	39
Off-Shore Banking Regions	-	-
USA, Canada	7	7
Other Countries	2.596.450	1.645.033
Total	81.553.857	41.218.767

Exposures Provisioned Against By Sectors:

Explained in Section 4 Credit Risk Information according to sectors and counterparties

Aging analysis of overdue but not impaired financial assets:

31 December 2025	
30-60 days overdue	18.381.949
60-90 days overdue	15.211.253
Total	33.593.202

Breakdown of restructured receivables based on whether or not provisions are allocated:

31 December 2025	
Loans Structured from Standard Loans	12.417
Loans Composed of Follow-up Loans	83.625.255
Loans Restructured from Non-Performing Loans	2.095.907

* Rediscounts are not included in the amount.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

The risk mitigation factors used in the lending activities of the Parent Bank are listed below.

- Financial warranties (Treasury Bills, Government Bonds, Cash, Pledged Deposits, Gold, Pledged Securities)
- Guarantees
- Mortgage (Although mortgage lending in Basel II has been considered as a risk class, it has also been included in this section in terms of valuation methods and concentrations).

The financial guarantees in the Parent Bank are subject to valuation on a daily basis. The creditworthinesses of guarantors are monitored and assessed within the framework of credit revision schedules.

As long as the mortgage that constitutes the collateral of the credits continues to be related to the loan, the risk-guarantee balances are monitored and revalued each year. Action plans are developed for the possibility of diminution in value of collaterals.

As per the BRSA regulations, guarantees given by the Treasury and banks are regarded as risk reduction elements and the creditworthiness of banks is regularly monitored.

The volatility in the real estate market is closely monitored by the Parent Bank and fluctuations that may occur depending on the market movements related to the mentioned risk class, are taken into account according to the principles stated in the related regulation.

In the portfolios where the comprehensive financial guarantee method is used, the risk mitigating effects of collateral are determined through standard volatility adjustments.

Concentration checks are conducted on guarantors and collateral providers.

There is no on-balance sheet or off-balance sheet offsetting.

Credit Risk Mitigation Techniques- Overview

	Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees, of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount
1	Loans ⁽¹⁾	1.200.904.111	824.415.263	673.114.585	115.060.948	105.964.634	-
2	Debt Securities	1.212.929.074	-	-	-	-	-
3	Total	2.413.833.185	824.415.263	673.114.585	115.060.948	105.964.634	-
4	Of which defaulted	15.454.299	25.122.429	20.719.537	1.824.136	1.487.739	-

⁽¹⁾ Carrying amount as per TAS includes Lease Receivables and Factoring Receivables.

Information about the Banks’ Use of Ratings in Calculating Credit Risk by Using Standard Approach

Explained in risk classifications related to Article 6 of Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks in 4-II Financial Position and Risk Management of Bank – Credit Risk section.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Standardised Approach- Credit Risk Exposure and Credit Risk Mitigation Techniques

Risk Classification	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Claims on sovereigns and Central Banks	1.640.970.173	2.611.524	1.725.514.958	1.504.829	1.958.825	0,11%
Claims on regional governments or local authorities	5.523.160	530.218	5.522.554	226.038	2.874.296	50,00%
Claims on administrative bodies and other non-commercial undertakings	10.738.941	4.957.387	10.534.497	1.808.616	12.343.113	100,00%
Claims on multilateral development banks	-	-	-	-	-	-
Claims on international organizations	-	-	-	-	-	-
Claims on banks and intermediary institutions	56.649.430	17.675.947	56.617.735	12.851.985	42.252.830	60,82%
Claims on corporates	622.752.606	768.693.490	557.569.821	476.800.115	925.097.852	89,44%
Claims included in the regulatory retail portfolios	700.191.699	617.469.642	665.425.034	97.121.501	462.855.394	60,70%
Claims secured by residential property	261.523.969	84.201.090	261.523.969	42.903.207	106.549.512	35,00%
Claims secured by commercial property	236.478.247	113.864.909	236.478.247	72.445.664	162.300.308	52,54%
Overdue loans	42.209.912	6.732.854	40.405.886	2.602.810	35.967.463	83,63%
Higher risk categories decided by the Board	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-	-
Equity share investments	9.325.613	-	9.325.613	-	9.325.613	100,00%
Other receivables	256.004.554	43.513.748	255.998.638	110.933	164.218.999	64,12%
Total	3.842.368.304	1.660.250.809	3.824.916.952	708.375.698	1.925.744.205	42,48%

Standardised Approach- Claims By Risk Classification And Risk Weights

Risk Classification	0%	10%	20%	35%	50%	75%	100%	150%	200%	250%	2%	500%	Total risk amount (pt- CCF and CRM)
Claims on sovereigns and Central Banks	1.724.975.849	-	106.391	-	-	-	1.937.547	-	-	-	-	-	1.727.019.787
Claims on regional governments or local authorities	-	-	-	-	5.748.592	-	-	-	-	-	-	-	5.748.592
Claims on administrative bodies and other non-commercial undertakings	-	-	-	-	-	-	12.343.113	-	-	-	-	-	12.343.113
Claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on banks and intermediary institutions	-	-	26.167.824	-	12.565.263	-	30.736.633	-	-	-	-	-	69.469.720
Claims on corporates	-	-	75.382.540	-	111.882.714	2.564	833.150.225	13.951.893	-	-	-	-	1.034.369.936
Claims included in the regulatory retail portfolios	-	-	165.206.119	-	72.764.570	524.575.846	-	-	-	-	-	-	762.546.535
Claims secured by residential property	-	-	-	304.427.176	-	-	-	-	-	-	-	-	304.427.176
Claims secured by commercial property	-	-	-	-	293.247.205	-	15.676.706	-	-	-	-	-	308.923.911
Overdue loans	-	-	-	-	16.458.958	-	24.173.247	2.376.491	-	-	-	-	43.008.696
Higher risk categories decided by the Board	-	-	-	-	-	-	-	-	-	-	-	-	-
Secured by mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity share investments	-	-	-	-	-	-	9.325.613	-	-	-	-	-	9.325.613
Other receivables	70.417.252	-	25.384.037	-	7.233	4.649.895	155.651.154	-	-	-	-	-	256.109.571
Total	1.795.393.101	-	292.246.911	304.427.176	512.674.535	529.228.305	1.082.994.238	16.328.384	-	-	-	-	4.533.292.650

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XI. EXPLANATIONS ON THE CONSOLIDATED RISK MANAGEMENT AND RISK WEIGHTED AMOUNTS (continued)

Publicly Announced Qualitative Disclosure on Market Risk

The Parent Bank’s market risks are managed within the framework of the “Policies Related to the Management of the Market Risk” approved by the Board of Directors, and the trading activities of the positions and portfolios subject to the market risks are carried out in accordance with the “Trading Strategy Policy”.

The Parent Bank’s market risks are measured by two methods, namely the standard method and the risk measurement method. In statutory reporting, the standard method is used in accordance with the “Regulation Regarding the Measurement and Evaluation of Parent Banks’ Capital Adequacy”. In addition, the risk measurement model and the value at risk (VAR) are measured in accordance with the “Communiqué on Calculation of Market Risk and Risk Measurement Models and Evaluation of Risk Measurement Models”. Historical simulation method is used in VAR measurements.

Within the scope of the Parent Bank’s “Policies for the Management of Market Risks”; VAR based limit and risk appetite has been determined and VAR results calculated by historical simulation method have been associated with statutory equity. The level of compliance with these limits is monitored daily. On the other hand, periodic stress tests are applied for market risks.

Concerning market risks, the results obtained by both the standard method and the risk measurement model and the level of compliance with the limits are reported to the Parent Bank’s Top Management and related business units on a daily basis.

The following table discloses the amounts that are calculated using the standard method.

Market Risk: Standardised approach

	RWA
Direct (cash) products	
Interest rate risk (general and specific)	19.882.662
Equity risk (general and specific)	3.715.825
Foreign exchange risk	31.896.688
Commodity risk	2.827.338
Options	
Simplified approach	-
Delta-plus method	273.275
Scenario approach	-
Securitization	-
Total	58.595.788

Information related to Operational Risk

The value at operational risk is calculated according to the basic indicator approach and once a year with year-end datas.

	2 PP Amount	1 PP Amount	CP Amount	Total/ No. Of Years of Positive Gross	Rate (%)	Total
Gross Income	74.627.921	59.619.508	76.778.499	70.341.976	15	10.551.296
Amount at Operational Risk (Total * 12,5)						131.891.205

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XII. EXPLANATIONS ON REMUNERATION POLICIES

Explanations on Remuneration Committee

The Parent Bank’s Remuneration Committee is comprised of two board members. The committee has convened for once during the year. The duties and responsibilities of the Committee include the following:

- The scope and structure of the Parent Bank’s operations and strategies ensure the effectiveness of a wage policy and wage policy that is consistent with its long-term goals and risk management structures, prevents excessive risk taking and contributes to effective risk management.
- Controls and follows the remuneration practices on behalf of the Board of Directors
- Ensures accordance of ethical values, strategical targets and internal balance of the Parent Bank with the wage policy.
- Evaluates the remuneration policy and its practices in the context of risk management and submits proposals to the Board of Directors.
- Fulfills the other duties specified in the related regulations

The fundamental principles of the remuneration policy are applicable for General Manager, Deputy General Managers, and all bank employees.

Key personnel refer to the bank employee who performs a function that has a significant impact on the Parent Bank’s risk profile. Establishment of a good governance system in banks is possible by organizing an effective risk management and creating environments where effective communication, transparency and accountability are ensured; for this reason, the Parent Bank gives importance to identify and separate key personnel.

Positions specified below are considered as key personnel by the Parent Bank:

- Board Members
- Deputy General Managers
- Group Presidents
- Head of the Supervisory Board
- Head of Internal Control Department
- Head of Risk Management Department
- Head of Compliance Department

As of the end of 2025, the number of critical key personnel is 26.

Information on the design and structure of remuneration process

Benefits to be paid to the managers and employees at all levels are in line with the Parent Bank’s ethical values, internal balances and strategic objectives and cannot be associated only with the short term performance of the Parent Bank. Regardless of the performance of the units that are audited by internal audit, the benefits of are determined on the basis of the general wage increase rate set by the Parent Bank. Remuneration policy and practices are one of the important factors in ensuring employee engagement and improving performance. While determining the remuneration policy created to protect employees with high performance, sectoral data are taken into consideration by taking the internal wage balance and budget possibilities into account.

Remuneration Committee at its meeting in December 2025 reviewed the remuneration policy and practices.

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SECTION IV: INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP (continued)

XII. EXPLANATIONS ON REMUNERATION POLICIES (continued)

Evaluation about how the Parent Bank’s remuneration processes take the current and future risks into account

The Parent Bank follows the Risk Management Principles while implementing all the remuneration processes.

Evaluation about how the Parent Bank associates variable remunerations with performance

Although it is possible to make payments to the senior management and other personnel of the Parent Bank depending on the Parent Bank’s performance, these payments are subject to objective conditions and in a way that will positively affect the Parent Bank’s corporate values.

Evaluation about the Parent Bank’s methods to adjust remunerations according to long-term performance

There are no variable remunerations (performance premium, gesture, etc.) to be deferred due to long-term performance for the critical key personnel.

Evaluation about the instruments used by the bank for variable remunerations and the purposes of use of such instruments

In the Parent Bank cash and non-cash instruments are not used for the payment, wherefore no variable remunerations (performance premium, gesture, etc.) to be deferred due to long-term performance for the critical key personnel.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS

(1) Cash and Central Bank of the Republic of Türkiye and information on balances with the Central Bank of the Republic of Türkiye:

a) Information on Cash and CBRT:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Cash and foreign currency	6.889.379	17.638.655	5.602.032	12.806.124
CBRT	389.965.013	432.931.008	350.667.221	254.337.728
Other ⁽¹⁾	1.090.606	19.793.004	685.208	9.328.580
Total	397.944.998	470.362.667	356.954.461	276.472.432

⁽¹⁾ It includes the required reserve amounts held by the Central Bank of North Macedonia, Central Bank of Serbia and the Central Bank of TRNC.

b) Information on balances with the CBRT:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Demand unrestricted amount ⁽¹⁾	244.993.235	131.134.598	237.862.360	123.094.238
Time unrestricted amount	-	59.997.000	-	-
Time restricted amount	-	-	-	-
Other ⁽²⁾	144.971.778	241.799.410	112.804.861	131.243.490
Total	389.965.013	432.931.008	350.667.221	254.337.728

⁽¹⁾ Reserve deposits kept in CBRT.

⁽²⁾ Blocked reserve deposits amounts held in the CBRT is included in the Other.

As per the Communiqué no. 2013/15 “Reserve Deposits” of the Central Bank of the Republic of Türkiye (CBRT), banks operating in Türkiye keep reserve deposits for their TRY liabilities with reserve deposit rates between 3%-40% (31 December 2024: between 3%-33%) varied according to their maturity compositions, for their FC liabilities and precious metal liabilities at TRY, US Dollar, Euro and/or standard gold with reserve deposit rates between 5%-32% (31 December 2024: between 5%-30%) varied according to their maturity compositions.

In addition, an additional reserve requirement (excluding foreign bank deposits and precious metal deposit accounts) of 2,5% (31 December 2024: 4%) is established in Turkish lira for foreign currency deposits.

Mandatory reserves established for TRY deposit accounts and exchange rate-protected accounts that were opened before 21 December 2024, and that have not been renewed, are paid by the CBRT.

On the other hand, there is a reserve requirement commission practice that includes targets aimed at increasing the share of Turkish Lira deposits held by real and legal persons. If the targets related to the ratios calculated in four-week periods as “Real Person TRY Share” and “Legal Person TRY Share” are not met, a commission amount in US Dollars is calculated based on the required reserve amount for foreign currency deposit liabilities, to be paid to the CBRT.

Additionally, calculated in eight-week periods, if the growth rate of Turkish Lira-denominated cash loans extended to businesses that qualify as SMEs exceeds 5%, the growth rate of TRY cash loans to non-SME businesses exceeds 3%, the growth rate of foreign currency-denominated cash loans exceeds 1%, or the growth rates of consumer loans for personal needs and vehicle purchases exceed 4%, then the portion of loans exceeding these thresholds must be backed by blocked Turkish Lira reserve requirements for a period of one year.

With the decision No.1072 dated 27 December 2019 of the Central Bank of the TRNC, reserve requirement ratio is applied between 5% to 8% (31 December 2024: between 5%-8%) for the Turkish currency and foreign currency liabilities.

With the Board of Directors decisions of the Central Bank of Macedonia, banks maintain reserve requirement of 9% for short term MKD liabilities with maturities less than two years and 0% for long term MKD liabilities with maturities more than two years, 22% for short term foreign liabilities with maturities less than two years and 10% for long term foreign liabilities with maturities more than two years.

According to the Official Gazette of Serbia No. 76/2018 and 77/2023 of the Central Bank of Serbia, banks maintain reserve requirement of 7% for short term RSD liabilities with maturities less than two years and 2% for long term RSD liabilities with maturities more than two years, 23% for short term foreign liabilities with maturities less than two years and 16% for long term foreign liabilities with maturities more than two years and 100% for foreign currency index liabilities.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(2) Financial assets at fair value through profit and loss:

a) Financial assets at fair value through profit and loss blocked/given as collateral:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Given as collateral/blocked securities	-	101.743.404	-	55.697.275

b) Financial assets at fair value through profit and loss subject to repurchase agreements:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Subject to repurchase agreements securities	-	-	143.615	-

c) Positive differences related to the derivative financial assets at fair value through profit or loss:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward transactions	-	1.408.964	-	892.632
Swap transactions	-	1.743.005	-	550.783
Futures transactions	-	-	-	-
Options	-	7.322	-	-
Other	-	-	-	-
Total	-	3.159.291	-	1.443.415

(3) Information on banks and other financial institutions:

a) Information on banks:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks				
Domestic banks	22.557.722	5.662.255	3.632.035	662.571
Foreign banks	13.742.561	21.265.709	9.664.988	20.275.862
Branches and offices abroad	-	-	-	-
Total	36.300.283	26.927.964	13.297.023	20.938.433

b) Information on foreign banks:

	Unrestricted Balance		Restricted Balance	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	5.552.028	2.920.299	111.960	125.975
USA and Canada	3.923.164	2.357.176	39.973	-
OECD Countries ⁽¹⁾	4.168.471	2.297.045	118.280	4.651.642
Offshore Banking Regions	-	-	-	-
Other ⁽²⁾	21.094.394	17.588.713	-	-
Total	34.738.057	25.163.233	270.213	4.777.617

⁽¹⁾ OECD Countries other than EU countries, USA and Canada
⁽²⁾ The other group generally consists of the TRNC and North Macedonia.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

4) Information on financial assets at fair value through other comprehensive income:

a) Financial assets at fair value through other comprehensive income subject to repurchase agreements or blocked/given as collateral

a.1. Information on financial assets at fair value through other comprehensive income and blocked/given as collateral:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Given as collateral/blocked securities	12.874.307	20.136.541	16.110.473	-

a.2. Information on financial assets at fair value through other comprehensive income subject to repurchase agreements:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Subject to repurchase agreements securities	191.610	81.751.244	-	43.169.595

b) Information on financial assets at fair value through other comprehensive income:

	Current Period	Prior Period
Debt securities	304.094.854	178.429.967
Quoted on a stock exchange	291.702.394	172.098.959
Not quoted	12.392.460	6.331.008
Equity Securities	1.922.871	1.410.308
Quoted on a stock exchange	1.708.414	1.255.594
Not quoted	214.457	154.714
Impairment provision (-)	940.759	1.365.541
Total	305.076.966	178.474.734

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans:

a) Information on all types of loans and advances given to shareholders and employees of the Group^(*):

	Current Period		Prior Period	
	Cash Loans	Non-Cash Loans	Cash Loans	Non-Cash Loans
Direct loans granted to shareholders	-	-	-	-
<i>Corporate shareholders</i>	-	-	-	-
<i>Real person shareholders</i>	-	-	-	-
Indirect loans granted to shareholders	-	-	-	-
Loans granted to employees	7.808.161	-	4.552.899	-
Total	7.808.161	-	4.552.899	-

(*) Interest income accruals and rediscounts are not included in the table above.

b) Information on the first and second group loans including loans that have been restructured or rescheduled:

	Loans Under Close Monitoring			
	Restructured Loans			Refinance
	Standard Loans	Loans Not Subject to Restructuring	Loans with Revised Contract Terms	
Cash Loans				
Non-specialized loans	1.510.661.919	90.376.808	401.794	83.223.461
<i>Corporation loans</i>	880.245.972	55.733.527	361.256	82.063.299
<i>Export loans</i>	121.696.924	5.067.219	-	-
<i>Import loans</i>	-	-	-	-
<i>Loans given to financial sector</i>	3.324.639	-	-	-
<i>Consumer loan</i>	170.327.073	5.232.408	40.538	979.939
<i>Credit cards</i>	141.136.673	17.839.026	-	1.125
<i>Other</i>	193.930.638	6.504.628	-	179.098
Specialized lending	312.614.877	17.154.253	-	-
Other receivables	-	-	-	-
Total	1.823.276.796	107.531.061	401.794	83.223.461

	Standard Loans		Loans Under Close Monitoring	
	Current Period	Prior Period	Current Period	Prior Period
12 Months Expected Loss Provision	11.242.286	6.428.715	-	-
Significant Increase in Credit Risk	-	-	14.985.461	18.300.551

In the current period, the increase in the Group’s Stage 1 Expected Loss Provision balance is due to the increase in the balance of standard loans.

In the current period, the decrease in the Group’s Stage 2 Expected Loss Provision balance is due to the decrease in overall risk levels.

