

A DECADE OF BALANCE AND HARMONY AMONG DIFFERENCES



ICBC TURKEY
Annual Report 2024

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Similarities among differences and important balances

We are proud and happy to have reached our 10th anniversary as a bank furnishing bridges between Türkiye and China.

We localize the trust and experience of ICBC, which is the world’s largest bank on the global scale, and boast an unprecedented position in banking services.

We fit many accomplishments in these short years. We brought two geographically and culturally very different countries closer in every aspect. These differences harbor many similarities. These similarities inspire us. We contribute to the deepening of economic and commercial cooperation between China and Türkiye with a win-win approach.

WE BECAME A LARGE FAMILY

Türkiye and China possess major potential for sustainable growth. These two countries, which stand out in their respective regions with their population sizes, have been linked closely with each other since the Silk Road. Family ties are important in both countries. We expanded the economic relationships between these two countries and became a large family with our customers.



CARE, ATTENTION AND DILIGENCE

Hospitality and sincerity are among the leading attributes of both countries... Türkiye's dynamic demographic structure and its positioning as an energy-logistics hub offer attractive opportunities for foreign investors while we host investors at our branches and digital channels with a hospitable approach and good service and guide them with our specialized services.

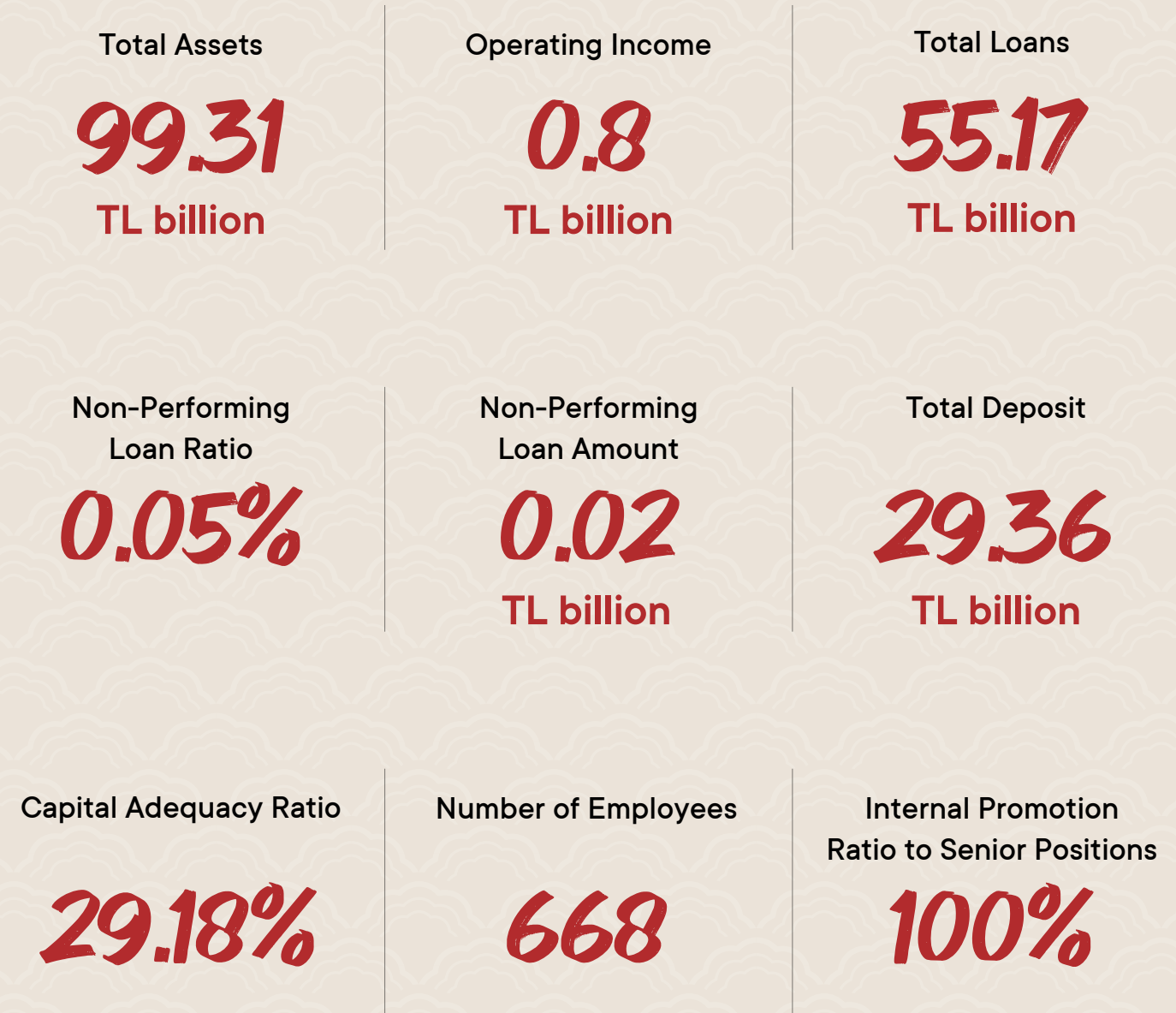


APPROACH AND AFFINITY DIFFERENCE

The people of both countries heed friendships and respect. We see all stakeholders as our relatives and embark on business processes by understanding them well first. We set out with this attribute in our approach to service and develop pleasing solutions. We are shaping a new future between the two countries through our practices such as low-cost RMB, credit solutions, and comprehensive risk management.



ICBC TURKEY BANK A.Ş. IN FIGURES



DEVELOPMENTS IN 2024

ICBC Turkey received the “Project Finance Loan House of the Year” award at the 2024 Bonds, Loans & ESG Capital Markets CEE, CIS & Türkiye Awards.



ICBC Turkey has continued to serve the strategic interests of both Türkiye and China by contributing to the development of trade relations at local and international levels.

Changes in management

ICBC Turkey Board Member Jiangfeng Zheng has resigned due to his appointment to another position within the ICBC Group. Dr. Ruiming Hao started his position for his predecessor as the Member of Board of Directors on October 11, 2024.

Dr. Shoujiang Wang, former Deputy General Manager of ICBC Standard (UK), was appointed as General Manager of ICBC Turkey on December 10, 2024.

Oktay Nurata started his position as Deputy General Manager / Assistant General Manager responsible for Credit Allocation and Legal Consultancy Departments on 31.05.2024.

Project Finance Loan House of the Year: ICBC Turkey

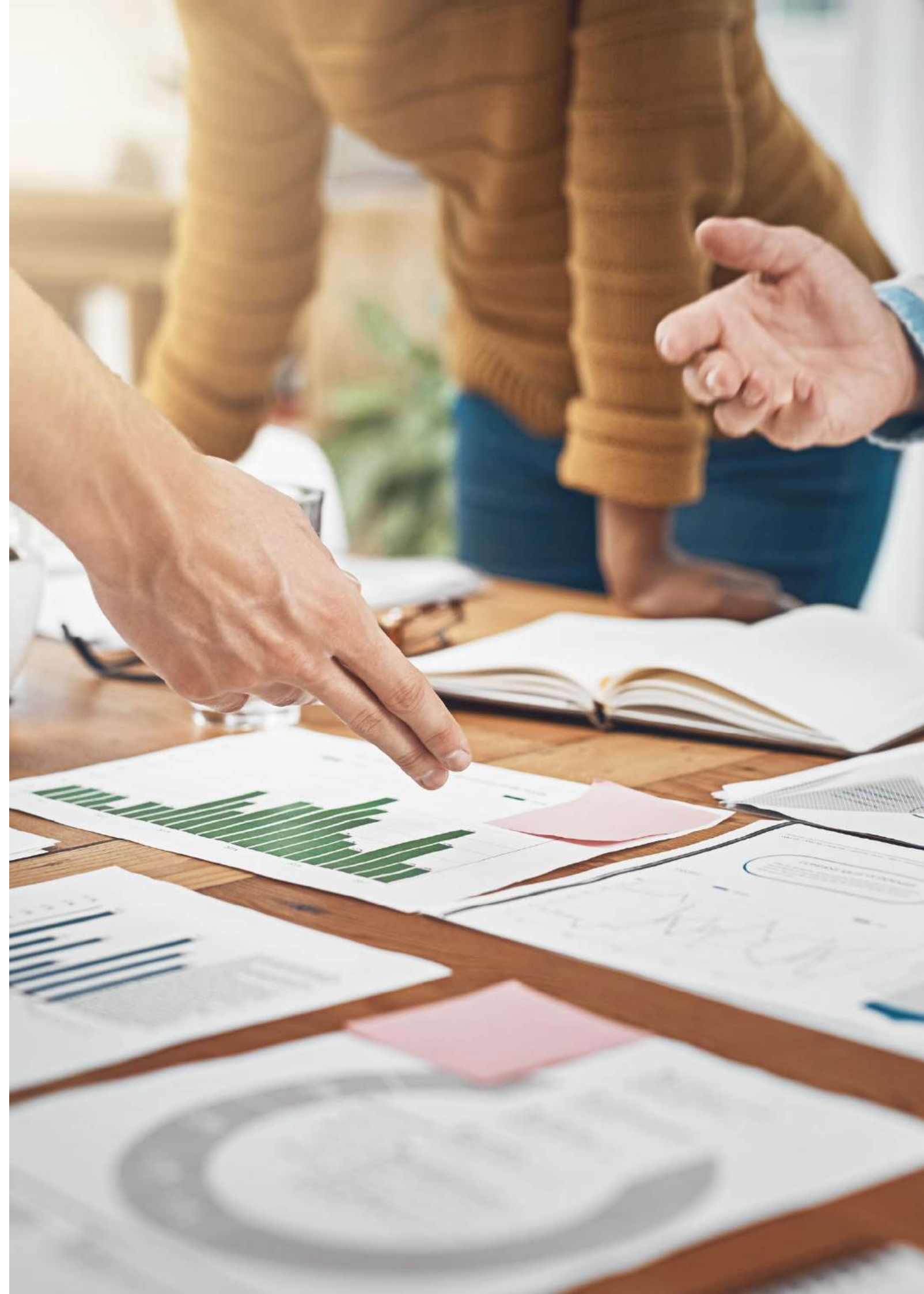
ICBC Turkey was deemed worthy of the “Project Finance Loan House of the Year” award at the 2024 Bonds, Loans & ESG Capital Markets CEE, CIS & Türkiye Awards with the first long-term financing support in Türkiye indexed to Chinese yuan in the field of clean energy provided to SIRO Silk Road Clean Energy Solutions.

Global Pay era at ICBC Turkey

The endeavors on the implementation of the ICBC Global Pay application, developed by ICBC Head Office (China) and enables companies operating abroad to meet their global account management requirements from a single point, has been completed in Türkiye through ICBC Turkey.

Delegations and collaboration opportunities

As the relationship and collaboration between China and Türkiye deepens, many important delegations were hosted at the ICBC Turkey Head Office throughout 2024. During these visits, carried out with the aim of increasing the cooperation between the two countries and ICBC Turkey's role in this collaboration, government officials, senior executives and leading representatives of the business world convened together and opportunities to strengthen financial cooperation and economic development have been evaluated. ICBC Turkey has continued to serve the strategic interests of both Türkiye and China by contributing to the development of trade relations at local and international levels.



MESSAGE FROM THE CHAIRPERSON

First M&A Institution in Europe Continent, of the Largest Bank of the World

On the day we were founded, we pledged to support large-scale projects in Türkiye and we have steadfastly continued this mission. While providing uninterrupted financial support to the real sector and the manufacturing sectors, we continued to offer competitive services by means of our broad, diversified range of banking products.



As ICBC Turkey, we position green finance within the framework of the ICBC Group's international development strategy. We are investing in sectors that will contribute to the green transformation, and to supporting clean transportation, green energy, and other infrastructure projects.

We left a year in which economic, political and geographic challenges dominated the global agenda.

In 2024, we saw intense geopolitical tensions in the global arena, with political changes and economic restructuring steps at the forefront.

The global economic policies implemented since 2022 to combat inflationary risks began to bear fruit, yielding relatively positive results in 2024, while exerting less pressure on economic activity than expected. Nonetheless, in the second half of 2024, we observed interest rate cuts by central banks in developed countries that were directed toward preventing potential negative effects on employment and economic activity. This course is expected to continue in 2025.

In Türkiye, the conventional economic policies that were implemented following the May 2023 elections continued to be applied in 2024, with the aim of ensuring price stability and strengthening fiscal and external balance.

Within the framework of these policies, the interest rate hike process initiated by the Central Bank in the second half of 2023 continued through 2024 and remained stable at the level of 50%, attained in March. While steps were taken in alignment with growth targets, the disinflation process was observed to have progressed more gradually than expected.

As ICBC Turkey — backed by the strength and experience of the ICBC (Industrial and Commercial Bank of China Limited), the largest bank in China and in the world — we made our strong corporate structure even more agile through our investments in technology while strengthening our risk management framework.

On the day we were founded, we pledged to support large-scale projects in Türkiye. To date, we steadfastly continue this mission. While consistently providing uninterrupted financial support to the real sector and the manufacturing sectors, we continue to offer competitive services by means of our broad and diversified range of banking products.

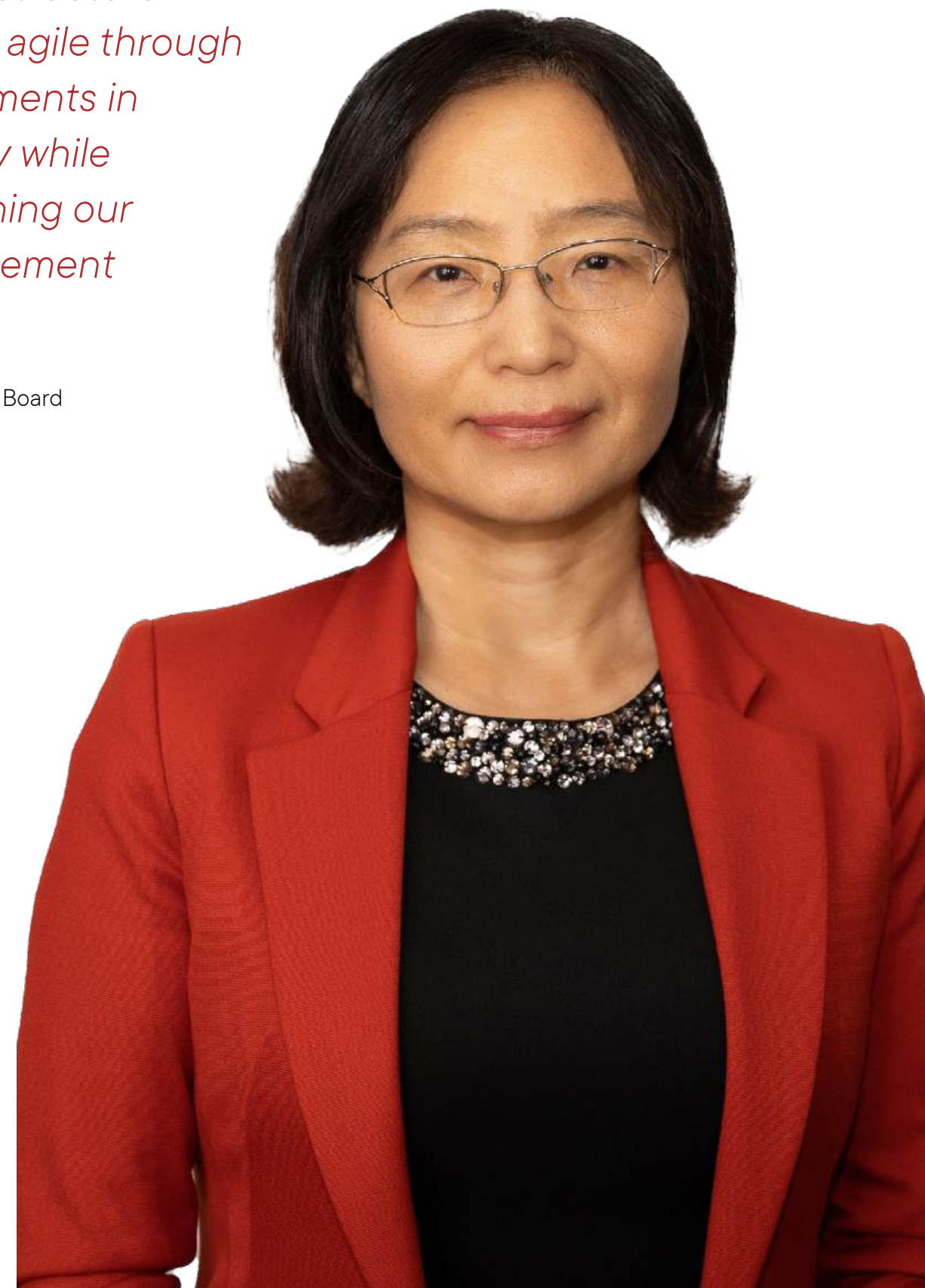
As ICBC Turkey, we position green finance within the framework of the ICBC Group's international development strategy. We are investing in sectors that will contribute to the green transformation, and to supporting clean transportation, green energy, and other infrastructure projects.



As ICBC Turkey, we made our strong corporate structure even more agile through our investments in technology while strengthening our risk management framework.

Qian HOU

Chairperson of the Board



MESSAGE FROM THE CHAIRPERSON

By continuously improving our technology and service capabilities, we have further advanced our RMB infrastructure, consequently increasing our RMB clearing volume increased 78% and payment volume exceeded 4.8 billion RMB. We continue to lead in RMB transactions by way of our market share and business growth rate.

Our efforts in this field are also receiving acclaim in the international arena, as evidenced by our Company winning the “Project Financing Loan House of the Year” award at the Bonds, Loans & ESG Capital Markets CEE, CIS & Türkiye Awards in 2024, for Türkiye’s first Chinese yuan-indexed long-term financing support, which we provided to SIRO Silk Road Clean Energy Solutions.

Last year, we saw China and Türkiye deepen their relations. top leaders from both countries met at the Shanghai Cooperation Organization (SCO) meeting in June, where they decided to expand trade between the two countries, increase Chinese investments in Türkiye, and advance cooperation on infrastructure projects.

Türkiye’s Ministry of Treasury and Finance delegation visited the ICBC Headquarters, and a global investor meeting was held. As ICBC Turkey, we attended the event with representatives from several Chinese Fortune 500 companies. The Ministry of Treasury and Finance was assisted in organizing a global investor meeting in China.

The Chairperson of the Turkish Banks Association was accompanied on his visit to ICBC Headquarters (China).

In addition, delegations consisting of governors, political figures, representatives of important regional companies, and other officials from major provinces of China such as Sichuan, Anhui, Nanjing, Hunan, Shenzhen, were hosted at ICBC Turkey Headquarters to discuss matters related to cooperation, while the National Financial Regulatory Administration of the People’s Republic of China visited ICBC Turkey Headquarters for a bilateral exchange of ideas about supporting Chinese investors to find opportunities in Türkiye.

The trade volume between China and Türkiye is steadily increasing: China is Türkiye’s third-largest trading partner after Russia and Germany; and is Türkiye’s second-largest importer after Russia. The trade volume in Chinese yuan (RMB) in Türkiye’s foreign trade has also risen significantly. As Türkiye’s first Chinese bank, we effectively contribute to strengthening these bilateral ties.

We have played an active role in strengthening the flow of capital from China, attracting Chinese investors to Türkiye, and increasing the market presence of those currently operating in Türkiye.

By continuously improving our technology and service capabilities, we have further advanced our RMB infrastructure, consequently increasing our RMB clearing volume increased 78% and payment volume exceeded 4.8 billion RMB. We continue to lead in RMB transactions by way of our market share and business growth rate.

In line with our goal of leveraging the expertise of the ICBC Headquarters and its wide product range, we launched ICBC Global Pay in Türkiye in order to facilitate the financial management of global companies.

In line with ICBC Turkey’s strategy of “acting locally, covering surrounding regions, and connecting Eurasia,” we have worked to enhance not only the relations between Türkiye and China, but also economic cooperation in key regions of Eurasia. By visiting regulators and customers from neighboring countries such as Georgia and Azerbaijan, we have created opportunities to strengthen financial relations and promote cooperation.

We celebrate the tenth anniversary of ICBC Turkey this year. In Chinese culture, “ten,” “decade” or multiples thereof symbolize a cycle, similar to the changing of seasons, and also represent new beginnings.

We are reaping the achievements and experiences of the past decade. We now look forward to even brighter decades — and centuries.

I extend my gratitude to all our stakeholders for trusting us and standing by us on this journey.

Sincerely,

Qian Hou
Chairperson of the Board



MESSAGE FROM THE GENERAL MANAGER

We have continued adding value for all our stakeholders

As ICBC Turkey, we have continued to enhance and diversify our services through our strong structure and sustainable growth strategy, while taking steps to further elevate customer satisfaction and adding value for all our stakeholders.

i As a Bank with a mission to serve as a bridge in the development of trade between Türkiye and China, we play an active role in projects aligned with the Belt and Road Initiative through collaborations with international financial institutions and other ICBC branches.

i By further strengthening our position as the first preferred RMB bank in Türkiye, we have significantly increased the RMB loan volume and the volume of assisted cross-border RMB transfer transactions.

5.8%

Global annual inflation in 2024 according to the IMF's World Economic Outlook report.

In 2024, as in 2023, we saw that policies for fighting inflation caused a limited slowdown in economic activity. This fight led to a disinflation process, especially in developed countries.

According to the IMF's World Economic Outlook report, global (annual average) inflation, which was an average of 6.7% in 2023, concluded at the level of 5.8% in 2024. In developed countries, the annual average inflation in 2024 is estimated to be 2.6%, a drop of two percentage points compared to 2023, while the decrease in developing countries was more limited.

As it is globally, the most significant factor determining the macroeconomic outlook of Türkiye's economy is the tight monetary policy. The Central Bank of the Republic of Türkiye (CBRT) gradually lifted the policy interest rate to 50% and continues to maintain it at this level.

As ICBC Turkey, we have continued to enhance and diversify our services with our strong structure and sustainable growth strategy, to take steps to further elevate customer satisfaction, and to add value for all our stakeholders.

As a Bank with a mission to serve as a bridge in the development of trade between Türkiye and China, we continue to play an active role in projects aligned with the Belt and Road Initiative through collaborations with international financial institutions and other ICBC branches. By further strengthening our position as the first preferred RMB bank in Türkiye, we have significantly increased the RMB loan volume and the volume of assisted cross-border RMB transfer transactions.

We successfully completed structured financing transactions, especially those in line with Türkiye's goal of becoming a regional energy and transportation hub. By maintaining our continuous support to the public sector during these processes, we contributed to Türkiye's economic stability and growth.



By maintaining our continuous support to the public sector, we contributed to Türkiye's economic stability and growth.

Shoujiang WANG
General Manager



MESSAGE FROM THE GENERAL MANAGER

In 2024, we launched ICBC Global Pay, a payment and cash management platform that allows firms operating abroad to meet their global account management needs from a single point, also in Türkiye.

Concurrently, we strengthened our management capacity and raised our quality and efficiency levels by closely monitoring global developments.

One of the most important products of our innovation-focused efforts has been the Global Pay application. Developed by ICBC Headquarters (China), in 2024, we also launched ICBC Global Pay, a payment and cash management platform that enables companies operating abroad to meet their global account management needs from a single point, in Türkiye.

As a direct member of CIPS with the CIPS-RMB Clearing Project, we gained considerable advantages in the race to become the leading bank for RMB clearing in Türkiye. By providing integration between the ICBC Turkey main banking system and CIPS, we reinforced our operational efficiency and reduced manual processes.

In line with our comprehensive risk management approach, all risks, including cyber security, were assessed throughout 2024, and risk monitoring mechanisms were enhanced. New control points were established to strengthen risk oversight for compliance risks, market risks, large corporate clients, and reinforce the customer-focused risk management system.

By means of the risk management structure we strengthened throughout the year, we prevented new potential risk emergencies; by closely monitoring existing risks, we reduced the potential risky loan ratio from 1.76% at the beginning of 2024 to 0.004% by the end of the year. In the same way, we reduced the potential risk balance from USD 45 million at the beginning of 2024, to USD 85 thousand.

Throughout these processes, we continued to invest in our employees. We initiated efforts during the year to establish a new performance management system that supports ongoing employee development and provides flexible, real-time feedback. We believe that renewing the performance management system will prove to be a major step toward faster and more efficient and effective operations, and that together we will achieve even greater successes.

On that note, I would like to thank all our stakeholders, especially our employees. Thanks to the continuous support of our stakeholders, we are taking confident steps toward the future and we will continue to move forward.

Sincerely,

Shoujiang WANG
General Manager



ABOUT ICBC

ICBC ranked first for the 12th consecutive year in The Banker’s “Top 1000 World Banks,” and first for the 8th consecutive year in Brand Finance’s “Top 500 Banking Brands.”

 **16,275**
Number of ICBC branches

 **749**
million
Number of ICBC retail customers as of 2024

Industrial and Commercial Bank of China Limited (ICBC) was established on 1 January 1984. On 28 October 2005, the Bank was wholly restructured to a joint-stock limited company. On 27 October 2006, the Bank was successfully listed on both Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited.

Through its continuous endeavor and stable development, the Bank has developed into the leading bank in the world, possessing a high quality customer base, a diversified business structure, strong innovation capabilities, and market competitiveness. The Bank regards service as the very foundation to seek further development and adheres to creating value through services while providing abundant financial products and superior financial services to over 12 million corporate customers and 749 million retail customers around the world. Having a global coverage network, 410 overseas institutions in 49 countries, 16,275 branches, 20,517 self-service banking service points, and distribution channels consisting of 76,918 intelligent devices and 51,621 ATMs. The bank also has correspondent relationships with 1,458 banks in 143 countries.

The Bank has been consciously integrating the social responsibilities with its development strategy and operation and management activities, promoting inclusive finance, backing rural revitalization, developing green finance, and participating in public welfare undertakings. The Bank always considers its mission of serving the real economy, which is its main field of activity. By adopting a risk-based approach, ICBC maintains stability and builds resilience. Adhering to the understanding of progress through innovation, ICBC actively supports FinTech and prioritizes digital transformation.

ICBC ranked first for the 12th consecutive year in The Banker’s “Top 1000 World Banks, and first for the 8th consecutive year in Brand Finance’s Top 500 Banking Brands.

ICBC is supervised and regulated by the China Banking and Insurance Regulatory Commission (CBIRC), the banking authority of the People’s Republic of China.



ICBC’s Main Financial Indicators as of 2023 Year-End

 **44**
RMB trillion
Total Assets

 **26**
RMB trillion
Total Loans

 **31**
RMB trillion
Total Deposits

 **365,116**
RMB billion
Net Profit

 **806,458**
RMB trillion
Operational Income

ABOUT ICBC TURKEY

Innovative and customer-oriented approach

ICBC Turkey is determinedly moving forward on its journey towards strong growth, without compromising the strategic priorities of the ICBC Group.

 Increasing diversity of activities in the Turkish market

Focusing on diversifying its activities in the Turkish market, ICBC Turkey continues the integration of its regional operations to further improve its asset size, quality, and efficiency.

ICBC Turkey provides services through Head Office in Istanbul and 35 branches across Türkiye, Internet Branch, and Mobile Branch channels.

The main shareholder of ICBC Turkey is the Industrial and Commercial Bank of China Limited (ICBC), the largest bank in China and the world. ICBC's extensive service network and experience in international trade facilitates ICBC Turkey's access to global resources and also enables it to provide active service in Chinese yuan (RMB) transactions as the first Chinese bank in Türkiye.

The operations of ICBC Turkey consist of corporate banking, project finance, commercial banking, SME, financial market operations, investment banking and fund management transactions (foreign currency, money market, and securities trading) through its subsidiary ICBC Turkey Securities, international banking services, retail and digital banking, and credit card business, as well as insurance agency services provided on behalf of contracted insurance companies through its branches.

Capital markets and investment banking services are provided by ICBC Turkey Yatırım Menkul Değerler A.Ş., in which the Bank has a 99.9% stake. (ICBC Turkey Securities).

Without compromising on the strategic priorities of the ICBC Group, the Bank is resolutely moving forward on its journey towards strong growth.

Focusing on diversifying its activities in the Turkish market, ICBC Turkey continues the integration of its regional operations to further improve its asset size, quality, and efficiency.



Number of ICBC Turkey branches across Türkiye

Vision, Mission and Strategic Targets

Our Vision

To become a bank that is innovative, open to development, quick and meticulous at serving and favored most by its clients on the basis of its boutique service understanding and conservative risk management approach.

Our Mission

To generate tailor-made solutions for our customers for their current and future needs, to establish long-lasting relations through our high-quality service approach based on knowledge and creativity, to contribute to our country's economy by creating social and economic values, to continuously generate added value for our customers, employees, and shareholders.

Our Strategic Targets

In light of the political movements in the nearby geography and the global financial fluctuations, achieve deliberate and sustainable growth by protecting the Bank's steady balance sheet and strong capital structure by identifying risks correctly,

Grow in the Corporate Banking and Investment Banking segments, sustain the growth in the Retail Banking area,

Closely monitor the costs and take savings measures in all possible areas.

ABOUT ICBC TURKEY

Share Capital and Shareholding Structure

The shareholding structure of the Bank as of the dates between December 31, 2023, and December 31, 2024, is specified below.

Trade Name of the Shareholder - 2023	Shareholding Amount (Full in TL)	Ratio (%)	Trade Name of the Shareholder - 2024	Shareholding Amount (Full in TL)	Ratio (%)
Industrial and Commercial Bank of China Limited* (ICBC)	798,428,227	92.84	Industrial and Commercial Bank of China Limited* (ICBC)	798,428,227	92.84
Publicly held	61,571,773	7.16	Publicly held	61,571,773	7.16
Grand Total	860,000,000	100.00	Grand Total	860,000,000	100.00

*The company named Industrial and Commercial Bank of China Limited is the legal entity shareholder of the Bank's qualified shares.

There is no share of the Bank which has been acquired by it within the scope of article 379 of the Turkish Commercial Code no.6102.

Subsidiaries and Affiliates

Company Sector	Affiliates	Field of Activity	Share (%)
Finance Sector	ICBC Turkey Yatırım Menkul Değerler A.Ş.	Investment Banking	99.998

ICBC Turkey Securities was incorporated in 1996 in Istanbul. The Company's equity is TL 778.6 million.

ICBC Turkey Securities provides a regional platform for wide range of investment banking services including M&A advisory, debt capital markets, equity capital markets, project finance and syndicated loans as well as securities brokerage, over the counter financial products and cross currency and interest rate hedging solutions to sovereign institutions, corporate and retail customers.

Representing the ICBC Group in Türkiye, offering a unique global network with its 415 institutions operating in 49 countries in line with its "Mega Investment Bank" vision, ICBC Turkey Securities aims to continue its investment banking services on a regional scale by acting as a bridge between Europe and Asia. ICBC Turkey Securities, providing services on a wide range of investment banking products on local and international platforms, continues to expand its operations in the fields of mergers and acquisitions, domestic and international bond issuances, public offerings, project finance and syndicated loan leadership.

28 years of experience supported by international partnerships
ICBC Turkey Securities offers a full range of brokerage services through 20 Branches across Türkiye with 28 years of expertise to local clients as well as international institutional clients through strategic alliances with ICBC Group investment banks based in London and Hong Kong.

ICBC Turkey Securities plays an important role concerning project and structured finance transactions for the financing and refinancing of large infrastructure, and energy investments as well as M&A advisory and financing in Türkiye and its region. The Company is active in the coordination and book-running of syndications and bond issuances for sovereign, financial, and corporate institutions.

ICBC Turkey Securities, providing corporate roadshow services as well as research and sales reports for international clients, has been appointed as a market maker for RMB/TL futures transactions on Istanbul Stock Exchange.

Within the scope of its Corporate Marketing activities, ICBC Turkey Securities provides brokerage services to domestic qualified institutions and foreign corporate investors, and increases its brand value and qualified corporate customer base day by day.

A regional investment banking hub
ICBC Turkey Securities is ideally placed as a regional investment banking management platform to serve sovereign, financial institutions, and corporate clients with unparalleled financing power and the ability to create innovative structures using ICBC's global capabilities and strong overseas network composed of various ICBC investment banks and commercial banking centers. Through its subsidiary ICBC Turkey Asset Management Company, alternative investment instruments and funds are provided with different risk and return categories and discretionary portfolio management services to corporate and retail clients besides pension funds.

ICBC Turkey Securities was licensed as a Broadly Authorized Securities company by the Capital Markets Board on January 1, 2016, together with enlarging its scope of activities into investment banking.

ICBC Turkey Yatırım Menkul Değerler A.Ş. (ICBC Turkey Securities), carries out cross-operations with its subsidiary, ICBC Turkey Portföy Yönetimi A.Ş. (ICBC Turkey Asset Management Company), in which it holds a 100% stake. Among these activities, it offers mutual funds in different risk/ return categories to individual and corporate customers, portfolio management alternatives, and corporate portfolio management services to pension companies.

ICBC Turkey Securities, together with ICBC International Hong Kong, is one of the two subsidiaries of ICBC holding a Stock Brokerage license.

ICBC Turkey Securities manages the virtual portfolio of "Blackrock," among the world's largest asset management companies, and the virtual portfolio account it manages ranked eighth in the top ten among brokerage firms in developed and developing countries in the third quarter of 2024.

Under the coordination of ICBC Turkey Securities, ICBC Dubai and ICBC Kuwait Branches participated in Akbank's April 2024 syndication. Within the scope of the syndication in question, Akbank provided 600 million USD in resources to support the Turkish economy. The syndicated loan was structured as a sustainability loan within the Bank's Sustainable Finance Framework. 45 banks from 20 countries and 16 new participating banks was involved in the loan worth of USD 600 million.

Under the coordination of ICBC Turkey Securities, ICBC Dubai Branch participated in Yapı Kredi Bank's May 2024 syndication. Yapı Kredi Bank has secured a sustainable resource of USD 936 million with this syndication. 46 banks from 25 countries participated in the syndication.

Strategic partner in M&A transactions
ICBC Turkey Securities has undertaken the M&A sell-side advisory of a leading PET producer in Greece and the Balkans in 2024. The company is the foreign subsidiary of a well-known publicly held holding company in Türkiye. ICBC Turkey Securities has been authorized as the seller for this M&A project and has conducted the negotiation process with a potential buyer, a Chinese industrial company. In addition, it continues its negotiations with Asian investors within the acceptance range of 50% to 100% for the infrastructure/contracting company, a subsidiary of a well-known holding group based in Türkiye.

Solution partner in Eurobond issuance
ICBC Turkey Securities, together with ICBC Standard Bank, acted as Joint BookRunner for the 500 million US Eurobond issuance of the TWF in February 2024. In the transaction, demand of over USD 7 billion was generated against supply of USD 500 million. With this demand of over 14 times, the highest demand was reached in Türkiye to date. Also, a demand volume unprecedented in the last 10 years was achieved, excluding Treasury transactions. Through this transaction, ICBC has mediated for the first time for a state institution other than our country's treasury to raise funds through bonds in international markets. With this bond issuance, TWF has become the investment choice of nearly 50 institutional investors from Europe, the UK, Asia, the Middle East and North Africa and off-shore channels.

A support of TL 50.5 billion to the economy with the public offering
ICBC Turkey Securities served as a book-runner and consortium member in the public offering of 23 companies in the Turkish capital markets in 2024. As part of the public offering transactions in which it served as a "BookRunner and Consortium Member," it contributed to the provision of a total of TL 50.5 billion in resources to the Turkish economy and capital markets through Istanbul Stock Exchange.

ABOUT ICBC TURKEY

With the implementation of “Five-One Book” approach, thus the group built a comprehensive and industry leading risk management system.



Five Essentials of Transformation

- Enhance Modernization Strategy
- Develop a Diversified Structure
- Strengthen the Foundation of an Ecosystem-Basen Approach
- Boost Digital Capabilities
- Enhance Intelligent Risk Management

Risk Management at ICBC Turkey

Risk Management Approach at ICBC:

ICBC Group adopts the Enterprise Risk Management (ERM, Comprehensive Risk Management). With the implementation of “Five-One Book” approach, thus the group built a comprehensive and industry leading risk management system.



Risk Management at ICBC Turkey:

1) Comprehensive Risk Management:

ICBC Turkey Bank A.Ş. implements a comprehensive risk management approach in all of its activities. Accordingly, risk governance refers to the responsibility arrangement and balancing mechanism of the Board of Directors, the Risk Management Committee of Board of Directors, senior management and its risk committees, business departments, Risk Management Department, Internal Control & Compliance Department and internal Audit Department in terms of decision-making, execution, supervision and reporting etc. regarding risk management.

Risk Management framework is established to specify the content to be reported, reporting frequency, reporting way and operation mechanisms of significant events to the Board of Directors, Board of Directors Risk Management Committee, Audit Committee, senior management and other special committees, to ensure a smooth communication of the risk information between senior management, departments and branches, to react immediately and take effective measures, and it is improved periodically.

2) Three Lines of Defense:

First Line of Defense - Operational Security: The first line of defense focuses on the secure implementation of daily operations for business units directly interacting with clients and exposed to risk factors. It comprises the procedures for overseeing client accounts, making payments, and conducting various financial operations. It comprises measures against physical threats, along with effective measures against fraud, phishing, malware, and other cyber threats.

Second Line of Defense - Independent Risk Management and Internal Control: At the intermediate level, the Risk Management Department efficiently utilizes risk management tools to monitor, assess, and manage financial risks, including credit risk, market risk, operational risk, and liquidity risk. Internal Control and Compliance Department, which is a vital part of the second line of defense, identifies risk control points across various business processes and management activities, ensuring the implementation of relevant control measures, seamless implementation of business and management processes, and the effective execution of the risk management policy through the establishment and implementation of systematic rules, procedures and measures.

Third Line of Defense - Independent Internal Audit: The third line of defense involves the internal audit processes. Internal Audit Department regularly reviews and assesses the sufficiency and effectiveness of corporate risk management, and delivers reports directly to the Board of Directors and Audit Committee. Board of Directors addresses the problems encountered in internal audits ensuring that the senior management takes immediate corrective measures. Internal Audit Department monitors and oversees whether the encountered problems are corrected and submits the relevant reports to the Board of Directors in a timely manner.

Business units, Risk Management Department, Internal Control and Compliance Department and the Internal Audit Department are indispensable parts of enterprise risk management. Each unit diligently fulfills its respective function, while enhancing communication and coordination to effectively execute its role in the three lines of defense.

3) Information Risk Security:

With the leading of the Information Risk and Security Office and support from all bank, information security is ensured across the bank in line with the business requirements and business targets. Information Security Policy is subject to regular reviews and is fully implemented, with considering of significant security incidents recently, as well as new vulnerabilities, and technical infrastructure modifications. Accordingly, the criteria regarding the classification of the information assets and the confidentiality, integrity and accessibility of the information assets are established. In compliance with legislation provisions, standards, policies, procedures, and process documents related to information security is maintained. Checks for the information security activities are made and it is ensured that the results are followed up. An information security awareness program is implemented and relevant trainings are provided to all Bank employees, outsourced vendors and clients.

ABOUT ICBC TURKEY

ICBC Turkey conducts its operations through its Head Office located in Istanbul and 35 branches nationwide.

Historical Development of the Bank

1986

ICBC Turkey Bank A.Ş. (formerly named as Tekstil Bankası A.Ş.) was incorporated as a privately owned bank and authorized to accept deposits, on April 29, 1986, and started its operations on October 13, 1986.

1990

Shares of the Bank have started to be publicly traded and listed on Borsa İstanbul (Istanbul Stock Exchange - BIST) as of May 23, 1990.

2006

Until 2006, the Bank grew with its commercial and corporate banking strategy. Starting from 2006, the Bank restructured its retail banking organization and started to operate in this field as well. The Bank has continued to meet the needs of its customers by closely following the developments in the banking sector, including the commercial-corporate banking, retail banking, and investment banking areas.

2007

GSD Holding A.Ş. acquired 75.5% of the Tekstil Bankası A.Ş.'s shares and became the majority shareholder in 2007. The remaining shares of 24.5% continued to be publicly traded on BIST.

2008

The Bank's share capital was increased from TL 300 million to TL 420 million; TL 60 million out of this TL 120 million incremental share capital raise was obtained from internal sources and the remaining TL 60 million was paid in cash.

2015

The Bank belonged to the GSD Group until May 21, 2015. With its resolution dated April 2, 2015, and numbered 6262, the Banking Regulation and Supervision Agency (BRSA) authorized the transfer of all of the shares owned by GSD Holding A.Ş. corresponding to 75.5% of the Tekstil Bankası A.Ş.'s shares, to Industrial and Commercial Bank of China Limited (ICBC), domiciled in the People's Republic of China. Share transfer was realized on the date of May 22, 2015, at the Extraordinary General Assembly. As of May 22, 2015, the Bank was included in the group of foreign banks incorporated in Türkiye.

According to Article 11, related to the mandatory bid offer transactions, of the Communiqué on Mandatory Bid Offers issued by the Capital Markets Board, with Serial Number II. 26.1, ICBC became obligated to make a share purchase proposal to purchase the remaining shares belonging to the other shareholders as a result of its purchase of the shares owned by GSD Holding A.Ş.

representing 75.50% of the share capital of Tekstil Bankası A.Ş. In this context, ICBC, the majority shareholder of the Bank, made a mandatory bid offer according to the "Communiqué on Mandatory Bid Offers" with Serial II, No.26.1, which expired on August 14, 2015, as a result of which the shares of the Bank held by ICBC increased from 75.50% to 92.82%.

In the context of the resolution taken at the Extraordinary General Assembly on November 5, 2015, the Bank's trade name has been changed from "Tekstil Bankası A.Ş." to "ICBC Turkey Bank A.Ş." and this matter was registered with the trade registry on November 13, 2015, and published in the Turkish Trade Registry Gazette dated November 19, 2015, and numbered 8950.

Non-banking capital markets and investment banking services are provided by ICBC Turkey Yatırım Menkul Değerler A.Ş., 99.998% of which is owned by the Bank. Tekstil Portföy Yönetimi A.Ş., 100% of the share capital of which is held by ICBC Turkey Yatırım A.Ş., was incorporated on the date of April 21, 2015, and by the resolution taken at the extraordinary general assembly held on November 5, 2015, its trade name has been changed as "ICBC Turkey Portföy Yönetimi A.Ş." The main field of activity of the company is to establish and manage investment funds.

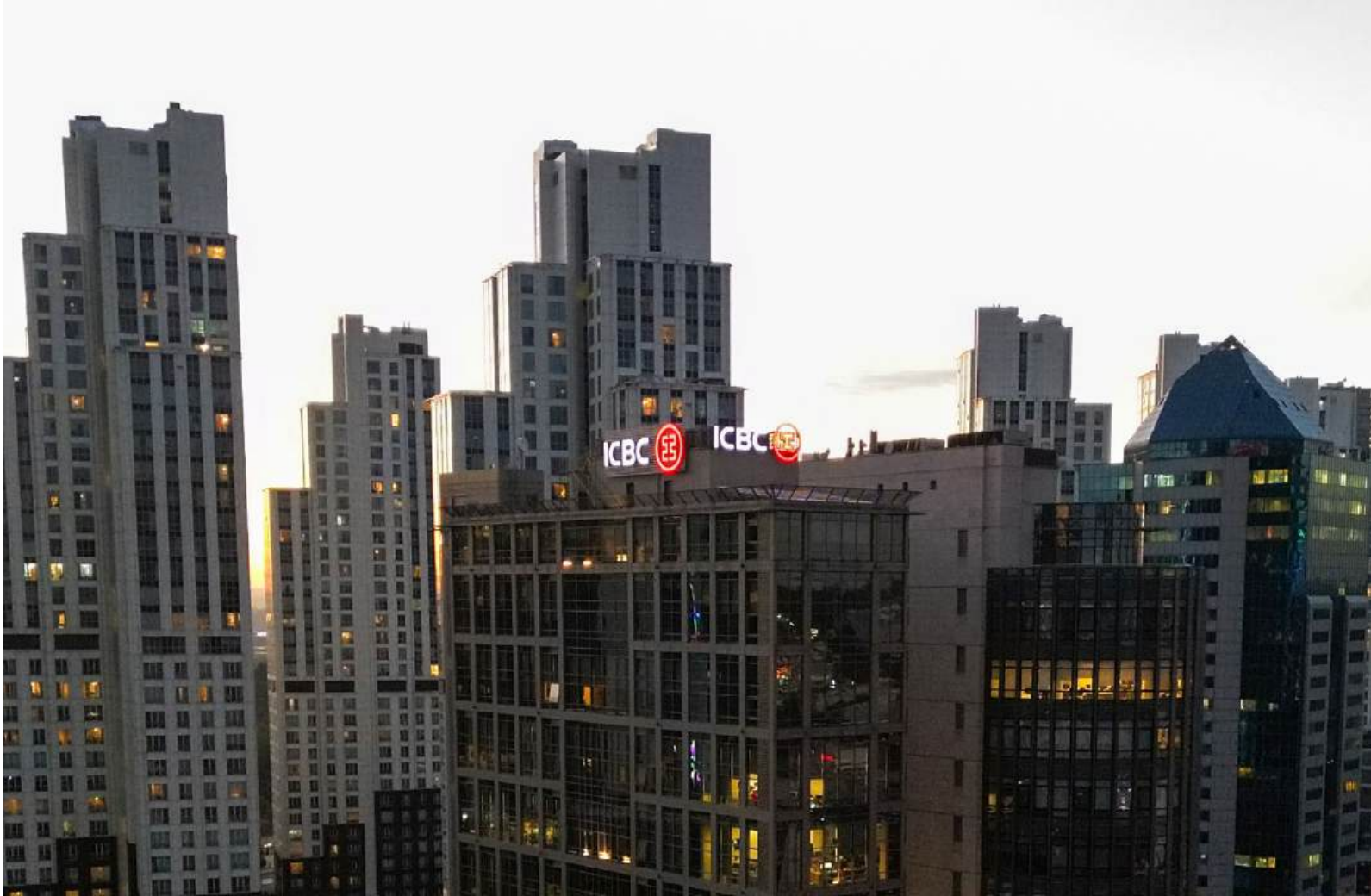
2017

With the capital increase made in 2017, the share capital of the Bank, which was TL 420 million, was increased by an amount of TL 440 million in cash to TL 860 million. As a result of the capital increase, controlling shareholder ICBC's shareholding in the Bank increased from 92.82% to 92.84%.

With the resolution taken at the extraordinary general assembly, held on the date of September 8, 2017, of ICBC Turkey Yatırım Menkul Değerler A.Ş., which is an affiliate of our bank and 99.998% of the share capital of which is held by the Bank; it has been decided to increase its share capital. In this context, it has been resolved by the Board of Directors of the Bank, to exercise the pre-emption right for an amount of TL 39,999,200, arising from the portion of the share capital increased in cash, and to pay the amount of pre-emption right within the period set by the affiliate company. Within the framework of said resolution, said pre-emption right amount was paid to ICBC Turkey Yatırım Menkul Değerler A.Ş. on October 4, 2017. The new capital of the Company was registered as TL 76,000,000 on October 9, 2017.

2024

ICBC Turkey conducts its operations through its Head Office located in Istanbul and 35 branches nationwide. Aside from its branches, the Bank also offers banking services through its retail and corporate internet banking and mobile banking channels.



Entering the Tenth Year – ICBC Turkey

2015

- Türkiye's first Chinese-owned bank, was officially incorporated.

2016

- ICBC Turkey launched its online banking service for the first time.

2017

- The first RMB-denominated clearing account opened for a public bank in Türkiye.
- The first RMB-denominated account opened by the CBRT.

2018

- ICBC Turkey Mobile Branch has been completely revamped.
- The CHINEX Project has been successfully implemented.

2019

- The Daily Time Deposit Account product, which is a breakthrough in serving individual customers, was offered to customers.

2020

- WeChat Pay was launched for the first time in Türkiye.

2021

- ICBC Business Matchmaking Platform has been developed.
- The first RMB syndication loan in the Turkish market.

2022

- ICBC Turkey has published its "Sustainability Policy."
- The Belt and Road Financial Cooperation Forum was held, which was the first forum between Türkiye and China after pandemic.

2023

- We have become a direct participant in the Cross-Border Interbank Payment System (CIPS), and the first CIPS transaction was successfully carried out.

2024

- **ICBC Global Pay application was launched in Türkiye.**

KEY FINANCIAL AND OPERATIONAL INDICATORS

Our asset size has reached TL 99.3 billion.

In 2024, ICBC Turkey's asset size reached TL 99.3 billion.



Customer deposits has reached TL 33.8 billion.

ICBC Turkey's total customer deposits reached TL 33.8 billion.

In 2024, the asset size of our Bank decreased by 0.01% from TL 99.9 billion to TL 99.3 billion. Loans, on the other hand, increased by 3% compared to 2023 year-end and reached TL 55.2 billion. The Bank's securities decreased by 2% compared to the end of 2023.

ICBC Turkey's operating income in 2024 was TL 0.8 billion and its net loss was TL 0.3 billion. 2024 year-end interest incomes increased by 30% compared to 2023 year-end, while net fee and commission incomes decreased by 3%.

As of 2024 year end, based on unconsolidated financial statements of ICBC Turkey prepared in accordance with the "Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation" which includes the "Regulation on the Procedures and Principles for Accounting, Practices and Retention of Documents by Banks" 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 the requirements of "Turkish Financial Reporting Standards" ("TFRS") put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA") for those matters not regulated by the aforementioned legislations:

- Its asset size is TL 99.3 billion.
- Total cash loans (including loans classified as Financial Assets at Fair Value Through Other Comprehensive Income) amounted to TL 55.2 billion. The share of total cash loans in the balance sheet is 55.5%.
- Total customer deposits amounted to TL 33.8 billion with a decrease of 24% compared to 2023, and its share in total liabilities is 33.9% (Including banks' deposits.).
- Equities decreased by 14% compared to the end of the previous year.
- Net loss for the year 2024 was TL 0.3 billion.
- The capital adequacy ratio is 29.18% (31 December 2023: 34.07%).



29.18%

ICBC Turkey's capital adequacy ratio



On the other hand, the activities of the Audit Committee, Corporate Governance Committee and Remuneration Committee of the Bank were closely monitored throughout the year and it was observed that the committees were working effectively.

Explanations regarding the number of employees and branches, the types of services and fields of activity of the Bank, and an assessment of the Bank's position in the sector

The operations of the Bank consist of corporate banking services, commercial banking services, SME, fund management transactions (foreign currency, money market and securities trading), international banking services, retail banking services and credit card business. The Bank also operates, through its branches, as insurance agent of Sampo Sigorta A.Ş., Türkiye Hayat ve Emeklilik A.Ş., HDI Sigorta A.Ş., Axa Sigorta A.Ş. and Fiba Emeklilik ve Hayat A.Ş.

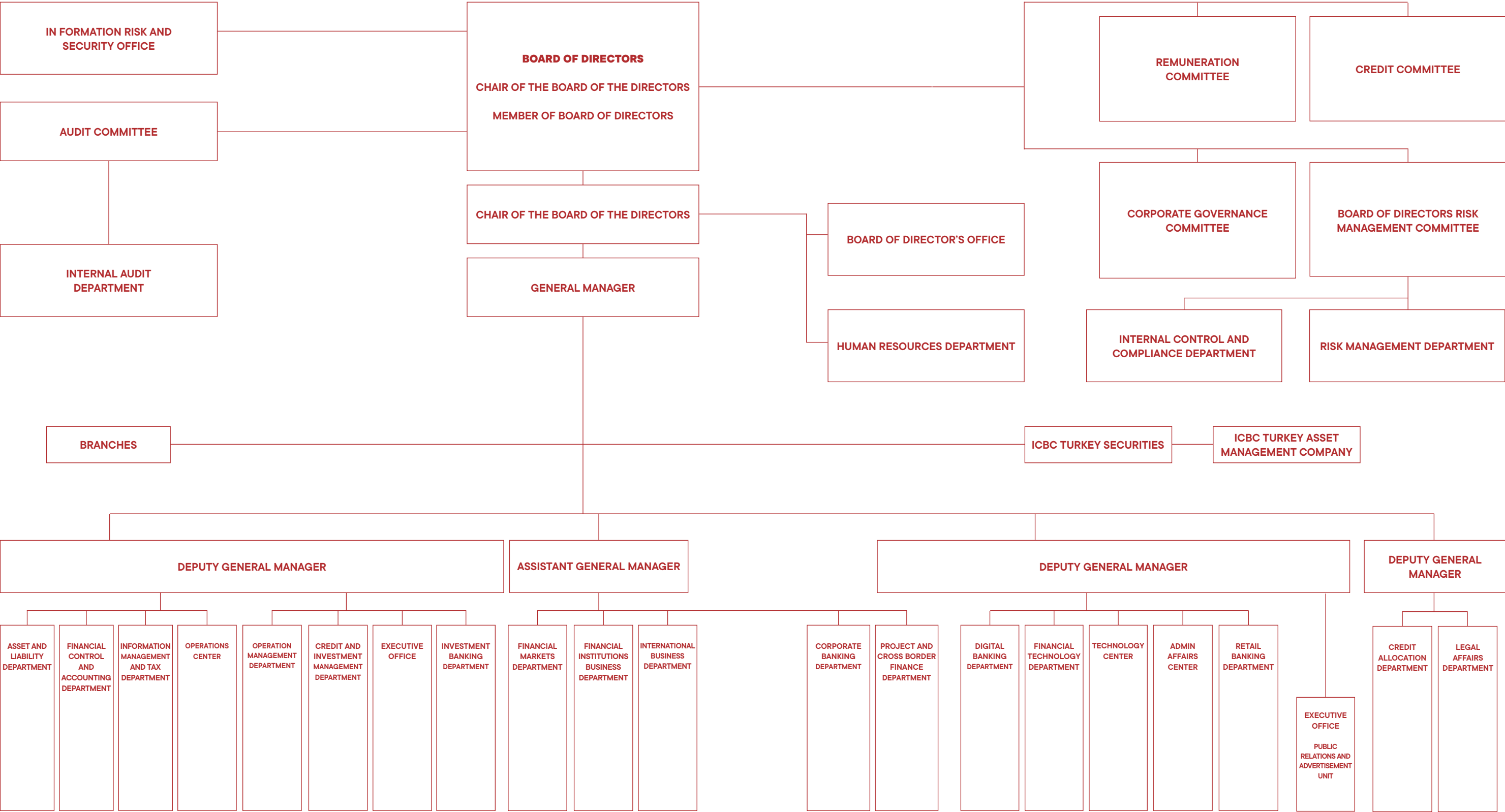
As of 31 December 2024, the Bank had 35 branches located in proximity to Türkiye's industrial zones. As of the same date, the number of employees working at the Bank was 668 (as of 31 December 2023, there were 39 branches and a total of 723 employees).

When we look at our Bank's position in the sector,

- Our Bank's total assets decreased by 0.01%, while total assets in the sector increased by 38.67%.
- The total loan volume of our Bank increased by 3%, while the total loans of the sector increased by 37.48%.
- The total deposits held by our Bank (including banks' deposits) decreased by 24%, while total deposits in the sector increased by 27.28%.
- Our Bank's total securities portfolio decreased by 2% while the total securities portfolio of the sector increased by 31.65%.
- Our Bank's ROE decreased by 7% whereas the total return on equity in the sector increased by 30.48%.
- Our Bank's net-profit for the year decreased by 123% whereas the total net profit in the sector increased by 6.20%.

The Bank's budget is approved by the Board of Directors. The realization of the budget is regularly scrutinized based on the performance criteria.

ORGANIZATIONAL STRUCTURE



ECONOMIC OUTLOOK FOR 2024 AND PROJECTIONS FOR 2025

Central banks have started reducing the interest rates.

In the second half of the year, central banks, especially the European Central Bank (ECB) and the Federal Reserve (Fed), took into account the improvement in the inflation outlook and gradually started dropping the interest rates.



The CBRT increased the policy rate from 42.5% to 50% in the first quarter of the year and kept the interest rates at that level for the rest of the year.

The rate cuts by the developed country central banks and the lagging impacts of the monetary policy on economic activity and inflation outlook have been the main topics in financial markets' agenda during 2024. In the second half of the year, the developed country central banks particularly the European Central Bank and the Federal Reserve initiated a gradual easing cycle considering the improvement in inflation dynamics. The ECB reduced the deposit rate from 4% to 3% whereas the Federal Reserve has cut the target range for the federal funds rate by 75 basis points in two meetings. Depending on the outlook in economic activity and the speed of convergence in inflation towards the central banks' 2% target, markets expect that the easing cycle might gradually continue in 2025.

The impact of the tight monetary policy on economic activity and external balances have been the main determinants of macroeconomic outlook for Turkish economy in 2024. The CBRT raised the policy rate from 42.5% to 50% in the first quarter of the year and kept the interest rates at that level for the rest of the year.

The most apparent impact of the tight monetary policy has been observed in external balances. The annualized current account deficit was at USD 40.4 billion by the end of 2023 and it gradually declined to USD 7.7 billion by the end of October.

The improvement observed in the current account balance, together with relatively strong capital inflows has led to a sharp recovery in CBRT reserves. Compared to the beginning of the year the gross reserves of the CBRT increased from USD 141.1 billion to USD 157.7 billion whereas net reserves have increased by USD 29.2 billion to USD 64.2 billion.

The stabilization in domestic demand in response to the tight monetary policy has been the main reason for the improvement in external balances. The real output increased by 5.4% in the first quarter of the year and the growth rate declined to 2.4% and 2.1% in the second and third quarter respectively. The seasonally adjusted quarterly data revealed that there has been a decline in real GDP for two consecutive quarters which implies that the economy has entered into a technical recession by the end of the third quarter.



Despite the slowdown in economic activity and the stable course of the Turkish Lira, the improvement in the inflation outlook in 2024 has progressed slower than expected. Annual inflation, which was 64.77% at the end of 2023, gradually decreased, especially in the second half of the year, and was realized as 44.38% at the end of the year. Due to the slower-than-expected pace of the disinflation, especially due to the rigidity in services inflation, the CBRT revised its inflation forecasts for 2024 and 2025 to 44% and 21%, respectively, from 38% and 14%, respectively. In line with the verbal guidance given by the CBRT, the first interest rate cut took place at the last meeting of the year, and it is stipulated that these interest rate cuts may continue gradually in 2025 depending on the improvement in inflation dynamics.

The profitability in the banking sector remained under pressure during 2024 due to the negative impacts of the rise in funding costs on net interest margins and the slowdown in loan demand. In the first three quarters of the year the net income of the banking industry increased by 3.7% compared to the same period of the previous year whereas the return on equity has declined from 34.8% to 26.2%.

Despite the negative trajectory in profitability, capital adequacy of the banking sector has protected its strong structure. The standard capital adequacy ratio stood at 18.2%, while the non-performing loan ratio remained below 2%. The banking sector's profitability is expected to regain momentum in 2025 with a slight decline in funding costs and a partial recovery in credit demand.

ICBC TURKEY’S 2024 PERFORMANCE

ICBC Turkey promotes infrastructure projects.

ICBC Turkey will continue to support transportation, healthcare facilities, energy, and other infrastructure projects in Türkiye in 2024, promoting economic growth and meeting the day-to-day needs of its customers.

CORPORATE BANKING

Focus on Local Development and International Vision

ICBC Turkey adopts a global vision in line with its strategy of “prioritizing national development, expanding in adjacent regions, building a bridge between Europe and Asia.” The Bank continues to endeavor to strengthen its management capacity and increase its quality and efficiency levels by closely following worldwide developments.

Despite challenging inflationary conditions, ICBC Turkey continued to support transportation, health care facilities, energy, and other infrastructure projects in Türkiye in 2024, fostering economic growth and fulfilling the daily requirements of its customers.

Belt and Road Initiative and Comprehensive Financing Solutions

Within the framework of the Belt and Road Initiative, ICBC Turkey continued to add value to its stakeholders by focusing on large-scale infrastructure projects, high-resource investments, valuable projects supported by the Turkish government, green financing initiatives, and comprehensive financial services.

Corporate Banking has progressively diversified its locally oriented operations with a regional and international perspective and uses its resources effectively to ensure coordinated development of asset size, quality, and efficiency.

Coordination and Support for Sectors

ICBC Turkey Corporate Banking led the way in a better understanding of the Bank’s credit policy through the Regional Development Committee. In this line, company inquiries are conducted and new customers are acquired in cooperation with all departments.

Throughout 2024, Corporate Banking has rapidly adapted to market changes and increased its competitiveness by supporting the financing demands of strategic sectors and key customers. The bank has provided short-term financing solutions in various sectors such as retail, financial services, manufacturing, and large conglomerates, and providing support with syndicated and investment loans.

ICBC Turkey mediated ICBC Leasing’s aircraft financing transactions and ensured the effective use of the group’s resources by collaborating with multinational companies. In addition, ICBC has maintained strong collaborations with its Amsterdam, Europe, Frankfurt, and Zurich branches as well as with the Beijing, Guangzhou, and Shenzhen branches reporting to ICBC Head Office.

Stable Loan Volume

As of the end of 2024, the total cash loan volume of ICBC Turkey Corporate Banking Department, including Booking Center transactions, was TL 13.8 billion, while non-cash loans were TL 2.5 billion. Excluding Booking Center transactions, the cash credit balance is TL 12.5 billion.

On the deposit side, the total of TL and FX demand deposits reached TL 934.5 million as of the end of 2024, while the total of time and demand deposits reached TL 10.1 billion.

Support to Monetary Policy and Economic Contribution

In 2024, marked as a period of restructuring, Türkiye has taken important steps against inflation and exchange rate volatility. ICBC Turkey has closely followed the steps taken by the Central Bank of the Republic of Türkiye within the framework of its simplification strategy and has fully fulfilled the Bank’s responsibilities.

Within the scope of macro-prudential measures, Corporate Banking contributed to the effectiveness of monetary policies by closely monitoring commercial loan interest rates that support companies’ access to financing. Also, it stood by its customers after the earthquake disaster, quickly concluding postponement requests and prioritizing companies that support regional development.

In this process, the Corporate Banking acted selectively in areas such as investment and exports. Observing the funding of production, employment, and investment in line with the BRSA resolutions, the Bank has taken part in projects suitable for its purpose and contributed to their financing and increased its performance in key areas.

Support to Green Projects for Sustainable Development

In line with its environmental sustainability goals, ICBC Turkey closely follows every sector and investment to contribute to the green transformation. Corporate Banking promotes Türkiye’s sustainable development in line with global growth goals and provides financing for clean energy, environmentally friendly transportation and infrastructure projects.

Trade and Cooperation Between Türkiye and China

ICBC Turkey aims to serve as a bridging factor in the development of trade between Türkiye and China. In cooperation with international financial institutions and other ICBC branches, it plays an active role in projects aligned with the Belt and Road Initiative. It has successfully participated in structured finance transactions, particularly in line with Türkiye’s goal of becoming a regional energy and transportation hub.

Companies doing business with China constitute ICBC Turkey’s primary customer base. The bank has supported the penetration of new Chinese businesses into Türkiye since 2015 and has provided financial support to existing Chinese companies, as well as legal consultancy and information sharing about the country’s investment environment, helping companies expand their presence, and thus increasing trade between the two countries.

Support to Local Development and Public Sector

Local development is among the priority goals of ICBC Turkey. The Bank contributes to the efficient use of resources by supporting the infrastructure and superstructure projects of local governments. In this context, various loan packages were offered to municipalities and their subsidiaries in 2024.

ICBC Turkey, continuing its uninterrupted support to the public sector, has contributed to Türkiye’s economic stability and growth by providing financing of over TL 1 billion to the public sector in 2024.

Cash Management

ICBC Turkey helps corporate and commercial customers facilitate their financial operations. The Bank increased the use of electronic banking products and cash management services in 2024, ensuring that its customers always benefit from the most effective solutions available.

These systems, which allow customers to perform their banking transactions smoothly and securely, include the Direct Debit System, Electronic Letter of Guarantee, Order Acceptance with Electronic Signature, Bulk EFT/Money Transfer from branches and Internet channels, Continuous Check Printing System, Swift Statement, FTP and Web Service, Electronic Reconciliation Accounting Integration, and Corporate Internet Banking.

The year 2024 witnessed a rising tendency to use cash management and electronic banking products. The number of new customers using Swift, FTP, and Web Services was 67, creating a volume of TL 1,269 million in the institutions’ legal and regular payments.

Global Pay

Corporate Banking continues to improve its services with its innovation-centered projects. In this context, Global Pay was put into service in 2024.

The ICBC Global Pay application, developed by the ICBC Head Office (China), is a payment and cash management platform that allows companies operating overseas to meet their global account management needs from a single point.

Global Pay essentially aims to fulfill the global account management requirements of Chinese companies operating overseas from a single point. The platform intends to allow the Bank’s customers manage their financial operations across different countries under one roof, streamlining their business processes and rendering them more efficient. This offers customers a competitive edge, both on a local and global scale.

Target audience of the platform is all China-based companies having subsidiaries operational in Türkiye. Global Pay allows customers to access their accounts at ICBC branches worldwide in one platform. Customers can view their account balances, inquire about transaction details in real time, and make local and international wire transfers using Global Pay.

Global Pay offers customers the following advantages:

- **Global Availability:** Customers access to their accounts at ICBC branches worldwide from one platform and easily manage their financial operations.
- **Safe and Fast Transaction:** Fast and safe international money transfers will reduce operational risks and shorten transaction times.
- **Online Account Management:** Customers will be able to instantly view their account balances and activities online, allowing them to keep an eye on their finances continuously.
- **Increased Efficiency:** The platform will enable financial processes in different countries to be managed from a single point, increasing operational efficiency and reducing costs.
- **Competitive Edge:** The platform will allow customers to act more effectively and quickly in global markets, ensuring a competitive edge in their business.

2025 Targets

ICBC Turkey Corporate Banking plans to increase its loan volume and offer more comprehensive solutions to its customers by using its market potential more effectively in 2025. The Bank aims to contribute to high-quality growth through a business development model promoting sustainable development.

Corporate Banking, which will continue to be a pioneer in RMB transactions, will continue to act as an intermediary for companies to access cheap RMB financing with its new product range and will continue to play an active role in increasing trade between Türkiye and China in local currency.



ICBC TURKEY'S 2024 PERFORMANCE

Support is offered to financial needs.

The Project and Cross Border Finance Department contributes significantly to the development of cooperation between the two countries with the services it provides for the financial needs of customers with commercial activities between Türkiye and China.

PROJECT AND CROSS BORDER FINANCE

Active Role in the Financing of Türkiye's Leading Projects

The Project and Cross Border Finance Department is involved in long-term investment/project finance transactions. The Department is active in financing models that involve bilateral or multi-bank syndications, and the Department's portfolio includes Türkiye's leading projects. In addition to its team at the Head Office in Istanbul, the Project and Cross Border Finance Department, which has an office in Ankara, offers a wide range of products, including short-term cash loans and non-cash loans, depending on the requirements of its customers.

The Project and Cross Border Finance Department contributes significantly to the development of cooperation between the two countries with the services it provides for the financial needs of customers with commercial activities between Türkiye and China. The Department mediates the development of cooperation between investors abroad and companies in Türkiye and the creation of an investment/finance environment.

ICBC Turkey contributes to the sustainable development of the Turkish economy with innovative financing models for long-term, high-value-added, employment-creating projects. ICBC Turkey offers the unique financing models practiced by the ICBC Head Office to the public and private sector customers in formats that meet the requirements of the Turkish markets.

In the complex and ever-changing economic environment of 2024, also shaped by uncertainties in the neighboring region of Türkiye, the operations of cross-border segment customers were successfully managed under the strong leadership of the Board of Directors, the contribution of other departments of the Bank, and the joint efforts of the employees.