Current Period	Commercial/Corporate Loans	Consumer Loans	Total
Standard Loans	1.579.848.125	243.428.671	1.823.276.796
Loans Under Follow-up	169.522.611	21.633.705	191.156.316
Total	1.749.370.736	265.062.376	2.014.433.112
12 Months Expected Loss Provision	9.991.595	1.250.691	11.242.286
Significant Increase in Credit Risk	14.347.593	637.868	14.985.461
Total Expected Loss Provisions	24.339.188	1.888.559	26.227.747
Standard Loans (Net)	1.569.856.530	242.177.980	1.812.034.510
Loans Under Follow-up (Net)	155.175.018	20.995.837	176.170.855
Net Balance on Balance Sheet	1.725.031.548	263.173.817	1.988.205.365

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans: (continued)

b) Information on the first and second group loans including loans that have been restructured or rescheduled: (continued)

	Commercial/Corporate Loans	Consumer Loans	Total
Prior Period			
Standard Loans	1.163.398.593	193.992.288	1.357.390.881
Loans Under Follow-up	121.766.389	10.071.007	131.837.396
Total	1.285.164.982	204.063.295	1.489.228.277
12 Months Expected Loss Provision	5.898.898	529.817	6.428.715
Significant Increase in Credit Risk	18.019.706	280.845	18.300.551
Total Expected Loss Provisions	23.918.604	810.662	24.729.266
Standard Loans (Net)	1.157.499.695	193.462.471	1.350.962.166
Loans Under Follow-up (Net)	103.746.683	9.790.162	113.536.845
Net Balance on Balance Sheet	1.261.246.378	203.252.633	1.464.499.011

c) Distribution of cash loans by maturity structure:

	Loans under close monitoring		
	Loans Not Subject To Restructuring		
Current Period	Standard Loans	Restructuring	Restructured
Short Term Loans	614.964.490	43.840.676	9.118.156
Medium and Long Term Loans	1.208.312.306	63.690.385	74.507.099
Prior Period			
Short Term Loans	416.723.834	25.579.183	2.475.265
Medium and Long Term Loans	940.667.047	52.120.364	51.662.584

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans (continued) :

d) Information on consumer loans, individual credit cards, personnel loans and credit cards^(*):

Current Period	Short-term	Medium and long-term	Total
Consumer loans-TRY	10.576.058	90.640.519	101.216.577
Real estate loans	23.438	78.656.720	78.680.158
Automobile loans	800.687	1.606.101	2.406.788
Consumer loans	9.751.933	10.377.698	20.129.631
Other	-	-	-
Consumer loans- Indexed to FC	2.504	4.655.158	4.657.662
Real estate loans	-	4.283.471	4.283.471
Automobile loans	-	163.968	163.968
Consumer loans	2.504	207.719	210.223
Other	-	-	-
Consumer loans- FC	109.081	32.878.121	32.987.202
Real estate loans	3.818	11.036.648	11.040.466
Automobile loans	61	51.421	51.482
Consumer loans	105.202	21.787.972	21.893.174
Other	-	2.080	2.080
Individual credit cards-TRY	83.083.174	3	83.083.177
Installment	26.647.044	3	26.647.047
Non-installment	56.436.130	-	56.436.130
Individual credit cards-FC	46.653	1.003.528	1.050.181
Installment	-	917.828	917.828
Non-installment	46.653	85.700	132.353
Personnel loans-TRY	2.151.525	1.342.456	3.493.981
Real estate loans	-	-	-
Automobile loans	-	-	-
Consumer loans	2.151.525	1.342.456	3.493.981
Other	-	-	-
Personnel loans-Indexed to FC	25	264.063	264.088
Real estate loans	-	247.188	247.188
Automobile loans	-	6.017	6.017
Consumer loans	25	10.858	10.883
Other	-	-	-
Personnel loans-FC	4.319	778.506	782.825
Real estate loans	27	399.875	399.902
Automobile loans	-	-	-
Consumer loans	4.292	378.631	382.923
Other	-	-	-
Personnel credit cards-TRY	1.899.305	-	1.899.305
Installment	540.896	-	540.896
Non-installment	1.358.409	-	1.358.409
Personnel credit cards-FC	4.398	26.225	30.623
Installment	-	21.339	21.339
Non-installment	4.398	4.886	9.284
Overdraft accounts-TRY (Retail customers) ^(**)	30.694.798	-	30.694.798
Overdraft accounts-FC (Retail customers) ^(***)	756.369	84.626	840.995
Total	129.328.209	131.673.205	261.001.414

(*) Interest income accruals and rediscounts are not included in the table above.
(**) TRY 1.328.898 of the overdraft account consists of loans given to personnel.
(***) TRY 8.441 of the overdraft account consists of loans given to personnel.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans: (continued)

d) Information on consumer loans, individual credit cards, personnel loans and credit cards^(*): (continued)

Prior Period	Short-term	Medium and long-term	Total
Consumer loans-TRY	7.676.878	98.921.467	106.598.345
Real estate loans	7.923	84.317.441	84.325.364
Automobile loans	1.685.268	4.720.588	6.405.856
Consumer loans	5.983.687	9.883.438	15.867.125
Other	-	-	-
Consumer loans- Indexed to FC	2.610	2.990.390	2.993.000
Real estate loans	-	2.763.562	2.763.562
Automobile loans	255	82.663	82.918
Consumer loans	2.355	144.165	146.520
Other	-	-	-
Consumer loans- FC	70.533	20.243.768	20.314.301
Real estate loans	3.647	6.538.465	6.542.112
Automobile loans	150	16.908	17.058
Consumer loans	62.960	13.686.769	13.749.729
Other	3.776	1.626	5.402
Individual credit cards-TRY	48.220.433	774	48.221.207
Installment	13.720.658	774	13.721.432
Non-installment	34.499.775	-	34.499.775
Individual credit cards-FC	15.955	738.132	754.087
Installment	-	688.506	688.506
Non-installment	15.955	49.626	65.581
Personnel loans-TRY	1.595.096	473.173	2.068.269
Real estate loans	-	-	-
Automobile loans	-	-	-
Consumer loans	1.595.096	473.173	2.068.269
Other	-	-	-
Personnel loans-Indexed to FC	43	179.859	179.902
Real estate loans	-	170.606	170.606
Automobile loans	-	2.644	2.644
Consumer loans	43	6.609	6.652
Other	-	-	-
Personnel loans-FC	2.477	440.579	443.056
Real estate loans	356	213.118	213.474
Automobile loans	-	-	-
Consumer loans	2.121	227.349	229.470
Other	-	112	112
Personnel credit cards-TRY	1.154.295	-	1.154.295
Installment	297.617	-	297.617
Non-installment	856.678	-	856.678
Personnel credit cards-FC	1.409	20.499	21.908
Installment	-	17.142	17.142
Non-installment	1.409	3.357	4.766
Overdraft accounts-TRY (Retail customers) ^(**)	17.960.103	-	17.960.103
Overdraft accounts-FC (Retail customers) ^(***)	506.661	70.214	576.875
Total	77.206.493	124.078.855	201.285.348

(*) Interest income accruals and rediscounts are not included in the table above.
(**) TRY 679.685 of the overdraft account consists of loans given to personnel.
(***) TRY 5.784 of the overdraft account consists of loans given to personnel.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans: (continued)

e) Information on commercial installments loans and corporate credit cards^(*):

Current Period	Short-term	Medium and long-term	Total
Commercial installment loans-TRY	28.571.563	141.714.686	170.286.249
<i>Business premises loans</i>	-	1.114.897	1.114.897
<i>Automobile loans</i>	224.842	3.214.363	3.439.205
<i>Consumer loans</i>	28.346.721	137.385.426	165.732.147
<i>Other</i>	-	-	-
Commercial installment loans- Indexed to FC	2.795.677	14.447.315	17.242.992
<i>Business premises loans</i>	-	-	-
<i>Automobile loans</i>	-	-	-
<i>Consumer loans</i>	-	-	-
<i>Other</i>	2.795.677	14.447.315	17.242.992
Commercial installment loans - FC	12.460.459	202.002.676	214.463.135
<i>Business premises loans</i>	-	-	-
<i>Automobile loans</i>	-	-	-
<i>Consumer loans</i>	2.320.082	155.963.152	158.283.234
<i>Other</i>	10.140.377	46.039.524	56.179.901
Corporate credit cards-TRY	69.411.581	94	69.411.675
<i>Installment</i>	14.631.543	94	14.631.637
<i>Non-installment</i>	54.780.038	-	54.780.038
Corporate credit cards-FC	6.456	82.597	89.053
<i>Installment</i>	-	29.164	29.164
<i>Non-installment</i>	6.456	53.433	59.889
Overdraft accounts-TRY (Commercial customers)	63.970.348	-	63.970.348
Overdraft accounts-FC (Commercial customers)	243.211	203	243.414
Total	177.459.295	358.247.571	535.706.866

(*) Interest income accruals and rediscounts are not included in the table above.

Prior Period	Short-term	Medium and long-term	Total
Commercial installment loans-TRY	21.222.978	101.935.956	123.158.934
<i>Business premises loans</i>	-	1.429.081	1.429.081
<i>Automobile loans</i>	311.883	2.048.837	2.360.720
<i>Consumer loans</i>	20.911.095	98.458.038	119.369.133
<i>Other</i>	-	-	-
Commercial installment loans- Indexed to FC	1.446.023	9.234.062	10.680.085
<i>Business premises loans</i>	-	-	-
<i>Automobile loans</i>	-	-	-
<i>Consumer loans</i>	-	-	-
<i>Other</i>	1.446.023	9.234.062	10.680.085
Commercial installment loans - FC	7182.234	136.395.497	143.577.731
<i>Business premises loans</i>	-	-	-
<i>Automobile loans</i>	-	-	-
<i>Consumer loans</i>	738.148	110.002.146	110.740.294
<i>Other</i>	6.444.086	26.393.351	32.837.437
Corporate credit cards-TRY	57.819.382	1.808	57.821.190
<i>Installment</i>	12.354.903	1.808	12.356.711
<i>Non-installment</i>	45.464.479	-	45.464.479
Corporate credit cards-FC	6.423	52.324	58.747
<i>Installment</i>	-	23.001	23.001
<i>Non-installment</i>	6.423	29.323	35.746
Overdraft accounts-TRY (Commercial customers)	43.202.153	-	43.202.153
Overdraft accounts-FC (Commercial customers)	190.965	457	191.422
Total	131.070.158	247.620.104	378.690.262

(*) Interest income accruals and rediscounts are not included in the table above.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans: (continued)

f) Loans by customers ^(*):

	Current Period	Prior Period
Public	21.720.830	25.086.732
Private	1.992.712.282	1.464.141.545
Total	2.014.433.112	1.489.228.277

(*) Non-performing loans balance is not included in the table above.

g) Domestic and foreign loans^(*):

	Current Period	Prior Period
Domestic loans	1.895.756.090	1.415.895.552
Foreign loans	118.677.022	73.332.725
Total	2.014.433.112	1.489.228.277

(*) Non-performing loans balance is not included in the table above.

h) Loans granted to subsidiaries and associates:

None. (31 December 2024: None.)

i) Specific provisions related to loans or credit-impaired losses (Stage III):

	Current Period	Prior Period
Loans with Limited Collectability	5.623.385	3.163.227
Loans with Doubtful Collectability	10.377.538	2.491.815
Uncollectible Loans	25.217.844	13.933.049
Total	41.218.767	19.588.091

The increase in the expected credit loss provision balance allocated for stage 3 loans is caused by the result of the increase in risk amount in the current period.

j) Information on non-performing loans (Net):

j.1. Information on non-performing loans and restructured loans^(*):

	III. Group Loans with Limited Collectability	IV. Group Loans with Doubtful Collectability	V. Group Uncollectible Loans
Current period			
Gross amounts before the provisions	873.891	530.019	691.997
<i>Restructured loans</i>	873.891	530.019	691.997
Prior period			
Gross amounts before the provisions	400.888	181.998	491.296
<i>Restructured loans</i>	400.888	181.998	491.296

(*) Rediscounts are not included.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans: (continued)

j) Information on non-performing loans (Net): (continued)

j.2. Information on the movement of non-performing loans:

	III. Group	IV. Group	V. Group
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Current Period			
Current period end balance	9.440.946	6.257.840	16.716.387
Additions (+)	49.385.579	7.063.775	8.648.976
Transfers from Other NPL Categories (+)	-	35.337.165	18.454.337
Transfers to Other NPL Categories (-)	36.018.391	17.773.111	-
Collections (-) ^(*)	6.225.203	3.834.522	4.813.382
Write-offs (-)	42	35	1.086.462
Sold (-)	-	-	-
Corporate and Commercial Loans	-	-	-
Consumer Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Current period end balance	16.582.889	27.051.112	37.919.856
Provision (-)	5.623.385	10.377.538	25.217.844
Net balance on balance sheet	10.959.504	16.673.574	12.702.012
Prior Period			
Prior period end balance	1.876.192	2.410.598	15.409.161
Additions (+)	23.340.610	433.220	750.542
Transfers from Other NPL Categories (+)	-	12.609.699	4.633.369
Transfers to Other NPL Categories (-)	12.859.810	4.383.258	-
Collections (-) ^(*)	2.914.857	4.779.408	3.627.437
Write-offs (-)	1.189	33.011	282.560
Sold (-)	-	-	166.688
Corporate and Commercial Loans	-	-	61.243
Consumer Loans	-	-	66.232
Credit Cards	-	-	39.213
Other	-	-	-
Current period end balance	9.440.946	6.257.840	16.716.387
Provision (-)	3.163.227	2.491.815	13.933.049
Net balance on balance sheet	6.277.719	3.766.025	2.783.338

(*) It also includes loan balances structured in non-performing loans and transferred to performing loan accounts during the period, as they meet the necessary conditions within the scope of the relevant articles of the Regulation of Allowance.

i.3. Information on non-performing loans segments.:

Current Period	Commercial/Corporate Loans	Consumer Loans	Total
Non-Performing Loans	72.890.634	8.663.223	81.553.857
Stage 3 Loan Provisions	36.012.415	5.206.352	41.218.767
Non-Performing Loans (Net)	36.878.219	3.456.871	40.335.090
Prior Period	Commercial/Corporate Loans	Consumer Loans	Total
Non-Performing Loans	28.688.360	3.726.813	32.415.173
Stage 3 Loan Provisions	17.278.875	2.309.216	19.588.091
Non-Performing Loans (Net)	11.409.485	1.417.597	12.827.082

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans: (continued)

i) Information on non-performing loans (Net): (continued)

i.4. Information on foreign currency non-performing loans and other receivables^(*):

	III. Group	IV. Group	V. Group
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Current period			
Balance at the end of the period	1.394.507	3.053.117	7.720.977
Provisions (-)	529.738	1.268.068	5.770.941
Net balance in the balance sheet	864.769	1.785.049	1.950.036
Prior period			
Balance at the end of the period	1.343.895	357.761	5.454.266
Provisions (-)	494.923	193.711	4.336.302
Net balance in the balance sheet	848.972	164.050	1.117.964

(*) Rediscounts are included.

i.5. Gross and net amounts of non-performing loans according to user groups:

	III. Group	IV. Group	V. Group
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Current period (Net)	10.959.504	16.673.574	12.702.012
Loans to granted individuals and corporates (Gross)	16.582.889	27.051.112	37.919.856
Provisions (-)	5.623.385	10.377.538	25.217.844
Loans to granted real persons and legal entities (Net)	10.959.504	16.673.574	12.702.012
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other loans (Gross)	-	-	-
Provisions (-)	-	-	-
Other loans (Net)	-	-	-
Prior period (Net)	6.277.719	3.766.025	2.783.338
Loans to granted individuals and corporates (Gross)	9.440.946	6.257.840	16.716.387
Specific provisions (-)	3.163.227	2.491.815	13.933.049
Loans to granted real persons and legal entities (Net)	6.277.719	3.766.025	2.783.338
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other loans (Gross)	-	-	-
Provisions (-)	-	-	-
Other loans (Net)	-	-	-

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans: (continued)

i) Information on non-performing loans (Net): (continued)

i.6. Information on interest accruals, discounts and valuation differences calculated for non- performing loans and their provisions:

	III. Group	IV. Group	V. Group
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Current Period (Net)	1.600.464	3.736.484	3.260.740
Interest Accruals and Valuation Differences	2.440.090	5.893.791	8.298.215
Provision (-)	839.626	2.157.307	5.037.475
Prior Period (Net)	1.294	1.718	11.399
Interest Accruals and Valuation Differences	14.415	14.146	1.606.813
Provision (-)	13.121	12.428	1.595.414

j) Information on expected credit losses:

Current Period	Stage 1	Stage 2	Stage 3	Total
Period Beginning Balance	6.428.715	18.300.551	19.588.091	44.317.357
Additions	4.966.864	4.478.144	22.628.703	32.073.711
Transfer to Stage 1	1.358.717	(1.350.611)	(8.106)	-
Transfer to Stage 2	(807.542)	1.340.841	(533.299)	-
Transfer to Stage 3	(267.942)	(1.960.311)	2.228.253	-
Collections (-)	436.526	5.823.153	1.598.336	7.858.015
Sold (-)	-	-	-	-
Write-offs (-)	-	-	1.086.539	1.086.539
Period end Balance	11.242.286	14.985.461	41.218.767	67.446.514

Prior Period	Stage 1	Stage 2	Stage 3	Total
Period Beginning Balance	11.188.618	22.407.362	15.845.130	49.441.110
Additions	834.181	2.274.350	6.005.770	9.114.301
Transfer to Stage 1	293.129	(288.716)	(4.413)	-
Transfer to Stage 2	(682.540)	917.196	(234.656)	-
Transfer to Stage 3	(223.500)	(706.315)	929.815	-
Collections (-)	4.981.173	6.303.326	2.470.107	13.754.606
Sold (-)	-	-	166.688	166.688
Write-offs (-)	-	-	316.760	316.760
Period end Balance	6.428.715	18.300.551	19.588.091	44.317.357

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(5) Information on loans: (continued)

k) Main guidelines of the liquidation policy of the Bank about the uncollectible loans and receivables:

The Parent Bank liquidates its uncollectible receivables through different methods. These are by making payment protocols and by presenting adequate repayment schedules for the lower amount of receivables. Within the context of this collection policy, nonperforming loans are collected in considerable amounts. Collections are firstly offset against lawsuits and expenses, interest and principle receivables from loans.

l) Explanations on write-off policy:

In the current period, the Group derecognised the non-performing loan amounting to TRY 1.086.539 on the grounds that there was no reasonable expectation, and the Group's non-performing loan ratio decreased from 3,94% to 3,89% after the loans were written off. (In the previous period, the Group has written off non-performing loans amounting to TRY 316.760 on the grounds due to the lack of expectation, and also sold non-performing loans amounting to TRY 166.688, resulting in a decrease in the Group non-performing loan ratio from 2,16% to 2,13% after the write-off and sale of non-performing loans.)

Derecognition does not mean that the Group has waived its right to the receivable, therefore legal and administrative follow-up procedures continue effectively for derecognized receivables, just as they do for receivables that remain recognized in the statement of financial position.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(6) Information on financial assets measured at amortised cost:

a) Information on financial assets measured at amortised cost blocked/given as collateral or subject to repurchase agreement transactions are explained comparatively with net value:

a.1. Financial assets measured at amortised cost blocked/given as collateral:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Given as collateral/blocked securities	37.868.233	49.818.119	106.094.488	25.024.197

a.2. Financial assets measured at amortised cost subject to repurchase agreements:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Subject to repurchase agreements securities	127.446.468	42.065.504	188.359.942	58.855.898

b) Information on public sector debt investments financial assets measured at amortised cost:

	Current Period	Prior Period
Government bonds	765.284.729	545.492.281
Treasury bills	397.036	223.183
Other public sector debt securities	28.650.119	13.484.382
Total	794.331.884	559.199.846

c) Information on financial assets measured at amortised cost:

	Current Period	Prior Period
Debt securities	794.331.884	561.608.947
<i>Quoted on a stock exchange</i>	<i>793.934.848</i>	<i>558.976.663</i>
<i>Not quoted</i>	<i>397.036</i>	<i>2.632.284</i>
Impairment provision (-)	-	-
Total	794.331.884	561.608.947

d) Movement of financial assets measured at amortised cost within the year:

	Current Period	Prior Period
Beginning balance	561.608.947	430.757.449
Foreign currency differences on monetary assets	18.615.952	32.692.096
Purchases during the year ⁽¹⁾	255.987.706	211.766.428
Disposals through sales and redemptions	(41.880.721)	(113.607.026)
Impairment provision (-)	-	-
Balance at the end of the period	794.331.884	561.608.947

⁽¹⁾ The difference between the discount amount of TRY 352.845.329 as of 31 December 2025 and the amount of discount amount of TRY 218.583.649 as of 31 December 2024 (31 December 2023: TRY 136.706.869) is presented in the line disposed by purchases during the year.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(7) Information on associates (Net):

a) The reasons behind unconsolidated associates being out of consolidation scope:

In accordance with the Communiqué on the Preparation of Consolidated Financial Statements of Banks, associates that are financial institutions are included in the consolidation, associates that are non-financial institutions are not included in the scope of consolidation.

b) Information on unconsolidated associates:

Description	Address (City/ Country)	Bank's share percentage, if different-voting percentage (%)	Bank's risk group share percentage (%)
1. Kredi Kayıt Bürosu AŞ ⁽¹⁾	Istanbul/Türkiye	18,18	18,18
2. Bileşim Finansal Teknolojiler ve Ödeme Sistemleri AŞ ⁽¹⁾	Istanbul/Türkiye	33,33	33,33
3. Bankalararası Kart Merkezi AŞ ⁽¹⁾	Istanbul/Türkiye	9,28	9,28
4. JCR Avrasya Derecelendirme AŞ ⁽¹⁾	Istanbul/Türkiye	2,86	2,86

c) Information related to the associates as shown in (b):

	Total assets	Shareholders' equity	Total fixed assets	Interest income	Income from marketable securities portfolio	Current period profit/loss	Prior period profit/loss	Fair value
1.	6.821.231	2.613.321	2.178.914	1.044.388	-	1.773.715	636.361	-
2.	1.266.533	864.218	461.987	111.748	-	96.701	56.875	-
3.	12.558.845	9.959.937	1.157.373	2.851.180	-	4.981.467	3.157.519	-
4.	1.330.896	1.005.314	209.171	170.721	60.402	570.247	395.897	-

⁽¹⁾ The financial data is obtained from unaudited 31 Decembember 2025 financial statement .

d) Information on consolidated associates:

Description	Address (City/ Country)	Bank's share percentage, if different voting percentage (%)	Bank's risk group share percentage (%)
1. DHB Bank NV ⁽¹⁾	Rotterdam/The Netherlands	30,00	30,00
2. Kobi Girişim Sermayesi Yatırım Ortaklığı AŞ ⁽¹⁾	Ankara/Türkiye	31,47	33,12
3. Yıldız Tekno Girişim Sermayesi Yatırım Ortaklığı AŞ ⁽¹⁾	Istanbul/Türkiye	35,79	35,79
4. Birleşim Varlık Yönetim AŞ ⁽¹⁾	Istanbul/Türkiye	16,00	16,00

e) Information related to the associates as shown in (d):

	Total assets	Shareholders' equity	Total fixed assets	Interest income	Income from marketable securities portfolio	Current period profit/loss	Prior period profit/loss	Fair value
1.	104.256.048	13.821.307	108.756	6.471.756	310.035	1.068.849	938.114	-
2.	697.607	689.839	770	238.706	-	198.084	164.405	-
3.	93.604	93.202	110	5.977	-	(825)	(1.011)	-
4.	1.932.729	1.541.557	26.944	863.229	-	250.388	119.326	-

⁽¹⁾ The amounts are obtained from the unconsolidated financial statements of the companies used in consolidation as of 31 Decembember 2025.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(7) Information on associates (Net): (continued)

f) Movement of associates:

	Current Period	Prior Period
Balance at the beginning of the period	3.405.199	2.833.279
Movements during the period	1.392.032	571.920
<i>Purchases ⁽¹⁾</i>	15.211	-
<i>Bonus shares obtained profit from current year's share</i>	-	1.428
<i>Dividends from current year income</i>	422.759	351.901
<i>Sales</i>	-	-
<i>Transfers</i>	-	-
<i>Revaluation decrease (-) / increase ⁽²⁾</i>	954.062	218.591
<i>Impairment provisions (-)/ reversals</i>	-	-
Balance at the end of the period	4.797.231	3.405.199
Capital commitments	-	-
Share percentage at the end of the period (%)	-	-

⁽¹⁾ In the current period, the Parent Bank made a payment of TRY 15.211 due to the paid capital increase of Yıldız Tekno Girişim Sermayesi Yatırım Ortaklığı AŞ.
⁽²⁾ Includes amounts accounted for using the equity method.

g) Sectorial information and related carrying amounts of associates:

	Current Period	Prior Period
Banks	4.146.393	2.902.429
Insurance companies	-	-
Factoring companies	-	-
Leasing companies	-	-
Financing companies	-	-
Other financial investments	497.098	349.030
Other non- financial investments	153.740	153.740

h) Associates quoted to a stock exchange:

None. (31 December 2024: None.)

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(8) Information on subsidiaries (Net):

a) Information on consolidated subsidiaries (1):

	Halk Yatırım Menkul Değerler AŞ	Halk Gayrimenkul Yatırım Ortaklığı AŞ	Halk Finansal Kiralama AŞ	Halk Banka AD, Skopje	Halk Faktoring AŞ	Halk Bank AD, Beograd	Halk Varlık Kiralama AŞ	Halk Osiguruvanje AD, Skopje	Halk Elektronik Para ve Ödeme Hizmetleri AŞ	Halk Katılım Bankası AŞ
COMMON EQUITY TIER I CAPITAL										
Paid in Capital	250.000	3.840.000	1.523.000	2.963.096	1.246.000	754.199	500	285.130	250.000	11.500.000
Effect of Inflation Adjustment on Paid in Capital	-	-	-	-	-	-	-	-	-	-
Share premium	-	50.372	-	11.633	-	773.455	-	-	-	-
Reserves	393.565	10.528.650	882.094	2.038.822	1.076.769	1.579.866	14.210	-	1.554	-
Other Comprehensive Income according to TAS	16.034	37.554.107	2.652	11.484.394	-	8.831.635	-	1.195.617	-	-
Profit / Loss	2.952.248	16.849.534	519.700	1.265.554	838.603	696.085	17.640	(156.846)	152.297	850.955
Net Profit	1.820.552	16.849.534	519.700	1.347.012	838.603	696.085	17.640	10.751	140.672	850.955
Prior Period Profit/Loss	1.131.696	-	-	(81.458)	-	-	-	(167.597)	11.625	-
Bonus Shares from Associates, Subsidiaries and Joint Ventures not Accounted in Current Period's Profit	-	-	-	-	-	-	-	-	-	-
Current and Prior Periods' Losses not Covered by Reserves, and Losses Accounted under Equity according to TAS (-)	3.030	6.239.555	-	-	5.360	7.651	-	-	-	-
Leasehold Improvements (-)	-	3.394	-	47.182	-	98.204	-	-	-	-
Intangible Assets (-)	28.057	1.629	11.375	243.827	29.626	876.527	-	85.901	17.134	-
Total Core Capital	3.580.760	62.578.085	2.916.071	17.472.490	3.126.386	11.652.858	32.350	1.238.000	386.717	12.350.955
SUPPLEMENTARY CAPITAL	-	-	161.720	669.360	304.024	224.445	-	-	-	-
CAPITAL	3.580.760	62.578.085	3.077.791	18.141.850	3.430.410	11.877.303	32.350	1.238.000	386.717	12.350.955
NET AVAILABLE CAPITAL	3.580.760	62.578.085	3.077.791	18.141.850	3.430.410	11.877.303	32.350	1.238.000	386.717	12.350.955

⁽¹⁾ The amounts are obtained from the unconsolidated financial statements of the companies used in consolidation as of 31 December 2025.

There is no internal capital adequacy assessment approach for the subsidiaries.

Paid in capital has been indicated as Turkish Lira in articles of incorporation and registered in trade registry.

Effect of inflation adjustments on paid in capital is the difference caused by the inflation adjustment on shareholders' equity items.

Extraordinary reserves are the status reserves which have been appropriated with the General Assembly decision after distributable profit have been transferred to legal reserves.

Legal reserves are the status reserves which have been appropriated from distributable profit in accordance with the related clauses of Turkish Commercial Code no. 6102.

b) Unconsolidated subsidiaries, reasons for not consolidating if any and information on total needed shareholder's equity that is subjected to minimum capital requirements:

In accordance with the Communiqué on the Preparation of Consolidated Financial Statements of Banks, subsidiaries that are financial institutions are included in the consolidation, subsidiaries that are non-financial institutions are not included in the scope of consolidation.

In this context, subsidiary of the Parent Bank, Halk Elektrik Üretim AŞ, which is non-financial institution, is not included in the scope of consolidation. (31 December 2024: None.)

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(8) Information on subsidiaries (Net): (continued)

e) Information on unconsolidated subsidiaries:

Description	Address (City/Country)	Bank's share percentage, if different voting percentage (%)	Bank's risk group share percentage (%)
1. Halk Elektrik Üretim AŞ ⁽¹⁾	Istanbul/Türkiye	100,00	100,00

f) Information related to the subsidiaries as shown in (e): (1)

	Total assets	Shareholders' equity	Total fixed assets	Interest income	Income from marketable securities portfolio	Current period profit/loss	Prior period profit/loss	Fair value
1.	122.957	121.247	561	22.552	-	21.247	-	-

⁽¹⁾ The financial data is obtained from 31 December 2025 financial statements.

g) Information on consolidated subsidiaries:

Description	Address (City/Country)	Bank's share percentage, if different voting percentage (%)	Bank's risk group share percentage (%)
1. Halk Yatırım Menkul Değerler AŞ	Istanbul/Türkiye	100,00	100,00
2. Halk Gayrimenkul Yatırım Ortaklığı AŞ ⁽²⁾	Istanbul/Türkiye	79,33	79,36
3. Halk Finansal Kiralama AŞ	Istanbul/Türkiye	100,00	100,00
4. Halk Banka AD, Skopje	Skopje/North Macedonia	99,66	99,66
5. Halk Faktoring AŞ	Istanbul/Türkiye	100,00	100,00
6. Halkbank AD Beograd	Belgrade/Serbia	100,00	100,00
7. Halk Varlık Kiralama AŞ	Istanbul/Türkiye	100,00	100,00
8. Halk Osiguruvanje AD, Skopje	Skopje/North Macedonia	-	99,66
9. Halk Elektronik Para ve Ödeme Hizmetleri AŞ	Istanbul/Türkiye	100,00	100,00
10. Halk Katılım Bankası AŞ ⁽³⁾	Istanbul/Türkiye	100,00	100,00

h) Information related to the subsidiaries as shown in (g): (1)

	Total assets	Shareholders' equity	Total fixed assets	Interest/Profit Share income	Income from marketable securities portfolio	Current period profit/loss	Prior period profit/loss	Fair value
1.	8.385.504	3.608.817	115.678	2.895.824	90.335	1.820.552	1.777.311	-
2.	85.143.019	62.506.498	38.506.724	482.000	-	16.849.534	4.204.012	-
3.	24.191.290	2.927.446	44.930	4.487.050	-	519.700	442.349	-
4.	104.694.899	17.763.499	2.619.713	4.143.978	572.700	1.347.012	972.584	-
5.	18.683.495	3.156.012	40.027	5.639.880	-	838.603	743.290	-
6.	71.863.691	12.627.589	2.555.523	2.809.282	325.875	696.085	739.954	-
7.	18.556.555	32.350	36	9.609	-	17.640	7.001	-
8.	1.469.958	1.323.901	280.074	29.856	15.549	10.751	734	-
9.	1.243.312	403.851	28.556	118.783	-	140.672	10.461	-
10.	12.886.790	12.350.955	-	1.320.541	-	850.955	-	-

⁽¹⁾ The financial data is obtained from 31 December 2025 financial statements used in consolidation.

⁽²⁾ The Parent Bank's subsidiary Halk Gayrimenkul Yatırım Ortaklığı AŞ was privatized by a public offering on 22 February 2013 and the shares are traded on the Borsa İstanbul AŞ

⁽³⁾ Halk Katılım Bankası AŞ was established with the permission of the Banking Regulation and Supervision Agency (BRSA) dated on 30 May 2025 and numbered 11222, and was registered on 22 September 2025. As of the current period, it has not yet commenced operations.

i) Movement of the subsidiaries:

	Current Period	Prior Period
Balance at the beginning of the period	54.784.076	38.535.796
Movements during the period	46.755.206	16.248.280
Purchase ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	13.600.000	1.966.061
Bonus shares obtained profit from current year's share	115.140	385.399
Dividends from current year income	10.727.418	6.580.467
Sales	-	-
Transfer	-	-
Revaluation increase/decrease ⁽⁵⁾	22.312.648	7.316.353
Impairment Provisions (-)/Reversals	-	-
Balance at the end of the period	101.539.282	54.784.076
Capital commitments	-	-
Share percentage at the end of the period (%)	-	-

⁽¹⁾ In the current period, the Parent Bank has made a payment TRY 100.000 due to the paid capital increase of Halk Elektrik Üretim AŞ.

⁽²⁾ In the current period, the Parent Bank made a payment of TRY 1.000.000 due to the paid capital increase of Halk Finansal Kiralama AŞ.

⁽³⁾ In the current period, the Parent Bank made a payment of TRY 1.000.000 due to the paid capital increase of Halk Faktoring AŞ.

⁽⁴⁾ During the current period, the Parent Bank made a payment of TRY 11.500.000 TL for the newly established Halk Katılım Bankası AŞ.

⁽⁵⁾ Includes amounts accounted for using the equity method.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(8) Information on subsidiaries (Net): (continued)

j) Sectorial information on subsidiaries and the related carrying amounts:

	Current Period	Prior Period
Banks	42.677.438	20.192.300
Insurance companies	242.107	242.107
Factoring companies	3.161.941	1.728.708
Leasing companies	2.987.739	1.667.458
Financing companies	-	-
Other financial subsidiaries	52.329.484	30.953.503
Other non-financial subsidiaries	140.573	-

k) Subsidiaries quoted in the stock exchange:

	Current Period	Prior Period
Quoted to domestic stock ⁽¹⁾	48.329.544	26.985.571
Quoted foreign stock exchange	-	-

⁽¹⁾ The Parent Bank's subsidiary Halk Gayrimenkul Yatırım Ortaklığı AŞ has privatized by a public offering on 22 February 2013 and the shares are traded on the Borsa İstanbul AŞ.

(9) Information on jointly controlled entities (joint ventures):

None. (31 December 2024: None.)

(10) Information on finance lease receivables (Net):

a) Maturity structure of investments on financial lease^(*):

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Up to 1 year	1.891.588	1.677.359	1.156.893	1.004.639
1 - 4 years	13.031.627	10.177.413	14.063.918	9.113.247
More than 4 years	20.103.974	8.101.067	4.254.970	2.684.645
Total	35.027.189	19.955.839	19.475.781	12.802.531

^(*) Non-performing receivables are not included.

b) Information on net investments of financial lease^(*):

	Current Period	Prior Period
Gross financial lease investment	35.027.189	19.475.781
Unearned revenues from financial lease	(15.071.350)	(6.673.250)
Total	19.955.839	12.802.531

^(*) Non-performing receivables are not included.

c) Information on receivables from non- performing loans of financial lease:

	Current Period	Prior Period
Financial lease receivables with limited collectability	79.562	42.813
Financial lease receivables with doubtful collectability	91.086	8.951
Uncollectible financial lease receivables	219.904	196.381
Provisions	(249.683)	(166.926)
Total	140.869	81.219

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(10) Information on finance lease receivables (Net): (continued)

d) Information on finance lease receivables and provision movement:

	Commercial/ Corporate Receivables	Consumer Receivables	Total
Current Period			
Standard Receivables	19.287.844	-	19.287.844
Receivables Under Follow-up	667.995	-	667.995
Non-Performing Receivables	390.552	-	390.552
Total	20.346.391	-	20.346.391
Stage 1 Loan Provisions	160.324	-	160.324
Stage 2 Loan Provisions	1.396	-	1.396
Stage 3 Loan Provisions	249.683	-	249.683
Total Provision	411.403	-	411.403
Standard Receivables (Net)	19.127.520	-	19.127.520
Receivables Under Follow-up (Net)	666.599	-	666.599
Non-Performing Receivables (Net)	140.869	-	140.869
Net Balance on Balance Sheet	19.934.988	-	19.934.988
	Commercial/ Corporate Receivables	Consumer Receivables	Total
Prior Period			
Standard Receivables	12.205.058	-	12.205.058
Receivables Under Follow-up	597.473	-	597.473
Non-Performing Receivables	248.145	-	248.145
Total	13.050.676	-	13.050.676
Stage 1 Loan Provisions	228.634	-	228.634
Stage 2 Loan Provisions	12.653	-	12.653
Stage 3 Loan Provisions	166.926	-	166.926
Total Provision	408.213	-	408.213
Standard Receivables (Net)	11.976.424	-	11.976.424
Receivables Under Follow-up (Net)	584.820	-	584.820
Non-Performing Receivables (Net)	81.219	-	81.219
Net Balance on Balance Sheet	12.642.463	-	12.642.463

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(11) Information on factoring receivables:

a) Maturity structure of factoring receivables:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-term	14.116.938	3.788.873	8.858.683	1.131.056
Medium and long-term	-	-	-	-
Total	14.116.938	3.788.873	8.858.683	1.131.056

b) Information on factoring receivables and provision movement:

Current Period	Commercial/Corporate Receivables	Consumer Receivables	Total	
Standard Receivables	17.623.914	-	17.623.914	
Receivables Under Follow-up	-	-	-	
Non-Performing Receivables	281.897	-	281.897	
Total	17.905.811	-	17.905.811	
Stage 1 Loan Provisions	304.024	-	304.024	
Stage 2 Loan Provisions	-	-	-	
Stage 3 Loan Provisions	181.128	-	181.128	
Total Provision	485.152	-	485.152	
Standard Receivables (Net)	17.319.890	-	17.319.890	
Receivables Under Follow-up (Net)	-	-	-	
Non-Performing Receivables (Net)	100.769	-	100.769	
Net Balance on Balance Sheet	17.420.659	-	17.420.659	
Prior Period	Commercial/Corporate Receivables	Consumer Receivables	Total	
Standard Receivables	9.841.765	-	9.841.765	
Receivables Under Follow-up	-	-	-	
Non-Performing Receivables	147.974	-	147.974	
Total	9.989.739	-	9.989.739	
Stage 1 Loan Provisions	69.904	-	69.904	
Stage 2 Loan Provisions	-	-	-	
Stage 3 Loan Provisions	86.834	-	86.834	
Total Provision	156.738	-	156.738	
Standard Receivables (Net)	9.771.861	-	9.771.861	
Receivables Under Follow-up (Net)	-	-	-	
Non-Performing Receivables (Net)	61.140	-	61.140	
Net Balance on Balance Sheet	9.833.001	-	9.833.001	
Current Period	Stage 1	Stage 2	Stage 3	Total
Period Beginning Balance	69.904	-	86.834	156.738
Additions	393.586	-	96.006	489.592
Transfer to Stage 1	(42)	-	42	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Collections (-)	159.424	-	1.754	161.178
Sold (-)	-	-	-	-
Write-offs (-)	-	-	-	-
Period end Balance	304.024	-	181.128	485.152
Prior Period	Stage 1	Stage 2	Stage 3	Total
Period Beginning Balance	87.370	-	31.281	118.651
Additions	142.998	-	60.725	203.723
Transfer to Stage 1	(1.465)	-	1.465	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Collections (-)	158.999	-	6.637	165.636
Sold (-)	-	-	-	-
Write-offs (-)	-	-	-	-
Period end Balance	69.904	-	86.834	156.738

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(12) Information on derivative financial assets for hedging purposes:

None. (31 December 2024: None.)