Connecting Asia and Europe

ICBC Turkey continuously directs its operations with its innovative working methods. The Project and Cross Border Finance Department has continued to play a key role as a financial bridge in connecting Europe with Asia in terms of financial working methods while successfully performing local economic activities and fulfilling the requirements with its strategies.

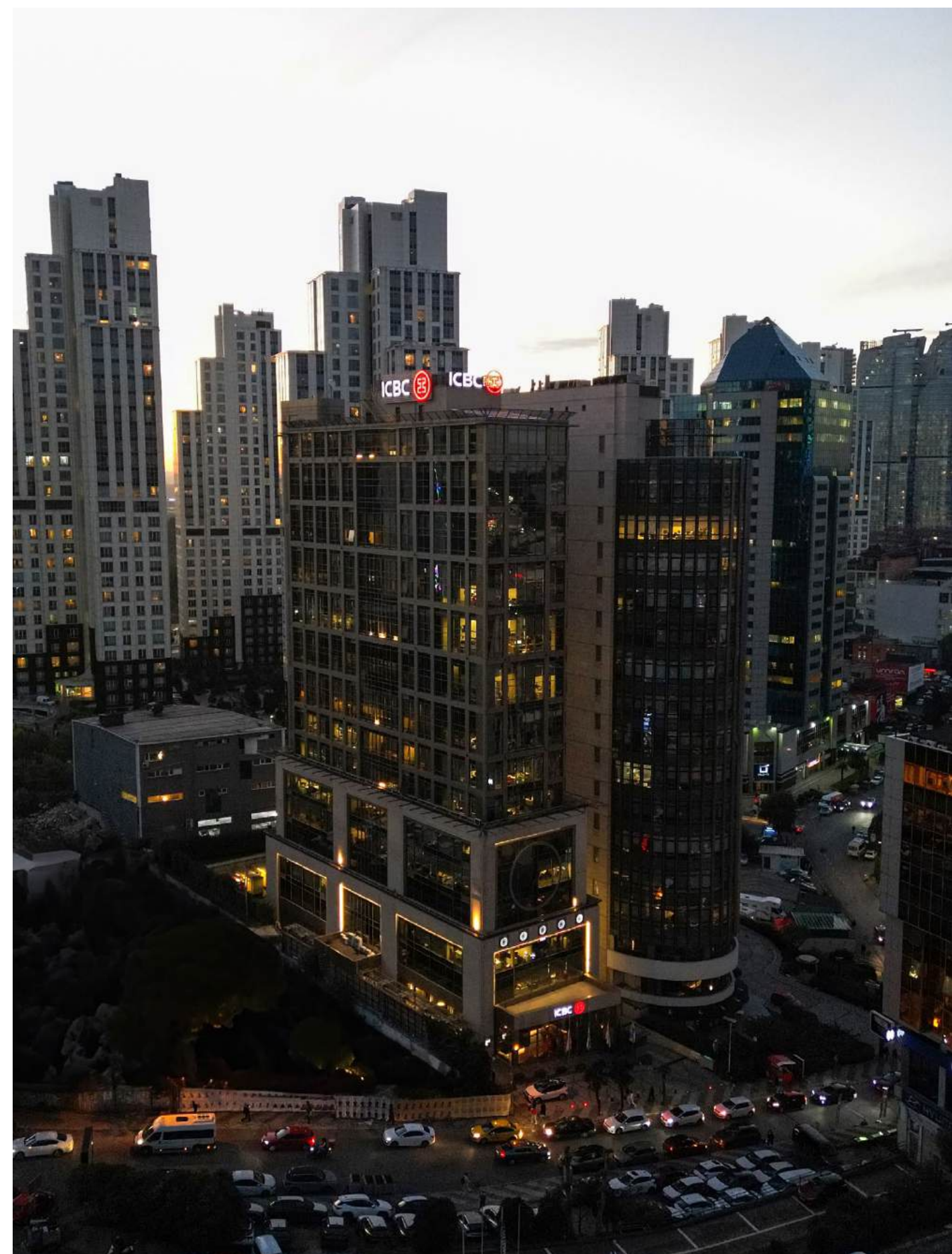
In order to ensure that Türkiye's economic relations with China are sustainable and balanced, the Project and Cross Border Finance Department aims to capture a share of trade and investment with China, which has become the pioneer of the globalization process. In this context, due diligence is exercised to include the investors based in China, EPC (Engineering Procurement and Construction), or machinery-equipment procurement elements in potential projects with the support of the Senior Management of ICBC Turkey and the ICBC Head Office.

Within the scope of the Belt and Road Initiative, announced in 2013 and aiming to revive the historical Silk Road, the economic and commercial growth between the two countries has been stabilized and an important step has been taken in the development of cultural relations. Marking the intersection of the historical Silk Road, Türkiye is also a natural partner for China's Belt and Road initiative.

The Ankara-Niğde Highway Project is a part of ICBC Turkey Project and Cross Border Finance Department's portfolio. The Department contributed to the benefit and importance of this corridor by capturing a share of EUR 68.8 million from the EUR 1.1 billion syndication in which prestigious creditors took part. The Middle Corridor contributes to the development of social and cultural interaction as well as the commercial relationship between Türkiye and China.

Highlights of the transactions in 2024:

- The Bank, provided Türkiye's first investment loan indexed to SHIBOR within the scope of the Battery Investment Project disbursed by the Project and Cross Border Finance Department to SIRO (SIRO Silk Road Clean Energy Storage Technologies San. Tic. A.Ş.), in which TOGG (Türkiye's Automobile Enterprise Group) and China's leading lithium-ion battery manufacturer Farasis are equal partners, was awarded the "Project Finance Loan House of the Year" award in the competition organized by Global Banking & Markets in 2024.
- The Project and Cross Border Finance Department, which has made a great contribution to the cooperation and increase in trade volume between Türkiye and China, increased its RMB cash loan volume to over RMB 500 million in 2024.
- Support was provided to the Chinese Embassy on financial transactions and its needs.



ICBC TURKEY'S 2024 PERFORMANCE

ICBC Turkey was granted the “Project Finance Loan House of the Year” award.

ICBC Turkey, provided Türkiye’s first investment loan indexed to SHIBOR, was granted the “Project Finance Loan House of the Year” award in the contest organized by Global Banking & Markets in 2024.



The Bank contributed to the organization of the Investor Presentation by the Ministry of Treasury and Finance for potential Chinese investors.

- The Bank has mediated the meeting of Chinese and Turkish investors, the development of trade relations between the two countries, and the financing of potential investment projects. Significant contributions were made to the development of the “Belt and Road Initiative” project.
- The Bank contributed to the organization of the Investor Presentation by the Ministry of Treasury and Finance for potential Chinese investors.
- Within the scope of the syndication of which the Bank is a part, Borusan ENBW was deemed worthy of the “Most Successful Syndication” and “Most Successful Refinancing” awards at the Achievement Awards organized by EMEA Finance.
- Convenience and payment advantages were offered to customers for making payments for imports from China in Turkish lira.

The Philosophy of “One ICBC, One Family”
In addition to the existing transactions we carry out under the umbrella of ICBC Turkey, the Project and Cross Border Finance Department works in close communication and cooperation with other ICBC institutions, acting with the philosophy of “One ICBC, One Family.”

Another important step taken in this context was the execution of several transactions through the ICBC Dubai Booking Center. Thus, more beneficial results have been obtained for all stakeholders taking part in these loans. At the same time, endeavors were carried out in the area of financing opportunities with subsidiaries such as ICBC Macao, ICBC Dubai, ICBC Europe, and ICBC London.

The low-cost and long-term competitive resources provided by ICBC Dubai and other booking centers will also support the increasing convergence of Chinese companies and Turkish investors, laying the foundations for long-term relationships by creating a common benefit in large transactions of Türkiye’s reputable companies.

Financial Closure of 18 Projects
Starting from the establishment of the Project and Cross Border Finance Department in 2015 until the end of 2024, ICBC Turkey is honored to announce that the department completed the financial closing of 18 projects with a total limit of USD 1.28 billion.

Sustainable Banking Activities
Projects evaluated by ICBC Turkey within the scope of sustainable banking understanding mainly envisage the construction of renewable energy power plants.

As of the end of 2024, 7 of the 18 projects financed by the Department consisted of renewable energy projects, representing 39% of the total portfolio on a unit basis.

Investors operating within the scope of sustainable finance have recently requested green financing for assets such as cell-battery investment facilities connected to the production of electric vehicles and to benefit from renewable energy sources.

Companies prefer green financing for their projects aimed at developing green industries, reducing environmental and social risks, and strengthening control as well as increasing economic, social, and ecological benefits.

By bringing together Turkish investors and Chinese suppliers in the supply of renewable energy equipment such as solar panels and wind turbines in the energy sector, the Project and Cross Border Finance

Department contributes to the growth of the foreign trade volume between the two countries, which has approached USD 48 billion, and the deepening and development of economic relations through payments in TL and RMB currency and financing.

Success crowned by performance indicators
The Project and Cross Border Finance Department successfully achieved its 2024 goals for loans, deposits, and profit. Financing transactions required by the real sector and public institutions were among the transactions contributing to the increase in loans and profit, with the extending of loans that the Bank had signed and committed in the previous period also playing a part in this performance.

As of the end of 2024, the Department’s loan volume totaled USD 627 million, of which USD 598 million was in cash and USD 29 million in non-cash.

A USD 422 million cash loan was included in ICBC Turkey’s balance sheet and USD 174 million was included in the booking center.

Total deposit of the Project and Cross Border Finance Department was TL 6.1 billion by the end of 2024.

The Project and Cross Border Finance Department recorded a net profit of TL 1.7 billion in 2024, an increase of 73% compared to 2023.

2025 Targets
To support Türkiye’s development model, ICBC Turkey shapes its plans and strategies in line with the “Belt and Road” approach, establishing a permanent bridge between the peoples of Türkiye and China and strengthening economic relations.

As one of Türkiye’s windows to the ICBC Head Office, the Project and Cross Border Finance Department will continue to work resolutely and continuously in 2025 to help ICBC Turkey achieve its profitability goals and contribute to sustainable finance projects.



ICBC TURKEY’S 2024 PERFORMANCE

Resources worth of RMB 2.2 billion were provided.

Since organizing the first interbank RMB syndicated loan in the Turkish banking sector in 2021, ICBC Turkey has provided a total of RMB 2.2 billion to private and state-owned banks.



The total amount of loans provided by ICBC Turkey to distinguished banks in 2024, including booking transactions, exceeded USD 1.8 billion.

FINANCIAL INSTITUTIONS

Intermediation for Loan Transactions

In 2024, as in previous years, ICBC Turkey continued to invest in the assets/loans of distinguished Turkish financial institutions.

In June 2024, under the coordination of ICBC Turkey, the DenizBank RMB syndicated loan transaction of 2023 was successfully renewed.

In June and August 2024, the Bank participated in the syndicated loans of Garanti BBVA and ING Bank A.Ş. through ICBC Dubai and ICBC Europe Amsterdam branches.

ICBC Turkey renewed Türk Eximbank’s sustainability-linked syndicated loan dated November 2024 for RMB 350 million, for which it was appointed as the RMB tranche coordinator, and participated in the same transaction with RMB 350 million through ICBC Doha, allocating loan with a total of RMB 700 million. In addition, in December 2024, it participated in the syndication of VakıfBank through ICBC Dubai with an amount of USD 45 million.

Having full benefited from the unique advantages of the ICBC Group’s wide range of RMB products, efforts to introduce and raise awareness of the RMB products and services offered by ICBC Turkey in the Turkish market continued unabated in 2024.

Thus, the total amount of loans provided by ICBC Turkey to distinguished banks in 2024, including booking transactions, exceeded USD 1.8 billion.

Since organizing the first interbank RMB syndicated loan in the Turkish banking sector in 2021, ICBC Turkey has provided a total of RMB 2.2 billion to private and state-owned banks.

Wide Product Range in RMB

Taking full advantage of the unique advantages of the ICBC Group’s wide range of RMB products, efforts to increase the promotion and awareness of the RMB products and services offered by ICBC Turkey in the Turkish market continued unabated in 2024.

ICBC Turkey also provides RMB account services to banks operating in Türkiye with the strength of its Head Office’s extensive service network and experience in clearing and settlement. As of the end of 2024, ICBC Turkey further strengthened its position as the first choice RMB bank in Türkiye and significantly increased its RMB loan volume and intermediated RMB cross border transfer transaction volume.

In order to encourage, use, and build upon the cross border RMB cooperation, in addition to intermediation activities in transactions carried out within the framework of the Currency Swap Agreement between the CBRT and the People’s Bank of China, negotiations are ongoing to ensure smooth transactions with relevant institutions.

ICBC Turkey continues to work on expanding its cooperation with distinguished correspondent banks in a wide range of areas such as global-scale financing opportunities, trade finance, RMB transactions, cross-selling, and marketing by taking advantage of the ICBC Group’s synergy, experience, and extensive global service network.

Expectations for 2025

The Financial Institutions Business Department provided a significant contribution to the Bank’s profit in 2024, successfully achieving its goals and playing an important role in maintaining the stability of the high quality assets in the Bank.

In 2025 and beyond, the Financial Institutions Business Department will focus on expanding its deeply rooted relationships and establishing new relationships with high-added value in line with ICBC Turkey’s strategic plans. In addition to its cross-selling and marketing efforts, the Department will maintain its assertive presence in RMB transactions.

While capitalizing on the potential of cooperation with correspondent banks in collaborating with a wide range of products, the focus will be on minimizing risks with the advantage of being a global bank, and on providing tailored solutions to focus on customer satisfaction and meeting their needs.

In summary, ICBC Turkey will continue to create added value and work with devotion and full determination in line with its deliberate goal of “becoming the bank of banks.”

ICBC TURKEY’S 2024 PERFORMANCE

Good international service is offered to customers.

Close cooperation with the other organizations in the ICBC Group, which has an extensive service network in 49 countries on six continents, enables the International Business Department to offer its customers the highest standard of international service.

INTERNATIONAL BUSINESS

Detailed and layered business model

The International Business Department presses ahead with its development efforts for international settlements and trade finance transactions and financing within the scope of its long-term strategies.

The business model of the International Business Department is based on working with ICBC Group’s overseas branches and group members to continuously evaluate customer-project-market opportunities in order to increase the Bank’s market share by providing added value to its customers and offering trade finance products at the most competitive prices suitable for customers and transactions.

Close cooperation with the other organizations within the ICBC Group, which has an extensive service network in 49 countries on six continents, enables the International Business Department to offer its customers the highest standard of international service.

This cooperation, which also increases the effectiveness of foreign trade finance products enables a win-win outcome in different products with all its professional functions, working together with ICBC London, ICBC Dubai, ICBC Hong Kong, ICBC Singapore, ICBC Tokyo, and all overseas ICBC branches.

By the end of 2024, ICBC Turkey had significantly increased the volume of import letter of credit transactions handled with ICBC overseas branches in line with the needs of its customers.

The Bank cooperates with ICBC’s branches in China to provide its customers with a better, faster international quality service in RMB transactions.

Developments in 2024

In 2024, the Bank handled the greatest single import letter of credit transaction for the amount of RMB 113 million.

The CBRT RMB Rediscount Financing product is continued to be used within the scope of RMB/TL SWAP Agreement and the total transaction volume exceeded RMB 48 million as of the end of 2024.

Huge increase in transaction volume

ICBC Turkey focuses on customer satisfaction and stands firm when it comes to increasing business volume by strengthening international relations. The Bank exceeds the trade finance volume of USD 1.4 billion by the end of 2024 and the international settlements volume of USD 11.5 billion. Also, the RMB payment volume reached over RMB 4.8 billion and the RMB clearing volume reached over RMB 30.3 billion by the end of 2024.

Expectations for 2025

ICBC Turkey’s strategy in the field of international business going forward is to add the wide product and service range offered by the ICBC Group while developing new products for the Turkish market. Accordingly, the International Business Department will focus on innovative products such as the CBRT Export and Foreign Exchange Earning Services Rediscount Credit and derivatives in 2025 and beyond.

FINANCIAL MARKETS

Performance Exceeding Goals

The Financial Markets Department operates in three main fields of activity as the Spot Foreign Exchange Transactions, Derivative Transactions, and Fixed Income Securities. Considering the current market conditions, customers are served in accordance with their demands and requirements in these three main products.

In 2024, financial markets experienced a period in which global economic difficulties, tight monetary policies, and geopolitical developments were decisive on the markets throughout the year. In 2024, Türkiye took economic reform steps, implemented tight monetary policies, and tried to restore investor confidence.

In 2024, the Financial Markets Department focused on RMB transactions and carried out RMB foreign exchange transactions successfully with major companies that trade directly with China, making a significant contribution to the Bank’s RMB volume.

Throughout 2024, the Financial Markets Department endeavored actively with its customers and acquired 313 new commercial/corporate customers trading in financial markets products.

Throughout 2024, when the normalization steps in the market continued, the Financial Markets Department worked actively with its customers and acquired 313 new commercial/corporate customers trading in financial markets products.

A Leader in Chinese Yuan (RMB) Transactions

In 2024, the Financial Markets Department focused on RMB transactions and carried out RMB foreign exchange transactions successfully with major companies that trade directly with China, making a significant contribution to the Bank’s RMB volume.

Commercial relations between Türkiye and China have been improved in the recent years. Both countries aim to enhance economic relations. The Belt and Road Initiative plays an important role in bilateral relations, and both countries benefit from the strategic partnership. ICBC Turkey, with the responsibility of being a Chinese bank, always focuses on promoting RMB transactions and increasing the use of RMB in trade with China. Due to this marketing strategy, transactions are carried out with many corporate companies making great contributions to the RMB volume. The Bank offers advantageous prices, leveraging the power of the ICBC Group to have their customers take advantage of the RMB prices.

The Bank works with some local RMB correspondent banks as the RMB price provider. The number of banks and the volume of RMB are increasing every year. In 2024, the total trading volume as an RMB price provider increased by 39% year-on-year.

Expectations for 2025

2024 was a critical period in terms of financial markets, price stability, and financial normalization. Expectations for 2025 focus on the permanent decrease in inflation and sustainable growth.

The Financial Markets Department, which has outperformed expectations in recent years, will continue to be one of the key priority areas and will continue to make a significant contribution to the Bank’s performance and profitability.

In the period ahead, the Department aims to continue its active marketing strategy and to grow in existing products, improving its volume and profit figures. In order to provide services in new products, improvements are planned in the existing system.

In line with these goals and to increase the competitive edge of ICBC Turkey in the sector, the Bank will strive to improve the quality of products and services offered to customers through business partnerships with other ICBC institutions. The Bank will continue to increase the share of the Chinese Yuan in trade payments between China and Türkiye.

ICBC TURKEY’S 2024 PERFORMANCE

Funding costs are maintained under control.

Funding costs are maintained under control by taking advantage of the existing market tools and global network of ICBC.

i The profitability of the banking sector is expected to regain momentum in 2025 with a slight decline in funding costs and a partial recovery in loan demand.

ASSET AND LIABILITY MANAGEMENT

A Strong Contribution to the Growth Target

The Balance Management Department preserved the balance sheet flexibility and balance by maintaining the most appropriate pricing levels for market conditions through activities shaped by the regulations and criteria of the authorities. The Department effectively manages the liquidity on both the Turkish Lira and FX sides.

Funding costs were kept under control using all available market instruments and the advantages of ICBC’s global network. Inflation-indexed government bonds continued to be appealing, and investments made in these products at the right time contributed positively to profitability.

Expectations for 2025

The profitability of the banking sector is expected to regain momentum in 2025 with a slight decline in funding costs and a partial recovery in credit demand. As in 2024, asset generation will continue in 2025 with a prudent approach and profitability will be determined with this focus.



ICBC TURKEY’S 2024 PERFORMANCE

ICBC Turkey Securities offers intermediation services to investors.

ICBC Turkey Securities provides brokerage services to domestically qualified institutions and overseas institutional investors and increases the synergy among its relevant departments throughout its marketing activities.

i ICBC Turkey Securities, providing services on a wide range of investment banking products on local and international platforms, continues to expand its operations in the fields of mergers and acquisitions, domestic and international bond issuances, public offerings, project finance, and syndicated loans.

INVESTMENT BANKING AND ICBC TURKEY SECURITIES

Mega Investment Bank Vision
Representing the ICBC Group in Türkiye, offering a unique global network with its 420 institutions operating in 45 countries in line with its “Mega Investment Bank” vision, ICBC Turkey Securities continues its investment banking services on a regional scale by acting as a bridge between Europe and Asia. ICBC Turkey Securities, providing services on a wide range of investment banking products on local and international platforms, continues to expand its operations in the fields of mergers and acquisitions, domestic and international bond issuances, public offerings, project finance, and syndicated loans. ICBC Turkey Securities provides equity services to individual and corporate clients with expert research support within the scope of its domestic brokerage activities. Within the scope of its corporate marketing activities, ICBC Turkey Securities provides brokerage services to domestically qualified institutions and foreign institutional investors and increases the synergy between its relevant departments throughout its marketing activities. Also, portfolio management services are provided to investors through the Treasury and Structured Products Unit and ICBC Asset Management, a subsidiary of ICBC Turkey Securities, which provides effective services to its customers in the fields of domestic bonds/bonds, Eurobonds, over-the-counter derivatives, and structured products in addition to money markets.

ICBC Turkey Securities, together with ICBC Standard Bank, acted as joint bookrunner for the 500 million US Eurobond issuance of the TWF in February 2024. In the transaction, demand of over USD 7 billion was generated against supply of USD 500 million. With this demand of over 14 times, the highest demand was reached in Türkiye to date. Also, a demand volume unprecedented in the last 10 years was achieved, excluding Treasury transactions. Through this transaction, ICBC has mediated for the first time for a state institution other than our country’s treasury to raise funds through bonds in international markets. With this bond issuance, TWF has become the investment choice of nearly 50 institutional investors from Europe, the UK, Asia, the Middle East and North Africa and off-shore channels.



Project Finance
In the Project Finance segment of Investment Banking and ICBC Turkey Securities activities, the department continues its activities in the areas of (i) project finance consultancy, (ii) mandated lead arranger, (iii) post-loan project finance coordination, (iv) new project finance syndications, (v) intermediation and coordination for cash and/or non-cash limit allocations, primarily with other ICBC Branches in Türkiye and abroad.

Corporate Finance
Investment banking and ICBC Turkey Securities operate in 4 lines of business including investment in capital markets, intermediation, consultancy, and intermediation for obtaining finance. With more than 25 years of experience and trust, ICBC Turkey Securities is growing its well-established client base every year in capital markets and investment banking.

Active in all areas of capital markets such as national and international equities, fixed-income securities, treasury OTC products, mutual funds, and derivatives, ICBC Turkey Securities also provides effective services in the field of direct capital investments from abroad to organizations in Türkiye within the framework of its advisory activities. In addition to its activities in the capital markets, ICBC Turkey Securities acts as an intermediary for the real sector of our country to obtain resources from the capital markets in the issuance of stocks and bonds within the framework of its brokerage services. On the other hand, within the framework of financing intermediation activities, the Bank intermediates syndicated loans to banks and certain government agencies in Türkiye and acts as a coordinator in related syndications.

Equity and Futures and Options Market Transactions
ICBC Turkey Securities carries out its intermediation activities in a total of 20 branches, mainly in Istanbul, Ankara, and Izmir.

Corporate Marketing
The Corporate Marketing Department visited a total of 57 domestically qualified corporate companies within the framework of marketing activities and primarily offered treasury and structured products. It conveys the potential business opportunities that arise during the interviews and are related to investment banking to the relevant departments. Carried out the account opening process with large organizations including Yıldız Holding and Trendyol. The Corporate Marketing Department also provides intermediary services in the sale of shares of companies

whose shares are traded on the Istanbul Stock Exchange to foreign institutional investors residing abroad. It manages the virtual portfolio of “Blackrock,” among the world’s largest asset management companies, and the virtual portfolio account it manages ranked eighth in the top ten among brokerage firms in developed and developing countries in the Q3 of 2024.

Activities in 2024

A Long-term Perspective on Project Finance Activities
The Project Finance Department continued to provide intermediation and coordination for long-term energy financing transactions within the framework of net zero carbon emission, particularly for energy and infrastructure investments that will play a role in Türkiye’s development in 2024.

Major activities and new services offered by the Department in 2024 are listed below:

- As Mandated Lead Arranger, the department disbursed a total of USD 40 million short-term loan to two customers in January, June, and July.
- As Mandated Lead Arranger, RMB 102.7 million financing limit has been granted to one of the leading steel companies in Türkiye, which is also the first penetration of ICBC Turkey with the company.
- In October 2024, ICBC Turkey Securities Project Finance Department was appointed as the “Administrative Agent” for Kazakhstan’s first hospital with a capacity of 630 beds, which will be built under Public Private Partnership.

Corporate Finance
Representing the ICBC Group; ICBC Turkey Securities, together with ICBC Standard Bank, acted as joint-book-runner for the USD 500 million Eurobond issuance of the TWF in February 2024. With the record demand, we marked the highest demand ever tested for an institution based in Türkiye. With this demand of more than 14 times, the highest demand has been reached in Türkiye to date, and in addition, an unprecedented demand volume has been achieved in the country in the last 10 years, excluding Treasury transactions. The transaction, in which the boundaries of the market were redefined, was also recorded as a symbol of the confidence of international markets in the Turkish economy and economic policies.

ICBC TURKEY’S 2024 PERFORMANCE

ICBC Turkey Securities was involved in 23 public offerings.

ICBC Turkey Securities served as a book-runner and consortium member in the public offering of 23 companies in the Turkish capital markets in 2024.

Under the coordination of ICBC Turkey Securities, ICBC Dubai and ICBC Kuwait Branches participated in Akbank’s April 2024 syndication. Within the scope of the syndication in question, Akbank provided 600 million USD in resources to support the Turkish economy. The syndicated loan was structured as a sustainability loan within the Bank’s Sustainable Finance Framework. 45 banks from 20 countries and 16 new participating banks was involved in the loan worth of USD 600 million.

Under the coordination of ICBC Turkey Securities, ICBC Dubai Branch participated in Yapı Kredi Bank’s May 2024 syndication. Yapı Kredi Bank has secured a sustainable resource of USD 936 million with this syndication. 46 banks from 25 countries participated in the syndication.

ICBC Turkey Securities served as a book-runner and consortium member in the public offering of 23 companies in the Turkish capital markets in 2024. As part of the public offering transactions in which it served as a “Book-runner and Consortium Member,” it contributed to the provision of a total of TL 50.5 billion in resources to the Turkish economy and capital markets through Istanbul Stock Exchange.

ICBC Turkey Securities has undertaken the M&A sell-side advisory of a leading PET producer in Greece and the Balkans in 2024. The company is the foreign subsidiary of a well-known publicly held holding company in Türkiye. ICBC Turkey Securities has been authorized as the seller for this M&A project and has conducted the negotiation process with a potential buyer, a Chinese industrial company. In addition, it continues its negotiations with Asian investors within the acceptance range of 50% to 100% for the infrastructure/contracting company, a subsidiary of a well-known holding group based in Türkiye.

Equity and Futures and Options Market Transactions
Development of the mobile application of ICBC Turkey Securities called ICBC YATIRIM continued. By using the application, customers can easily perform transactions such as trading in BIST and VIOP, TEFAS fund transactions, money transfers, and participation in public offerings.

In 2024, over-the-counter products were successfully offered to customers, differentiating ICBC Turkey Securities from competitors. The provision of dividend distribution services of a multi-partner company is recorded as an additional work to the main activities.

Corporate Marketing
The Corporate Marketing Department visited a total of 57 domestically qualified corporate companies within the framework of marketing activities and primarily offered treasury and structured products. Conveyed the potential business opportunities that arise during the meetings and are related to investment banking to the relevant departments. Carried out the account opening process with large organizations including Yıldız Holding and Trendyol. The Corporate Marketing Department also provides intermediary services in the sale of shares of companies whose shares are traded on the Istanbul Stock Exchange to foreign institutional investors residing abroad.

Future Targets
ICBC Turkey Securities, contributing significantly to the profitability of ICBC Turkey Bank, will be an important stakeholder in the Bank’s future vision with the new initiatives and projects it leads.

With its qualified and experienced staff, ICBC Turkey Securities ensures the development and growth of the Bank’s activities in the field of investment banking and implements ICBC’s vision of Mega Investment Bank in the most effective way in our country. ICBC Turkey Securities, which carries out its activities in Türkiye and the surrounding countries determined by the Beijing Head Office, aims to expand its services in foreign countries. ICBC Turkey Securities, continuing its consultancy and intermediation services defined in its current license by adding financial engineering, is able to provide competitive services abroad as well as in Türkiye with the support of ICBC’s global power. ICBC Turkey Securities’ range of intermediation and advisory services includes M&A transactions, financing brokerage, syndication consultancy, public offerings, and intermediation of Eurobonds and similar local/foreign fixed-income securities issuances.

ICBC Turkey Securities reaches a wide range of qualified investors with the consultancy services provided in its capital market products and expands the range of individual and corporate investment products offered by the Bank. The future growth of ICBC Turkey Securities’ qualified investor base, to which the Bank has provided its services in this area, will also contribute significantly to its retail client expansion.

In summary, ICBC Turkey Securities effectively expands the range of services with added value that the Bank has offered and will offer to its retail and corporate customers and significantly supports the Bank’s mission to become a full-fledged financial institution providing a full service in the future.

An Uninterrupted Contribution to Sustainable Development
ICBC Turkey Securities will support sustainable development in Türkiye and neighboring countries, mainly RMB long-term financing opportunities for transactions in energy, production, infrastructure, green industry, and similar fields in the upcoming period and continue their efforts to raise their customers’ awareness of sustainability and to ensure that they can access sustainable financing resources. Further adopts the vision of continuing to mediate the financing of renewable energy sources such as solar, wind, hydroelectric power plants, and geothermal within the scope of green energy.

ICBC Turkey Securities, which has prioritized China’s contribution to major infrastructure and energy projects in Türkiye with the “Belt and Road” initiative and the project finance transactions carried out within the framework of the “Middle Corridor” and “One Belt, One Road” will continue to enhance its contribution to the commercial relations between the two countries through financing.

Project Finance
New projects and investments planned for 2025 and beyond will focus on social infrastructure projects and renewable energy projects, and it is aimed to continue intermediation activities in different currencies, including the promotion of RMB loans. Under the guarantee of the Ministry of Treasury and Finance, financing intermediation endeavors, including high-speed train transactions, are ongoing.

The main projects planned to be intermediated and authorized as lead arranger in the Project Finance Department in 2025 and beyond are in the infrastructure and energy sectors. The noteworthy examples for these projects include the support and intermediation of renewable energy projects in Türkiye, Central & Eastern Europe, as well as the support of the companies that will take part in infrastructure projects in the Turkic Republics and Gulf countries, especially those based in Türkiye, and the provision of the necessary communication network and coordination to meet all kinds of financing requirements.

Within the scope of Türkiye’s short-medium term Infrastructure Investment Plans and tendered Public Private Partnerships, it is planned to provide intermediary and coordination services from an overseas ICBC Branch.

There is a plan to offer financing intermediary and coordination services through an ICBC Branch in Türkiye for one of the reputable companies engaged in the production and marketing of cosmetics and personal hygiene products in Türkiye.

Ongoing negotiations involve intermediating and coordinating the long-term project finance loan for an iconic aviation infrastructure project in Türkiye with the sponsor companies.

Corporate Finance
In the Dim Sum bond market, where many domestic and foreign institutions provide resources and bonds and bills are actively traded in China, it is aimed to issue bonds, starting with the selected government agencies of our country. It is therefore aimed to take the first steps of our country’s resource generation process from the Asian market through bonds. Following these government agencies, our second goal will be to introduce the leading private sector organizations in our country to this market.

It is aimed to establish a Venture Capital Investment Fund (VCIF). The Fund’s main purpose will be to invest in up to 3 target companies that made a commitment for an IPO within a maximum of 2 years. The selection of target companies will be made within ICBC Turkey Securities. Shares of the Fund will be sold to qualified individual investors and the investment capital will be generated from the proceeds of these shares.

In addition to Financial Institutions (Banks), we will also target to actively participate in the Eurobond issuance plans of selected real sector companies.

Relations with ICBC Wealth Management, a subsidiary of the ICBC Group, will be strengthened, and it will be encouraged to invest in fixed-income securities issued by Türkiye at home or abroad.

Equity and Futures and Options Market Transactions
Teşvikiye Branch will be relocated to its new location in 2025. ICBC Turkey Securities mobile application called ICBC YATIRIM’s improvement will continue. Additional improvements will be made to facilitate the account opening process. Focus will be placed on the improvement of the synergy with the Bank.

Investment Banking & ICBC Turkey Securities 2024 Year-end
The Securities Company’s solo profit figure was TL 323.9 million and its profit contribution to ICBC Turkey Group amounted to TL 696.3 million, together with the revenues generated within the scope of the Bank’s investment banking transactions through the projects monitored and managed.

Stock trading volume of TL 176.6 billion
Futures trading volume of TL 12.1 billion
Stock trading commission income of TL 50.6 million
Futures trading commission income of TL 2.5 million
Over-the-counter transaction commission income of TL 4.8 million
Income from fund management fees of TL 34 million
Total size of transactions for which financing intermediation was provided USD 9.7 billion (2023: USD 5.1 billion)
Capital market intermediation revenues of TL 477.6 million
Loan revenues from intermediation of TL 380 million
Loan average TL 528.9 million
ICBC Turkey AMC’s asset under management (AUM) size is TL 2.58 billion

Based on the results for the first six months of 2024 announced by the Turkish Capital Markets Association, ICBC Turkey Securities achieved the following rankings among the 62 investment companies operating in Türkiye;

- 2nd in investment banking revenues
- 22nd in equity ranking
- 19th in net profit ranking

ICBC TURKEY’S 2024 PERFORMANCE

A wide range of products meeting customer expectations is offered.

Deposit and Savings Products include a range of products to meet all the different expectations of its customers, such as savings or cash flow.

RETAIL BANKING

Retail Banking carries out its marketing activities in coordination and synergy with the Bank’s other business units.

The Department’s core business includes:

- Developing products and services for customer segments, monitoring the market, and analyzing changes in competition conditions,
- Providing retail banking products and services through branches and digital channels (Internet, mobile, etc.),
- Providing globally recognized innovative products and collaborations, such as Chinex, WeChat Pay, DragonPass, MasterPass,
- Developing new products and services in loans, deposits, payment systems, insurance, and other banking services with an innovative and customer-oriented approach; increasing market shares by closely monitoring the performance of products,
- Endeavoring in coordination with other business lines to acquire new customers via contractual agreements related to salary payments, school tuition, and condo fees.

Deposit and Savings Products: Deposit and Savings Products include a range of products to meet all the different expectations of its customers, such as savings or cash flow.

Consumer Loans, Personal Loans, Housing Loans: Offer products and processes addressing customer needs and expectations shaped in a changing retail world.

Insurance and Private Pension Products: Offer its customers life, non-life insurance, and private pension products.

CARD AND POS PRODUCT MANAGEMENT:

- ICBC Turkey Credit Cards continued to grow in 2024 with a credit card product portfolio tailored to different segments and preferences.
- With the cooperation with Union Pay International, cards with the Union Pay logo are now accepted at ICBC Turkey Bank ATMs and POS. This strategic initiative has enabled the expansion of services and the development of capabilities, allowing new card products to be added to the portfolio.

- **Debit Cards:** ICBC Turkey will start producing all its cards with chips and contactless with the EMV debit card development in 2024.
- **Merchant Relations:** Aim to improve operational efficiency by increasing the efficiency of the existing portfolio and focusing on active merchants. Also, by the end of 2024, it has made all its POS under the criteria set by the Revenue Administration.

- In addition to the standard POS type used in WeChat Pay transactions, CR (Cash Registers) POS machines have also been made suitable for WeChat Pay transactions with the development completed by the end of 2024.

SME Banking: Provides loans, deposits, payment services, and other financial products for small and medium-sized businesses.

Retail Banking continued to offer different products and services to fulfill the requirements of customers by adapting to market conditions in 2024. Products targeting improvements such as faster and easier transactions, better customer service, and user-friendly interfaces include the following:

UnionPay Card Project: The high volume of UnionPay card usage is important for both the card acceptance and card issuance markets. The trend for issuing China UnionPay cards is increasing day by day. The high volume of international travelers from China is expected to continue to grow and the use of this new card type in the retail sector is expected to increase, creating new revenue opportunities.

In this context, the card acceptance part, the first stage of the project, has been successfully completed. With this development, Union Pay cards have started to be accepted in ICBC Turkey ATMs and POS devices. The second phase of the project, card printing to be the first in Türkiye, is planned to be completed in 2025.

Salary Promotion: Within the scope of the promotion application in salary payments, salary payment processes have been revised in line with market conditions. With the implementation of new processes, promotions started to be paid for company salary payments and salary payment gains were realized.

EMV Debit Card Project: Converting debit cards with magnetic stripes to EMV debit cards is a crucial step in the fight against fraud. In this context, the MasterCard EMV Debit Card project was successfully implemented by the end of 2024. MasterCard debit card is the main card scheme currently used by ICBC Turkey customers. Upon completion of the project, debit cards are produced as contactless and with chip. In this way, compliance with card regulations has been ensured and high-level security steps have been implemented in all card types.

Revenue Administration POS Work: Within the scope of the work carried out by the Revenue Administration, all POS terminals were checked in a short time by working in coordination with the operation team and branches. Then, all POS terminals were made following the criteria determined by the Revenue Administration.

Cash Register POS: In addition to standard POS devices for WeChat transactions, the product range has been expanded by integrating with Cash Register POS devices.

Our primary goal is to follow technological innovations by providing customer-oriented services and bringing competitive, innovative, and up-to-date products to Retail Banking customers.

Retail Banking intends provide its customers with channels through which they can easily, quickly, and securely carry out their financial transactions in the Retail Banking segment, and maximize its uninterrupted service approach by improving the customer experience.

Retail Banking's vision for the future is to focus on strengthening customer relationships. Retail Banking further intends to continuously improve its products and services by taking customer feedbacks into account. Also aims to increase customer loyalty by offering customer-specific campaigns and offers, to help customers achieve their financial goals by offering products and services that suit their needs, and to ensure customer loyalty in financial products with which it can establish long-term relationships, such as deposit accounts, credit cards, loans, and investment products.

ICBC Turkey Retail Banking aims to grow with many new projects and product plans in 2025 and beyond.

Retail Banking aims to sustain its endeavors to improve customer experience and increase operational efficiency by keeping abreast of new technologies. Further aims to make its banking service and product range more secure and efficient, especially concerning new products and process automation.

Sustains great efforts to provide faster and more effective services to customers, with a particular focus on the use of technology. Also intends to be one of the leading banks in making the necessary arrangements to ensure the Bank’s integration with the mandatory products within the scope of the regulation by closely following financial practices.

With these projects and products, it adopts a more competitive, customer-oriented and technology-based service approach. By offering customers more options and minimizing risks, it aims to have them benefit from the best services.

Union Pay Card Project

Upon the completion of the card acceptance part of the project, it is planned to implement the second phase, the card printing, as soon as possible in 2025. It is aimed to offer the following card types to the customers of ICBC Turkey depending on their profile. All cards issued will have UnionPay and EMV standards and will comply with UnionPay Operating Regulations and specifications by the following card types.

- Card Issuance:
1. UnionPay physical credit cards
 2. UnionPay physical debit cards
 3. UnionPay digital debit cards (when infrastructure is available)

Having said that, one of the important steps of the second phase will be the multi-currency support of UnionPay debit cards. With this feature, customers will have the opportunity to transact with different currencies depending on the region they spend money in. Additionally, it is planned to complete the UnionPay International QR transaction function and add it to the product range in the following period.

FAST Project

The software development process for the FAST project, which will allow customers to transfer money 24/7, continues at full speed. The project is planned to be implemented in the first half of 2025. The FAST project also includes many layer services. In this context, Easy Address and Secure Payment services will be implemented simultaneously along with 24/7 money transfer opportunities. Afterwards, 3 more layer services are requested, planned to be implemented in the second half of the year. Therefore, the first phase will be completed at the beginning of 2025 with 3 more layers of services to be implemented in 2025.

ICBC TURKEY’S 2024 SCORECARD

15% in demand TL deposit volume,
59% in TL time deposit volume,
3% in the number of Retail customers,
16% in the number of Chinese customers,
6% in the total number of debit and credit cards,
23% in total card volume
71% in total Retail Banking revenues
Retail banking profit increased by 88%.

ICBC TURKEY’S 2024 PERFORMANCE

Expansion of customer-oriented activities on digital channels is planned.

ICBC Turkey’s future goal is to further develop its online financial services capabilities and continue giving seamless experience to valuable customers.

i The activities to increase the use of digital channels that include free EFT and ATM cash withdrawal/ deposit campaigns for customers using the Mobile Branch continued in 2024.

DIGITAL BANKING

Customer-Oriented Perspective
ICBC Turkey provides digital banking services with five options: ATM, Mobile Branch, Internet Branch, Telephone Branch, and Website.

ICBC Turkey’s future goal is to further develop its online financial services capabilities and continue giving seamless experience to valuable customers.

In this context, various projects are being implemented at full pace. In 2024, Mobile Branch continued to be developed by adding new features. To improve the experience of the customers, in the first phase of the Remote Customer Acquisition project, which is getting a password, customers are authenticated using a chip ID card and the function of getting a password using the Mobile Branch was implemented. With the completion of the second phase of the project, it is planned to start remote customer acquisition in 2025.

Information on campaigns aimed at increasing the use of digital channels was effectively provided through both branches and digital channels. The activities to increase the use of digital channels that include free EFT and ATM cash withdrawal/ deposit campaigns for customers using the Mobile Branch continued in 2024.

With the vision of increasing the transactions made through the Mobile Branch, we will endeavor to enable customers to carry out their daily banking transactions from anywhere they want within the framework of security elements and legislative rules.

ICBC Turkey considers and answers all messages from its customers meticulously within the framework of its customer-oriented perspective. The Customer Interaction Management Unit, which views each customer message as an opportunity for improvement, identifies the issues that negatively affect the customer experience, identifies the root cause so the situation does not recur, offers solutions, and follows every step until a permanent solution is provided.

In 2024, the resolution time of customer complaints every quarter was 3 days on average.

CREDIT AND INVESTMENT MANAGEMENT

The Credit and Investment Management Department consists of two different units, namely the Distressed Loan Follow-up Unit and the Credit Management Unit.

Distressed Loan Follow-up Unit is the leading unit in NPL (Non-Performing Loans) management and Potential Risk Customer management. The primary objective of the Department is to increase the asset quality of ICBC Turkey Bank, to ensure maximum collection from problematic customers and to reduce their ratio in total loans to a minimum level.

The Credit Management Unit, on the other hand, is mainly engaged in monitoring performing loans, identifying potential negative situations in advance, taking the necessary measures, and keeping the Bank’s risk under control. This Unit is responsible for the management of the process starting from the disbursement phase of the loan until its collection.

Non-Performing Loan Ratio Is Well Below the Sector Average
Despite the negative developments in the global and local markets, the Bank achieved maximum collections from potential risk customers as well as non-performing loans, and the Bank achieved its goals for 2024.

As of December 2024, ICBC Turkey’s NPL ratio was 0.05%, while it was 1.80% across the banking sector. This comparison indicates that ICBC Turkey’s NPL ratio is well below the sector average.

In 2024, a total of TL 256 million was collected from loans followed up in Non-performing Loans accounts. The total amount collected in 2024 from customers written off in previous years amounted to TL 3.6 million.

Individual and credit card customers followed in NPL accounts were also closely monitored. In addition, for the liquidation of non-performing loans, efforts were made to ensure high collections from customers in the NPL accounts by undertaking payment, restructuring, etc. transactions.

The ratio of loans under potential risk customers, which was 1.76% at the beginning of 2024, had decreased to 0.004% by the end of 2024 thanks to the efforts to prevent new potential risk formation and the reduction of existing risks by closely monitoring these risks over the years.

The potential risk balance, which was USD 45 million at the beginning of 2024, decreased to USD 85 thousand by the end of 2024.

Seven Color Pool
In order to encourage the Bank’s asset quality improvement, to improve the management of Seven Color Pools belonging to corporate customers, to strengthen the forward-looking perspective on credit asset allocation, and to increase initiative and sensitivity in risk control, ICBC Turkey Bank A.Ş. Seven Color Pool Management Guide has been drawn up. Seven-Color Pool Management includes all on-balance sheet and off-balance sheet loans.

“Data Governance” Project
ICBC Turkey Bank A.Ş. initiated the Data Governance project in order to improve data quality. Related work has been carried out to promote further development and improvement of Credit Data Reporting Management. The Data Management project aims to further strengthen the monitoring and control of risk associated with corporate customers in the Bank’s portfolio.

The effective development of data governance work relies on compliance with standards, the comprehensive introduction of the Five-Level Classification and Seven-Color Pool, and the data quality improvement of other reports. The relevant project is prepared on a monthly basis with updates carried out where necessary.

Large Corporate Customer Risk Analysis Committee
Following the requirements of ICBC Head Office, the ICBC Turkey Large Corporate Customer Risk Analysis Committee was established to strengthen risk control for large corporate clients, enhance the effectiveness of risk mitigation for such clients, and solidify the customer-focused risk management system.

In 2024, Large Corporate Customer Risk Analysis Committee meetings were held in each quarter to improve the ability to maintain overall control over the risks by comprehensively assessing the operational/financial changes and credit risk of large corporate customers, and to effectively prevent and mitigate major risks of customers.

Risk Appetite and Credit & Investment Plan
In 2024, the Department published a three-year Annual Plan for Credit and Investment, which was prepared by providing a clear definition of the credit risk appetite for the Bank. This plan aims to develop a comprehensive risk management mechanism, systematically prevent and control credit risks, and optimize the credit management team.

This annual plan will guide all branches, marketing departments, the Credit Allocation Department, and other relevant departments in credit management. The plan aims to provide financial services to high-quality Chinese-owned enterprises and vigorously develop the RMB business, as well as meet the reasonable financial needs of local high-end enterprises.

Training
In 2024, training activities determined by the department for the professional development and needs of marketing teams were organized every quarter. The training activities, which were organized under the titles of Sustainable Finance, Eximbank Loans, and Bank Loan Guarantees 1-2, were held online with the participation of expert trainers.

ICBC TURKEY'S 2024 PERFORMANCE

Green classification method is implemented.

ICBC Turkey expects all branches to apply green classification management to all kinds of investment and financing transactions.

i Corporate clients in the Bank's portfolio are categorized according to the "green rating" of their investment and financing business into four categories as Environmentally Friendly Category, Environmentally Qualified Category, Observation Category, and Remediation Category.

Green Classification Study
On- and off-balance-sheet investment and financing transactions at ICBC Turkey are subject to green classification management.

All branches are expected to apply green classification management to all kinds of investment and financing transactions.

The Green Classification study is aimed at the following:

- Strengthening the green financing structure,
- Improving the green classification management of investment and financing businesses,
- Strengthening the investment and financing environment and the identification and prevention of social risks.

Corporate clients in the Bank's portfolio are categorized according to the "green rating" of their investment and financing business into the following four categories:

- Eco-Friendly Category
- Environmental Limited Category
- Observation Category
- Improvement Category

The study, which has been prepared with the support of the relevant branches and departments and is updated every month, aims to determine and increase the share of the environmentally friendly category in the entire portfolio.

At ICBC Turkey, the green classification will be subject to a dynamic management process that will ensure the authenticity and accuracy of the classification results.

2025 Targets
ICBC Turkey Bank will continue to work on improving asset quality in 2025.

The Department's priority is to prevent non-performing loans and to maximize the collection of non-performing loans and to minimize the ratio and amount of the related customers in total loans.

RMB loans are planned to be increased incrementally. As the first Chinese bank in the region, the "Belt and Road" aims to seize the strategic opportunities brought by national enterprises, expand capital, and provide project financing services in RMB to customers in the region for the first time. Leveraging the "Belt and Road" strategy, organizations attached to the large-scale Chinese enterprises in Türkiye and subsidiaries of Turkish investors in China will be provided with deposit, loan, and investment banking services.

In addition, in 2025, the Department will continue organizing training activities on the issues needed for the training of the Bank's credit personnel. These training activities will be carried out by internal and external trainers.

Target Sector Endeavors
In addition to its current activities, new studies are also being planned by the Department. In this respect the Committee;

- To identify the locomotive sectors and closely monitor the loans extended by the Bank to these sectors,
- To pay attention to foreign exchange volatility to protect loans, especially those extended to export/import companies,

- To pay more attention to and closely monitor green finance sectors in order to capture market dynamics in a timely manner,
- To inform senior management in order to allow them to determine the Bank's position against the sector and competitors and to develop strategies on how the Bank will be positioned in the future

The ratio of non-performing loans to total loans (%)
The NPL ratio, which was 1.88% at the beginning of 2020, has been reduced over the years by using the most appropriate liquidation methods and declined to 0.05% by the end of 2024. The NPL ratio in the Turkish banking sector, which was 5.37% at the beginning of 2020, was 1.80% as of the end of December 2024. ICBC Turkey has kept loans under close monitoring, largely preventing the formation of new NPLs, and its NPL volume has been maintained at the lowest level.

End of December potential risk customers amount (USD million)
The ratio of loans under potential risk customers, which was 2.40% at the beginning of 2020, had decreased to 0.004% by the end of 2024.

Potential Risk Customers balance, which stood at USD 61.6 million at the beginning of 2020, decreased to USD 85 thousand by the end of 2024. A total of TL 983.72 million was liquidated from potential risk customers in the last four years.



FINANCIAL TECHNOLOGY

ICBC Global Pay has been launched.

Developed by ICBC Head Office (China) for multinational companies, globalized Chinese companies, and local initiatives of overseas institutions, the ICBC Global Pay product was launched in ICBC Turkey in 2024.

i The Financial Technology unit ensures the successful implementation of projects and contributes to the achievement of the ICBC Turkey’s strategic objectives and to increasing its competitiveness.

ICBC Turkey Financial Technology Department carries out its activities in several important areas in line with the Bank’s strategic objectives. In this context, the Department carries out the following activities:

IT Governance and Risk Management: In all internal/external audits for Information Systems, this unit provides the audit teams with the first information about the IT and Bank organizational structure and the IT processes being carried out. From the beginning of the audit to the publication of the final report, the coordination between the audit team and the relevant departments/units is ensured.

By increasing the maturity level of the Bank’s Information Systems, the awareness of IT employees is raised accordingly. All internal and external audits in 2024 have been successfully completed without any findings in terms of the Financial Technology Department.

Based on System Development, Change Management, Infrastructure Development, and Project Management processes, adherence to system development life-cycle rules is checked and the quality of the request or project is assessed by providing recommendations for process improvement. In this context, quality reports issued every month are disclosed to the relevant shareholders.

Within the scope of IT risk management, the governance framework is being strengthened to effectively manage IT risks and align them with strategies and regulatory requirements. In this context, risks are identified and addressed by associating the IT department risks to information assets, systems, and processes. It is ensured that risk-reducing actions are established and implemented for the relevant risks.

Within the scope of IT process management, IT policies, procedures, and process documents are periodically reviewed and necessary updates are made by the relevant units.

IT Budget Management: The Department carefully audits the IT budget, aligning it with financial planning and strategic objectives. It is ensured that technology investments are prudent, cost-effective, and fully aligned with the Bank’s priorities.

Project Management: The Project Management Unit effectively manages all of the Bank’s projects related to information technologies and implements the most appropriate project management practices. In this process, global standards and innovative approaches are followed, and it is ensured that the projects are completed on time, in line with the budget, and with the intended quality. The Unit ensures the successful implementation of projects and contributes to the achievement of the Bank’s strategic goals and to increasing its competitiveness.



Innovation Management: The Financial Technology Department has activated the Innovation Unit to produce innovation strategies in line with the Organization’s strategy and to ensure that these strategies can be implemented. The Unit follows technological trends and practices that are compatible with the banking sector and seeks solutions for the integration of innovative solutions into the Organization. First of all, efforts to create the infrastructure that will develop in-house entrepreneurship skills have been initiated.

Demand Management: Taking into account limited resources and technological possibilities, IT requests are systematically evaluated and prioritized by optimizing resource allocation for requests providing the highest strategic value to the Bank and keep the Bank secured in terms of regulations.

Through these initiatives, the Financial Technology Department is gradually developing ICBC Turkey’s technological capabilities. Despite limited resources, the department increases efficiency and maintains a strong customer focus. These efforts aim to position ICBC Turkey as a bank striving to continuously improve its technological capabilities today and in the future, keeping pace with industry standards and evolving customer requirements.

Projects Implemented in 2024
In 2024, ICBC Turkey Financial Technology Department focused on ensuring alignment with the Bank’s strategic objectives, including increasing efficiency, enhancing customer satisfaction, and ensuring regulatory compliance. The projects carried out aim to fulfill the current financial technology requirements while establishing the ground for future innovations. The main projects implemented in 2024 are as follows:

Global Pay Project: Developed by ICBC Head Office (China) for multinational companies, globalized Chinese companies, and local initiatives of overseas institutions, the ICBC Global Pay product was launched in ICBC Turkey in 2024. The aim of the ICBC Global Pay project is to expand the global service network offered to customers, strengthen the Bank’s competitive position in the market with the Global Pay product against the global cash management services of other banks, meet the demands of multinational companies and to increase the volume of RMB transactions.

CIPS-RMB Clearing Project: This project provides ICBC Turkey with CIPS membership, providing a great competitive advantage in the RMB sector. As a direct member of CIPS, ICBC Turkey has gained significant advantages in the race to become the leading bank in RMB clearing in Türkiye. In addition, in the second phase of the project, integration was accomplished between ICBC Turkey’s main banking system and CIPS. With this integration, work efficiency has increased and manual processes have been reduced. Product diversity will be increased in the later stages of the project.

Remote Customer Acquisition Project: This project addressed legislative changes to enable remote customer identification and agreement conclusion. This project facilitates the process, improves the customer experience, increases conversion rates, and reduces on-boarding and compliance costs. Following the completion of the first phase in the previous years, the customer acquisition process was implemented with remote video calls in the second phase, enabling ICBC Turkey to compete on equal terms with other banks in the sector. It was implemented by the early 2025 and digital customer acquisition has been initiated through the mobile channel.

FINANCIAL TECHNOLOGY

The data model infrastructure has been established.

Within the framework of the Legal Reporting Automation Project, a data model infrastructure has been established to meet the changing requirements of regulatory authorities and improve reporting efficiency and accuracy.



i In the first phase of the Legal Reporting Automation Project, 36 reports have been successfully automated. In the second phase, efforts to complete 31 more reports will continue.

UnionPay: UnionPay, positioned in the global market by going beyond China, continues its endeavors to fulfill different requirements in the global payment system market. The high volume of UnionPay card usage is important for both the card acceptance and card issuance markets. The expectation that the high volume of international travelers from China will continue to increase indicates that the use of this new type of card in the retail sector will increase, creating new revenue opportunities. The first phase of the project, launched in 2023, consists of two developments as Unionpay card acceptance and card issuance. By the end of 2024, certification tests have been concluded and the card acceptance section has been put into use. In 2025, it is aimed to offer Unionpay contactless debit and credit card issuance services to customers, another important part of the first phase of the project. In the second phase of the project, making transactions with international QR codes and necessary developments will be available.

FAST: This project aims to participate in the Instant and Continuous Transfer of Funds (FAST) system, allowing fund holders to perform wire transfers between their accounts in different banks within seconds and 24/7. Within the scope of Phase 1: Along with the FAST system, the Easy Addressing System, making payments easier by using data such as phone number, Turkish ID number, or e-mail address, will also be available to all fund holders. In addition,

the Secure Payment Transaction Service, an intermediary service assuring the parties involved in the transfer of money that requires approval by the authorities, will also be implemented. Within the scope of Phase 2, FAST TR QR Code, Security Layer Service, and Request Payment services, which will improve the FAST system, are to be addressed.

FOVA-RMB Clearing Project: The Renminbi (RMB) Clearing Project is established to facilitate the clearing and resolution of transactions with the Renminbi (RMB), the official currency of China, outside of mainland China. With this project, the Bank will play an important role in supporting trade, investment and other financial transactions in the RMB currency. The project, which helps in the development of RMB-denominated financial products such as bonds and loans, will expand offshore investment opportunities. Endeavors on this project will continue in 2025.

Legal Reporting Automation Project: This project focuses on automating the legal reports that the Bank is obliged to do. Within the framework of the project, a data model infrastructure has been established to meet the changing requirements of regulatory authorities and improve reporting efficiency and accuracy. In total, the project aims to automate 127 reports within the scope of CBRT and BRSA regulations. In the first phase, 36 reports have been successfully automated. In the second phase, efforts to complete 31 more reports will continue. Owing to this project, compliance with regulations and operational efficiency have been increased. Again, with the project, the basis of producing all legal and in-house reports from a single source has been established.

In 2024, in addition to effective project management efforts, requests that do not qualify as projects and are less costly were also transparently evaluated and prioritized, and compliance with the Bank's strategies was ensured. To determine priorities, Bank-specific criteria were determined and scoring methods were developed. This enabled optimization of resourcing while reducing waiting times.

Information Technology Governance and Risk Management, another field of activity of the Department, continued throughout the year. By adhering to the Bank's active risk management policy, the Bank remained ready for regulatory compliance.

In the assessment of all global ICBC subsidiaries in the field of governance, ICBC Turkey was included in the top 10 for the first time and ranked fourth as of the second quarter.

With managed infrastructure projects, efforts were carried out for the modernization of systems, and it was aimed to improve data storage and communication infrastructures, and to establish a sustainable and stable infrastructure.

2025 Targets
ICBC Turkey Financial Technology Department is set to implement many new projects in 2025. These projects aim to develop the Bank's data infrastructure, meet international financial reporting standards, expand domestic and international payment services, and improve fund transfers. The main projects to be implemented during the year are as follows:

Digital Banking Projects: Planned to develop innovative solutions by focusing on customer needs and to meet customer expectations in 2025. In this context, it is aimed to strengthen the technological infrastructure that enriches the user experience, to diversify digital products and services, and to make processes faster, more efficient, and more user-friendly. These projects will fulfill customers' changing expectations and combine banking services with cutting-edge technologies.

Open Banking Project: Adopting a customer-focused approach and providing an innovative transformation, the Open Banking project will securely share customer data with third parties via banks' application programming interfaces (APIs), enabling customers to manage their financial transactions more quickly, easily, and efficiently.

Global Pay Project Phase 2: In the second phase of the Global Pay project, it is aimed to expand the commercial volume with existing customers by adding strategic functions such as supplier payments and salary payments to the product, and to increase market share by gaining important target companies in the sector.

Legal Reporting Project Phase 3: In the third phase of the Legal Reporting project, it is aimed to complete the automation of all targeted reports by completing 60 reports and to complete the modernization of the Bank's reporting infrastructure.

Unionpay Card Project: The card issuance phase of the project is completed and the aim is to issue UnionPay Physical and Virtual cards equipped with QuickPass and EMV technology to customers.

FAST Transfer Service Project: This project, requested by Retail Banking, aims to integrate ICBC Turkey into the Central Bank FAST System. The project will provide efficient transaction tools that will increase the Bank's competitiveness. With the project, it is expected to improve the quality of customer service, increase digital money transfers and revenue. It is aimed to complete the development of the main module of the project and additional layer services within the year.

Infrastructure Projects: The Financial Technology Department will continue working on critical infrastructure projects together with the Technology Center to improve technology and operations. All of these projects play a critical role in the growth of ICBC Turkey.

HUMAN RESOURCES

ICBC Turkey encourages transitions between professions.

ICBC Turkey believes in the importance of encouraging transitions between professions and between different regions and supporting the principle of “single expertise, multiple talents.”

ICBC Turkey Human Resources Policy and Strategy

ICBC Turkey Human Resources Department aims to create a highly motivated, team-spirited and open-minded work culture in line with the Bank’s goals and principles. In this context, activities are carried out in various areas such as organizational structure, salary rating, performance bonus, career development, and training processes. While a fair approach is adopted in human resources processes, the development of employees’ potential and performance is prioritized.

By providing a working environment that encourages continuous improvement, the Bank aims to both increase productivity and strengthen employee loyalty. In addition, by ensuring full compliance with legal regulations, the training and career development of young and dynamic staff are supported. While a strategic approach is adopted in the recruitment of personnel from internal and external sources, horizontal and vertical career opportunities are offered to employees. The Human Resources Department aims to play a strategic role in areas, such as leadership development, cultural alignment, and employee engagement, focusing on maximizing the potential of employees to support the Bank’s vision.

Recruitment, Career Management, and Training

ICBC Turkey manages its recruitment processes with a strategic approach and carefully analyzes the values of the candidates as well as evaluating their competencies. Meanwhile, qualified candidates are subjected to a rigorous examination in terms of their adaptation to the Bank’s culture and the positive contributions they can make. Thus, it is aimed to create a solid foundation not only for recruitment processes, but also for long-term success.

In this line, Human Resources supports employee development through activities aimed at increasing employees’ loyalty to the vision and values of the Head Office, from recruitment of new personnel to training programs.

ICBC Turkey, with 668 employees, has successfully completed its target for the number of staff appointed by Head Office, in line with the staff budget. In 2024, 85 new employees have been hired following the business requirements. A total of 550 online and face-to-face interviews were conducted for open positions in 2024.

Recruitment System

In 2022, ICBC Turkey collaborated with a professional firm on new recruitment tools, aiming for digitalization and customization in onboarding processes. This system continued to be actively used in 2024. This system combines and offers various assessment tools, such as Personality Inventory, Automated Interviews, Aptitude Tests,

Language Tests, Technical Tests, Gamification, Surveys, Online Role Play, Online Case Studies, Online Presentations, and Online Projects on a single platform. In 2024, system assignments were made for 188 candidates.

Career Development

ICBC Turkey adheres to its core values and considers the contribution of every employee important. In line with this approach, great importance is attached to career development in order to increase the motivation of employees and strengthen their ties with the institution. The Bank focuses on in-house department changes in career path processes, performance-based promotion systems, and training and certification programs for their areas of expertise. These strategies support employees to discover and develop their potential by offering them various career opportunities. All these practices aim to ensure that employees progress in harmony with the Bank’s goals and work in a motivated manner.

Promotions

At ICBC Turkey, all employees are approached with a fair and transparent system, and career goals are presented. Employees found eligible as a result of the evaluations carried out in line with the determined promotion criteria are offered a promotion.

In 2024, a total of 140 ICBC Turkey employees were promoted. Promotions took place in accordance with the fulfillment of the necessary criteria and the opinion of the executive directors. In 2025, it is planned to revise the performance-integrated promotion system in a way that will effectively contribute to the career development of the employees, and efforts have started with a leading company in the sector accordingly.

Open Competition

The management staff has determined that the appointment processes of the employees proceed with a fair structure within the Company as a basic element of Human Resources. ICBC Turkey motivates every employee meeting the criteria to participate in the Open Competition process in line with an in-house announcement. In this system, employees are assessed transparently in line with their competencies, leadership qualities, performance, and expertise.

Transfers

ICBC Turkey believes in the importance of encouraging transitions between professionals and between different regions and supporting the principle of “single expertise, multiple talents.” In line with this goal, 58 transfers were carried out in 2024, offering employees the opportunity to apply and develop their talents in different areas.



Intra-Company rotations allow employees to diversify their careers, acquire new skills, and gain a broader perspective. Through these rotations, ICBC Turkey contributes to the development of employees and supports their versatile professionalism.

Training

At ICBC Turkey, Human Resources associates training and development activities with the Bank’s strategic goals and priorities. In this line, career and educational management are the key points of continuous development, and continuous training programs are organized accordingly. In these training programs, current and future organizational and individual needs are taken into account, with the managerial and professional development needs of the employees being instrumental in this process.

In 2024, training programs were offered to its employees with in-house trainers, vocational training companies, and conferences and seminars organized by the TBB. At the same time, branch employees were invited to the Head Office building and given practical training by internal and external trainers consisting of business unit professionals.

During the year, a total of 8,984 people participated in 85 training activities, including internal, external and online programs. Online training programs were implemented on 19 different subjects, and training was provided on 66 different subjects with the support of in-house and external trainers.

Compensation Management

ICBC Turkey adjusts employee salaries in line with market conditions and economic developments. In 2024, under the leadership of the Head Office and Management Committee, remuneration strategies were reviewed and targeted practices were prioritized. In 2025, performance and target-based remuneration studies will continue.

Salary Policy

According to the Remuneration Policy for 2024 and the principle of “contribute more, earn more,” the base salary increase rate was applied as 55% in January, taking into account the impact of inflation.

Throughout 2024, a project was carried out to improve the Bank’s Human Resources functions and strategies by working with a well-known consulting firm. Supported by the Bank’s goal of aligning its practices with industry standards, this project is specifically designed to attract and retain talent and to promote employee engagement.

Within the scope of the project, norm staff and remuneration structures were analyzed within the sector on a position basis. The work was completed in August and the salary budget was increased by an average of 11%, effective from July. In this context, 140 promotions, salary corrections, as well as 110 band corrections have been made.

Performance Bonus Process

At ICBC Turkey, the contributions of the employees are evaluated fairly with the 360 Degree Performance Management System, and performance-based premium payments are made with the approach of “contribute more, earn more.”

In this context, the Bank continued to implement the “total cash” system in 2024 for employees assuming more responsibilities and contributing to the development of the Bank.

Awards

ICBC Turkey believes that rewarding employees for their achievements and contributions is a critical component of the formula for sustainable success.

Seniority awards are granted to employees who have completed 5, 10, 15, 20, 25 and 30 years continuing to work with loyalty and consistently for many years.

ICBC Turkey highly appreciates the progress made by the ideas of young employees who have grown up with the ICBC culture. To encourage this understanding, the “Outstanding Young Employee of ICBC Turkey” award was granted in 2024 to young employees standing out with their ideas and performances.

In 2024, 181 suggestions were submitted to the Suggestion System in order to increase employee motivation and engagement, a key priority for the bank, and to improve service quality. Suggestions deemed worthy and appropriate were taken into consideration. The top five employees were granted a cash prize, and those who made a suggestion were granted a letter of appreciation.

Social Rights and Benefits

Social rights and rewarding practices are of utmost importance in terms of increasing employee engagement and supporting motivation. Human Resources carries out an effective budget management in this field in order to meet the needs of the employees in the best way and to ensure their efficient employment.

HUMAN RESOURCES

ICBC Turkey employs experienced employees.

At ICBC Turkey, the ratio of employees with 10 years or more to total employees is 48.8% and the rate of filling top positions with in-house promotion is 100%.

The social benefits and benefits implemented in 2024 are as follows:

- Private health and life insurance for all employees, insurance support for family members
- Transportation allowances
- Clothing allowances for security employees
- Gift cards as birthday presents
- Hourly allowance for in-house trainers
- Daily allowance for Internal Control, Compliance, and Audit Board employees
- Cash compensation for tellers
- Gifts in special days
- "Welcome Pack" for new recruits
- Postgraduate and PhD support
- Medical screenings within the scope of Occupational Health and Safety Law No. 6331

These rights and vested benefits will continue in 2025 to strengthen employee engagement and loyalty.

Projects

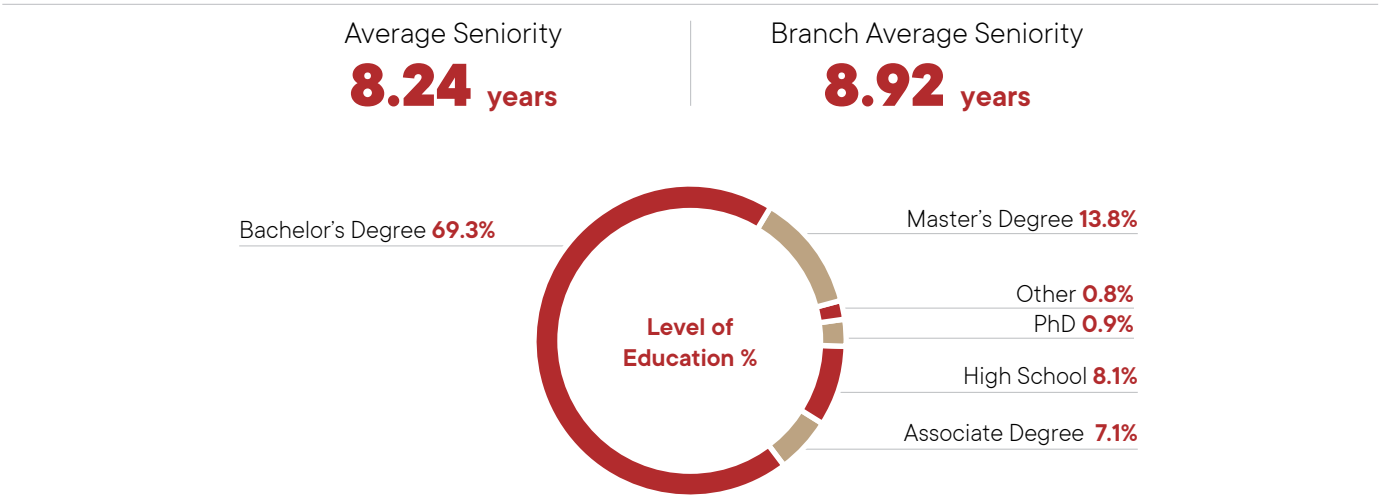
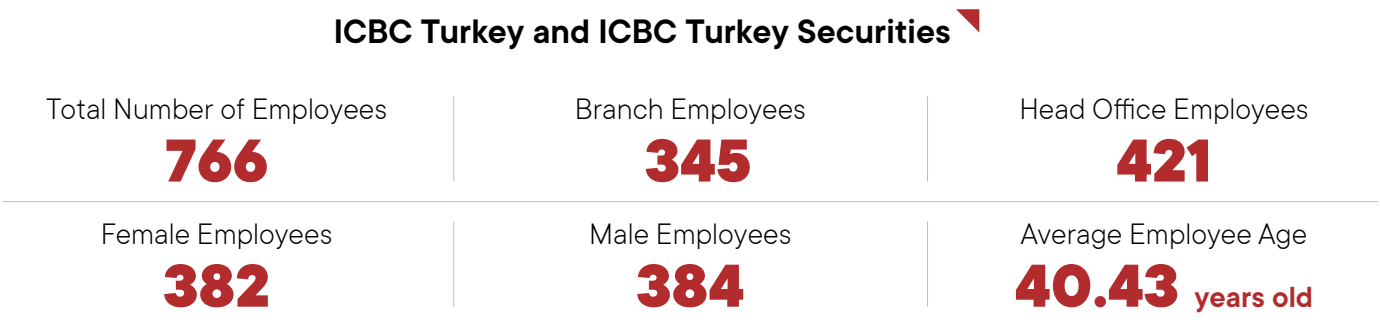
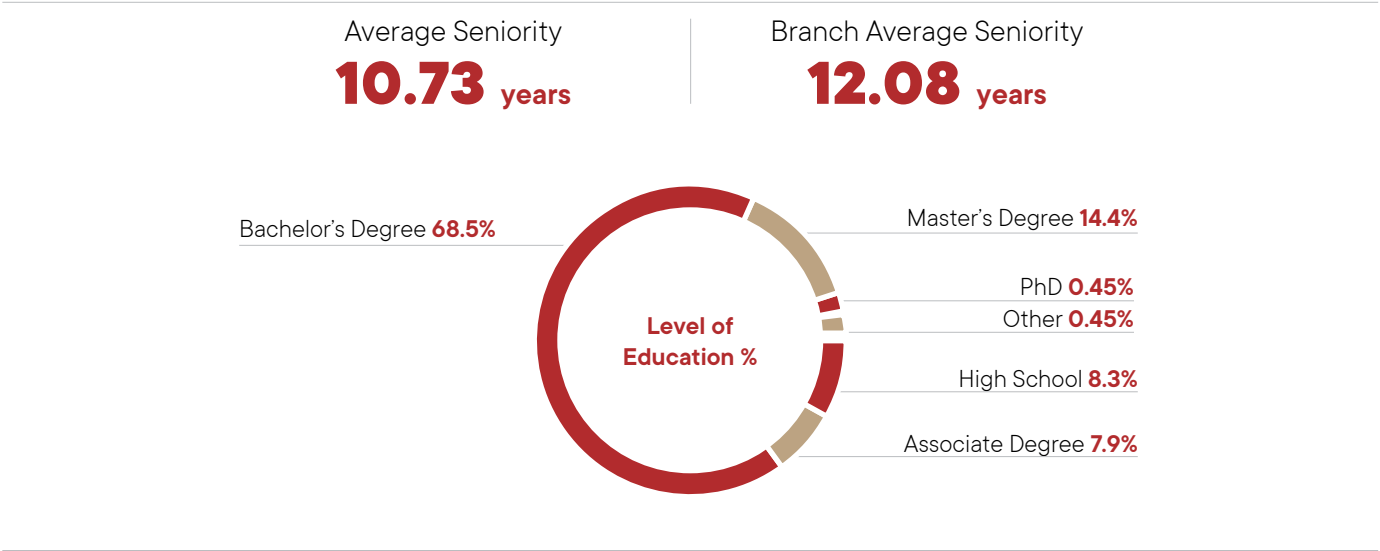
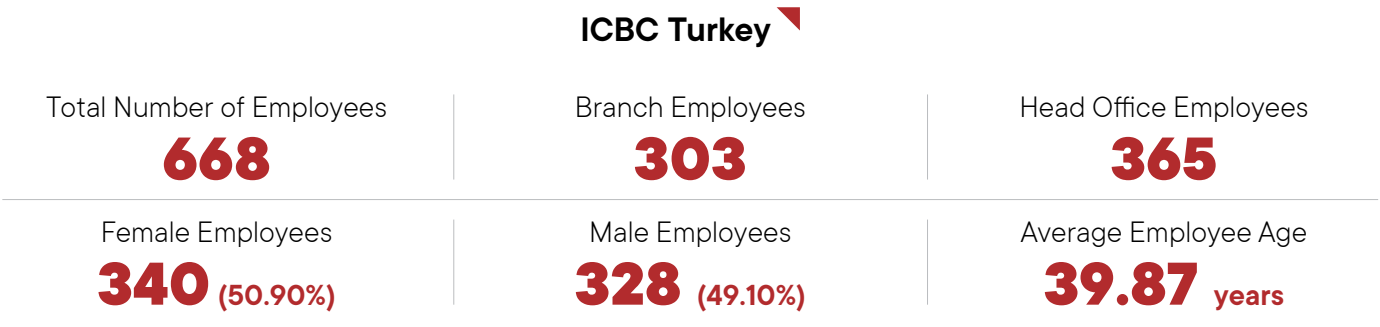
Human Resources Function and Strategy Development Project: To meet the market criteria and to ensure the motivation of the employees, norm staff and remuneration efforts were carried out and the Human Resources Function and Strategy Development project was implemented.

The project aims to strengthen the Bank's focus on attracting and retaining talents and to embed a "good leader, good team" perspective into the Bank's organizational structure. In this context, position-based norm staff and salary studies according to the sector have been completed.

Performance Management System Design Project: The main purpose of the project is to establish the performance management system from scratch. Renewing the performance management system will be a major step towards operating faster, more efficiently, and more effectively. In this context, in the Q4 of 2024, a project was launched with a well-known consulting firm to establish a new performance management system providing flexible and real-time feedback that promotes the continuous development of employees.

Expectations for 2025
In 2025, the Bank aims to maximize employee engagement and productivity by benchmarking its HR functions against the industry's highest standards. Meanwhile, each function related to the performance system (such as promotion and title system) will be comprehensively evaluated and developed, focusing on critical Human Resources functions including performance and productivity. In line with the analyzes and reports to be made, necessary arrangements and improvements will be made in the areas determined with the approval of the senior management, thus a strong and sustainable workforce structure will be built.

Ratio of female manager and above to total executives	52.25%
Number of suggestions of employees	181
The ratio of employees working for 10 years or more to total employees	48.8%
The ratio of filling higher level positions with in-house promotion	100%
Total hours of OHS trainings	2
Employee turnover	20.22%
Average training hours per employee	25.87 hours
The ratio of digital training to total training	6.5%



SUSTAINABILITY APPROACH

Stakeholder interests are observed at all times.

ICBC Turkey considers its responsibilities within the framework of its strategic objectives and monitors the risks and opportunities related to the climate. The interests of all stakeholders are taken into account, with the Bank seeking to be a part of the solution in combating environmental problems, while aiming to ensure integration with local society and to increase welfare.

i ICBC Turkey has summarized its mission, which is based on the principles of environmental protection, human rights, social welfare, and good governance, under the umbrella of its “Sustainability Policy.”

To tackle global warming, a transition period is in place during which countries can start acting in line with their Net Zero emission goals and strategies. The private sector has internalized this priority and the relevant measures have been tightened.

ICBC Turkey continues its activities to manage this critical transition period within the scope of the climate crisis, by pursuing the effective Enterprise Risk Management approach set out by the ICBC Group, carrying out its green finance and responsible banking approach, taking global and local developments into account, and to prevent risks before they arise with preventive and improving actions.

The Sustainability Policy at ICBC Turkey

ICBC Turkey has summarized its mission, which is based on the principles of environmental protection, human rights, social welfare, and good governance, under the umbrella of its “Sustainability Policy.”

The Bank considers its responsibilities within the framework of its strategic objectives and monitors the risks and opportunities related to the climate. In line with the Bank’s sustainability approach, the interests of all stakeholders are taken into account, with the Bank seeking to be a part of the solution in the fight against environmental problems, while aiming to ensure integration with local society and to increase welfare.

In its Sustainability Policy, the Bank has pledged to maintain its sustainability activities without interruption, thus contributing to a livable future.

Sustainability Committee

ICBC Turkey has established a Sustainability Committee under the leadership of the senior management to discuss and implement the decisions to be taken within the scope of the effective management of environmental, social, and economic sustainability and the Bank’s sustainability strategy.



BOARD OF DIRECTORS



BOARD OF DIRECTORS

Name-Surname	Position	Date of Commencement to Work	Educational Status	Banking or Management Experience
Qian Hou ⁽¹⁾	Chairperson	06.11.2023	Master's Degree	37
Shoujiang Wang ⁽²⁾	Board Member / General Manager ⁽¹⁾	10.12.2024	Doctorate Degree	24
Li Xiao	Board Member	06.11.2023	Master's Degree	19
Ruiming Hao ⁽³⁾	Board Member	22.05.2015	Doctorate Degree	26
Xin Zheng ⁽³⁾	Independent Member	22.01.2024	Master's Degree	32
Serhat Yanik	Independent Member	24.02.2020	Doctorate Degree	34

⁽¹⁾ Deputy General Manager, Mr. Chunyi Zheng, resigned from his duty on 29.04.2024. Until a new general manager was appointed, he was acting as general manager and was replaced by the Deputy General Manager, Mr. Hüseyin Hasan İmece, between 29.04.2024 and 10.12.2024.

⁽²⁾ As of 10.12.2024, Dr. Shoujiang WANG has been appointed as the General Manager. According to Article 23 of the Banking Law, in the absence of the General Manager, Mr. Hüseyin Hasan İMECE, who served as the Deputy General Manager and Natural Board Member, Vice Chairperson of the Credit Committee and Member of the Risk Management Committee of BoD between 29.04.2024 and 10.12.2024, has transferred the duties he was serving as the proxy to Dr. Shoujiang WANG, and continues his current duties as the Deputy General Manager/Assistant General Manager.

Areas of Responsibility	Whether He/ She Is an Independent Member of the BoD
Executive Board Member, Chairperson of the Credit Committee, Chairperson of Risk Management Committee of BoD, Chairperson of the Board of Directors at ICBC Turkey Yatırım Menkul Değerler A.Ş.	Not Independent Member
Executive Board Member, Vice Chairperson of the Credit Committee, Member of Risk Management Committee of BoD	Not Independent Member
Chairperson of the Audit Committee, Member of the Credit Committee, Member of Risk Management Committee of BoD, Member of the Board of Directors at ICBC Turkey Yatırım Menkul Değerler A.Ş.	Independent Member
Member of the Corporate Governance Committee, Member of the Remuneration Committee, Alternate Member of the Credit Committee, Member of Risk Management Committee of BoD	Not Independent Member
Member of the Audit Committee, Chairperson of the Remuneration Committee, Alternate Member of the Credit Committee, Member of Risk Management Committee of BoD	Independent Member
Chairperson of the Corporate Governance Committee	Independent Member

⁽³⁾ Due to the resignation of Board Member Mr. Jianfeng ZHENG on 11.10.2024; Mr. Ruiming HAO has been appointed as Board Member, Member of the Corporate Governance Committee, Member of the Remuneration Committee, Alternate Member of the Credit Committee, Member of Risk Management Committee of BoD by the resolution of Board of Directors dated 11.10.2024.

BOARD OF DIRECTORS



Qian Hou
Chairperson
Ms. Qian Hou, who graduated from Harbin University of Science and Technology with a Bachelor Degree in Electronic Engineering in 1987 and got a Master Degree in Monetary Economics from Renmin University of China in 1995, began her career in Industrial and Commercial Bank of China Limited (ICBC) Headquarter at 1987. She once worked as a unit manager of ICBC International Business Department, the Deputy General Manager of ICBC Seoul (South Korea), the Deputy General Manager of ICBC Board and Supervisor Office, Board Member of multiple ICBC overseas institutions, including ICBC Europe, ICBC Standard Bank Plc, ICBC Indonesia, ICBC Brazil, and ICBC Peru. She was served as an Executive Board Member of ICBC New Zealand and the General Manager of ICBC Auckland Branch (New Zealand). Ms. Qian Hou has been appointed as Chairperson, Board member, Chairperson of Risk Management Committee of BoD and Credit Committee on 02 November 2023 in ICBC Turkey Bank A.Ş. In addition to her current duties, she was appointed as the Chairperson of ICBC Turkey Yatırım Menkul Değerler A.Ş. as of 15.11.2023.



Shoujiang Wang
Board Member / General Manager
Dr. Shoujiang Wang earned a doctorate in Accounting from Renmin University of China and a master's degree in Accounting from Beijing Technology and Business University. He began his career in 2000 at the Industrial and Commercial Bank of China (ICBC), where he advanced through a number of roles in the Head Office Accounting Department, Corporate Banking Department, and the ICBC Shenzhen Branch. In 2015, Dr. Wang joined ICBC Standard Bank PLC as Executive Director and ExCo Member, serving as Investment Banking Head, Marketing Director, and Deputy General Manager, responsible for Finance, IT, Operations, and Risk Management. On 10th December 2024, he was appointed as the General Manager of ICBC Turkey Bank A.Ş. as well as the Vice Chairperson of the Credit Committee and a member of the Board of Directors' Risk Management Committee. Dr. Wang is also a CFA charterholder.



Li Xiao
Board Member
Mr. Li Xiao, who graduated from Nankai University with a bachelor degree of IT Management and System and got a master degree of International Business Management from the same University in 2005, started his career in Industrial and Commercial Bank of China Headquarter in 2005. Mr. Li Xiao was once worked in ICBC Headquarter Credit Management Department, and served as the Deputy Branch Manager in ICBC Chongqing Bishan Branch, ICBC Chongqing Jiangjing Branch, then he worked as the Unit Director in ICBC Headquarter Credit and Investment Management Department Corporate Customer Unit, Executive Unit and Non-performing loan Unit. Mr. Li Xiao has been appointed as Board member, Chairperson of Audit Committee and member of Credit Committee and Risk Management Committee of BoD on 02 November 2023 in ICBC Turkey Bank A.Ş. In addition to his current duties, he was appointed as a Board Member of ICBC Turkey Yatırım Menkul Değerler A.Ş. as of 15.11.2023.



Ruiming Hao
Board Member
Mr. Ruiming Hao, who graduated from Renmin University with a Bachelor's Degree in Economics in 1999 and Master's Degree in Economics in 2002. In 2009, he completed his Ph.D., also at Renmin University. He began his career at ICBC (Industrial and Commercial Bank of China) Headquarters in 2002, where he served as a Manager/ Senior Manager until 2013. He was appointed to the Huludao Branch in 2013, where he took on the position of Deputy Director until 2015 and he was promoted back to ICBC Headquarters as a Department Head. He served as a Department Head from 2015 to 2023. Since 2023, he has been working as an Expert in the Strategy and Shareholder Relations Department at ICBC Headquarters. Mr. Ruiming Hao has been appointed as a Board Member of ICBC Turkey on 11/10/2024. He also serves as a member of the Board of Directors' Risk Management Committee, Remuneration Committee, and Corporate Governance Committee, as well as an alternate member of the Credit Committee.



Xin Zheng
Independent Board Member
Ms. Xin Zheng, who graduated from Hangzhou University with Bachelor degree in Finance and Zhejiang Normal University with Master degree in Regional Finance, starting her career in Zhejiang Jinhua City Branch of Industrial and Commercial Bank of China in 1992. She was once worked in International Business Department of Zhejiang Jinhua City Branch, then promoted as Deputy General Manager of the International Business Department in 1999. From 2002 to 2013, she was served as Deputy Branch Manager, Manager of Pujiang Branch, International Business Department General Manager of Zhejiang Jinhua City Branch, Assistant General Manager of Zhejiang Jinhua City Branch, Deputy General Manager of Zhejiang Jinhua City Branch. Starting from 2013, she began to work in ICBC Headquarter Credit and Investment Management Department as Deputy General Manager, then as Deputy General Manager of ICBC HQ Internet Financing Center from 2015–2021. She was promoted and worked as the Expert in ICBC HQ Inclusive Financing Department from 2021–2023. In the February of 2023, she began to work as an Expert and Subsidiary Board Member in ICBC HQ Strategy and Shareholder Relation Department. 18 December 2023 she has been appointed as Independent Board Member in ICBC Turkey.



Serhat Yanik
Independent Board Member
Mr. Serhat Yanik, who graduated from the Public Administration Department of the Faculty of Political Sciences of Istanbul University in 1991, completed his master's degree at the Business Administration Department of the same university in 1994 and the doctorate program at the Business Administration Department in 2000. Mr. Serhat Yanik, started his career at the Ministry of Finance in 1991, then served as Research Assistant in 1992 and as Assistant Professor in 2001 at Istanbul University respectively. Mr. Serhat Yanik, also served as Associate Professor between 2007 and 2016 and he has been now carrying out his duties as Professor at Istanbul University since 2016. Mr. Serhat Yanik, who currently active role in carrying out his duties as the Board Member at the Head of Crowdfunding Center, as the Board Member in the Head of the Department of Accounting and Finance of Business Administration at the Faculty of Political Science of İstanbul University, as the Board member at Expert Accountants' Association of Türkiye and as the member at the Institute of Internal Auditing respectively in Türkiye as well as he has also been giving lectures and trainings such as Accounting, Finance, Auditing, Insurance and Banking areas in various universities and institutions. Having published various national and international publications and articles, Mr. Serhat Yanik involved in many scientific research projects and activities around the world. Mr. Serhat Yanik served as an Independent Board Member at Garanti Factoring A.Ş. between 2012 and 2019 years as well as he served as an Independent Board Member at Güneş Sigorta A.Ş. between 2019 and 2020 respectively. Mr. Serhat Yanik has been as an Independent Board member for a while at Türkiye Sigorta Anonim Şirketi as of February 02nd 2021. Mr. Serhat Yanik has started to serve as Independent Board Member in ICBC Turkey Bank A.Ş. as of February 24 2020. He also serve as the Chairperson of the Corporate Governance Committee and a member of the Sustainability Committee. He also has Certified Public Accountant and Independent Auditor's Certificate issued by the Public Oversight and Accounting and Auditing Standards Authority.

SENIOR MANAGEMENT

Name-Surname	Position	Date of Commencement to Work	Educational Status
Shoujiang Wang	General Manager	10.12.2024	Doctorate Degree
Hüseyin İmece	Deputy General Manager	02.11.2007	Bachelor's Degree
Kadir Karakurum	Deputy General Manager	09.01.2017	Master's Degree
D. Halit Döver	Assistant General Manager	04.01.2005	Master's Degree
Oktay Nurata ⁽¹⁾	Deputy General Manager	31.05.2024	Bachelor's Degree

⁽¹⁾ Mr. Oktay NURATA was appointed as Assistant General Manager responsible for the Credit Allocation Department and Legal Department and as Deputy General Manager to act as the General Manager in his absence on 31.05.2024.

Banking or Management Experience	Areas of Responsibility
24	Vice Chairperson of Credit Committee, Member of Board of Directors Risk Management Committee
34	Asset and Liability Department, Financial Control and Accounting Department, Information Management and Tax Department, Executive Office General Secretariat Unit, Credit and Investment Management Department, Investment Banking Department, Operations Management Department, Operations Center
23	Digital Banking Department, Retail Banking Department, Financial Technology Department, Technology Center, Administrative Affairs Center, Executive Office Public Relations and Advertisement Unit
31	International Business Department, Financial Institutions Business Department, Financial Markets Department, Corporate Banking Department, Project and Cross Border Finance Department
29	Credit Allocation Department, Legal Department

SENIOR MANAGEMENT

**Shoujiang Wang**

Board Member / General Manager

Dr. Shoujiang Wang earned a doctorate in Accounting from Renmin University of China and a master's degree in Accounting from Beijing Technology and Business University. He began his career in 2000 at the Industrial and Commercial Bank of China (ICBC), where he advanced through a number of roles in the Head Office Accounting Department, Corporate Banking Department, and the ICBC Shenzhen Branch. In 2015, Dr. Wang joined ICBC Standard Bank PLC as Executive Director and ExCo Member, serving as Investment Banking Head, Marketing Director, and Deputy General Manager, responsible for Finance, IT, Operations, and Risk Management. On 10th December 2024, he was appointed as the General Manager of ICBC Turkey Bank A.Ş. as well as the Vice Chairperson of the Credit Committee and a member of the Board of Directors' Risk Management Committee. Dr. Wang is also a CFA charterholder.

**Hüseyin İmece**

Deputy General Manager

Asset and Liability Department/Financial Control and Accounting Department/Information Management and Tax Department/Executive Office General Secretariat Unit/Credit and Investment Management Department/Investment Banking Department/Operations Management Department/Operations Center

Mr. Hüseyin İmece graduated from Boğaziçi University in 1990 and started his professional career the same year at Yapı ve Kredi Bankası, where he was promoted to Assistant General Manager in charge of Treasury in 1999. He also undertook the management of the bank's Financial Institutions and Investor Relations department. In the same period, Mr. İmece acted as an Executive Board Member in the same bank's local Portfolio Management, Leasing, Factoring and Real Estate Investment Trust subsidiaries, as well as foreign subsidiaries in Germany, Netherlands, Russia and Ireland. He served as member at the bank's Asset-Liability Committee, as well as Technology, HR and Commercial Committees. He joined Tekstilbank in 2007 as AGM in charge of Treasury, where he oversaw physical, functional and procedural changes in the department, as well as establishment of Investor Relations department. In 2014, he played an active leading role in the bank's sale to ICBC, one of world's most prominent banks and the takeover has been successfully completed in 2015. Continuing at the same capacity after ICBC's takeover, he contributed significantly to the orientation and integration process and worked on issues such as asset quality, profitability, risk and capital management. Mr. Hüseyin İmece has been decided to be assigned as Deputy Manager in order to deputize General Manager duties in case of the absence of the General Manager by the Board resolution as of July 3rd 2020. Asset and Liability, Financial Control and Accounting, Credit and Investment Management, Investment Banking, Operation Management Departments, Operation Center and Executive Office General Secretariat Unit have been directly centralized to Mr. Hüseyin İmece. As Deputy General Manager, he deputized the duties of General Manager and natural Board Member between April 29th 2024 – December 10th 2024, at that time, he fulfilled duties as Vice Chairperson of Credit Committee and Member of Risk Management Committee of BoD.

**Kadir Karakurum**

Deputy General Manager

Digital Banking Department/Retail Banking Department/Financial Technology Department and Technology Center/ Administrative Affairs Center/Executive Office Public Relations and Advertisement Unit

Mr. Kadir Karakurum graduated from Middle East Technical University Faculty of Architecture, CRP Department and earned his Master's degree from Faculty of Economics and Administrative Sciences, Business Administration Department. Holding various positions in private sector companies and banks; between 1992–2013, he has managed departments including Retail Banking, Digital Banking and CRM as Managing Director and Executive Vice President/Assistant General Manager. He joined ICBC Turkey in 2014. He currently serves as a Deputy General Manager in ICBC Turkey, deputizing General Manager duties in case of the absence of the General Manager. He is also an Executive Committee Member with direct authority of the Digital Banking Department, Retail Banking Department, Financial Technology Department, Technology Center, Administrative Affairs Center and Executive Office Public Relations and Advertisement Unit.

**D. Halit Döver**

Assistant General Manager

International Business Department/Financial Institutions Business Department/Financial Markets Department/Corporate Banking Department/ Project and Cross Border Finance Department

Mr. Halit Döver, graduated from Istanbul Technical University at Mining Engineering Department in 1988 and obtained his post-graduate degree from the same university. Between 1990 and 1993, he worked as a certified engineer at Gold Fields in South Africa, and started his banking career in the Correspondent Relations and International Marketing Department at Pamukbank in 1993 and served as Director. Mr. Halit Döver started working at Tekstilbank as Head of International Relations Department in 2000, and was appointed as Assistant General Manager responsible for the International Business Group in January, 2005. He also served as Customer Relations Coordination Officer from 2015 to 2017. Since the inception in 2015, Mr. Halit Döver has been serving as Assistant General Manager responsible from International Business, Financial Institutions Business, Financial Markets, Corporate Banking and Project and Cross Border Finance Departments.

**Oktay Nurata**

Deputy General Manager

Credit Allocation Department/Legal Department

Mr. Oktay Nurata graduated from Istanbul Technical University, Faculty of Business Administration, Department of Management Engineering. He began his banking career in 1996 as an inspector at Esbank. Mr. Oktay Nurata joined ICBC Turkey in 2006, where he served as an inspector from 2006 to 2007, Credit Allocation Department Manager from 2007 to 2012, Credit Allocation Department Managing Director from 2012 to 2019, and Branch Manager from 2019 to 2023. He held the position of Credit Allocation Department Managing Director from 2023 to 2024. On May 31, 2024, he was appointed as the Assistant General Manager responsible for the Credit Allocation and Legal Departments and Deputy General Manager, to act on behalf of the General Manager in his absence. Mr. Oktay Nurata holds CMB's: Level 3, Corporate Governance Rating and Credit Rating Licenses.

**Oraj Özel**

Board Member / General Manager

ICBC Turkey Securities (ICBC Turkey Yatırım Menkul Değerler A.Ş.)

Mr. Oraj Özel is presently CEO and Board member of ICBC Turkey Securities and Chairperson of ICBC Turkey Asset Management Company. Mr. Özel was one of the first floor Brokers at the Istanbul Stock Exchange founded in 1987. Mr. Özel worked in Senior Management of major Turkish Banks and Securities companies until he joined ICBC Turkey (then Tekstilbank) group in April 2007 as Board Member and General Manager of ICBC Turkey Securities. During his career in corporate and investment banking, Mr. Özel introduced several new products to Turkish Capital Markets such as first equity research, first mutual fund, first bond issue by a state-owned enterprise, first asset backed security issue. Mr. Özel is awarded a level 3 licenses from Capital Markets Board of Türkiye and holds a BS Degree in Economics from Middle East Technical University at Ankara.

SENIOR MANAGEMENT

Managing Directors of the Departments of Internal Systems

Name-Surname	Position	Educational Status	Banking or Management Experience	Areas of Responsibility
Füruzan Evrim Ökçün	Managing Director of Internal Control and Compliance Department / Internal Audit Department	Bachelor's Degree	25	Internal Control and Compliance Department, Internal Audit Department
Şebnem Biber	Director of Internal Control and Compliance Department	Bachelor's Degree	24	Internal Control and Compliance Department
Uğur Uzuncezar	Director of Risk Management Department	Bachelor's Degree	15	Risk Management Department
Gülden Kesen	Director of Internal Audit Department	Bachelor's Degree	16	Internal Audit Department

Füruzan Evrim Ökçün

Managing Director of Internal Control and Compliance Department / Internal Audit Department
Ms. Füruzan Evrim Ökçün graduated from Middle East Technical University, Faculty of Economics and Administrative Sciences, Political Science and Public Administration in 1999. In her Banking career, which started at İktisat Bank's Internal Audit and continued for more than 25 years, she worked in many different positions of banking sector namely audit, credit allocation, product management, project management, payment systems, etc. besides also worked as product manager for importing and serving new products to Turkish market like CHINEX, WeChat Pay. Ms. Ökçün has been working as the Managing Director of ICBC Turkey Internal Control and Compliance Department as of January 2022. In addition to her duties she was appointed as the Managing Director of the Internal Audit Department by the Board Resolution dated 17.11.2023. Ayrıca, Ms. Ökçün has been working as ICBC Turkey Securities BoD member since May 2024.

Şebnem Biber

Director of Internal Control and Compliance Department
Ms. Şebnem Biber graduated from İstanbul University, Faculty of Business Administration in 1999. In her Banking career, which started at Tekstil Bankası A.Ş. and continued for more than 24 years, Ms. Biber has taken part in all operational processes such as "foreign trade operations" and "credit operations" in various branches, including management, and then engaged in "internal control activities," and "risk management, monitoring and control activities within the scope of legislation on prevention of money laundering and financing of terrorism." Ms. Biber has been working as the Director of ICBC Turkey's Internal Control and Compliance Department since October 2022.

Uğur Uzuncezar

Director of Risk Management Department
Mr. Uğur Uzuncezar graduated from Marmara University, Faculty of Financial Sciences, Capital Markets in 2008 and started his banking career as an assistant auditor. He continued his career as an Authorized Assistant Auditor and Auditor in the same department. He has been working as Director of the Risk Management Department of ICBC Turkey since August 2020. Uğur Uzuncezar holds ISO 22301, Capital Market Activities Level 3, Derivative Instruments, Corporate Governance Rating Specialist and Credit Rating Specialist Licenses and certificates.

Gülden Kesen

Director of Internal Audit Department
Ms. Gülden Kesen graduated from Ankara University, Faculty of Political Sciences, Department of Economics in 2009 and started her banking career at Ziraat Bank at the end of the same year as an assistant specialist. Meanwhile, she completed her master's degree at Galatasaray University, Institute of Social Sciences, Department of Financial Economics. Ms. Kesen continued her career as an assistant inspector at Yapı ve Kredi Bankası A.Ş. and then started working as inspector at ICBC Turkey Bank A.Ş. Internal Audit Department in May 2018. Since December 2020, she has been working as the Director of the Internal Control Department.

GENERAL ASSEMBLY MEETINGS HELD IN 2024

General Assembly Meetings are held within the framework of the Banking Law, the Turkish Commercial Code and the Capital Markets Law.

In 2024, including Ordinary General Assembly Meeting, to which physical or electronic attendance is possible, was held. The Ordinary General Assembly Meeting was held on 25 March 2024 with the quorum of 92.84%. The Ordinary General Assembly meeting held in 2024 was successfully completed within its period.

Regulations on General Assembly Meetings of shareholders set forth in “The Articles of Association of ICBC Turkey Bank A.Ş.” which take place in the Bank’s internet site open to public and in the “Internal Regulations on the Working Principles and Procedures of the General Meeting.”

The Bank makes the invitation to the General Assembly meeting at least three weeks before the meeting, excluding the announcement and meeting dates. Calls / invitations and announcements for the General Assembly Meeting is published in the Turkish Trade Registry Gazette, a newspaper published in Istanbul where the registered address of the Bank is, at Merkezi Kayıt Kuruluşu A.Ş. (MKK) (Central Securities Depository Institution), at Electronic General Meeting System (E-GEM), on e-ŞİRKET- Companies Information Portal, on Public Disclosure Platform (KAP) and on the Bank’s corporate web site. Besides, as from the date of announcement, agenda, a sample of power of attorney, Annual Report, the Articles of Association of the Bank, financial tables and footnotes, Independent Audit Reports, the old and new versions of the amendments along with the related resolution of the Board of Directors in case there is an amendment in the Articles of Association, in case there is dismissal, change or election of the Members of the Board of Directors among the items of the agenda, reasons for dismissal and change, information on the member and Independent member nominees specified in the Corporate Governance Principles, and other documents related to the agenda are available at the General Management of the Bank and on our corporate internet site for the review of the shareholders. Documents related to the agenda items are published in E-GEM separately.

According to the provisions of the Articles of Association of the Bank, it is possible to vote by proxy. According to the 28th article of our Articles of Association, the shareholders may personally attend the General Assembly Meeting as well as being presented at these meetings by a proxy they choose among the shareholders or from outside. Provisions of the 29th article of the Capital Markets Law are applied in the invitation of the shareholders. General Meeting minutes are always available for the shareholders on our Bank’s official internet site and at E-Şirket information portal which is accessible also from our Bank’s internet site with the Electronic General Meeting System, within the scope of the related provisions of the Turkish Commercial Code, and which is specialized for Information public services and the infrastructure of it is provided by the Central Securities Depository.

All shareholders have the right to declare opinions on the subjects related to the agenda and ask questions at the General Assembly Meeting. Suggestions given in relation with the agenda are resulted by voting in compliance with the legal procedure.

In 2024, there weren’t any operation which majority “Yes” votes of the Independent members of the Board of Directors are required for deciding at the Board of Directors or its decision is left to the General Assembly Meeting for “No” votes given.

In line with the Bank’s Donation and Aid Policy approved in the Ordinary General Assembly Meeting of our Bank held on 31 March 2014, information on that there weren’t any change in the policy and donations and aids made in 2024 are given to the shareholders at the Ordinary General Meeting held on 25 March 2024, with a separate agenda item.

At the 2023 Ordinary General Meeting held on 25 March 2024, the shareholders are informed about that there was no significant transaction which may cause an interest conflict between the shareholders holding the management control, the members of the board of directors, managers having administrative responsibility and their spouses and blood relatives and relatives by marriage up to second degree and the Bank or the subsidiaries.

AGENDA OF THE ORDINARY GENERAL ASSEMBLY MEETING

2024 ORDINARY GENERAL ASSEMBLY MEETING AGENDA

1. Opening and Formation of the Meeting Presidency,
2. Authorization of the Meeting Presidency to Sign the Minutes of the Ordinary General Meeting of Shareholders,
3. Reading and Discussion of the Board of Directors' 2024 Annual Activity Report and Independent Audit Report Summary,
4. Reading, Discussion and Approval of the 2024 Financial Statements,
5. Approval of the membership of the new board members who elected according to Turkish Commercial Code, Article 363,
6. Release of the Board Members,
7. Discussion on Dividend Distribution for the Year 2024 According to the Board of Director’s Proposal,
8. Determination of the Remuneration of the Board Members,
9. Election of the Independent Auditor in Accordance with the Article 399 of Turkish Code of Commerce,
10. Informing the Shareholders About the Donations Made in 2024,
11. Determination of an Upper Limit of the Donations to be Made in 2025 in Accordance with Banking Legislation and Capital Markets Board’s Regulations,
12. Informing the Shareholders About the Remuneration Policy,
13. Informing the Shareholders Regarding Capital Markets Board’s Corporate Governance Principles, Clause 1.3.6,
14. Reserving Provisions of the Banking Law, Allowing the Members of the Board of Directors to Perform the Transactions Written in Articles 395 and 396 of the Turkish Code of Commerce.

OTHER ISSUES

BOARD OF DIRECTORS COMMITTEES

Several committees have been formed in order to help the Board of Director in performing their duties under their responsibility more efficiently and these committees are given special responsibilities in certain areas. Information regarding the committees operating under the Board of Directors is provided below:

Audit Committee

Member	Duty at the Committee	Definition of the Member
Li Xiao	Chairperson	Independent Board Member ⁽¹⁾
Xin Zheng	Member	Independent Board Member

⁽¹⁾ Members of the audit committee of banks are considered as independent members within the scope of “Corporate Governance Communiqué” no. II–17.1, issued by the Capital Markets Board.

Within the framework of article 24 of the Banking Law numbered 5411 that requires formation of an Audit Committee, the Board of the Directors of the Bank appointed two non-executive members of the board, who possessed the conditions stated in the prevailing legislation, in order to perform the auditing and monitoring activities, as the members of the Bank’s “Audit Committee,” on 30 October 2006. The Bank’s Internal Audit Department operates under control of the Audit Committee. Audit Committee meets four times a year with the units operating under its supervision, by participation of other related departments at the Head Office. Audit Committee informs the Board of Directors regularly in every three months, regarding its activities.

Following are the main activities of the Audit Committee and the principles of authorities and responsibilities thereof, all of which are published under the title “Committees” in the section named “Investor Relations” on our website.

Audit Committee

Monitors the efficiency and sufficiency of the Bank’s internal systems, whether these systems and the accounting and reporting systems operate within the framework of the related legislation and the policies of the Bank and the integrity of the information produced,

Performs the necessary preliminary evaluations regarding election of the independent audit firms, rating companies and the institutions providing appraisal and support services and regularly monitors the activities of these institutions that are assigned by the Board of Directors,

Ensures that the internal audit functions of the partnerships that are included in the consolidation conducted coordinately within the scope of the related legislation,

Submits reports and provides opinions and proposals to the Board of Directors regarding the internal systems and the operations, activities of the departments and the related policies and regulations falling under the scope of these systems,

Evaluates the information and the reports regarding the activities provided by the departments falling under the scope of internal systems and the independent audit firms,

Prepares the financial reports of the Bank in compliance with the related legislations, regulations and the standards,

Requests information, documents or reports from all of the departments of the Bank, contracted institutions providing support services and independent audit firms, if necessary and receives consultancy services from persons, who are specialized in their fields of activity, provided that this is subject to the approval of the Board of Directors,

Fulfills their responsibilities given by the prevailing legislations and the duties assigned to them by the Board of Directors within this framework,

Notifies or reports the results of its activities and the measures need to be taken in order for the Bank’s activities to be conducted sustainably and safely within the framework of the related legislation and the policies of the Bank and its findings, opinions and proposals related to the other issues which it deems material.

Declarations stating the qualifications of the Members of the Audit Committee of the Bank within the scope of the Article 24 of the Banking Law no.5411 and the Regulation on Internal Systems, issued by the Banking Regulation and Supervision Agency, are as follows:

To the Banking Regulation and Supervision Agency

1. Within the last two years prior to my being appointed as the member of the audit committee, I declare that neither myself nor my spouse nor my children; have been a shareholder or employee of any institution providing independent audit, rating, appraisal or support services to ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation, have participated in the independent audit, rating or appraisal processes of the bank or any of its partnerships included in the consolidation, have been a shareholder or employee of any institutions providing consultancy and support services to ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation nor have provided such services thereto, hold any qualified shares of ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation, 2. is the spouse or next of kin and relative by blood and marriage up to second degree (including this degree) of the majority shareholder or the General Manager of ICBC Turkey Bank Anonim Şirketi have served in any of the banks’ audit committee for more than nine years regularly or in intervals, have received any income, whether as fee or anything similar under any name whatsoever, from ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation based on their profitability, except for the payments made all of the employees in accordance with provisions of their articles of association or general assembly resolutions, 3. neither my spouse nor my children has been General Manager, Assistant General Manager or in an equivalent position of ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation, 4. have directly managed any the executive units of ICBC Turkey Bank Anonim Şirketi within the last two years, 5. have worked in any units of ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation, except for the internal audit, internal control, risk management, financial control and accounting units.

Li Xiao
Chairperson of Audit Committee

To the Banking Regulation and Supervision Agency

1. Within the last two years prior to my being appointed as the member of the audit committee, I declare that neither myself nor my spouse nor my children; have been a shareholder or employee of any institution providing independent audit, rating, appraisal or support services to ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation, have participated in the independent audit, rating or appraisal processes of the bank or any of its partnerships included in the consolidation, have been a shareholder or employee of any institutions providing consultancy and support services to ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation nor have provided such services thereto, hold any qualified shares of ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation, 2. is the spouse or next of kin and relative by blood and marriage up to second degree (including this degree) of the majority shareholder or the General Manager of ICBC Turkey Bank Anonim Şirketi have served in any of the banks’ audit committee for more than nine years regularly or in intervals, have received any income, whether as fee or anything similar under any name whatsoever, from ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation based on their profitability, except for the payments made all of the employees in accordance with provisions of their articles of association or general assembly resolutions, 3. neither my spouse nor my children has been General Manager, Assistant General Manager or in an equivalent position of ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation, 4. have directly managed any the executive units of ICBC Turkey Bank Anonim Şirketi within the last two years, 5. have worked in any units of ICBC Turkey Bank Anonim Şirketi or any of its partnerships that are included in the consolidation, except for the internal audit, internal control, risk management, financial control and accounting units.

Xin Zheng
Member of Audit Committee

OTHER ISSUES

Credit Committee

Features of the members of the Credit Committee are shown in the following table.

Member	Duty at the Committee	Duty at the Bank
Qian Hou	Chairperson	Chairperson of the Board of Directors
Shoujiang Wang	Vice Chairperson	Board Member - General Manager
Li Xiao	Member	Board Member
Ruiming Hao	Alternate Member	Board Member
Xin Zheng	Alternate Member	Independent Board Member

By the resolution of the Bank’s Board of Directors dated 22 May 2015 and with number 1324/01, it has been resolved to form a Credit Committee consisting of three persons, namely two members of the Board of Directors and the General Manager of our Bank, in order to perform the duties relating to credits to be assigned by the Board of Directors, within the scope of the Banking Law no.5411 and the Regulation on Banks Credit Transactions which has been published in the Official Gazette dated 1 November 2006 and issue no.26333 and has come to effect accordingly. Duties of the Credit Committee are; to take credit decision within the scope of its powers and to take the decisions relating to other works designated by the Board of Directors. Credit Committee conducts its activities within the framework of the Credit Committee Regulation, which has been adopted by the Board of Directors resolution dated August 23rd 2017 and numbered 1451/02.

Corporate Governance Committee

Features of the members of the Corporate Governance Committee are shown in the following table.

Member	Duty at the Committee	Duty at the Bank
Serhat Yanik	Chairperson	Independent Board Member
Ruiming Hao	Member	Board Member
Levent İřcan	Member	BoD Office Technical Advisor (CMB Level 3 License and Corporate Governance Rating License)

By the resolution of the Bank’s Board of Directors dated 4 February 2005 and number 758/1, the “Corporate Governance Committee” has been formed in order to monitor the compliance with the corporate governance principles, to conduct improvement activities in this regard and to submit proposals to the Board of Directors, to coordinate activities of the Shareholder Relationships and the Secretariat of the Board of Directors. Within the scope of the Article 4.5.1 of the

“Communiqué on the Determination and Application of the Corporate Governance Principles” Serial: IV No: 56 issued by the Capital Markets Board, entered into force and effect at a later time; the Corporate Governance Committee has been additionally authorized by the Bank’s Board of Directors’ resolution dated 20 March 2012 and number 1165/01, to perform functions as a “Nomination Committee” as well. Main duties and powers of the Corporate Governance Committee are; to monitoring whether the Bank complies with the corporate governance principles, to conduct improvement activities in this regard and to present proposals to the Board of Directors; if the corporate governance principles are not implemented, shall determine the reason thereof and the conflicts of interest that occur due to failure to implement them and to ensure formation of necessary policies for this purpose. It shall evaluate the proposals for Independent membership of the Board of Directors, including also the management and shareholders, taking into consideration whether a candidate bears independency criteria and shall explain its evaluation in this regard in a report and shall present it for approval of the Board of Directors. In order to comply with article 11 of the Corporate Governance Communiqué no.II–17.1, published in the Official Gazette dated 3 January 2014 and has come into effect accordingly, by the resolution of the Board of Directors of the Bank dated 30 June 2014 and no.1276/01, Manager of the Shareholder Relations and the Board of Directors Secretariat Unit has been appointed as a member of the Corporate Governance Committee.

As of 14 May 2018, Mr. Levent İřcan has been appointed as the Director of the Shareholder Relations and Board Secretariat Unit and as a member of the Corporate Governance Committee. The committee convenes whenever required by the business of the Bank, not be less than once a year.

Remuneration Committee

Features of the members of the Remuneration Committee are shown in the following table.

Member	Duty at the Committee	Duty at the Bank
Xin Zheng	Chairperson	Independent Board Member
Ruiming Hao	Member	Board Member

Pursuant to the “Regulation on Corporate Governance Principles of Banks” of the Banking Regulation and Supervision Agency and by the resolution of the Bank’s Board of Directors dated 11 July 2011 and numbered 1129/03, a “Remuneration Committee” has been formed in order to monitor and supervise the remuneration practices on behalf of the Board of Directors. The Committee shall evaluate the remuneration policy and implementations thereof within the framework of the risk management and prepare and submit a report regarding its recommendations in relation thereto, to the Board of Directors, on an annual basis.

Board of Directors Risk Management Committee

Features of the members of the Board of Directors Risk Management Committee are shown in the following table.

Member	Duty at the Committee	Duty at the Bank
Qian Hou	Chairperson	Chairperson – Executive Member
Shoujiang Wang	Member	Board Member - General Manager
Li Xiao	Member	Board Member
Ruiming Hao	Member	Board Member
Xin Zheng	Member	Independent Board Member

With the resolution of the Board of Director dated 23 October 2019; A Board of Directors Risk Management Committee has been established so as to assist the Board of Directors in reviewing and determining the Bank’s risk strategy, risk appetite, risk management policy, risk management procedures and internal control process and assisting the Board of Directors in supervising and evaluating the risk management activities of the related senior managers and risk management departments.

The Committee carries out its activities within the framework of the Board of Directors Risk Management The Bank’s Internal Control and Compliance Department and Risk Management Department operate under control of the Board of Directors Risk Management Committee.

Committee Regulation, which was put into action by the Board of Directors’ resolution dated 23 October 2019 and numbered 1605/01.

OTHER COMMITTEES

Management Committee

With the resolution of the Board of Director dated 30 January 2019; A Management Committee has been established to help improving the Bank’s management structure, management standards and effectiveness, and to take decisions on important issues, to regulate operating rules and operating procedures for the regulation of important projects and the use of large amounts of funds. Management Committee consists of Chairperson, General Manager and other senior management executives. The Chairperson of the Committee duty is fulfilled by Ms. Qian HOU, who is Chairperson of Board of Directors. The Vice Chairperson of the Committee duty is fulfilled by Mr. Shoujiang Wang, who has been natural Board Member and General Manager.

The Committee carries out its activities within the framework of the working rules by the Board of Directors resolution dated 30 January 2019.

Assets and Liabilities Committee (ALCO)

Assets and Liabilities Committee is the committee where the volume and cost/return of the balance sheet items of the Bank, economic developments affecting these items are evaluated; strategies

regarding the management of the balance sheet are determined and the topics related to the ways to increase the Bank’s performance are discussed. This Committee run once every two weeks under the chairpersonship of the General Manager. Deputy/Assistant Managers and the Heads of all Departments in charge of banking transactions shall participate in the meeting.

Risk Management Committee

As an element of corporate governance, Risk Management Committee ensures that the bank achieves effective risk management, according to Bank’s risk strategy and policies. Risk Management Committee shall act as a decision-making organization as well as control and monitoring mechanism on all significant matters related to enterprise risk management. Committee is presided by the General Manager.

INFORMATION ON THE ATTENDANCE OF THE BOARD MEMBERS AND COMMITTEE MEMBERS TO THE RELATED MEETINGS HELD DURING THE ACCOUNTING PERIOD

Timing, place and method of the Board of Directors Meeting shall be subject to the provisions of the Turkish Commercial Code and the Bank’s Articles of Association. Board of Directors shall convene as frequently as the businesses of the Bank necessitates. Participating in the meetings in person or through electronic environment is possible. Board of Directors is called for meeting by Chairperson and in his/her absence by the Vice Chairperson of the Board of Directors. Each Board member may request in writing from the Chairperson of the Board that the Board of Directors be convened. Board of Directors consists of 6 members, including the General Manager. Calling procedure of the Board of Directors meeting is subject to provisions of the Turkish Commercial Code and the Bank’s Article of Associations. The quorum for the Board of Directors meeting is the presence of majority of the members. Resolutions of the Board of Directors may be passed by the votes of the majority of the members present in person at the meeting as well as, pursuant to article 40 of the Articles of Association of our Bank and paragraph 4 of article 390 of the Turkish Commercial Code with number 6102, with the method by which a written proposal of one of the members is approved in writing by the other members.

In 2024 the Board of Directors convened with all of the members being present in person, 4 times and passed 33 resolutions. Pursuant to article 40 of the Articles of Association of our Bank and the paragraph 4 of article 390 of the Turkish Commercial Code, by circular Board of Directors has taken 292 resolutions.

In 2024, the Audit Committee convened with the members, 4 times and passed 28 resolutions; passed 15 resolutions by circulation. In 2024, the Credit Committee convened to examine the credit files within the scope of its powers and passed 197 resolutions.

In 2024, the Corporate Governance Committee passed 4 resolutions; and the Remuneration Committee passed 2 resolutions.

In 2024, the Board of Directors Risk Management Committee held its meeting 4 times and has taken 4 resolutions in the Committee meeting. In addition, 3 resolutions has been taken by circular.

OTHER ISSUES

STRUCTURE, FORMATION AND ACTIVITY PRINCIPLES OF THE BOARD OF DIRECTORS

The Structure and Formation of the Board of Directors
The Bank is managed and represented by the Board of Directors. The Members of the Board of Directors are determined at the General Assembly Meeting. According to the Articles of Association of the Bank, the Board of Directors consisted of 6 members including the General Manager. Term of office of the members elected for the Board of Directors is maximum three years, except for the General Manager.

According to the 23rd article of the Banking Law; excluding Mr. Shoujiang Wang, the General Manager, who is the natural member of the Board of Directors and Ms. Qian Hou, Executive Board member, the board members are not involved in the administrative structure, do not take part in the daily business flow or the ordinary activities of the bank and do not have operational duties.

The candidates nominated by the (A) and (B) group shareholders at our bank’s General Assembly Meeting dated 25.03.2024 were elected to serve for 3 years until 25.03.2027. In accordance with Article 363 of the Turkish Commercial Code, if a membership becomes vacant for any reason, the Board of Directors elects someone who meets the legal conditions as a temporary member of the Board of Directors and submits it to the approval of the first General Assembly Meeting.

According to the Capital Markets Board’s Corporate Governance Principles, the number of Independent Board members for Banks has been determined to be at least three. As Mr. Li Xiao assigned for the Audit Committee Membership within the structuring of the Board of Directors of the Bank is considered directly the Independent Member of the Board of Directors according to the 3rd item of the 6th Article of the Corporate Governance Communiqué number II–17.1.

Activity Principles of the Board of Directors
The Board of Directors meet any time the Bank business requires. The Board of Directors is invited to the meeting by the Chairperson or the Deputy Chairperson if she is absent. Each of the members has the right to request invitation of the Board of Directors and include to the agenda the matters they wish to discuss. The meetings are held within the framework of the agenda distributed to the members by the Chairperson beforehand.

For the delegation of management; the Board of Directors of the Bank is authorized to delegate the management authority completely or partially to one or more Members of the Board of Directors or to third parties by an internal directive which shall be prepared according to the 367th article of the Turkish Commercial Code. Within this scope, an Internal Directive has been put into force by the Board of Directors with the resolution dated 16 January 2017 according to Article 367 and 371 of the TCC and Article 44 of the Articles of Association. The Internal Directive was registered on 8 March 2017 and announced in

the Trade Registry Gazette on 13 March 2017. Internal Directive was revised by 31.05.2019 dated and 1580/03 numbered Board Resolution and was registered on 31.07.2019 and announced in 9884 numbered and dated 06.08.2019 Trade Registry Gazette.

The Board of Directors may meet with the majority of the full number of the members. Decisions of the Board of Directors may be taken as a result of the physically attended meeting with the majority of the members present at the meeting as well as by the written approval of the other members upon written proposal of one of the members according to the 4th sub-clause of the 390th article of the Turkish Commercial Code numbered 6102. Moreover; Those who have the right to attend the board of directors meetings in accordance with Article 1527 of the Turkish Commercial Code can attend these meetings electronically and approve the decisions with their electronic signatures. Physical resolutions and circular method resolutions were taken by the Board of Directors with the unanimously by all members who attended the meeting in 2024. Number of meetings of the Members of the Board of Directors, their attendance status to the meetings are included in the “Management and Corporate Governance Practices” section of the annual report.

FINANCIAL RIGHTS GRANTED TO THE BOARD MEMBERS AND SENIOR MANAGERS

According to the 48th article of the Articles of Association of the Bank, salaries to be paid to the members of the Board of Directors are determined and set by the general meeting. Salaries of the members of the Board of Directors are announced to the public through the general meeting minutes published at KAP and internet site of the Bank.

The Bank’s current Remuneration Policy is submitted for the shareholders’ information with a separate agenda item at the ordinary general meeting held on March 25th 2024 and published on KAP and the website of the Bank.

According to the principle number 4.6.5 of the “Corporate Governance Principles” set forth in the Corporate Governance Communiqué annex number II–17.1 published in the Official Gazette dated January 3rd 2014 with number 28871 and put into effect by CMB, salaries given and fringe benefits provided for the Board members and the Top Management should be announced to the public through the Annual Report. However, the declaration shall be made as the total of the financial rights provided for the Board members, General Manager and Deputy/ Assistant Managers not on person basis.

Allowances paid to the Board members, General Manager and Deputy/ Assistant General Managers, health/ life insurance expenses, travel, accommodations and representing expenses and other various expenses are summarized below.

TL Thousand	31.12.2023	31.12.2024
Total Expenses	53,158	78,179

INFORMATION ON THE PRIVILEGED SHARES AND THE VOTING RIGHTS

The Bank shall be administered, represented and bound by a Board of Directors consisting of six persons, one being the General Manager or his/her Deputy acting for him/her and the other five being the members elected by the General Assembly pursuant to relevant provisions of the Turkish Commercial Code and meeting the requirements and qualifications stipulated in the banking legislation.

According to article 35 of the Articles of Association of our Bank, of the 5 members of the Board of Directors (excluding the General Manager); 3 members shall be elected by the General Assembly among the candidates to be nominated by Group (A) shareholders, provided that 1 of them holds the independent member qualifications specified in the Corporate Governance principles of the Capital Markets Board and 2 members shall be elected by the General Assembly among the candidates to be nominated by Group (B) shareholders, provided that 1 of them holds the independent member qualifications specified in the Corporate Governance principles of the Capital Markets Board.

According to article 19 of the Articles of Association of our Bank upon written demand of the shareholders holding at least one twentieth of the Bank’s share capital, indicating the obligatory reasons and the agenda; the Board of Directors shall be obliged to invite the General Assembly for a meeting, or if a General Assembly Meeting is already scheduled, to include the articles, they demand to be discussed, in the agenda. The shareholders may, via notary public, request an item to the agenda of the General Assembly Meeting be added. The request for an additional agenda item should be submitted to the Board of Directors prior to depositing the registration fee of the Turkish Trade Registry Gazette with respect to convening a General Assembly. If the request of these shareholders pertaining to the convention of a General Assembly Meeting or the addition of an item to the agenda is rejected by the Board of Directors, or if an affirmative reply is not given within seven work days, the commercial court of first instance that has jurisdiction over the address of the headquarters of the Bank may resolve upon the convention of a General Assembly Meeting upon an application by the same shareholders.

At the Ordinary and Extraordinary General Assembly Meetings of our Bank, shareholders or their proxies shall each have one voting right and there shall not be any privilege with regards to votes.

The table which shows group (A) and (B) shares within the scope of the shareholding structure of our bank, is given below.

Name/Trade Name of the Shareholder	Nominal Shareholding Group A (TL)	Nominal Shareholding Group B (TL)	Total Nominal Share Capital (TL)	% Total Share Rate	% Group A Shares	% Group B Shares
Industrial and Commercial Bank of China Limited (ICBC) ⁽¹⁾	540,428,227	258,000,000	798,428,227	92.84	89.77	100.00
Other (publicly held)	61,571,773	None.	61,571,773	7.16	10.23	None
TOTAL	602,000,000	258,000,000	860,000,000	100.00	100.00	100.00

⁽¹⁾ The company named Industrial and Commercial Bank of China Limited is the legal entity shareholder of the Bank’s qualified shares.

EXPLANATIONS REGARDING THE POST BALANCE SHEET EVENTS PERIOD

Detailed explanations on the matters occurred after the balance sheet date, are given in the footnote no. IX of the Section Five of the “Unconsolidated and Consolidated Financial Statements to be Disclosed to Public for the Reporting Period ended as of 31 December 2024, the Explanations and Footnotes Related Thereto and the Independent Audit Report.”

OTHER ISSUES

SIGNIFICANT LEGISLATIVE AMENDMENTS RELATED TO THE BANKING SECTOR IN 2024

1) Implementation Instructions on Securities Establishment and Communiqué on the Repeal of the Communiqué on Securities Establishment

Various historical, proportional and amount-based updates were made during the year to this communiqué and its implementation instructions regulating the procedures and principles regarding the Turkish lira securities to be held by banks with the Central Bank of the Republic of Türkiye (Central Bank) and other financial institutions within the scope of general liquidity. The Central Bank of the Republic of Turkey has taken additional tightening steps supporting its tight monetary policy stance. Accordingly, changes were made in the direction of decrease in the monthly growth limits within the scope of the securities facility based on credit growth. In order to increase the effectiveness of the application regarding credit growth limits, in addition to the securities facility, studies were carried out to establish mandatory reserve requirements based on credit growth. Export, investment, agricultural and tradesmen loans as well as loans to public institutions and earthquake zones continued to be exempt from this limitation. Changes were made to the discount conditions applied to the total amount of securities to be established. The Central Bank of the Republic of Türkiye continued to simplify macroprudential policies in a way that would protect the functionality of the market mechanism and macrofinancial stability. Within the scope of the regulation regarding the securities facility; the security facility rate applied to liabilities subject to security facility has been reduced, and the practice of securities facility based on credit growth has been terminated. The circular regarding the regulation in question, which was implemented as of 2022, has been repealed.

Published in the Official Gazettes dated 05.03.2024, 06.04.2024 and 09.05.2024.

2) Communiqué on Supporting Conversion to Turkish Lira Deposit and Participation Accounts

This circular, which regulates the procedures and principles regarding the support to be provided to deposit and participation fund owners in the event that foreign exchange deposit accounts and foreign exchange participation funds of domestically resident real and legal persons are converted into Turkish lira term deposits and participation accounts, has been updated within the scope of various dates, terms to be applied and interest rates to be applied during the year. It has been ruled that no payment will be made under the name of additional benefit/return for accounts to be opened/renewed as of July 22, 2024 (including KKM and YUVAM accounts).

Published in the Official Gazettes dated 05.02.2024, 06.04.2024 and 22.07.2024.

3) Regulation Amending the Regulation on Measures to Prevent Laundering Proceeds of Crime and Financing of Terrorism

With the amendment made to the regulation, the information required for the identification and verification of the identity of Turkish citizens, such as the place of birth and the name of the mother and father, has been excluded from the scope. It has been stated that for those who are not Turkish citizens, the determination and verification of the place of birth information must be made.

Published in the Official Gazette dated 25.12.2024.

4) Communiqué and Implementation Instruction on Supporting the Conversion of Foreign Currency of Companies Sourced from Abroad into Turkish Lira

In this circular and implementation instructions, which regulate the procedures, principles and practices regarding the support to be provided to companies in case of the sale of foreign exchange of companies from abroad to the Central Bank of the Republic of Türkiye and the conversion of these into Turkish lira term deposit and participation accounts, the definition of foreign exchange from abroad has been updated, one of its articles has been repealed and the sanctions regarding the failure to fulfill the foreign exchange purchase commitment have been updated. The article regarding the provision of foreign exchange conversion support to companies in the sale of foreign exchange from abroad to the Central Bank of the Republic of Türkiye has been amended.

Published in the Official Gazette dated 08.06.2024 and 09.07.2024.

5) Communiqué on Accounts of Citizens Residing Abroad Deposit and Participation System (YUVAM)

The purpose of the circular has been updated. The definition of the Deposit and Participation System for Citizens Residing Abroad (YUVAM) account has been updated, and it has been stated that these are foreign exchange deposit accounts opened by the persons defined in the relevant paragraph and the companies whose legal residence is abroad and whose qualifications are determined by the Central Bank of Türkiye by way of transfer from abroad or against a document proving that they have effectively come from abroad, and term deposit and participation accounts opened by converting participation funds in foreign exchange into Turkish lira and providing additional income according to the procedure determined by the Central Bank of Türkiye.

Published in the Official Gazette dated 20.07.2024.

6) Currency Protected Deposit and YUVAM Account Application Instruction Change

The Central Bank of the Republic of Türkiye has decided to take some steps to support the decrease in the Currency Protected Deposit (CCD) balance and the total target for the conversion to TL and renewal of CCD has been reduced. The ratio of the minimum interest rate determined for CCD accounts to the policy interest has been reduced. The application of interest or compensation

payments for the mandatory reserves that must be established for CCD has been abolished for newly opened and to be renewed CCD accounts. Changes have been made to the application instructions for YUVAM and FX-TL Conversion accounts. Within the scope of these changes; a foreign exchange amount limitation has been introduced for the opening and renewal transactions of FX-TL Conversion accounts, and opening and renewal transactions below the specified amount have been prohibited. A foreign exchange amount limitation has also been introduced for the opening and renewal transactions of YUVAM accounts, and opening and renewal transactions below the specified amount have been prohibited. The 2-year (24-month) maturity has been removed for YUVAM accounts, and opening and renewal transactions with a 2-year (24-month) maturity have been prohibited.

Published in the Official Gazette dated 20.12.2024.

7) Export Circular 41st Amendment

An additional article has been added that imposes a minimum foreign exchange sales obligation of 30% regarding the sale of export proceeds to the T.C.M.B. and as of the date of entry into force of this additional article, the previous additional article on this subject has been repealed. The minimum foreign exchange sales obligation rate, which was reduced to 30% in the old additional article that was repealed, was 40%.

Published on 07.06.2024.

8) Circular No. 2000/YB-4 dated 13 January 2000 on Invisible Transactions

It has been stated that in case of selling foreign exchange obtained from foreign exchange earning services/transactions to banks, at least 30% of these foreign exchanges must be sold to the Central Bank of the Republic of Türkiye by the relevant bank and the full amount of the said amount will be paid to the foreign exchange seller by the bank in Turkish Lira. This rate, which was reduced to 30% in the relevant article, was previously applied as 40%.

Published on 07.06.2024.

9) BRSA Board Decisions (Application of Inflation Accounting)

It was decided that banks would switch to inflation accounting as of 01.01.2025, and then in the last month of the year, it was decided that banks would not apply inflation accounting in 2025.

Published on 11.01.2024 and 05.12.2024.

10) Savings Deposit Insurance Fund board decision on the amount of deposits subject to insurance

With the TMSF Board Decision dated 05.12.2024;

The insured deposit amount of 650,000 TL has been determined as 950,000 TL, effective from the beginning of the 2025 calendar year.

11) BRSA Board decision (Status of commercial cash loans in the calculation of capital adequacy standard ratios)

B.D.D.K. According to the decision; in the calculation of capital adequacy standard ratios in accordance with the Regulation on Measurement and Assessment of Capital Adequacy of Banks (Regulation), the two hundred percent risk weight applied in case of using the standard approach introduced in 2022 and the high risk weight applications calculated by taking into account the increase rate in the standard approach applied in case of using internal rating-based approaches have been terminated for commercial cash loans and the risk weights determined in the Regulation will be applied to the said loans, including the existing loans provided, and the application of the risk weights determined in the Regulation will be applied to the said loans, including the existing loans, and the application of the Central Bank of the Republic of Türkiye (Central Bank) foreign exchange buying rate as of 26.06.2023 in the calculation of the amount subject to credit risk, other than the items in foreign currency measured in terms of historical cost, of monetary assets and non-monetary assets, in accordance with the Turkish Accounting Standards, and the relevant special provision amounts; will be implemented as of 01.01.2025, until a Board Decision to the contrary is taken. It has been decided to continue using the Central Bank foreign exchange buying rate dated 28.06.2024.

Published on 19.12.2024.

12) BRSA Board decision (Minimum payment amounts on credit cards)

In accordance with the relevant article/paragraph of the Regulation on Bank Cards and Credit Cards, it has been decided that the minimum payment amount on credit cards will be determined as twenty percent of the period debt for credit cards with a limit of fifty thousand Turkish Lira and below, and forty percent of the period debt for credit cards with a limit of fifty thousand Turkish Lira and above.

Published on 27.09.2024.

13) BRSA Board decision (Risk Weights of Personal Loans and Housing Loans)

While more cautious risk weights were applied to individual loans and housing loans in banks' capital adequacy calculations compared to international minimum standards, as a result of the evaluations made, it was decided that in the calculations of capital adequacy standard ratios in accordance with the Regulation on the Measurement and Assessment of Capital Adequacy of Banks (Regulation) with the Board Decision dated 2024; the Board Decisions dated 2023, which determined more cautious risk weights for consumer loans, individual credit cards, vehicle loans for the purpose of purchasing a passenger vehicle and vehicle collateralized loans provided to consumers, and loans secured by residential real estate mortgages provided to such persons for the purpose of purchasing a house if the consumer, their spouse or their children under the age of 18 own at least one house, were abolished and the risk weights determined in the Regulation were to be applied to the said loans.

Published on 19.09.2024.

OTHER ISSUES

14) Communiqué on the Procedures and Principles Regarding Fees to be Collected by Banks from Commercial Customers

Some paragraphs of the Communiqué on the Procedures and Principles Regarding Fees That Can Be Collected by Banks from Commercial Customers have been changed and repealed. Accordingly, if a commercial customer requests early payment for the entire loan, the bank must accept this request. An early payment fee may be collected from this customer based on the amount calculated by making deductions for the necessary interest and other cost elements and paid early to the bank by the customer; depending on whether the loan is fixed-rate or variable-rate, within different criteria. Early payment fees may be collected with different calculation methods for loans used before the date specified in the Communiqué, different for loans in foreign currency or indexed to foreign currency, and different for loans used within the date range specified in the Communiqué.

Published in the Official Gazette on 28.06.2024.

15) Regulation on the Procedures and Principles Regarding the Transfer of Personal Data Abroad

Within the scope of this regulation published by the Personal Data Protection Board within the scope of the article related to data transfer abroad due to some articles of the Personal Data Protection Law that have changed, first of all, it has been regulated that all departments and branches should review their processes and contracts involving data transfer abroad, identify the foreign data recipients and forward them to the Legal Departments, take action regarding the signing of the standard contract published by the PDPL with the determined data recipients, and inform the Legal Department immediately since there is an obligation to notify the PDPL within 5 business days of the contracts whose signatures have been completed.

Published in the Official Gazette on 10.07.2024.

16) Bank Cards and Credit Cards Law No. 5464 and Regulation on Bank Cards and Credit Cards

In order to prevent any grievances that may arise as a result of credit card holders overlooking changes to credit card contracts and to ensure that individuals are properly informed, the Banking Regulation and Supervision Agency has requested that: credit card monthly contractual interest and default interest rates, as well as annualized monthly contractual interest and default interest rates, be reported in each account statement, Contract changes, including changes related to interest rate increases, be indicated in eighteen-point letters in account statements, and in contract changes related to interest rate increases, card holders are also informed about annual and monthly interest rates via registered telephone or short message service (Short Message Service – SMS).

Published in the Official Gazette on 28.08.2024.