(13) Information on tangible assets:

	Current Period	Balance at the end of the prior period	Additions	Revaluation Increase	Disposals (-)	Transfer	Balance at the end of the period
Cost:							
Immovable		37629.664	8.061.645	25.215.988	1.974.311	(5.432.403)	63.500.583
Right of use assets – Immovable		5.324.252	4.076.936	-	836.412	-	8.564.776
Right of use assets – Movable		669.271	1.162.186	-	869.926	-	961.531
Office machines		4.940.358	2.077.251	-	383.692	-	6.633.917
Fixed assets obtained due to non-performing loans		3.454.017	7.975.578	-	1.550.635	-	9.878.960
Lease hold improvements costs		4.761.840	2.283.968	-	19.676	-	7.026.132
Other		1.906.176	2.491.176	-	115.081	-	4.282.271
Total Cost		58.685.578	28.128.740	25.215.988	5.749.733	(5.432.403)	100.848.170
Accumulated depreciation (-)							
Immovable		2.900.057	354.710	3.654.801	2.570.306	-	4.339.262
Right of use assets – Immovable		1.950.840	607.606	-	872.740	-	1.685.706
Right of use assets – Movable		227.049	369.612	-	141.599	-	455.062
Office machines		2.431.993	1.166.149	-	99.310	-	3.498.832
Fixed assets obtained due to non-performing loans		378.29	216.448	-	101.175	-	153.102
Lease hold improvements costs		1.294.736	1.142.543	-	22.616	-	2.414.663
Other		658.596	423.089	-	23.332	-	1.058.353
Total Accumulated Depreciation		9.501.100	4.280.157	3.654.801	3.831.078	-	13.604.980
Provision for impairment (-)							
Immovable		92.431	-	107.756	-	-	200.187
Fixed assets obtained due to non-performing loans		-	-	-	-	-	-
Total provision for impairment (-)		92.431	-	107.756	-	-	200.187
Net Book Value		49.092.047	23.848.583	21.453.431	1.918.655	(5.432.403)	87.043.003

	Balance at the end of the prior period	Additions	Revaluation Increase	Disposals (-)	Transfer	Balance at the end of the period	
Prior Period Cost:							
Immovable		23.434.379	1.558.704	13.017.555	380.974	-	37.629.664
Right of use assets – Immovable		3.266.259	2.493.664	-	435.671	-	5.324.252
Right of use assets – Movable		170.295	584.365	-	85.389	-	669.271
Office machines		3.379.002	1.785.637	-	224.281	-	4.940.358
Fixed assets obtained due to non-performing loans		3.422.100	2.019.182	-	1.987.265	-	3.454.017
Lease hold improvements costs		2.414.763	2.370.537	-	23.460	-	4.761.840
Other		1.276.262	791.450	-	161.536	-	1.906.176
Total Cost		37.363.060	11.603.539	13.017.555	3.298.576	-	58.685.578
Accumulated depreciation (-)							
Immovable		1.784.935	227.183	898.380	10.441	-	2.900.057
Right of use assets – Immovable		1.264.590	904.071	-	217.821	-	1.950.840
Right of use assets – Movable		98.129	194.847	-	65.927	-	227.049
Office machines		1.756.436	747.580	-	72.023	-	2.431.993
Fixed assets obtained due to non-performing loans		15.423	35.505	-	13.099	-	37.829
Lease hold improvements costs		689.737	620.570	-	15.571	-	1.294.736
Other		519.004	179.488	-	39.896	-	658.596
Total Accumulated Depreciation		6.128.254	2.909.244	898.380	434.778	-	9.501.100
Provision for impairment (-)							
Immovable		49.560	-	54.314	11.443	-	92.431
Fixed assets obtained due to non-performing loans		278	-	-	278	-	-
Total provision for impairment (-)		49.838	-	54.314	11.721	-	92.431
Net Book Value		31.184.968	8.694.295	12.064.861	2.852.077	-	49.092.047

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(14) Information on intangible assets:

	Balance at the end of the prior period	Additions	Disposals (-)	Transfer	Balance at the end of the period
Current Period					
Cost:					
Goodwill	-	-	-	-	-
Other intangible assets	5.599.030	4.029.159	313.357	-	9.314.832
Total Cost	5.599.030	4.029.159	313.357	-	9.314.832
Accumulated Depreciation (-)					
Goodwill	-	-	-	-	-
Other intangible assets	2.147.868	1.433.634	361	-	3.581.141
Total Accumulated Depreciation	2.147.868	1.433.634	361	-	3.581.141
Net Book Value	3.451.162	2.595.525	312.996	-	5.733.691

	Balance at the end of the prior period	Additions	Disposals (-)	Transfer	Balance at the end of the period
Prior Period					
Cost:					
Goodwill	-	-	-	-	-
Other intangible assets	3.501.255	2.193.643	95.868	-	5.599.030
Total Cost	3.501.255	2.193.643	95.868	-	5.599.030
Accumulated Depreciation (-)					
Goodwill	-	-	-	-	-
Other intangible assets	1.399.614	757.302	9.048	-	2.147.868
Total Accumulated Depreciation	1.399.614	757.302	9.048	-	2.147.868
Net Book Value	2.101.641	1.436.341	86.820	-	3.451.162

(15) Information on investment property:

	Current Period	Prior Period
Balance at the beginning of the period	25.350.087	15.087.803
Movements during the period	24.380.781	10.262.284
Purchase	3.214.865	722.291
Sales	(2.844.159)	(1.072)
Transfer ⁽¹⁾	5.432.403	-
Revaluation increase/decrease	18.577.672	9.541.065
Balance at the end of the period	49.730.868	25.350.087

⁽¹⁾ The Parent Bank has reclassified a real estate property previously classified as Property, Plant and Equipment to Investment Property due to a change in its intended use.

While the Group accounts for its investment properties by allocating accumulated depreciation and permanent impairment provision, if any, from their purchase cost values, it has changed its accounting policy as of November 2023 and adopted the fair value method within the scope of TAS 40 Investment Properties Standard for investment properties. Accordingly, Group has an independent valuation firm that carries out the valuation report for its investment properties and recognizes the changes in fair value in the profit or loss accounts in the period in which they occur.

(16) Information on deferred tax assets:

	Current Period	Prior Period
Deferred Tax Asset /(Liability)		
Provisions ⁽¹⁾	12.067.381	10.686.922
Revaluation of Financial Assets	(24.104.729)	(9.888.345)
Other	22.189.485	20.000.635
Deferred Tax Asset /(Liability) ⁽²⁾	10.152.137	20.799.212

	Deferred tax accounted under shareholders’ equity	
Fair value through other comprehensive income arising from securities’ internal efficiency-stock market difference	1.136.573	2.224.126
Actuarial gains/losses	888.692	1.034.389
Valuation of subsidiaries	(9.925.585)	(3.383.608)

⁽¹⁾ Includes reserve for employee benefits and other provisions.

⁽²⁾ Net deferred tax assets amounting to TRY 10.152.137 (31 December 2024: TRY 20.799.212) consists of deferred tax assets which amounting to TRY 19.380.129 (31 December 2024: TRY 23.849.997) and deferred tax liabilities amounting to TRY 9.227.992 (31 December 2024: TRY 3.050.785).

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

I. EXPLANATIONS AND NOTES RELATED TO THE ASSETS (continued)

(17) Information on assets held for sale and held from discontinued operations:

	Current Period	Prior Period
Cost	212	1.034
Accumulated Depreciation (-)	-	-
Net book value	212	1.034
Opening Balance	1.034	3.522
Acquisition	-	-
Transfer (Net)	-	-
Disposals (Net)	(822)	(2.488)
Revaluation Increase	-	-
Impairment (-) / Reversal	-	-
Depreciation (-)	-	-
Closing net book value	212	1.034

(18) Information on other assets:

Other assets balance in the balance sheet amounts to TRY 116.834.221 and does not exceed 10% of the balance sheet total (31 December 2024: TRY 69.760.386).

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES

(1) Information on deposit / funds collected:

a) Information on maturity structure of deposits / funds collected^(*):

Current Period									
	Demand	7 day call accounts	Up to 1 month	1-3 months	3-6 months	6 months to 1 year	1 year and over	Accumulating Deposits Accounts	Total
Saving deposits	66.091.355	-	37.967182	594.969.973	137.788.391	1.342.905	1.692.681	167.806	840.020.293
Foreign currency deposits	313.360.885	-	80.033.835	312.327.025	54.694.729	40.811.543	29.135.106	33.590	830.396.713
Residents in Türkiye	230.397.249	-	58.873.433	284.603.214	34.415.591	13.964.938	13.858.742	32.685	636.145.852
Residents abroad	82.963.636	-	21.160.402	27.723.811	20.279.138	26.846.605	15.276.364	905	194.250.861
Public sector deposits	44.447.525	-	119.206.645	40.976.883	3.472.609	1.810.897	425.800	-	210.340.359
Commercial inst. deposits	118.468.819	-	225.184.397	350.577.488	70.946.372	11.548.628	256.173	-	776.981.877
Other inst. deposits	12.352.921	-	16.251.821	114.623.597	35.473.854	5.269.092	230.935	-	184.202.220
Precious metals	249.172.955	-	171.215	29.727.610	2.614.571	749.960	457.934	-	282.894.245
Interbank deposits	240.121.120	-	125.427.115	116.172.344	266.916	493	1.014.398	-	483.002.386
CBRT	21.227	-	-	-	-	-	-	-	21.227
Domestic banks	1.279.263	-	106.957.374	67.089.727	229.362	-	-	-	175.555.726
Foreign banks	208.736.077	-	1.452.491	49.082.617	37.554	493	1.014.398	-	260.323.630
Participation banks	30.084.553	-	17.017.250	-	-	-	-	-	47.101.803
Total	1.044.015.580	-	604.242.210	1.559.374.920	305.257.442	61.533.518	33.213.027	201.396	3.607.838.093

^(*) As of 31 December 2025, the Parent Bank has a total of TRY 4.689.122 without accruals FC indexed TRY deposit instrument of which published by the CBRT and Ministry of Treasury and Finance.

Prior Period									
	Demand	7 day call accounts	Up to 1 month	1-3 months	3-6 months	6 months to 1 year	1 year and over	Accumulating Deposits Accounts	Total
Saving deposits	43.122.261	-	17.579.124	377.027.263	290.068.600	9.406.341	3.098.242	143.210	740.445.041
Foreign currency deposits	214.953.442	-	49.445.032	201.349.968	38.763.979	23.210.488	25.645.152	31.754	553.399.815
Residents in Türkiye	157.379.909	-	35.409.610	183.306.654	29.493.617	6.103.787	12.378.170	31.088	424.102.835
Residents abroad	57.573.533	-	14.035.422	18.043.314	9.270.362	17.106.701	13.266.982	666	129.296.980
Public sector deposits	27.303.098	-	8.430.178	18.190.715	11.933.940	628.480	11.079	-	66.497.490
Commercial inst. deposits	80.880.900	-	164.043.332	213.213.272	103.344.416	7.000.808	4.422.137	-	572.904.865
Other inst. deposits	8.113.691	-	7.537.040	65.479.199	33.582.399	14.412.054	54.931	-	129.179.314
Precious metals	98.496.855	-	72.704	15.525.905	1.020.079	423.413	322.100	-	115.861.056
Interbank deposits	162.813.252	-	66.752.386	50.222.961	1.683.944	493.520	366.811	-	282.332.874
CBRT	13.507	-	-	-	-	-	-	-	13.507
Domestic banks	1.113.035	-	49.539.858	25.317.797	1.633.651	12.587	-	-	77.616.928
Foreign banks	161.686.710	-	6.348.061	24.905.164	50.293	480.933	366.811	-	193.837.972
Participation banks	-	-	10.864.467	-	-	-	-	-	10.864.467
Total	635.683.499	-	313.859.796	941.009.283	480.397.357	55.575.104	33.920.452	174.964	2.460.620.455

^(*) As of 31 December 2024, the Parent Bank has a total of TRY 166.842.496 without accruals FC indexed TRY deposit instrument of which published by the CBRT and Ministry of Treasury and Finance.

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(1) Information on deposit / funds collected: (continued)

b) Information on saving deposits in the scope of Saving Deposits Insurance Fund:

b.1. Amounts exceeding insurance limit:

b.1.1. Saving deposits under the guarantee of deposit insurance and exceeding the insurance limit:

Saving Deposits ⁽⁴⁾	Under the guarantee insurance		Exceeding the insurance limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving deposits	253.697.150	186.351.060	582.917.707	552.799.325
Foreign currency saving deposits	120.060.051	87.087.942	284.682.937	181.515.249
Other deposits in the form of saving deposits	109.853.116	59.340.316	128.886.497	42.686.712
Foreign branches’ deposits under foreign authorities’ insurance	6.955.260	4.406.401	-	-
Off-shore banking regions’ deposits under foreign authorities’ insurance	-	-	-	-

⁽⁴⁾ Within the scope of the SDIF Fund Board Decision published in the Official Gazette dated 7 December 2024 and numbered 32745, deposit amount subject to insurance which was TRY 650 as of 2024 has been determined as TRY 950, starting from the beginning of the 2025 calendar year.

All deposit and participation funds have been covered by insurance except official institutions, credit institutions and financial institutions in accordance with the “Amendment of Regulation on the Insurable Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund” published in the Official Gazette dated 27 August 2022 and numbered 31936. In this scope, the balance of commercial deposits of the Parent Bank subject to insurance is TRY 90.593.025. This amount is not included at the above table that includes the insurance and exceeding the insurance limit saving deposit informations.

b.1.2. Saving deposits at foreign branches are excluded from the scope of Saving Deposits Insurance Fund according to the related legislation, and are subject to insurance of foreign authorities in compliance with the foreign legislations.

c) Saving deposits which are not under the guarantee of deposit insurance fund:

	Current Period	Prior Period
Foreign branches’ saving deposits and other accounts	434.858	900.174
Deposits and other accounts belonging to dominant partners as well as their fathers, mothers, spouses and children under their custody	-	-
Deposits and other accounts belonging to the chairman and members of the board of directors, general managers and deputy general managers as well as their fathers, mothers, spouses and children under their custody	58.548	58.214
Deposits and other accounts covered by assets generated through the offenses mentioned in Article 282 of the Turkish Penal Code No.5237 and dated 26 September 2004	-	-
Deposits in the banks to be engaged exclusively in offshore banking in Türkiye	-	-

(2) Information on derivative financial liabilities:

Negative differences table related to the derivative financial liabilities:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Forward transactions	-	1.280.492	-	1.108.679
Swap transactions	-	1.489.964	-	1.385.029
Future transactions	-	-	-	-
Options	-	8.002	-	43
Other	-	-	-	-
Total	-	2.778.458	-	2.493.751

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(3) Information on funds borrowed:

a) Information on banks and other financial institutions:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Funds borrowed from CBRT	-	-	-	-
Domestic banks and institutions	1.927.815	19.687.225	4.380.802	7.348.326
Foreign banks, institutions and funds	1.637.145	92.958.782	19.357.297	33.384.384
Total	3.564.960	112.646.007	23.738.099	40.732.710

b) Maturity structure of funds borrowed:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Short-term	2.469.982	28.288.688	22.889.399	6.779.705
Medium and long-term	1.094.978	84.357.319	848.700	33.953.005
Total	3.564.960	112.646.007	23.738.099	40.732.710

c) Additional disclosures related to the concentrations of the Group’s major liabilities:

Concentrations, fund providing customers, sector groups and other criteria where risk contentration is observed:

Main liability of the Group is deposits, which is composed of 23,28% of saving deposits and 23,02% of foreign currency deposits. In order to fulfill the short term liquidity requirements, the Group borrows loans from interbank money markets.

The Group’s 59,25% of bank deposits and 35,63% of other deposits consist of foreign currency deposits.

(4) Securities issued (Net):

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Bills	3.242.154	-	4.836.295	-
Bonds	-	-	-	-
Assets Backed Securities	18.518.326	-	7.356.688	-
Total	21.760.480	-	12.192.983	-

(5) Explanations to the funds:

Funds are granted as loans in conformity with the protocols between the Parent Bank and fund owner ministry or institutions. These funds include funds from the Ministry of Industry and Technology, Ministry of Treasury and Finance, and other funds.

Maturity structure of funds:

	Current Period	Prior Period
Short Term	1.629	711
Long Term	441.286	926.376
Total	442.915	927.087

(5) Information on other liabilities:

Other liabilities balance in the balance sheet amounts to TRY 137.990.614 and does not exceed 10% of the balance sheet total (31 December 2024: TRY 98.524.825).

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(6) Information on finance lease payables (Net):

a) The general explanations on criteria used in determining installments of financial lease agreements, renewal and purchasing options and restrictions in the agreements that create significant obligations to the Parent Bank:

In the financial lease agreements, installments are based on useful life, usage periods and provisions of the related accounting standards.

b) Explanation on finance lease payables:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Up to 1 year	-	-	-	-
1 - 4 years	4.618	4.207	-	-
More than 4 years	-	-	-	-
Total	4.618	4.207	-	-

c) Explanations on operational leases:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Up to 1 year	363.628	307.491	293.300	247.191
1 - 4 years	1.909.285	1.309.602	1.497.157	1.010.321
More than 4 years	10.185.331	7.017.152	5.665.543	2.966.208
Total	12.458.244	8.634.245	7.456.000	4.223.720

(7) Information on derivative financial liabilities for hedging purposes:

None. (31 December 2024: None.)

(8) Explanations on provisions:

a) Provisions for the foreign currency losses on the principal amount of foreign currency indexed loans and finance lease receivables:

As of 31 December 2025 the Group does not have a provision amount of the currency differences on foreign currency indexed loans and finance lease receivables (31 December 2024: None).

b) Specific provisions provided for unindemnified and unfunded non-cash loans:

As of 31 December 2025, the Group's stage 3 expected credit losses for unindemnified and unfunded non-cash loans balance is TRY 694.187. (31 December 2024: TRY 386.979).

c) Information on other provisions:

Total other provision balance amounting to TRY 4.655.462 (31 December 2024: TRY 3.147.228) consists of TRY 694.187 (31 December 2024: TRY 386.979) for stage 3 expected credit losses of unindemnified and unfunded non-cash loans, TRY 2.910.214 (31 December 2024: TRY 2.289.507) for stage 1 and stage 2 expected credit loss amount of non-cash loans, TRY 174.820 (31 December 2024: TRY 170.779) for legal cases filed against the Group, and TRY 876.241 (31 December 2024: TRY 299.963) of other provisions.

d) Movement of employee termination benefits:

Severance indemnity provision of the Parent Bank as of 31 December 2025 is calculated by an independent company by using the actuarial conjectures.

The amount calculated for the employee termination benefits of the Parent Bank as a result of the actuarial valuation according to TAS 19, is as follows;

	Current Period	Prior Period
Inflation Rate	23,38%	23,33%
Discount Rate	28,93%	28,70%
Estimated Real Wage Growth Rate	Inflation Rate + 0,2% ^(*)	11,54% / 23,53% ^(**)

(*) For the year 2026, used 0.2% above the inflation rate.

(**) For the first half of the 2025, a utilization rate of 11,54% is applied, while a rate of 23,53% is used for subsequent periods/years.

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(9) Explanations on provisions: (continued)

d) Movement of employee termination benefits: (continued)

Calculated amounts as a result of actuarial conjectures are as follows:

	Current Period	Prior Period
As of 1 January	5.647.616	4.497.855
Charge for the year	766.942	609.043
Interest Expense	1.552.758	1.070.100
Actuarial gain/loss	(477.101)	764.664
Prior period service cost composed current period	6.172	285
Payment/The limitation of benefits/ Loss (Gain) therefore discharge	5.194	3.075
Benefits paid within the period (-)	(278.385)	(1.297.406)
Total	7.223.196	5.647.616

e) Liabilities for employee benefits:

Total employee benefits provision amounting to TRY 9.986.071 (31 December 2024: TRY 7.084.398) consists of TRY 2.382.218 (31 December 2024: TRY 1.206.445) for unused vacation accruals, TRY 6.581.637 (31 December 2024: TRY 5.266.718) for severance indemnity provision for Group personnel, TRY 641.559 (31 December 2024: TRY 380.898) for severance indemnity provision for outsources, and TRY 380.657 (31 December 2024: TRY 230.337) for other personnel provision.

The Group's accounts for actuarial gains / losses under equity commencing from 1 January 2013.

f) Liabilities arising from retirement benefits:

f.1. Liabilities of pension funds founded as per the Social Security Institution:

None.

f.2. Liabilities resulting from all kinds of pension funds, foundations etc. which provide post-retirement benefits for the employees:

Based on the results of the actuarial reports prepared as of 31 December 2025, it was determined that there is no technical deficit for Türkiye Halk Bankası AŞ Emekli Sandığı and T.C. Ziraat Bankası ve Türkiye Halk Bankası Çalışanları Emekli Sandığı Vakfı.

The above mentioned actuarial review, which was made in accordance with the principles of the related law, measures the present value of the liability as of 31 December 2025, in other words; it measures the amount to be paid to the Social Security Institution by the Parent Bank. Actuarial assumptions used in the calculation are given below.

Assumptions	Current Period	Prior Period
Discount Rate	9,80%	9,80%
Mortality Rate	CSO 1980 women/men	CSO 1980 women/men

T. Halk Bankası Çalışanları Emekli Sandığı Vakfı, ("Fund") which was established by 20th provisional article of Social Security Law numbered 506. As of 31 December 2025, the number of personnel who benefit from the Fund is 44.242 (31 December 2024: 43.130 personnel).

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(9) Explanations on provisions: (continued)

f) Liabilities arising from retirement benefits: (continued)

f.2. Liabilities resulting from all kinds of pension funds, foundations etc. which provide post-retirement benefits for the employees: (continued)

Below table shows the present values of premiums and salary payments as of 31 December 2025, by taking into account the health expenses within the Social Security Institution limits.