17) Amendment to the Required Reserves Application Instruction (Credit Growth Limits)

It has been decided to maintain the 2 percent growth limits currently applied for Turkish lira loans and to reduce the growth limit for foreign currency loans to 1.5 percent and to apply the said change to be valid for loans used as of 20/7/2024. In addition, the scope of investment loans exempt from the TL commercial and FX loan growth limit application has been expanded and the said change will be valid for loans used as of 20/7/2024. Finally, the balance sheet asset size limits taken into account in the reduction of the required reserve amount to be established have been increased to 200 billion Turkish lira in banks.

Published in the Official Gazette on 20.07.2024.

INFORMATION ON THE BANK’S OWN SHARES ACQUIRED

There is no share of our Bank which has been acquired by it within the scope of article 379 of the Turkish Commercial Code no.6102.

ICBC TURKEY BANK A.Ş. DIVIDEND DISTRIBUTION POLICY AND PROPOSAL FOR DIVIDEND DISTRIBUTION FOR THE YEAR 2024

ICBC Turkey Bank A.Ş. Dividend Distribution Policy

Regarding our Bank's target-directed growth in the sector and under the light of investment and financial needs, within the framework of the Banking Law, the Turkish Commercial Code, the Capital Markets Law, related legal legislation and Article 61st of our Bank's Articles of Association, a basic dividend distribution policy based on saving dividend in the extraordinary reserves for the finance of growth by holding profits in the body is adopted.

Proposal for Dividend Distribution for the Year of 2024

In the meeting of the Board of Directors of our Bank held on the date of 21 February 2025 it has been resolved to propose to the General Assembly that, the bank does not have any profit in 2024, and there is (TL 301,016,110.81) loss after tax; therefore the bank will not be able to distribute any dividend.

INFORMATION RELATED TO THE MATERIAL LAWSUITS BROUGHT AGAINST THE BANK DURING THE YEAR 2024 AND THEIR POTENTIAL OUTCOMES

There is no significant lawsuit file, commenced against the Bank during the year 2024.

EXPLANATIONS REGARDING ADMINISTRATIVE OR LEGAL SANCTIONS IMPOSED ON THE COMPANY, OR ITS EXECUTIVE DUE TO ACTIONS IN VIOLATION OF LAW

A total of TL 13,240,896 Administrative Fines were notified to our Bank by the regulatory and supervisory authorities in 2024. This amount was paid as TL 9,928,657 by taking advantage of the early payment discount.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION MADE DURING THE REPORTING PERIOD

No changes were made in Bank's Articles of Association in 2024.

INFORMATION RELATED TO THE SPECIAL AUDIT AND THE PUBLIC AUDIT CONDUCTED IN 2024

Review Regarding Activity and Risks and Saving Deposit Insurance Fund (SDIF) premium audit studies have been conducted by Banking Regulation and Supervision Agency (BRSA). Reserve requirements, fees, commissions and interest rate audit studies have been conducted by Central Bank of the Republic of Türkiye (CBRT).

Common Reporting Standard audit has been conducted by Revenue Administration. Fees Collected from Financial Consumers Audit has been conducted by Ministry of Commerce.

ICBC Securities audit and Asset Freezing Process audit were carried out by the Financial Crimes Investigation Board of the Ministry of Treasury and Finance of the Republic of Türkiye.

Bank Information Systems and Banking Processes Audit, Audit for the Financial Statements and Supply Chain Assurance Audit have been conducted by the independent audit firm, Deloitte.

Audit studies have been conducted by ICBC China audit team for our bank and its subsidiaries.

RISK GROUPS, SUPPORT SERVICES AND INFORMATION ABOUT NON-COMPETITION ACTIVITIES

Information regarding the transactions made by the board members with the bank for themselves or on behalf of another person within the framework of the permissions given by the board of directors of the bank and the activities within the scope of non-competition Permissions specified in articles 395 and 396 of the Turkish Commercial Code regarding prohibition

of making transaction with the company and non-competition, have been given by the General Assembly to the members of our Board of Directors, provided that the transactions conducted in this context should be out of the scope of those prohibited by the Banking Law no.5411. No situation out of the framework set by related rules and regulations has been encountered.

Information regarding the transactions conducted by the bank with the risk group that the bank is involved in

The relationship between the Bank and the risk group to which it belongs includes all types of Banking transactions conducted in compliance with the Banking Law and within the framework of the normal bank-customer relationships and based on the market conditions. Explanations regarding such transactions are stated in the footnote VII. of the Section 5 of the Independent Audit Report, Unconsolidated and Consolidated Financial Statements as of 31 December 2024 and the Related Explanations and Footnotes Prepared to be Disclosed to the Public.

Information Regarding The Institutions Which the Bank Receives Support Services

Information regarding the institutions from which the Bank obtains support services and their authorizations and services received are specified below:

1. Cheque printing and coding services that are provided as a part of our ongoing collaboration with **“Güzel Sanatlar Çek Basım Limited Şirketi”**
2. Services of procurement of operations of establishing a lien on behalf of the bank that are provided as a part of our ongoing collaboration with **“FU Gayrimenkul Yatırım Danışmanlık A.Ş.”**
3. Services of procurement of operations of establishing a lien on behalf of the bank that are provided as a part of our ongoing collaboration with **“İpoteka Gayrimenkul Yatırım Danışmanlık A.Ş.”**
4. Services that concern the Swift Alliance maintenance contract and Emergency Center service office services; Swift service office main connection contract; sales and service contract for Paygate products, which are provided as a part of our ongoing collaboration with **“Fineksus Bilişim Çözümleri Ticaret A.Ş.”**
5. Services of technical maintenance and licensing of Call Center System that are provided as a part of ongoing collaboration with **“Sistaş Sayısal İletişim Sanayi ve Ticaret A.Ş.”**
6. Card printing (customization) services that are provided as a part of our ongoing collaboration with **“E-Kart Elektronik Kart Sistemleri Sanayi ve Ticaret A.Ş.”**
7. Services of folding and enveloping printed credit card bank statements of our bank customers, which are provided as a part of our ongoing collaboration with **“Printkom Doküman Baskı ve Bilgi İşlem Hizmetleri Limited Şirketi”**

OTHER ISSUES

8. Cash carrying services that are provided as a part of our ongoing collaboration with **“Loomis Güvenlik Hizmetleri A.Ş.”**
9. Services of card payment systems, software renting and resource allocation software development that are provided as a part of our ongoing collaboration with **“Banksoft Bilişim Bilgisayar Hizmetleri Limited Şirketi”**
10. Data Center Server Hosting service provided within the scope of the ongoing cooperation with **“Türk Telekomünikasyon A.Ş.”**
11. Security Services that are provided as a part of collaboration with **“G4S Güvenlik Hizmetleri A.Ş.”**
12. User Technology support services provided by **“Treo Bilgi Teknolojileri Limited Şirketi”**
13. Mobile Banking Software Services that are provided as a part of our ongoing collaboration with **“Magis Teknoloji Anonim Şirketi”**
14. Web Page design services that are provided as a part of our ongoing collaboration with **“Luckeye Bilgisayar Tanıtım Hizmetleri Yayıncılık ve Tic. A.Ş.”**
15. Archive services that are provided as a part of our ongoing collaboration with **“Iron Mountain Arşivleme Hizmetleri A.Ş.”**
16. Credit service provided within the scope of the ongoing cooperation between **“BHL Turkey Teknoloji A.Ş.”**
17. Support service that introduces retail loan products to customers and directs customer requests to Bank within the scope of the collaboration with **“Hangisi İnternet ve Bilgi Teknolojileri A.Ş.”**
18. The service of securely exchanging data with electronically signed files by establishing a web connection between SDIF, Ministry of Commerce, Revenue Administration, SSI cases and the bank, which is provided within the scope of the ongoing cooperation between **“Yaz Bilgi Sistemleri ve Tic. A.Ş.”**
19. The establishment and support of the remote customer acquisition system, which is provided within the scope of the ongoing cooperation between **“Techsign Bilgi Teknolojileri Yazılım San. ve Tic. A.Ş.”**
20. Service related to data penetration tests **“Sibernet Teknoloji San. ve Tic. Limited Şirketi”**
21. Market risk report service provided within the scope of the ongoing cooperation between **“Risk Yazılım Teknolojileri Danışmanlık Eğitim Tic. Limited Şirketi”**
22. Reporting service provided within the scope of the ongoing cooperation between **“Riskaktif Danışmanlık Eğitim Tic. Limited Şirketi”**
23. ICAAP reporting service provided within the scope of the ongoing cooperation between **“Merit Risk Yönetimi ve Danışmanlık Hizmetleri Tic. Limited Şirketi”**

R&D PRACTICES

ICBC Turkey does not have any subsidiary or affiliate company related to R&D or technology center. ICBC Turkey evaluates its qualified products that will improve basic infrastructure, operations, services and internet financing from the point of view of ICBC Group by taking into account specific conditions and peculiar to market. With the help of the ICBC Group’s technology platforms, the integration of regional network resources has been accelerated with an innovative approach.

ICBC Turkey determined its innovation strategies and new trends offered by FinTech in order to increase the efficiency of its activities and the quality of service. ICBC Turkey offers products to customers in a wide range with innovative approaches in order to diversify the product range in banking activities. With the contributions of the Innovation Unit, which is positioned in Financial Technology Department, all projects/ products in the portfolio or to be added to the portfolio and all departments of our bank will be supported by providing guidance with an innovative R&D perspective.

As the bank continues to optimize the functions of its digital banking and ATM network, it will focus on mobile applications and create new areas where it can be stronger in competition. With the awareness that optimization of access channels will increase the Bank’s sufficiency to create value, it will focus on the adaptation of digital platforms by prioritizing customer needs. Providing financing solutions and ensuring customer satisfaction are among the top priorities of the Bank. While the Bank continues to develop contactless features, facilitating and fast mobile banking functions and QR code applications in the era of rapid digital transformation, the Bank continues to develop WeChat Pay, one of the global payment systems, Chinex, which provides fast fund transfer to China. It has implemented and integrated projects that are expected to increase the business volume in Türkiye, such as the ICBC Business Matchmaking Platform, which is the meeting point of companies located in Türkiye. The Bank has made investments that support Türkiye’s green transformation a priority, contributed to the reduction of carbon footprint with the digital slip application it launched in 2023.

Acting with the mission of building a financial bridge between China and Türkiye, the Bank constantly improves its RMB product range and offers new products to its customers. The CBRT RMB Rediscount Financing product, which was launched

within the scope of the RMB/TRY SWAP Agreement, started to be used and the first transactions were made. In addition, it has become a direct participant in the Cross-Border Interbank Payment System (CIPS), a payment system that provides fund clearing and settlement services for cross-border RMB transactions organized and developed by the Central Bank of China. The first phase of the project has been completed and the first CIPS transfer has been successfully carried out.

Thanks to our prudent approach to “Risk Prevention and Control” and “the Steady Management” of our operations, Bank will continue to efficiently carry out its operations, digital transformation and its management with sustainable practices by optimizing its IT-led processes and systems.

HUMAN RESOURCES IMPLEMENTATIONS

ICBC Turkey Career Management and Recruitment Processes
While managing the recruitment processes with a strategic approach, ICBC Turkey carefully analyzes the values of the candidates as well as their competencies. During this process, qualified candidates are meticulously examined in terms of their compatibility with the Bank’s culture and the positive contributions they can provide. In this way, it is aimed to establish a solid foundation not only in the recruitment processes but also for long-term success.

In this direction, Human Resources supports the development of employees with activities aimed at increasing their commitment to the vision and values of the Head Office, from new personnel recruitment to training programs.

JOB APPLICATION AND RECRUITMENT APPLICATIONS

Job Application
Human Resources prioritizes expanding the vision of selecting and recruiting employees, accelerating the training and training process of young employees, creating more space for competent, responsible and energetic employees in the management of the Bank’s Departments, Centers and Branches, and offers horizontal career opportunities.

Job applications to ICBC Turkey are made via different and well-known career portals such as LinkedIn and Kariyer. Incoming applications are evaluated according to the suitability for open positions.

Recruitment Implementations
While the most effective methods are used in recruitment practices, a recruitment approach is applied that will create the ground where the competencies of the candidate will be at the forefront. While trying to test the quantitative and qualitative characteristics of the candidate, it is considered that each candidate is very valuable individually.

Human Resources uses various concepts such as organizational chart, changes in employee structure, norm staff situation, and current business volume when evaluating and creating open position criteria. Future-oriented plans are developed in accordance with these concepts.

When it comes to filling vacant positions, internal talents from the current employees are prioritized. If it cannot be obtained from within the bank, an offer is made to the relevant candidate following the interview and reference meetings with the Recruitment and Talent Management Unit, as well as the Managing Director of the department to be recruited. Candidates are expected to prepare all necessary documents to start to work after accepting the offer.

To determine the need, ICBC Turkey Human Resources estimates the appropriate employee in the first stage of the recruitment process, taking into account the organization’s annual budget as well as both short-term and long-term plans. Internal factors such as budget constraints, growth, and external factors such as technological developments, legal changes, and competition are all considered when estimating. Following this detailed analysis, HR clearly determines the needs and attempts to contact candidates who have the skills that match the needs and have received the necessary training. First and foremost, Human Resources team correctly performs the job analysis.

Before the process begins, the opportunities offered by the position to be recruited are clearly determined from the very beginning. The expectations from the candidate, the opportunities to be offered to the candidate and the job description are defined in a way that does not contradict each other, and the interview process begins by our personnel specialized in recruitment. Position applications are made through the relevant career websites. Candidates whose applications are examined are subjected to examination and interview. The offer process begins for the candidates who successfully pass the exam and interviews.

OTHER ISSUES

Interviews with candidates are also conducted in English, with the participation of relevant managing directors and the Human Resources Department.

English, general ability, memory and personality inventory tests are applied depending on the interview process and the criteria of the relevant position in the recruitment of inexperienced employees.

ICBC Turkey also prefers recruitment programs to recruit inexperienced young talents.

Promotion Implementations

ICBC Turkey considers that every employee has the potential to be promoted and encourages them to be promoted. In this process, it approaches all its employees with a fair and transparent system and presents career goals. In line with the determined promotion criteria, employees who are found suitable as a result of the evaluations are entitled to be promoted.

Two different methods are followed in this process. The first method is the Open Competition. The Open Competition system has great advantages for the development of the bank. Announcement brings competition; competition often multiplies quality, performance and productivity. Open Competition participation rules are determined and published. Employees who meet the criteria make their applications. Nominations are selected by the Management Committee. ICBC Turkey has been realizing director position appointment with Open Competition.

Another method is the process that continues according to the conditions existing in the Instruction Manuals. In promotions to the Senior Technical Expert title level and below, the promotion is realized after the approval of the Top Management and announced to the employees.

ICBC Turkey Human Resources Profile

ICBC Turkey has a total of 668 employees as of December 31, 2024. In the same period, the number of employees in the Bank’s 35 branches is 303 and the number of employees in the headquarters is 365. The average seniority calculated in 2024 is 10.73 years, and the average age of the bank employee is 39.87.

68.5% of the bank employees hold bachelor’s degree, 14.4% master’s degree and 0.4% doctorate degree.

Educational Organizations

Educational activities are organized with the understanding that career and education management is the key point to continuous development. It is ensured that the activities to be selected are carried out in a planned and effective manner in order to bring the employee a sense of corporate commitment and corporate culture.

As with all Human Resources practices, training and development activities are associated with the company’s strategic goals and priorities. Current and future organizational and individual needs are taken into account, and the managerial and professional development needs of the employees are determined accordingly.

Renovation and development are indispensable elements of modern banking. ICBC Turkey builds on these elements and reinforces them with a learning organization approach. Training is among the top priorities at the Bank, which aims to develop its employees and the entire environment within the scope of the ever-evolving system. For young employees participating in the ICBC Turkey organization; On-the-job, orientation and long-term development trainings are provided. Other employees who continue to work in their field of specialization and work at the Bank complete their management and specialization programs according to the determined career planning.

Training programs are differentiated in terms of content, scope and presentation methods, taking into account institutional goals and priorities and personal needs, and are presented in line with the needs. ICBC Turkey’s training programs; It includes Career Education Programs, Personal Development Training Programs, Executive Development Training Programs, MT and Core Banking Training programs. Further training courses are offered by trainers from leading private training companies and the Bank’s internal trainers.

Educational and Development Activities

In 2024, ICBC Turkey provided training programs to its employees through internal trainers, outsource training companies, and seminars and conferences organized by The Banks Association of Türkiye.

During the year, 78 trainings were held, including internal, external, and online training programs, and 8267 people attended. In this context, online training programs on 12 different subject as well as internal and external training on 66 different subjects.

Remuneration Committee and Remuneration Activities In 2024

By the decision of the Board of Directors of ICBC Turkey on 11 July 2011, a “Remuneration Committee” has been established for monitoring and auditing of remuneration practices on behalf of the Board of Directors.

The Remuneration Committee carried out its activities between 01.01.2024 - 31.12.2024 in accordance with the Bank’s corporate governance principles.

Distribution methods have become more diverse and independent, and the sense of earning of employees who contribute more in this direction has been greatly improved.

According to the 2024 Remuneration Policy, the base salary increase rate was applied as 55% in January, taking into account the effect of inflation.

A project on salary adjustment was initiated in order to align the bank’s practices with sector standards. In the project, where the norm staff and remuneration structures were analyzed sectorally on a position basis, the salary budget was increased by an average of 11%, effective from July.

ICBC Turkey Human Resources Policy

ICBC Turkey’s Human Resources Policy focuses on fostering a human-centric corporate culture that promotes efficiency and equality, with the aim of establishing the bank as a global leader and profitable entity. Under the “Most Talented Bank” strategy, the bank continuously strives to take steps that support employee career development and create an ideal workplace atmosphere.

By leveraging tools such as remuneration, performance evaluations, career planning, and training, the bank aims to enhance both employee productivity and happiness. Providing a work environment that maximizes employees’ energy and potential is a core priority.

In line with ICBC Turkey’s Human Resources Policy, the organization’s structure is constantly improved, supporting employees through salary systems, performance rewards, and career opportunities. The bank also implements various motivational practices and bonus payments to increase employee engagement. ICBC Turkey believes in empowering each employee to be a leader in their role.

CODE OF ETHICS AND SOCIAL RESPONSIBILITY

Ethical Rules

ICBC Turkey embraces and rigorously applies the “Banking Ethical Principles” published by the Turkish Banks Association as part of its corporate governance approach. These ethical guidelines, which regulate employee behavior, were initially enacted by the bank’s Board of Directors and have been updated in 2021 and shared with the public.

Employees have been informed of these ethical rules and have signed commitments to acknowledge their acceptance. The bank ensures that these principles are continuously updated and communicated to reinforce its ethical commitment.

Information on Donations Made and Expenditures Incurred within the Scope of Corporate Social Responsibility Projects in 2024

DONATIONS AND AIDS

No donations were made by our bank in 2024.

INDEPENDENCY DECLARATIONS

The declarations of independence of the Independent Board members Ms. Xin Zheng and Mr. Serhat Yanik are given below.

Within the scope of the articles of association of ICBC Turkey Bank A.Ş. and the Corporate Governance Principles set out in the Communiqué of Corporate Governance (Serial No.II–17.1) issued by the Capital Markets Board, I hereby declare that I am a candidate to be an “independent member” of the Boards of Directors of ICBC Turkey Bank A.Ş. and within this context, I further declare that; Within the last five years, there have been no employment relationship requiring to assume material duties and responsibilities in the capacity of a manager between myself, my spouse and my next of kin and relatives by blood and marriage up to second degree and the Company, partnerships and the shareholders holding the control of or possessing substantial impact on the Company and the legal persons who are substantially controlled by such shareholders, I do not hold, alone or jointly, more than 5% of the share capital or voting rights or privileged shares of the Company nor do I have any material commercial relationship with the Company,

Within the last five years, I have not been a shareholder (more than 5%), an employee or a member of the board of director requiring to assume material duties and responsibilities in the capacity of a manager of any company from or to whom the Company purchases or sells services or products in substantial amounts within the framework of the agreements entered into, primarily auditing (including tax audit, legal audit, internal audit), rating of and providing consultancy to the Company during the period in which such services and products were being purchased or sold,

I possess the vocational education, knowledge and experience necessary to perform the duties I would be assuming as an independent member of the Board of Directors,

I provided that it is applicable to the legislation I am bound with, I have not and, upon my appointment as an independent member of the Board of Directors, shall not work for any state institutions and organizations as full time employee, except for being a faculty member,

I possess strong ethical standards, occupational reputation and experience in order to positively contribute to the activities of the Company, be neutral to any conflicts of interests among the Company and its shareholders and freely decide by considering the rights of the beneficiaries,

I shall devote enough time to follow the operational activities of the Company and completely fulfill the responsibilities I would be assuming,

I have not been an independent member of the Board of Directors of the Company or no more than three of the companies that are controlled by the controlling shareholders of the Company and that of no more than total of five publicly trading companies,

I have not been registered for and on behalf of any legal person who has been appointed as a member of the board of directors.

Xin Zheng

Independent Board Member's Independency Declaration

Within the scope of the articles of association of ICBC Turkey Bank A.Ş. and the Corporate Governance Principles set out in the Communiqué of Corporate Governance (Serial No.II–17.1) issued by the Capital Markets Board, I hereby declare that I am a candidate to be an “independent member” of the Boards of Directors of ICBC Turkey Bank A.Ş. and within this context, I further declare that; Within the last five years, there have been no employment relationship requiring to assume material duties and responsibilities in the capacity of a manager between myself, my spouse and my next of kin and relatives by blood and marriage up to second degree and the Company, partnerships and the shareholders holding the control of or possessing substantial impact on the Company and the legal persons who are substantially controlled by such shareholders, I do not hold, alone or jointly, more than 5% of the share capital or voting rights or privileged shares of the Company nor do I have any material commercial relationship with the Company,

Within the last five years, I have not been a shareholder (more than 5%), an employee or a member of the board of director requiring to assume material duties and responsibilities in the capacity of a manager of any company from or to whom the Company purchases or sells services or products in substantial amounts within the framework of the agreements entered into, primarily auditing (including tax audit, legal audit, internal audit), rating of and providing consultancy to the Company during the period in which such services and products were being purchased or sold,

I possess the vocational education, knowledge and experience necessary to perform the duties I would be assuming as an independent member of the Board of Directors,

I provided that it is applicable to the legislation I am bound with, I have not and, upon my appointment as an independent member of the Board of Directors, shall not work for any state institutions and organizations as full time employee, except for being a faculty member,

I possess strong ethical standards, occupational reputation and experience in order to positively contribute to the activities of the Company, be neutral to any conflicts of interests among the Company and its shareholders and freely decide by considering the rights of the beneficiaries,

I shall devote enough time to follow the operational activities of the Company and completely fulfill the responsibilities I would be assuming,

I have not been an independent member of the Board of Directors of the Company or no more than three of the companies that are controlled by the controlling shareholders of the Company and that of no more than total of five publicly trading companies,

I have not been registered for and on behalf of any legal person who has been appointed as a member of the board of directors.

Serhat Yanik

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE STATEMENT

ICBC Turkey Bank A.Ş. ("ICBC Turkey" or the "Bank") is subject to provisions relevant to Corporate Governance Principles stipulated for banks in Banking and Capital Market legislation. Within this scope, ICBC Turkey, adopted a management method based on caution, stability and trust.

The Bank is in compliance with compulsory principles among the Corporate Governance Principles taking place in the Corporate Governance Communiqué and Banking Regulation and Supervision Agency ("BRSA") Regulation on Corporate Governance Principles of the Bank.

According to Capital Markets Board's ("CMB") resolution dated 10.01.2019 and numbered 2/49 Corporate Governance Compliance Reporting has been done by Compliance and Corporate Governance Information forms on Public Disclosure Platform ("PDP"). The Bank has disclosed its Compliance Report Format ("CRF") and Corporate Governance Compliance Forms ("CGIFs") within the framework of its compliance principles on the link of www.kap.gov.tr on 21.02.2024 as well as disclosed in the Annual Report.

In accordance with the Corporate Governance Reporting frame accepted by CMB's dated 10.01.2019 resolution;

Corporate Governance Information Form gives information about shareholders, General Assembly, voting rights, minority rights, dividend rights, public disclosure and transparency, stakeholders and Board.

The principles which are not obligatory and only advisory are disclosed by Compliance Form according to apply or explain principle. The principles that are still not complied with has been mentioned below.

There hasn't been any conflict of interest arising from these not applied principles.

- For the principle number 1.5.2., minority rights are not granted to those holding less than one twentieth of the capital with the Articles of Association of the Bank.
- For the principle number 3.1.2., no written indemnity policy is issued for the Bank employees. All applications relevant to the Bank employees are subject to Labor Law and other relevant legislations, and as contradictory provisions are not set forth in in-Bank regulations, a separate indemnity policy is not issued.
- According to the principle number 4.3.9., no target rate or target time is specified for the female member rate in the Board of Directors and there are two female members in the Board of Directors (%33 of the members) at the end of 2024.
- According to the principle number 4.4.7., due to the business experiences and sectorial experiences of the Members of the Board of Directors having significant contribution to the Board of Directors, they are not restricted in taking part in duties other than the Bank. While duties of some members continue in in-group companies, some members take office only at our Bank. The members allocate sufficient time for the Bank.
- According to the principle number 4.5.5., as the number of our Members of the Board of Resolution Book Page No: Annex-1 2 Directors is limited, assignment at the committees is carried out by considering knowledge and experiences of the Members of the Board of Directors, in line with the relevant legislation, and one Member of the Board of Directors may be assigned in more than one committee.
- According to the principle number 4.6.5., salaries paid to and fringe benefits provided for the Members of the Board of Directors and the executives are announced to public through the annual activity report. However, the explanation made is in a way to separate the Board of Directors and the executives, not on person basis.

According to the announcement in CMB Bulletin dated January 25, 2024 and with number 2024/6, in the grouping determined as a result of the evaluation made by CMB, our Bank has taken place in the Second Group companies. Within this scope, exceptions/exemptions in the practice of the Corporate Governance Principles of the companies in the second group is applicable also for our Bank.

Within this scope;

It is stated in the 3rd item of the 6th article of the Communiqué on exceptions independent member of the board of directors for the banks is in discretion of the bank provided that the number of these members should not be less than three and the members of the board of directors assigned for the audit committee membership within the structuring of the Board of Directors of the banks shall be considered as the independent member of the Board of Directors within the framework of this Communiqué. Besides, it is stated that qualifications determined in the Corporate Governance Principle number 4.3.6. shall not be looked for in the audit committee members of the banks and Principles number 4.3.7. and 4.3.8. on selecting these members shall not be applied. Again in the same Communiqué; it is ensured that qualifications determined in the Principle number 4.3.6. shall be looked for any way for the independent members of the board of directors who shall not take place in the audit committee, and shall be looked for only one member in case all of the independent members of the board of directors take place in the audit committee, and Principles number 4.3.7. and 4.3.8. on selecting these independent members shall be applied. As the Bank is in the second group companies, we are exempted from;

- The Principle number 4.3.7. of Communiqué as *"the Board of Directors prepares the nominee list of the independent member within the framework of the report of the nominating committee and sends to the Capital Markets Board at least 60 days before the General Meeting along with the related report of the nominating committee and the decision of the Board of Directors,"*
- The Principle number 4.3.8. of Communiqué as *"in case independent membership is vacant, the Board of Directors send the nominee list determined within the framework of the report of the nominating committee to the Capital Markets Board within 30 days."*

According to the provision 11th article of the Communiqué, manager of the investor relations department shall have a "Capital Market Activities Level 3 License" and "Corporate Governance Rating License." The Manager of the Unit of the Shareholder Relations and Board Secretariat performing duty within this scope at our Bank holds Capital Market Activities Level 3 License and Corporate Governance Rating License.

Within the scope of Banking and Capital Market legislation, the Audit Committee is established on October 30th 2006, the Corporate Governance Committee is established on March 30th 2005, and Remuneration Committee is established on July 11th 2011. Within the year of 2012, considering the structuring of the Board of Directors and duties our independent members have undertaken in the committees they take part, it is decided the "Nominating Committee" not to be constituted separately and duties of this committee to be performed by the Corporate Governance Committee." The activities of the committees are detail explained in "Committees/ Information Regarding the Committees Established Within the Body of the Board of Directors" part.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE INFORMATION FORM
AND 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 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 director 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 stakeholders, without having the right to speak.		X			As specified in the Articles of Association, General Assembly Meeting was open to all shareholders. However, it was closed to media and public. The minutes of the General Assembly Meeting has been submitted to all stakeholders via PDP and website by the Bank.	
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 There is no mutual shareholding relationship in the structure of the Bank's capital.	
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		Bank adopted its rates strictly which is outlooked for the public-held company in the regulation and minority rights has been determined according to Article 19 of the Bank's Article of Association at a rate of 1/20 at capital.	

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
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					
2.1. CORPORATE WEBSITE						
2.1.1 – The company website includes all elements listed in Corporate Governance Principle	X					
2.1.2– The shareholding structure (names, privileges, number, 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	There is no shareholder who has more than 5% of the paid-in capital.
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					Our Bank's website is arranged in English format as well as the majority of Turkish contents are also available in English version.
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				No specific policy has been generated for stakeholders. Stakeholders' rights are protected within the framework of general regulations, contracts and goodwill rules.
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					

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE INFORMATION FORM AND COMPLIANCE REPORT

Company Compliance Status					Explanation
Yes	Partial	No	Exempted	Not Applicable	
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.					Among the employees, mid-level and senior managers participate in decision-making mechanism through Bank Committees. Besides, Events and meetings are organized periodically within the Bank all employees of the Bank might be shared their suggestions to the Top Management. Employees' opinions and suggestions are also evaluated through surveys in decision processes that have important consequences. Suggestions and complaints are provided through relevant channels such as "Write to Us," Internet Mobile Branch and info@icbc.com.tr in order to assess employees, and stakeholders' requests. Communication channels are kept open for other stakeholders (suppliers, business partners, etc.).
3.2.2 – Survey/other research techniques, consultation, interviews, observation method etc. Were conducted to obtain opinions from stakeholders on decision that significantly affect them.					
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.					The Bank has an employment policy ensuring equal opportunity, succession plan works have been going on. Succession planning has been organized according to the current title structure of our Bank, and each title is a successor to a higher title, as per the Bank's Personnel Regulation.
3.3.2 – Recruitment criteria are documented.					
3.3.3 – The company has a policy on human resources development, and organizes trainings for employees.					
3.3.4 – Meetings have been organized to inform employees on the financial status of the company, remuneration, career planning, education and health.					

Company Compliance Status					Explanation
Yes	Partial	No	Exempted	Not Applicable	
3.3.5 – Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.					Employees are notified directly. However, there is no governing body like the union.
3.3.6 – Job descriptions and performance criteria have been prepared for all employees, announced to them and take into account to determine employee remuneration.					
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.					
3.3.8 – The company ensures freedom of association and supports the right for collective bargaining.					Within the scope of ICBC Ethical Principles, employees might be member of social, cultural, environmental projects and club or associations. The activities of these shouldn't be covering discriminatory, contrary to the religious or public welfare and must in no way to damage Bank's reputation. All of these ethical principles are also published on our official web-site.
3.3.9 – A safe working environment for employees in maintained.					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS					
3.4.1– The company measured its customer satisfaction, and operated to ensure full customer satisfaction.					
3.4.2 – Customers are notified of any delays in handling their requests.					
3.4.3 – The company complied with the quality standards with respect to its products and services.					
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.					
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.					Main Page> Investor Relations> Corporate Governance> Ethical Principles
3.5.2– The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.					
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.					

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE INFORMATION FORM AND COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
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					
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					Financial Institutions Executive Liability Insurance, which covers all foreign institutions with a limit of 10 million USD, has been taken out by our parent company, Industrial and Commercial Bank of China Limited, for the members of our Bank's Board of Directors.
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			There is no policy for the women membership in the Board of Director. There are consisted in 2 women Board member out of 6 Board Members. Woman members is at a rate of 33.3%.
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 attended the majority of the board meeting 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					

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.4.3 – The opinions of the board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.					X	The meetings were held with full participation.
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 member's external commitments at the General Shareholders' Meeting.			X			There is no restriction for the Board Members to have duties outside of the Bank. Duties held by the Board members out of the Bank is included in the Annual Report submitted to the General Assembly.
4.5. BOARD COMMITTEES						
4.5.5 – Board members serve in only one of the Board's committees.			X			Due to the limited number of members of the Bank's Board of Director, committees are appointed in accordance with the relevant legislation by taking into consideration the knowledge and experience of the Board Members and one Board Member may serve 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	Committee didn't need to receive external consultancy services.
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			In 2024, no specific study was conducted at the Board level for performance evaluation.
4.6.4 – The company did not extend any loans to its board directors and 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 favor of them.	X					The loans to be granted to the members of the Board of Directors and employees are subject to restrictions set forth in Article 50 of the Banking Regulation. No other loans are granted to the Members of the Board of Directors or employees.
4.6.5 – The individual remuneration of board members and executives is disclosed in the annual report.		X				Annual salaries paid to the members of the Board of Directors and Top Management has been disclosed in the Annual Report totally.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE INFORMATION FORM AND COMPLIANCE REPORT

CORPORATE GOVERNANCE INFORMATION FORM

1. SHAREHOLDERS

1.1. Facilitating the Exercise of Shareholders Rights

The number of investor meetings (conference, seminar/etc.) organized by the company during the yearNone

1.2. Right to Obtain and Examine Information

The number of special audit request(s)None

The number of special audit requests that were accepted at the General Shareholders' MeetingNone

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/tr/Bildirim/1251440>

The documents related to the General Assembly Meeting are presented on the Bank's website both in Turkish and English.

Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time

Related web site Turkish version:
<https://www.icbc.com.tr/tr/yatirimci-iliskileri/akordeon-pdf-liste/Olagan-Genel-Kurul-Toplantilari/149/O/O>.

Related web site English version:
<https://www.icbc.com.tr/en/investor-relations/pdf-list/Ordinary-General-Meetings/329/O/O>

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 1.3.9None.

The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique 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 Communique on Corporate Governance (II-17.1)None.

Related web site Turkish version:
https://www.icbc.com.tr/tr/images/pdf/Bagis_ve_Yardim_Politikasi_2017.pdf

The name of the section on the corporate website that demonstrates the donation policy of the company

Related Web Site in English version:
<https://www.icbc.com.tr/en/images/pdf/Donation-and-Contribution-Policy.pdf>

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/1261918>

The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' MeetingIn the Articles of Association 3. Section between Article 18-34

Identified stakeholder groups that participated in the General Shareholders' Meeting, if anySome stakeholders such as Independent Auditor, shareholders and employees attended the General Assembly Meeting within the knowledge of our Bank as observer.

1.4. Voting Rights

Whether the shares of the company have differential voting rightsNo

In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares

There are no voting privileges but there are privileges in the structure of the Board of Director, in the election of the member of Board and in the election of liquidator. TL 860,000,000 of our total capital, which is TL 602,000,000 consist of A Group shares and TL 258,000,000 B Group shares.

The percentage of ownership of the largest shareholder92.84%

1.5. Minority Rights

Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the associationNo

If yes, specify the relevant provision of the articles of association

Minority rights have not been advanced in terms of content and percentage, except for the verdict of the Articles of Association, Turkish Commercial Code and other relevant regulations.

1.6. Dividend Right

The name of the section on the corporate website that describes the dividend distribution policy<https://www.icbc.com.tr/tr/images/pdf/kar%20da%C4%9F%C4%B1t%C4%B1m%20politikas%C4%B1.pdf>

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

Prepared by the Board, the proposal for the distribution of the Banks' Commercial profit for the year 2023 was submitted to the approval of the Ordinary General Assembly for 2023 held on 25.03.2024 and approved by unanimously. The information given to the shareholders regarding the undistributed part of 2023 profit is provided by General Assembly Minutes in article 7 of the following link.

<https://www.icbc.com.tr/en/images/pdf/Minutes%20of%202023%20Ordinary%20General%20Assembly%20Meeting%2025.03.2024.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/1261918>

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 received by the board of directors	The link to the related PDP general shareholder meeting notification
25.03.2024	0	92.84%	0.00%	92.84%	Investor Relations / General Assembly/ Ordinary General Assembly Meeting/ Minute	No Addressed Question	There is no agenda about related parties	230	https://www.kap.org.tr/en/Bildirim/1251440

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE INFORMATION FORM AND COMPLIANCE REPORT

2. DISCLOSURES 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

English Web Site: Home Page > 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.

Turkish Web Site:
<https://www.icbc.com.tr/tr/yatirimci-iliskileri/detay/Ortaklik-Yapisi/129/113/O>

English Web Site:
<https://www.icbc.com.tr/en/investor-relations/detail/Shareholding-Structure/317/852/O>

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.

2024 Annual Report –Section II Management and Corporate Governance Practice> 2024 Corporate Governance Compliance Principles > Duties Held By Board Members out of the Bank

2024 Annual Report –Section II Management and Corporate Governance Practice > Declaration of Independence.

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.

2024 Annual Report –Section II Management and Corporate Governance Practice > Other Issues > Board of Directors 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.

2024 Annual Report – Section II Management and Corporate Governance Practice > Other Issues > Information Regarding The Attendance By The Board of Directors and The Committee Members To The Related Meetings During The Accounting Period

ç) 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.

2024 Annual Report – Section II Management and Corporate Governance Practice > Other Issues > Significant Legislative Changes Regarding the Banking Sector in 2024

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

2024 Annual Report Section II - Management and Corporate Governance Implementation > Other Issues > Information Related to the Lawsuits Brought Against The Bank and Their Potential Outcomes

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

None.

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 no mutual shareholding relationship in the structure of the Bank's capital.

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

2024 Annual Report Section II- Management and Corporate Governance Practice > Other Issues > Human Resources Implementations

3. 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

There is no severance policy for Bank's employees. All implementations for the Bank's employees depend on labor law legislation and other relevant regulations. As there is no inconsistency in the internal regulations of the Bank, no severance pay policy has been issued.

The number of definitive convictions the company was subject to in relation to breach of employee rights

2

The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)

Managing Director of Internal Audit Department

The contact detail of the company alert mechanism.

ihbar@icbc.com.tr

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.

There is no written internal regulation. In all projects carried out within the scope of the Bank's strategic priorities, support is received from the employees, and mid and senior managers are encouraged to make evaluation and participate in decision processes through committees.

Due to the title structure of our Bank, our employees who are at the senior top level participate in the committee meetings, while our employees who are not at the managerial level but have senior titles can participate as spectators and listeners. In addition, employees at all levels can convey their suggestions, comments, opinions and ideas through the "Suggestion System" on the Bank's intranet portal in order to ensure that employees take an active role in decision-making mechanisms and benefit from their innovative ideas. Besides, Events are organized periodically within the Bank all employees of the Bank might be shared their suggestions to the Top Management.

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

Succession planning in our Bank has been organized according to the current title structure of our Bank, and each title is a successor to a higher title. The appointment of the General Manager, Deputy and Assistant General Manager are carried out by the decision of the Board of Directors.

Summary of Human Resources Policy under the Policies in the Investor Relations section of the Bank's corporate website www.icbc.com.tr. The Bank's objective and strategy is to increase employees efficiency and happiness by using salary system, performance evaluation, career planning and developing, training and similar motivational tools and to create a suitable working environment that will reveal the creativity of our employees through these methods. The Human Resources Department carries out its activities in all matters that concern and cover its employees, regardless of race, gender, nationality, age, religion, political opinion, physical disability, and the principle of respecting private life and all citizenship rights, regardless of all privileges. With this understanding, the ultimate goal of the policy is to reveal the energies and creativity of the employees and to create a business environment conducive to display their talents. Issues regarding equal opportunities are included in the Personnel Regulations and are not disclosed on the corporate website.

Whether the company provides an employee stock ownership programme

There is no employee stock ownership programme.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE INFORMATION FORM AND COMPLIANCE REPORT

	Turkish Web Site:	
	Yatırımcı İlişkileri > Kurumsal Yönetim > Politikalar > ICBC Turkey İnsan Kaynakları Politikası	
	English Web Site:	
	Investor Relations > Corporate Governance > Policies > Human Resources Policies	
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.	Human Resources Policy is published on the Corporate website. In addition, in the Personnel Regulation published within the Bank, equality of opportunity is taken as a basis in recruitment and career planning, and in accordance with our human resources policy, no discrimination is made among our employees for any reason, and all our personnel are treated within the framework of the principle of equal treatment. The criteria for recruitment are determined in writing and these criteria are followed.	
	The Bank takes utmost care to act fairly in all rights provided to employees. Training programs are carried out to increase the knowledge, skills and competencies of the employees, and in this direction, training policies are created according to the needs and objectives. Regular informative meetings are held with employees on matters such as the bank's financial status, wages, career, education and health, and sharing information each other. Job descriptions and distribution of duties and performance and reward criteria are regularly informed to the all employees. Efficiency is taken as a basis in determining the wages and other benefits given to employees in line with the policy.	
	The Bank's Human Resources policy is based on the principle of comprehensive opportunities and principle of equal opportunities in order to enhance occupational safety and personal development of the employee professionally. The Bank takes precautions against racial, religious, and gender discrimination among its employees and against physical, mental and mistreatment in the Bank's internal environment.	
The number of definitive convictions the company is subject to in relation to health and safety measures		None.
3.5. Ethical Rules and Social Responsibility		
The name of the section on the corporate website that demonstrates the code of ethics	Home Page>Investor Relations> Banking Ethic Rules	
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.	Home Page> Investor Relations>Financial Information> 4. Quarter Annual Report Home Page> Investor Relations> Sustainability	
Any measures combating any kind of corruption including embezzlement and bribery	In order to ensure ICBC Turkey Bank A.Ş.'s compliance with national and international regulations, ethical principles and standards regarding the combat against bribery and corruption, ICBC Turkey Bank A.Ş. Anti-Bribery and Corruption Policy has been prepared and published within the bank. This document identifies high-risk areas and special measures that may be related to bribery and corruption. Additionally on-site and remote inspection and control activities carried out by Internal Audit and Internal Control and Compliance Department; utmost care is taken in prominent measures taken within the scope of combating all kinds of anti-corruption, including embezzlement and bribery, and necessary mechanisms have been set up to evaluate complaints that may arise in this direction and documents containing the application principles and workflow regarding these mechanisms was created and published throughout the bank. In addition, personnel are informed about these issues and their awareness is expanded during the trainings aimed at combating Laundering Proceeds of Crime and Financing of Terrorism. It is aimed to guide the personnel by creating bank compliance policy and application instructions, which also includes our bank and financial group companies. In our Bank, scenario-based AML (laundering-money detection) program is used; The warnings generated by the said program are examined and the transactions related to the warning are examined within the scope of monitoring and control activities aimed at preventing money laundering and financing of terrorism. In money transfer and account opening transactions carried out through our bank, global banned persons, companies and institutions are scanned and action is taken when necessary, and reports are made to the relevant authorities. When necessary, the branches or units are contacted to obtain detailed information about the nature of the transactions, the customer's risk profile, and the funding sources on which the transactions are based on. Transactions that cause suspicion that corruption may be related to all kinds of corruption including embezzlement and bribery are reported to MASAK by filling in the Suspicious Transaction Notification Form.	

4. BOARD OF DIRECTORS-I		
4.2. Activity of the Board of Directors		Explanations
Date of the last board evaluation conducted	21.02.2019	
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	Qian HOU- Chairperson, Executive Member (In charge of Human Resources Department, BoD Office)	
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	24	
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	2024 Annual Report Section III - Assessment of Operation of Internal Control, Internal Audit and Risk Management Systems By The Audit Committee	
Name of the Chairperson	Qian HOU	
Name of the CEO	Shoujiang WANG	
If the CEO(Deputy) and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	The Chairperson and the General Manager (Deputy) are different persons.	
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	Financial Institutions Executive Liability Insurance has been taken out by our parent company, Industrial and Commercial Bank of China Limited, for the members of the Board of Directors, with a limit of 10 million US dollars. No KAP announcement has been made regarding the issue.	
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	There is no policy for the women membership of the Board of Director.	
The number and ratio of female directors within the Board of Directors	There are consisted in 2 women Board member out of 6 Board Members. Women members is at a rate of 33.3%.	

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE INFORMATION FORM AND COMPLIANCE REPORT

Composition of Board of Directors

Name, Surname of Board Member	The First Election Date to Board	Whether Executive Director or Not	Whether Independent Director or Not	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
QIAN HOU	02.11.2023	Executive	Not Independent	-	No	No	Yes
RUIMING HAO	11.10.2024	Non- Executive	Not Independent	-	No	No	Yes
XIN ZHENG	18.12.2023	Non- Executive	Independent Member	https://www.kap.org.tr/tr/Bildirim/1251440	Yes	No	Yes
LI XIAO	02.11.2023	Non- Executive	Independent Member	-	No	No	Yes
SHOUJIANG WANG	10.12.2024	Executive	Not Independent	-	No	No	Yes
SERHAT YANIK	24.02.2020	Non- Executive	Independent Member	https://www.kap.org.tr/tr/Bildirim/1251440	Yes	No	Yes

4. 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)	4
Director average attendance rate at board meetings	Physical 100%, Circular 100%
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	Within the scope of our Bank's principles, information and related documents are submitted to the members nearly five working days before the meeting.
The name of the section on the corporate website that demonstrates information about the board charter	Home Page > Investor Relations > Articles of Association
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	There is no restriction for the Board members to have external duties outside the Bank. Duties held outside of the bank by the Board members are included in the Annual Report submitted to the General Assembly. While some members continue their duties in-group companies, some members are only fulfilling their duties for our Bank. The members allocate sufficient time for the Bank.

4.5. Board Committees

Page numbers or section names of the annual report where information about the board committees are presented.	2024 Annual Report Section II- Management and Corporate Governance Practice / Committees of the Board of Directors Committees Working Principles/ Related Turkish Web-Site; https://www.icbc.com.tr/tr/yatirimci-iliskileri/pdf-liste/Komiteler/145/O/O
Link(s) to the PDP announcement(s) with the board committee charters	Committees Working Principles/ Related English Web Site; https://www.icbc.com.tr/en/investor-relations/pdf-list/Committees/726/O/O

Composition of Board Committees-I

Names of the Board Committees	Name of Committees Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committee Chairman or Not	Whether Board Member or Not
Audit Committee		Li XIAO	Yes	Board Member
Audit Committee		Xin ZHENG	No	Board Member
Corporate Governance Committee		Serhat YANIK	Yes	Board Member
Corporate Governance Committee		Ruiming HAO	No	Board Member
Corporate Governance Committee		Levent İŞCAN	No	Not member of the Board
Remuneration Committee		Xin ZHENG	Yes	Board Member
Remuneration Committee		Ruiming HAO	No	Board Member
Other	Credit Committee	Qian HOU	Yes	Board Member
Other	Credit Committee	Shoujiang WANG	No	Board Member
Other	Credit Committee	Li XIAO	No	Board Member
Other	Board - Risk Management Committee	Qian HOU	Yes	Board Member
Other	Board - Risk Management Committee	Shoujiang WANG	No	Board Member
Other	Board - Risk Management Committee	Li XIAO	No	Board Member
Other	Board - Risk Management Committee	Xin ZHENG	No	Board Member
Other	Board - Risk Management Committee	Ruiming HAO	No	Board Member
Other	Sustainability Committee	Qian HOU	Yes	Board Member
Other	Sustainability Committee	Serhat YANIK	No	Board Member
Other	Sustainability Committee	Shoujiang WANG	No	Board Member

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE INFORMATION FORM AND COMPLIANCE REPORT

4. 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)	2024 Annual Report Section II- Management and Corporate Governance Practices / Committees of the Board of Directors
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)	<u>2024 Annual Report Section II- Management and Corporate Governance Practices - Committees of the Board of Directors.</u>
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)	The functions of the Nomination Committee are performed by the Corporate Governance Committee.
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)	Within the scope of banking legislation, Credit and Risk Committees 2024 Annual Report Section II Management and Corporate Governance Practices- Committees of the Board of Directors.
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)	2024 Annual Report Section II - Management and Corporate Governance Practices - Committees of the Board of Directors
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)	2024 Annual Report Section II- Management and Corporate Governance Practices - Summary of the Board of Directors Annual Report
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Investor Relations > Corporate Governance> Policies
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)	2024 Annual Report Section II Management and Corporate Governance Practices> Other Issues> Financial Rights Provided to Board Members and Senior Managers

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%	4	32
Corporate Governance Committee		67%	33%	1	3
Remuneration Committee		100%	50%	1	2
Other	Credit Committee	33%	33%	28	-
Other	BoD Risk Management Committee	60%	40%	4	4
Other	Sustainability Committee	33%	33%	-	-

Duties of the Board of Directors Outside of the Bank

Name / Surname	Positions Assumed at the Bank at the Last 5 Years	Positions Held Out of the Bank (Segregated as Within the Group and Out of the Group)
Qian HOU	Chairperson of the Board of Directors and Credit Committee (Executive Member), Member of the Board of Directors, Chairman of the Risk Management Committee of the Board of Directors, Chairman of the Sustainability Committee	Intra-Group: Chairman of the Board of Directors at ICBC Turkey Yatırım Menkul Değerler A.Ş., an affiliate of the Bank.
Shoujiang WANG	General Manager/ Member of the Board of Directors, Vice Chairperson of Credit Committee, Member of the Risk Management Committee of the Board of Directors, Deputy Chairperson of the Sustainability Committee	Deputy General Manager in ICBC Standard Bank PLC
Li XIAO	Board of Directors Member, Chairperson of the Audit Committee, Credit Committee Member, Member of the Risk Management Committee of the Board of Directors	Intra-Group: Member of the Board of Directors at ICBC Turkey Yatırım Menkul Değerler A.Ş., an affiliate of the Bank
Ruiming HAO	Member of the Board of Directors, Member of the Corporate Governance Committee, Member of the Remuneration Committee, Member of the Risk Management Committee of the Board of Directors, Alternate Member of the Credit Committee	Intra-Group: ICBC Group Head Office, Corporate Strategy and Investor Relations Department Senior Expert, supervisor of ICBC Macao and ICBC Macao Investment, and non-executive director of ICBC Brazil.
Xin ZHENG	Independent Member of the Board of Directors, Member of the Audit Committee, Chairperson of the Remuneration Committee, Member of the Risk Management Committee of the Board of Directors, Alternate Member of the Credit Committee,	Intra-Group: ICBC Group Corporate Strategy and Investor Relations Department Senior Expert, Non-Executive Board member of Huashang Bank, ICBC-AXA, Pinghu Rural Bank, and Bishan Rural Bank.
Serhat YANIK	Independent Board Member Corporate Governance Committee Chairperson, Sustainability Committee Member	Istanbul University Academic Member (Professor)

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

In case the status of compliance with the principles is indicated as “Yes” or “Partial,” report information regarding information disclosed to public / link should be included.		COMPLIANCE STATUS					REPORT INFORMATION REGARDING INFORMATION DISCLOSED TO PUBLIC (Page number should be indicated as well) / LINK
Explanations regarding the status of compliance with the principle, shall be indicated in the “Remarks” column.	YES	NO	PARTIAL	IRRELEVANT	REMARKS		
In what context the requested information is presented as consolidated or solo, should be indicated in the “Remarks” column.							
A. General Principles							
A1. Strategy, Policy and Targets							
Environmental, social and corporate governance (ESG) issues with priority, risks and opportunities in relation thereto, have been determined by the company's board of directors.	X					2021 Sustainability Report / Page 30 https://www.kap.org.tr/tr/Bildirim/1090754	
A1.1 ESG policies (for instance; Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been composed by the company's board of directors, and have been announced to the public accordingly.			X		The Bank's "Sustainability Policy" which is a framework on principles regarding protection of the environment, human rights, social welfare and good governance; has been published publicly. In addition to this, the Human Resources Policy, Principles on Banking Ethics, Remuneration Policy, Disclosure Policy, Donation and Aid Policy are available on the Bank's corporate web site. The Bank's Personnel Regulation is applied Internally, however has not been announced to public.	https://www.icbc.com.tr/en/investor-relations/pdf-list/Policies/315/O/O https://www.icbc.com.tr/en/investor-relations/pdf-list/Sustainability-Policy/1824/4833/O	
A1.2 Short and long term targets set within the scope of the ESG policies, have been announced to public.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.		
A2. Implementation / Tracing							
Committees and/or units in charge of conducting the ESG policies and the highest ranking officers in relation to ESG matters at the Company, and their duties, have been set and announced to the public.	X					https://www.icbc.com.tr/en/investor-relations/pdf-list/Committee-Structure/1823/4832/O	
A2.1 Activities carried out by responsible committee and/ or unit, within the scope of the policies, have been reported to the board of directors, at least once a year.		X					

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Explanations regarding the status of compliance with the principle, shall be indicated in the “Remarks” column.	YES	NO	PARTIAL	IRRELEVANT	REMARKS	
In what context the requested information is presented as consolidated or solo, should be indicated in the “Remarks” column.						
A2.2	Implementation and action plans have been composed in line with the ESG targets, and they have been announced to the public accordingly.		X		It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
A2.3	ESG Key Performance Indicators (KPI) and the level of achieving said indicators on yearly basis; have been announced to public.		X		It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
A2.4	Activities intended to improve sustainability performance with regards to business processes or products and services, have been disclosed to public.		X		It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
A3. Reporting						
A3.1	In the annual reports, information regarding the company’s sustainability performance, targets and actions, has been given comprehensibly, correctly and adequately.		X		It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
A3.2	The company has disclosed to public the information on the goals among the United Nations (UN) 2030 Sustainable Development Goals that are related to the company’s operations.		X		It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
A3.3	Lawsuits which have been commenced and/or finalised regarding ESG matters, which are of significant nature with regards to ESG policies and/or which shall significantly affect the operations; have been disclosed to the public.	X			There is no lawsuit in the reporting period.	2024 Annual Report / Other Issues
A4. Verification						
A4.1	The company’s ESG Key Performance assessments have been verified by independent third party and have been disclosed to public accordingly.		X		It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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In what context the requested information is presented as consolidated or solo, should be indicated in the “Remarks” column.						
B. Environmental Principles						
B1	The company has announced, to public, its policies and practices, action plans in the field of environmental management, its environmental management systems (known by ISO 14001 standard) and programs.		X		It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
B2	When giving the information relating to environmental management; with regards to the environmental reports prepared, scope of the report, reporting period, reporting date, restrictions regarding reporting conditions, have been disclosed to the public.		X		It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
B4	Environmental goals included in the rewarding criteria within the scope of the performance incentive systems on the basis of stakeholders (such as members of the Board of Directors, managers and employees), have been disclosed to the public.		X		It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
B5	How the prioritized environmental issues are integrated into business objectives and strategies has been disclosed to the public.	X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
B7	It has been disclosed to the public how environmental issues are managed in a manner covering the suppliers and customers during the company's value chain including the operation process, how they are integrated into the business targets and strategies.		X		It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
B8	It has been disclosed to the public whether the policy composing processes of related institutions and non-governmental organisations relating to environment, are participated in; and the cooperation processes conducted jointly with such institutions and organisations.		X		It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	

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Explanations regarding the status of compliance with the principle, shall be indicated in the “Remarks” column.						
In what context the requested information is presented as consolidated or solo, should be indicated in the “Remarks” column.						
B9	Information environmental impacts in light of the environmental indicators (green gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope 3 (Other indirect), air quality, energy management, water and waste water management, waste management, biodiversity effects); is disclosed to the public periodically, in a comparative manner.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.
B10	Details on standards, protocols, methodology and basis year, used to collect and calculate the data, have been disclosed to the public.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.
B11	Increase or decrease in the environmental indicators for the report year, in comparison with the previous years, has been disclosed to the public.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.
B12	Short and long term goals have been set in order to mitigate environmental impacts, and development status according to these goals and the goals set in the previous years, has been disclosed to the public.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.
B13	Strategy for combatting against climate crisis has been composed and planned actions have been announced to the public.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.
B14	For the purposes of eliminating potential adverse effects of the products and/or services on the environment or to minimize those effects; programs or procedures have been composed and they have been announced to the public.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.
	Actions have been taken with the intention to reduce green gas emission quantities of third parties (for instance supplier, sub-contractor, dealer, etc.) and these actions have been disclosed to the public.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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In what context the requested information is presented as consolidated or solo, should be indicated in the “Remarks” column.						
B15	Environmental benefit/ yield and cost savings provided by initiatives and projects intended to mitigate environmental effects, have been disclosed to the public.	X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
B16	Energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling etc.) data have been disclosed, as Scope-1 and Scope-2, to the public.	X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
B17	Disclosure has been made to the public regarding electricity, heat, vapour and cooling generated in the reporting year.			X	There is no production made.	
B18	Studies have been made regarding increasing use of renewable energy, transition to zero or low carbon electricity, and they have been disclosed to the public.	X			Currently, purchase of renewable energy is not made.	
B19	Data on production and use of renewable energy, has been disclosed to the public.			X	Currently, purchase of renewable energy is not made.	
B20	Energy efficiency projects have been made and the decrease in the energy consumption and emission quantity achieved by means of the energy efficiency projects, have been disclosed to the public.			X	Currently there is no ongoing project on energy efficiency.	
B21	Water consumption, quantities of water drawn from underground or above-ground sources, recycled and discharged, sources and procedures thereof, have been disclosed to the public.	X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
B22	It has been disclosed to the public whether the operations or the activities are included in any carbon pricing system (Emission Trade System, Cap & Trade or Carbon Tax).			X	Our operations and activities are not included in any carbon pricing system.	
B23	Information on carbon credit accumulated or purchased during the reporting period, has been disclosed to the public.			X	No carbon credit has been taken in the reporting period.	
B24	If carbon pricing is applied within the scope of the company, its details have been disclosed to the public.			X	No carbon credit has been taken in the reporting period. Carbon pricing is not applied.	

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	Explanations regarding the status of compliance with the principle, shall be indicated in the “Remarks” column.					
In what context the requested information is presented as consolidated or solo, should be indicated in the “Remarks” column.						
B25	X				The Bank discloses its environmental information on the Public Disclosure Platform (PDP) and on the Bank’s corporate web site.	https://www.icbc.com.tr/en/investor-relations/pdf-list/Sustainability-Policy/1824/4833/0
C. Social Principles						
C1. Human Rights and Employee Rights						
C1.1			X		In the Bank’s Personnel Regulation, related issues are described, and related document is available internally.	https://www.icbc.com.tr/en/investor-relations/pdf-list/Ethical-Principles/780/3672/0 https://www.icbc.com.tr/en/investor-relations/pdf-list/Policies/315/0/0 2023 Annual Report / Human Resources Practices
C1.2			X		In the Bank’s Personnel Regulation, related issues are described, and related document is available internally. In our sustainability policy, disclosed to the public, articles relating to the matter are set forth.	https://www.icbc.com.tr/en/investor-relations/pdf-list/Sustainability-Policy/1824/4833/0
C1.3		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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In what context the requested information is presented as consolidated or solo, should be indicated in the “Remarks” column.						
C1.4Improvements relating to practices intended to prevent and correct discrimination, inequality, human rights violations, forced labour and child labour; have been disclosed to the public.	X					2021 Sustainability Report / Page 24–28, 26–28, 42
Investment made in the employees (training, improvement policies), compensation, provided fringe rights, right of participating in a trade union, work/life balance solutions and talent management issues are explained in the policy relating to the employee rights.	X				Related issues are explained in the Bank’s Personnel Regulation, and the document is available internally. Furthermore, every year, Human Rights Practices are explained in the Annual Report.	2024 Annual Report / Human Resources Practices
C1.5Mechanisms have been established for resolution of employees’ complaints and disputes, and the dispute resolution processes have been defined.	X				Employees report their complaints and disagreements to their directors first, and when it is not possible to inform their directors, the Human Resources Department Recruitment and Talent Management Unit or the Internal Audit Department without delay. The incidents that are the subject of the complaint are investigated in a confidential manner and necessary disciplinary penalties are imposed on those responsible when necessary. Furthermore, there is a hotline where ethical violations and suspicious events detected or witnessed in the Bank regarding ethics and compliance can be directly reported. In this context, people who want to make a notification can send the issue to the address of ihbar@icbc.com.tr by e-mail.	2021 Sustainability Report / Page 26–27
Activities carried out during the reporting period, for ensuring the employees’ satisfaction, have been disclosed to the public.	X					2024 Annual Report / Human Resources Practicesi

In case the status of compliance with the principles is indicated as “Yes” or “Partial,” report information regarding information disclosed to public / link should be included.	COMPLIANCE STATUS					REPORT INFORMATION REGARDING INFORMATION DISCLOSED TO PUBLIC (Page number should be indicated as well) / LINK
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In what context the requested information is presented as consolidated or solo, should be indicated in the “Remarks” column.						
Occupational health and safety policies have been prepared and disclosed to the public.			X		The Bank’s OHS Policies are available internally, and the OHS activities are explained in the periodic reports.	2024 Annual Report / Human Resources Practices
C1.6Measures taken for preventing accidents at work and protecting health, and accident statistics, have been disclosed to the public.	X				Within the scope of occupational health and safety, all measures have been taken in accordance with the decisions taken by the Bank’s Occupational Health and Safety Committee and also, the Legislation on Occupational Health. These decisions are supported by the Occupational Health and Safety trainings (Natural Disaster, First Aid, Fire, etc.), and the personnel is ensured to be conscious in this matter. No accident has happened at work, in 2024.	2024 Annual Report / Human Resources Practices
C1.7Protection of personal data and data security policies have been prepared and disclosed to the public.	X					https://www.icbc.com.tr/en/lppd/detail/LPPD/450/2351/O
C1.8Ethics policy has been prepared and disclosed to the public.	X					https://www.icbc.com.tr/en/investor-relations/pdf-list/Ethical-Principles/780/3672/O 2021 Sustainability Report / Page 26–28
C1.9Studies within the scope of social investment, social responsibility, financial inclusion and access to finance are explained.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	2023 Annual Report / Donations and Aids
C1.10Information meetings and training programs regarding ESG policies and practices, have been organised for the employees.	X					2024 Annual Report / Sustainability
C2. Stakeholders, International Standards and Initiatives						
C2.1The customer satisfaction policy regarding management and resolution of complaints by customers, has been prepared and disclosed to the public.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
C2.2Information on communication maintained with the stakeholders (which stakeholder, subject and frequency), has been disclosed to the public.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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		YES	NO	PARTIAL	IRRELEVANT		
In what context the requested information is presented as consolidated or solo, should be indicated in the “Remarks” column.							
	C2.3	Adopted international reporting standards are explained in the reporting processes.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.
C2.4	Principles adopted relating to sustainability, international organisations, committees of which the Bank is a signatory or member, and the principles; have been disclosed to public.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
C2.5	Developments have been made, studies have been conducted in order to be included in the sustainability indices of Borsa İstanbul and/or international index providers.		X			No studies have been conducted.	
D. Corporate Governance Principles							
D1	Opinions of the stakeholders have been taken in order to determine the measures and the strategies in the field of sustainability.		X			It is planned to be disclosed in the TSRS compatible report planned to be published within the year.	
D2	Activities have been carried out with the intention to increase awareness regarding the matter of sustainability and significance thereof, by the social responsibility projects, awareness events and trainings.			X		The Bank puts efforts to increase awareness by offering its employees many trainings on the matter of sustainability, within the scope of ICBC Academy, which is its training platform.	

SUMMARY BOARD OF DIRECTORS ANNUAL REPORT

Asset size of our Bank decreased by 0.01% in 2024, from TL 99.9 billion to TL 99.3 billion. Credits increased by 3% and reached TL 55.2 billion compared with 2023 year-end. The Bank’s securities decreased by 2% compared to the end of 2023.

Operating income of ICBC Turkey has reached to TL 0.8 billion. Our Bank’s net loss is TL 0.3 billion at year-end 2024. Interest income increased by 30% and net fees and commission income decreased by 3% compared to the end of 2023.

As of 2024 year end, based on unconsolidated financial statements of ICBC Turkey prepared in accordance with the “Banking Regulation and Supervision Agency (“BRSA”) Accounting and Financial Reporting Legislation” which includes the “Regulation on the Procedures and Principles for Accounting, Practices and Retention of Documents by Banks” 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 the requirements of “Turkish Financial Reporting Standards” (“TFRS”) put into effect by Public Oversight Accounting and Auditing Standards Authority (“POA”) for those matters not regulated by the aforementioned legislations.

- Asset size reached TL 99.3 billion,
- Total cash loans were TL 55.2 billion (Including the loans which are classified as Financial Assets at Fair Value Through Other Comprehensive Income) and constituted 55.5% of the Bank’s balance sheet,
- Total customer deposits were TL 33.8 billion and decreased by 24% compared to that of 2023 and constituted 34% of the Bank’s total liabilities (including banks’ deposits),
- Shareholders’ equity decreased by 14% compared to that of the previous year-end,
- Net loss for 2024 was TL 0.3 billion,
- ROA has been (0.003)% and ROE has been (7)%,
- Capital adequacy ratio has been 29.18% (31 December 2023: 34.07%).

We have closely monitored the activities of the Audit Committee, Corporate Governance Committee and Remuneration Committee during the year and observed that the committees have worked effectively.

Your Sincerely,

Board of Directors

ANNUAL REPORT COMPLIANCE STATEMENT

ICBC TURKEY BANK ANONİM ŞİRKETİ
STATEMENT REGARDING ANNUAL REPORT FOR YEAR 2024

Address of the Bank : Maslak Mah. Dereboyu/2 Caddesi No: 13 34398 Sarıyer - İstanbul
Telephone Number : (0212) 335 53 35
Fax Number : (0212) 328 13 28
Website of the Bank : www.icbc.com.tr

Annual Report for year 2024 of ICBC Turkey Bank A.Ş., has been prepared in accordance with the “Regulation on the Procedures and Principles for Preparation and Publishing of Annual Report by Banks” published in the Official Gazette no.26333 dated 1 November 2006 by Banking Regulation and Supervision Agency, and enclosed here with.

QIAN HOU
Chairperson of Board of Directors

LI XIAO
Member of Board of Directors and
Chairperson of Audit Committee

SHOUJIANG WANG
Member of Board of Directors
and General Manager

HÜSEYİN HASAN İMECE
Deputy General Manager Responsible
for Financial Control and Accounting

HUI JIN
Managing Director of Financial
Control and Accounting Department

ANNUAL REPORT COMPLIANCE OPINION

(CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT

To the General Assembly of ICBC Turkey Bank A.Ş.

1) Qualified Opinion

As we have audited the full set consolidated and unconsolidated financial statements of ICBC Turkey Bank A.Ş. (“the Bank”) and its consolidated subsidiaries (“the Group”) for the period between 01/01/2024–31/12/2024, we have also audited the annual report for the same period.

In our qualified opinion, the consolidated and unconsolidated financial information provided in the Management’s annual report and the Management’s discussions on the Bank’s and Group’s financial performance, are fairly presented, and are consistent with the full set audited consolidated and unconsolidated financial statements and the information obtained from our audit.

2) Basis for Qualified Opinion

The Parent Bank has recognized deferred tax assets amounting to TL 618,505 thousand over the current tax rate of 30 percent on the tax losses carried forward as of 31 December 2024 in accordance with TAS 12 Income Taxes. In accordance with the effective date of 2 August 2024, the Bank is required to pay a minimum corporate tax rate of 10% on future corporate income before deductions and exemptions, without taking into account tax losses carried forward. The Parent Bank has not taken into account the domestic minimum corporate tax liability in the future period projections based on the deferred tax calculation and reflected the deferred tax asset in the accompanying financial statements by taking into account the 30 percent tax rate. However, if the minimum corporate tax liability that does not take into account tax loss carryforwards had been applied, the tax rate used in the deferred tax calculation would have been 20 percent and accordingly, deferred tax assets and deferred tax income recognized in the accompanying financial statements would have been lower by TL 206,168 thousand.