Transferable Pension and Medical Benefits:	Current Period	Prior Period
Net Present Value of Total Liabilities Other Than Health	(61.967.070)	(40.250.568)
Net Present Value of Long Term Insurance Line Premiums	77.618.017	40.814.221
Net Present Value of Total Liabilities Other Than Health	15.650.947	563.653
Net Present Value of Health Liabilities	(8.320.561)	(6.233.013)
Net Present Value of Health Premiums	46.177.909	25.492.263
Net Present Value of Health Liabilities	37.857.348	19.259.250
Pension Fund Assets	42.555.268	25.377.367
General Administration Expenses (1%)	(702.876)	(464.836)
Amount of Actuarial and Technical Deficit	95.360.687	44.735.434
Total Assets	Current Period	Prior Period
Banks	31.789.135	20.540.171
Marketable Securities	6.752.940	1.939.538
Property and Equipment	1.480.953	1.222.987
Other	2.532.240	1.674.671
Total	42.555.268	25.377.367

On the other hand, after the transfer, the currently paid health benefits will be revised within the framework of the Social Security Institution legislation and related regulations.

Change in Assumptions (%)			
Assumptions	Death Benefits	Medical Benefits	Total
Discount rate 1%	(15,60%)	(17,90%)	(17,90%)
Discount rate (1%)	20,10%	23,60%	23,60%
Inflation rate 1%	21,00%	29,10%	29,10%
Inflation rate (1%)	(16,30%)	(21,30%)	(21,30%)

g) Insurance Technical Provisions (Net):

	Current Period	Prior period
Life-Mathematical Provisions	461.568	260.249
Provision for outstanding claims	390.935	292.894
Other	-	2.328
Total	852.503	555.471

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(9) Explanations related to tax liabilities:

a) Information on current tax liability:

a.1. Information on tax provision:

As of 31 December 2025, the Group’s calculated current tax liability is amounting to TRY 2.042.479 and recognized under corporate tax provision account as of the mentioned date (31 December 2024: TRY 866.392)

a.2. Information on taxes payable:

	Current Period	Prior Period
Corporate tax payable	2.042.479	866.392
Income on securities tax	11.208.057	4.977.394
Property income tax	24.214	14.680
Banking and insurance transactions tax (BITT)	3.358.775	2.435.237
Foreign exchange transactions tax	72.459	22.521
Value added tax payable	18.741	21.321
Other	1.369.462	773.441
Total	18.094.187	9.110.986

a.3. Information on premiums:

	Current Period	Prior Period
Social insurance premiums-employee	10.041	5.603
Social insurance premiums-employer	13.512	7.607
Bank social aid pension fund premium-employee	383.430	205.145
Bank social aid pension fund premium-employer	571.193	306.385
Pension fund membership fees and provisions-employee	-	-
Pension fund membership fees and provisions-employer	-	-
Unemployment insurance-employee	28.227	15.055
Unemployment insurance-employer	56.425	30.221
Other	11.968	7030
Total	1.074.796	577.046

b) Explanations related to deferred tax liability:

It is explained in the 16th footnote of Section Five, Explanations And Notes Related To The Assets.

(10) Information on liabilities regarding non-current assets held for sale and discontinued operations:

None (31 December 2024: None).

(11) Explanations on the number of subordinated loans the Group used maturity, interest rate, institutions that the loan was borrowed from, and conversion option, if any^(*):

	Current Period		Prior Period	
Information on Subordinated Loans	TRY	FC	TRY	FC
To be included in the calculation of additional capital borrowings instruments	17.108.662	42.955.243	16.577.458	-
Subordinated loans	17.108.662	-	16.577.458	-
Subordinated debt instruments	-	42.955.243	-	-
Debt instruments to be included in contribution capital calculation	33.295.135	-	33.606.846	-
Subordinated loans	-	-	-	-
Subordinated debt instruments	33.295.135	-	33.606.846	-
Total	50.403.797	42.955.243	50.184.304	-

(*) Detailed information is disclosed in Section Four Footnote I.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(12) Information on shareholders’ equity

a) Presentation of paid-in capital:

	Current Period	Prior Period
Common stock	7.184.778	7.184.778
Preferred stock	-	-

b) Application of registered capital system and registered capital ceiling amount:

There is an appplication of registered capital system and registered capital ceiling amount is TRY 30.000.000.

c) Information on share capital increases and their sources; other information on increased capital shares in the current period:

None.

d) Information on additions from capital reserves to capital in the current period:

None.

e) Capital commitments in the last fiscal year and at the end of the following interim period, the general purpose of these commitments and projected resources required to meet these commitments:

None.

f) Information on the Parent Bank’s acquired shares:

Between 1 January 2025 – 31 December 2025, a total of TRY 3.500 nominal worth of share buybacks were carried out, and no share sales were made.

g) Indicators of the Group’s income, profitability and liquidity for the previous periods and possible effects of these future assumptions on the Group’s equity due to the uncertainty of these indicators:

The Group has sustainable profitability and equity structure. There are no uncertainties that would impact the current position.

h) Information on preferred shares:

None.

i) Information on marketable securities revaluation fund:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
From subsidiaries, associates and jointly controlled entities (joint ventures)	15.040	7.497.103	15.040	3.733.735
Valuation differences	15.040	-	15.040	-
Exchange rate difference	-	7.497.103	-	3.733.735
Financial assets at fair value through other comprehensive income	(5.322.875)	2.606.782	(6.276.513)	332.043
Valuation differences	(6.776.704)	4.060.611	(6.276.513)	923.524
Exchange rate difference	1.453.829	(1.453.829)	-	(591.481)
Total	(5.307.835)	10.103.885	(6.261.473)	4.065.778

j) Information on Profit Distribution:

The Ordinary General Assembly Meeting of the Parent Bank was held on 25 April 2025. At the General Assembly Meeting, it was decided to transfer the remaining amount of TRY 14.350.180 to extraordinary reserves, after allocating TRY 755.273 of the unconsolidated net profit amounting to TRY 15.105.453 from the activities of the year 2025 as general legal reserves.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

II. EXPLANATIONS AND NOTES RELATED TO THE LIABILITIES (continued)

(13) Information on shareholders’ equity: (continued)

k) Information on Legal Reserves:

	Current Period	Prior Period
I. Legal Reserve	5.077.622	3.575.565
II. Legal Reserve	948.669	788.348
Special Reserves	2.046.961	971.362
Share Buyback Reserve Fund	1.243.639	1.169.931
Total	9.316.891	6.505.206

l) Information on Extraordinary Reserves:

	Current Period	Prior Period
Legal reserves that was allocated to be in compliance with the decisions made on the Annual General Assembly	66.217.303	50.025.890
Retained Earnings	9.051.906	1.177.525
Accumulated Losses	-	-
Exchange Rate Difference on Foreign Currency Capital (-)	-	-
Total	75.269.209	51.203.415

(14) Information on minority interest shares:

	Current Period	Prior Period
Opening Balance	3.377.150	2.070.949
Dividends Paid	(2.938)	(11.061)
Non-controlling Interests in Subsidiaries’ Net Profit/Loss for the Period	1.790.095	1.189.225
Effect of Changes in Subsidiaries’ Equity	(585.182)	128.037
Closing Balance	4.579.125	3.377.150

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

III. EXPLANATIONS AND NOTES RELATED TO THE OFF-BALANCE SHEET ITEMS

(1) Information on off-balance sheet liabilities:

a) Amount and nature of irrevocable loan commitments:

Types of irrevocable commitments	Current Period	Prior Period
Commitments for credit card expenditure limits	346.973.832	185.180.994
Payment commitments for cheques	38.797.420	30.831.741
Loan granting commitments	30.674.354	24.627.013
Forward asset purchase and sale commitments	76.581.004	7.532.423
Forward deposit purchase and sale commitments	-	-
Commitments for credit cards and banking services promotions	426.744	243.446
Tax and fund liabilities from export commitments	1.342.798	1.224.652
Share capital commitments to associates and subsidiaries	-	-
Other irrevocable commitments	83.801.544	53.968.504
Total	578.597.696	303.608.773

b) Amount and nature of probable losses and commitments from the off-balance sheet items:

b.1. Non-cash loans including bank bill guarantees and acceptances, guarantees substituting financial guarantees and other letters of credit:

	Current Period	Prior Period
Letters of credit	49.967.212	19.439.047
Bank acceptances	78.546.876	55.198.376
Other guarantees	55.642.341	36.575.495
Total	184.156.429	111.212.918

b.2. Certain guarantees, tentative guarantees, sureties and similar transactions:

	Current Period	Prior Period
Letters of certain guarantees	170.289.610	112.757.973
Letters of advance guarantees	31.319.637	23.779.476
Letters of tentative guarantees	18.219.373	8.923.483
Letters of guarantee given to customs offices	27.970.672	21.213.680
Other letters of guarantee	772.594.122	540.045.338
Total	1.020.393.414	706.719.950

c) Information on non-cash loans:

c.1. Total non-cash loans:

	Current Period	Prior Period
Non-cash loans for providing cash loans	179.361.982	122.759.940
<i>Within one year or less original maturity</i>	18.411.457	15.274.837
<i>Within more than one year maturity</i>	160.950.525	107.485.103
Other non-cash loans	1.025.187.861	695.172.928
Total	1.204.549.843	817.932.868

TÜRKİYE HALK BANKASI AŞ

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

III. EXPLANATIONS AND NOTES RELATED TO THE OFF-BALANCE SHEET ITEMS (continued)

c) Information on non-cash loans: (continued)

c.2. Sectoral risk concentration of non-cash loans:

	Current Period				Prior Period			
	TRY	(%)	FC	(%)	TRY	(%)	FC	(%)
Agriculture	2.662.407	0,34	187.456	0,05	1.586.816	0,27	144.392	0,05
<i>Farming and Stockbreeding</i>	1.332.280	0,17	81.107	0,02	961.597	0,16	64.325	0,02
<i>Forestry</i>	257.106	0,03	-	-	192.253	0,03	-	-
<i>Fishery</i>	1.073.021	0,14	106.349	0,03	432.966	0,08	80.067	0,03
Manufacturing	195.518.802	24,89	170.831.175	40,74	149.358.072	27,06	115.661.259	43,49
<i>Mining and Quarrying</i>	13.502.957	1,72	3.081.161	0,73	7.800.465	1,41	2.533.131	0,95
<i>Production</i>	173.261.745	22,06	155.019.032	36,97	136.335.415	24,70	102.682.948	38,61
<i>Electricity, Gas and Water</i>	8.754.100	1,11	12.730.982	3,04	5.222.192	0,95	10.445.180	3,93
Construction	282.366.317	35,96	126.764.643	30,22	183.632.974	33,27	82.770.367	31,12
Services	300.309.169	38,25	118.894.258	28,37	211.583.738	38,34	64.501.270	24,27
<i>Wholesale and Retail Trade</i>	189.713.137	24,16	59.144.529	14,11	135.352.945	24,52	36.008.178	13,54
<i>Accommodation and Dining</i>	16.962.701	2,16	10.714.292	2,56	14.004.337	2,54	10.151.906	3,82
<i>Transportation and Telecom.</i>	12.889.362	1,64	16.135.603	3,85	8.444.849	1,53	4.562.613	1,72
<i>Financial Institutions</i>	33.484.486	4,26	8.368.805	2,00	19.913.094	3,61	2.413.001	0,91
<i>Real Estate and Rental Services</i>	40.565.281	5,17	23.635.702	5,64	29.283.898	5,31	10.525.695	3,96
<i>Professional Services</i>	217.992	0,03	519.658	0,12	119.356	0,02	561.612	0,21
<i>Educational Services</i>	2.035.700	0,26	230.994	0,06	914.209	0,17	176.557	0,07
<i>Health and Social Services</i>	4.440.510	0,57	144.675	0,03	3.551.050	0,64	101.708	0,04
Other	4.429.358	0,56	2.586.258	0,62	5.836.249	1,06	2.857.731	1,07
Total	785.286.053	100,00	419.263.790	100,00	551.997.849	100,00	265.935.019	100,00

c.3. Non-cash loans classified under I. and II. Group

Current Period	Group I		Group II	
	TRY	FC	TRY	FC
Non-Cash Loans	772.080.412	394.480.162	10.856.858	19.102.171
Letters of Guarantee	643.091.229	342.949.015	10.251.675	17.547.012
Bills of Exchange and Bank Acceptances	72.844.866	5.080.327	605.183	-
Letters of Credit	597.496	46.355.787	-	1.555.159
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Guarantees and Sureties	55.546.821	95.033	-	-

Prior Period	Group I		Group II	
	TRY	FC	TRY	
Non-Cash Loans	541.699.382	245.180.321	8.539.257	19.309.952
Letters of Guarantee	451.304.001	224.880.858	8.269.175	19.066.697
Bills of Exchange and Bank Acceptances	53.784.767	1.139.027	270.082	-
Letters of Credit	194.998	19.000.794	-	243.255
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Guarantees and Sureties	36.415.616	159.642	-	-

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

III. EXPLANATIONS AND NOTES RELATED TO THE OFF-BALANCE SHEET ITEMS (continued)

2) Information on derivative financial instruments:

Derivative transactions according to purposes				
	Trading Derivatives		Derivative Financial Instruments held for Risk Management	
	Current Period	Prior Period	Current Period	Prior Period
Types of trading transactions				
Foreign Currency related Derivative Transactions (I):	420.715.389	202.503.729	-	-
Currency Forwards-Purchases/Sales	109.576.559	116.155.279	-	-
Currency Swaps-Purchases/Sales	301.049.386	85.638.433	-	-
Currency Futures-Purchases/Sales	-	-	-	-
Currency Options-Purchases/Sales	10.089.444	710.017	-	-
Interest Rate related Derivative Transactions (II)	51.025.398	104.623.172	-	-
Interest Rate Contracts	-	-	-	-
Interest Rate Swaps-Purchases/Sales	51.025.398	104.623.172	-	-
Interest Rate Options-Purchases/Sales	-	-	-	-
Interest Rate Futures-Purchases/Sales	-	-	-	-
Other Trading Derivatives (III) (1)	66.415.097	15.981.219	-	-
A. Total Trading Derivatives (I+II+III)	538.155.884	323.108.120	-	-
Derivative Financial Instruments held for Risk Management	-	-	-	-
Fair Value Hedges	-	-	-	-
Cash Flow Hedges	-	-	-	-
FC investment in associates risk hedge	-	-	-	-
B. Total Derivative Financial Instruments held for Risk Management	-	-	-	-
Total Derivative Transactions (A+B)	538.155.884	323.108.120	-	-

⁽¹⁾ Other trading derivative transactions include forward precious metal purchase and sale transactions of TRY 5.471.777 and TRY 372.560; respectively.

2) Explanations related to credit derivatives and its risk exposures:

The Parent Bank has credit termly derivative transactions as part of its trading transactions. These transactions include credit default swaps which based on treasury of Türkiye Republic’s credit risk. As of 31 December 2025, the Parent Bank has credit default conditioned cross currency swap transaction amounting to USD 50 million with 5 year maturity (weighted average remaining maturity 4,1 years). In this transactions the Parent Bank sells protection.

3) Explanations on contingent liabilities and assets:

Group’s commitments for the cheques given to customers are TRY 38.797.420 (31 December 2024: TRY 30.831.741).

4) Services provided on behalf of others:

None. (31 December 2024: None.)

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(1) Information on interest income:

a) Information on interest income on loans:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Interest on loans ⁽¹⁾				
Short term loans	222.513.003	5.440.366	166.242.711	3.804.340
Medium and long term loans	259.691.483	37.295.017	231.129.990	26.852.120
Interest on non-performing loans	21.677.649	119.537	8.620.564	41.354
Premiums from resource utilization support fund	-	-	-	-
Total	503.882.135	42.854.920	405.993.265	30.697.814

(1) Includes fees and commissions obtained from cash loans.

b) Interest received from banks:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
CBRT	-	2.507.095	-	2.041.963
Domestic banks	4.151.151	3.057	1.658.742	8.047
Foreign banks	3.989.158	274.318	2.566.894	293.009
Foreign headquarters and branches	-	-	-	-
Total	8.140.309	2.784.470	4.225.636	2.343.019

c) Interest income on marketable securities:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Financial Assets at Fair Value through Profit or Loss	562.527	1.561.211	354.415	575.075
Financial Assets at Fair Value through Other Comprehensive Income	44.528.631	6.948.041	35.665.977	3.884.008
Financial Assets Measured at Amortized Cost	206.217.012	5.577.594	132.812.193	5.783.237
Total	251.308.170	14.086.846	168.832.585	10.242.320

d) Interest income from subsidiaries and associates

None. (31 December 2024: None.)

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

(2) Information on interest expenses:

a) Information on interest expense on funds borrowed: (1)

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Banks	5.017.392	4.578.613	5.058.864	1.848.926
CBRT	-	-	-	-
Domestic banks	1.549.705	969.534	2.121.339	283.944
Overseas banks	3.467.687	3.609.079	2.937.525	1.564.982
Overseas head office and branches	-	-	-	-
Other institutions	9.369.703	70.369	77.458	2.122.838
Total	14.387.095	4.648.982	5.136.322	3.971.764

⁽¹⁾ Includes fees and commissions obtained from cash loans.

b) Interest expenses to subsidiaries and associates:

	Current Period	Prior Period
Interest expenses given to subsidiaries and associates	1.577.597	964.314

c) Information on interest expenses to securities issued:

	Current Period		Prior Period	
	TRY	FC	TRY	FC
Interest on securities issued	17.114.182	1.476.939	6.659.056	-

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

(2) Information on interest expenses: (continued)

d) Maturity structure of interest expenses on deposits:

Current Period	Time deposits							Total
	Demand deposits	Up to 1 month	Up to 3 months	Up to 6 months	Up to 1 year	More than 1 year	Accumulating Deposit Accounts	
Account name								
Turkish Lira								
Bank deposits	99.510	39.690.940	15.384.259	221.864	2.730	-	-	55.399.303
Saving deposits	275	12.543.329	224.491.178	84.482.175	926.370	657.323	22.282	323.122.932
Public deposits	57	10.257.492	11.341.688	1.571.171	434.393	35.816	-	23.640.617
Commercial deposits	77	83.753.555	107.772.347	27.064.470	3.763.813	672.941	-	223.027.203
Other deposits	9	3.676.178	37.326.767	14.717.193	4.714.638	23.271	-	60.458.056
7 days call accounts	-	-	-	-	-	-	-	-
Total	99.928	149.921.494	396.316.239	128.056.873	9.841.944	1.389.351	22.282	685.648.111
Foreign currency								
Deposits	241.113	1.556.652	6.829.390	1.328.491	1.087.807	824.724	63	11.868.240
Bank deposits	2.767	19.454	1.922.563	4.580	17.519	28.284	-	1.995.167
7 days call accounts	-	-	-	-	-	-	-	-
Precious metal	-	53	11.267	1.085	450	503	-	13.358
Total	243.880	1.576.159	8.763.220	1.334.156	1.105.776	853.511	63	13.876.765
Grand total	343.808	151.497.653	405.079.459	129.391.029	10.947.720	2.242.862	22.345	699.524.876

Prior Period	Time deposits							Total
	Demand deposits	Up to 1 month	Up to 3 months	Up to 6 months	Up to 1 year	More than 1 year	Accumulating Deposit Accounts	
Account name								
Turkish Lira								
Bank deposits	159.010	26.239.843	11.095.777	223.398	318	-	-	37.718.346
Saving deposits	6	5.735.648	128.896.192	88.637.283	35.132.670	1.483.381	19.384	259.904.564
Public deposits	3	14.552.219	8.717.484	3.034.365	97.960	141.424	-	26.543.455
Commercial deposits	3	50.193.159	65.460.060	37.512.341	23.286.528	4.233.535	-	180.685.626
Other deposits	2	2.876.063	18.324.937	15.931.340	6.830.107	24.253	-	43.986.702
7 days call accounts	-	-	-	-	-	-	-	-
Total	159.024	99.596.932	232.494.450	145.338.727	65.347.583	5.882.593	19.384	548.838.693
Foreign currency								
Deposits	182.894	1.096.793	5.159.012	758.979	618.250	913.792	221	8.729.941
Bank deposits	2.055	32.242	1.497.996	48	4.862	875	-	1.538.078
7 days call accounts	-	-	-	-	-	-	-	-
Precious metal	-	248	33.772	3.976	1.712	7.059	-	46.767
Total	184.949	1.129.283	6.690.780	763.003	624.824	921.726	221	10.314.786
Grand total	343.973	100.726.215	239.185.230	146.101.730	65.972.407	6.804.319	19.605	559.153.479

(3) Information on dividend income:

	Current Period	Prior Period
Financial Assets at Fair Value Through Profit or Loss	253	229
Financial Assets at Fair Value Through other Comprehensive Income	57.233	31.586
Other	3.894	1.429
Total	61.380	33.244

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

(4) Explanations on trading profit/loss:

	Current Period	Prior Period
Profit	569.161.027	273.474.836
Profit from the capital market transactions	5.674.100	8.433.922
Profit on derivative financial transactions	58.874.624	33.114.564
Foreign exchange gains	504.612.303	231.926.350
Loss (-)	581.229.500	294.572.528
Loss from the capital market transactions	4.412.645	23.359
Loss from derivative financial transactions	48.323.221	53.168.847
Foreign exchange losses	528.493.634	241.380.322

Explanations on derivative financial instruments:

	Current Period	Prior Period
Profit on derivative financial instruments	58.874.624	33.114.564
Effect of the change in foreign exchange on profit	58.007.026	31.998.281
Effect of the change in interest rate on profit	867.598	1.116.283
Loss on derivative financial instruments (-)	48.323.221	53.168.847
Effect of the change in foreign exchange on loss	47.489.133	52.078.233
Effect of the change in interest rate on loss	834.088	1.090.614
Profit/loss on derivative financial instruments	10.551.403	(20.054.283)

(5) Information on other operating income:

	Current Period	Prior Period
Adjustments for prior period expenses	13.993.243	15.875.207
Insurance technical income	726.736	478.482
Income from the asset sale	807.473	789.952
Rent income	634.901	330.387
Other income ^(*)	23.784.021	12.158.344
Total	39.946.374	29.632.372

^(*)Other consists of valuation differences of investment properties.

(6) Information on Expected Credit Losses and other provisions:

	Current Period	Prior Period
Expected Credit Losses	38.544.281	10.139.775
12 Month Expected Credit Loss (Stage 1)	7.867.272	989.345
Significant Increase in Credit Risk (Stage 2)	4.289.415	1.075.047
Non – Performing Loans (Stage 3)	26.387.594	8.075.383
Marketable Securities Impairment Expense	-	-
Financial Assets at Fair Value through Profit or Loss	-	-
Financial Assets at Fair Value through Other Comprehensive Income	-	-
Impairment losses from associates, subsidiaries, jointly controlled entities	-	-
Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other	234.033	57.942
Total	38.778.314	10.197.717

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

IV. EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

(6) Information on other operating expenses:

	Current Period	Prior Period
Reserve for employee termination benefits	2.034.560	379.965
Bank social aid provision fund deficit provision	-	-
Fixed assets impairment expense	107.756	54.314
Depreciation expenses of fixed assets	3.888.864	2.873.739
Intangible assets impairment expense	-	-
Goodwill impairment expense	-	-
Amortization expenses of intangible assets	1.433.634	757.302
Impairment expense for equity shares subject to the equity method accounting	-	-
Impairment expense of assets to be sold	-	-
Amortization expenses of assets to be sold	216.448	35.505
Impairment expense for property and equipment held for sale	-	-
Other operating expenses	31.656.584	17.518.455
Leasing Expenses on TFRS 16 Exceptions	925.105	712.449
Maintenance expenses	1.084.858	631.472
Advertisement expenses	3.251.026	2.039.176
Other expenses ^(*)	26.395.595	14.135.358
Loss on sales of assets	2.436	1.673
Other ^(**)	20.689.002	11.089.492
Total	60.029.284	32.710.445

^(*) Other expenses mainly comprise fees related to credit card and other banking transactions.
^(**) Other consists of TRY 4.099.606 (31 December 2024: TRY 2.884.129) SDIF premium expenses, TRY 9.194.927 (31 December 2024: TRY 3.699.112) tax and fee expenses.

(7) Information on profit/loss from continuing and discontinued operations before taxes:

The Group's income before tax/loss is due from continuing activities. Net interest income is TRY 96.519.273 (31 December 2024: TRY 43.061.264), net fees and commissions income is TRY 61.847.539 (31 December 2024: TRY 41.740.995) and the profit before tax from continued operations is TRY 35.761.330 (31 December 2024: TRY 19.040.347)

(8) Information on tax provisions for continued and discontinued operations:

For the period then ended 31 December 2025, the Group's tax provision expense amounting to TRY 6.840.539 (31 December 2024: TRY 4.186.699 tax provision income) consists of TRY 3.968.691 (31 December 2024: TRY 2.502.773) of current tax charge and TRY 17.098.737 (31 December 2024: TRY 17.241.224) of deferred tax expense, TRY 14.226.889 (31 December 2024: TRY 23.930.696) of deferred tax income.

(9) Information on net operating income/expense from continued and discontinued operations after tax:

For the period then ended 31 December 2025, the Group's net operating income after tax is amounting to TRY 28.920.791. (31 December 2024: TRY 23.227.046)

(10) Information on net profit/loss:

a) If disclosure of the nature, size and recurrence rate of income and expense items arising from ordinary banking transactions is necessary to understand the bank's performance during the period, the explanation regarding the nature and amount of these items is as follows:

There is no issue to be disclosed.

b) Effects of changes in accounting estimates on the current and future periods' profit/loss:

There is no issue to be disclosed.

(12) Minority interest profit/losses:

	Current Period	Prior Period
Minority interest profit/losses	1.790.095	1.189.225

(11) Other items in the Income Statement:

The other items under Fees and Commissions Received and Fees and Commissions Paid generally consist of credit card and other banking transaction commissions.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

V. EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS’ EQUITY

Explanations on adjustment differences of equity items according to inflation:

As per the BRSA circular announced on 28 April 2005, inflation accounting applied in the banking system has been ceased as of 1 January 2005 in accordance with the BRSA decree numbered 1623 and dated 21 April 2005.

According to this circular, TRY 1.220.451 of inflation adjustment related to paid in capital was transferred to the “Other Capital Reserves” account, which was previously recognized in “Paid-in Capital Inflation Adjustment” account before 31 December 2005. However, inflation adjustments related to other equity items are presented under the related equity item.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

VI. EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED CASH FLOW STATEMENT

(1) Disclosures for the “other” and “the effect of foreign exchange differences on cash and cash equivalents” items of cash flow statement:

The “net increase/(decrease) in other liabilities” under the changes in operating assets and liabilities is resulted from the changes in the funds obtained through repurchase agreements, money market borrowings, payables from miscellaneous payables, other external funding payables and taxes, duties and premiums payables and amounts to TRY 5.998.097 decrease (31 December 2024: TRY 219.905.294 increase) for the year 2025. The “Others” item under operating income composes of fees and commissions paid, foreign exchange gains, other operating income and other operating expenses excluding employee costs, and amounts to TRY 46.773.286 decrease for the year 2025 (31 December 2024: TRY 46.570.956 decrease).

For the year ended 31 December 2025, the effect of change in foreign exchange rate on cash and cash equivalents is TRY 37.918.178 increase (31 December 2024: TRY 23.772.920 increase). The average exchange rates of last five weekdays were taken into consideration as of the balance sheet date when calculating the effect of change in the exchange rates.

(2) Items used in determination of cash and cash equivalents, accounting policies used in the determination of those items:

Cash in TRY and cash in foreign currency, Central Bank and bank deposits having maturity less than three months are defined as cash and cash equivalents.

(3) The effect of any change in accounting policies:

None.

(4) Cash and cash equivalents balance at the beginning of the period:

	Current Period	Prior Period
Cash	400.349.725	137.260.549
Cash in TRY, foreign currency and others ⁽¹⁾	19.129.382	16.166.723
Demand CBRT and Banks	381.220.343	121.093.826
Cash equivalents	13.362.403	14.261.394
Time Deposits Up to 3 Months	11.950.249	11.373.270
Money Market Placements	1.412.154	2.888.124
Total Cash and Cash Equivalents	413.712.128	151.521.943

⁽¹⁾ Other items include cheques received and precious metal.

(5) Cash and cash equivalents balance at the end of the period:

	Current Period	Prior Period
Cash	424.430.330	400.349.725
Cash in TRY, foreign currency and others ⁽¹⁾	25.747.176	19.129.382
Demand CBRT and Banks	398.683.154	381.220.343
Cash equivalents	96.770.617	13.362.403
Time Deposits Up to 3 Months	96.746.883	11.950.249
Money Market Placements	23.734	1.412.154
Total Cash and Cash Equivalents	521.200.947	413.712.128

⁽¹⁾ Other items include cheques received and precious metal.

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SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

VII. EXPLANATIONS RELATED TO THE RISK GROUP OF THE PARENT BANK

(1) Volume of the Parent Bank’s transactions with its risk group and outstanding loan and deposit balances as of the period-end, period income and expenses from the risk group:

a) Information on the loans of the Parent Bank’s risk group:

Current Period						
Bank’s risk group	Subsidiaries, associates and jointly controlled entities (joint ventures)		Direct or indirect shareholders of the Bank		Other real and legal persons in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans						
Beginning Balance	-	15.625	-	-	-	-
Closing Balance	-	68.910	-	-	-	-
Interest and commissions income	-	391	-	-	-	-
Prior Period						
Bank’s risk group	Subsidiaries, associates and jointly controlled entities (joint ventures)		Direct or indirect shareholders of the Bank		Other real and legal persons in the risk group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans						
Beginning Balance	-	4.176	-	-	-	-
Closing Balance	-	15.625	-	-	-	-
Interest and commissions income	-	115	-	-	-	-

b) Deposits held by the Parent Bank’s risk group:

Bank’s risk group	Subsidiaries, associates and jointly controlled entities (joint ventures)		Direct or indirect shareholders of the Bank		Other real and legal persons in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Beginning Balance	2.964.083	2.007.811	-	-	-	-
Closing Balance	5.211.245	2.964.083	-	-	-	-
Interest expense on deposits	1.577.597	964.314	-	-	-	-

c) Forward and option contracts and similar transactions with the Parent Bank’s risk group:

None. (31 December 2024: None.)

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

VII. EXPLANATIONS RELATED TO THE RISK GROUP OF THE PARENT BANK (continued)

(2) Disclosures for risk group of the Parent Bank:

a) The relations of the Parent Bank with the entities controlled by the Parent Bank and its related parties, regardless of whether there are any transactions or not:

In the normal course of its banking activities, the Parent Bank conducted various business transactions with related parties at commercial terms and at rates which approximate market rates.

The Parent Bank performs brokerage on the activities of Halk Yatırım Menkul Değerler AŞ within the scope of “the Brokerage Contract for Order Submission”.

b) Besides the structure of relationship, nature of the transaction, amount and ratio to the total volume of transactions, amount of major items and ratio to all items, pricing policies and other factors:

Current Period	Amount	Compared To The Amounts In The Financial Statements (%)
Cash Loans	-	-
Non-Cash Loans	68.910	<0,01
Deposits	5.211.245	0,14
Forward and Option Contracts	-	-

Prior Period	Amount	Compared To The Amounts In The Financial Statements (%)
Cash Loans	-	-
Non-Cash Loans	15.625	<0,01
Deposits	2.964.083	0,12
Forward and Option Contracts	-	-

Pricing of these transactions are in accordance with the general pricing policies of the Parent Bank and are in line with market rates.

c) In cases whereby separate disclosure is not necessary, the total of similar items in order to present the total impact on the financial statements:

Explained in b).

d) Transactions accounted under the equity method:

None. (31 December 2024: None.)

(3) Benefits given to the key management personnel:

Benefits given to the key management personnel of the Group are TRY 386.269.

(31 December 2024: TRY 244.183)

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

VIII. EXPLANATIONS ON THE PARENT BANK’S DOMESTIC BRANCHES, AGENCIES/BRANCHES ABROAD AND OFF-SHORE BRANCHES

(1) Explanations on the Parent Bank’s domestic branches, agencies/branches abroad and off-shore branches

Current Period	Quantity	Number of Employees	Countries		
Domestic Branch	1.097	22.444			
Abroad Agencies	1	1	IRAN		
	1	2	ENGLAND		
				Total Assets	Statutory Capital
Overseas Branch	7	124	T.R.N.C.	36.789.795	-
	1	4	BAHRAIN	89.746.527	-
Off-shore Branches	-	-		-	-
Prior Period	Quantity	Number of Employees	Countries		
Domestic Branch	1.084	21.402			
Abroad Agencies	1	1	IRAN		
	1	1	ENGLAND		
	-	-		Total Assets	Statutory Capital
Overseas Branch	7	112	T.R.N.C.	23.819.800	-
	1	4	BAHRAIN	108.714.818	-
Off-shore Branches	-	-		-	-

(2) Explanations on branch and agency openings or closings or other significant operational changes of the Parent Bank:

During the year 2025, the Parent Bank opened 17 branches.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION V: EXPLANATIONS AND NOTES RELATED TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

IX. FEES RELATED WITH THE SERVICES PROVIDED BY INDEPENDENT AUDITORS/INDEPENDENT AUDIT AGENCIES

In accordance with the decision of the POA dated 26 March 2021, the fee information for the reporting period regarding the services received from the independent auditor or independent audit firm is given in the table below over VAT excluded amounts.

	Current Period	Prior Period
a. Independent audit fees	62.213	38.173
b. Fees for other services	20.819	2.764
Fees for other assurance services	19.940	2.211
Fees for tax advisory	879	-
Fees for other services except independent audit	-	553
Total	83.032	40.937

X. EXPLANATIONS RELATED TO THE SUBSEQUENT EVENTS

The international rating agency Fitch Ratings has affirmed Parent Bank’s Long-Term Foreign Currency Issuer Default Rating “BB-”, Long-Term Local Currency Issuer Default Rating “BB-” and its Government Support Rating “bb-” on 28 January 2026. The outlook of the relevant ratings have been revised to “Positive” from “Stable”.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION VI: OTHER EXPLANATIONS

I. OTHER EXPLANATIONS ON THE PARENT BANKS’ ACTIVITY

On October 15, 2019, the United States Attorney’s Office for the Southern District of New York under the U.S. Department of Justice indicted the Parent Bank by repeating the allegations set forth in the case filed against the former executive of the Parent Bank due to the Iranian sanction violations.

The Parent Bank’s personal jurisdiction and recusal objections were denied by the District Court on December 5, 2019, and the same objections the Parent Bank appealed with the U.S. Court of Appeals for the Second Circuit (“Second Circuit”) were denied on February 21, 2020.

At the hearing held in the District Court on June 30, 2020; the schedule was determined regarding the motion to recuse, discovery motions, and filings of other motions. It was decided that the jury trials would begin on March 1, 2021 for which the schedule was revised on October 26, 2020. Accordingly, the jury trials are scheduled to be held on May 3, 2021. In this regard, the Parent Bank filed its recusal motion on July 14, 2020 and its other motions to dismiss the indictment on August 10, 2020 at the District Court.

Parent Bank’s recusal motion was denied by the District Court on August 24, 2020 and the Second Circuit on December 23, 2020. District Court denied Parent Bank’s motion to dismiss the indictment on October 1, 2020. The Parent Bank appealed to the Second Circuit against the dismissal of its motion to dismiss the indictment on the grounds that the Parent Bank entitled to sovereign immunity under both the FSIA (Foreign Sovereign Immunity Act) and common law.

The Second Circuit ruled to stay the Parent Bank’s proceedings at the District Court on December 23, 2020, and also agreed to hear the appeal on the merits. Following the oral argument presented on April 12, 2021, the Second Circuit denied the Parent Bank’s appeal on October 22, 2021.

Because the Parent Bank would escalate its sovereign immunity appeal with the Supreme Court of the United States, the Second Circuit ruled on January 14, 2022 to stay the District Court proceedings until the Supreme Court process is completed.

Following the oral argument at the U.S. Supreme Court on January 17, 2023, the opinion was announced on April 19, 2023. The Supreme Court ruled that FSIA applied only in civil cases and not in criminal cases. On the other hand, the Supreme Court ruled that the Second Circuit did not fully consider the Parent Bank’s sovereign immunity status under common law and remanded the case to the Court of Appeals for reconsideration.

Upon further review, with its decision dated October 22, 2024 the Second Circuit rejected the Parent Bank’s common law immunity request and affirmed the District Court’s order. On December 12, 2024, the Parent Bank filed a motion to stay the Second Circuit’s mandate, which was granted on December 18, 2024, and the mandate was stayed pending the filing and disposition of the Parent Bank’s petition for a writ of certiorari to the U.S. Supreme Court.

The Parent Bank filed its petition for a writ of certiorari with the U.S. Supreme Court on May 5, 2025. The Parent Bank’s petition for a writ of certiorari was denied by the U.S. Supreme Court on October 6, 2025. Accordingly, the legal process regarding the Parent Bank’s objections under sovereign immunity was completed. The District Court is expected to set a schedule to proceed with the hearing of the case on the merits, and a status conference will take place at the District Court on February 24, 2026. The Parent Bank’s efforts to resolve the case by settlement are also ongoing.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION VI: OTHER EXPLANATIONS

I. OTHER EXPLANATIONS ON THE PARENT BANKS’ ACTIVITY (continued)

In addition, a civil case (the Owens or first civil case) was filed by a group of plaintiffs against the Parent Bank on March 27, 2020 with a claim for damages in the Southern District of New York Court “on the grounds that they (the plaintiffs) could not collect their judgments from Iran due to violations of sanctions” and it was served to the Parent Bank’s attorneys on July 1, 2020. The Parent Bank filed a motion at the District Court to dismiss the complaint, and thus to dismiss the case on September 25, 2020, and the case was fully briefed on December 16, 2020. The District Court conditionally granted Parent Bank’s motion to dismiss on the grounds of forum non conveniens on February 16, 2021, and the case was closed at the District Court on March 3, 2021.

The Plaintiffs appealed to the decision by taking the District Court’s decision to the Second Circuit on June 30, 2021. After the case is fully briefed, the oral arguments were heard before the Second Circuit on October 13, 2022. The Second Circuit ruled in the Parent Bank’s favor and dismissed the lawsuit seeking to satisfy judgements on May 2, 2023. Plaintiffs applied to the US Supreme Court on August 30, 2023 for a writ of certiorari in order to appeal the Second Circuit decision. The Supreme Court reviewed the application on January 5, 2024 and announced its decision to reject the plaintiff’s appeal on January 8, 2024. Accordingly, the Owens case brought against the Parent Bank on March 27, 2020 was conclusively dismissed.

Finally, on July 26, 2023, 151 plaintiffs filed a complaint in the U.S. District Court for the Southern District of New York and a new civil case (the Hughes or second civil case) against the Parent Bank seeking to satisfy judgments similar to the Owens case.

The service was processed on October 1, 2023. According to the complaint, the plaintiffs seek judgments decision from the Court to the fullest extent permitted by law, attempting to establish a connection between certain aggrievements they have suffered in various countries and the supposed allegations in the current criminal case against the Parent Bank, which was filed on October 15, 2019.

The Parent Bank filed its motion to dismiss with the District Court on December 22, 2023 and the fully briefing is ended on April 22, 2024. On May 1, 2024, the district court in an appeal against the Government’s request, ruled to stay all judicial proceedings in the civil case until the conclusion of the criminal proceedings against the Parent Bank. Therefore, the Hughes case is stayed until the final decision is made in the criminal case against the Parent Bank. The proceedings of both the criminal case and the civil case are closely monitored by the Parent Bank through U.S. law firms with relevant expertise.

Even though the uncertainty as to the processes of the lawsuits continue, as a result of the assessment made by the Bank’s management the afore-mentioned cases are not expected to affect the Parent Bank’s financial statements.

TÜRKİYE HALK BANKASI AŞ

Explanations and Notes to the Consolidated Financial Statements for the Period Ended 31 December 2025

(Amounts expressed in thousand Turkish Lira (TRY) unless otherwise stated.)

SECTION VII: AUDITORS’ REPORT

I. EXPLANATIONS ON INDEPENDENT AUDITORS’ REPORT

The consolidated financial statements of the Parent Bank as at and for the period ended 31 December 2025 have been reviewed by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik AŞ and the independent auditors’ report dated 20 February 2026 is presented before the consolidated financial statements.

II. EXPLANATIONS AND NOTES PREPARED BY THE INDEPENDENT AUDITOR

None.