We conducted our audit in accordance with the regulation on “Independent Auditing of Banks” published in the Official Gazette dated 2 April 2015 with No. 29314 and the Standards on Independent Auditing (“SIA”) which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Our responsibility is disclosed under Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report in detail. We declare that we are independent from the Bank in accordance with the Code of Ethics for Independent Auditors (“Code of Ethics”) issued by POA and ethical provisions stated in the regulation of audit. We have fulfilled other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3) Auditor's Opinion for the Full Set Consolidated and Unconsolidated Financial Statements

We have presented qualified opinion for the Bank’s and Group’s full set consolidated and unconsolidated financial statements for the period between 01/01/2024–31/12/2024 in the Basis for Qualified Opinion section of our Auditor’s Report dated 21 February 2025.

4) Management’s Responsibility for the Annual Report

The Bank Management is responsible for the following in accordance with Article 514 and 516 of the Turkish Commercial Code No. 6102 (“TCC”) and the regulation on “Preparing and Publishing the Annual Report by Banks” published in the Official Gazette dated 1 November 2006 and No. 26333 (“the Communiqué”):

- a) Preparing the annual report within the three months following the reporting date and presenting it to the General Assembly,
- b) Preparing the annual report with the all respects of the Bank’s flow of operations for that year and the Bank’s financial performance accurately, completely, directly and fairly. In this report, the financial position is assessed in accordance with the financial statements. The Bank’s development and risks that the Bank may probably face are also pointed out in this report. The Board of Director’s evaluation on those matters are also stated in this report.
- c) The annual report also includes the matters stated below:
 - The significant events occurred in the Bank’s activities subsequent to the financial year ends,
 - The Bank’s research and development activities,
 - The compensation paid to key management personnel and members of Board of Directors including financial benefits such as salaries, bonuses and premiums, allowances, travelling, accommodation and representation expenses, in cash and kind facilities, insurances and other similar guarantees.

The Board of Directors also considers the secondary regulations prepared by the Banking Regulation and Supervision Agency and the Ministry of Trade and related institutions while preparing the annual report.

5) Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report

Our aim is to express an opinion and prepare a report about whether the Management’s discussions and consolidated financial information in the annual report within the scope of the provisions of the TCC and the Communiqué are fairly presented and consistent with the information obtained from our audit.

We conducted our audit in accordance with the regulation on “Independent Auditing of Banks” published in the Official Gazette dated 2 April 2015 with No. 29314 and the SIA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Management’s discussions on the Group’s financial performance, are fairly presented in all material respects, and are consistent with the full set audited consolidated and unconsolidated financial statements and the information obtained from our audit

The engagement partner on the audit resulting in this independent auditor’s report is Mehmet Erol.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Mehmet Erol, SMMM
Partner

İstanbul, 21 February 2025

INFORMATION ON THE FUNCTIONING OF INTERNAL CONTROL, INTERNAL AUDIT, BOARD OF INTERNAL AUDIT, AND RISK MANAGEMENT SYSTEMS

Risk Management

Information Related to the Risk Management Policies Implemented Based on the Risk Types

Risk management activities are conducted by the Risk Management Committee of Board of Directors that reports directly to the Board of Directors and the Risk Management Department which fulfills its responsibilities against the Board of Directors through said committee and the Risk Management Committee of Senior Management, composed of the senior management and chaired by the General Manager and sub risk management committees chaired by the persons who are responsible for related risks. Risk management sub-committees are; the Market Risk Committee, Credit Risk Committee, Operational Risk Committee. The sub-committees hold meeting to analyze the related risk management works and report to Risk Management Department monthly. The Risk Management Department prepares the enterprise risk management report accordingly.

The division of leading management responsibilities for various risks as follow:

- Risk Management Department is responsible for enterprise risk, market risk and country risk management,
- Credit and Investment Management Department takes the lead in credit risk management,
- Internal Control & Compliance Department takes the lead in operational risk, compliance and AML risk management,
- Executive Office is responsible for reputational risk management,
- Legal Affairs Department is responsible for legal risk management.

Risk management policies are determined in accordance with the Bank's operations size, quality and complexity and are based on the Bank's past experience and performance. Bank's main risk policies including risk appetite and limits for each risk are credit risk, market risk, operational risk, country risk, interest rate risk, liquidity risk, strategic risk, reputational risk policies.

The Bank has set out the ICAAP management implementation principles, covering all risks on consolidated basis, consistent with the risk appetite, based on adequate and convenient quantification- assessment methods and processes and with a forward looking perspective, as a part of the Bank's internal governance processes and decision making culture.

ICAAP (Internal Capital Adequacy Assessment Process) is to be under responsibility of the Risk Management Department and it is planned to be revised in annual periods or more frequently, if needed.

Risk Policies reflecting the risk taking approach of the Bank, set out the standards and principles applicable throughout the Bank.

Credit Risk Policy, formed to ensure efficient risk management considering asset quality and risk/return balance, includes also the limits relating to credit risk determined in accordance with the risk tolerance.

In risk management, different ratings models are used for corporate and commercial banking, corporate banking and retail banking segments and credit cards.

Credit performances of the customers are followed by a system, containing early warning signals. Thereby, necessary actions may be taken automatically.

At ICBC Turkey, operational risk management activities are conducted in compliance with local and international regulations in line with Basel II. Operational Risk Policies, Operational Risk Monitoring Rules and Operational Risk Mitigation Principles which have been prepared in this direction, are in force and effect.

Business continuity activities are conducted by the Operational Risk Committee, according to the Bank's Business Continuity Strategy.

At ICBC Turkey, market risk management activities include quantification, monitoring and reporting the risks encountered due to price, exchange rate, interest fluctuations that occur at financial markets and effects of such risks on liquidity. Market Risk Policy sets out the market risk management framework.

To manage market risk, the Bank benefits from the results obtained by it by Basel II advanced quantification techniques, for setting the limits intended to limit the risk. In this context, advance quantification models are used and risk quantifications and daily limits controls are made and various scenario analysis and stress tests are applied.

Results of calculations and analysis made by the Risk Management Department, are reported to related business units and to the senior management in daily, weekly and monthly periods.

Market Risk Management

Market risk refers to the risk of loss that may be incurred due to fluctuations in the value of positions included in trading accounts of the Bank, in interest rates, equity prices and exchange rates.

At our Bank, for market risk management, quantification methods such as the Value at Risk (VaR), stress test and scenario analysis, duration gap and sensitivity analysis are used.

VaR, as quantification of maximum potential loss that may be sustained in the market value of the trading portfolio in hand, in a certain time period; in calculated on daily basis by Historical Simulation, Variation-Co variation and Monte-Carlo Simulation methods for 99% confidence interval and for one day holding period. VaR calculated by internal models is used for market risk management of trading transactions.

In order to manage the market risk encountered due to the positions carried in trading accounts, efficiently and in consistent with the Bank's risk tolerance; risk limits linked to the ratio of VaR to equity capital, are set out. Compliance with the limits is monitored by the Risk Methodology Model Development and Reporting Unit and the Var results are reported regularly.

By the risk quantification method used, estimated earnings/losses are compared with realized values and thereby, retrospective test is applied and the reliability of the model is monitored. Durability of the share capital against the risks that may occur at the times when fluctuations are at very high level at the market, is measured by stress tests and scenario analysis.

In accordance with existing legal regulations, legal capital requirement for market risk is calculated by using standard method and is reported to the BRSA.

Managing the Interest Rate Risk Arising from the Banking Accounts

Interest Rate Risk Arising from the Banking Accounts refers to the risk incurred by the Bank due to inconsistency in maturity periods in its balance sheet. The risk is managed by the Treasury Department within the framework of the strategies set by the Assets and Liabilities Committee, in accordance with the policy approved by the Board of Directors.

To measure the risk; the duration gap reports prepared according to the current values calculated by using the market interest rates on cash flows, of all interest-sensitive assets and liabilities in and out of the balance sheet, on the basis of each transaction; are used.

Impact of change in interest rates on the net economic value, is measured by scenario analysis. In the scenario analysis, as a shock scenario, for TL assets-liabilities +5%/-4%, for FX assets-liabilities +2%/-2% interest shock is applied in accordance with legal regulations and they are reported to the BRSA.

Impact of changes in Exchange rates and interests, on the net balance sheet value, is followed regularly by various scenarios and the impact of change on equity capital, is followed closely.

Liquidity Risk Management

Liquidity risk refers to the risk of inability to fulfil, fully and on time, the obligations due to market conditions and inconsistencies in cash flow which may arise from the Bank's balance sheet structure. Liquidity management is conducted by the Asset and Liability Department within the framework of the strategies set by the Assets and Liabilities Committee, in accordance with the policy approved by the Board of Directors.

The Bank monitors the liquidity risk within the framework of the early warning signals and the actions that may be taken, set out in writing in the Principles on Liquidity Management. Various liquidity ratios are calculated within the framework of the Principles

on Liquidity Management and their Management and their development is followed. Scenario analysis is also used within the scope of liquidity management.

Credit Risk Management

Credit risk means the probability of losses that may occur as a result of partial or whole non-fulfilment of the responsibilities under the credit agreements by the customers who have utilized credits.

The Bank manages its credit risk on a portfolio basis by considering the balance of risk and return and the asset quality of the Bank. As a result of the legal share capital need to be allocated for the credit risk being very high due to the weight of the loans in the balance sheet, credit risk management policies are established in such a way as to minimize the foreseeable risks related to the loans and target to interfere, control and take action on a timely basis in order to ensure that the credit process works effectively.

The Bank has adopted concentration limits - degree, sector, product, collateral, size of the risk, currency, maturity -, all determined internally and approved by the Board of Directors in order to keep the structure and the quality of the credit portfolio at a determined level.

Monitoring of the credit policy limits and the assessments related to the rating models used are performed by the Risk Management Department. Scenario analyses are also used in managing the credit risk and due precautions are taken without delay, for credit quality in compliance with the risk appetite.

Operational Risk Management

Priority of the Bank in terms of the works performed within the scope of the operational risk management, is the compliance with Basel II in every stage. Additionally, importance is attached to the works intended to make the operational risk awareness as part of the corporate culture as well.

Operational risks are classified and monitored in groups as recommended by Basel II. Data regarding losses are collected by the operational risk loss database.

Operational risks are identified through risk control and self-evaluation works which ensure taking actions for material risks.

Business Continuity Management

With regards to business continuity, the Bank has prepared a Business Continuity and Emergency Plan and Emergency Manual Operations Application Instruction in order to minimize the losses in case the banking activities cannot be conducted during any internal and external emergency situations and in the unexpected circumstances. Emergency tests for critical business processes identified through consolidated business-impact analysis are conducted at the Business Continuity Center. In addition, Emergency Manual Operations Application Instruction, restore, communication network tests, as well as emergency evacuation drills are performed in all branches and headquarters.

INFORMATION ON THE FUNCTIONING OF INTERNAL CONTROL, INTERNAL AUDIT, BOARD OF INTERNAL AUDIT, AND RISK MANAGEMENT SYSTEMS

Country Risk Management

Country risks that may be exposed to due to international lending and investment activities are monitored periodically in order to take the necessary measures despite the deterioration in the economic, political and social factors that may arise.

Strategic Risk Management

The Bank closely monitors the risks that may arise as a result of wrong business choices or improper implementation of business choices or the failure to analyze and interpret sectoral changes well, and not to make decisions and to act in accordance with the opportunities and threats that may arise from these changes in the future.

Reputational Risk Management

Decreasing trust in the Bank or the potential loss of reputational risk towards the Bank as a result of negative opinions of the parties, such as existing or potential customers, partners, competitors and supervisors, or failure to comply with the current legal regulations, is an important part of all business decisions.

Internal Control and Compliance Department

An internal control system has been established, in compliance with the BRSA regulations and covering all the activities of the branches, Head Office departments and the Bank’s affiliates included in the consolidation, in order to protect the Bank’s assets, conduct the Bank’s activities effectively and efficiently in compliance with the Banking Law and other related legislation, the Bank’s internal policies and rules and the general practices of the banking sector, ensure that the accounting and financial reporting systems are secured, integrated and the information is obtained on a timely basis.

The Bank has already established and announced to all of its personnel its strategies and policies regarding the control activities and the measures necessary to maintain the internal control systems effectively within the Bank have been taken by the Board of Directors. In order to achieve the foreseen purpose from the internal control systems, functional segregation of duties have been identified, responsibilities have been allocated, accounting and financial reporting systems, information technologies and internal communication channels have been established to work effectively, business continuity plan has been prepared, internal control activities have been determined and the work flow charts indicating the controls over the work processes and business steps have been prepared. The internal control system and internal control activities and how they will be carried out are designed by the Internal Control and Compliance Department together with the senior managers of the relevant departments, taking into account the characteristics of all activities carried out by the bank.

Within the scope of the internal control activities included are the controlling of the operational transactions for conducting of the activities, communication channels, control of information systems and accounting and financial reporting and the compliance controls. Control of the uninterrupted compliance is conducted by the Internal Control and Compliance Department. Regulations as to the requisite of obtaining the Internal Control and Compliance Department’s opinion for the new products and transactions and the activities planned to be conducted prior to submitting them to the Board of Directors have been implemented. Internal control activities have been designed as an integral part of the Bank’s daily operations. Written policies and the implementation procedures of the internal controls have been developed and all of the Bank’s personnel have been and are being informed regarding the policies and implementation procedures related to internal control activities developed for their lines of activities.

Within the scope of the legislation on the prevention of money laundering and financing of terrorism, the Compliance Program and the Financial Group Compliance program, which also includes its subsidiaries, has been established, and risk management, monitoring and control and training activities within the scope of the specified legislation are carried out by the Internal Control and Compliance Department. It is aimed to carry out more effective monitoring and control activities for the prevention of money laundering and terrorist financing by using scenario-based AML (anti money laundering) program and scanning the list of prohibited persons / institutions in our bank. In addition, the Precious Metals Transactions Compliance Program has been established in our bank and the necessary policies, application instruction, training and reporting business processes have been implemented. The Department also carries out activities such as following the Banking and other relevant legislation, making the necessary announcements and notifications to the relevant departments and branches in case of legislative changes, researching and answering the questions encountered in the implementation of the legislation.

In the Bank, an Internal Control Department operating under the Board of Directors was formed in 2001 in accordance with the regulations issued by the Banking Regulation and Supervision Agency (the BRSA) in order to design the internal control activities and collaboration and on 10 March 2008, with the integration of the compliance function, the name of the department was changed to Internal Control and Compliance Department. Legislation Unit has also been operating under the department since 1 April 2011. The department fulfilled its responsibilities to the Board of Directors through the Audit Committee until 05.11.2019. Within the scope of the Enterprise Risk Management Regulation published on 05.11.2019, the department fulfils its responsibilities to the Board of Directors through the Risk Management Committee of Board of Directors.

As of the end of 2024, there are 14 persons working in the Internal Control and Compliance Department, 1 Director, 1 Senior Technical Expert, 1 Technical Expert, 6 Manager, 2 Assistant Manager and 3 Specialist. Internal Control and Compliance personnel including information system teams, perform their duties in the branches where the operations are conducted, in the Head Office and the affiliates included in the consolidation. There are two units operating under the Internal Control and Compliance Department: Head Office and Branches Control Unit, Legislation and Compliance Unit. Within the scope of branch control activities, regional structures have been set up, hence the Branches are subject to on-site control activities within the scope of the control planning.

The Internal Control and Compliance Department performs both the Head Office and information systems, branches and compliance control studies as an integral part of its daily activities in the form of periodic, spot and on-site controls and prepares reports based on the content of the works performed. In the reports prepared, great importance is attached to the development of the internal control system and the suggestions to enhance the control and compliance culture in-bank. Preventive control points are created by focusing on areas that may create high risks in activities. During 2024 operating period, each internal control employee in the branches was given the responsibility of 12 branches in average and within this context, 3 internal control personnel were continuously conducting control activities in the branches; all branches were subjected to on-site control studies on average 1.06 times during the year. Apart from these, control responsible have been identified among the personnel performing operational transactions in some departments and units of the Head Office and in branches, these responsible persons carry out control studies within the scope of the control lists prepared by the Internal Control and Compliance Department and on other necessary issues, and report them to the department within specified periods.

Internal Audit Department

The Internal Audit Department of our Bank conduct its activities within the scope of the Banking Law numbered 5411 and the Regulation on the Internal Systems of the Banks and the Internal Capital Adequacy Assessment Process published in accordance with the Banking Law. The purpose of the department is to provide reasonable assurance to the Senior Management about the efficiency and adequacy of the internal control and risk management systems, that the bank’s activities are carried out in line with the law and other relevant legislation and in-house strategies, policies, principles and targets. The department performs its duties independently and objectively directly under supervision of the Board of Directors.

As of 31 December 2024, Internal Audit Department consisted of 13 people; 1 Senior Managing Director, 1 Director, 1 Technical Advisor, 3 Auditors, 1 Authorized Assistant Auditor, 4 Assistant Auditors, 1 Senior Specialist and 1 Expat.

Branches, Head Office Departments and the Bank’s subsidiaries and processes and all activities in these areas are included in the audit plan on a periodic and risk-based basis. The Internal Audit Department gives opinions and recommendations to prevent the recurrence of deficiencies and mistakes determined as a result of the audits, to use the Bank’s resources effectively and efficiently and to limit risks. As a result of the risk assessments, activities of the Internal Audit Department in 2024 have concentrated on the credit risk, risks regarding information technologies, operational risk and fraud risk. Among its other responsibilities, the Internal Audit Department is also responsible for coordination of all external audits.

Information systems are audited by adopting the articles enacted within the scope of the “Regulation on Information Systems and Electronic Banking Services of Banks” published by the BRSA and the “Information and Communication Security Guide” published by the Turkish Presidency Digital Transformation Office. In order to conduct these types of audits, 1 Auditor and 1 Assistant Auditor have been assigned within the Internal Audit Department.

Internal Audit Department is authorized to investigate and identify whether the personnel working in the Head Office departments, centers, offices, branches and the affiliates of the Bank commit any acts that have been determined as crime and fault in the related legislation. These investigations include determination of the degrees of such crime and recommendation of suitable penalties, identification and elimination remedy works of the losses and deficiencies incurred or threatened to incur. Furthermore, investigations continue to be carried out in case of significant personnel wrongdoings or significant wrong implementations as determined by the “Internal Control and Compliance” Department regarding loans transferred to legal proceedings and / or administrative penalties from regulatory authorities.

Auditors submit their reports containing the findings of their audits to the Senior Management and the Audit Committee through the Board, as practicable as possible.

For the auditors to perform their duties with the professional care and attention, all kinds of measures are taken and attention is paid for their professional training activities and personal development.

ASSESSMENT OF THE FUNCTIONING OF THE INTERNAL CONTROL, INTERNAL AUDIT, AND RISK MANAGEMENT SYSTEMS BY THE AUDIT COMMITTEE AND THE RISK MANAGEMENT COMMITTEE OF THE BOARD OF DIRECTORS

Developments in recent years showed once again how an important function is risk management in banking. Risk management, which have always been the main function of banking and implemented most effectively at all times, have started to be implemented more differently and delicately in the recent years compared to the previous years due to more technical applications being implemented, risk sensitivity being further considered and the special attention paid to the matter by the local authorities and the support of the legislation.

At our Bank, the framework of the Risk Management has been determined by the Board of Directors and the Risk Management Department and risk committees consisting of the senior executives of the business lines have been assigned to deal with this issue. Together with the parties responsible for the processes, the Risk Management Department is responsible for establishing the risk policies and procedures, computing, analyzing, monitoring and reporting the risks, within the framework of the principles approved by the Board of Directors.

The Internal Audit Department of our Bank conduct its activities within the scope of the Banking Law numbered 5411 and the Regulation on the Internal Systems of the Banks and the Internal Capital Adequacy Assessment Process published in accordance with the Banking Law. The purpose of the department is to provide reasonable assurance to the Senior Management about the efficiency and adequacy of the internal control and risk management systems, that the bank’s activities are carried out in line with the law and other relevant legislation and in-house strategies, policies, principles and targets. The department performs its duties independently and objectively directly under supervision of the Board of Directors.

At our Bank, an Internal Control and Compliance Department operating under supervision of the Board of Directors, has been formed in order to design the internal control and compliance activities and collaboration. Within the scope of the internal control activities included are the controlling of the operational transactions for the conducting of the activities of our Bank, communication channels, information technologies and financial reporting and the compliance controls. Regulations as to the requisite of obtaining approvals from the Internal Control and Compliance Department for the new products and services and the activities planned to be conducted prior to submitting them to the Board of Directors have been implemented. Within the scope of the legislation on prevention of laundering proceeds of crime and financing of terrorism, a Compliance Program has been initiated in our Bank and the risk management, monitoring and controlling and training activities within the scope of the aforementioned legislation are conducted by the Internal Control and Compliance Department. The Internal Control and Compliance Department exhibits a management and control business process that also includes our group companies ICBC Turkey Yatırım Menkul Değerler A.Ş. and ICBC Turkey Portföy Yönetimi A.Ş. in accordance with financial group management regulations. A Compliance Program has been established in

our bank within the scope of the Precious Metals and Stones Market legislation, and risk management, monitoring, control, documentation, training and reporting activities are carried out by the Internal Control and Compliance Department within the scope of the specified legislation.

In addition, the Board of Directors Risk Management Committee was established in 2019 to assist the Board of Directors in reviewing and determining our Bank’s risk strategy, risk management policy, risk management procedures and internal control process, and in auditing and evaluating the risk management activities of the relevant senior managers and risk management departments.

Our Bank recognizes the importance of the risk management, internal control and inspection functions that are the subject matter of the internal systems and closely monitors the developments in this matter and benefits from the outputs thereof. In this context, assessments and decisions taken at the quarterly Audit Committee and Board of Directors Risk Management Committee meetings made in quarterly periods with the presence of the department heads of the Internal Systems have been submitted to the Board of Directors for their attention and approval.

In the period ahead, as has been so far, our Bank shall continue its decisiveness with regards to the risk oriented approach and closely monitor the internal systems and the implementation results as well as the proposals by the independent auditors and necessary remediation shall be put in place and addressed at the Audit Committee and Board of Directors Risk Management Committee meetings.

Sincerely yours,

Qian Hou,
Chairperson of Board of Directors Risk Management Committee

Li Xiao,
Chairperson of Audit Committee / Member of Board of Directors Risk Management Committee

Xin Zheng,
Member of Audit Committee / Member of Board of Directors Risk Management Committee

Shoujiang Wang,
Member of Board of Directors Risk Management Committee

Ruiming Hao,
Member of Board of Directors Risk Management Committee

INFORMATION ON THE FINANCIAL POSITION, PROFITABILITY AND SOLVENCY OF THE BANK

FINANCIAL POSITION

As of year-end 2024, the Bank’s total asset size reached TL 99.3 billion with an decrease of 1% year-on-year. Total loans (net) increased by 6% and accounted for 55% of the total assets. Deposits decreased by 30% from last year to TL 29.4 billion.

The share of deposits in total liabilities was 29.6%. The Bank’s total shareholders’ equity was TL 4.1 billion as of year-end 2024. Unconsolidated capital adequacy ratio was 29.18%. (31 December 2023: 34.07%).

(TL million)	31 December 2023	%	31 December 2024	%	Change amount	Change %
Assets	99,950	100	99,313	100	(637)	(0.6)
Current Assets	23,102	23.11	19,925	20.06	(3,177)	(14)
Financial Assets at Fair Value Through Profit or Loss ⁽¹⁾	105	0.11	196	0.20	91	87
Financial Assets at Fair Value Through Other Comprehensive Income	593	0.59	765	0.77	172	29
Financial Assets Measured At Amortized Cost	23,078	23.09	21,746	21.90	(1,332)	(6)
Loans (Net) ⁽²⁾	51,945	51.97	54,840	55.22	2,895	6
Fixed Assets	501	0.50	867	0.87	366	73
Other Assets ⁽³⁾	626	0.63	974	0.98	348	56

⁽¹⁾Including derivative financial assets
⁽²⁾Including the loans which are classified as Financial Assets at Fair Value Through Other Comprehensive Income.
⁽³⁾It consists of investments in subsidiaries, current tax asset and other assets (net).

(TL million)	31 December 2023	%	31 December 2024	%	Change amount	Change %
Liabilities	99,950	100	99,313	100	(637)	(0.6)
Deposits ⁽¹⁾	44,326	44.34	33,763	34	(10,563)	(23)
Bank Deposits	3,256	3.26	7,142	7.2	3,886	119
Borrowings	45,848	45.87	52,717	53.1	6,869	15
Provisions	775	0.78	609	0.6	(166)	(21)
Other Liabilities	976	0.98	962	1	(14)	(1)
Shareholders' Equity	4,769	4.77	4,120	4.1	(649)	(14)
Net Profit/Loss	1,323	-	(301)	-	(1,624)	(123)

⁽¹⁾ Including banks’ deposits.

INFORMATION ON THE FINANCIAL POSITION, PROFITABILITY AND SOLVENCY OF THE BANK

PROFITABILITY

Net profit of the Bank decreased by TL 1.6 billion compared to the previous year and became TL 0.3 billion. In 2024, the Bank's return on assets was (0.003)% (31 December 2023: 1.3%), return on equity was (7)% (31 December 2023: 27.7%).

ICBC Turkey's operating income in 2024 was TL 0.8 billion and net loss was TL 0.3 billion. Interest income increased by 30% compared to the end of 2023, and net fee and commission incomes were decreased by 3%.

Income Statement (TL Million)	31 December 2023	31 December 2024	Change Amount	Change %
Interest Income	7,860	10,183	2,323	30
Interest Expense	5,497	9,550	4,053	74
Net Interest Income	2,363	633	(1,730)	(73)
Net Fees and Commission Income	262	255	(7)	(3)
Net Trading Profit / Loss	1,274	(449)	(1,723)	(135)
Other Operating Income	315	383	68	22
Total Operating Income	4,214	823	(3,391)	(80)
Other Operating Expenses ⁽¹⁾	1,820	2,405	585	32
Provisions for Loans and Other Receivables	585	(1,071)	(1,656)	(283)
Profit/Loss Before Tax	1,809	(512)	(2,321)	(128)
Provision for Taxes	486	(211)	(697)	(143)
Net Profit/Loss for the Period	1,323	(301)	(1,624)	(123)

⁽¹⁾Staff costs are included.

RATINGS

As of 18 December 2020, the “Credit Rating” services provided by Fitch Ratings to ICBC Turkey Bank A.Ş. had been mutually decided to be cancelled and the rating process had been terminated.

SUMMARY FINANCIAL INFORMATION FOR FIVE YEARS INCLUDED IN THE REPORTING PERIOD

TL Thousands	2020	2021	2022	2023	2024
Total Assets	24,862,623	39,130,425	60,712,240	99,950,495	99,312,731
Total Deposits ⁽¹⁾	11,856,143	16,098,262	21,714,965	42,229,015	29,360,756
Total Loans ⁽²⁾	14,154,863	21,661,297	34,231,590	53,311,757	55,167,715
Shareholders' Equity	1,315,427	1,448,677	2,879,697	4,769,067	4,119,007
Net Profit	58,048	115,894	1,318,473	1,323,195	(301,018)

⁽¹⁾ Excluding bank deposits.
⁽²⁾ Including the loans which are classified as Financial Assets at Fair Value Through Other Comprehensive Income.

UNCONSOLIDATED FINANCIAL STATEMENTS AND PRIVATE INDEPENDENT AUDITOR'S REPORT AS OF DECEMBER 31, 2024

The Unconsolidated Financial Statements of ICBC Turkey for the reporting period ended as of 31 December 2024, Explanations and Footnotes Related Thereto and the Independent Audit Report are available at the Bank's website at the address of “<http://www.icbc.com.tr>” under the heading “Investor Relations” / “Financial Information.”

INFORMATION ON CONSOLIDATED SUBSIDIARIES

Company	Adres (City/Country)	Stake(%)	Stake in Bank’s Risk Group
ICBC Turkey Yatırım Menkul Değerler A.Ş.	İstanbul/Türkiye	99.998	100

Summary financials of the above-mentioned subsidiary (31 December 2024):

Total Assets	Shareholders’ Equity	Fixed Assets	Interest Income	Income from Securities	Net Income	Prior Period Net Income	Fair Value
1,784,919	801,800	37,659	402,365	-	323,875	150,318	-

Summary of 5–Years Consolidated Financial Information Including the Report Period

TL Thousands	2020	2021	2022	2023	2024
Total Assets	25,181,183	39,372,886	61,964,520	100,590,080	100,981,908
Total Deposits ⁽¹⁾	11,459,149	16,306,553	24,198,412	42,080,969	29,360,756
Total Loans ⁽²⁾	14,241,068	21,775,246	34,562,916	53,666,905	55,690,732
Shareholders’ Equity	1,417,816	1,625,213	3,137,237	5,172,007	4,844,962
Net Profit	90,931	187,189	1,400,767	1,474,026	21,514

⁽¹⁾Excluding deposits from banks
⁽²⁾Including the loans which are classified as Financial Assets at Fair Value Through Other Comprehensive Income.

Financial Highlights

TL Thousands	31 December 2023	31 December 2024	%
Total Assets	100,590,080	100,981,908	0.38
Deposits ⁽¹⁾	42,080,969	29,360,756	(30.22)
Loans ⁽²⁾	53,666,905	55,690,738	3.77
Shareholders’ Equity	5,172,007	4,844,962	(6.32)
Net Profit	1,474,026	21,514	(98.54)

⁽¹⁾ Excluding deposits from banks.
⁽²⁾ Including the loans which are classified as Financial Assets at Fair Value Through Other Comprehensive Income.

Financial Ratios (%)

	31 December 2023	31 December 2024
Return on Assets	1.47	0.0002
Return on Equity	28.50	0.00
Capital Adequacy Ratio	34.49	28.65
Loans/Total Assets ⁽¹⁾	53.35	55.15
NPL Ratio	0.24	0.001
Deposits/Total Assets ⁽²⁾	41.83	29.08

⁽¹⁾Including the loans which are classified as Financial Assets at Fair Value Through Other Comprehensive Income.
⁽²⁾Excluding deposits from banks.

THE CONSOLIDATED YEAR-END FINANCIAL STATEMENTS PREPARED AS OF 31 DECEMBER 2024

The Consolidated Financial Statements of ICBC Turkey for the reporting period ended as of 31 December 2024, Explanations and Footnotes Related Thereto and the Independent Audit Report are available at the Bank’s website at the address of “<http://www.icbc.com.tr>” under the heading “Investor Relations” / “Financial Information.”

(Convenience translation of consolidated financial statements and related disclosures and footnotes originally issued in Turkish)

ICBC TURKEY BANK ANONİM ŞİRKETİ

CONSOLIDATED FINANCIAL STATEMENTS AND THE INDEPENDENT AUDITORS’ REPORT FOR THE PERIOD ENDED 31 DECEMBER 2024

**CONVENIENCE TRANSLATION OF
INDEPENDENT AUDITOR’S REPORT ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR’S REPORT**

To the General Assembly of ICBC Türkiye Bank A.Ş.

A) Report on the Audit of the Financial Statements

1) Qualified Opinion

We have audited the financial statements of ICBC Turkey Bank A.Ş. (the “Bank”) and its consolidated subsidiaries (“the Group”), which comprise the consolidated balance sheet as at 31 December 2024, 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 and consolidated statement of cash flows for the year then ended and, notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, excluding the effects of the matter stated in the “Basis for Qualified Opinion” paragraph, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Bank as of 31 December 2024, 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 Regulations” including 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 and circulars and pronouncements published by BRSA and provisions of Turkish Accounting Standards (TAS) for the matters not legislated by the aforementioned regulations.

2) Basis for Qualified Opinion

The Parent Bank has recognized deferred tax assets amounting to TL 618,505 thousand over the current tax rate of 30 percent on the tax losses carried forward as of 31 December 2024 in accordance with TAS 12 Income Taxes. In accordance with the effective date of 2 August 2024, the Bank is required to pay a minimum corporate tax rate of 10% on future corporate income before deductions and exemptions, without taking into account tax losses carried forward. The Parent Bank has not taken into account the domestic minimum corporate tax liability in the future period projections based on the deferred tax calculation and reflected the deferred tax asset in the accompanying financial statements by taking into account the 30 percent tax rate. However, if the minimum corporate tax liability that does not take into account tax loss carryforwards had been applied, the tax rate used in the deferred tax calculation would have been 20 percent and accordingly, deferred tax assets and deferred tax income recognized in the accompanying financial statements would have been lower by TL 206,168 thousand.

We conducted our audit in accordance with the regulation on “Independent Auditing of Banks” published in the Official Gazette dated 2 April 2015 with No. 29314 and Standards on Independent Auditing (“SIA”) which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Bank in accordance with *the Code of Ethics for Independent Auditors* (“Code of Ethics”) published by the POA, together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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.

Key Audit Matters	How the matter was addressed in the audit
Impairment of loans in accordance with TFRS 9 Financial Instruments Standard (“TFRS 9”)	As part of our audit work, the following procedures were performed:
Impairment of loans is a key area of judgment for the management. The Banka has the total loans and receivables amounting to TL 36,280,387 thousand, which comprise 36% of the Bank’s total assets in its consolidated financial statements and the total provision for impairment amounting to TL 303,855 as at 31 December 2024.	We assessed and tested the design, implementation and operating effectiveness of key controls applied by the Bank with respect to classification of loans and determination and calculation of impairments. Our information system experts have also participated to perform these procedures.
As of 1 January 2018, the Group has started to recognize provisions for impairment in accordance with TFRS 9 and also “Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside” published in the Official Gazette dated 22 June 2016 numbered 29750. In this respect, the method of provisions for impairment as set out in accordance with the related legislation of BRSA as mentioned in the Section 3 Note VIII of Explanation on Accounting Policies has been applied the expected credit loss model under TFRS 9. The expected credit loss estimates are required to be unbiased, probability-weighted and should include supportable information about past events, current conditions, and forecasts of future economic conditions.	We have assessed and analyzed the relevant contract terms to assess management’s accounting policy and classification of the instrument for selected samples.
	We have performed loan review procedures on selected samples of loans and receivables with the objective of identifying whether the loss event had occurred and whether the provision for impairment has been recognized in a timely manner within the framework of the provisions of the relevant legislation.
The Bank exercises significant decisions using judgment, interpretation and assumptions over calculating loan impairments. These judgments, interpretations and assumptions are key in the development of the financial models.	We have tested relevant inputs and assumption used by the management in each stage of the expected credit loss calculation by considering whether the inputs and assumptions appear reasonable, the relationship between the assumptions and whether the assumptions are interdependent and internally consistent, whether the assumptions appropriately reflect current market information and collections, and whether the assumptions appear reasonable when considered collectively with other assumptions, including those for the same accounting estimates and those for other accounting estimates.

Key Audit Matters (cont’d)	How the matter was addressed in the audit (cont’d)
Impairment of loans in accordance with TFRS 9 Financial Instruments Standard (“TFRS 9”) (cont’d)	The following procedures have been performed as a part of our audit:
Not fulfilling the requirements of the TFRS 9 is a potential risk for the Bank. Failure in determining the loans and receivables that are impaired and not recording the adequate provision for these impaired loans is the aforementioned risk. Accordingly, impairment of loans and receivables is considered as a key audit matter.	We have tested historical loss data to validate the completeness and accuracy of key parameters.
Related explanations relating to the impairment of loans and receivables are presented in Section 5 Note I.5.	We have tested whether the model is applied to appropriate segments of assets which share credit risk characteristics and whether the historical loss rates were incurred under economic conditions representative of those that may exist during the assets’ exposure periods
	We tested the application of the model to the relevant inputs and the mathematical integrity of each stage of the expected credit loss calculation.
	Within the framework of the discussions with the Bank management, it has been evaluated whether all other judgments, including the basic assumption that forms the basis for the impairment calculations are reasonable.
	We assessed expected credit losses determined based on individual assessment per Bank’s policy by means of supporting data, and evaluated appropriateness via communications with management.
	Our specialists are involved in all procedures related to models and assumptions.
	We have reviewed disclosures made within the TFRS 9 framework in the consolidated financial statements of the Bank with respect to loans and receivables and related impairment provisions.

Key Audit Matters (cont'd) Information technologies audit	How the matter was addressed in the audit
The Bank and its finance functions are dependent on the IT-infrastructure for the continuity of its operations, and the demand for technology-enabled business services is rapidly growing in the Group and its subsidiaries. Controls over reliability and continuity of the electronic data processing are within the scope of the information systems internal controls audit. The reliance on information systems within the Bank means that the controls over access rights, continuity of systems, privacy and integrity of the electronic data are critical and found to be key area of focus as part of our risk-based scoping.	Procedures within the context of our information technology audit work: • We identified and tested the Bank's controls over information systems as part of our audit procedures. • Information generation comprise all layers of information systems (including applications, networks, transmission systems and database). The information systems controls tested are categorized in the following areas: • Security Management • Change Management • Operations Management and Network Operations • We selected high-risk areas as, database logging and change management control activities, to prevent and detect whether accesses to financial data had been identified in a timely manner. • We tested the accesses and logging controls underlying all applications that have direct or indirect impacts on financial data generation. • Automated controls and integration controls are tested to underly and detect changes and accesses in the process of financial data generation. • We also tested the appropriateness and accuracy of the information produced by the entity and information used in controls reports as inputs to our controls and outputs generated by the IT components. Finally, we tested the controls over database, network, application and operating system layers of applications.

4) Responsibilities of Management and Those Charged with Governance for the Financial Statements

Bank Management is responsible for the preparation and fair presentation of the financial statements in accordance with the BRSA Accounting and Reporting Regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

5) Auditor's Responsibilities for the Audit of the Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s 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 the regulation on “Independent Auditing of Banks” published in the Official Gazette dated 2 April 2015 with No. 29314 and SIA 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 financial statements.

As part of an audit in accordance with the regulation on “Independent Auditing of Banks” published in the Official Gazette dated 2 April 2015 with No. 29314 and SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.

5) Auditor’s Responsibilities for the Audit of the Financial Statements (cont’d)

- 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 auditor’s 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 auditor’s 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 to 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s 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.

B) Report on Other Legal and Regulatory Requirements

In accordance with paragraph four of the Article 402 of the Turkish Commercial Code No. 6102 (“TCC”), nothing has come to our attention that may cause us to believe that the Bank’s set of accounts for the period 1 January - 31 December 2024 does not comply with TCC and the provisions of the Bank’s articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

The engagement partner on the audit resulting in this independent auditor’s report is Mehmet Erol.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Mehmet Erol
Partner

İstanbul, 21 February 2025

ICBC TURKEY BANK A. Ş.
CONSOLIDATED FINANCIAL REPORT AS OF 31 DECEMBER 2024

Address of the Bank’s headquarters	: Maslak Mah. Dereboyu/2 Caddesi No:13 34398 Sarıyer - İstanbul
Telephone number	: (0212) 335 53 35
Fax number	: (0212) 328 13 28
Website of the Bank	: www.icbc.com.tr
E-mail	: info@icbc.com.tr

The year end consolidated financial report prepared in accordance with the “Communiqué on the Financial Statements to be announced to public by Banks as well as Explanations and Footnotes Thereof” as required by the Banking Regulation and Supervision Agency is comprised of the following sections.

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON APPLIED ACCOUNTING POLICIES IN RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION OF THE CONSOLIDATED GROUP AND RISK MANAGEMENT
- DISCLOSURES AND FOOTNOTES TO CONSOLIDATED FINANCIAL STATEMENTS
- OTHER DISCLOSURES
- INDEPENDENT AUDIT REPORT

The financial statements of the subsidiary “ICBC Turkey Yatırım Menkul Değerler A.Ş.” is consolidated in this consolidated financial report.

The consolidated financial statements and related disclosures and footnotes that were subject to independent audit, are prepared in accordance with the “Regulation on the Procedures and Principles for Accounting Practices and Retention of Documents by Banks,” Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements, and in compliance with the financial records of our Bank. Unless stated otherwise, the accompanying consolidated financial statements are presented in **thousands of Turkish Lira**.

QIAN HOU	LI XIAO	SHOUJIANG WANG	HÜSEYİN HASAN İMECE	HUI JIN
Chairman of Board of Directors	Chairman of Audit Committee and Member of Board of Directors	Member of the Board of Directors and General Manager	Deputy General Manager Responsible for Financial Control and Accounting	Managing Director of Financial Control and Accounting

Contact information for questions on this financial report:

Name-Surname	: Hui Jin
Tel No	: 0212 335 52 18
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ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

SECTION ONE
GENERAL INFORMATION

I. Parent Bank’s date of establishment, beginning statute, its history including changes on its statute

“The Parent Bank” was established with trade name as Tekstil Bankası A.Ş. on 29 April 1986, to carry out all types of banking activities according to the Banking Law and later changes in the laws and regulations, with the permission of the Council of Ministers in accordance with the resolution numbered 85/9890 and dated 24 September 1985 and started its operations on 13 October 1986. “Articles of Association” of the Parent Bank was published in Turkish Trade Registry Gazette no.1511, dated 9 May 1986. The statute of the Parent Bank was not changed since its establishment. Trade name of the Parent Bank has been changed and registered as disclosed in Note No. II as ICBC Türkiye Bank A.Ş. on 13 November 2015.

II. Capital structure, shareholders controlling the management and supervision of the Parent Bank directly or indirectly, and if exists, changes on these issues and the Group that the Parent Bank belongs to and information about the persons and institutions that have qualified shares in the Parent Bank

The capital of the Parent Bank is TL 860,000 as of 31 December 2023 and is fully paid. The Parent Bank was controlled by GSD Group until 21 May 2015. As at 29 April 2014, GSD Holding A.Ş., the major shareholder of the Parent Bank, has come to conclusion to sell 75.50% shares of the Parent Bank to Industrial and Commercial Bank of China (ICBC) and with respect to the sale transaction, it was declared to be approved by China Banking Regulatory Commission (CBRC) on 20 March 2015, and in Turkey, it was approved by Competition Authority in accordance with decision dated 20 August 2014 and numbered 14-29/593-259 and Banking Regulation and Supervision Agency (BRSA), in accordance with decision dated 2 April 2015 and numbered 6262.

Following the completion of relevant permissions with respect to the sale transaction, the Parent Bank appealed Extraordinary General Assembly on 28 April 2015 for approving the resignation of members of Board of Directors and selecting new members on 22 May 2015 in the Public Disclosure Platform (PDP). Within the context of share purchase agreement, 22 May 2015 date was defined as share transfer date and the share transfer was carried out on this date and processed to the Parent Bank’s share ledger.

As a result of acquisition of shares representing 75.50% of Tekstil Bankası A.Ş. which was owned by GSD Holding A.Ş., an obligation occurs to propose take-over bids in order to purchase the shares of other shareholders in accordance with the provision of Article 11 of Take-Over Bids Communiqué numbered Serial II. 26.1 of Capital Markets Board of Türkiye related to mandatory bid. In this context, share ownership of ICBC in the Parent Bank has risen to 92.82% from 75.50% as a result of mandatory bid call transactions ending as at 14 August 2015 realized in accordance with the Take-Over Bids Communiqué numbered Serial II. 26.1 by ICBC which is controlling shareholder of the Parent Bank.

In accordance with the decision of the general extraordinary meeting of the Bank dated 9 February 2017, the Bank’s capital has decided to increase and the decision was registered by İstanbul Trade Registry Office at 29 June 2017. At this content, the Bank’s capital has increased in cash amounting to TL 440,000 from TL 420,000 to TL 860,000 and the whole increase was made in cash. With this increase, ICBC’s shareholding ratio at the Bank has increased from 92.82% to 92.84%.

The shares, except for the shares owned by ICBC, are traded at Istanbul Stock Exchange (BIST).

In the context of the decision taken at the Extraordinary General Meeting on 5 November 2015, the Parent Bank's trade title has been changed and registered as ICBC Türkiye Bank A.Ş. at the Trade Registry Gazette on 13 November 2015.

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

III. Information related to president and members of the Board of Directors, audit committee members, general manager and executive vice presidents, and if exists, changes in these positions and Parent Bank’s shares they hold

Title	Name	Job Description	Education
Chairman of the Board of Directors:	Hou Qian	Chairman of the Board of Directors	Graduate
Chairman of the Audit Committee:	Li Xiao	Chairman of the Audit Committee and Member of the Board of Directors	Graduate
Member of the Audit Committee:	Xin Zheng	Audit Committee Member and Independent Member of the Board of Directors	Graduate
Members of the Board of Directors:	Shoujiang WANG	General Manager	Doctorate
	Li XIAO	Member of the Board of Directors	Graduate
	Ruiming HAO	Member of the Board of Directors	Doctorate
	Xin ZHENG	Independent Member of the Board of Directors	Graduate
	Serhat Yanik	Independent Member of the Board of Directors	Doctorate
General Manager:	Shoujiang WANG	Member of the Board of Directors and General Manager	Doctorate
Deputy General Managers:	Hüseyin H. İmece	Member of the Board of Directors and Deputy General Manager	Undergraduate
	Hüseyin H. İmece	Balance Sheet Management Department, Financial Control and Accounting Department, Information Management and Tax Department, Management Office	Undergraduate
		General Secretariat Unit, Department of Credit and Investment Management, Investment Banking Department, Operations Management Department, Operation Center	
	Kadir Karakurum	Digital Banking Department, Retail Banking Department, Financial Technology Department, Technology Center, Public Relations and Advertisement Unit of Executive Office	Graduate
Assistant General Manager:	Oktay Nurata	Credit Allocation, Legal Affairs	Undergraduate
	D.Halit Döver	International Business Department, Financial Institutions Department, Financial Market Department, Corporate Banking Department, Project and Cross Border Finance Department	Graduate
Head of the Board of Inspectors:	Füruzan Evrim Ökçün	President of Inspectors’ Group and Executive Director of the Internal Control and Compliance Department	Undergraduate

The aforementioned persons do not have any shares in the Bank.

IV. Explanations regarding the persons and organizations that have shares in the Bank

Name Surname / Commercial Title	Share Amounts	Share Percentage	Paid Shares	Unpaid Shares
Industrial and Commercial Bank of China Limited	798,424	%92,84	798,424	-

V. Type of services provided and the areas of operations of the Parent Bank

The operations of the Parent Bank consist of corporate banking services, fund management transactions (foreign currency, money market and securities trading), international banking services, retail banking services and credit card business. The Parent Bank also operates, through its branches, as insurance agent of Sompo Japan Sigorta A.Ş., Vakıf Emeklilik A.Ş., Fiba Emeklilik ve Hayat A.Ş., HDI Sigorta A.Ş. and Axa Sigorta A.Ş.

As of 31 December 2024, the Group has 55 branches, especially located close to Turkey's industrial zones. The Bank has 776 employees as of 31 December 2024 (As of 31 December 2023, number of branches was 59, number of employees was 866).

The Parent Bank and its subsidiary, ICBC Türkiye Yatırım Menkul Değerler A.Ş. (“ICBC Yatırım”) have been consolidated. As at 31 December 2024, ICBC Portföy Yönetimi A.Ş. has been consolidated in ICBC Yatırım by full consolidation method. "ICBC Yatırım", the consolidated subsidiary of the Parent Bank, represents ICBC Portföy and ICBC Yatırım as a whole. The Parent Bank and its subsidiary are referred to as “the Group” as a whole.

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

VI. Differences between the Communiqué 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

There is no difference for the Parent Bank regarding consolidation methods between the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards (TAS). Information about consolidated subsidiaries and explanation about consolidation methods are disclosed on Section Three, Note III.

VII. The existing or potential, actual or legal obstacle on the transfer of shareholders’ equity between the Parent Bank and its subsidiaries or the reimbursement of liabilities

None.

SECTION TWO

CONSOLIDATED FINANCIAL STATEMENTS

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- 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 Parent Bank profit distribution

ICBC TURKEY BANK ANONİM ŞİRKETİ

CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

ASSETS		Note (Section Five)	THOUSANDS OF TURKISH LIRA					
			Audited CURRENT PERIOD 31/12/2024			Audited PRIOR PERIOD 31/12/2023		
			TL	FC	Total	TL	FC	Total
I.	FINANCIAL ASSETS (Net)		4,002,301	37,353,479	41,355,780	2,310,465	40,537,057	42,847,522
1.1	Cash and Cash Equivalents		3,572,409	17,145,266	20,717,675	2,252,990	21,103,923	23,356,913
1.1.1	Cash and Balances at Central Bank	(5.1.1)	3,076,107	15,860,331	18,936,438	2,045,552	18,752,244	20,797,796
1.1.2	Banks	(5.1.3)	19,457	1,288,251	1,307,708	13,803	2,357,148	2,370,951
1.1.3	Receivables from Money Markets		479,060	-	479,060	210,218	-	210,218
1.1.4	Allowance For Expected Credit Losses (-)		2,215	3,316	5,531	16,583	5,469	22,052
1.2	Financial Assets at Fair Value Through Profit or Loss		266,320	98,477	364,797	25,963	67,691	93,654
1.2.1	Public Debt Securities		-	-	-	-	-	-
1.2.2	Equity Instruments		160	98,477	98,637	194	67,691	67,885
1.2.3	Other Financial Assets		266,160	-	266,160	25,769	-	25,769
1.3	Financial Assets at Fair Value Through Other Comprehensive Income	(5.1.4)	80,468	20,095,212	20,175,680	22,345	19,336,944	19,359,289
1.3.1	Public Debt Securities		80,468	684,861	765,329	22,345	570,710	593,055
1.3.2	Equity Instruments		-	-	-	-	-	-
1.3.3	Other Financial Assets		-	19,410,351	19,410,351	-	18,766,234	18,766,234
1.4	Derivative Financial Assets	(5.1.2)	83,104	14,524	97,628	9,167	28,499	37,666
1.4.1	Derivative Financial Assets at Fair Value Through Profit or Loss		83,104	14,524	97,628	9,167	28,499	37,666
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		20,344,682	37,360,645	57,705,327	17,571,271	39,041,519	56,612,790
2.1	Loans	(5.1.5)	1,476,667	34,803,720	36,280,387	2,367,411	32,533,260	34,900,671
2.2	Receivables from Leasing Transactions	(5.1.10)	-	-	-	-	-	-
2.3	Factoring Receivables		-	-	-	-	-	-
2.4	Financial Assets Measured at Amortised Cost	(5.1.6)	18,925,398	2,828,930	21,754,328	15,696,749	7,381,404	23,078,153
2.4.1	Public Debt Securities		18,917,157	2,828,930	21,746,087	15,696,749	6,699,155	22,395,904
2.4.2	Other Financial Assets		8,241	-	8,241	-	682,249	682,249
2.5	Allowance for Expected Credit Losses (-)		57,383	272,005	329,388	492,889	873,145	1,366,034
III.	NON-CURRENT ASSETS OR DISPOSAL GROUPS “HELD FOR SALE” AND FROM DISCOUNTED OPERATIONS (Net)	(5.1.16)	-	-	-	-	-	-
3.1	Held for Sale		-	-	-	-	-	-
3.2	Held from Discontinued Operations		-	-	-	-	-	-
IV.	INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		-	-	-	-	-	-
4.1	Investments in Associates (Net)	(5.1.7)	-	-	-	-	-	-
4.1.1	Associates accounted by using equity method		-	-	-	-	-	-
4.1.2	Non-Consolidated Associates		-	-	-	-	-	-
4.2	Investments in Subsidiaries (Net)	(5.1.8)	-	-	-	-	-	-
4.2.1	Non-Consolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2	Non-Consolidated Non-Financial Subsidiaries		-	-	-	-	-	-
4.3	Joint Controlled Partnership (Joint Ventures) (Net)	(5.1.9)	-	-	-	-	-	-
4.3.1	Jointly Controlled Partnership Accounted by Using Equity Method		-	-	-	-	-	-
4.3.2	Non-Consolidated Jointly Controlled Partnership		-	-	-	-	-	-
V.	TANGIBLE ASSETS (Net)	(5.1.13)	750,515	-	750,515	377,133	-	377,133
VI.	INTANGIBLE ASSETS (Net)	(5.1.14)	78,499	-	78,499	67,909	-	67,909
6.1	Goodwill		-	-	-	-	-	-
6.2	Others		78,499	-	78,499	67,909	-	67,909
VII.	INVESTMENT PROPERTIES (Net)	(5.1.12)	-	-	-	-	-	-
VIII.	CURRENT TAX ASSETS		138,137	-	138,137	124,424	-	124,424
IX.	DEFERRED TAX ASSETS	(5.1.15)	313,066	-	313,066	11,313	-	11,313
X.	OTHER ASSETS (Net)	(5.1.17)	628,298	12,286	640,584	538,918	10,071	548,989
TOTAL ASSETS			26,255,498	74,726,410	100,981,908	21,001,433	79,588,647	100,590,080

The accompanying notes are an integral part of these financial statements.

ICBC TURKEY BANK ANONİM ŞİRKETİ

CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)
AS OF 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

LIABILITIES		Notes (Section Five)	THOUSANDS OF TURKISH LIRA					
			Audited CURRENT PERIOD 31/12/2024			Audited PRIOR PERIOD 31/12/2023		
			TL	FC	Total	TL	FC	Total
I.	DEPOSIT		11,373,205	22,350,994	33,724,199	8,744,124	35,435,149	44,179,273
II.	LOANS RECEIVED	(5. II.1)	-	-	-	-	-	-
III.	MONEY MARKET FUNDS	(5. II.4)	-	42,129,255	42,129,255	1,501,951	35,507,488	37,009,439
IV.	MARKETABLE SECURITIES (Net)	(5. II.2)	7,141,561	-	7,141,561	3,255,853	-	3,255,853
4.1	Bills		-	-	-	-	-	-
4.2	Asset Backed Securities		-	-	-	-	-	-
4.3	Bonds		-	-	-	-	-	-
V.	FUNDS		-	-	-	-	-	-
5.1	Borrowers’ Funds		-	-	-	-	-	-
5.2	Other		-	-	-	-	-	-
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	(5. II.3)	90,293	11,060	101,353	15,954	316,102	332,056
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss		90,293	11,060	101,353	15,954	316,102	332,056
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
VIII.	FACTORING PAYABLES		-	-	-	-	-	-
IX.	LEASE PAYABLES (Net)	(5. II.6)	488,665	-	488,665	166,590	-	166,590
X.	PROVISIONS	(5. II.8)	586,778	87,709	674,487	638,654	197,327	835,981
10.1	Provision for Restructuring		-	-	-	-	-	-
10.2	Reserves for Employee Benefits		352,518	-	352,518	235,824	-	235,824
10.3	Insurance Technical Reserves (Net)		-	-	-	-	-	-
10.4	Other Provisions		234,260	87,709	321,969	402,830	197,327	600,157
XI.	CURRENT TAX LIABILITIES	(5. II.9)	144,901	-	144,901	111,270	-	111,270
XII.	DEFERRED TAX LIABILITIES		-	-	-	71,031	-	71,031
XIII.	LIABILITIES RELATED TO NON-CURRENT ASSETS “HELD FOR SALE” AND “DISCONTINUED OPERATIONS” (Net)	(5. II.10)	-	-	-	-	-	-
13.1	Held for Sale		-	-	-	-	-	-
13.2	Related to Discontinued Operations		-	-	-	-	-	-
XIV.	SUBORDINATED DEBT	(5. II.11)	-	10,587,784	10,587,784	-	8,838,475	8,838,475
14.1	Loans		-	10,587,784	10,587,784	-	8,838,475	8,838,475
14.2	Other Debt Instruments		-	-	-	-	-	-
XV.	OTHER LIABILITIES	(5. II.5)	735,858	408,883	1,144,741	412,573	205,532	618,105
XVI.	SHAREHOLDERS’ EQUITY	(5. II.12)	4,560,701	284,261	4,844,962	4,520,285	651,722	5,172,007
16.1	Paid-in Capital		860,000	-	860,000	860,000	-	860,000
16.2	Capital Reserves		(587)	-	(587)	(587)	-	(587)
16.2.1	Equity Share Premiums		(587)	-	(587)	(587)	-	(587)
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserves		-	-	-	-	-	-
16.3	Other Accumulated Comprehensive Income that will not be Reclassified in Profit or Loss		70,378	-	70,378	53,151	-	53,151
16.4	Other Accumulated Comprehensive Income that will be Reclassified in Profit or Loss		(350)	284,261	283,911	(2,025)	651,722	649,697
16.5	Profit Reserves		3,395,489	-	3,395,489	2,072,294	-	2,072,294
16.5.1	Legal Reserves		172,197	-	172,197	106,035	-	106,035
16.5.2	Statutory Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		3,165,229	-	3,165,229	1,908,196	-	1,908,196
16.5.4	Other Profit Reserves		58,063	-	58,063	58,063	-	58,063
16.6	Profit or Loss		235,771	-	235,771	1,537,452	-	1,537,452
16.6.1	Prior Years’ Profits or Losses		214,257	-	214,257	63,426	-	63,426
16.6.2	Current Period’s net Profit or Loss		21,514	-	21,514	1,474,026	-	1,474,026
16.7	Minority Shares’		-	-	-	-	-	-
TOTAL LIABILITIES			25,121,962	75,859,946	100,981,908	19,438,285	81,151,795	100,590,080

The accompanying notes are an integral part of these financial statements.

ICBC TURKEY BANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS
AS OF 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

	Note (Section Five)	THOUSANDS OF TURKISH LIRA					
		Audited CURRENT PERIOD 31/12/2024			Audited PRIOR PERIOD 31/12/2023		
		TL	FC	Total	TL	FC	Total
A. OFF BALANCE SHEET COMMITMENTS (I-III)		8,006,519	48,888,226	56,894,745	4,841,194	60,851,527	65,692,721
I. GUARANTEES AND WARRANTIES	(5.III.1)	3,529,049	24,719,070	28,248,119	1,867,208	24,546,417	26,413,625
1.1. Letters of Guarantee		3,529,049	6,453,711	9,982,760	1,867,208	5,840,263	7,707,471
1.1.1. Guarantees Subject to State Tender Law		-	-	-	-	-	-
1.1.2. Guarantees Given for Foreign Trade Operations		-	-	-	-	-	-
1.1.3. Other Letters of Guarantee		3,529,049	6,453,711	9,982,760	1,867,208	5,840,263	7,707,471
1.2. Bank Loans		-	-	-	-	-	-
1.2.1. Import Acceptance Loans		-	-	-	-	-	-
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letters of Credit		-	2,390,190	2,390,190	-	6,301,504	6,301,504
1.3.1. Documentary Letters of Credit		-	669,264	669,264	-	3,020,298	3,020,298
1.3.2. Other Letters of Credit		-	1,720,926	1,720,926	-	3,281,206	3,281,206
1.4. Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of Türkiye		-	-	-	-	-	-
1.5.2. Other Endorsements		-	-	-	-	-	-
1.6. Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7. Factoring Guarantees		-	-	-	-	-	-
1.8. Other Guarantees		-	15,875,169	15,875,169	-	12,404,650	12,404,650
1.9. Other Warranties		-	-	-	-	-	-
II. COMMITMENTS	(5.III.1)	789,743	2,179,848	2,969,591	490,962	651,970	1,142,932
2.1. Irrevocable Commitments		789,743	2,179,848	2,969,591	490,962	651,970	1,142,932
2.1.1. Asset Purchase and Sales Commitments		548,115	2,179,848	2,727,963	310,167	651,970	962,137
2.1.2. Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitment to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4. Loan Granting Commitments		31,182	-	31,182	31,012	-	31,012
2.1.5. Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Requirements		-	-	-	-	-	-
2.1.7. Commitments for Checks Payments		8,760	-	8,760	9,450	-	9,450
2.1.8. Tax and Fund Liabilities from Export Commitments		3	-	3	3	-	3
2.1.9. Commitments for Credit Card Limits		201,212	-	201,212	139,913	-	139,913
2.1.10. Commitments for Credit Cards and Banking Services Promotions		-	-	-	-	-	-
2.1.11. Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12. Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13. Other Irrevocable Commitments		471	-	471	417	-	417
2.2. Revocable Commitments		-	-	-	-	-	-
2.2.1. Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2. Other Revocable Commitments		-	-	-	-	-	-
III. DERIVATIVE FINANCIAL INSTRUMENTS		3,687,727	21,989,308	25,677,035	2,483,024	35,653,140	38,136,164
3.1. Derivative Financial Instruments Held for Hedging		-	-	-	-	-	-
3.1.1. Fair Value Hedges		-	-	-	-	-	-
3.1.2. Cash Flow Hedges		-	-	-	-	-	-
3.1.3. Hedges for Investments Made in Foreign Countries		-	-	-	-	-	-
3.2. Trading Transactions		3,687,727	21,989,308	25,677,035	2,483,024	35,653,140	38,136,164
3.2.1. Forward Foreign Currency Purchase and Sale Transactions		3,115,867	2,819,815	5,935,682	913,457	6,982,208	7,895,665
3.2.1.1. Forward Foreign Currency Purchase Transactions		1,565,835	1,404,268	2,970,103	458,559	3,495,908	3,954,467
3.2.1.2. Forward Foreign Currency Sale Transactions		1,550,032	1,415,547	2,965,579	454,898	3,486,300	3,941,198
3.2.2. Currency and Interest Rate Swaps		571,860	19,169,493	19,741,353	1,569,567	28,670,932	30,240,499
3.2.2.1. Currency Swap Purchase Transactions		-	9,868,764	9,868,764	-	14,946,124	14,946,124
3.2.2.2. Currency Swap Sale Transactions		571,860	9,300,729	9,872,589	1,569,567	13,724,808	15,294,375
3.2.2.3. Interest Rate Swap Purchase Transactions		-	-	-	-	-	-
3.2.2.4. Interest Rate Swap Sale Transactions		-	-	-	-	-	-
3.2.3. Currency, Interest Rate and Securities Options		-	-	-	-	-	-
3.2.3.1. Currency Purchase Options		-	-	-	-	-	-
3.2.3.2. Currency Sale Options		-	-	-	-	-	-
3.2.3.3. Interest Rate Purchase Options		-	-	-	-	-	-
3.2.3.4. Interest Rate Sale Options		-	-	-	-	-	-
3.2.3.5. Securities Purchase Options		-	-	-	-	-	-
3.2.3.6. Securities Sale Options		-	-	-	-	-	-
3.2.4. Currency Futures		-	-	-	-	-	-
3.2.4.1. Currency Purchase Futures		-	-	-	-	-	-
3.2.4.2. Currency Sale Futures		-	-	-	-	-	-
3.2.5. Interest Rate Futures		-	-	-	-	-	-
3.2.5.1. Interest Rate Purchase Futures		-	-	-	-	-	-
3.2.5.2. Interest Rate Sale Futures		-	-	-	-	-	-
3.2.6. Other		-	-	-	-	-	-
B. CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		105,263,561	447,758,922	553,022,483	105,334,170	382,015,078	487,349,248
IV. ITEMS HELD IN CUSTODY		8,588,013	244,048,542	252,636,555	8,368,343	204,259,206	212,627,549
4.1. Customer Fund and Portfolio Assets		-	-	-	-	-	-
4.2. Securities Held in Custody		1,929,769	1,384,724	3,314,493	1,842,689	652,241	2,494,930
4.3. Checks Received for Collection		482,458	94,951	577,409	476,430	29,133	505,563
4.4. Commercial Notes Received for Collection		3,989	30,281	34,270	2,225	26,821	29,046
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Securities Received for Public Offering		-	-	-	-	-	-
4.7. Other Items under Custody		6,171,628	242,538,586	248,710,214	6,046,570	203,551,011	209,597,581
4.8. Custodians		169	-	169	429	-	429
V. PLEDGED ITEMS		96,675,548	203,710,380	300,385,928	96,965,827	177,755,872	274,721,699
5.1. Marketable Securities		33,698	-	33,698	18,674	-	18,674
5.2. Guarantee Notes		921	353	1,274	921	294	1,215
5.3. Commodity		18,137	2,159	20,296	24,107	1,802	25,909
5.4. Warrant		-	-	-	-	-	-
5.5. Immovables		1,076,963	131,162,163	132,239,126	1,504,424	114,109,624	115,614,048
5.6. Other Pledged Items		95,545,829	72,545,705	168,091,534	95,417,701	63,644,152	159,061,853
5.7. Depositories Receiving Pledged Items		-	-	-	-	-	-
VI. ACCEPTED BILL OF GUARANTEES AND WARRANTIES		-	-	-	-	-	-
TOTAL OFF-BALANCE SHEET ITEMS (A+B)		113,270,080	496,647,148	609,917,228	110,175,364	442,866,605	553,041,969

The accompanying notes are an integral part of these financial statements.

ICBC TURKEY BANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

	Note (Section Five)	THOUSANDS OF TURKISH LIRA	
		Audited CURRENT PERIOD (01/01/2024 - 31/12/2024)	Audited PRIOR PERIOD (01/01/2023 - 31/12/2023)
I. INTEREST INCOME	(5.IV.1)	10,583,529	8,179,436
1.1. Interest on Loans		5,444,946	4,556,438
1.2. Interest Received from Reserve Deposits		162,997	-
1.3. Interest Received from Banks		351,008	174,484
1.4. Interest Received from Money Market Transactions		43,980	18,519
1.5. Interest Received from Marketable Securities Portfolio		4,572,043	3,296,946
1.5.1. Financial Assets at Fair Value Through Profit or Loss		-	-
1.5.2. Financial Assets at Fair Value Through Other Comprehensive Income		60,669	31,984
1.5.3. Financial Assets Measured at Amortised Cost		4,511,374	3,264,962
1.6. Finance Lease Income		-	-
1.7. Other Interest Income		8,555	133,049
II. INTEREST EXPENSES (-)	(5.IV.2)	9,582,268	5,640,240
2.1. Interest on Deposits		4,581,104	2,172,287
2.2. Interest on Funds Borrowed		2,884,548	2,746,392
2.3. Interest on Money Market Transactions		2,054,161	307,776
2.4. Interest on Securities Issued		-	-
2.5. Interest on Leases		61,616	22,227
2.6. Other Interest Expenses		839	391,558
III. NET INTEREST INCOME/EXPENSE (I - II)		1,001,261	2,539,196
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES		633,552	390,113
4.1. Fees and Commissions Received		459,472	459,472
4.1.1. Non-Cash Loans		204,337	125,482
4.1.2. Other		519,219	333,990
4.2. Fees and Commissions Paid (-)		90,004	69,359
4.2.1. Non-Cash Loans		110	64
4.2.2. Other		89,894	69,295
V. DIVIDEND INCOME	(5.IV.3)	7	4
VI. TRADING PROFIT/LOSS (Net)	(5.IV.4)	(362,854)	1,450,272
6.1. Profit/Losses from Capital Market Transactions		90,376	22,453
6.2. Profit/Losses from Derivative Financial Transactions		(159,897)	288,339
6.3. Foreign Exchange Profit/Losses		(293,333)	1,139,480
VII. OTHER OPERATING INCOME	(5.IV.5)	373,722	312,153
VIII. GROSS OPERATING INCOME (III+IV+V+VI+VII)		1,645,688	4,691,738
IX. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)	(5.IV.6)	(1,068,969)	584,732
X. OTHER PROVISION EXPENSES (-)	(5.IV.6)	14,168	106,855
XI. PERSONNEL EXPENSES (-)		1,777,123	1,140,024
XII. OTHER OPERATING EXPENSES (-)	(5.IV.7)	979,155	830,722
XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		(55,789)	2,029,405
XIV. SURPLUS WRITTEN AS GAIN AFTER MERGER		-	-
XV. PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIADIRIES		-	-
XVI. NET MONETARY POSITION GAIN / LOSS		-	-
XVII. PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XIII+...+XVI)	(5.IV.8)	(55,789)	2,029,405
XVIII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	(5.IV.9)	(77,303)	555,379
18.1. Current Tax Provision		143,772	69,556
18.2. Expense Effect of Deferred Tax (+)		449,360	762,847
18.3. Income Effect of Deferred Tax (-)		670,435	277,024
XIX. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)	(5.IV.10)	21,514	1,474,026
XX. INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1. Income from Assets Held for Sale		-	-
20.2. Profit from Sale of Associates, Subsidiaries and Joint Ventures		-	-
20.3. Other Income from Discontinued Operations		-	-
XXI. EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
21.1. Expenses on Tangible Assets Held for Sale		-	-
21.2. Losses from Sale of Associates, Subsidiaries and Joint Ventures		-	-
21.3. Other Expenses from Discontinued Operations		-	-
XXII. PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (±) (XX-XXI)	(5.IV.8)	-	-
XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)	(5.IV.9)	-	-
23.1. Current Tax Provision		-	-
23.2. Expense Effect of Deferred Tax (+)		-	-
23.3. Income Effect of Deferred Tax (-)		-	-
XXIV. CURRENT PERIOD NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-
XXV. CURRENT PERIOD NET PROFIT/LOSS (XIX+XXIV)	(5.IV.11)	21,514	1,474,026
25.1. Group's Profit/Loss		21,514	1,474,026
25.2. Minority Shares Profit / Loss (-)		-	-
Profit/Loss per Share		0.0025	0.1714

The accompanying notes are an integral part of these financial statements.