PERFORMANCE TABLES

Topic	Indicator		2023	2024	2025
Social Performance Indicators	Employee demographics (Age, Education and Gender)				
	Board of Directors	Gender Distribution	Female	2	2
			Male	7	7
			TOTAL	9	9
	Executive Management	Gender Distribution	Female	8	7
			Male	61	51
			TOTAL	69	58
	Bank Employees	Gender Distribution	Female	10,354	10,136
			Male	11,865	11,384
			TOTAL	22,219	21,520
	Subcontractor Employees	Gender Distribution	Female		1,979
			Male		1,444
			TOTAL		3,423
	All Bank Employees and Subcontracted Employees	Average Number of Employees (calculated as the sum of monthly employee counts divided by 12)			25,797
	Educational Status of Bank Employees	PhD	Female	8	8
			Male	14	12
		Master's Degree	Female	761	773
			Male	870	853
		Bachelor's Degree	Female	8,358	8,207
			Male	8,197	7,940
		Vocational School	Female	806	776
			Male	747	708
		High School	Female	421	372
			Male	2,015	1,857
		Elementary School	Female	0	0
			Male	22	14
	Age Distribution of Bank Employees	18-20		7	7
		21-30		4,954	4,346
		31-40		12,115	12,042
		41-50		4,472	4,685
		51-55		647	419
		>55		24	21
	Newly Hired Employees	<20	Female	7	0
			Male	1	0
		21-30	Female	1,371	304
			Male	867	263
		31-40	Female	196	151
			Male	167	120
		41-50	Female	16	7
			Male	16	6
		>50	Female	4	1
			Male	2	1
		TOTAL	Female	1,594	463
			Male	1,053	390

PERFORMANCE TABLES

Topic	Indicator			2023	2024	2025
Social Performance Indicators	Employee Turnover Rate					
	Employee Turnover Rates (%)	Newly Hired Employees	Mandatory			0.00%
			Voluntary			0.23%
			TOTAL	0.58%	0.09%	0.23%
		All Employees	Mandatory			0.70%
			Voluntary			1.30%
			TOTAL	5.61%	7.09%	2.00%
	Maternity Leave Data					
	Number of Employees Who Took Parental Leave	Resuming Work		1,121	1,108	1,011
		On Leave		396	591	613
		TOTAL		1,517	1,699	1,624
	Training Data					
	Training Hours per Person (hours/person)	Classroom Training		28.21	42.30	35
		E-learning Training		31.92	18.69	17
		Training by Gender (classroom + e-learning)	Female	61.37	70.16	54
			Male	57.99	52.76	50
		Technical Training (classroom + e-learning)		42.61	40.75	33
Personal Development Training (classroom + e-learning)		17.51	20.24	19		
Code of Ethics Training (classroom + e-learning)		-	-	0.3		
Human Rights Training (classroom + e-learning)		-	-	0.02		

Topic	Indicator		2023	2024	2025
OHS Indicators (Bank Employees)	Occupational accidents and accident rates by type (%)	Injury Rate	0.29	0.287	0.233
		Lost Day Rate	41.07	2.419	1.993
		Accident Frequency Rate	1.47	1.434	1.163
		Accident Severity Rate	0.21	0.012	0.010
		Lost Time Injury Rate	N/A	0.850	0.698

Topic	Indicator		2023	2024	2025
OHS Indicators (Subcontractor Employees)	Occupational accidents and accident rates by type (%)	Injury Rate	1.67	1.515	1.529
		Lost Day Rate	4.20	8.364	3.268
		Accident Frequency Rate	8.37	7.573	7.646
		Accident Severity Rate	0.02	0.042	0.016
		Lost Time Injury Rate	N/A	3.622	3.148

Topic	Indicator		2023	2024	2025
OHS Indicators (Total)	Occupational accidents and accident rates by type (%)	Injury Rate	0.47	0.457	0.423
		Lost Day Rate	36.33	3.244	2.181
		Accident Frequency Rate	2.36	2.286	2.117
		Accident Severity Rate	0.18	0.016	0.011
		Lost Time Injury Rate	N/A	1.235	1.058

Topic	Indicator		2023	2024	2025
Environmental Performance Indicators	Energy Consumption from the Bank's Activities				
	Electricity Consumption	kWh	67,527,570.30	81,714,130.61	86,040,760.61
	Natural Gas Consumption	m³	2,308,791.96	3,667,057.70	3,940,172.44
	Fuel Oil Consumption	liter	3,009.00	4,808.00	2,533.33
	Coal Consumption	ton	60.39	88.39	40.75
	Diesel Consumption - Heating	liter	134,253.46	106,144.48	115,155.02
	Diesel Consumption - Generator	liter	80,054.69	73,517.49	77,678.08
	Vehicle Fuel Consumption				
	Employee Shuttles (Diesel)	liter	964,404.95	944,976.29	969,784.97
	Company Vehicles (Diesel)	liter	3,397,430.46	2,800,613.44	2,697,656.81
	Company Vehicles (Gasoline)	liter	577,913.22	1,368,636.49	1,273,876.19
	Total Energy Consumption within the Organization				
	Total Energy Consumption	GJ	478,250.29	615,910.92	628,828.09
	Total Energy Consumption per Employee	GJ/ person	0.00	24.48	24.38
	Total Water Withdrawal by Source				
	Water Consumption	m³	210,357.27	267,025.22	287,664.43
	Paper Use in Banking Activities				
	Paper Consumption	tons	1,780.41	262.74	481.26
	Wastes Collected, Sent for Recycling, Recovery and Disposal				
	Recycling Waste (Glass, Plastic, Paper, Metal)	kg	678,844.80	521,808.70	476,052.50
	Electronic Waste	units	4,143	2,368	1,681
	Toner Waste	kg	12,310	5,300	4,620
	Bank's Emissions				
	Total Emissions	tCO2e	63,974.85	74,696.16	77,142.13
	Scope 1 - Direct GHG emissions	tCO2e	16,690.20	19,878.45	19,858.76
	Scope 2 - Indirect energy GHG emissions	tCO2e	32,683.34	36,117.65	37,341.69
	Scope 3 - Other indirect GHG emissions	tCO2e	14,601.30	18,700.06	19,941.68
	Category 1: Purchased Products and Services	tCO2e	-	427.51	724.29
	Category 3: Fuel- and Energy-Related Activities (External)	tCO2e	-	12,339.81	12,653.05
	Category 5: Waste Generated in Operations	tCO2e	-	3.35	2.23
	Category 6: Business Travel	tCO2e	-	2,505.01	2,945.87
	Category 7: Employee Commuting	tCO2e	-	3,424.38	3,616.24
	Total Emissions per Employee	tCO2e	2.56	2.97	2.99

Topic	Indicator	2023	2024	2025
Loan Amount Provided for Energy Efficiency and Renewable Energy Projects (TRY)	Renewable Energy	6,427,353,981.82	2,700,791,786.00	5,427,897,566.00
	HEPP	550,778,500.00	101,585,000.00	1,307,208,446.00
	WPP	84,000,000.00	627,495,794.00	311,796,762.00
	BPP	39,200,000.00	369,147,188.00	-
	GPP	-	-	-
	SPP	5,753,375,481.82	1,602,563,804.00	3,808,892,358.00
	Energy Efficiency	-	-	-
	TOTAL	6,427,353,981.82	2,700,791,786.00	5,427,897,566.00

REPORTING GUIDANCE

Integrated Annual Report 2025 - Reporting Guidance

This reporting guidance (the "Guidance") provides information on the data collection and calculation methodologies for the indicators subject to independent assurance in the 2025 Integrated Annual Report of Türkiye Halk Bankası A.Ş. ("Halkbank," "the Bank"). These indicators consist of social indicators, environmental indicators, and sustainable finance indicators. The Bank's management is responsible for ensuring that appropriate procedures are in place, in accordance with the Guidance, for the preparation of these indicators in all material respects.

The information contained in this Guidance covers the fiscal year ended December 31, 2025 (January 1 – December 31, 2025) and includes only the Bank's operations in Türkiye, for which the Bank is solely responsible, as detailed in the "Key Definitions and Scope of Reporting" section, and excludes information related to group companies and associates unless otherwise stated. Halkbank's operations in Türkiye include the Head Office and Additional Service Buildings, Regional Coordination Offices, Branches and ATMs.

General Reporting Principles

The following principles were observed in the preparation of this guidance document:

- In the preparation of information, emphasis is placed on the fundamental principles of relevance and reliability for users of such information.
- In the reporting of information, emphasis is placed on the principles of comparability and consistency with prior-year and other relevant data, and on the principles of understandability and transparency, thereby ensuring clarity for users.

Details regarding data preparation are set out in the indicator descriptions in the table below.

Key Definitions and Scope of Reporting

Type	Indicator	Scope
Social Indicators	Employee Demographics	This refers to the total number of employees of the Bank during the reporting period, together with their distribution by gender, age and education, as well as the gender distribution of employees in executive management. This indicator covers all Bank employees.
	Number of Employees on Maternity Leave and Returning from Maternity Leave	This refers to the number of Bank employees who took maternity or paternity leave before and during the reporting period, and the number of those who returned to work after such leave during the reporting period as well as those who have not yet returned.
	Total Number of Employees, New Hired Employee and Employee Turnover	This refers to the Bank's average number of employees, the number of employees hired during the reporting period, and the employee turnover rate.
	Average Training Hours by Gender	This refers to the average training hours per Bank employee during the reporting period, disaggregated by gender and training category. Training is delivered through two formats, namely classroom-based and e-learning, and is classified into two categories: Personal Development Training and Technical Training.
	Occupational Health and Safety	This refers to workplace accidents by type and related accident rates (%) during the reporting period, including the injury rate, lost day rate, accident frequency rate, accident severity rate, and lost-time injury rate. This indicator covers both Bank employees and contractor employees.

Type	Indicator	Scope
Environmental Indicators	Energy Consumption	
	Electricity Consumption (kWh)	This refers to the total amount of electricity purchased and used for climate control, lighting, electrical appliances, and other electricity-dependent operations at the relevant sites during the reporting period.
	Natural Gas Consumption (m³)	This refers to the total volume of natural gas (m³) purchased and consumed for heating, kitchens, and other operations requiring natural gas at the relevant sites during the reporting period.
	Coal (tons)	This refers to the total amount of coal (tons) purchased and consumed for heating at the relevant sites during the reporting period.
	Fuel Oil (L)	This refers to the total amount of fuel oil (L) purchased and consumed for heating at the relevant sites during the reporting period.
	Diesel Consumption (Heating) (L)	This refers to the amount of diesel (L) purchased and consumed for heating at the relevant sites during the reporting period.
	Diesel Consumption (Generator) (L)	This refers to the amount of diesel (L) purchased and consumed for generator use at the relevant sites during the reporting period.
	Vehicle Fuel Consumption (L)	This refers to the total amounts of diesel and gasoline (L) purchased and consumed for the Bank's vehicles and employee shuttle services at the relevant sites during the reporting period.
	Energy Consumption within the Organization (Total GJ)	This refers to the total energy consumption (total GJ) during the Bank's operations at locations included within the scope of the independent assurance engagement during the reporting period. Total energy consumption calculations include electricity, natural gas, fuel oil, coal, diesel, and vehicle fuel consumption.
	Energy consumption per employee (GJ/Employee)	This refers to the total energy consumption per average number of employees, including contractor employees, during the reporting period.
	Other Environmental Performance Data	
	Water Consumption (m³)	This refers to the total water consumption (m³) at the relevant sites during the reporting period. The reporting scope includes the total amount of water withdrawn and used.
	Paper Consumption (tons)	This refers to the total paper consumption (tons) in the Bank's operations during the reporting period. The reporting scope includes purchased printed products and paper materials, measured by weight.
	Amount of Recycling and Hazardous Waste (kg)	This refers to the total amount of waste by type and disposal method at the Company's operational sites during the reporting period. It includes waste sent for recycling (glass, plastic, paper, and metal) and toner waste (kg).
	Amount of Scrap Electronic Equipment (Units)	This refers to the number of electronic equipment items the Bank handed over to licensed companies for recovery and disposal during the reporting period.

REPORTING GUIDANCE

Type	Indicator	Scope
Environmental Indicators	Scope 1, 2, and 3 Emissions	
	Direct (Scope 1) GHG Emissions (tCO ₂ e)	This refers to the greenhouse gas emissions generated from the consumption of natural gas, fuel oil, coal, diesel, and gasoline, as well as from the use of refrigerant gases and fire suppression gases at the Company's relevant sites during the reporting period.
	Indirect Energy (Scope 2) GHG Emissions (tCO ₂ e)	This refers to the greenhouse gas emissions resulting from the consumption of purchased electricity at the Company's relevant sites during the reporting period.
	Other Indirect (Scope 3) GHG Emissions (tCO ₂ e)	This refers to the greenhouse gas emissions generated from Bank employees' commuting, business travel and accommodation, remote work, water consumption, paper use, and waste disposal during the reporting period.
	Emissions Performance per Employee (Employee/tCO ₂ e)	This refers to total Scope 1, Scope 2, and Scope 3 greenhouse gas emissions per average number of employees, including contractor employees, during the reporting period.
Sustainable Finance Indicators	Financed renewable energy and energy efficiency projects (TRY)	This refers to the amount of loans provided by the Bank for renewable energy and energy efficiency projects during the reporting period.

Data Preparation

Social Indicators

Employee Demographics

Calculations were based on bank employees. For the gender distribution indicator, Board of Directors positions include the Chairman, Deputy Chairman, General Manager, and Board Member. Executive management positions include Deputy General Manager, Group Head, Unit Manager, and Information Technology Unit Manager. Middle management positions comprise Regional Manager, Branch Manager, Department Manager, Information Technology Department Manager, Deputy Head of the Inspection Board, Consultant, and Deputy Country Manager.

Employee Turnover Rate

The following formula is used to calculate the employee turnover rate.
Employee Turnover Rate = Total Number of Employees Who Left / Average Number of Employees*100

Years of Service Data

This is calculated by taking the arithmetic mean of the total years of service of Bank employees, disaggregated by gender.

Gender Pay Gap

This refers to the ratio between the arithmetic averages of the gross salaries of the Bank's female and male employees during the reporting period, calculated in accordance with the formula below.

Gender Pay Gap (%) = (1 - (Arithmetic Mean Gross Salary of Female Employees) / (Arithmetic Mean Gross Salary of Male Employees))

Ratio of Female Employees in Revenue-Generating Roles (%):

Represents the ratio of female employees to the total number of employees working in activities defined by the Bank as revenue-generating business lines during the reporting period.

Ratio of Female Employees in Technology Units (STEM) (%):

This refers to the ratio of female employees to the total number of employees in the Bank's information technology units during the reporting period.

Occupational Health and Safety (OHS) Data

The definitions and formulas below are used to calculate OHS data. To calculate total employee hours, the average number of contractor employees, Bank employees, and total employees during the reporting period are used.

- Total Employee Hours = ((Average Total Number of Personnel * Number of Business Days) - Total Days of Leave) * 8
- Injury rate = Total number of accidents / Total hours worked * 200,000
- Lost day rate = Total number of lost days / Total hours worked * 200,000
- Accident frequency rate = Total number of accidents / Total hours worked * 1,000,000
- Accident severity rate = Total number of lost days / Total hours worked * 1,000
- Lost Time Injury Rate = (Number of lost time injuries / Total hours worked) * 1,000,000

Training Data

The definitions and formulas below are used to calculate training data. When calculating the total number of employees, certain groups of Bank employees who do not use computers, such as security personnel and cash operations center staff, are taken into consideration. All calculations are based on a total of 20,000 employees, comprising an average of 10,000 female employees and 11,000 male employees.

- Classroom Training = Total classroom training hours / Total number of employees trained (21,000)
- E-learning = Total e-learning hours / Total number of employees trained (21,000)
- Technical Training = Total technical training hours / Total number of employees trained (21,000)
- Personal Development Training = Total personal development training hours / Total number of employees trained (21,000)
- Training per Female Employee = Total classroom and e-learning hours / Total number of female employees trained (10,000)
- Training per Male Employee = Total classroom and e-learning hours / Total number of male employees trained (11,000)
- Ethical Principles Training = Total ethical principles training hours / Total number of employees trained (21,000)
- Human Rights Training = Total human rights training hours / Total number of employees trained (21,000)

Environmental Indicators

Energy Consumption

Energy consumption data includes electricity and primary fuel sources, namely natural gas, coal, fuel oil, diesel, and gasoline.

Electricity and natural gas consumption data are sourced from utility provider meters and invoices. Coal and fuel oil consumption data are obtained from service provider invoices. Diesel consumption data for heating, generators, and company-owned vehicles are obtained from service provider invoices. Gasoline consumption for company-owned vehicles is obtained from service provider invoices.

The Bank uses the following conversion factors in its energy consumption calculations:

- As electricity is billed in kWh, a conversion factor of 1 kWh = 0.0036 GJ is applied for conversion to GJ.
- For natural gas consumption invoiced in m³, a conversion factor of 1 m³ = 0.0367 GJ is used to convert to GJ.
- As coal is billed in tons, a conversion factor of 1 ton = 28.61 GJ/ton is applied for conversion to GJ.
- As fuel oil is billed in tons, a conversion factor of 1 ton = 40.75 GJ/ton is applied for conversion to GJ.
- As diesel is billed in liters, a conversion factor of 1 L = 0.0357 GJ is applied for conversion to GJ.
- As gasoline is billed in liters, a conversion factor of 1 L = 0.0331 GJ is applied for conversion to GJ.

REPORTING GUIDANCE

Scope 1, 2, and 3 Emissions

Scope 1, Scope 2, and Scope 3 emissions were calculated in accordance with the Greenhouse Gas Protocol under the operational control approach. For Scope 1 emissions, CO₂e equivalent factors were used for emissions from CO₂, CH₄, N₂O, HFCs (refrigerant gases), and fire extinguishers. For Scope 2 emission calculations, electricity-related emissions were calculated using an emission factor. For Scope 3 emission calculations, emissions were calculated using an emission factor covering employee commuting, business travel and accommodation, remote work, water consumption, paper use, and waste disposal. The emission factors used are detailed in the table below.

The emission factors used in the calculations (excluding those for electricity in Türkiye) were sourced from the “DEFRA (UK Department for Environment, Food and Rural Affairs) 2025 Emission Factors” publication. The combined kgCO₂e value was calculated by multiplying by the appropriate coefficients. The emission factor for electricity in Türkiye (grid-sourced use and distribution line-connected consumption point emission factor) was derived from the “Information Form on Emission Factors for Electricity Generation and Consumption Points in Türkiye,” published in 2025 by the Ministry of Energy and Natural Resources of the Republic of Türkiye. For the calculation of indirect emissions from WTT-Electricity transmission and distribution, the “Carbon Footprint Ltd’s Greenhouse Gas Emissions Factors for International Grid Electricity (calculated from fuel mix)” source was used.