ICBC TURKEY BANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”))

		THOUSANDS OF TURKISH LIRA	
		Audited CURRENT PERIOD (01/01/2024 - 31/12/2024)	Audited PRIOR PERIOD (01/01/2023 - 31/12/2023)
I.	CURRENT PERIOD PROFIT / LOSS	21,514	1,474,026
II.	OTHER COMPREHENSIVE INCOME	(348,559)	561,213
2.1	Other Items That Will Not Be Reclassified to Profit or Loss	17,227	28,075
2.1.1	Gains/Losses on Revaluation of Tangible Assets	55,048	83,177
2.1.2	Gains/Losses on Revaluation of Intangible Assets	-	-
2.1.3	Gains/Losses on Remeasurements of Defined Benefit Plans	(36,336)	(34,252)
2.1.4	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit or Loss	-	-
2.1.5	Taxes Relating To Components of Other Comprehensive Income That Will Not Be Reclassified To Profit or Loss	(1,485)	(20,850)
2.2	Other Items That Will Be Reclassified to Profit or Loss	(365,786)	533,138
2.2.1	Exchange Differences on Translation	-	-
2.2.2	Valuation and/or Reclassification Profit/Loss from Financial Assets at Fair Value Through Other Comprehensive Income	(518,980)	753,869
2.2.3	Income/Loss Related to Cash Flow Hedges	-	-
2.2.4	Income/Loss Related to Hedges of Net Investments in Foreign Operations	-	-
2.2.5	Other Components of Other Comprehensive Income That Will Be Reclassified to Other Profit or Loss	-	-
2.2.6	Taxes Relating To Components of Other Comprehensive Income That Will Be Reclassified To Profit or Loss	153,194	(220,731)
III.	TOTAL COMPREHENSIVE INCOME (I+II)	(327,045)	2,035,239

The accompanying notes are an integral part of these financial statements.

ICBC TURKEY BANK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”))

		Other Accumulated Comprehensive Income and Expenses That Will Not Be Reclassified in Profit and Loss						Share Certificate Cancellation Profits		Paid-in Capital		Share Premiums		Other Capital Reserves		Prior Period's Profit/(Loss)		Net Profit / (Loss) for the Period		Total Equity Except Minority Shares		Minority Shares		Total Equity	
Prior Period (31/12/2023)		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
I.	Balance at the End of Previous Period	860,000	(587)	-	-	116,559	-	678,621	1,457,568	-	-	-	-	-	-	-	-	-	-	3,137,237	-	-	-	-	3,137,237
II.	Adjustment in Accordance with TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effect of Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effect of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	New Balance (I+II)	860,000	(587)	-	-	116,559	-	678,621	1,457,568	-	-	-	-	-	-	-	-	-	-	3,137,237	-	-	-	-	3,137,237
IV.	Total Comprehensive Income	-	-	-	-	533,138	-	-	-	-	-	-	-	-	-	-	-	1,474,026	-	2,035,239	-	-	-	-	2,035,239
V.	Capital Increase in Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase through Internal Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Issued Capital/ Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease through Other Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.1	Dividends Distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2	Transfers Legal Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at the end of Period (III+IV+...+X+XI)		860,000	(587)	-	-	649,097	-	2,072,294	63,426	-	-	-	-	-	-	-	-	1,474,026	-	5,172,007	-	-	-	-	5,172,007
31/12/2023																									

1. Accumulated revaluation increases/decreases of non-current assets,

2. Accumulated gains / losses on remeasurements of defined benefit plans,

3. Other (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will not be Reclassified to Profit or Loss)

4. Exchange differences on translation,

5. Accumulated gains/losses due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income,

6. Other (Accumulated gains/losses on cash flow hedges, other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss and other accumulated amounts of other comprehensive income that will be reclassified to profit/loss.)

The accompanying notes are an integral part of these financial statements.

ICBC TURKEY BANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TL"))

	Other Accumulated Comprehensive Income and Expenses That Will Not Be Reclassified in Profit and Loss		Other Accumulated Comprehensive Income and Expenses That Will Be Reclassified in Profit and Loss		Share Certificate Cancellation Profits		Paid-in Capital	Share Premiums	Total Equity Except Minority Shares	Minority Shares	Total Equity
	1	2	3	4	5	6	Profit Reserves	Prior Period's Profit/(Loss)	Net Profit / (Loss) for the Period		
Current Period (31/12/2024)											
I. Balance at the End of Previous Period	860,000	(31,069)	-	-	649,697	-	2,072,294	1,537,452	-	5,172,007	5,172,007
II. Adjustment in Accordance with TAS 8	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of Adjustment	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-
III. New Balance (I+II)	860,000	(31,069)	-	-	649,697	-	2,072,294	1,537,452	-	5,172,007	5,172,007
IV. Total Comprehensive Income	42,662	(25,435)	-	-	(365,786)	-	-	-	21,514	(327,045)	(327,045)
V. Capital Increase in Cash	-	-	-	-	-	-	-	-	-	-	-
VI. Capital Increase through Internal Reserves	-	-	-	-	-	-	-	-	-	-	-
VII. Issued Capital/ Inflation Adjustment Difference	-	-	-	-	-	-	-	-	-	-	-
VIII. Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-
IX. Subordinated Debt	-	-	-	-	-	-	-	-	-	-	-
X. Increase/Decrease through Other Changes	-	-	-	-	-	-	-	-	-	-	-
XI. Profit Distribution	-	-	-	-	-	-	1,323,195	(1,323,195)	-	-	-
11.1 Dividends Distributed	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers Legal Reserves	-	-	-	-	-	-	1,323,195	(1,323,195)	-	-	-
11.3 Others	-	-	-	-	-	-	-	-	-	-	-
Balances at the end of Period (III+IV+...+X+XI)	860,000	(56,504)	-	-	283,911	-	3,395,489	214,257	21,514	4,844,962	4,844,962
31/12/2024											

1. Accumulated revaluation increases/decreases of non-current assets.
2. Accumulated gains/ losses on remeasurements of defined benefit plans.
3. Other (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss)
4. Exchange differences on translation.
5. Accumulated gains/losses due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income.
6. Other (Accumulated gains/losses on cash flow hedges, other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss and other accumulated amounts of other comprehensive income that will be reclassified to profit/loss).

The accompanying notes are an integral part of these financial statements.

ICBC TURKEY BANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TL"))

		THOUSANDS OF TURKISH LIRA	
		Audited CURRENT PERIOD (01/01/2024 - 31/12/2024)	Audited PRIOR PERIOD (01/01/2023 - 31/12/2023)
A.	CASH FLOWS FROM BANKING OPERATIONS		
I.1	Operating Profit Before Changes in Operating Assets and Liabilities	(3,068,790)	1,437,955
1.1.1	Interest Received	8,640,874	6,273,788
1.1.2	Interest Paid	(10,051,058)	(4,908,907)
1.1.3	Dividend Received	7	4
1.1.4	Fees And Commissions Received	679,442	515,849
1.1.5	Other Income	-	272,440
1.1.6	Collections from Non-Performing Receivables Accounted as Loss	230,413	13,424
1.1.7	Cash Payments to Personnel and Service Suppliers	(1,974,952)	(435,007)
1.1.8	Taxes Paid	(227,899)	(76,567)
1.1.9	Other	(365,617)	(217,069)
I.2	Changes in Operating Assets and Liabilities Subject to Banking Operations	(2,294,114)	12,351,271
1.2.1	Net (Increase) Decrease in Financial Assets at Fair Value through Profit or Loss	-	(6,371)
1.2.2	Net (Increase) Decrease in due from Banks	805,760	(3,509,900)
1.2.3	Net (Increase) Decrease in Loans	(2,242,870)	(18,691,996)
1.2.4	Net (Increase) Decrease in Other Assets	(1,701,931)	1,552,238
1.2.5	Net Increase (Decrease) in Bank Deposits	2,268,447	(466,506)
1.2.6	Net Increase (Decrease) in Other Deposits	(12,878,517)	20,271,621
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	7,492,909	10,016,560
1.2.9	Net Increase (Decrease) in Matured Payables	-	-
1.2.10	Net Increase (Decrease) in Other Liabilities	3,962,088	3,185,625
I.	Net Cash Provided by Banking Operations	(5,362,904)	13,789,226
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
II.	Net Cash Flows from Investing Activities	2,806,311	(9,470,526)
2.1	Cash Paid for Purchase of Associates, Subsidiaries and Joint Ventures	-	-
2.2	Cash Obtained From Sale of Associates, Subsidiaries and Joint Ventures	-	-
2.3	Cash Paid For the Purchase of Tangible and Intangible Asset	(71,973)	(117,159)
2.4	Cash Obtained from the Sale of Tangible and Intangible Asset	-	-
2.5	Cash Paid for Purchase of Financial Assets at Fair Value Through Other Comprehensive Income	(1,430,691)	(597)
2.6	Cash Obtained from Sale of Financial Assets at Fair Value Through Other Comprehensive Income	352,250	133,609
2.7	Cash Paid for Purchase of Financial Assets Measured at Amortised Cost	(1,077,980)	(8,457,330)
2.8	Cash Obtained from Sale of Financial Asset Measured at Amortised Cost	5,009,813	(900,331)
2.9	Other	24,892	(128,718)
C.	CASH FLOWS FROM FINANCING ACTIVITIES	-	-
III.	Net Cash Provided from Financing Activities	(80,353)	(59,761)
3.1	Cash Obtained from Loans and Securities Issued	-	-
3.2	Cash Outflow Arising From Loans and Securities Issued	-	-
3.3	Equity Investments Issued	-	-
3.4	Dividends Paid	-	-
3.5	Payments for Lease Liabilities	(80,353)	(59,761)
3.6	Other	-	-
IV.	Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents	741,689	2,046,883
V.	Net Increase in Cash and Cash Equivalents (I+II+III+IV)	(1,895,257)	6,305,822
VI.	Cash and Cash Equivalents at the Beginning of Period	12,241,214	5,935,392
VII.	Cash and Cash Equivalents at the End of Period (V+VI)	10,345,957	12,241,214

The accompanying notes are an integral part of these financial statements.

ICBC TURKEY BANK ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

		THOUSANDS OF TURKISH LIRA	
		CURRENT PERIOD ⁽¹⁾⁽²⁾	PRIOR PERIOD
		(01/01/2024 - 31/12/2024)	(01/01/2023 - 31/12/2023)
I.	DISTRIBUTION OF CURRENT YEAR PROFIT		
1.1	CURRENT YEAR INCOME	(510,267)	1,808,820
1.2	TAXES AND LEGAL DUTIES PAYABLES (-)	(209,249)	485,625
1.2.1	Corporate Tax (Income Tax)	-	-
1.2.2	Income Withholding Tax	-	-
1.2.3	Other Taxes and Duties	209,249	(485,625)
A.	NET INCOME FOR THE YEAR (1.1-1.2)	(301,018)	1,323,195
1.3	PRIOR YEAR LOSSES (-)	-	-
1.4	FIRST LEGAL RESERVES (-)	-	66,159
1.5	OTHER STATUTORY RESERVES (-)	-	-
B.	NET INCOME AVAILABLE FOR DISTRIBUTION [(A-(1.3+1.4+1.5)]	(301,018)	1,257,036
1.6	FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1	To Owners of Ordinary Shares	-	-
1.6.2	To Owners of Preferred 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 Preferred Shares	-	-
1.9.3	To Joining Usufruct Certificates	-	-
1.9.4	To Profit Sharing Bonds	-	-
1.9.5	To Holders of Profit and Loss Sharing Certificates	-	-
1.10	STATUTORY RESERVES (-)	-	-
1.11	EXTRAORDINARY RESERVES	-	1,257,036
1.12	OTHER RESERVES	-	-
1.13	SPECIAL FUNDS	-	-
II.	DISTRIBUTION OF RESERVES		
2.1	APPROPRIATED RESERVES	-	-
2.2	DIVIDENDS TO SHAREHOLDERS (-)	-	-
2.3	To Owners of Ordinary Shares	-	-
2.3.1	To Owners of Preferred Shares	-	-
2.3.2	To Joining Usufruct Certificates	-	-
2.3.3	To Profit Sharing Bonds	-	-
2.3.4	To Holders of Profit and Loss Sharing Certificates	-	-
2.3.5	DIVIDENDS TO PERSONNEL (-)	-	-
2.4	DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III.	EARNINGS PER SHARE		
3.1	TO OWNERS OF ORDINARY SHARES (full TL)	(0.0350)	0.1539
3.2	TO OWNERS OF ORDINARY SHARES (%)	-	-
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 (%)	-	-

(1) The authorised body of the Bank for the distribution of the current period’s profit is the General Assembly. The Bank’s annual ordinary General Assembly meeting had not been held as of the date on which these financial statements were prepared.

(2) Statement of profit distribution above belongs to the Parent Bank.

The accompanying notes are an integral part of these financial statements.

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

SECTION THREE
ACCOUNTING POLICIES

I. Explanations on the Basis of Presentation

Explanations and disclosures in the financial statements of Bank of Türkiye Accounting Standards and Accounting Practices and Retention of Documents Procedures and Principles Regarding the preparation in accordance with Regulation:

Consolidated financial statements are prepared in accordance with the “Banking Regulation and Supervision Agency (“BRSA”) Accounting and Financial 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 the requirements of “Turkish Financial Reporting Standards” (“TFRS”) put into effect by Public Oversight Accounting and Auditing Standards Authority (“POA”) for those matters not regulated by the aforementioned legislations.

Consolidated financial statements have also been prepared prepared in accordance with the “Communique amending the Communique on the Financial Statements and Related Disclosures and Notes to be Announced to Public by Banks” published in the Official Gazette dated 1 February 2019 with No. 30673.

Consolidated financial statements have been prepared in TL, under the historical cost convention except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and derivative financial assets and liabilities at fair value through profit or loss carried at fair value and revalued buildings.

The preparation of consolidated financial statements in conformity with BRSA Accounting and Financial Reporting Legislation requires the use of certain accounting estimates and assumptions by the Parent Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as the balance sheet date. These estimates are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the statement of profit or loss. Assumptions and estimates that are used in the preparation of the accompanying financial statements are explained in the following related notes.

Due to COVID-19, the Parent Bank has enabled its individual and legal entity customers postpone their principal, interest and installment payments in case they requested and has applied delays within this scope.

The Indicator Interest Rate Reform - 2nd Phase, which brings changes in TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16, effective from 1 January 2021, was published in December 2020. With the modifications made, certain exceptions are provided for the basis used in the determination of contractual cash flows and hedge accounting implementations. The effects of the changes on the Parent Bank's financials have been evaluated and it has been concluded that there is no material impact on financial statements. On the other hand, the Bank's studies continues within the scope of compliance with the changes.

The amounts in the consolidated financial statements and the related explanations and notes are expressed in thousands of Turkish Lira unless otherwise stated.

Accounting policies and valuation principles used in the preparation of consolidated financial statements are as follows:

The accounting policies and valuation principles used in the preparation of the financial statements are in accordance with the regulations, communiqués, explanations and circulars published by the BRSA on accounting and financial reporting principles and in the announcement dated 23 November 2023 made by the POA on matters not regulated by these, it is stated that the financial statements of the companies applying TFRS for the annual reporting period ending on or after 31 December 2023 should be presented by adjusting them for the effect of inflation within the scope of TAS 29 Financial Reporting in Hyperinflationary Economies. However, institutions or organizations authorized to regulate and supervise in their own fields may determine transition dates for the implementation of inflation accounting. The BRSA, with its board decision dated 11 January 2024 and numbered 10825, determined the transition date of banks, financial leasing, factoring, financing, savings finance and asset management companies to the application of “TAS 29 Financial Reporting Standard in Hyperinflationary Economies” as 1 January 2025. However, in accordance with the BRSA's decision dated 5 December 2024 and numbered 11021, it has been decided not to apply inflation accounting in 2025 by banks and financial leasing, factoring, financing, savings financing and asset management companies.

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

II. Explanations on Usage Strategy of Financial Assets and Foreign Currency Transactions

Strategy for the use of financial instruments:

The Parent Bank’s main area of activities consist corporate, commercial and retail banking, fund management transactions and international banking services. The Parent Bank gives loans mainly to domestic customers by external sources of funds comprised mainly of domestic deposits and foreign borrowings and invests in marketable securities and banks placements to maintain liquidity.

The liability side of the balance sheet is intensively composed of short-term deposits and medium/long term borrowings in line with the general trend in the banking sector. Foreign currency borrowings are predominately floating rate and thus, the Parent Bank aims to minimize the effects of fluctuations in currency and interest rates in the market. Deposits collected are fixed rate and balanced with fixed rate loans and other investments. The fundamental strategy to manage the liquidity risk is to expand the deposit base through customer-oriented banking philosophy, and to increase customer transactions and retention rates. The Parent Bank invests some of its resources to domestic government bonds and short-term placements to reduce liquidity risk.

Currency risk, interest risk and liquidity risk are measured and monitored instantly by various risk management systems, and balance sheet management is carried out within the risk limits and legal limits determined in this framework. Asset-Liability management models, value-at-risk calculations, stress tests and scenario analyzes are used for this purpose.

The Parent Bank designates its loan strategy considering international and national economic data and expectations, market conditions, interest, liquidity, currency, credit and other risks. Loan portfolio of the Parent Bank is not concentrated on a specific segment and concentration risk is taken in consideration as much as possible.

Transactions denominated in foreign currencies:

The Bank covers and controls the exchange rate risks it is exposed to due to foreign currency transactions through various derivative instruments that establish the general balance of foreign currency assets and liabilities.

Monetary assets and liabilities denominated in foreign currencies are translated by using currency exchange rates on the balance sheet date. Currency differences arising from the valuation of monetary items are accounted for in the profit or loss statement as “Foreign Exchange Transactions Profit/Loss.”

As of 31 December 2024, the USD exchange rate used in the conversion of foreign currency transactions into Turkish currency and their reflection in the financial statements is 35.2803 full TL, Euro exchange rate is 36.7362 full TL, British Pound exchange value is 44.2073 full TL and Japanese Yen exchange rate is 0.2249 full TL.

The Parent Bank does not have any goodwill amount related to any partnership established abroad .

III. Explanations on Subsidiaries and Associates

As of 31 December 2024 and 31 December 2023, the Parent Bank has no associates.

On 21 April 2015, Tekstil Portföy Yönetimi A.Ş. was established with TL 2,000,000 - full amount - capital from ICBC Yatırım. On 23 November 2015, the trade name of the company has been changed and registered as ICBC Türkiye Portföy Yönetimi A.Ş. (ICBC Portföy). ICBC Portföy is a subsidiary of ICBC Yatırım with 100% partnership and an indirect subsidiary of the Parent Bank. As at 30 June 2016, ICBC Portföy has been consolidated in ICBC Yatırım by full consolidation method. "ICBC Yatırım", the consolidated subsidiary of the Parent Bank, represents ICBC Portföy and ICBC Yatırım as a whole.

ICBC Yatırım, which is financial subsidiary of the Parent Bank is consolidated in the accompanying consolidated financial statements by using full consolidation method as at 31 December 2024 and 31 December 2023.

The Parent Bank and its consolidated subsidiary are referred to as “the Group.”

Control is defined as the power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Bank’s returns.

The carrying amount of the Parent Bank’s investment in its subsidiary and the Parent Bank’s portion of equity of its subsidiary are netted off. All intercompany transactions and intercompany balances between the consolidated subsidiary and the Parent Bank are eliminated.

The financial statements, which have been used in the consolidation, are prepared as at 31 December 2024 and appropriate adjustments are made to financial statements to use uniform accounting policies for similar transactions and events in same circumstances. There is no obstacle on the transfer of shareholders’ equity between the Parent Bank and its subsidiary or on the reimbursement of liabilities.

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

IV. Explanations on Forwards, Options and Derivative Transactions

The derivative transactions of the Group mainly consist of foreign currency swaps, foreign currency options and forward contracts.

Derivative instruments are classified as “Derivative Financial Assets at Fair Value through Profit or Loss”, “Derivative Financial Assets at Fair Value through Other Comprehensive Income” in the asset side of balance sheet and “Derivative Financial Liabilities at Fair Value through Profit or Loss”, “Derivative Financial Liabilities at Fair Value through Other Comprehensive Income” in the liabilities side of balance sheet in accordance with TFRS 9.

There is no derivative Financial Liabilities at Fair Value through Other Comprehensive Income” as of 31 December 2024.

The liabilities and receivables arising from the derivative transactions are recorded as off-balance sheet items at their contract values.

The derivative transactions are initially recognized at fair value and measured at fair value subsequent to initial recognition and are presented in the “Derivative Financial Assets at Fair Value through Profit/Loss” under the “Derivative Financial Assets” or “Derivative Financial Liabilities at Fair Value through Profit/Loss” under the “Derivative Financial Liabilities” items of the balance sheet depending on the resulting positive or negative amounts of the fair value. Gains and losses arising from a change in the fair value of trading purpose derivatives are recognized in the consolidated income and expense statement. Fair values of derivatives are determined using quoted market prices in active markets or using discounted cash flow techniques within current market interest rates.

Fair values of option agreements are calculated using Black - Scholes option pricing models and unrealized profit and loss amounts are presented in the income statement for the current period.

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host with the effect that some of the cash flows of the combined instrument vary in a way similar to stand alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to contract. A derivative that is attached to a financial instrument but is contractually transferable independently of that instrument, or has a different counterparty, is not an embedded derivative but a separate financial instrument. The Parent Group has no embedded derivative instruments.

V. Explanations on Interest Income and Expense

Interest income and expenses are accounted for in accordance with the effective interest method in TFRS 9 (the ratio of the future cash flows of the financial asset to the present value of the future cash flows). Interest income and expenses calculated using the internal rate of return method are recognized on an accrual basis. Pursuant to the related legislation, the Parent Bank ceases accrued interest income on non-performing loans and other interest income accruals which are considered as doubtful and does not record the accruals recorded until that date until the collection is made.

VI. Explanations on Fees and Commissions Income and Expense

Fees and commissions except for which are integral part of “the effective interest (Internal Rate of Return) rates” of financial instruments measured at amortized costs, are accounted for in accordance with TFRS 15 “Revenue from Contracts with Customers”. Except for certain fees related to certain banking transactions and recognized when the related service is given, fees and commissions received or paid, and other fees and commissions paid to financial institutions are accounted under accrual basis of accounting throughout the service period. Prepaid fees for loans are discounted with the effective interest rate method and recorded as income in the relevant period in accordance with the periodicity principle.

VII. Explanations on Financial Assets

The Group recognizes its financial assets as “Financial Assets at Fair Value through Profit or Loss,” “Financial Assets at Fair Value through Other Comprehensive Income” or “Measured at Amortized Cost.” Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments. The Group recognizes a financial asset or financial liability on its balance sheet only when it is party to the contractual provisions of the financial lease. The Group derecognizes a financial asset only when the contractual rights to cash flows from the financial asset have expired or the financial assets have been transferred and the conditions for derecognition have been met. A financial liability (or part of a financial liability) is only recognized when the liability has expired; in other words, it is removed from the statement of financial position when the obligation specified in the contract is fulfilled, canceled or time out.

Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than "Financial Assets at Fair Value through Profit/Loss", transaction costs are added to fair value or deducted from fair value.

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VII. Explanations on Financial Assets (continued)

During the recognition of the financial assets, based on following matters, the Group reclassified its financial assets as “Financial Assets at Fair Value through Profit/Loss,” “Financial Assets at Fair Value through Other Comprehensive Income” or “Measured at Amortized Cost”:

- The business model used by the entity for the management of financial assets,
- Characteristics of contractual cash flows of the financial asset.

When the business model determined by the Group management is changed, all financial assets affected by this change are reclassified. Reclassification of financial assets is applied prospectively from the date of reclassification. In such cases, there is no adjustment to earnings, losses (including impairment gain or loss) or interest received previously in the financial statements is made.

a. Financial Assets at Fair Value through Profit/Loss:

Financial assets at fair value through profit or loss consist of financial assets other than the business model that aims to hold contractual cash flows to collect and the business model that aims to collect and sell contractual cash flows. Financial assets valued at fair value through profit or loss are valued at their fair values. Gain/loss arising on those assets is recorded in the statement of profit or loss.

b. Financial Assets at Fair Value through Other Comprehensive Income:

A financial asset is measured at fair value through other comprehensive income when both of the following conditions are met:

- Financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell,
- Financial asset with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates.

Financial assets measured at fair value through other comprehensive income are measured at their fair values subsequently. Unrealized gains or losses arising from changes in the fair value of securities carried at fair value through profit and loss at fair value through profit or loss are expressed in equity as “Other Comprehensive Income That Will Be Reclassified to Profit or Loss.” In case of disposal of marketable securities at fair value through other comprehensive income as a result of fair value application, the value in the shareholders’ equity accounts is reflected to the statement of profit or loss. However, the Parent Bank may prefer the method of reflecting changes in fair value to other comprehensive income is irrevocable for the first time in the financial statements for certain investments in equity instruments measured at fair value through profit or loss under normal circumstances.

c. Financial Assets Measured at Amortized Cost:

A financial asset is measured at amortized cost when both of the following conditions are met:

- Financial assets within a business model that aims to hold to collect contractual cash flows,
- Financial asset with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates.

Subsequent to the initial recognition, financial assets measured at amortized cost are accounted at “amortized cost” calculated by using the “effective interest (internal rate of return) rate method.” Interest income on financial assets measured at amortized cost is reflected as interest income in the income and expense.

Loans:

Loans are financial assets created by providing money, goods or services to the debtor. Such loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the “Effective Interest Rate (internal rate of return) Method.” Charges paid for assets acquired as collateral and other similar expenses are not considered as part of the transaction cost and are reflected in the expense. All the loans of the Parent Bank are recorded under the financial asset “Financial Assets Measured at Amortized Cost” and “Financial Assets at Fair Value Through Other Comprehensive Income” account.

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VIII. Explanations on Impairment of Financial Assets

Recognition of Expected Credit Losses in Financial Statements:

The Group makes provisions for financial assets measured at fair value through other comprehensive income, assets measured at amortized cost, and expected losses related to non-cash loans and credit commitments. As of 1 January 2018, the Parent Bank recognizes provisions for impairment in accordance with TFRS 9 requirements according to the “Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside” published in the Official Gazette dated 22 June 2016 numbered 29750.

The Groups measured the expected credit losses for a financial asset based on the probabilities that are weighted and unbiased by probable outcomes, the time value of money and the estimates of past events, current and future economic conditions that are reasonable, in a way that reflects supportable information.

Within the scope of TFRS 9, calculation of expected credit losses consists of three main parameters: Probability of Default (PD), Loss Given Default (LGD), Exposure of Default (EAD). In addition, the PD and LGD parameters used in the expected credit loss calculation are calculated as instant PD (point in time, PIT) including both current and expected cycle changes. For the determination of macroeconomic expectations, “reasonable and supportable information available without undue cost or effort in estimating past events, current conditions and future economic conditions” can be used and accordingly “estimate of expected losses including their expected effects” can be realized. “Regulatory Factor Values”, which are calculated using the actual and scenario-based expected NPL rates by the Bank, are used to include in the calculation. The effect of macroeconomic expectations is reflected on the PD values obtained as a result of the calibration studies performed on the internal rating model using historical data. The cumulative PD values adjusted as a result of the transactions are used is being done.

Probability of Default (PD)

The probability of default represents the probability that the debtor will default in a given time period. Two types of PD values are calculated in accordance with TFRS 9 requests:

- **12-month PD:** The probability of default within 12 months refer to the portion of the expected credit loss that could result from the possible default of the loan.
- **Lifetime PD:** Lifetime losses result from all possible default events over the expected life of the financial instrument after the reporting date.

The Group uses the credit ratings, which are the result of the internal rating systems used by the Bank in the loan allocation processes, to calculate the 12-month or lifetime default probabilities of its corporate and commercial customers. The internal rating models used for the Corporate and Commercial portfolio include the customer’s financial information as well as answers to qualitative questions.

Using historical default data for individual customers, a transition matrix based on the number of days of delay is generated and 12-month or lifetime default probabilities are estimated.

For receivables from Banks, the default probability is calculated by using rating transition studies published by S&P.

In the final stage, macroeconomic expectations are taken into account and reflected in the probability of default values.

Loss Given Default (LGD)

If a loan default occurs, it refers to the economic loss that might be encountered by taking into consideration the collection period. In LGD calculations, if the loans are not collateralized, the rates in the IRB App-1 Risk Weighted Amount and Expected Loss Amount Calculation are used. Calculations within the scope of BRSA Credit Risk Mitigation Techniques are also applied for secured loans.

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VIII. Explanations on Impairment of Financial Assets (continued)

Recognition of Expected Credit Losses in Financial Statements (continued):

Exposure of Default (EAD)

The exposure at default amount is the expected economic receivable at the time of default. For cash loans, it refers to the amount of loan granted as of the reporting date. For non-cash loans and commitments, it is the value calculated through using credit conversion factors.

Definition of Default

Default means, when the borrower’s payment obligations which against to the Group, delays more than 90 days from the day of payment in part or in full, or not pay.

The obligor may be considered as Phase 3 in cases where the Group does not find it possible to pay its obligations regardless of the number of days of delay and without resorting to collateral.

This may include;

- Deterioration in the financial position of the counterparty (memzuc records, bounced check recording, application for condordato, bankruptcy/suspension bankruptcy, etc.) and economic conditions
- Default records in other financial institutions
- The obligor is past due 90 days or more on any material credit obligation to the Bank
- The obligor is past due 30 days or more and restructured after transition from Stage 3 to Stage 2

As of the date of initial recognition, there will be no significant changes in portfolios, financial assets at are subject to expected loss provision calculation have been followed in accordance with the following three-stage model below:

Stage 1: From initial recognition of a financial asset to the date on which an asset has not experienced a significant increase in credit risk relative to its initial recognition, a loss allowance is recognized equal to the credit losses expected to result from its default occurring over the earlier of the next 12 months.

Stage 2: An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default occurring over the remaining life of the financial instrument and measures the provision for impairment on this financial instrument at an amount equal to the lifetime expected credit losses. The purpose of impairment provisions is to recognize the risk of default occurring over the remaining life of the financial instrument that credit risk has increased significantly since initial recognition.

Stage 3: When one or more events that negatively affect future estimated cash flows of a financial asset occur, the related financial asset becomes credit-impaired. For these assets, expected lifetime loss of credit is recorded. Lifetime expected credit losses are recorded for impaired assets. The probability of default is taken into account as 100%.

The Group also makes additional provisions for corporate customers through an individual assessment.

The Group regularly follows the developments regarding macroeconomic expectations, which it uses to calculate expected credit losses within the general approach method, and applies them to its models by updating. the Group evaluated the negative effects of the COVID-19 outbreak in its models by updating the macroeconomic information for the future.

The loan portfolio of the Group mainly consists of a small number of loans with high amounts. Those loans with high amount and risk level are subject to individual assessment. The Bank reflected the possible effects of COVID-19 by taking into account the reasonable and supportable information it has in the estimation of the probability weights and cash flows of the scenarios it uses, in the calculation of the expected credit loss for the loans it is subject to individual assessment.

Review of the Parent Bank's Business Model:

The Parent Bank classifies its financial assets based on the business model used for the management of financial assets. Based on the determined business model, the Bank evaluates whether the financial assets meet the classification requirements set out in TFRS 9. This assessment requires consideration of all evidence available at the time the assessment was made, including, but not limited to, the following:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the key management personnel of the Bank
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed and
- How the additional payments to the Group management are determined. (for example, whether the additional payments are determined by the fair value of the assets that managed or by the contractual cash flows collected).

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VIII. Explanations on Impairment of Financial Assets (continued)

Recognition of Expected Credit Losses in Financial Statements (continued):

Assessment on Contractual Cash Flows Whether Include Only Principal and Interest on Principal Payments are Related to Capital:

A financial asset is classified on the basis of its contractual cash flow characteristics if the financial asset is 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. For this purpose, the Parent Bank determines whether contractual cash flows are solely payments of principal and interest. In assessing whether the contractual cash flows are solely payments of principal and interest, the Parent Bank will consider the consistency of loan agreement. In a basic lending arrangement, consideration for the time value of money and credit risk are typically the most significant elements of interest. In assessing whether the contractual cash flows are solely payments of principal and interest, the Parent Bank will consider the contractual terms of the instrument. This will include assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Parent Bank considers:

- Contingent events that would change the amount and timing of cash flows
- Leverage features
- Prepayment and extension terms
- Terms that limit the Parent Bank’s claim to cash flows from specified assets
- Features that modify consideration for the time value of money.

IX. Explanations on Write-down Policy

The amendment with respect to the regulation on the “Principles and Procedures Regarding the Classification of Loans and Provisions To Be Set Aside” for These Loans entered into force with its publication in the Official Gazette No.30961 on 27 November 2019. Pursuant to the regulation, the banks are enabled to write down and move off the balance sheet the portion of a loan which is classified as “Group V Loan” (Loans Classified as Loss) if it cannot reasonably be expected to be recovered. The Bank performs objective and subjective assessments whether there is reasonable expectation.

The write-down of these loans, which are not possible to be collected, is an accounting policy and this policy does not result in waiving the right of receivables.

X. Explanations On Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle the related financial assets and liabilities on a net basis, or realize the asset and settle the liability simultaneously.

Provisions for foreign exchange gain/loss on foreign currency indexed loans are netted with loans on asset side of consolidated balance sheet. Otherwise, the financial assets and liabilities are netted off only when there is a legal right to do so.

XI. Explanations on Sale and Repurchase Agreements and Transactions Related to the Lending of Securities

Securities sold under repurchase agreements (“Repo”) are classified as “Financial Assets at Fair Value Through Profit/Loss,” “Financial Assets at Fair Value Through Other Comprehensive Income” or “Financial Assets Measured at Amortized Cost” based on the Parent Bank management’s intention and measured with the same valuation principles of the portfolio above. Funds received through repurchase agreements are booked in liability account under “Money Market Funds” and the related interest expenses are accounted on an accrual basis based on the difference between selling and repurchase prices using effective interest rate (internal rate of return) method. Securities purchased under resale agreements" (“Reverse repo”) are classified under “Receivables from Money Markets.” An income accrual using the effective interest rate method is accounted for the positive difference between the purchase and resale prices earned during the period. The Parent Bank does not have any securities related to the lending.

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XII. Explanations on Assets Held for Sale and Discontinued Operations and Liabilities Related to These Assets

Non-current assets held for sale are accounted for in accordance with the provisions of “TFRS 5 Turkish Financial Reporting Standard on Assets Held for Sale and Discontinued Operations” in the financial statements. In accordance with TFRS 5 – “Non-current Assets Held for Resale and Discontinued Operations”, an asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and fair value less costs to sell.

Non-current assets held for sale are assets that are highly marketable, which a plan for the sale of them has been made by the management team and an active program is initiated for the determination of buyers and the completion of the plan. The asset should be actively marketed at a price compatible with its fair value. In addition, the sale should be expected to be accounted for as a completed sale within one year from the date of classification, and the actions required to complete the plan should show that the likelihood of significant changes in the plan or cancellation of the plan is unlikely.

The Group does not have any assets held for sale (31 December 2023: None).

The Group has no discontinued operations (31 December 2023: None).

XIII. Explanations on Goodwill and Other Intangible Assets

There is no goodwill in the accompanying consolidated financial statements as at 31 December 2024 and 31 December 2023.

Intangible assets are initially recognized at their cost that includes expenditures that are directly attributable to the acquisition of the asset. Intangibles are reflected in the consolidated balance sheet at cost less amortization and any accumulated impairment losses. Intangible assets are subsequently measured at cost less any accumulated depreciation and any accumulated impairment losses.

Intangible assets are amortized on amortization rates between 6.66% and 33.33%.

Intangible assets are amortized on a straight-line basis based on their estimated useful lives The useful life of the asset is determined by evaluating the expected life of the asset, technical, technological or other types of obsolescence, and the maintenance costs necessary to obtain the expected economic benefit from the asset.

XIV. Explanations on Tangible Assets

Tangible assets are initially recognized at their cost that includes expenditures that are directly attributable to the acquisition of the asset. Tangible assets, except buildings as stated below, are reflected in the consolidated financial statements at cost less accumulated depreciation and any accumulated impairment.

Tangible assets are depreciated on a straight-line basis based on the in estimated useful lives.

The estimated useful lives are as follows:

Buildings	50 years
Office machinery, furniture and vehicles	3 – 50 years
Leasehold improvements costs	The shorter of the economic life of lease term

As of the balance sheet date, the amount of depreciation calculated by proportioning the amount of depreciation foreseen for a full year with the period of stay of the asset for the assets that are in the asset for less than one accounting period is depreciated.

If the cost value is higher than the “Net realizable value” of the related tangible asset, the value of the said asset is reduced to its “Net realizable value” in accordance with the “Turkish Accounting Standard for Impairment of Assets” (“TAS 36”) and the provision for impairment is associated with expense accounts.

Gain and losses sourcing from disposal of tangible assets are determined through deduction of net book value from the sales revenue of the related plant, property and equipment.

The regular maintenance and repair expenditures are accounted as expense. The investment expenditures, made to increase the future benefits of the asset by improving the capacity of the asset, are added to the cost of the asset. Investment expenditures comprised of the costs, which increase the useful life of the asset, improve the capacity of the asset, increase the quality or decrease the cost of production.

The Parent Bank applies a revaluation model within the framework of TAS 16 “Recognition of Tangible Assets” for buildings included in tangible assets. For this purpose, the fair values of the buildings are determined once a year by an independent valuation firm authorized by the BRSA and the Capital Markets Board. The increase in the book value of the buildings as a result of the revaluation is reflected in the Tangible Assets Revaluation Differences account in the equity account group. As a result of the valuation of the buildings, there is pre-tax value increase amounting to TL 55,048 (31 December 2023: TL 83,177) in the Tangible Assets item as of 31 December 2024.

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XV. Explanations on Leasing Activities

The Group has started to apply TFRS 16 Leases standard starting from 1 January 2019.

The Group undertakes leases in the building, vehicle and software asset groups.

As a lessee, the Group has previously included the right to lease assets and leasing liabilities for most of its leases in accordance with TFRS 16, even though the Group has previously been classified as operating or financial leasing based on the assessment of whether all the risks and rewards of ownership of the asset have been transferred or not. In other words, these leases are presented in the statement of financial position. The Group classifies the right of use assets in classes of tangible assets and intangible assets that are of the same nature as their assets.

After the commencement date of the lease, the lessee increases the carrying amount of the lease liability to reflect the interest on the lease liability and decreases the carrying amount to reflect the lease payments made. It is remeasured in the event of a change in the lease term and in the assessment of the option to purchase the asset, and in the event of a change in the amounts expected to be paid under the residual value commitment, and in the event of a change in these payments as a result of a change in the index or rate.

The Parent Bank records its fixed assets acquired through financial leasing based on their fair value and on the lease payments that are lower than their present value. Fixed assets acquired through financial leasing are classified under tangible assets and these fixed assets are subject to depreciation based on their useful lives. When a decrease in the value of fixed assets acquired through financial leasing is detected, a "provision for impairment" is made. Liabilities arising from financial leasing agreements are shown in the "Financial lease debts" account in the liabilities. Interest and exchange difference expenses related to financial leasing are reflected in the statement of profit or loss. The Bank does not perform financial leasing transactions in the capacity of being the "lessor". Transactions related to operational leases are accounted for on an accrual basis in accordance with the provisions of the relevant contract.

XVI. Explanations on Provisions and Contingent Liabilities

Provisions and contingent liabilities are accounted in accordance with the “Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets” (“TAS 37”).

Provisions are accounted for immediately when obligations arise as a result of past events and a reliable estimate of the obligation is made by the Parent Bank management. Whenever the amount of such obligations cannot be measured, they are regarded as “Contingent.” If the possibility of an outflow of resources embodying economic benefits becomes probable and the amount of the obligation can be measured with sufficient reliability, a provision is recognized. A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with “the periodicity principle.” If the amount of the obligation cannot be measured with sufficient reliability or the possibility of an outflow of resources embodying economic benefits is remote, such liabilities are disclosed in the notes to the consolidated financial statements.

XVII. Explanations on Contingent Assets

The contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the business. Since recognizing the contingent assets in the financial statements may result in the accounting of an income, which will never be generated, the related assets are not included in the financial statements. If an inflow of economic benefits has become probable, then the contingent asset is disclosed in the notes to the consolidated financial statements. Developments related to the contingent assets are constantly evaluated to be reflected rightly in the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements of the period in which the change occurs.

XVIII. Explanations on Obligations Related to Employee Rights

Obligations related to employment termination and vacation rights "TAS 19- Employee Benefits" ("TAS 19") are accounted for in accordance with the provisions.

Under the Turkish Labor Law, the Parent Bank and its subsidiaries operating in Türkiye are required to pay a specific amount to the employees who have retired or whose employment is terminated other than the reasons specified in the Turkish Labor Law. According to the related regulation, the Parent Bank is obliged to pay termination benefits for employees who retire, quit for their military service obligations, who have been dismissed as defined in the related regulation or who have completed at least one year of service. The reserve for employment termination benefits represents the present value of the estimated total reserve for the future probable obligation of the Group was recorded under equity according to” TAS 19 – Employee Benefits”. The discount rate has been applied as 3.75% as of 31 December 2024 (31 December 2023: 3.50%).

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XIX Explanation on Taxation

a. Current Tax:

With the Law numbered 7394 published in the Official Gazette dated 15 April 2022 and numbered 31810, the corporate tax rate for banks has been determined as 25% and this rate has entered into force to be applied to the corporate income for the accounting periods starting from 1 January 2022 and starting from the declarations to be submitted as of 1 July 2022. With the Law numbered 7456 published in the Official Gazette dated 15 July 2023 and numbered 32249, the corporate tax rate for banks has been determined as 30%. This rate has entered into force starting from the declarations to be submitted as of 1 October 2023 and to be applied to the corporate income for the accounting periods starting from 1 January 2023.

The corporate tax rate is applied to the tax base to be found as a result of adding the expenses that are not accepted as a deduction in accordance with the tax laws to the commercial income of the corporations, deducting the exceptions (such as the participation earnings exception) and discounts (such as the investment discount) in the tax laws. If there is no dividend distribution, no further tax charges are made.

Dividends paid to the resident institutions and the institutions working through local offices or representatives in Turkey are not subject to withholding tax. Dividend payments made to individuals and institutions other than these are subject to 15% withholding tax. Addition of profit to capital is not considered as profit distribution and withholding tax is not applied. Pursuant to the President's Decision No. 4936 published in the Official Gazette dated 22 December 2021, the dividends distributed by fully-paying corporations are covered by Article 94 of the Income Tax Law and Articles 15 and 30 of the Corporate Tax Law the rate of withholding was reduced from 15% to 10%. The decision entered into force on the date of publication.

In accordance with the tax legislation, corporate taxes are paid in advance based on the tax base calculated on the quarterly earnings of the companies at the current rate. These payments can be deducted from the annual corporate tax calculated for the whole year earnings. Such taxes paid in advance are deducted from the final corporate tax liability.

In accordance with the Turkish tax legislation, the tax losses can be carried forward to offset against future taxable income for up to 5 years. Tax losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns with their tax offices by the end of 25th of the fourth month following the close of the accounting period to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their finding.

According to the "Law on the Amendment of the Tax Procedure Law and the Corporate Tax Law" numbered 7352 published in the Official Gazette dated 29 January 2022 and numbered 31734, regardless of whether the conditions for the inflation adjustment within the scope of the repetitive article 298 are met in the temporary tax periods, application of inflation adjustment in the financial statements has been postponed to 1 January 2025.

b. Deferred Tax:

In accordance with TAS 12 “Income Taxes”, the Group accounts for deferred taxes based on the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. In the calculation of deferred tax, the enacted tax rates valid as of the balance sheet date are used in accordance with the current tax legislation.

For the items subject to deferred tax calculation as of 30 June 2023, enacted tax rates that are valid in accordance with the current tax legislation are used. Within the scope of the law numbered 7316 published in the Official Gazette dated 22 April 2021, this rate will be applied as 25% for the corporate earnings of the institutions for the 2021 taxation period, and as 23% for the corporate earnings of the 2022 taxation period, starting from the declarations that must be submitted as of 1 July 2021.

However, with the publication of the Law No. 7394 in the Official Gazette dated 15 April 2022, corporate tax rate for Groups, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies has been permanently increased to 25%, and the tax rate to be applied to the cumulative earnings of 2022 are taken into account as 25%. As of 15 July 2023, deferred tax is calculated at 30% and as of 31 December 2023, deferred tax is calculated using the enacted tax rates for the items subject to deferred tax calculation in accordance with the tax legislation in force as of the reporting dates.

If transactions and other occurrences are accounted at profit or loss; tax effects which are related to these transactions and other occurrences are also accounted at profit or loss. If transactions and other occurrences are directly accounted at equity balances; tax effects which are related to these transactions and other occurrences are also accounted at equity accounts. Tax provision of items that are directly related to equity is offset with related equity accounts. However, as of 1 January 2018, deferred tax assets are calculated over the expected loss provisions that constitute temporary difference in accordance with TFRS 9 provisions.

Deferred tax liabilities are recognized for all deductible temporary differences, however deferred tax assets composed of deductible temporary differences and tax losses are accounted with considering that it is probable that taxable profit will be available and such deductible temporary differences and tax losses can be utilized.

Deferred tax assets and liabilities of the Bank have been offset in the Bank’s financial statements.

The Bank has calculated deferred tax based on the principles above and reflected to the financial statements.

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XIX Explanations on Taxation (continued)

c. Transfer Pricing:

In Türkiye, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of “disguised profit distribution via transfer pricing”. The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

Corporate tax-payers required in “section 7.1 Annual Documentation” part of related communiqué, have to fill the “form relating to transfer pricing, controlled foreign companies and thin capitalization” as associated with purchasing and selling goods or services with related parties in an accounting period and send it to the tax office submitted as an appendix to the corporate tax return.

XX. Additional Explanations on Borrowings

Financial liabilities held for trading and negative value of derivative instruments are carried at fair value and all other financial liabilities are carried at amortized cost using “effective interest rate (internal rate of return) method.”

XXI. Explanations on Issued Stock

There is no issued stock in the current period. (31 December 2023: None).

XXII. Explanations On Bills And Acceptances

Acceptances are realized simultaneously with the customer payments and recorded in “off-balance sheet accounts,” if any.

XXIII. Explanations on Government Grants

As of 31 December 2024 and 31 December 2023, the Group does not have any government grants.

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XXIV. Profit Reserves and Profit Distribution

Retained earnings at statutory books are allowed for distribution except for the following clause on legal reserves.

The legal reserves consist of first and second reserves, in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profit at the rate of 5% until the total reserve reaches a maximum of 20% of the Company’s paid-in capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company’s share capital. The first and second legal reserves are not available for distribution unless they exceed 50% of the share capital.

At the Ordinary General Assembly Meeting of the Parent Bank held on 25 March 2024, it was decided to allocate 5% of the legal reserves of TL 66,159 from TL 1,323,195, which constitutes the net after-tax unconsolidated balance sheet profit of 2023, in accordance with Article 519/1 of the TCC and the remaining TL 1,257,036 was decided to be transferred to extraordinary reserves.

XXV. Related Parties

For the purpose of the consolidated financial statements, shareholders, members of board of directors, related companies managed by their own and families, associates and jointly controlled entities are accepted as related party in accordance with the article 49 of the Banking Law No.5411. Transactions regarding related parties are presented in note VII of Section Five.

XXVI. Cash and Cash Equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise cash and balances with central banks, deposits with banks and other financial institutions, other money market placements with an original maturity of twelve months or less and receivables from reverse repo. The reserve requirements blocked at the Central Bank of the Republic of Türkiye are not recognized as “cash equivalent assets” in the statement of cash flows.

XXVII. Explanations on Segment Reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. Segment reporting is presented in Section Four, Note XI.

XXVIII. Earnings / Loss Per Share

Earnings per share disclosed in the statement of profit or loss, are calculated by dividing net profit for the period by the weighted average number of shares outstanding during the period concerned.

	31 December 2024	31 December 2023
Net Profit / (Loss) for the Period	21,514	1,474,026
Number of Shares	8,600,000	8,600,000
Profit / (Loss) Per Share (*)	0.0025	0.1714

(*) Expressed as full TL.

XXIX. Reclassifications

None.

XXX. Explanations on Other Matters

None.

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SECTION FOUR

EXPLANATIONS ON CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT

I. Explanations on Consolidated Equity

Information about consolidated equity items:

Equity amount and capital adequacy standard ratio have been calculated within the framework of “Regulation on Measurement and Evaluation of Banks' Capital Adequacy” and “ Regulation on Equity of the Banks.”

The Group's capital adequacy ratio is 28.65% (31 December 2023: 34.49%).

Current Period	31 December 2024	31 December 2023
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	860,000	860,000
Share issue premiums	(587)	(587)
Reserves	3,395,489	2,072,294
Gains recognized in equity as per TAS	354,289	722,012
Profit	235,771	1,537,452
Current period profit	21,514	1,474,026
Prior period profit/loss	214,257	63,426
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	-	-
Common Equity Tier 1 Capital Before Deductions	4,844,962	5,191,171
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1 st clause of Provisional Article 9 of the Regulation of the Equity of Banks	-	-
Portion of the current and prior periods’ losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	-	-
Improvement costs for operating leasing	37,419	23,760
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	78,499	67,909
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	641,438	89,034
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of core capital of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of core capital of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the core capital	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the core capital	-	186,594
Amount exceeding 15% of the core capital as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued core capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets arising from temporary differences	-	-
Other items to be defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
Total Deductions From Common Equity Tier I Capital	757,356	367,297
Total Common Equity Tier I Capital	4,087,606	4,823,874

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I. Explanations on Consolidated Equity (continued)

Information about consolidated total capital (continued):

	31 December 2024	31 December 2023
ADDITIONAL TIER I CAPITAL		
Preferred stock not included in core capital and the related share premiums	-	-
Debt instruments and premiums approved by BRSA	-	-
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Additional Tier I Capital before Deductions	-	-
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 10% or more of the Issued Share Capital	-	-
Other items to be defined by the BRSA	-	-
Transition from the Core Capital to Continue to deduce Components		
Goodwill or other intangibles and deferred tax liabilities of which the regulation concerning transitional Article 2 of subsection of core capital not reduced from (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier I capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks’ Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
Total deductions from Additional Tier I Capital	-	-
Total Additional Tier I Capital		
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	4,087,606	4,823,874
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	6,350,454	7,065,168
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (1st clause of Article 8 of the Regulation on the Equity of Banks)	377,146	348,903
Tier II Capital Before Deductions	6,727,600	7,414,071
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	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
Total Deductions from Tier II Capital	-	-
Total Tier II Capital	6,727,600	7,414,071
Total Capital (The sum of Tier I Capital and Tier II Capital)	10,815,206	12,237,945
Deductions from Total Capital		
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-	-
Net Book Values of Movables and Immovables 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	99	126
Regulatory Adjustments which will be deducted from Total Capital during the transition period		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks’ Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks’ Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks’ Own Funds	-	-

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I. Explanations on Consolidated Equity (continued)

Information about consolidated total capital (continued):

	31 December 2024	31 December 2023
TOTAL CAPITAL		
Total capital (The Sum of Tier I Capital and Tier II)	10,815,107	12,237,819
Total Risk Weighted Amounts	37,745,627	35,477,358
CAPITAL ADEQUACY RATIOS ⁽²⁾		
Core Capital Adequacy Ratio (%)	10.83	13.60
Tier 1 Capital Adequacy Ratio (%)	10.83	13.60
Capital Adequacy Ratio (%)	28.65	34.49
BUFFERS		
Bank-specific total core capital ratio		2.52
Capital conservation buffer ratio (%)	2.52	2.50
Bank specific countercyclical buffer ratio (%)	2.50	0.02
Systemically significant bank buffer ratio (%)	0.02	-
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	-	-
Amounts below the financial limits as per the Deduction Principles		
Portion of the total of net long positions of 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	-	-
Portion of the total of 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	-	-
Amount arising from mortgage servicing rights	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
Limits Related io Provisions Considered In Tier II Calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	416,258	1,481,491
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	377,146	348,903
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0.6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Debt instruments subjected to Temporary Article 4 (to be implemented between 1 January 2019 and 1 January 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

⁽¹⁾ Amounts in this column represent the amounts of items that are subject to transition provisions in accordance with the temporary articles of “Regulation on Equity of Banks” and take into consideration at the end of transition process.

⁽²⁾ As of 31 December 2024, the Parent Bank has taken into consideration subordinated loan amounting USD 300,000 (31 December 2023: USD 300,000) from its main shareholder, Industrial and Commercial Bank of China Limited Company, for capital adequacy calculation. As of 31 December 2024, in accordance with the 9th paragraph of the 8th article of the "Regulation on the Equity of Banks", the Bank's subordinated loan has been reduced by 40% and included in the supplementary capital since its remaining maturity is less than 4 years.

Among the securities owned by banks, as of 1 January 2024, if the net valuation differences of those included in the “Securities with Fair Value Differences Reflected in Other Comprehensive Income” portfolio are negative, these differences will be calculated in accordance with the Regulation on Banks' Equity published in the Official Gazette dated 5 September 2013 and numbered 28756 and it has been decided to allow the opportunity not to be taken into account in the equity amount to be used for the capital adequacy ratio, and to continue to apply the existing provisions of the said Regulation for “Securities with Fair Value Differences Reflected in Other Comprehensive Income” acquired after 1 January 2024.

0% risk weight is applied to FX receivables from the central government as of April 2020.

With the decision dated 23 June 2022 and numbered 10248, if domestic residents other than banks and financial institutions carry out derivative transactions with non-residents, as of the date of this decision, it has been decided to apply a five hundred percent risk weight to commercial loans in TL and foreign currency to be extended to these persons after the date of this decision, regardless of the approach used when calculating the amount subject to credit risk, without taking into account credit risk mitigation techniques, credit rating scores and real estate mortgages. Within the scope of the regulation dated 12 December 2023 by the Banking Regulation and Supervision Agency, it is allowed to calculate the amount subject to credit risk with the foreign exchange buying rates of the Central Bank as of 26 June 2023 and if the net valuation differences of the securities included in the securities portfolio whose fair value difference is reflected in other comprehensive income are negative, these differences are not taken into account in the amount of equity to be used for the capital adequacy ratio.

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I. Explanations on Consolidated Equity (continued)

Information on the agreement of equity items and balance sheet amounts:

The difference between the consolidated “Equity” in the preceding table and “Equity” in the consolidated balance sheet mainly arises from the general provision. In the calculation of Total Capital, general provision is taken into consideration as Tier II Capital. In addition, in the calculation of the Total Capital, improvement costs for operating leases followed under tangible assets in the balance sheet, intangible assets and related deferred tax liabilities, net book value of immovables that are acquired against overdue receivables and retained more than five years, other items defined by the regulator are taken into consideration as amounts deducted from Total Capital.

Information on borrowing instruments included in equity calculation:

Lender	INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
Descriptive elements of debt instrument (CUSIP, ISIN, etc.)	-
Legislation subject to debt instrument	Implementing Regulation on the Equity of Banks published in the Official Gazette dated 5 September 2013 and numbered 28756
Consideration in equity calculation	
Subject to 10% deduction as of 1 January 2015	No
Validity status on consolidated or unconsolidated basis or on both consolidated and unconsolidated basis	Consolidated and Unconsolidated Basis
Type of debt instrument	Secondary Subordinated Loan
Amount considered in the calculation of equity (as of the last reporting date)	TL 6,350,454
Nominal value of debt instrument	300 M USD
Accountable account of the debt instrument	347
Date of issuance of debt instrument Maturity structure of debt instrument (Demand / Term)	28.12.2018
Maturity structure of debt instrument (Demand / Term)	Term
Maturity of debt instrument	28.12.2028
Whether the issuer has the right of reimbursement due to BRSA approval	In the case of a regulatory cause after the 5th anniversary, the BRSA has the right to reimbursement upon approval
Reimbursement option date, contingent repayment options and refund amount	-
Subsequent reimbursement option dates	-
Interest / dividend payments	
Fixed or variable interest / dividend payments	Variable interest
Interest rate and interest rate index value	6 M USD LIBOR + 1.75%
Whether there are any restrictions that stop the payment of dividends	Payable in accordance with BRSA communiqués and regulations
Fully optional, partially optional or mandatory	Mandatory
Whether there is an element that will encourage repayment, such as interest rate increases	-
Being non-cumulative or cumulative	Non-cumulative
Convertible to stock	
Triggering events / events that can cause conversion if they can be converted to a stock	-Elimination of activity permit -Possibility of transfer to SDIF -In the event of regulatory reason, the decision of BRSA will be converted to share
Full or partial conversion if convertible	Subject to BRSA approval fully or partially
If convertible, conversion rate	Subject to BRSA approval and convertible
If forced to convert to stock, forced or optional conversion feature	Subject to BRSA approval
Convertible vehicle types if converted to stock	Stock
Issuer of a debt instrument to be converted	-
Value reduction feature	
Trigger events / events that will cause a reduction if it has a value reduction feature	-
Total or partial value reduction if value reduction is available	-
Continuous or transient feature	-
Value increment mechanism if the value can be temporarily reduced	-
In the case of the right to take in the case of liquidation in the order of the right (the vehicle just above this debt instrument)	Before the borrowing instruments to be included in the calculation of the additional capital of the owner to the owner, after the depositors and all other debts
Whether the banks do not have the requirements of Articles 7 and 8 of the Regulation on Shareholders' Equity	Although it has all the requirements of Article 8, it does not meet the requirements of Article 7
Which of the requirements of the articles 7 and 8 of the Regulation on Equity of Banks are not	Although it has all the requirements of Article 8, it does not meet the requirements of Article 7

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II. Explanations on Consolidated Credit Risk

1. Credit risk represents the risks and losses that may arise from the failure of the counter party, with whom the Group has a relationship, to partially or completely fulfill its obligations on time by not complying with the contractual requirements of the Group.

In the Parent Bank, Credit Allocation Department and Problematic Loans Follow-up Department is responsible for managing the credit risk. The Group determines credit limits to counter parties and does not allocate loans more than these limits so as to subject credit risk to risk limitation. Credit limits are determined individually for each customer, company, company groups and risk groups. The Group assesses several criteria such as financial power of customers, business capacity, industry, geographical segment and equity structure when determining credit limits. The review of financial position of the customers is based on financial statements obtained in accordance with relevant legislation and other information. The geographical distribution of credit customers is appropriate to branch network, country, industry, trade and service activities allocation. The credibility of the debtors is assessed periodically with taking notice of the financial statements of the debtors obtained thoroughly to be audited in accordance with the relevant legislation.

The Group gives importance to credit guarantees. Guarantees are generally in form of real estate and movable mortgages, commercial enterprise pledges, secured investment securities, letters of guarantee of other banks and sureties.

The Bank classified overdue loans in accordance with TFRS 9 and “Regulation on the Procedures and Principles for Determination of Classification of Loans by Banks and Provisions to be set aside” in current period. General loan loss provision is calculated for past due loans and specific provision is calculated for impaired loans in accordance with “Regulation on Procedures and Principles for Determination of Qualifications of Loans and Other Receivables by Banks and Provisions to be set aside” in the prior periods.

Information related to total amount of exposures after offsetting transactions but before applying risk mitigations and the average exposure amounts that are classified in different risk groups and types:

31 December 2024 Risk Classifications	Current Period Risk Amount ⁽¹⁾	Average Risk Amount
Contingent and non-contingent claims on central governments or Central Banks	43,156,014	46,758,627
Contingent and non-contingent claims on regional governments or local authorities	57,645	44,509
Contingent and non-contingent claims on administrative bodies and non-commercial undertakings	2,550,393	1,610,273
Contingent and non-contingent claims on multilateral development banks	-	-
Contingent and non-contingent claims on international organizations	-	-
Contingent and non-contingent claims on banks and intermediary institutions	30,850,820	28,540,783
Contingent and non-contingent claims on corporate	25,471,001	26,828,841
Contingent and non-contingent claims on retail	82,193	75,165
Contingent and non-contingent claims secured by residential property	2,974,154	2,903,006
Past due loans	37	11,360
Higher risk categories decided by the Board	-	-
Secured by mortgages	-	-
Securitization positions	-	-
Short-term claims on banks and intermediary institutions and short-term corporate receivables	-	-
Undertakings for collective investments in mutual funds	-	-
Stock Investments	-	-
Other receivables	2,148,387	2,264,832

⁽¹⁾ Risk amounts present amounts before credit risk mitigation, after credit conversion rate process.

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II. Explanations on Consolidated Credit Risk (continued)

31 December 2023 Risk Classifications	Prior Period Risk Amount ⁽¹⁾	Average Risk Amount
Contingent and non-contingent claims on central governments or Central Banks	38,845,546	33,620,623
Contingent and non-contingent claims on regional governments or local authorities	9,703	12,798
Contingent and non-contingent claims on administrative bodies and non-commercial undertakings	2,171,922	2,307,673
Contingent and non-contingent claims on multilateral development banks	-	-
Contingent and non-contingent claims on international organizations	-	-
Contingent and non-contingent claims on banks and intermediary institutions	22,982,339	20,582,854
Contingent and non-contingent claims on corporate	21,036,897	23,940,254
Contingent and non-contingent claims on retail	68,099	67,233
Contingent and non-contingent claims secured by residential property	1,829,166	2,275,306
Past due loans	34	853
Higher risk categories decided by the Board	-	-
Secured by mortgages	-	-
Securitization positions	-	-
Short-term claims on banks and intermediary institutions and short-term corporate receivables	-	-
Undertakings for collective investments in mutual funds	-	-
Stock Investments	-	-
Other receivables	2,261,122	1,886,091

⁽¹⁾ Risk amounts present amounts before credit risk mitigation, after credit conversion rate process.

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II. Explanations on Consolidated Credit Risk (continued)

2. The Parent Bank has control limits over the positions of forward transactions, options and other similar agreements. The credit risk arising from these instruments are managed together with other potential risks resulting from market fluctuations.
3. Regarding forward transactions, if it is required, reverse positions of the current positions are purchased to minimize the risk.
4. Indemnified non-cash loans are treated as non-performing loans. Standard loans restructured and rescheduled loans are followed-up in accordance with the monitoring methods defined by banking regulations.
5. There is a structure for foreign funding transactions, where the countries and their market risks are analyzed. When the international interbank credit transactions of the Group are assessed, the majority of the current international credit risk amounts consist of cash-to-cash transactions.
6.

a) As of 31 December 2024, the shares of the top 100 and 200 cash loan customers of the Group constitute 99.20% and 99.58% of the total cash loans portfolio (31 December 2023: 95.26% and 95.31%), respectively.

b) As of 31 December 2024, the shares of the top 100 and 200 non-cash loan customers of the Group constitute 95.54% and 99.34% of the total non-cash loans portfolio (31 December 2023: 99.95% and 99.99%), respectively.

c) As of 31 December 2024, the Group’s total cash and non-cash loans from its top 100 and 200 loan customers comprise 99.50% and 99.50% of the aggregate of total assets and off-balance sheet items (31 December 2023: 97.01% and 99.08%), respectively.
7. As of 31 December 2024, the Group’s stage 1 and stage 2 expected loan loss provision amounts to TL 275,537 (31 December 2023: TL 768,477).

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II. Explanations on Consolidated Credit Risk (continued)

8.a) Profile of significant exposures in major regions:

31 December 2024 ⁽⁴⁾	Risk Classifications ⁽¹⁾																Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Domestic	43,156,014	57,645	2,550,393	-	-	28,918,756	24,751,256	81,830	2,974,154	37	-	-	-	-	417,160	102,907,245	
European Union Countries	-	-	-	-	-	158,866	527,640	23	-	-	-	-	-	-	-	686,529	
OECD Countries ⁽²⁾	-	-	-	-	-	1,620	-	-	-	-	-	-	-	-	-	1,620	
Off-Shore Banking Regions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
USA, Canada	-	-	-	-	-	19,266	-	-	-	-	-	-	-	-	-	19,266	
Other Countries	-	-	-	-	-	1,752,312	192,105	340	-	-	-	-	-	-	1,731,227	3,675,984	
Investments and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Undistributed Assets/Liabilities ⁽³⁾	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	43,156,014	57,645	2,550,393	-	-	30,850,820	25,471,001	82,193	2,974,154	37	-	-	-	-	2,148,387	107,290,644	

31 December 2023 ⁽⁴⁾	Risk Classifications ⁽¹⁾																Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Domestic	38,845,546	9,703	2,171,922	-	-	20,596,423	20,455,557	67,916	1,829,166	34	-	-	-	-	930,406	84,906,672	
European Union Countries	-	-	-	-	-	455,204	410,256	16	-	-	-	-	-	-	-	865,476	
OECD Countries ⁽²⁾	-	-	-	-	-	5,411	-	-	-	-	-	-	-	-	-	5,411	
Off-Shore Banking Regions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
USA, Canada	-	-	-	-	-	229,029	-	-	-	-	-	-	-	-	-	229,029	
Other Countries	-	-	-	-	-	1,696,272	171,084	167	-	-	-	-	-	-	1,330,716	3,198,240	
Investments and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Undistributed Assets/Liabilities ⁽³⁾	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	38,845,546	9,703	2,171,922	-	-	22,982,339	21,036,897	68,099	1,829,166	34	-	-	-	-	2,261,122	89,204,828	

⁽¹⁾ Reclassifications in the Regulation on Measurement and Evaluation of Capital Adequacy of Banks have been used.

- 1 Contingent and non-contingent claims on central governments and Central Banks
- 2 Contingent and non-contingent claims on regional governments or local authorities
- 3 Contingent and non-contingent claims on administrative bodies and other non-commercial undertakings
- 4 Contingent and non-contingent claims on multilateral development banks
- 5 Contingent and non-contingent claims on international organizations
- 6 Contingent and non-contingent claims on banks and intermediary institutions
- 7 Contingent and non-contingent claims on corporate
- 8 Contingent and non-contingent claims on retail

⁽²⁾ Includes OECD countries other than EU countries, USA and Canada

⁽³⁾ Includes asset and liability items that cannot be allocated on a consistent basis

⁽⁴⁾ Risk amounts present amounts before credit risk mitigation, after credit conversion rate process

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II. Explanations on Consolidated Credit Risk (continued)

8.b) Risk profile by industries or counterparties:

31 December 2024 ⁽²⁾																		Risk Classifications ⁽¹⁾										Total
Industries/Counterparties		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	TL	FC	Total								
Agriculture		-	-	-	-	-	-	56,119	13	-	-	-	-	-	-	-	-	4,060	52,072	56,132								
Farming and Raising Livestock		-	-	-	-	-	-	56,110	13	-	-	-	-	-	-	-	-	4,051	52,072	56,123								
Forestry		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								
Fishery		-	-	-	-	-	-	9	-	-	-	-	-	-	-	-	-	9	-	9								
Manufacturing		-	-	2,550,393	-	-	-	14,714,193	234	13,115	-	-	-	-	-	-	-	517,470	16,760,465	17,277,935								
Mining and Quarrying		-	-	-	-	-	-	61,167	5	-	-	-	-	-	-	-	-	161	61,011	61,172								
Production		-	-	-	-	-	-	9,935,413	128	13,115	-	-	-	-	-	-	-	460,128	9,488,528	9,948,656								
Electric, Gas and Water		-	-	2,550,393	-	-	-	4,717,612	101	-	-	-	-	-	-	-	-	57,180	7,210,926	7,268,106								
Construction		-	-	-	-	-	-	2,648,882	192	2,674,137	-	-	-	-	-	-	-	74,880	5,248,331	5,323,211								
Services		43,156,014	57,645	-	-	-	29,446,721	7,499,507	673	171,677	-	-	-	-	-	-	-	32,290,509	48,041,728	80,332,237								
Wholesale and Retail Trade		-	-	-	-	-	-	3,557,085	518	-	-	-	-	-	-	-	-	503,201	3,054,402	3,557,603								
Hotel, Food and Beverage		-	-	-	-	-	-	2,080	7	171,677	-	-	-	-	-	-	-	2,087	171,677	173,764								
Transportation and Telecommunication		-	-	-	-	-	-	1,122,695	-	-	-	-	-	-	-	-	-	25,390	1,097,305	1,122,695								
Financial Institutions		36,400,286	-	-	-	-	29,446,721	1,874,801	-	-	-	-	-	-	-	-	-	31,699,376	36,022,432	67,721,808								
Real Estate and Rental Services		-	-	-	-	-	-	9	67	-	-	-	-	-	-	-	-	76	-	76								
Self-Employment Services		-	55,560	-	-	-	-	940,314	-	-	-	-	-	-	-	-	-	55,691	940,183	995,874								
Educational Services		-	-	-	-	-	-	91	81	-	-	-	-	-	-	-	-	171	1	172								
Health and Social Services		6,755,728	2,085	-	-	-	-	2,432	-	-	-	-	-	-	-	-	-	4,518	6,755,727	6,760,245								
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								
Total		43,156,014	57,645	2,550,393	-	-	30,850,820	25,471,001	82,193	2,974,154	37	-	-	-	-	-	-	36,275,972	71,014,672	107,290,644								

⁽¹⁾ Risk classifications in the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks” have been used. Risk classes that do not have a base amount for credit risk are not included in the table.

- 1 Contingent and non-contingent claims on central governments and Central Banks
- 2 Contingent and non-contingent claims on regional governments or local authorities
- 3 Contingent and non-contingent claims on administrative bodies and other non-commercial undertakings
- 4 Contingent and non-contingent claims on multilateral development banks
- 5 Contingent and non-contingent claims on international organizations
- 6 Contingent and non-contingent claims on banks and intermediary institutions
- 7 Contingent and non-contingent claims on corporate
- 8 Contingent and non-contingent claims on retail

⁽²⁾ Risk amounts present amounts before credit risk mitigation, after credit conversion rate process.

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II. Explanations on Consolidated Credit Risk (continued)

8.b) Risk profile by industries or counterparties (continued):

Risk Classifications ⁽¹⁾																
31 December 2023 ⁽²⁾	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Industries/Counterparties																
Agriculture	-	-	1,061,548	-	-	-	72	10	-	-	-	-	-	-	-	1,061,629
Farming and Raising Livestock	-	-	1,061,548	-	-	-	63	10	-	-	-	-	-	-	-	1,061,620
Forestry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fishery	-	-	-	-	-	-	9	-	-	-	-	-	-	-	-	9
Manufacturing	-	-	1,110,374	-	-	-	12,199,943	291	9,492	-	-	-	-	-	-	156,946
Mining and Quarrying	-	-	-	-	-	-	86,397	55	-	-	-	-	-	-	-	86,100
Production	-	-	-	-	-	-	7,675,741	236	9,492	-	-	-	-	-	-	111,878
Electric, Gas and Water	-	-	1,110,374	-	-	-	4,437,805	-	-	-	-	-	-	-	-	44,715
Construction	-	-	-	-	-	-	2,150,966	230	1,413,729	-	-	-	-	-	-	18,762
Services	-	-	-	-	-	-	6,659,145	484	238,903	-	-	-	-	-	-	3,546,163
Wholesale and Retail Trade	-	-	-	-	-	-	1,885,248	235	-	-	-	-	-	-	-	35,396
Hotel, Food and Beverage	-	-	-	-	-	-	8,077	7	238,903	-	-	-	-	-	-	3,199
Transportation and Telecommunication	-	-	-	-	-	-	1,353,422	51	-	-	-	-	-	-	-	6,832
Financial Institutions	-	-	-	-	-	-	1,905,410	-	-	-	-	-	-	-	-	22,718
Real Estate and Rental Services	-	-	-	-	-	-	9	106	-	-	-	-	-	-	-	115
Self-Employment Services	-	-	-	-	-	-	1,504,466	32	-	-	-	-	-	-	-	14,766
Educational Services	-	-	-	-	-	-	74	53	-	-	-	-	-	-	-	127
Health and Social Services	-	-	-	-	-	-	2,340	-	-	-	-	-	-	-	-	12,043
Other	-	-	-	-	-	-	26,771	67,084	167,043	34	-	-	-	-	-	2,261,121
Total	38,845,546	9,703	2,171,922	-	-	22,982,339	21,036,897	68,099	1,829,166	34	-	-	-	-	-	2,261,121

(1) Risk classifications in the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks” have been used.

1 Contingent and non-contingent claims on central governments and Central Banks
2 Contingent and non-contingent claims on regional governments or local authorities
3 Contingent and non-contingent claims on administrative bodies and other non-commercial undertakings
4 Contingent and non-contingent claims on multilateral development banks
5 Contingent and non-contingent claims on international organizations
6 Contingent and non-contingent claims on banks and intermediary institutions
7 Contingent and non-contingent claims on corporate
8 Contingent and non-contingent claims on retail
9 Contingent and non-contingent claims secured by residential property
10 Past due loans
11 Higher risk categories decided by the Board
12 Secured by mortgages
13 Securitization positions
14 Short-term claims on banks and intermediary institutions and short-term corporate receivables
15 Undertakings for collective investments in mutual funds
16 Other receivables

(2) Risk amounts present amounts before credit risk mitigation, after credit conversion rate process.

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II. Explanations on Consolidated Credit Risk (continued)

8.c) Analysis of maturity-bearing exposures according to remaining maturities:

31 December 2024	Term to Maturity				
	1 month	1–3 months	3–6 months	6–12 months	Over 1 Year
Risk Classification ⁽¹⁾					
Contingent and non-contingent claims on central governments or Central Banks ⁽³⁾	7,204,033	8,529,635	1,846,757	49,716	17,904,628
Contingent and non-contingent claims on regional governments or local authorities	-	-	-	-	55,560
Contingent and non-contingent claims on administrative bodies and other non-commercial undertakings	-	-	-	2,550,393	-
Contingent and non-contingent claims on multilateral development banks	-	-	-	-	-
Contingent and non-contingent claims on international organizations	-	-	-	-	-
Contingent and non-contingent claims on banks and intermediary institutions	7,867,430	8,673,510	1,590,376	2,183,973	8,639,161
Contingent and non-contingent claims on corporate	890,335	3,095,730	2,203,614	7,476,867	10,337,826
Contingent and non-contingent claims on retail portfolios	32,798	1,031	682	2,468	2,135
Contingent and non-contingent claims secured by residential property	359	149	13,620	178,864	2,780,664
Past due loans ⁽²⁾	-	-	-	-	-
Higher risk categories decided by the Board	-	-	-	-	-
Secured by mortgages	-	-	-	-	-
Securitization positions	-	-	-	-	-
Short-term claims on banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-
Equity investments	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-
Other receivables	-	-	-	-	417,161
Total ⁽²⁾	15,994,956	20,300,054	5,655,049	12,442,280	40,137,136

(1) It shows the amounts calculated by taking into account the credit conversion rates of the related items without taking into account the effects of credit risk mitigation. Demand receivables amounting to TL 12,761,132 are not included in the table.

(2) Overdue receivables amounting to TL 37 are not included in the table above.

(3) The amount of restricted time deposits kept at Central Bank of the Republic of Türkiye is presented under the 1-month column.

31 December 2023	Term to Maturity				
	1 month	1–3 months	3–6 months	6–12 months	Over 1 Year
Risk Classification ⁽¹⁾					
Contingent and non-contingent claims on central governments or Central Banks ⁽³⁾	6,190,051	893,717	-	1,941,246	22,373,245
Contingent and non-contingent claims on regional governments or local authorities	-	-	-	-	9,703
Contingent and non-contingent claims on administrative bodies and other non-commercial undertakings	-	-	-	1,110,374	-
Contingent and non-contingent claims on multilateral development banks	-	-	-	-	-
Contingent and non-contingent claims on international organizations	-	-	-	-	-
Contingent and non-contingent claims on banks and intermediary institutions	4,184,838	134,215	3,146,912	1,362,913	11,042,296
Contingent and non-contingent claims on corporate	1,411,634	2,995,633	780,072	5,662,096	8,947,600
Contingent and non-contingent claims on retail portfolios	25,132	375	1,269	3,279	6,464
Contingent and non-contingent claims secured by residential property	319	208	831	4,348	1,822,871
Past due loans ⁽²⁾	-	-	-	-	-
Higher risk categories decided by the Board	-	-	-	-	-
Secured by mortgages	-	-	-	-	-
Securitization positions	-	-	-	-	-
Short-term claims on banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-
Equity investments	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-
Other receivables	-	-	-	-	930,406
Total ⁽²⁾	11,811,975	4,024,149	3,929,084	10,084,256	45,132,584

(1) Amounts calculated by taking into account the credit conversion rates of the related items without taking into account the effects of credit risk mitigation.

(2) Overdue receivables amounting to TL 4,912 are not included in the table above.

(3) The amount of restricted time deposits kept at Central Bank of the Republic of Türkiye is presented under the 1-month column.

9. Information related to Credit Ratings:

While determining the risk classifications explained in the article No. 6 of the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”, ratings given by authorized rating companies are not used.

Risk amounts according to risk weight:

Risk Weight - 31 December 2024	0%	20%	35%	50%	75%	100%	150%	200%	Deducted From Equity ⁽¹⁾
Exposures Before Credit Risk Mitigation	65,242,136	536,015	112,174	14,879,622	83,583	25,696,271	434,587	306,256	116,017
Exposures After Credit Risk Mitigation	72,124,330	590,618	96,347	9,933,316	79,175	23,726,015	434,587	306,256	116,017

(1) Includes the amounts deducted from core capital.

Risk Weight - 31 December 2023	0%	20%	35%	50%	75%	100%	150%	200%	Deducted From Equity ⁽¹⁾
Exposures Before Credit Risk Mitigation	54,349,374	25,313	162,807	9,714,405	63,101	24,795,715	7,494	86,620	91,790
Exposures After Credit Risk Mitigation	57,644,520	52,573	148,725	7,253,314	59,864	23,954,049	5,164	86,620	91,790

(1) Includes the amounts deducted from core capital.

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II. Explanations on Consolidated Credit Risk (continued)

10. Information of major industries or type of counterparties:

Impaired and past due loans and value adjustments and methods related to provisions are explained at Section Four, article no. 1 of Note II.

31 December 2024	Loans ⁽¹⁾		Provisions
	Impaired (TFRS 9)		Expected Credit Loss Provisions (TFRS 9)
	Significant Increase in Credit Risk (Stage II)	Credit-Impaired Losses (Stage III)	
Major Industries / Counterparties			
Agriculture	-	46	46
Farming and Raising Livestock	-	45	45
Forestry	-	1	1
Fishery	-	-	-
Manufacturing	-	656	656
Mining and Quarrying	-	37	37
Production	-	590	590
Electricity, Gas and Water	-	29	29
Construction	1,116,926	7,562	67,369
Services	-	16,262	16,263
Wholesale and Retail Trade	-	16,098	16,099
Accommodation and Dining Services	-	10	10
Transportation and Telecommunication	-	108	108
Financial Institutions	-	-	-
Real Estate and Lending Services	-	-	-
Self-Employment Services	-	-	-
Educational Services	-	-	-
Health and Social Services	-	46	46
Other	294	3,829	3,816
Total	1,117,220	28,355	88,149

⁽¹⁾ Includes information related to cash loans.

31 December 2023	Loans ⁽¹⁾		Provisions
	Impaired (TFRS 9)		Expected Credit Loss Provisions (TFRS 9)
	Significant Increase in Credit Risk (Stage II)	Credit-Impaired Losses (Stage III)	
Major Industries / Counterparties			
Agriculture	-	31	31
Farming and Raising Livestock	-	30	30
Forestry	-	1	1
Fishery	-	-	-
Manufacturing	1,190,180	880	210,660
Mining and Quarrying	-	28	28
Production	22,637	834	6,006
Electricity, Gas and Water	1,167,543	18	204,626
Construction	-	8,040	8,040
Services	-	24,554	24,555
Wholesale and Retail Trade	-	23,953	23,954
Accommodation and Dining Services	-	2	2
Transportation and Telecommunication	-	63	63
Financial Institutions	-	-	-
Real Estate and Lending Services	-	509	509
Self-Employment Services	-	-	-
Educational Services	-	-	-
Health and Social Services	-	27	27
Other	1,595	94,079	94,094
Total	1,191,775	127,584	337,380

⁽¹⁾ Includes information related to cash loans.

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II. Explanations on Consolidated Credit Risk (continued)

11. Information related to value adjustments and loan loss provisions:

31 December 2024	Provision				Closing Balance
	Opening Balance	within the Period	Provision Reversals	Other Adjustments ⁽¹⁾	
Stage III Provision ⁽²⁾	127,550	225,221	(230,413)	(94,040)	28,318
Stage I and II Provisions	768,477	130,276	(623,216)	-	275,537

⁽¹⁾ Other adjustments in Stage Three Provisions include amounts for non-performing loans written off and disposed of through sale.

⁽²⁾ Includes information related to cash loan.

31 December 2023	Provision				Closing Balance
	Opening Balance	within the Period	Provision Reversals	Other Adjustments ⁽¹⁾	
Stage III Provision ⁽²⁾	36,882	99,162	(8,492)	(2)	127,550
Stage I and II Provisions	815,815	494,054	(541,392)	-	768,477

⁽¹⁾ Other adjustments in Stage Three Provisions include amounts for non-performing loans written off and disposed of through sale.

⁽²⁾ Includes information related to cash loan.

12. Risks included in the calculation of circular capital:

31 December 2024	Private sector loans in banking accounts	Risk-weighted amount calculated within the scope of trading accounts	Total
Name of the Country			
Türkiye	51,033,053	-	51,033,053
China	3,092,879	-	3,092,879
Spain	770,154	-	770,154
Macedonia	192,104	-	192,104
Germany	150,281	-	150,281
England	27,694	-	27,694
Luxembourg	22,181	-	22,181
United States of America	18,769	-	18,769
Other	20,148	-	20,148

III. Explanations on Consolidated Operational Risk

The Bank used the “Basic Indicators Approach” in computation of its operational risk. In accordance with the 3rd section ‘Computation of the Operational Risk’ of the “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”, published in the Official Gazette no. 29111 dated 6 September 2014, operational risk is computed using the gross income of the Group for the years ended 2022, 2021 and 2020. Operational risk used in computation of capital adequacy ratio per article I of this section is 8% of TL 3,199,742 which is TL 255,979. TL 255,979 represents also the minimum capital amount to eliminate the operational risk.

Information related to operational risk that is calculated with basic indicator approach:

				Total/Number of years of positive gross	Rate (%)	Total
	2 PP Amount	1 PP Amount	CP Amount			
Gross income	1,453,037	2,916,927	4,212,286	3	15	429,113
Value at Operational Risk (Total*12.5)						5,363,906

				Total/Number of years of positive gross	Rate (%)	Total
	2 PP Amount	1 PP Amount	CP Amount			
Gross income	552,508	749,624	1,453,037	3	15	137,758
Value at Operational Risk (Total*12.5)						1,721,980

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IV. Explanations on Consolidated Foreign Currency Exchange Rate Risk

Foreign currency risk indicates the possibilities of the potential losses that banks are subject to due to adverse movements between currencies. The Parent Bank monitors foreign currency exchange rate risk in currency/TL and parity basis and uses different risk methods and tools for each. The Parent Bank hedges parity risks through spot/forward arbitrage transactions.

The Parent Bank’s foreign currency exchange rate risk is measured by Standard Method and Value at Risk Method.

The Group considers all foreign currency assets and liabilities and currency forward transactions in measuring capital obligation against consolidated currency risk. Net short and long positions of TL equivalents of all types of currencies are calculated. Position with the higher absolute value, which is the basis for the capital obligation, is used measuring the capital obligation for currency risk.

The Parent Bank’s Board of Directors determines the Parent Bank’s limits, within regulatory limitations, related to short / long positions at any period. The Treasury Department of the Parent Bank is responsible from the management of price and liquidity risks on Turkish Lira or foreign currency in the domestic and international markets. Risk Management Department exercises continuous control on risks in the money markets and transactions creating these risks and reports to the Asset-Liability Committee of the Parent Bank weekly.

The Parent Bank’s spot foreign exchange bid rates as at the balance sheet date and for each of the five workdays prior to that date (full TL):

	25.12.2024	26.12.2024	27.12.2024	30.12.2024	31.12.2024
USD	35.2162	35.2033	35.1368	35.2233	35.2803
GBP	44.1238	44.0423	43.9486	44.2458	44.2073
EUR	36.6592	36.6076	36.6134	36.7429	36.7362
JPY	0.2233	0.2231	0.2222	0.2226	0.2249

The basic arithmetical average of the Parent Bank’s foreign exchange bid rates for the last thirty days ending 31 December 2024 (TL full):

Monthly Average FC Exchange Bid Rates	
USD	34.9254
GBP	44.0618
EUR	36.5796
JPY	0.2264

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IV. Explanations on Consolidated Foreign Currency Exchange Rate Risk (continued)

Information on consolidated foreign currency exchange rate risk:

31 December 2024	Euro	USD	Other FC	Total
Assets				
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with The CBRT ⁽¹⁾	2,211,710	13,635,863	12,758	15,860,331
Banks	85,244	427,159	775,848	1,288,251
Financial Assets at Fair Value Through Profit or Loss	98,477	-	-	98,477
Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	11,146,794	8,874,871	73,547	20,095,212
Loans ⁽³⁾	11,142,923	17,953,496	5,707,301	34,803,720
Investment and Associates, Subsidiaries and Joint Ventures	-	-	-	-
Financial Assets Measured at Amortized Cost	-	2,828,930	-	2,828,930
Hedging Derivative Financial Assets	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	2,284	9,983	19	12,286
Total Assets ^{(2) (3) (7)}	24,687,432	43,730,302	6,569,473	74,987,207
Liabilities				
Interbank Deposits	587,833	1,893,023	936,630	3,417,486
Foreign Currency Deposits	2,941,558	14,112,426	1,879,524	18,933,508
Fund Provided From Money Market	-	-	-	-
Funds Provided From Other Financial Institutions	19,427,598	24,774,475	8,514,966	52,717,039
Marketable Securities Issued	-	-	-	-
Derivative Financial Liabilities Held For Hedging	-	-	-	-
Other Liabilities	24,318	373,150	11,415	408,883
Total Liabilities ^{(2) (6) (8)}	22,981,307	41,153,074	11,342,535	75,476,916
Net On Balance Sheet Position	1,706,125	2,577,228	(4,773,062)	(489,709)
Net Off Balance Sheet Position	(8,517,241)	4,484,059	5,136,783	1,103,601
Financial Derivatives Assets ⁽⁵⁾	866,454	6,104,482	5,665,443	12,636,379
Financial Derivatives Liabilities ⁽⁵⁾	9,383,695	1,620,423	528,660	11,532,778
Non-Cash Loans ⁽⁴⁾	10,114,715	12,108,836	2,495,519	24,719,070
31 December 2023				
Total Assets ^{(2) (3) (7)}	27,732,663	47,832,275	4,873,824	80,438,762
Total Liabilities ^{(2) (6) (8)}	17,056,031	58,108,721	4,821,892	79,986,644
Net On Balance Sheet Position	10,676,632	(10,276,446)	51,932	452,118
Net Off Balance Sheet Position	(11,884,162)	12,781,330	642,893	1,540,061
Receivables from Derivative Financial Assets ⁽⁵⁾	1,572,145	16,021,987	1,328,453	18,922,585
Payables to Derivative Financial Liabilities ⁽⁵⁾	13,456,307	3,240,657	685,560	17,382,524
Non-Cash Loans ⁽⁴⁾	11,527,275	12,914,783	104,359	24,546,417

⁽¹⁾ As of 31 December 2024 and 31 December 2023, the Group does not have precious metals in CBRT accounts.

⁽²⁾ As of 31 December 2024, accrual differences of derivative transactions presented in “Derivative Financial Assets at Fair Value Through Profit or Loss” and “Derivative Financial Liabilities at Fair Value Through Profit or Loss” amounting to TL 14,524 and TL 11,060, respectively (31 December 2023: 28,499 and TL 316,102) are not included in the table.

⁽³⁾ As of 31 December 2024, there are no foreign currency indexed loans and rediscount amounts included under the TL column in the “Loans” line in the assets (31 December 2023: None).

⁽⁴⁾ Has no effect on net off-balance sheet position.

⁽⁵⁾ As of 31 December 2024, value date foreign currency purchase transactions amounting to TL 1,363,347 and value date foreign currency sale transactions amounting to TL 816,502 are included in ‘Commitments to purchase/sell forward assets’ in off-balance sheet accounts (31 December 2023: TL 480,553 and TL 171,416).

⁽⁶⁾ As of 31 December 2024, "Valuation Differences of Securities" amounting to TL 284,261 (31 December 2023: TL 651,722) which are classified under shareholders' equity, are not included.

⁽⁷⁾ As of 31 December 2024, assets amounting to TL 275,321 (31 December 2023: TL 878,614) are not included “Expected Loss Provisions”.

⁽⁸⁾ As of 31 December 2024, liabilities amounting to TL 87,709 (31 December 2023: TL 197,327) are not included “Other Provisions”.

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V. Explanations on Consolidated Interest Rate Risk

Consolidated interest rate risk is the probability of loss due to changes in interest rates depending on the Group’s position regarding the interest-bearing financial instruments.

Interest rate risk arises as a result of timing differences on the re-pricing of assets and liabilities, changes in correlation of interest rates between different financial instruments and, unexpected changes in the shape and slope of yield curves. Exposure to interest rate movements arises when there is a mismatch between rate sensitive assets and liabilities.

The Parent Bank deals with interest rate risk in the scope of market risk management and asset-liability management.

As part of asset and liability management, duration and sensitivity analysis are used to measure the effects of changes in yield curves on the balance sheet. The Parent Bank’s management daily monitors interest rate movements in the market and revises the Parent Bank’s interest rates.

Interest sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates)

	Up to 1 Month	1 – 3 Months	3 –12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing ⁽¹⁾	Total
31 December 2024							
Assets							
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with The CBRT	9,823,115	-	-	-	-	9,113,323	18,936,438
Banks	377,753	-	-	-	-	929,955	1,307,708
Financial Assets at Fair Value Through Profit or Loss ⁽²⁾	356,363	4,129	3,296	-	-	98,637	462,425
Money Market Placements	479,060	-	-	-	-	-	479,060
Financial Assets at Fair Value Through Other Comprehensive Income	-	19,665,264	153,836	356,090	490	-	20,175,680
Loans	2,582,771	9,545,181	19,794,047	2,998,491	1,359,897	-	36,280,387
Financial Assets Measured at Amortized Cost	2,398,463	2,164,681	5,358,923	7,795,642	4,036,619	-	21,754,328
Other Assets	125	-	-	-	-	1,585,757	1,585,882
Total Assets	16,017,650	31,379,255	25,310,102	11,150,223	5,397,006	11,727,672	100,981,908
Liabilities							
Bank Deposits	3,322,084	-	-	-	-	1,041,359	4,363,443
Other Deposits	20,702,186	2,521,270	634,334	369,145	-	5,133,821	29,360,756
Money Market Borrowings	7,141,561	-	-	-	-	-	7,141,561
Miscellaneous Payables	-	-	-	-	-	-	-
Securities Issued	-	-	-	-	-	-	-
Funds Borrowed from Other Fin. Inst.	3,598,607	6,760,897	42,357,535	-	-	-	52,717,039
Other Liabilities	91,548	5,475	4,473	-	-	7,297,613	7,399,109
Total Liabilities	34,855,986	9,287,642	42,996,342	369,145	-	13,472,793	100,981,908
Balance Sheet Long Position	-	22,091,613	-	10,781,078	5,397,006	-	38,269,697
Balance Sheet Short Position	(18,838,336)	-	(17,686,240)	-	-	(1,745,121)	(38,269,697)
Off Balance Sheet Long Position	-	-	-	-	-	-	-
Off Balance Sheet Short Position	-	-	-	-	-	-	-
Total Position	(18,838,336)	22,091,613	(17,686,240)	10,781,078	5,397,006	(1,745,121)	-

⁽¹⁾ TL 829,014 in tangible and intangible assets, TL 313,066 in deferred tax assets, TL 138,137 in current tax assets, TL (334,919) in provisions for expected losses and TL 640,584 in other assets; provisions amounting to TL 674,487, tax payables amounting to TL 144,901, lease liabilities amounting to TL 488,665, other liabilities amounting to TL 1,144,741, shareholders' equity amounting to TL 4,844,962 and derivative financial liabilities amounting to TL 101,353 are presented under other liabilities.

⁽²⁾ Derivative financials instruments are included.

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V. Explanations on Consolidated Interest Rate Risk (continued)

Interest sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates) (continued)

	Up to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	5 Years and Over	Non-Interest Bearing ⁽¹⁾	Total
31 December 2023							
Assets							
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the CBRT	9,746,218	-	-	-	-	11,051,578	20,797,796
Banks	888,671	-	-	-	-	1,482,280	2,370,951
Financial Assets at Fair Value Through Profit or Loss	26,313	12,282	24,840	-	-	67,885	131,320
Money Market Placements	210,218	-	-	-	-	-	210,218
Financial Assets at Fair Value Through Other Comprehensive Income	-	17,352,067	1,436,365	570,438	419	-	19,359,289
Loans	3,571,929	22,992,644	14,224,512	(7,813,362)	1,924,948	-	34,900,671
Financial Assets Measured at Amortized Cost	1,682,581	1,166,489	6,695,521	9,507,273	4,026,289	-	23,078,153
Other Assets ⁽¹⁾	282	-	-	-	-	(258,600)	(258,318)
Total Assets	16,126,212	41,523,482	22,381,238	2,264,349	5,951,656	12,343,143	100,590,080
Liabilities							
Bank Deposits	1,567,220	-	-	-	-	531,084	2,098,304
Other Deposits	31,192,672	4,744,615	894,715	203,650	-	5,045,317	42,080,969
Money Market Borrowings	3,255,853	-	-	-	-	-	3,255,853
Miscellaneous Payables	-	-	-	-	-	-	-
Securities Issued	-	-	-	-	-	-	-
Funds Borrowed from Other Fin. Inst.	44,338,175	3,405	1,506,298	36	-	-	45,847,914
Other Liabilities	57,595	141,976	133,165	-	-	6,974,304	7,307,040
Total Liabilities	80,411,515	4,889,996	2,534,178	203,686	-	12,550,705	100,590,080
Balance Sheet Long Position	-	36,633,486	19,847,060	2,060,663	5,951,656	-	64,492,865
Balance Sheet Short Position	(64,285,303)	-	-	-	-	(207,562)	(64,492,865)
Off Balance Sheet Long Position	-	-	-	-	-	-	-
Off Balance Sheet Short Position	-	-	-	-	-	-	-
Total Position	(64,285,303)	36,633,486	19,847,060	2,060,663	5,951,656	(207,562)	-

⁽¹⁾ TL 445,042 is recognized under tangible and intangible assets, TL 11,313 is recognized under deferred tax assets, TL 124,424 is recognized under current tax assets, TL 1,388,086 is recognized under provisions for expected losses and TL 548,989 is recognized under other assets; TL 835,981 is recognized under provisions, TL 111,270 is recognized under tax payables, TL 166,590 is recognized under lease liabilities, TL 618,105 is recognized under other liabilities and TL 5,172,007 is recognized under shareholders' equity; deferred tax payable amounting to TL 71,031 and derivative financial liabilities amounting to TL 332,056 are recognized under other liabilities.

⁽²⁾ Receivables from derivative financial instruments are included.

Interest rates applied to monetary financial instruments:

	EURO %	USD %	JPY%	TL%
31 December 2024 ⁽¹⁾				
Assets				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the CBRT	3.75	3.75	-	37.00
Banks	-	4.78	-	-
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-
Interbank Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	4.91	-	50.52
Loans	6.93	7.42	-	45.80
Financial Assets Measured at Amortised Cost	7.83	6.75	-	31.46
Liabilities				
Bank Deposits	-	-	-	60.46
Other Deposits	0.55	1.54	0.01	57.64
Money Market Borrowings	3.64	4.64	-	60.34
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	-
Funds Borrowed from Other Financial Institutions	3.37	5.57	-	-

(1) Stated at compound interest rates.

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V. Explanations on Consolidated Interest Rate Risk (continued)

Interest rates applied to monetary financial instruments (continued):

	EURO %	USD %	JPY%	TL%
31 December 2023 ⁽¹⁾				
Assets				
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the CBRT	-	-	-	-
Banks	-	5.50	-	46
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-
Interbank Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	6.29	-	42.73
Loans	8.02	9.88	-	39.75
Financial Assets Measured at Amortised Cost	8.27	5.09	-	11.57
Liabilities				
Bank Deposits	-	-	-	43.02
Other Deposits	2.93	3.75	0.10	40.81
Money Market Borrowings	-	-	-	-
Miscellaneous Payables	-	-	-	-
Securities Issued	-	-	-	-
Funds Borrowed from Other Financial Institutions	4.66	6.21	-	10.14

(1) Stated at compound interest rates.

The interest rate risk of the banking book items:

The interest rate risk of the banking book items is prepared via the cash flow of interest sensitive balance sheet and off-balance sheet positions for bank accounts, over the maturity for fixed interest rate instruments and over the re-pricing period for variable interest rate instruments.

Present values of the net positions obtained over related cash flows are calculated by yield curves formed by using market interest rates. The proportion of the differences arising from implementation of positive and negative standard shocks to equity is followed.

For products with non-specified maturities, maturity is determined based on interest rate setting frequency and customer behaviors. These results are supported by periodical sensitivity and scenario analysis against prospective fluctuations in the market.

The interest rate risk of the banking book items is measured legally in accordance with the “Regulation on Measurement and Evaluation of Interest Rate Risk Arising from Banking Accounts via Standard Shock Method,” published in the Official Gazette no. 28034 dated 23 August 2011, and the legal limit based on this measurement is monitored and reported monthly.

The interest rate risks of financial instruments on trading portfolio are considered within the scope of the market risk.

The following table presents the economic value differences arising from fluctuations in interest rates in accordance with the Regulation on Measurement and Evaluation of Interest Rate on Banking Accounts by Standard Shock, divided by different currencies as of 31 December 2024. Tax effects are excluded in the study.

Type of Currency	Shocks Applied (+/- basis points)	Gains/Losses	Gains/Equity- Losses/Equity
TL	500	(499,304)	(4.94)%
	(400)	464,890	4.60%
EUR	200	(278,546)	(2.76)%
	(200)	303,529	3.00%
USD	200	(620,906)	(6.14)%
	(200)	758,672	7.51%
Total (for Negative Shocks)		1,527,091	15.11%
Total (for Positive Shocks)		(1,398,756)	(13.84)%

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VI. Explanations on Consolidated Liquidity Management and Liquidity Coverage Ratio

Liquidity risk is the risk generated as a result of not having an effect or cash inflow at a level which can meet cash outflow, formed because of an imbalance in cash flow, timely and completely.

Liquidity risk can also be formed as a result of not closing positions with appropriate prices and in required time because of market conditions.

The Parent Bank established Liquidity Management Principles in order to monitor, audit and manage its liquidity position and liquidity requirement. Liquidity risk of the Parent Bank is managed through taking potential funding sources, unexpected situation plans and legal limits into consideration within the framework of limits which are updated at least annually.

It is aimed to carry out activities through ensuring a liquidity level which can provide to make payments at any time to sustain the trustable bank image of the Parent Bank in the sector via taking risk/return balance of the Parent Bank into consideration. Cash inflow and outflows in Turkish Lira and foreign currencies are tried to be kept under control continuously in liquidity risk management approach, long-term cash flow tables are formed and scenario analysis based on expectations and stress tests are performed to determine the resistance against the sudden crisis.

Liquidity risk management is performed by Assets and Liability Committee (ALCO) and Treasury Department under the guidance of Audit Committee. Liquidity risk management under stress conditions is performed in the framework of Emergency Situation Funding Plan. ALCO is responsible to measure, monitor and manage liquidity risk and net funding requirement periodically and follow its implementations and to plan necessary precautions for urgent and unexpected conditions occurring related to liquidity of the Parent Bank. Treasury Department is responsible to plan the access of the Parent Bank to the market for short-, medium- and long-term fund requirements, monitor and evaluate funding requirement under different scenarios and plan necessary precautions for urgent and unexpected conditions occurring related to liquidity of the Parent Bank.

The Parent Bank’s Risk Management Department is responsible to define, measure, monitor the liquidity risk periodically and report to senior management. Risk Management Department also provides coordination in the management of liquidity management process. Risk Management Department monitors the liquidity risk via specific ratios and submit it to ALCO weekly.

Liquidity management is not performed centrally. The Parent Bank does not function as a central funding institution in its relation with partners. Funding management of the Parent Bank is operated in the framework of ALCO decisions. The liabilities of the Parent Bank are mainly liabilities provided in TL, USD and EUR currencies. Foreign currency funds are used to generate TL assets via swap transactions for the purpose of liquidity management. Derivative transactions are used in scope of liquidity reduction techniques. Cash flow analysis is made on the basis of TL and FC and estimated liquidity requirement is calculated. The action plans are prepared and the liquidity position is evaluated through warnings applied to assets and liabilities of the Parent Bank to determine stresses which can occur on the liquidity position of the Parent Bank. The Parent Bank makes scenario analysis taking delays and non-payment in credit payments, deposit withdrawn, and non-liquidation of securities into consideration as stress cases. It is detailed in emergency liquidity management process and Liquidity Emergency Funding Plan. This plan determines the gradation of resources which shall be used for responsibilities, communication channels, funding sources and urgent requirements.

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VI. Explanations on Consolidated Liquidity Management and Liquidity Coverage Ratio (continued)

Liquidity coverage ratios are calculated on a weekly and monthly basis as of 1 January 2015 in accordance with the Regulation on Banks' Liquidity Coverage Ratio Calculation published in the Official Gazette No. 28948 dated 21 March 2014 and are subject to legal reporting. Liquidity coverage ratios should be at least 80% in foreign currency assets and liabilities for 2024 and at least 100% in total assets and liabilities. The ratios in the table show the rates for the twelve months including the reporting period.

	Min FC (%)	Min Sum (%)	Max FC (%)	Max Sum (%)
Month	8 October 2024	8 October 2024	12 December 2024	12 December 2024
Ratio (%)	94.30%	122.14%	263.03%	242.39%

31 December 2024	Unweighted Amounts ⁽²⁾		Weighted Amounts ⁽²⁾	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			28,118,215	18,735,699
CASH OUTFLOWS				
Retail and Small Business Customers Deposits	11,690,934	7,962,671	1,081,733	795,949
Stable deposits	1,747,190	6,368	87,359	319
Less Stable Deposits	9,943,744	7,956,303	994,374	795,630
Unsecured Funding other than Retail and Small Business Customer Deposits	29,483,970	23,017,537	17,628,097	14,671,790
Operational Deposits	6,689	-	1,414	-
Non-Operational Funding	20,261,233	14,561,328	8,924,952	6,553,318
Other Unsecured Funding	9,216,048	8,456,209	8,701,731	8,118,472
Secured Funding	-	-	-	-
Other Cash Outflows	9,536,674	8,383,143	9,112,548	8,107,057
Liquidity Needs Related to Derivatives and Market Valuation Changes on Derivatives Transactions	8,829,796	7,923,000	8,829,797	7,923,000
Debts Related to The Structured Financial Products	-	-	-	-
Commitments Related to Debts To Financial Markets and Other Off-Balance Sheet Liabilities	706,878	460,143	282,751	184,057
Commitments That Are Unconditionally Revocable at Any Time by The Bank and Other Contractual Commitments	2,393,157	2,393,157	119,658	119,658
Other Irrevocable or Conditionally Revocable Commitments	16,120,448	14,473,362	1,814,442	1,447,336
TOTAL CASH OUTFLOWS	-	-	29,756,478	25,141,790
CASH INFLOWS				
Secured Lending Transactions	-	-	-	-
Unsecured Lending Transactions	4,000,080	3,694,639	3,937,858	3,648,228
Other Contractual Cash Inflows	8,660,823	8,660,823	8,660,823	8,660,823
TOTAL CASH INFLOWS	12,660,903	12,355,462	12,598,681	12,309,051
Upper Limit Applied Accounts				
TOTAL HIGH LIQUIDITY ASSETS			28,118,215	18,735,699
TOTAL NET CASH OUTFLOWS			17,157,797	12,832,739
LIQUIDITY COVERAGE RATIO (%)			163.88	146.00

⁽¹⁾ Simple arithmetical average of the monthly consolidated liquidity coverage ratios of the third three months of 2024 was taken.

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VI. Explanations on Consolidated Liquidity Management and Liquidity Coverage Ratio (continued)

31 December 2023	Unweighted Amounts ⁽¹⁾		Weighted Amounts ⁽¹⁾	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			38,595,079	24,386,688
CASH OUTFLOWS				
Retail and Small Business Customers Deposits	12,209,505	9,092,365	1,178,995	909,110
Stable deposits	839,108	2,533	41,955	127
Less Stable Deposits	11,370,397	9,089,832	1,137,040	908,983
Unsecured Funding other than Retail and Small Business Customer Deposits	37,835,966	28,614,826	19,641,053	14,857,378
Operational Deposits	4,796	-	1,009	-
Non-Operational Funding	27,593,925	23,357,023	11,343,165	9,608,285
Other Unsecured Funding	10,237,245	5,257,803	8,296,879	5,249,093
Secured Funding	-	-	-	-
Other Cash Outflows	3,717,321	2,832,334	3,520,845	2,678,000
Liquidity Needs Related to Derivatives and Market Valuation Changes on Derivatives Transactions	3,389,861	2,575,110	3,389,861	2,575,110
Debts Related to The Structured Financial Products	-	-	-	-
Commitments Related to Debts To Financial Markets and Other Off-Balance Sheet Liabilities	327,460	257,224	130,984	102,890
Commitments That Are Unconditionally Revocable at Any Time by The Bank and Other Contractual Commitments	5,605,869	5,605,869	280,293	280,293
Other Irrevocable or Conditionally Revocable Commitments	13,834,266	13,241,600	2,064,092	1,910,092
TOTAL CASH OUTFLOWS	-	-	26,685,278	20,634,873
CASH INFLOWS				
Secured Lending Transactions	-	-	-	-
Unsecured Lending Transactions	4,968,288	4,678,862	4,559,286	4,326,214
Other Contractual Cash Inflows	3,409,200	3,405,968	3,409,200	3,405,968
TOTAL CASH INFLOWS	8,377,488	8,084,830	7,968,486	7,732,182
Upper Limit Applied Accounts				
TOTAL HIGH LIQUIDITY ASSETS			38,595,079	24,386,688
TOTAL NET CASH OUTFLOWS			18,716,792	12,902,691
LIQUIDITY COVERAGE RATIO (%)			206.21	189.00

⁽¹⁾ Simple arithmetical average of the monthly consolidated liquidity coverage ratios of the fourth three months of 2023 was taken.

There has been a decrease in the liquidity coverage ratio due to the increase in cash outflows due to the increase in the unsecured debts of the Parent Bank excluding real person deposits and retail deposits in the current period. The Parent Bank accepts required reserves, deposit and drawing accounts in Central Bank of Republic of Türkiye, cash and borrowing instruments issued by Undersecretariat of Treasury as premium quality as liquid assets. Deposits are the main fund resources while loans provided from abroad, and repo are other resources regarding funding. The opposite parties of repo transactions are the Central Bank of the Republic of Türkiye and banks and there is no concentration. A significant part of funds, provided from abroad, is provided by the risk group of the Bank.

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VI. Explanations on Consolidated Liquidity Management and Liquidity Coverage Ratio (continued)

Presentation of assets and liabilities according to their remaining maturities:

31 December 2024	Demand	Up to 1 month	1-3 months	3-12 Months	1-5 Years	5 years and over	Undist. ⁽¹⁾	Total
Assets								
Cash (Cash in Vault, Foreign Currencies, Cash in Transit, Cheques Purchased) and Balances with the CBRT	9,113,323	9,823,115	-	-	-	-	-	18,936,438
Banks	929,955	377,753	-	-	-	-	-	1,307,708
Financial Assets at Fair Value Through Profit or Loss ⁽⁴⁾	364,797	90,203	4,129	3,296	-	-	-	462,425
Interbank Money Market Placements	-	479,060	-	-	-	-	-	479,060
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	11,401,411	153,836	8,619,944	489	-	20,175,680
Loans	-	1,131,900	3,147,555	14,557,133	7,950,017	9,493,782	-	36,280,387
Financial Assets Measured at Amortised Cost	-	2,996	2,164,681	1,816,183	10,956,920	6,813,548	-	21,754,328
Other Assets	-	594,096	138,137	-	313,066	-	540,583	1,585,882
Total Assets	10,408,075	12,499,123	16,855,913	16,530,448	27,839,947	16,307,819	540,583	100,981,908
Liabilities								
Bank Deposits	1,041,359	3,322,084	-	-	-	-	-	4,363,443
Other Deposits	5,133,821	20,702,186	2,521,269	634,334	369,146	-	-	29,360,756
Funds Borrowed from Other Financial Institutions	-	3,316,500	6,803,520	32,009,235	10,587,784	-	-	52,717,039
Interbank Money Markets	-	7,141,561	-	-	-	-	-	7,141,561
Marketable Securities Issued	-	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	-	-
Other Liabilities	145,028	139,755	5,475	4,473	-	-	7,104,378	7,399,109
Total Liabilities	6,320,208	34,622,086	9,330,264	32,648,042	10,956,930	-	7,104,378	100,981,908
Net Liquidity Gap	4,087,867	(22,122,963)	7,525,649	(16,117,594)	16,883,017	16,307,819	(6,563,795)	-
Net off balance sheet position	-	(2,699)	1,150	977	-	-	-	(572)
Derivative Financial Assets ⁽³⁾	-	13,040,694	730,668	430,851	-	-	-	14,202,213
Derivative Financial Liabilities ⁽³⁾	-	13,043,393	729,518	429,874	-	-	-	14,202,785
Non-cash Loans ⁽²⁾	1,850,210	397,618	2,481,075	7,102,601	16,416,615	-	-	28,248,119
31 December 2023								
Total Assets	12,601,743	13,588,330	6,702,015	15,714,727	37,177,861	15,640,346	(834,942)	100,590,080
Total Liabilities	5,699,045	38,272,253	17,977,765	22,884,108	8,930,635	-	6,826,274	100,590,080
Net Liquidity Gap	6,902,698	(24,683,923)	(11,275,750)	(7,169,381)	28,247,226	15,640,346	(7,661,216)	-
Net off Balance Sheet Position	-	(56,154)	(203,433)	(76,420)	-	-	-	(336,007)
Derivative Financial Assets ⁽³⁾	-	3,466,005	8,186,588	7,728,554	-	-	-	19,381,147
Derivative Financial Liabilities ⁽³⁾	-	3,522,159	8,390,021	7,804,974	-	-	-	19,717,154
Non-cash Loans ⁽²⁾	3,570,753	5,330,365	6,280,643	14,135,468	26,533,195	9,195,336	-	65,045,760

⁽¹⁾ Tangible and intangible assets amounting to TL 829,014, deferred tax amounting to TL 313,066, expected loss provisions amounting to TL (334,919), other assets amounting to TL 640,584 and current tax assets amounting to TL 138,137 in other assets line; TL 674,487 provisions, TL 488,665 lease liabilities, TL 144,901 tax payable, TL 1,144,741 other liabilities, TL 4,844,962 equity and TL 101,353 derivative financial liabilities and are presented under other liabilities.

⁽²⁾ The non-cash loans given indefinitely are shown in the demand column.

⁽³⁾ As of 31 December 2024, valued foreign currency purchase transactions amounting to TL 1,363,346 and valued foreign currency sale transactions amounting to TL 1,364,617 are included in "Commitments to purchase/sell forward assets" in off-balance sheet accounts (31 December 2023: TL 480,556 and TL 481,581).

⁽⁴⁾ Receivables from derivative transactions are included.

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VI. Explanations and Notes on Consolidated Liquidity Risk (continued)

Net Stable Funding ratio template:

	Amount Not Applied to Consideration Rate According to Remaining Maturities				
Current Period	Without Maturity *	With a Maturity less than 6 Months	With a Maturity 6 Months to More than 6 Months and Less than 1 Year	With a Maturity more than 1 Year and Longer	Total Amount Applied to Consideration Rate
Current Stable Fund					
Equity Items	4,220,777	-	-	10,154,768	14,375,545
Capital and Additional Tier 1 Capital	4,220,777	-	-	10,154,768	14,375,545
Other Equity Items	-	-	-	-	-
Individual and Retail Customer Deposits	773,623	10,885,342	-	432,393	10,978,137
Stable Deposit	773,623	1,144,437	-	217	1,822,363
Low Stable Deposits	-	9,740,905	-	432,177	9,155,774
Debts to Other Persons	-	17,995,132	10,853,307	-	14,424,219
Operational Deposit/participation fund	-	24,790	-	-	12,395
Other Payables	-	17,970,341	10,853,307	-	14,411,824
Liabilities Equivalent to Interdependent Assets					
Other Liabilities	5,067,128	19,328,966	-	-	-
Derivative Liabilities		-	-	-	
Other Equity Elements and Liabilities Not Listed Above	5,067,128	19,328,966	-	-	-
Current Stable Fund					39,777,901
Stable Fund Required					
High Quality Liquid Assets					-
Operational Deposit/Participation Fund Deposited in Credit Institutions or Financial Institutions	-	-	-	-	-
Live Receivables	18,468,169	26,025,042	-	15,533,416	18,688,326
Receivables from Credit Institutions or Financial Institutions with First Quality Liquid Asset as Collateral	-	-	-	-	-
Secured Receivables from Credit Institutions or Financial Institutions without Collateral or with First Quality Liquid Assets as Collateral	-	13,099,219	-	9,055,665	11,020,548
Receivables from Corporate Customers, Organizations, Individuals and Retail Customers, Central Governments, Central Banks and Public Institutions Other Than Credit Institutions or Financial Institutions	18,468,169	12,925,822	-	6,370,423	7,598,015
Receivables subject to a low risk weight of 35% or less	-	-	-	-	-
Receivables Secured by Residential Real Estate Mortgages	-	-	-	107,328	69,763
Receivables subject to a low risk weight of 35% or less	-	-	-	107,328	69,763
Stocks and Debt Securities Traded on the Exchange That Are Not High Quality Liquid Assets	-	-	-	-	-
Assets Equivalent to Interdependent Liabilities					
Other Assets	1,763,515	-	-	15,246,438	14,530,786
Physically Deliverable Commodities Including Gold	-				-
Initial Collateral for Derivative Contracts or Guarantee Fund Given to the Central Counterparty		-	-	-	-
Derivative Assets		-	-	-	-
Amount of Derivative Liabilities Before Deducting Variation Collateral		-	-	-	-
Other Assets Not Listed Above	1,763,515	-	-	15,246,438	14,530,786
Off-Balance Sheet Debts		24,838,370	-	-	1,241,918
Stable Fund Required					34,461,030
Net Stable Funding Ratio (%) (Current/Required Stable Funding)					115.41

It is the three-month simple arithmetic average of the net stable funding values for the last three months.

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VI. Explanations and Notes on Consolidated Liquidity Risk (continued)

Net Stable Funding ratio template (continued) :

Prior Period	Amount Not Applied to Consideration Rate According to Remaining Maturities				Total Amount Applied to Consideration Rate
	Without Maturity *	With a Maturity less than 6 Months	With a Maturity 6 Months to More than 6 Months and Less than 1 Year	With a Maturity more than 1 Year and Longer	
Current Stable Fund					
Equity Items	5,036,957	-	-	8,421,309	13,458,266
Capital and Additional Tier 1 Capital	5,036,957	-	-	8,421,309	13,458,266
Other Equity Items	-	-	-	-	-
Individual and Retail Customer Deposits	117,570	10,860,213	-	186,133	10,072,780
Stable Deposit	117,570	387,549	-	-	479,862
Low Stable Deposits	-	10,472,664	-	186,133	9,592,918
Debts to Other Persons	-	29,386,028	10,111,131	-	19,748,550
Operational Deposit/participation fund	-	14,975	60	-	7,488
Other Payables	-	29,371,053	10,111,071	-	19,741,062
Liabilities Equivalent to Interdependent Assets					
Other Liabilities	4,489,646	39,453,899	-	9,452,418	9,452,418
Derivative Liabilities		-	-	-	
Other Equity Elements and Liabilities Not Listed Above	4,489,646	39,453,899	-	9,452,418	9,452,418
Current Stable Fund					52,732,014
Stable Fund Required	-	-	-	-	-
High Quality Liquid Assets					-
Operational Deposit/Participation Fund Deposited in Credit Institutions or Financial Institutions	-	-	-	-	-
Live Receivables	23,235,895	18,983,109	-	37,534,869	25,663,293
Receivables from Credit Institutions or Financial Institutions with First Quality Liquid Asset as Collateral	-	-	-	-	-
Secured Receivables from Credit Institutions or Financial Institutions without Collateral or with First Quality Liquid Assets as Collateral	-	4,759,166	-	15,958,163	16,672,038
Receivables from Corporate Customers, Organizations, Individuals and Retail Customers, Central Governments, Central Banks and Public Institutions Other Than Credit Institutions or Financial Institutions	23,235,895	14,223,943	-	21,416,557	8,887,158
Receivables subject to a low risk weight of 35% or less	-	-	-	-	-
Receivables Secured by Residential Real Estate Mortgages	-	-	-	160,149	104,097
Receivables subject to a low risk weight of 35% or less	-	-	-	160,149	104,097
Stocks and Debt Securities Traded on the Exchange That Are Not High Quality Liquid Assets	-	-	-	-	-
Assets Equivalent to Interdependent Liabilities					
Other Assets	1,403,859	-	-	17,326,249	15,528,930
Physically Deliverable Commodities Including Gold	-				-
Initial Collateral for Derivative Contracts or Guarantee Fund Given to the Central Counterparty		-	-	-	-
Derivative Assets		-	-	-	-
Amount of Derivative Liabilities Before Deducting Variation Collateral		-	-	-	-
Other Assets Not Listed Above	1,403,859	-	-	17,326,249	15,528,930
Off-Balance Sheet Debts		16,682,870	-	-	834,144
Stable Fund Required					42,026,367
Net Stable Funding Ratio (%) (Current/Required Stable Funding)					125.47

It is the three-month simple arithmetic average of the net stable funding values for the last three months

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VI. Explanations and Notes on Consolidated Liquidity Risk (continued)

Net Stable Funding ratio template (continued) :

The consolidated NIFO development in the last 3 months of 2024 is given in the table below.

Current Period	Ratio
31 October 2024	111.77%
30 November 2024	120.72%
31 December 2024	113.75%
3 Month Average	115.41%

Prior Period	Ratio
31 October 2023	122.40%
30 November 2023	129.59%
31 December 2023	124.42%
3 Month Average	125.47%

VII. Explanations on Consolidated Leverage Ratio

As of 31 December 2024, the Bank's leverage ratio calculated from 3-month average amounts is 3.26% (31 December 2023 - 3.93%).

This ratio is above the minimum ratio.

	Current period 31 December 2024 ⁽¹⁾	Prior period 31 December 2023 ⁽¹⁾
On-Balance Sheet Exposures		
On-Balance sheet assets (Excluding derivative financial instruments and credit derivatives, including collaterals)	98,895,072	99,839,705
(Assets amounts deducted in determining Tier 1 capital)	(101)	(126)
Total on-Balance sheet exposures	98,894,971	99,839,579
Derivative Financial Instruments and Credit Derivatives		
Replacements cost of derivative financial instruments and credit derivatives	-	-
Potential credit risk of derivative financial instruments and credit derivatives	429,559	558,632
Total risk amount related to derivative financial instruments and credit derivatives	429,559	558,632
Securities or Commodity Collateralized Financing Transactions		
Risk amount of security or commodity secured financing transactions	125,434	1,161,970
Amount of risk arising from brokered transactions	-	-
Total risk amount related to securities or commodity-backed financing transactions	125,434	1,161,970
Off-Balance Sheet Items		
Off-balance sheet exposure at gross notional amount	29,913,904	26,943,243
Adjustments for conversions to credit equivalent amounts	-	-
Total risk of off-balance sheet items	29,913,904	26,943,243
Capital and Total Exposure		
Tier 1 capital	4,212,181	5,044,506
Total exposures	129,363,867	128,503,424
Leverage Ratio Average	3.26%	3.93%

⁽¹⁾ In current period and prior period table, the arithmetic average of the last 3 months.

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VII. Explanations on Consolidated Leverage Ratio (continued)

Summary comparison table of total asset amount and total risk amount in the consolidated financial statements prepared in accordance with TAS:

		31 December 2024 ⁽¹⁾	31 December 2023 ⁽¹⁾
1	Total amount of assets included in the consolidated financial statements prepared in accordance with TAS	98,895,072	99,839,705
2	The difference between the amount of assets in the consolidated financial statements prepared in accordance with TAS and the amount of assets in the consolidated financial statements prepared within the scope of the Communiqué on Preparation of Consolidated Financial Statements of Banks	-	-
3	The difference between the amounts of derivative financial instruments and credit derivatives in the consolidated financial statements prepared within the scope of the Communiqué on the Preparation of Consolidated Financial Statements of Banks and their risk amounts	552,934	600,135
4	The difference between the amounts in the consolidated financial statements prepared within the scope of the Communiqué on the Preparation of the Consolidated Financial Statements of the “Banks and the risk amounts of the securities or commodity-backed financing transactions	125,434	1,161,970
5	The difference between the amounts of off-balance sheet transactions in the consolidated financial statements prepared within the scope of the Communiqué on Preparation of Consolidated Financial Statements of Banks and their risk amounts	29,913,904	26,943,242
6	Other differences between the amount in the consolidated financial statements prepared within the scope of the Communiqué on the Preparation of Consolidated Financial Statements of Banks and the risk amount	(101)	(126)
7	Total risk amount	129,487,243	128,544,926

⁽¹⁾ The amounts in the table show the arithmetic averages of the last 3 months of the relevant periods.

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VIII. Consolidated Share Position Risk Arising from Banking Accounts

As of 31 December 2024 and 31 December 2023, the Group has no share position risk arising from banking accounts.

IX. Explanations on Consolidated Risk Management

Risk Management contains all processes of identifying, measuring, monitoring, limit determination, identifying the areas of risk concentration and reporting the risks the Bank is or will be exposed to due to its facilities.

Risk Management organization constituted to systematically manage the risks the Bank is or will be exposed to, consists of the Independent Audit Committee connected directly to the Board of Directors, Risk Management Department fulfilling the responsibilities to Board of Directors via this committee and certain individual risk management committees including senior management or relevant processes.

Risk Management Department is divided into two different units as Risk Methodology, Model Development and Reporting Unit and Risk Policy Development and Monitoring Unit. The Risk Policy Development and Monitoring Unit is responsible for monitoring and preparing risk policies and procedures in general and making them compatible with current legislation, while the Risk Methodology, Model Development and Reporting Unit is responsible for measuring and monitoring the risks exposed and preparing internal and legal reports. Business continuity studies are carried out by the Operational Risk Committee within the framework of the Bank's Business Continuity Strategy. Risk management committees are Senior Risk Committee and market risk committee, credit risk committee, operational risk committee.

Necessary manners are identified to update, adjust for changing circumstances, implement and manage the policies determined to identify and manage the risks the Bank is exposed to. These risks are measured and managed with accepted international procedures and procedures complied with international and local regulations, policies and procedures of the Bank.

Risk management policies have been determined in accordance with the Bank's activity volume, nature and complexity, and have been established by taking into account the Bank's past experience and performance. The Bank's main risk policies, including risk appetite and limits for each risk, are credit risk, market risk, operational risk, country risk, interest rate risk, liquidity risk, strategic risk, reputation risk policies.

The Bank has regulated the principles of ICAAP management to be a part of the internal management processes and decision-making culture of the bank, with a future-oriented perspective, based on adequate and appropriate measurement-evaluation methods and processes, in accordance with the risk appetite, covering all its risks on a consolidated and unconsolidated basis. ICAAP is owned by the Risk Management Department and is scheduled to be reviewed annually or more frequently as needed.

The Bank carries out its operational risk management activities in line with Basel II in accordance with local and international regulations. Operational Risk Policies, Operational Risk Monitoring Rules and Operational Risk Reduction Principles prepared in this direction are in effect.

In market risk management, the Bank uses the results obtained with Basel II advanced measurement techniques while determining the limits for risk limitation. In this context, risk measurements using advanced measurement models and daily limit controls are carried out, various scenario analyzes and stress tests are applied. In market risk management, measurements such as Value at Risk (VAR), stress testing and scenario analysis, duration gap and sensitivity analysis are used.

The reliability of the model is monitored by applying backtesting by comparing the estimated gains/losses with the actual values with the risk measurement model used. The measurement of the resilience of the capital against the risks that may occur when the fluctuation in the market is very high is done by stress tests and scenario analysis.

Bank and market data are regularly monitored for the purpose of risk management. Within the scope of limiting risks, in-bank limits are determined as well as legal limits. Possible changes in economic conditions and risks that may arise under difficult conditions are taken into account.

The units responsible for reporting on all risks, the frequency of reporting and the authority to which it will be made are determined separately in the policy documents containing the management process of each risk. In addition, the Risk Management Department regularly reports the analysis of the Bank's risks to which it is exposed, the periodic development of risks and the use of limits, and the risk situation to the Assets and Liabilities Committee and the Risk Management Committee of the Board of Directors.

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IX. Explanations on Consolidated Risk Management (continued)

1. General Information on Consolidated Risk Management and Risk Weighted Amounts:

a) Overview of RWA

		Risk Weighted Amount		Minimum Capital Requirement
		Current Period 31 December 2024	Prior Period 31 December 2023	Current Period 31 December 2024
1	Credit risk (excluding counterparty credit risk)	29,908,178	27,560,735	2,392,654
2	Standardized approach	30,171,708	27,900,385	2,413,737
3	Internal rating-based approach		-	
4	Counterparty credit risk	263,530	339,651	21,082
5	Standardized approach for counterparty credit risk	263,530	339,651	21,082
6	Internal model method		-	
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		-	
14	IRB Supervisory Formula Approach		-	
15	SA/simplified supervisory formula approach		-	
16	Market risk	2,210,013	4,377,231	176,801
17	Standardized approach	2,210,013	4,377,231	176,801
18	Internal model approaches)		-	
19	Operational risk	5,363,906	3,199,741	429,112
20	Basic Indicator Approach	5,363,906	3,199,741	429,112
21	Standard Approach		-	
22	Advanced measurement approach		-	
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	37,745,627	35,477,358	3,019,649

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IX. Explanations on Consolidated Risk Management (continued)

2. Connections between Financial Statements and Risk Amounts:

a) Differences between accounting consolidation and legal consolidation scope and matching:

Amount of Items Valued in accordance with TAS						
	Valued amount in accordance with TAS reported in financial statements	Subject to credit risk	Subject to counterparty credit risk	Subject to securitization positions	Subject to market risk	Not subject to capital requirements or subject to deduction from capital
Current Period 31 December 2024						
Assets						
Cash and Central Bank	20,717,675	20,717,675	-	-	-	-
Financial Assets at Fair Value Through Profit or Loss	364,797	-	-	-	364,797	-
Financial Assets at Fair Value Through Other Comprehensive Income	20,175,680	20,175,680	-	-	-	-
Financial Assets Measured at Amortised Cost	21,754,328	21,754,328	-	-	-	-
Derivative Financial Assets	97,628	-	184,769	-	(3,775)	-
Non-performing Financial Assets	-	-	-	-	-	-
Expected Loss Provisions (-)	-	-	-	-	-	-
Loans (Net)	-	-	-	-	-	-
Loans	36,280,387	36,280,387	-	-	-	-
Receivables from Leasing Transactions	-	-	-	-	-	-
Factoring Receivables	-	-	-	-	-	-
Non-Performing Receivables	-	-	-	-	-	-
Expected Loss Provisions (-)	329,388	28,156	-	-	-	-
Non-current Assets Held for Sale and Discontinued Operations (Net)	-	-	-	-	-	-
Joint Venture Investments	-	-	-	-	-	-
Tangible Assets (Net)	750,515	750,515	-	-	-	-
Intangible Assets (Net)	78,499	78,499	-	-	-	78,499
Investment Properties (Net)	-	-	-	-	-	-
Current Tax Asset	138,137	138,137	-	-	-	-
Deferred Tax Asset	313,066	313,066	-	-	-	-
Other Assets (Net)	640,584	640,584	-	-	-	37,419
Total Assets	100,981,908	100,820,715	184,769	-	361,022	115,918
Liabilities						
Deposit	33,724,199	-	-	-	-	33,724,199
Funds Borrowed	42,129,255	-	-	-	-	42,129,255
Money Market Funds	7,141,561	6,960,252	78,761	-	-	102,548
Marketable Securities Issued	-	-	-	-	-	-
Funds	-	-	-	-	-	-
Financial Liabilities at Fair Value Through P/L	-	-	-	-	-	-
Derivative Financial Liabilities	101,353	-	-	-	-	101,353
Factoring Liabilities	-	-	-	-	-	-
Lease Liabilities	488,665	-	-	-	-	488,665
Provisions	674,487	-	-	-	-	674,487
Current Tax Liability	144,901	-	-	-	-	144,901
Deferred Tax Liability	-	-	-	-	-	-
Liabilities for Assets Held for Sale and Discontinued Operations (Net)	-	-	-	-	-	-
Subordinated Debt Instruments	10,587,784	-	-	-	-	10,587,784
Other Liabilities	1,144,741	-	-	-	-	1,144,741
Equity	4,844,962	-	-	-	-	4,844,962
Total Liabilities	100,981,908	6,960,252	78,761	-	-	93,942,895

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IX. Explanations on Consolidated Risk Management (continued)

2. Connections between Financial Statements and Risk Amounts (continued):

a) Differences between accounting consolidation and legal consolidation scope and matching (continued):

Amount of Items Valued in accordance with TAS						
Prior Period 31 December 2023	Valued amount in accordance with TAS reported in financial statements	Subject to credit risk	Subject to counterpa rty credit risk	Subject to securitization positions	Subject to market risk	Not subject to capital requirements or subject to deduction from capital
Assets						
Cash and Cash Equivalents	23,356,913	23,356,913	-	-	-	-
Financial Assets at Fair Value Through Profit or Loss	93,654	-	-	-	93,654	-
Financial Assets at Fair Value Through Other Comprehensive Income	19,359,289	19,359,289	-	-	-	-
Banks	-	-	-	-	-	-
Receivables from Money Markets	-	-	-	-	-	-
Expected Loss Provision (-)	1,366,034	125,360	-	-	-	-
Loans and Receivables	34,900,671	34,900,671	-	-	-	-
Factoring Receivables	-	-	-	-	-	-
Financial Assets Measured at Amortised Cost	23,078,153	23,078,153	-	-	-	-
Associates	-	-	-	-	-	-
Subsidiaries	-	-	-	-	-	-
Jointly Controlled Partnerships (Joint Ventures) (Net)	-	-	-	-	-	-
Leasing Receivables	-	-	-	-	-	-
Derivative Financial Assets	37,666	-	257,609	-	(297,952)	-
Tangible Assets (Net)	377,133	377,133	-	-	-	-
Intangible Assets (Net)	67,909	67,909	-	-	-	67,833
Tax asset	124,424	124,424	-	-	-	-
Deferred Tax Asset	11,313	(127,354)	-	-	-	-
Other assets	548,989	548,989	-	-	-	3,920
Total Assets	100,590,080	101,560,767	257,609	-	(204,298)	71,753
Liabilities						
Deposit	44,179,273	-	-	-	-	44,179,273
Funds Borrowed	37,009,439	-	-	-	-	37,009,439
Money Market Funds	3,255,853	3,407,242	75,695	-	-	(227,083)
Marketable Securities Issued	-	-	-	-	-	-
Funds	-	-	-	-	-	-
Financial Liabilities at Fair Value Through P/L	-	-	-	-	-	-
Derivative Financial Liabilities	332,056	-	-	-	-	332,056
Factoring Liabilities	-	-	-	-	-	-
Lease Liabilities	166,590	-	-	-	-	166,590
Provisions	835,981	-	-	-	-	111,270
Current Tax Liability	111,270	-	-	-	-	71,031
Deferred Tax Liability	71,031	-	-	-	-	-
Liabilities For Property And Equipment Held For Sale And Related To Discontinued Operations (Net)	-	-	-	-	-	-
Subordinated Debt Instruments	8,838,475	-	-	-	-	8,838,475
Other Liabilities	618,105	-	-	-	-	618,105
Equity	5,172,007	-	-	-	-	5,172,007
Total Liabilities	100,590,080	3,407,242	75,695	-	-	96,271,163

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IX. Explanations on Consolidated Risk Management (continued)

2. Connections between Financial Statements and Risk Amounts (continued)

b) Main Sources of Differences between the Risk Amounts and the Valuation Amounts in the Financial Statements in accordance with TAS:

Current Period 31 December 2024		Total	Subject to credit risk	Securitization positions	Subject to counterparty credit risk	Subject to market risk
1	Valued amounts of assets within the scope of legal consolidation in accordance with TAS (as in template B1)	100,981,908	100,826,246	-	184,769	361,022
2	Valued amounts of liabilities within the scope of legal consolidation in accordance with TAS (as in template B1)	7,039,013	6,960,252	-	78,761	-
3	Total net amount under legal consolidation	108,020,921	107,786,498	-	263,530	361,022
4	Off-balance Sheet Amounts	56,894,744	18,844,057	-	-	-
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 arising from the Institution's practices	-	-	-	-	-
9	Differences due to risk reduction	-	-	-	-	-
10	Risk amounts	164,915,665	126,630,555	-	263,530	361,022

Prior Period 31 December 2023		Total	Subject to credit risk	Securitization positions	Subject to counterparty credit risk	Subject to market risk
1	Valued amounts of assets within the scope of legal consolidation in accordance with TAS (as in template B1)	101,528,100	101,560,767	-	263,956	(204,298)
2	Valued amounts of liabilities within the scope of legal consolidation in accordance with TAS (as in template B1)	3,482,937	3,407,242	-	75,695	-
3	Total net amount under legal consolidation	105,011,037	104,968,009	-	339,651	(204,298)
4	Off-balance Sheet Amounts	65,692,721	13,967,323	-	-	-
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 arising from the Institution's practices	-	-	-	-	-
9	Differences due to risk reduction	-	-	-	-	-
10	Risk amounts	169,122,725	118,253,656	-	333,304	(230,261)

3. Explanation of Credit Risk

a) Credit quality of assets

		The gross amount valued in accordance with TAS in the financial statements prepared according to prohibited consolidation		Allowances/ amortization and impairments	Net value
31 December 2024		Defaulted	Non-defaulted		
1	Loans	28,355	36,252,032	303,855	35,976,532
2	Debt instruments	-	21,754,328	66,469	21,687,859
3	Off-balance sheet exposures	21,216	31,196,494	103,863	31,113,847
4	Total	49,571	89,202,854	474,187	88,778,238

		The gross amount valued in accordance with TAS in the financial statements prepared according to prohibited consolidation		Allowances/ amortization and impairments	Net value
31 December 2023		Defaulted	Non-defaulted		
1	Loans	127,584	34,773,087	896,027	34,004,644
2	Debt instruments	-	23,078,153	638,230	22,439,923
3	Off-balance sheet exposures	18,949	27,537,608	204,374	27,352,183
4	Total	146,533	85,388,848	1,738,631	83,796,750

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IX. Explanations on Consolidated Risk Management (continued)

3. Explanation of Credit Risk (continued):

b) Changes in stock of default loans and debt securities

	31 December 2024	31 December 2023
1 Defaulted loans and debt securities at end of the previous reporting period	146,533	54,025
2 Loans and debt securities defaulted since the last reporting period	227,491	105,934
3 Receivables back to non-defaulted status	-	-
4 Amounts written off	94,040	2
5 Other changes	(230,413)	(13,424)
6 Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	49,571	146,533

c) Credit risk mitigation techniques – overview

	Exposures unsecured of (according to 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
31 December 2024							
1 Loans	34,716,272	1,545,797	1,545,797	1,479,320	1,479,320	-	-
2 Debt Instruments	21,687,859	-	-	-	-	-	-
3 Total	56,404,131	1,545,797	1,545,797	1,479,320	1,479,320	-	-
4 Of which defaulted	28,355						

	Exposures unsecured of (according to 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
31 December 2023							
1 Loans	34,186,895	586,192	-	506,192	537,387	-	-
2 Debt Instruments	22,439,923	-	-	-	-	-	-
3 Total	56,626,818	586,192	-	506,192	537,387	-	-
4 Of which defaulted	127,584						

d) Qualitative disclosures on banks’ use of external credit ratings under the standardized approach for credit risk:

To determine the risk weights of receivables from central governments or from central banks and risk weights of receivables from banks and intermediary institutions specified in Article 6 of the Regulation on the Measurement and Assessment of Capital Adequacy of Banks, the application of rotation in Japan Credit Rating Agency (JCR) degrees, which has been used as of 31 October 2016. The degrees of the international credit rating agency Islamic International Rating Agency (IIRA) had been used since 30 April 2020. In this context, the note set for Türkiye’s rating countries of long-term foreign currency, the Republic of Türkiye in foreign currency securities issued by the Treasury, all other foreign currency risk associated with the Republic of Türkiye and the Central Government and on the opposite side of the incoming international limited is countered by resident banks, which will have risk weights are determined. The matching of "Credit Quality Levels" corresponding to IIRA degrees and Japan Credit Rating Agency (JCR), which was abandoned to use, is shared with the table below.