Emission Factors – Scope 1		kgCO ₂ e
Company Vehicles		
Gasoline (L)		2.34
Diesel (L)		2.66
Other Fossil Fuels		
Diesel for Heating (kg/L)		2.66
Diesel for Generators (kg/L)		2.66
Natural Gas (kg/m ³)		2.07
Coal (kg/ton)		2,904.95
Fuel Oil (kg/L)		3.17
Refrigerants/Air Conditioning Gases		
R22		1,760.00
R410A		1,924.00
HFC-32		677.00
Fire Extinguishers		
HFC-227 EA		3,350.00
NOVEC (Pentanone)		1.00

Emission Factors – Scope 2

tCO₂e/MWh

Türkiye Electricity (Emission Factor at Point of Consumption Connected to Distribution Line)	0.434
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Emission Factors – Scope 3

kgCO₂e

Employee Services	
Diesel (kg/l)	2.66
Travel	
Ship (Intercity)	0.1127
Metro	0.0355
Motorcycle	0.1137
Bus (City, Municipality)	0.1039
Bus (Intercity)	0.0278
Private Vehicle-Gasoline	0.1627
Private Vehicle-Diesel	0.173
Private Vehicle-LPG	0.196
Taxi	0.2081
Tramway	0.0286
Train (Urban, Suburban)	0.0286
Train (Intercity)	0.0355
Air Travel-Overseas-Business-Short Distance	0.1886
Air Travel-Overseas-Business-Long Distance	0.3394
Air Travel-Overseas-Economy-Short Distance	0.1258
Air Travel-Overseas-Economy-Long Distance	0.117
Air Travel-Domestic-Business-Short Distance	0.2293
Air Travel-Domestic-Economy-Short Distance	0.2293
Air Travel-Domestic-Economy-Long Distance	0.2293
Air Travel -Domestic-Promotion-Short Distance	0.2293
Travel – Indirect Emissions	
Ship (Intercity)	0.02555
Metro	0.00897
Motorcycle	0.02956
Bus (City, Municipality)	0.02649
Bus (Intercity)	0.00656
Private Vehicle-Gasoline	0.04599
Private Vehicle-Diesel	0.04146

REPORTING GUIDANCE

Emission Factors - Scope 3		kgCO ₂ e
Private Vehicle-LPG		0.02341
Taxi		0.05176
Tram		0.00749
Train (Urban, Suburban)		0.00749
Train (Intercity)		0.00897
Air Travel-Overseas-Business-Short Distance		0.03373
Air Travel-Overseas-Business-Long Distance		0.07137
Air Travel-Overseas-Economy-Short Distance		0.02249
Air Travel-Overseas-Economy-Long Distance		0.02461
Air Travel-Domestic-Business-Short Distance		0.0335
Air Travel-Domestic-Economy-Short Distance		0.0335
Air Travel-Domestic-Economy-Long Distance		0.0335
Air Travel -Domestic-Promotion-Short Distance		0.0335
Paper – Indirect Emissions		
Paper Consumption (kg/ton)		1,288.5
Waste – Indirect Emissions		
Recycling Waste (kg/ton)		4.69
Water – Indirect Emissions		
Water Consumption (kg/m³)		0.3622
Accommodation		
Hotel Accommodation		32.10
Company Vehicles - Indirect Emissions		
Gasoline (kg/l)		0.61
Diesel (kg/l)		0.62

Emission Factors - Scope 3		kgCO ₂ e
Personnel Services - Indirect Emissions		
Diesel (kg/l)		0.62409
Other Fossil Fuels - Indirect Emissions		
Diesel for Heating (kg/l)		0.62409
Diesel for Generators (kg/l)		0.62409
Natural Gas (kg/m³)		0.3366
Coal (kg/ton)		470.95724
Fuel Oil (kg/ton)		0.69539
Remote Working Employees		
Remote Working Employees		0.334
Electricity - Indirect Emissions		
From Electricity Transmission and Distribution (kgCO ₂ e/kWh)		0.036
WTT-From Electricity Transmission and Distribution (kgCO ₂ e/kWh)		0.0142
WTT - Consumption Point Connected to Distribution Line (tCO ₂ e/MWh)		0.04

Restatement

The measuring and reporting validated data inevitably involves a degree of estimation. Restatements are considered where there is a change of more than 5 percent in Company-level data.

GRI CONTENT INDEX



For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is presented in a manner consistent with the reporting requirements of the GRI Standards, and that the information in the index is clearly presented and accessible to stakeholders.	
Statement of use	Halkbank has reported for the period January 1–December 31, 2025, in accordance with the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No sector standard was used as the sector standard for the banking industry has not yet been prepared.

GRI STANDARD	DISCLOSURES	LOCATION AND/OR DIRECT ANSWERS
GENERAL DISCLOSURES		
	Organization and Reporting Practices	
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report, page 1 Halkbank at a Glance, page 28 Shareholding Structure and Shareholder Portfolio, pages 40–45 Contact, page 574
	2-2 Entities included in the organization's sustainability reporting	About the Report, page 1
	2-3 Reporting period, frequency and contact point	About the Report, page 1 surdurulebilirbankacilik@halkbank.com.tr
	2-4 Restatements of information	There are no restatements of information.
	2-5 External assurance	Independent Assurance Report, pages 572–573
	Activities and Employees	
	2-6 Activities, value chain and other business relationships	Halkbank in Numbers - 2025, pages 20–21 Halkbank at a Glance, page 28 Value Creation Model, pages 92–95 Stakeholder Engagement, pages 68–73 Gaining Trust with the Products and Services Offered, pages 96–123
	2-7 Employees	Winning People and Society Through Inclusiveness, pages 124–155 Performance Tables, pages 553–555
	2-8 Workers who are not employees	Winning People and Society Through Inclusiveness, pages 124–155 Explanations and Notes to the Consolidated Financial Statements (Explanations on Provisions), pages 375–377 Explanations and Notes to the Consolidated Financial Statements (Explanations on Provisions), pages 530–532 Performance Tables, pages 553–555
	Governance	
	2-9 Governance structure and composition	Board of Directors and Supervisory Board, pages 32–35 Executive Management, pages 36–37 Organizational Chart, pages 38–39 Board of Directors and Committees, pages 201–207

GRI STANDARD	DISCLOSURES	LOCATION AND/OR DIRECT ANSWERS
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	Regarding the minimum qualifications required for the election of members for the Board of Directors, the Company acts in accordance with the banking legislation, the Turkish Commercial Code and the CMB regulations. Bank's Articles of Association-Article 19 Board of Directors and Supervisory Board, pages 32–35 Executive Management, pages 36–37 Board of Directors and Committees, pages 201–207
	2-11 Chair of the highest governance body	Board of Directors and Supervisory Board, pages 32–35 Executive Management, pages 36–37
	2-12 Role of the highest governance body in overseeing the management of impacts	Board of Directors and Supervisory Board, pages 32–35 Executive Management, pages 36–37 Halkbank's Sustainability Structure, pages 62–77
	2-13 Delegation of responsibility for managing impacts	Board of Directors and Supervisory Board, pages 32–35 Executive Management, pages 36–37 Halkbank's Sustainability Structure, pages 62-77 Board of Directors and Committees, pages 201-207
	2-14 Role of the highest governance body in sustainability reporting	Halkbank's Sustainability Structure, pages 62-77 Board of Directors and Committees, pages 201-207
	2-15 Conflicts of interest	Risk Management Policies by Risk Types and Risk Management Information, pages 195-197 Board of Directors and Committees, pages 201-207 Ethical Principles
	2-16 Communication of critical concerns	Corporate Governance Principles, pages 211-234
	2-17 Collective knowledge of the highest governance body	Board of Directors and Supervisory Board, pages 32-35 Executive Management, pages 36-37 Halkbank's Sustainability Structure, pages 62-77
	2-18 Evaluation of the performance of the highest governance body	Halkbank's Sustainability Structure, pages 62-77 Board of Directors and Committees, pages 201-207
	2-19 Remuneration policies	Winning People and Society Through Inclusiveness, pages 124-155 Unconsolidated Financial Statements and Independent Auditor's Report (Explanation on Remuneration Policies) pages 350-351 Remuneration Policy
	2-20 Process to determine remuneration	Winning People and Society Through Inclusiveness, pages 124-155 Corporate Governance Principles, pages 211-234 Remuneration Policy
	2-21 Annual total compensation ratio	Unconsolidated Financial Statements and Independent Auditor's Report (Explanations on Provisions), pages 375-377 Consolidated Financial Statements and Independent Auditor's Report (Explanations on Provisions), pages 530-532

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURES	LOCATION AND/OR DIRECT ANSWERS
GRI 2: General Disclosures 2021	Strategy, Policies, and Practices	
	2-22 Statement on sustainable development strategy	Chairman's Assessment, pages 12-15 General Manager's Assessment, pages 16-19 Management's Discussion and Analysis, pages 22-23 Halkbank's Sustainability Structure, pages 62-77 Sustainability Principles, pages 235-244
	2-23 Policy commitments	Principles and Policies
	2-24 Embedding policy commitments	Audit Committee's Assessment on the Operation of the Internal Control, Compliance, Internal Audit and Risk Management Systems and Information about its Activities in 2025, pages 188-193 Risk Management Policies by Risk Types and Risk Management Information, pages 195-197 Corporate Governance Principles, pages 211-234 Principles and Policies
	2-25 Processes to remediate negative impacts	Stakeholder Engagement, pages 68-73 Audit Committee's Assessment on the Operation of the Internal Control, Compliance, Internal Audit and Risk Management Systems and Information about its Activities in 2025, pages 188-193 Corporate Governance Principles, pages 211-234 Sustainability Principles, pages 235-244
	2-26 Mechanisms for seeking advice and raising concerns	Winning People and Society Through Inclusiveness, pages 124-155 Corporate Governance Principles, pages 211-234
	2-27 Compliance with laws and regulations	No developments contrary to applicable laws occurred during the reporting period, and no material administrative sanctions were imposed in relation to non-compliance with laws and regulations.
	2-28 Membership associations	Corporate Memberships and Supported Initiatives, page 74
	Stakeholder Engagement	
	2-29 Approach to stakeholder engagement	Stakeholder Relations, pages 68-73 Material Topics and Materiality Analysis, pages 76-77
	2-30 Collective bargaining agreements	Halkbank's Identity as an Inclusive Employer, pages 128-129

GRI STANDARD	DISCLOSURES	LOCATION AND/OR DIRECT ANSWERS
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Topics and Materiality Analysis, pages 76-77
	3-2 List of material topics	Material Topics and Materiality Analysis, pages 76-77
Sustainable Economic Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Chairman's Assessment, pages 12-15 General Manager's Assessment, pages 16-19 Areas of Focus in 2025, pages 52-53 Material Topics and Materiality Analysis, pages 76-77 Gaining Trust with the Products and Services Offered, pages 96-123 Winning People and Society Through Inclusiveness, pages 124-155
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Value Generated and Distributed (Gaining Trust with the Products and Services Offered), page 98
	201-2 Financial implications and other risks and opportunities due to climate change	Winning the Future of the Planet with Green Transformation, pages 172-185 Risk Management Policies by Risk Types and Risk Management Information, pages 195-197
	201-3 Defined benefit plan obligations and other retirement plans	Unconsolidated Financial Statements and Independent Auditor's Report (Liabilities arising from Retirement Benefits), pages 377-378 Consolidated Financial Statements and Independent Auditor's Report (Liabilities arising from Retirement Benefits), pages 531-532
	201-4 Financial assistance received from government	Unconsolidated Financial Statements and Independent Auditor's Report (Explanations on Government Incentives), page 288 Consolidated Financial Statements and Independent Auditor's Report (Explanations on Government Incentives), page 441
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	Executive Management, pages 36-37
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Gaining Trust with the Products and Services Offered, pages 96-123 Winning People and Society Through Inclusiveness, pages 124-155
	203-2 Significant indirect economic impacts	Areas of Focus in 2025, pages 52-53 Gaining Trust with the Products and Services Offered, pages 96-123 Contributing to Social Welfare Through Social Responsibility, pages 148-151

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURES	LOCATION AND/OR DIRECT ANSWERS
	Business Ethics, Legal Compliance, and Transparency	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Analysis, pages 76-77 Winning People and Society Through Inclusiveness, pages 124-155 Corporate Governance Principles, pages 211-234
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Corporate Governance Principles, pages 211-234
	205-2 Communication and training about anti-corruption policies and procedures	Career and Talent Management, pages 130-135 Corporate Governance Principles, pages 211-234
	205-3 Confirmed incidents of corruption and actions taken	Corporate Governance Principles, pages 211-234
	Combating Climate Change and Environmental Compliance	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Analysis, pages 76-77 Winning the Future of the Planet with Green Transformation, pages 172-185
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Efficiency and Management, pages 180-181 Performance Tables, pages 553-555
	302-4 Reduction of energy consumption	Energy Efficiency and Management, pages 180-181
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Efficiency and Management, page 182 Performance Tables, pages 553-555
	303-5 Water consumption	Water Efficiency and Management, page 182 Performance Tables, pages 553-555
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Carbon Footprint Management, pages 178-179 Performance Tables, pages 553-555
	305-2 Energy indirect (Scope 2) GHG emissions	Carbon Footprint Management, pages 178-179 Performance Tables, pages 553-555
	305-3 Other indirect (Scope 3) GHG emissions	Carbon Footprint Management, pages 178-179 Performance Tables, pages 553-555
	305-5 Reduction of GHG emissions	Carbon Footprint Management, pages 178-179
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Circular Economy and Zero Waste Management, page 183
	306-4 Waste diverted from disposal	Circular Economy and Zero Waste Management, page 183 Performance Tables, pages 553-555

GRI STANDARD	DISCLOSURES	LOCATION AND/OR DIRECT ANSWERS
	Employee Engagement and Satisfaction	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Analysis, pages 76-77 Stakeholder Engagement, pages 68-73 Winning People and Society Through Inclusiveness, pages 124-155
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Halkbank's Identity as an Inclusive Employer, pages 128-129 Performance Tables, pages 553-555
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Winning People and Society Through Inclusiveness, pages 124-155 Unconsolidated Financial Statements and Independent Auditor's Report (Explanations on Remuneration Policies), pages 350-351 Consolidated Financial Statements and Independent Auditor's Report (Explanations on Remuneration Policies), pages 501-502
	401-3 Parental leave	Halkbank as an Inclusive Employer, pages 128-129 Performance Tables, pages 553-555
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, pages 138-139 OHS Policy
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, pages 138-139
	403-3 Occupational health services	Occupational Health and Safety, pages 138-139
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, pages 138-139
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, pages 138-139
	403-9 Work-related injuries	Occupational Health and Safety, pages 138-139
GRI 404: Training and Education 2016	403-10 Work-related ill health	Occupational Health and Safety, pages 138-139
	404-1 Average hours of training per year per employee	Career and Talent Management, pages 130-135 Performance Tables, pages 553-555
	404-2 Programs for upgrading employee skills and transition assistance programs	Career and Talent Management, pages 130-135
	404-3 Percentage of employees receiving regular performance and career development reviews	Career and Talent Management, pages 130-135

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURES	LOCATION AND/OR DIRECT ANSWERS
	Diversity, Inclusivity, and Equal Opportunity	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Analysis, pages 76-77 Halkbank's Identity as an Inclusive Employer, pages 128-129
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Halkbank's Identity as an Inclusive Employer, pages 128-129
	405-2 Ratio of basic salary and remuneration of women to men	Halkbank's Identity as an Inclusive Employer, pages 128-129 Performance Tables, pages 553-555
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Halkbank's Identity as an Inclusive Employer, pages 128-129 Corporate Governance Principles, pages 211-234 Human Rights and Human Resources Policy
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Halkbank's Identity as an Inclusive Employer, pages 128-129
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Halkbank's Identity as an Inclusive Employer, pages 128-129 Human Rights and Human Resources Policy
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Halkbank's Identity as an Inclusive Employer, pages 128-129 Human Rights and Human Resources Policy
	Information Security and Customer Privacy	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Analysis, pages 76-77 Cyber Security and Customer Data Privacy, pages 170-171
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cyber Security and Customer Data Privacy, pages 170-171 Confidentiality and Website Data Security Policy Policy on the Protection and Processing of Personal Data

GRI STANDARD	DISCLOSURES	LOCATION AND/OR DIRECT ANSWERS
	Customer Experience and Satisfaction	
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement, pages 68-73 Material Topics and Materiality Analysis, pages 76-77 Gaining Trust with the Products and Services Offered, pages 96-123
	Contribution to the National Economy through SME Banking	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Analysis, pages 76-77 SME-Artisans Banking, pages 108-115
	Digital Banking and Innovation	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Analysis, pages 76-77 Winning the Future with Digital Transformation, pages 156-171
	Proactive Risk and Crisis Management	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Analysis, pages 76-77 Risk Management Policies by Risk Types and Risk Management Information, pages 195-197
	Corporate Governance	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Analysis, pages 76-77 Corporate Governance, pages 186-246
	ESG Impact in Lending Processes and Sustainable Finance	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Analysis, pages 76-77 Nature-Positive Products and Sustainable Finance, pages 100-105 ESG Impact in Lending, pages 176-177
	Contribution to Social Welfare through Social Responsibility	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Analysis, pages 76-77 Financial Inclusion and Literacy, pages 144-147 Contributing to Social Welfare through Social Responsibility, pages 148-151

INDEPENDENT ASSURANCE REPORT



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Independent Auditor Limited Assurance Report

To the Board of Directors of Türkiye Halk Bankası A.Ş.

We were engaged by Türkiye Halk Bankası A.Ş. (hereinafter “the Bank” or “Halkbank”) to provide limited assurance on whether the “Selected Information” as defined in Reporting Guidance in the Integrated Annual Report (hereinafter “the Report”) for the year ended 31 December 2025 has been prepared in accordance with the reporting guidelines established by the Bank and presented in the Annexes section of the Report.

The scope of our assurance is limited to the Selected Information listed and described below for the relevant activities:

- Employee demographics (Age, Education, Position, and Gender)
- Total number of employees (Bank–Contractor–Total)
- Number of newly hired employees by gender
- Employee turnover rate (Involuntary–Voluntary)
- Number of employees on maternity leave
- Number of employees returning from maternity leave
- Total training hours
- Training hours per employee
- Average training hours by gender
- Training hours per employee by training category (Personal Development – Professional/Technical)
- Human Rights training hours
- Code of Ethics training hours
- Injury rate (Bank – Contractor – Total)
- Lost day rate (Bank – Contractor – Total)
- Accident frequency rate (Bank – Contractor – Total)
- Accident severity rate (Bank – Contractor – Total)
- Lost-time injury rate (Bank – Contractor – Total)
- Amount of loans provided for energy efficiency and renewable energy projects (HPP, WPP, BPP, GPP, SPP) (TRY)
- Electricity consumption (kWh)
- Total energy consumption within the organization (GJ)
- Natural gas consumption (m³)
- Coal consumption (tons)
- Fuel oil consumption (liters)
- Diesel consumption (Heating, liters)
- Diesel consumption (Generator, liters)
- Vehicle fuel consumption (Employee shuttle services and company vehicles, liters)
- Scope 1 – Direct greenhouse gas (GHG) emissions (tCO₂e)
- Scope 2 – Indirect energy greenhouse gas (GHG) emissions (tCO₂e)
- Scope 3 – Other indirect greenhouse gas (GHG) emissions (tCO₂e)
- Total emissions amount (tCO₂e)
- Energy consumption per employee (GJ / employee)
- Emissions performance per employee (tCO₂e / employee)
- Water consumption (m³)
- Paper consumption (tons)
- Amount of recycled waste (Glass, Plastic, Metal, Paper) (kg)
- Toner waste amount (kg)
- Electronic waste amount (units)

Management’s responsibilities

Management is responsible for the preparation and presentation of the Selected Information as described in the Report, and the information and assertions contained within it; for determining the Bank objectives in respect of sustainable development performance and reporting, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Management is also responsible for preventing and detecting fraud and for identifying and ensuring that Bank complies with laws and regulations applicable to its activities.

Our responsibilities

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed and the evidence obtained. We conducted our engagement in accordance with Turkish Standard on Assurance Engagements (TSAE) 3000, Assurance Engagements other than Audit or Review of Historical Financial Information, and Turkish Standard on Assurance Engagements (TSAE) 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the Public Oversight, Accounting and Auditing Standards Authority (“POA”). These Standards require that we plan and perform the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement and has been prepared, in all material respects, in accordance with the reporting guidance presented in the Annexes section of the Report.

KPMG applies Quality Management Standard 1 (“QMS 1 – Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements”) and accordingly maintains a comprehensive system of quality management and quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

KPMG is responsible for complying with the ethical requirements applicable in Türkiye, including independence provisions and other relevant ethical requirements, as set out in the Code of Ethics for Professional Accountants (including the International Independence Standards) issued by the Ethics Standards Board for Professional Accountants, which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Procedures performed

- A limited assurance engagement on a Selected Information consists of making inquiries, primarily of persons responsible for the preparation of information presented in the Selected Information, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:
- Interviews with relevant staff at the corporate and business unit level responsible for providing the information in the Selected Information,
 - Performing sample-based accuracy testing on the Selected Information,
 - Evaluating the presentation and disclosure of the Selected Information in the 2025 Integrated Annual Report,
 - Performing sample-based reperformance of the calculations used in the preparation of the Selected Information for the reporting period,
 - Comparing the information presented in the Selected Information with the relevant underlying information sources and determine whether all relevant information included in those sources has been incorporated into the Selected Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Inherent limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Selected Information may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Selected Information, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Conclusion

Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the Selected Information disclosed in the Performance Tables section of the Report has not been prepared, in all material respects, in accordance with the reporting guidelines set out in the Annexes section of the Report.

Restriction of use of our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Bank, for any purpose or in any other context. Any party other than the Bank who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Bank for our work, for this limited assurance report, or for the conclusions we have reached.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

Orhan Akova
Partner
10 March 2026
İstanbul, Türkiye

CONTACT

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