Islamic International Rating Agency	Credit Quality Level	Japan Credit Rating Agency
AAA and AA-	1	AAA and AA-
A+ and A-	2	A+ and A-
BBB+ and BBB	3	BBB+ and BBB
BB+ and BB-	4	BB+ and BB-
B+ and B-	5	B+ and B-
CCC and below	6	CCC+ and below

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IX. Explanations on Consolidated Risk Management (continued)

3. Explanation of Credit Risk (continued)

e) Standard Approach - Exposure to credit risk and credit risk mitigation risks

31 December 2024		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
Risk Classifications							
1	Claims on sovereigns and Central Banks	36,400,287	6,755,728	36,400,286	6,755,728	-	0%
2	Claims on regional governments or local authorities	57,645	-	-	-	-	0%
3	Claims on administrative bodies and other non-commercial undertakings	2,550,394	-	2,550,393	-	-	0%
4	Claims on multilateral development banks	-	-	-	-	-	0%
5	Claims on international organizations	-	-	-	-	-	0%
6	Claims on banks and intermediary institutions	24,367,305	7,934,768	26,282,531	6,483,515	4,762,163	16%
7	Claims on corporates	19,909,202	8,057,167	18,052,410	5,561,797	21,995,918	73%
8	Claims included in the regulatory retail portfolios	39,660	211,222	39,295	42,533	58,811	0%
9	Claims secured by residential property	111,798	1,873	111,782	375	33,722	0%
10	Claims secured by commercial property	2,861,871	324	2,861,466	109	1,430,788	5%
11	Overdue loans	37	-	37	-	37	0%
12	Higher risk categories decided by the Board	-	-	-	-	-	0%
13	Secured by mortgages	-	-	-	-	-	0%
14	Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	0%
15	Undertakings for collective investments in mutual funds	-	-	-	-	-	0%
16	Other receivables	2,147,168	6,101	2,147,168	1,219	1,886,853	6%
17	Equity share investments	-	-	-	-	-	0%
18	Total	88,445,367	22,967,185	88,445,368	18,845,276	30,168,292	100%

31 December 2023		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
Risk Classifications							
1	Claims on sovereigns and Central Banks	34,040,147	4,805,399	34,040,147	4,805,399	-	0%
2	Claims on regional governments or local authorities	9,703	-	9,703	-	-	0%
3	Claims on administrative bodies and other non-commercial undertakings	1,061,548	1,110,374	1,061,548	1,110,374	1,061,548	4%
4	Claims on multilateral development banks	-	-	-	-	-	0%
5	Claims on international organizations	-	-	-	-	-	0%
6	Claims on banks and intermediary institutions	19,267,078	5,094,460	19,267,078	3,715,260	4,653,157	17%
7	Claims on corporates	16,725,396	6,490,726	16,725,397	4,311,500	18,859,655	68%
8	Claims included in the regulatory retail portfolios	37,455	151,936	37,455	30,644	50,767	0%
9	Claims secured by residential property	162,421	1,929	162,421	386	52,937	0%
10	Claims secured by commercial property	1,666,252	316	1,666,252	107	1,246,358	4%
11	Overdue loans	34	-	34	-	37	0%
12	Higher risk categories decided by the Board	-	-	-	-	-	0%
13	Secured by mortgages	-	-	-	-	-	0%
14	Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	0%
15	Undertakings for collective investments in mutual funds	-	-	-	-	-	0%
16	Other receivables	2,261,122	-	2,261,122	-	1,944,698	7%
17	Equity share investments	-	-	-	-	-	0%
18	Total	75,231,156	17,655,140	75,231,157	13,973,670	27,869,157	100%

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IX. Explanations on Consolidated Risk Management (continued)

3. Explanation of Credit Risk (continued)

f) Standard Approach - Receivables by risk classes and risk weights

31 December 2024		50% Guaranteed with Real Estate Mortgage					Total Risk Amount (After Credit Conversion Rate and Credit Risk Reduction)		
Risk Classifications/ Risk Weight	0%	10%	20%	35%	75%	100%	150%	200%	Others
1 Claims on central governments or central banks	43,156,014	-	-	-	-	-	-	-	43,156,014
2 Claims on regional or local governments	-	-	-	-	-	-	-	-	-
3 Claims on administrative units and non-commercial undertakings	2,550,393	-	-	-	-	-	-	-	2,550,393
4 Claims on multilateral development banks	-	-	-	-	-	-	-	-	-
5 Claims on international organizations	-	-	-	-	-	-	-	-	-
6 Claims on banks and intermediary institutions	25,014,075	266,183	-	-	5,553,725	1,932,063	-	-	32,766,046
7 Claims on corporates	1,124,550	322,346	-	-	1,518,016	19,907,063	434,512	-	23,614,207
8 Claims included in the regulatory retail portfolios	1,958	-	2,085	-	-	-	-	-	81,828
9 Claims secured by residential property	15,806	-	4	96,347	-	-	74	-	112,157
10 Claims secured by commercial property	-	-	-	-	2,861,575	-	-	-	2,861,575
11 Overdue loans	-	-	-	-	-	36	1	-	37
12 Higher risk categories decided by the Board	-	-	-	-	-	-	-	-	-
13 Secured by mortgages	-	-	-	-	-	-	-	-	-
14 Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-
15 Undertakings for collective investments in mutual funds	-	-	-	-	-	-	-	-	-
16 Other receivables	261,534	-	-	-	-	1,886,853	-	-	2,148,387
17 Equity share investments	-	-	-	-	-	-	-	-	-
18 Total	72,124,330	-	590,618	96,347	9,933,316	23,726,015	434,587	-	107,290,644

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IX. Explanations on Consolidated Risk Management (continued)

3. Explanation of Credit Risk (continued)

f) Standard Approach - Receivables by risk classes and risk weights (continued)

31 December 2023		50% Guaranteed with Real Estate Mortgage					Total Risk Amount (After Credit Conversion Rate and Credit Risk Reduction)		
Risk Classifications/ Risk Weight	0%	10%	20%	35%	75%	100%	150%	200%	Others
1 Claims on central governments or central banks	38,845,546	-	-	-	-	-	-	-	38,845,546
2 Claims on regional or local governments	-	-	-	9,703	-	-	-	-	9,703
3 Claims on administrative units and non-commercial undertakings	1,110,374	-	-	-	1,061,548	-	-	-	2,171,922
4 Claims on multilateral development banks	-	-	-	-	-	-	-	-	-
5 Claims on international organizations	-	-	-	-	-	-	-	-	-
6 Claims on banks and intermediary institutions	13,596,114	25,313	-	6,974,996	2,385,915	-	-	-	22,982,338
7 Claims on corporates	480,916	-	-	1,890,250	18,575,519	3,592	86,620	-	21,036,897
8 Claims included in the regulatory retail portfolios	-	-	-	-	1,706	3,292	-	-	68,099
9 Claims secured by residential property	-	-	-	-	-	-	-	162,807	162,807
10 Claims secured by commercial property	-	-	-	839,457	826,301	601	-	-	1,666,359
11 Overdue loans	-	-	-	-	28	6	-	-	34
12 Higher risk categories decided by the Board	-	-	-	-	-	-	-	-	-
13 Secured by mortgages	-	-	-	-	-	-	-	-	-
14 Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-
15 Undertakings for collective investments in mutual funds	-	-	-	-	-	-	-	-	-
16 Other receivables	316,424	-	-	-	1,944,698	-	-	-	2,261,122
17 Equity share investments	-	-	-	-	-	-	-	-	-
18 Total	54,349,374	-	25,313	9,714,406	24,795,715	7,491	86,620	162,807	89,204,827

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IX. Explanations on Consolidated Risk Management (continued)

4. Explanations on Counterparty Credit Risk (“CCR”)

a) Evaluation of counterparty credit risk according to measurement methods

31 December 2024		Replacement cost	Potential credit risk amount	EEPE	Alpha used to calculate the legal risk amount	Exposure at Default post-CRM	RWA
1	Standard Approach-CCR (for derivatives)	97,026	185,554	-	1.4	282,580	184,769
2	Internal Model Method (Internal Model Method (for derivative financial instruments, repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)	-	-	-	-	-	-
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)	-	-	-	-	-	-
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)	-	-	-	-	-	-
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions	-	-	-	-	6,962,252	78,761
6	Total	97,026	185,554	-	-	7,242,832	263,530

31 December 2023		Replacement cost	Potential credit risk amount	EEPE	Alpha used to calculate the legal risk amount	Exposure at Default post-CRM	RWA
1	Standard Approach-CCR (for derivatives)	50,937	229,738		1,4	280,675	263,956
2	Internal Model Method (Internal Model Method (for derivative financial instruments, repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)	-	-	-	-	-	-
3	Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)	-	-	-	-	-	-
4	Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)	-	-	-	-	-	-
5	Value-at-Risk (VaR) for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions	-	-	-	-	3,407,242	75,695
6	Total	50,937	229,738	-	-	3,687,917	339,651

b) Credit valuation adjustment (“CVA”) capital charge:

31 December 2024		EAD (post-CRM)	RWA
	Total portfolios subject to the Advanced CVA capital charge	-	-
1	(i) VaR component (including the 3*multiplier)	-	-
2	(ii) Stressed VaR component (including the 3*multiplier)	-	-
3	All portfolios subject to the Standardized CVA capital charge	184,769	3,399
4	Total subject to the CVA capital charge	184,769	3,399

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IX. Explanations on Consolidated Risk Management (continued)

4. Explanations on Counterparty Credit Risk (“CCR”)

b) Credit valuation adjustment (“CVA”) capital charge (continued):

31 December 2023		EAD (post-CRM)	RWA
	Total portfolios subject to the Advanced CVA capital charge	-	-
1	(i) VaR component (including the 3*multiplier)	-	-
2	(ii) Stressed VaR component (including the 3*multiplier)	-	-
3	All portfolios subject to the Standardized CVA capital charge	263,956	31,213
4	Total subject to the CVA capital charge	263,956	31,213

c) Standardized Approach – CCR exposures by regulatory portfolio and risk weights

Risk Weights	0%	10%	20%	50%	75%	100%	150%	Other	Total Credit Risk ⁽¹⁾
Risk Classifications									
Claims from central governments and central banks	-	-	-	-	-	-	-	-	-
Claims from regional and local governments	-	-	-	-	-	-	-	-	-
Claims from administration and non-commercial	-	-	-	-	-	-	-	-	-
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Claims from international organizations	-	-	-	-	-	-	-	-	-
Claims from banks and intermediary institutions	-	-	-	279,250	-	101,274	-	-	240,900
Corporates	-	-	-	-	-	22,630	-	-	22,630
Retail portfolios	-	-	-	-	-	-	-	-	-
Claims on landed real estate	-	-	-	-	-	-	-	-	-
Past-due loans	-	-	-	-	-	-	-	-	-
Claims which are determined as high risk by the board of BRSA	-	-	-	-	-	-	-	-	-
Mortgage securities	-	-	-	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-	-	-	-
Claims from corporates, banks and financial intermediaries which have short term credit rating	-	-	-	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	-	-	-	-	-	-	-	-	-
Stock investment	-	-	-	-	-	-	-	-	-
Other claims	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	279,250	-	123,905	-	-	263,530

⁽¹⁾ Total credit risk: The amount related to the capital adequacy calculation after the counterparty credit risk measurement techniques are applied.

d) Collaterals for counterparty credit risk: Since there are no derivative collaterals, the relevant table is not given.

e) Credit derivatives: Since there is no credit derivative, the relevant table is not given.

f) Risk to the central counterparty (“CCP”): none.

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IX. Explanations on Consolidated Risk Management (continued)

5. Securitization Explanations

None.

6. Calculations Related to Market Risk

The Parent Bank’s risk management operations, which are determined by the Board of Directors, are in line with the “Regulation of Internal Bank Systems” and “Regulation of Capital Adequacy Measurement and Evaluation.” In order to comply with the Regulations, the Bank’s operations regarding the market risk are administrated in line with the “Regulation of Internal Bank Systems” and “Regulation of Capital Adequacy Measurement and Evaluation.”

Board of Directors monitors the efficiency of risk administration systems by evaluations of the Audit Committee, Management and Early Detection of Risk Committee as well as upper management’s opinions and other miscellaneous reports.

The Bank’s risk policies and risk administration policies for the encountered market risk are being approved by the board of directors and reviewed on a regular basis. Market risk is measured and limited in compliance with international standards and capital requirements are calculated accordingly in addition to it is managed by hedging instruments to eliminate the risk.

The market risk of portfolios held for trading is calculated using the standard method and the value at risk (“VaR”) methods. Standard method calculations are made on a monthly basis which is used for calculating the capital adequacy generally accepted three methods (variance, covariance, historical simulation, monte carlo). VaR calculations are performed on a daily basis using the historical simulation (EWMA) method. VaR calculations are made using the past 1-year data with 99% assurance and 1 day holding period (10 days for legal capital calculation). All positions in the trading portfolio are set a daily risk limit and nominal position limits and all these limits are monitored and reported to upper management. In addition, trading portfolio, value at risk increase and limit comply situations are reported to Active Passive Committee every two weeks and to upper management and Management and Early Detection of Risk Committee every three months. VaR model is tested on a backward basis to ensure reliability. In order to limit market risk, in addition to VaR and nominal position limits, there are stop loss limits on trading portfolio that are approved by the board of directors.

a) Standard approach:

Risk Weighted Amounts		31 December 2024	31 December 2023
Outright products			
1	Interest rate risk (general and specific)	3,813	831,563
2	Equity risk (general and specific)	1,526,950	263,424
3	Foreign exchange risk	679,250	3,282,244
4	Commodity risk	-	-
Options			
5	Simplified approach	-	-
6	Delta-plus method	-	-
7	Scenario approach	-	-
8	Securitization	-	-
9	Total	2,210,013	4,377,231

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X. Explanations on Presentation of Financial Assets and Liabilities at Their Fair Value

Investment securities in current period includes only marketable interest bearing assets. Market/fair/current value of marketable assets is defined based on quoted market prices for other securities, which are subject to redemption in the same nature with respect to interest, maturity and other conditions, if the market price or this price cannot be defined.

Estimated fair value of demand deposit states the amount which shall be paid on demand. Fair value of adjustable-rate placements and overnight deposit states the book value. Estimated fair value of fixed rate is calculated through determination of cash flow discounted via using money market interest rates which is applicable to similar credit risk and other debts having with a remaining redemption. The fair value of funds obtained from other financial institutions represents the cash flows discounted using market interest rates for fixed interest rates, and the cash flows discounted with market interest rates for variable interest rates according to the interest renewal date. Fair value of credits is calculated through determination of cash flow discounted via using money market interest rates which is applicable to similar credit risk and other debts having with a remaining redemption. Fair value states the book value since the other debts are short-termed.

In the table below; fair values and carrying values of some of the financial assets and liabilities are presented.

	Carrying Value	Fair Value
	31 December 2024	31 December 2024
Financial Assets	79,997,163	78,338,874
Interbank Money Market	479,060	479,060
Banks	1,307,708	1,307,708
Financial Assets at Fair Value Through Other Comprehensive Income	20,175,680	20,175,680
Financial Assets Measured at Amortized Cost	21,754,328	17,043,647
Loans	36,280,387	39,332,779
Financial Liabilities	75,853,454	75,638,286
Bank Deposits	4,363,443	4,363,443
Other Deposits	29,360,756	29,125,013
Funds Borrowed from Other Financial Institutions	42,129,255	42,149,830
Other Debts	-	-

	Carrying Value	Fair Value
	31 December 2023	31 December 2023
Financial Assets	79,919,282	77,080,058
Interbank Money Market	210,218	210,218
Banks	2,370,951	2,370,951
Financial Assets at Fair Value Through Other Comprehensive Income	19,359,289	19,359,289
Financial Assets Measured at Amortized Cost	23,078,153	20,808,827
Loans	34,900,671	34,685,920
Financial Liabilities	90,645,292	85,808,491
Bank Deposits	2,098,304	2,098,304
Other Deposits	42,080,969	36,985,373
Funds Borrowed from Other Financial Institutions	45,847,914	45,847,914
Bonds Issued	-	-
Other Debts	618,105	618,105

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X. Explanations on Presentation of Financial Assets and Liabilities at Their Fair Value (continued)

“TFRS 7: Financial Instruments – Disclosures” describes classifications of valuation techniques based on observability of data used in valuation techniques which are basis for fair value measurements. Classification of fair values is defined as follows.

- a) Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities (Exchange value);
- b) Level 2: Data that are directly (through prices) or indirectly (derived from prices) observable data in terms of assets or liabilities, excluding recorded prices in Level 1 (Valuation techniques can be measured in the market);
- c) Level 3: Data on assets or liabilities that are not based on observable market data (valuation techniques cannot be measured in the market).

The table below presents the classification of fair values of financial instruments carried at fair value:

31 December 2024	Level 1	Level 2	Level 3	Total
Financial Assets	1,130,126	19,507,979	-	20,638,105
Financial Assets At Fair Value Through Profit/Loss	364,797	-	-	364,797
Equity Instruments	98,637	-	-	98,637
Public Debt Securities	-	-	-	-
Other Financial Assets	266,160	-	-	266,160
Derivative Financial Assets at Fair Value Through Profit/Loss	-	97,628	-	97,628
Financial Assets at Fair Value Through Other Comprehensive Income	765,329	19,410,351	-	20,175,680
Equity Instruments	-	-	-	-
Public Debt Securities	765,329	-	-	765,329
Other Securities	-	-	-	-
Other Financial Assets	-	19,410,351	-	19,410,351
Financial Liabilities	-	101,353	-	101,353
Derivative Financial Liabilities	-	101,353	-	101,353

31 December 2023	Level 1	Level 2	Level 3	Total
Financial Assets	660,940	18,803,900	-	19,464,840
Financial Assets At Fair Value Through Profit/Loss	67,885	-	-	67,885
Equity Instruments	67,885	-	-	67,885
Public Debt Securities	-	-	-	-
Other Financial Assets	-	37,666	-	37,666
Derivative Financial Assets at Fair Value Through Profit/Loss	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	593,055	18,766,234	-	19,359,289
Equity Instruments	-	-	-	-
Public Debt Securities	593,055	-	-	593,055
Other Securities	-	-	-	-
Other Financial Assets	-	18,766,234	-	18,766,234
Financial Liabilities	-	332,056	-	332,056
Derivative Financial Liabilities	-	332,056	-	332,056

The Parent Bank shows the buildings, included in tangible assets, over their fair values. The aforementioned fair value valuations are classified as level 3. Fair value of buildings is determined by an independent valuation company authorized by BRSA and Capital Markets Board of Türkiye.

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XI. Explanations Related to Segment reporting

The Group performs activities in areas of retail banking, corporate banking and investment banking including treasury transactions.

Corporate banking offers TL and foreign currency loans, corporate deposit operations, cash management, foreign currency purchases and sales, non-cash transactions (letters of credit, letters of guarantee, prefinancing, bills of exchange) and custody services.

Treasury department consists of Balance Sheet Management and Sales Units. The Balance Sheet Management Unit follows up the Parent Bank’s cash flows, liquidity management, marketable securities portfolio and transfer pricing activities. Sales unit is responsible for marketing all types of bills and bonds, foreign exchange transactions and derivative products including forwards and options to its customers.

Servicing the middle-upper segment of retail customers who require sophisticated banking and investment services falls within, the scope of retail banking. Credit and Services are also within the activities of retail banking.

Information related to the Group’s operating segments:

31 December 2024	Retail Banking	Corporate Banking	Treasury, Investment Banking and Others	Group’s Total Operations
Operating Income	690,551	2,419,643	(1,464,506)	1,645,688
Net profit of segment	480,660	2,363,735	(2,900,184)	(55,789)
Undistributed Costs	-	-	-	-
Operating Profit / (Loss)	480,660	2,363,735	(2,900,184)	(55,789)
Income from subsidiaries	-	-	-	-
Profit / (Loss) before tax	480,660	2,363,735	(2,900,184)	(55,789)
Tax provision (-)	-	-	(77,303)	(77,303)
Profit / (Loss) after tax	480,660	2,363,735	(2,822,881)	21,514
Net Profit/(Loss)	480,660	2,363,735	(2,822,881)	21,514
Segment Assets ⁽¹⁾	178,661	54,661,256	46,141,991	100,981,908
Associate and Subsidiaries	-	-	-	-
Total Assets	178,661	54,661,256	46,141,991	100,981,908
Segment Liabilities ⁽¹⁾	11,847,641	21,106,596	63,182,709	96,136,946
Equity	-	-	4,844,962	4,844,962
Total Liabilities	11,847,641	21,106,596	68,027,671	100,981,908

⁽¹⁾ Segment assets classified in the Other column consist of securities held in the assets of the treasury department, tangible and intangible assets under the head office, fixed assets to be disposed of deferred tax asset and other non-distributed assets. Segment liabilities classified in the Other column consist of loans taken from abroad, which are under the liabilities of the treasury department, general loan provisions in the general directorate, employee rights provision, current tax provision and miscellaneous debts that cannot be distributed.

Based on information that is presented in the table above, segments of the Group are distributed based on their asset sizes as percentages in current period as; 54.13% for corporate banking, 0.18% for retail banking, 45.69% for treasury, investment banking and others segment. Looking at the gross income (operating income) distribution of the Group, corporate banking constitutes 147.03% of the total gross income, investment banking and other segments (88.99)% and retail banking 41.96%.

31 December 2023	Retail Banking	Corporate Banking	Treasury, Investment Banking and Others	Group’s Total Operations
Operating Income	403,737	2,290,746	1,997,255	4,691,738
Net profit of segment	255,200	2,352,560	(578,355)	2,029,405
Undistributed Costs	-	-	-	-
Operating Profit / (Loss)	255,200	2,352,560	(578,355)	2,029,405
Income from subsidiaries	-	-	-	-
Profit / (Loss) before tax	255,200	2,352,560	(578,355)	2,029,405
Tax provision (-)	-	-	555,379	555,379
Profit / (Loss) after tax	255,200	2,352,560	(1,133,734)	1,474,026
Net Profit	255,200	2,352,560	(1,133,734)	1,474,026
Segment Assets ⁽¹⁾	230,055	52,029,295	48,330,730	100,590,080
Associate and Subsidiaries	-	-	-	-
Total Assets	230,055	52,029,295	48,330,730	100,590,080
Segment Liabilities ⁽¹⁾	12,973,661	32,406,144	50,038,268	95,418,073
Equity	-	-	5,172,007	5,172,007
Total Liabilities	12,973,661	32,406,144	55,210,275	100,590,080

⁽¹⁾ Segment assets classified in the Other column consist of securities held in the assets of the treasury department, tangible and intangible assets under the head office, fixed assets to be disposed of deferred tax asset and other non-distributed assets. Segment liabilities classified in the Other column consist of loans taken from abroad, which are under the liabilities of the treasury department, general loan provisions in the general directorate, employee rights provision, current tax provision and miscellaneous debts that cannot be distributed.

Based on information that is presented in the table above, segments of the Group are distributed based on their asset sizes as percentages in current period as; 51.72% for corporate banking, 0.23% for retail banking, 48.05% for treasury, investment banking and others segment. Looking at the gross income (operating income) distribution of the Group, corporate banking constitutes 48.83% of the total gross income, investment banking and other segments 42.57% and retail banking 8.60%.

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SECTION FIVE				
EXPLANATIONS AND NOTES ON CONSOLIDATED FINANCIAL STATEMENTS				
I. Explanations and Notes on Consolidated Assets				
1. Information related to cash and balances with the Central Bank of the Republic of Türkiye:				
a) Cash and balances with the Central Bank of the Republic of Türkiye:				
	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Cash	32,825	230,394	25,039	295,169
Central Bank of the Republic of Türkiye (CBRT) ⁽¹⁾	3,043,282	15,629,937	2,020,513	18,457,075
Other	-	-	-	-
Total	3,076,107	15,860,331	2,045,552	18,752,244
⁽¹⁾ As of 31 December 2024, there are no precious metals at the CBRT (31 December 2023: None).				
b) Information related to the account of the Central Bank of Türkiye:				
	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Unrestricted Demand Deposits ⁽¹⁾	2,551,112	5,807,557	629,165	8,711,592
Unrestricted Time Deposits	-	-	-	-
Restricted Time Deposits	492,170	9,822,380	1,391,348	9,745,483
Total	3,043,282	15,629,937	2,020,513	18,457,075

⁽¹⁾ As of 31 December 2024, there are no precious metals at the CBRT (31 December 2023: None).

c) Explanation related to reserve deposits:

As of 31 December 2024, the applicable rates for Turkish lira required reserves are between 3% and 33%, depending on the maturity structure, (31 December 2023: between 0% and 30%); The applicable rates for FX required reserves are between 5% and 30%, depending on the maturity structure (31 December 2023: between 5% and 30%).

2. Information on financial assets at fair value through profit or loss (net):

a) Information on trading securities given as collateral/blocked and subject to repo from financial assets at fair value through profit/loss:

As at 31 December 2024 and 31 December 2023, the financial assets at fair value through profit or loss are kept under unrestricted account

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I. Explanations and Notes on Consolidated Assets (continued)

2. Financial assets at fair value through profit or loss (net) (continued):

b) Table of positive differences related to derivative financial assets held for trading at fair value through profit/loss:

Information on Derivative Financial Assets at Fair Value Through Profit/Loss:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Forward Transactions	82,936	-	9,167	24,534
Swap Transactions	168	14,524	-	3,965
Total	83,104	14,524	9,167	28,499

3. Information on banks:

a) Information on Banks:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Banks				
Domestic	19,457	675,378	13,803	1,000,310
Foreign	-	612,873	-	1,356,838
Foreign Offices and Branches	-	-	-	-
Total	19,457	1,288,251	13,803	2,357,148

b) Information on Foreign Bank Accounts

	Unrestricted Amount		Restricted Amount	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
EU Countries	39,982	57,267	-	-
USA, Canada	26,221	360,650	-	-
OECD Countries ⁽¹⁾	2,142	9,172	-	-
Offshore Banking Regions	-	-	-	-
Other	544,528	929,749	-	-
Total	612,873	1,356,838	-	-

⁽¹⁾ OECD countries except for the EU countries, the USA and Canada

4. Information on financial assets at fair value through other comprehensive income:

a) Investment securities available-for-sale given as collateral or blocked with net values and comparatively:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Given as Collateral or Blocked	-	610,606	22,199	553,692
Subject to Repurchase Agreements	80,289	-	-	-
Total	80,289	610,606	22,199	553,692

As of 31 December 2024, financial assets at fair value through other comprehensive income amounting to TL 74,434 (31 December 2023: TL 63,642) excluding collateral and repurchase agreements.

Financial Assets at Fair Value Through Other Comprehensive Income includes loans of TL 19,410,351 (31 December 2023: TL 18,766,234).

Related loans are monitored as financial assets whose fair value difference is reflected to other comprehensive income within the scope of TFRS 9. The fair value of this loan was determined by taking into account the discounted cash flows, similar market multipliers, similar transaction multipliers in the same sector and market value average. Related loans are monitored as Level 2 within the scope of TFRS 13 Fair Value Measurement Standard.

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I. Explanations and Notes on Consolidated Assets (continued)

4. Information on financial assets at fair value through other comprehensive income (continued):

b) Information on financial assets at fair value through other comprehensive income:

	31 December 2024	31 December 2023
Debt Instruments	765,329	593,055
Listed*	765,329	593,055
Unlisted	-	-
Equity Instruments	-	-
Listed	-	-
Unlisted	-	-
Impairment Provision (-)	-	-
Total	765,329	593,055

* Other financial assets under financial assets at fair value through other comprehensive income amounting to TL 19,410,351 are not included in the table (31 December 2023: TL 18,766,234)

5. Information to loans:

a) Information on all types of loans and advances given to shareholders and employees of the Parent Bank:

	31 December 2024		31 December 2023	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	-	1,843,197	-	1,834,052
Loans Given to Legal Entity Partners	-	1,526,559	-	1,834,052
Loans Given to Real Person Partners	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees	4,010	-	3,866	-
Total	4,010	1,843,197	3,866	1,834,052

b) Information on the standard and under the close monitoring loans with restructured loans under close monitoring:

	Loans Under Close Monitoring			
	Restructured Loans			
	Loans with Revised Contract Terms			
31 December 2024	Standard Loans	Loans Not Subject to restructuring	Revised Contract Terms	Refinance
Cash Loans				
Non-Specialized Loans	35,134,812	1,117,220	-	-
Enterprise Loans	15,323,165	1,117,058	-	-
Export Loans	4,475,087	-	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	4,064,456	-	-	-
Consumer Loans	129,906	99	-	-
Credit Cards	41,078	63	-	-
Other	11,101,120	-	-	-
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	35,134,812	1,117,220	-	-

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I. Explanations and Notes on Consolidated Assets (continued)

5. Information on loans (continued):

b) Information on the standard and under the close monitoring loans with restructured loans under close monitoring (continued):

	Loans Under Close Monitoring			
	Restructured Loans			
	Loans with Revised Contract Terms			
31 December 2023	Standard Loans	Loans Not Subject to restructuring	Revised Contract Terms	Refinance
Cash Loans				
Non-Specialized Loans	33,581,312	1,595	1,190,180	-
Enterprise Loans	18,189,907	506	1,190,180	-
Export Loans	5,806,450	-	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	6,372,935	-	-	-
Consumer Loans	193,867	983	-	-
Credit Cards	30,426	106	-	-
Other	2,987,727	-	-	-
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	33,581,312	1,595	1,190,180	-

	31 December 2024		31 December 2023	
	Standard Loans	Loans Under Close Monitoring	Standard Loans	Loans Under Close Monitoring
Allowances for Expected Credit Losses on Stage 1 and 2				
12 Months Expected Loss Provision	215,706	-	558,647	-
Significant Increase in Credit Risk	-	59,831	-	209,830
Total	215,706	59,831	558,647	209,830

c) Distribution of cash loans by maturity:

	Loans Under Close Monitoring		
	Loans not Subject to Restructuring		
31 December 2024	Standard Loans	Restructuring	Restructured Loans
Short-Term Loans	19,316,450	99	-
Medium and Long-Term Loans	15,818,362	1,117,121	-
Total	35,134,812	1,117,220	-

	Loans Under Close Monitoring		
	Loans not Subject to Restructuring		
31 December 2023	Standard Loans	Restructuring	Restructured Loans
Short-Term Loans	12,605,342	91	-
Medium and Long-Term Loans	20,975,970	1,504	1,190,180
Total	33,581,312	1,595	1,190,180

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I. Explanations and Notes on Consolidated Assets (continued)

5. Information on loans (continued):

d) Information on consumer loans, consumer credit cards, personnel loans and personnel credit cards:

Current Period	Short-Term	Medium and Long-Term	Total
Consumer Loans – TL	4,704	123,621	128,325
Mortgage Loans	-	113,687	113,687
Automotive Loans	-	122	122
Consumer Loans	4,704	9,812	14,516
Other	-	-	-
Consumer Loans – Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans – FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards – TL	31,383	-	31,383
With Installment	5,352	-	5,352
Without Installment	26,031	-	26,031
Consumer Credit Cards – FC	3,967	-	3,967
With Installment	-	-	-
Without Installment	3,967	-	3,967
Personnel Loans – TL	195	245	440
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	195	245	440
Other	-	-	-
Personnel Loans – Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans – FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards – TL	3,273	-	3,273
With Installment	845	-	845
Without Installment	2,428	-	2,428
Personnel Credit Cards – FC	297	-	297
With Installment	-	-	-
Without Installment	297	-	297
Credit Deposit Account – TL (Real Person)	1,240	-	1,240
Credit Deposit Account – FC (Real Person)	-	-	-
Total	45,059	123,866	168,925

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I. Explanations and Notes on Consolidated Assets (continued)

5. Information on loans (continued):

d) Information on consumer loans, consumer credit cards, personnel loans and personnel credit cards (continued):

Prior Period	Short-Term	Medium and Long-Term	Total
Consumer Loans – TL	2,038	189,843	191,881
Mortgage Loans	-	165,561	165,561
Automotive Loans	-	1,101	1,101
Consumer Loans	2,038	23,181	25,219
Other	-	-	-
Consumer Loans – Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans – FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards – TL	24,291	-	24,291
With Installment	4,723	-	4,723
Without Installment	19,568	-	19,568
Consumer Credit Cards – FC	1,321	-	1,321
With Installment	-	-	-
Without Installment	1,321	-	1,321
Personnel Loans – TL	268	634	902
Mortgage Loans	-	19	19
Automotive Loans	-	-	-
Consumer Loans	268	615	883
Other	-	-	-
Personnel Loans – Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans – FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards – TL	2,774	-	2,774
With Installment	720	-	720
Without Installment	2,054	-	2,054
Personnel Credit Cards – FC	190	-	190
With Installment	-	-	-
Without Installment	190	-	190
Credit Deposit Account – TL (Real Person)	2,067	-	2,067
Credit Deposit Account – FC (Real Person)	-	-	-
Total	32,949	190,477	223,426

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

I. Explanations and Notes on Consolidated Assets (continued)

5. Information on loans (continued):

e) Information on installment corporate loans and corporate credit cards:

Current Period	Short-Term	Medium and Long-Term	Total
Commercial Installment Loans – TL	31,166	58,635	89,801
Business Residential Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	31,166	58,635	89,801
Other	-	-	-
Commercial Installment Loans – Indexed to FC	-	-	-
Business Residential Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Commercial Installment Loans – FC	36,740	7,936,462	7,973,202
Business Residential Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	36,740	6,183,230	6,219,970
Other	-	1,753,232	1,753,232
Corporate Credit Cards – TL	1,807	-	1,807
With Installment	96	-	96
Without Installment	1,711	-	1,711
Corporate Credit Cards – FC	414	-	414
With Installment	-	-	-
Without Installment	414	-	414
Credit Deposit Account – TL (Legal Entity)	59	-	59
Credit Deposit Account – FC (Legal Entity)	-	-	-
Total	70,186	7,995,097	8,065,283

Prior Period	Short-Term	Medium and Long-Term	Total
Commercial Installment Loans – TL	180	12,745	12,925
Business Residential Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	180	12,745	12,925
Other	-	-	-
Commercial Installment Loans – Indexed to FC	-	-	-
Business Residential Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Commercial Installment Loans – FC	-	8,358,010	8,358,010
Business Residential Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	6,895,379	6,895,379
Other	-	1,462,631	1,462,631
Corporate Credit Cards – TL	1,618	-	1,618
With Installment	128	-	128
Without Installment	1,490	-	1,490
Corporate Credit Cards – FC	338	-	338
With Installment	-	-	-
Without Installment	338	-	338
Credit Deposit Account – TL (Legal Entity)	59	-	59
Credit Deposit Account – FC (Legal Entity)	-	-	-
Total	2,195	8,370,755	8,372,950

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(Amounts expressed in thousands of Turkish Lira (“TL”).)

I. Explanations and Notes on Consolidated Assets (continued)

5. Information on loans (continued):

f) Loan concentration based on counterparties:

	31 December 2024	31 December 2023
Public	3,306,258	3,781,810
Private	32,974,129	31,118,861
Total	36,280,387	34,900,671

g) Domestic and foreign loans:

	31 December 2024	31 December 2023
Domestic Loans	35,851,478	34,449,930
Foreign Loans	428,909	450,741
Total	36,280,387	34,900,671

h) There are no loans given to subsidiaries and affiliates. (31 December 2023: None.)

i) Information on loans related reserves for specific provisions or credit impaired (Stage 3):

	31 December 2024	31 December 2023
Loans and Receivables with Limited Collectability	22	10
Loans and Receivables with Doubtful Collectability	26	16
Allocated for Loss Loans	28,270	127,524
Total	28,318	127,550

j) Information on non-performing loans (Net):

j.1) Information on non-performing loans and other receivables those are restructured or rescheduled:

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
Current Period	-	-	-
Gross Amounts Before the Specific Reserves	39	36	28,280
Restructured Loans and Other Receivables	-	-	-

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
Prior Period	-	-	-
Gross Amounts Before the Specific Reserves	10	27	127,547
Restructured Loans and Other Receivables	-	-	-

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(Amounts expressed in thousands of Turkish Lira (“TL”).)

I. Explanations and Notes on Consolidated Assets (continued)

5. Information on loans (continued):

j) Information on non-performing loans (Net)(continued):

j.2) Information on total non-performing loans:

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
Prior Period End Balance	10	27	127,547
Additions During the Period (+)	224,224	7	993
Transfers from Other Categories of Non- Performing Loans (+)	-	104,191	33
Transfers to Other Categories of Non-Performing Loans (-)	104,191	33	-
Collections During the Period (-)	120,004	104,156	6,253
Write-offs (-)	-	-	94,040
Sold Portfolio (-)	-	-	-
Corporate and Commercial Loans	-	-	-
Retail Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Balances at End of the Period	39	36	28,280
Provision (-)	22	26	28,270
Net Balance on Balance Sheet	17	10	10

j.3) Information on non-performing loans in foreign currencies:

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
Current Period			
Balances at the End of the Period	-	-	168
Provision Amount (-)	-	-	168
Net Balance on Balance Sheet	-	-	-
Prior Period			
Balances at the End of the Period	-	-	168
Provision Amount (-)	-	-	168
Net Balance on Balance Sheet	-	-	-

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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(Amounts expressed in thousands of Turkish Lira (“TL”).)

I. Explanations and Notes on Consolidated Assets (continued)

5. Information on loans (continued):

j) Information on non-performing loans (Net)(continued):

j.4) Information on net and gross amounts of non-performing loans according to beneficiary group:

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
Current Period (Net)			
Loans Allowed to Real Persons and Corporate Entities (Gross)	17	10	10
Provision Amount (-)	39	36	28,280
Loans Allowed to Real Persons and Corporate Entities (Net)	22	26	28,270
Banks (Gross)	17	10	10
Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loan and Receivables (Gross)	-	-	-
Provision Amount (-)	-	-	-
Other Loan and Receivables (Net)	-	-	-
Prior Period (Net)			
Loans Allowed to Real Persons and Corporate Entities (Gross)	10	27	127,547
Provision Amount (-)	10	16	127,524
Loans Allowed to Real Persons and Corporate Entities (Net)	-	11	23
Banks (Gross)	-	-	-
Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loan and Receivables (Gross)	-	-	-
Provision Amount (-)	-	-	-
Other Loan and Receivables (Net)	-	-	-

j.5) Information on interest accruals, rediscounts, valuation differences and their provisions calculated for non-performing loans which are expected to be used in accordance with TFRS 9:

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
Current Period (Net)			
Interest Accruals And Rediscounts And Valuation Differences	-	-	1,676
Provision Amount (-)	-	-	1,676
Prior Period (Net)			
Interest Accruals And Rediscounts And Valuation Differences	-	-	1,674
Provision Amount (-)	-	-	1,616

i) Liquidation policy for counting as loss loans and other receivables:

Uncollectible loans and other receivables are collected through legal follow up and liquidation of collaterals.

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EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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(Amounts expressed in thousands of Turkish Lira (“TL”).)

I. Explanations and Notes on Consolidated Assets (continued)

5. Information on loans (continued):

i) Information on write-off from assets policy:

The Parent Bank’s general policy for write-off of loans and receivables under follow-up is to write off such loans and receivables that are proven to be uncollectible by obtaining required documentation, also considering Tax Procedural Law’s verdicts. As of 31 December 2024, there are no written-off loans (31 December 2023: TL None).

6. Financial assets at amortized cost:

a) Information on subject to repurchase agreement and given as collateral or blocked:

Securities subject to held to maturity are kept under unrestricted account.

b) Information on public sector debt securities at amortized cost:

As of 31 December 2024, the Bank’s government debt securities valued at amortized cost is TL 21,746,087 (31 December 2023: TL 22,395,904).

	31 December 2024	31 December 2023
Government Bonds	21,746,087	22,395,904
Treasury Bills	-	-
Other Public Sector Debt Securities	-	-
Total	21,746,087	22,395,904

c) Information on financial assets at amortized cost:

	31 December 2024	31 December 2023
Debt Instruments	23,770,185	24,572,808
Listed	8,241	-
Unlisted	23,761,944	24,572,808
Value Increase / Decrease Provision ⁽¹⁾	(2,015,857)	(1,494,655)
Total	21,754,328	23,078,153

⁽¹⁾ Consists of change in interest accruals.

d) Information on the movement of financial assets at amortized cost during the year:

	31 December 2024	31 December 2023
Beginning Balance	23,078,153	12,499,270
Foreign Currency Differences on Monetary Assets	592,151	4,516,539
Purchases During Year	1,077,980	8,457,330
Disposals Through Sales and Redemptions	(5,009,813)	(900,331)
Value Increase / Impairment Provision ⁽¹⁾	2,015,857	1,494,655
Total	21,754,328	23,078,153

⁽¹⁾ Consists of change in interest discounts.

7. Information on associates (net):

None (31 December 2023: None).

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

I. Explanations and Notes on Consolidated Assets (continued)

8. Information on subsidiaries (net):

As of 31 December 2024, the Parent Bank has subsidiary as ICBC Türkiye Yatırım Menkul Değerler A.Ş. The Parent Bank does not have any capital needs due to its subsidiary which is included in the calculation of its consolidated capital adequacy standard ratio. The current equity amount of the subsidiary fulfils the minimum capital requirement entailed in accordance with the Capital Markets Board’s regulations.

Information related to subsidiaries:

a) Information on unconsolidated subsidiaries:

None.

b) Information on unconsolidated subsidiaries according to information above:

None.

c) Movement of unconsolidated subsidiaries:

None.

d) Industrial distribution of unconsolidated subsidiaries:

As of 31 December 2024, the Parent Bank has no unconsolidated subsidiary.

e) Information on consolidated subsidiaries:

Title	Address (City/Country)	Parent Bank’s share percentage- If different from voting percentage (%)	Banks Risk Group Share Percentage (%)
ICBC Türkiye Yatırım Menkul Değerler A.Ş. (ICBC Yatırım)	İstanbul/Türkiye	100	100

f) Information on subsidiaries included in the scope of consolidation in the order listed above:

Total Assets	Shareholders’ Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/Loss	Prior Period Profit / Loss	Fair Value
1,784,919	801,800	37,659	402,365	-	323,875	150,318	-

ICBC Yatırım participated in ICBC Türkiye Portföy Yönetimi A.Ş. (ICBC Portföy) with 100% share in April 2015. The financial information above shows amounts occurred as a result of consolidation of ICBC Yatırım and ICBC Portföy.

Solo/stand-alone financial information of ICBC Portföy company, which is consolidated to ICBC Yatırım, is as follows:

Total Assets	Shareholders’ Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/Loss	Prior Period Profit / Loss	Fair Value
12,217	9,733	68	4,608	-	(2,189)	1,149	-

g) Movement of consolidated subsidiaries:

	31 December 2024	31 December 2023
Balance at the Beginning of the Period	75,998	75,998
Movements During the Period	-	-
Purchases	-	-
Bonus Shares Received	-	-
Dividends from Current Year Profit	-	-
Sales	-	-
Revaluation Increase	-	-
Impairment Provision	-	-
Balance at the End of the Period	75,998	75,998

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

I. Explanations and Notes on Consolidated Assets (continued)

8. Information on subsidiaries (net) (continued):

h) Sector information and related recorded amounts of subsidiaries included in the scope of consolidation:

	31 December 2024	31 December 2023
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Financial Subsidiaries	75,998	75,998
Total	75,998	75,998

i) Listed subsidiaries: None (31 December 2023: None).

j) Subsidiaries disposed of during the current period: None. (31 December 2023: None).

k) Subsidiaries purchased in the current period: None. (31 December 2023: None).

9. Information on joint ventures (net):

The Parent Bank does not have any joint ventures. (31 December 2023: None).

10. Information on financial lease receivables (net):

None. (31 December 2023: None).

11. Information on hedging purpose derivatives:

The Group does not have derivative financial instruments for hedging purposes. (31 December 2023: None).

12. Information on investment properties (net):

The Bank has no investment property (31 December 2023: None).

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

I. Explanations and Notes on Consolidated Assets (continued)

13. Information on tangible assets (net):

		Tangible assets from finance lease	Vehicles	Right-of- Use	Other Tangible Assets	Total
31 December 2024	Buildings					
Prior Period End: 31/12/2023						
Cost	121,192	2,269	-	207,320	196,507	527,288
Accumulated Depreciation (-)	4,525	2,269	-	58,032	85,329	150,155
Net Book Value	116,667	-	-	149,288	111,178	377,133
Current Period End: 31/12/2023						
Net Book Value at the Beginning of the Period	116,667	-	-	149,288	111,178	377,133
Additions	-	-	-	385,078	71,973	457,051
Disposals, net (-)	-	-	-	-	-	-
Value Increase / (Decrease) ⁽¹⁾	55,048	-	-	-	-	55,048
Depreciation (-)	191	-	-	97,595	40,931	138,717
Cost at Period End	176,238	2,269	-	592,398	275,599	1,046,504
Accumulated Depreciation at Period End (-)	4,714	2,269	-	155,627	133,379	295,989
Closing Net Book Value	171,524	-	-	436,771	142,220	750,515

		Tangible assets from finance lease	Vehicles	Right-of- Use	Other Tangible Assets	Total
31 December 2023	Buildings					
Prior Period End: 31/12/2022						
Cost	38,016	2,269	-	164,576	122,246	327,107
Accumulated Depreciation (-)	4,159	2,269	-	72,537	61,978	140,943
Net Book Value	33,857	-	-	91,315	60,268	185,440
Current Period End: 31/12/2022						
Net Book Value at the Beginning of the Period	33,857	-	-	91,315	60,268	185,440
Additions	-	-	-	30,458	-	30,458
Disposals, net (-)	-	-	-	42,745	59,589	102,334
Value Increase / (Decrease) ⁽¹⁾	83,177	-	-	-	-	83,177
Depreciation (-)	367	-	-	15,230	20,873	36,470
Cost at Period End	121,192	2,269	-	207,320	196,507	527,288
Accumulated Depreciation at Period End (-)	4,525	2,269	-	58,032	85,329	150,155
Closing Net Book Value	116,667	-	-	149,288	111,178	377,133

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EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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I. Explanations and Notes on Consolidated Assets (continued)

12. Information on tangible assets (net) (continued)

a) The cost and accumulated depreciation of assets disposed is as follows:

31 December 2024	Buildings	Tangible assets from finance lease	Right-of-Use Assets	Other Tangible Assets	Total
Cost	-	-	-	560	560
Accumulated Depreciation (-)	-	-	-	276	276
Net disposal amount	-	-	-	284	284

31 December 2023	Buildings	Tangible assets from finance lease	Right-of-Use Assets	Other Tangible Assets	Total
Cost	-	-	-	459	459
Accumulated Depreciation (-)	-	-	-	459	459
Net disposal amount	-	-	-	-	-

13. Intangible assets (net):

a) The gross book value and accumulated amortization amounts at the beginning and at the end of the period:

	31 December 2024	31 December 2023
Gross Book Value	174,334	126,565
Accumulated Amortization (-)	95,835	58,656
Total	78,499	67,909

b) Movement table contains below mentioned information at the beginning and the end of the period:

	31 December 2024	31 December 2023
Beginning of the Period	67,909	24,400
TFRS 16 Right-of-Use Asset	52,960	6,988
Additions Resulting from Mergers, Acquisitions and Purchases	-	50,583
Accumulated Amortization for the Period (-)	31,988	14,062
End of Period	78,499	67,909

14. Information on investment properties:

The Group has no investment property. (31 December 2023: None).

15. Information on assets held for sale and discontinued operations:

The Group has no asset held for sale and discontinued operation as at 31 December 2024 and 31 December 2023.

16. Information on other assets:

Total other assets of the balance sheet amount to TL 640,584 (31 December 2023: TL 548,989) and does not exceed 10% of the balance sheet total, excluding off-balance sheet commitments.

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”).)

II. Explanations and Notes on Consolidated Liabilities

1. Information on Deposits:

a) Information on maturity profile of deposits:

The Parent Bank does not have any deposits callable in 7 days.

a.1) 31 December 2024:

	Demand	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Acc. Deposits	Total
Saving Deposits	87,757	2,196,483	483,689	96,953	212,152	369,145	-	3,446,179
Foreign Currency Deposits	4,742,338	12,193,683	1,677,334	103,733	216,420	-	-	18,933,508
Residents in Türkiye	4,426,811	11,935,781	1,630,168	18,664	10,518	-	-	18,021,942
Residents Abroad	315,527	257,902	47,166	85,069	205,902	-	-	911,566
Public Sector Deposits	52,761	-	-	-	-	-	-	52,761
Commercial Deposits	215,238	6,661,160	16,388	-	-	-	-	6,892,786
Other Ins. Deposits	18,322	14,490	2,710	-	-	-	-	35,522
Precious Metal Deposits	-	-	-	-	-	-	-	-
Bank Deposits	1,058,764	3,304,679	-	-	-	-	-	4,363,443
CBRT	-	-	-	-	-	-	-	-
Domestic Banks	941,941	3,304,679	-	-	-	-	-	4,246,620
Foreign Banks	116,823	-	-	-	-	-	-	116,823
Participation Banks	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	6,175,180	24,370,495	2,180,121	200,686	428,572	369,145	-	33,724,199

a.2) 31 December 2023:

	Demand	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Acc. Deposits	Total
Saving Deposits	83,691	1,462,782	385,460	56,128	32,375	190,953	-	2,211,389
Foreign Currency Deposits	4,611,230	26,517,422	3,025,999	307,821	495,774	12,696	-	34,970,942
Residents in Türkiye	4,199,704	25,873,148	2,962,114	223,260	14,730	12,696	-	33,285,652
Residents Abroad	411,526	644,274	63,885	84,561	481,044	-	-	1,685,290
Public Sector Deposits	7,176	-	-	-	-	-	-	7,176
Commercial Deposits	324,853	3,496,906	1,043,684	-	-	-	-	4,865,443
Other Ins. Deposits	18,367	5,971	1,681	-	-	-	-	26,019
Precious Metal Deposits	-	-	-	-	-	-	-	-
Bank Deposits	531,084	1,567,220	-	-	-	-	-	2,098,304
CBRT	-	-	-	-	-	-	-	-
Domestic Banks	464,229	1,567,220	-	-	-	-	-	2,031,449
Foreign Banks	66,855	-	-	-	-	-	-	66,855
Participation Banks	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	5,576,401	33,050,301	4,456,824	363,949	528,149	203,649	-	44,179,273

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II. Explanations and Notes on Consolidated Liabilities (continued)

1. Information on Deposits (continued):

b) Information on deposit insurance:

b.1) Information on savings deposits insured by saving deposit insurance fund and the total amount of the deposits exceeding the insurance coverage limit:

Saving Deposits	Covered by Deposit Insurance Fund	Exceeding the Deposit Insurance Limit
	31 December 2024	31 December 2024
Saving Deposits	1,607,097	1,839,082
Foreign Currency Savings Deposits	2,238,562	5,642,459
Other Saving Deposits	-	-
Foreign branches’ Deposits Under Foreign Insurance Coverage	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-
Total	3,845,659	7,481,541

Saving Deposits	Covered by Deposit Insurance Fund	Exceeding the Deposit Insurance Limit
	31 December 2023	31 December 2023
Saving Deposits	1,078,834	1,132,555
Foreign Currency Savings Deposits	2,008,430	6,951,387
Other Saving Deposits	-	-
Foreign branches’ Deposits Under Foreign Insurance Coverage	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-
Total	3,087,264	8,083,942

Saving Deposits	Covered by Deposit Insurance Fund	Exceeding the Deposit Insurance Limit
	31 December 2024	31 December 2024
Saving Deposits	126,565	651,402
Foreign Currency Savings Deposits	164,273	10,908,069
Other Saving Deposits	-	-
Foreign branches’ Deposits Under Foreign Insurance Coverage	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-
Total	290,838	11,559,471

Saving Deposits	Covered by Deposit Insurance Fund	Exceeding the Deposit Insurance Limit
	31 December 2023	31 December 2023
Saving Deposits	91,030	655,653
Foreign Currency Savings Deposits	131,406	26,035,420
Other Saving Deposits	-	-
Foreign branches’ Deposits Under Foreign Insurance Coverage	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-
Total	222,436	26,691,073

ICBC TURKEY BANK ANONİM ŞİRKETİ

EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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I. Explanations and Notes on Consolidated Liabilities (continued)

1. Information on Deposits (continued):

b.2) Savings deposits in Türkiye are not covered under insurance in another country since the Headquarter of the Bank is not located abroad: None.

b.3) The Group has saving deposits not covered by deposit insurance amounting to TL 7,492,361 (31 December 2023: TL 8,092,841).

Saving deposits of real persons that are not covered under the guarantee of deposit insurance fund:

	31 December 2024	31 December 2023
Deposits and Other Accounts at Foreign Branches	-	-
Deposits and Other Accounts belong to Major Shareholders with Their Parents, Spouse and Children under Their Care	-	-
Deposits and Other Accounts belong to Members of Board of Directors, CEO and Deputy CEOs with Their Parents, Spouse and Children under Their Care	7,492,361	8,092,841
Deposits and Other Accounts linked to Crimes Mentioned in 282 nd Article of 5237 Numbered Turkish Crime Legislation dated on 26/09/2004	-	-
Deposits belong to Off-shore Banks which are established to be engaged in offshore banking in Türkiye	-	-

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II. Explanations and Notes on Consolidated Liabilities (continued)

2. Payables to Money Markets:

As of 31 December 2024, the Group has funds from repo transactions amounting to TL 6,973,794 and has funds borrowed from interbank markets amounting to TL 167,767 (31 December 2023: TL 3,255,853 funds from repo transactions and no funds borrowed from interbank markets).

3. Derivative financial liabilities:

Derivative financial liabilities statement:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Forwards Transactions	86,021	-	9,392	17,963
Swaps Transactions	4,272	11,060	6,562	298,139
Futures Transactions	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Total	90,293	11,060	15,954	316,102

4. Information on funds borrowed:

a) Information on banks and other financial institutions:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Central Bank of the Republic of Türkiye	-	-	-	-
Domestic Banks and Institutions	-	-	-	-
Foreign Banks, Institutions and Funds	-	42,129,255	1,501,951	35,507,488
Total	-	42,129,255	1,501,951	35,507,488

b) Contractual maturities of funds borrowed:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Short-Term	-	42,129,255	1,501,951	5,653,696
Medium and Long-Term	-	-	-	29,853,792
Total	-	42,129,255	1,501,951	35,507,488

c) Additional information on concentrations of Parents Bank’s liabilities:

The Parent Bank diversifies its funding resources with customer deposits and funds borrowed from foreign banks. The Parent Bank makes concentration analysis for the customers providing funds in branch basis and takes long and short-term actions to generalize the customers in these branches. Funds borrowed consist of funds with different characteristics and maturity-interest structures which are provided from different institutions.

5. Information on other liabilities:

Other liabilities amount to TL 1,114,741 (31 December 2023: TL: 618,105) on the balance sheet and do not exceed 10% of the total balance sheet excluding off-balance sheet commitments.

6. Information on lease payables (net):

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Less than 1 Year	18,465	-	62,593	-
Between 1-4 Years	139,435	-	32,122	-
More Than 4 Years	330,765	-	71,875	-
Total	488,665	-	166,590	-

7. Information on liabilities arising from hedging purpose derivatives (net):

The Group does not have derivative financial instruments for hedging purposes (31 December 2023: None).

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II. Explanations and Notes on Consolidated Liabilities (continued)

8. Information on provisions:

a) Information on reserve for employee rights:

In accordance with existing legislation in Turkey, the Parent Bank and its subsidiary in Turkey have to make certain lump-sum payments to employees who has completed one year of service with the Parent Bank, who has completed 25 working years (20 years for women) and whose employment is terminated due to retirement (retirement age for women and men are 58 and 60, respectively) or reasons other than resignation or misconduct.

The indemnity payable is one month's salary for each year of service and as of 31 December 2024, this amount is restricted with full TL 41,828.42 (31 December 2023: full TL 35,058.58). The liability is not funded since there is no funding requirement.

The Parent Bank reserved for employee severance indemnities in the accompanying financial statements using actuarial method in accordance with the Turkish Accounting Standard 19 (TAS 19) “Employee Benefits”. The major actuarial assumptions used in the calculation of the total liability are as follows.

The basic assumption is that the severance pay ceiling to be paid for each year of service will increase each year at the rate of inflation or the estimated salary increase. Thus, the discount rate applied will show the expected real rate after adjusting for the expected effects of inflation.

	31 December 2024	31 December 2023
Discount Ratio (%)	3.75	3.50
Expected Salary/ETI Liability Ceiling Increase Rate (%)	22.09	49.25
Rate for the Probability of Retirement (%)	26.67	40.00

Movement of ETI liability is as below:

	31 December 2024	31 December 2023
Balance at Prior Period End	161,507	81,572
Current Year Provisions	48,699	41,455
Paid in Current Year	(22,175)	(10,320)
Actual Loss/ (Gain)	36,336	48,800
Balance at the End of the Period	224,367	161,507

As at 31 December 2024, the Group has vacation pay liability amounting TL 128,151 (31 December 2023: TL 74,317).

b) Information on provisions related to foreign currency differences of foreign currency indexed loans:

As at 31 December 2024, there is no foreign exchange differences on foreign currency indexed loans (31 December 2023: None) are netted with loans on the asset side.

c) Information on other provisions:

c.1) Information on provision for possible risks:

As of 31 December 2024, the Bank has no free provisions (31 December 2023: TL 89,739)

c.2) Information on provision for promotions related to banking services:

As at 31 December 2024, the Parent Bank has provision for credit card service promotions amounting TL 160 (31 December 2023: TL 146).

c.3) As of 31 December 2024, the Group has litigation provision amounting to TL 16,883 (31 December 2023: TL 14,429) for the ongoing lawsuits against the Group.

c.4) As at 31 December 2024, the Group has provision for personnel bonus amounting TL 192,538 (31 December 2023: TL 284,105).

c.5) Information on specific provisions for non-cash loans that have not been liquidated and translated into cash:

The Group has made provision for non-cash loans of TL 8,525 (31 December 2023: TL 8,664) that have not been compensated and translated into cash, and for irrevocable commitments of TL 103,863 (31 December 2023: TL 203,074).

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II. Explanations and Notes on Consolidated Liabilities (continued)

9. Information on tax liabilities:

a) Information on taxes payable:

	31 December 2024	31 December 2023
Corporate Taxes Payable	24,111	7,346
Taxation on Securities	47,217	23,880
Property Tax	674	1,283
Booking and Insurance Transaction Tax (BITT)	16,956	13,427
Foreign Exchange Tax	-	-
Value Added Tax Payable	3,319	2,945
Other	33,084	24,100
Total	125,361	72,981

b) Information on premiums payable:

	31 December 2024	31 December 2023
Social Security Premiums- Employee	7,397	14,487
Social Security Premiums- Employer	10,860	21,271
Bank Social Aid Pension Fund Premium - Employee	-	-
Bank Social Aid Pension Fund Premium - Employer	-	-
Pension Fund Membership Fees And Provisions - Employee	-	-
Pension Fund Membership Fees And Provisions - Employer	-	-
Unemployment Insurance- Employee	475	843
Unemployment Insurance- Employer	808	1,688
Other	-	-
Total	19,540	38,289

c) Information on deferred tax liabilities:

Deferred tax assets and liabilities of each consolidated entity calculated individually are netted at each individual financial statement. Net deferred tax assets and liabilities of consolidated entities are not netted off with each other during consolidation process.

10. Information on payables related to assets held for sale and discontinued operations (net):

There are no liabilities for fixed assets held for sale and discontinued operations.

11. Explanations on subordinated loans including quantity, maturity, interest rate, issuing institution, option to be converted into stock certificate:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Debt Instruments to be Included in the Additional Capital				
Borrowing Instruments	-	-	-	-
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	-	-	-	-
Debt Instruments to be Included in the Tier II				
Capital Calculation	-	10,587,784	-	8,838,475
Subordinated Loans ⁽¹⁾	-	10,587,784	-	8,838,475
Subordinated Debt Instruments	-	-	-	-
Total	-	10,587,784	-	8,838,475

⁽¹⁾ The main shareholder of the Bank, Industrial and Commercial Bank of China Limited (ICBC), provided a subordinated loan amounting to USD 300 million (USD three hundred million), with a maturity of 10 years and repayment option after 5 years.

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II. Explanations and Notes on Consolidated Liabilities (continued)

12. Information on shareholders’ equity:

a) Paid in capital:

	31 December 2024	31 December 2023
Common Stock	860,000	860,000

The paid-in share capital of the Parent Bank is represented by 8,600,000,000 registered shares of one 0.10 Turkish Liras each.

b) Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank; if so the amount of registered share capital: None.

c) Information on share capital increases and their sources; other information on any increase in capital shares during the current period:
There is no capital increase in the current period.

d) Information on share capital increases from revaluation funds:
There is no capital increase in the current period.

e) Capital commitments for current financial year and following period, and the overall purpose of these commitments and the estimated resources required for these commitments: None.

f) Prior period indicators of the Parent Bank’s income, profitability and liquidity; and possible effects of the predictions on equity, considering the ambiguity of the indicators: None.

g) Information on the privileges given to stocks representing the capital: The 70% of share capital of the Parent Bank consist of Type A shares and the 30% of the remaining consist of Type B shares. Three out of five members of the Board of Directors are appointed by Type A shareholders and the remaining two are appointed by Type B shareholders. There is no other privilege appointed.

h) Information on marketable securities value increase fund:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
From Investment in Associates, Subsidiaries and Joint Ventures	-	-	-	-
Revaluation Difference	(350)	284,261	(2,025)	651,722
Foreign Exchange Difference	-	-	-	-
Total	(350)	284,261	(2,025)	651,722

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II. Explanations and Notes on Consolidated Liabilities (continued)

13. Information on deferred tax liabilities:

Amount of deferred tax liability recognized in the balance sheet for deductible temporary differences, tax losses and tax credits and exemptions:

	(1 January – 31 December 2024)	(1 January – 31 December 2023)
Balance at beginning of prior period	(59,718)	667,686
Deferred tax income / (expense) (net)	221,075	(485,823)
Deferred tax recognized in other comprehensive income	151,709	(241,581)
Balance at the end of period	313,066	(59,718)

Movements in net deferred tax assets / (liabilities) for the current and prior periods are as follows.

	31 December 2024		31 December 2023	
Basis for deferred tax	Accumulated		Accumulated	
timing differences	temporary	Deferred tax	temporary	Deferred tax
	differences	assets/(liabilities)	differences	assets/(liabilities)
Provisions	561,823	168,547	508,314	152,494
Valuation differences on financial assets and liabilities	(1,886,487)	(565,946)	(2,656,007)	(796,802)
Derivative valuation differences	3,743	1,123	294,790	88,437
Provisions for Expected Losses	251,651	75,495	1,482,992	395,469
Deferred tax arising from financial losses	2,061,684	618,505	259,070	77,721
Other	51,140	15,342	19,019	22,936
Total net deferred tax assets / (liabilities)	1,043,554	313,066	(91,821)	(59,718)

In the current period;

Severance and Vacation Pay and Actuarial Difference amounting to TL 105,756, Credit Card Bonus Provision amounting to TL 48, Litigation Provision Expense amounting to TL 5,102 and Bonus Provision amounting to TL 57,641 are included in Provisions line,

Internal Yield Rediscount Difference amounting to TL 1,177, Marketable Securities amounting to TL (563,623), Stock Valuation amounting to TL (3,500) are included in Financial Assets and Liabilities Valuation Differences line.

Derivative Transactions amounting to TL 1,123 is included in Derivative Valuation Differences line.

Provisions for Expected Losses amounting to TL 75,495 is included in Provisions for Expected Losses line.

Real estate held for sale amounting to TL 57, rent expenses within the scope of TFRS 16 amounting to TL 1,954, fees and commissions collected in advance amounting to TL 21,763, buildings amounting to TL 24,088, other fixed assets other than buildings amounting to TL (32,520) and deferred tax arising from financial loss amounting to TL 618,505 are included in Other line.

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EXPLANATIONS AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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III. Explanations and Notes on Consolidated Off-Balance Sheet Items

1. Explanation on off-balance sheet items:

a) Type and amount of irrevocable commitments:

	31 December 2024	31 December 2023
Forward purchase and sale commitments	2,727,963	962,137
Commitment for use guaranteed credit allocation	31,182	31,012
Credit cards limit commitments	201,212	139,913
Payment commitments for cheques	8,760	9,450
Credit card commitments given with applications for promotion	-	-
Tax and fund obligations arising from export commitments	3	3
Other irrevocable commitments	471	417
Total	2,969,591	1,142,932

b) Type and amount of possible losses and commitments from off-balance sheet items:

There is no possible loss arising from off-balance sheet items. Guarantees from off-balance sheet commitments are shown in “off-balance sheet items” statements.

	31 December 2024	31 December 2023
Letters of guarantee	9,982,760	7,707,471
Bank acceptance loans	-	-
Letters of credit	2,390,190	6,301,504
Other guarantees	15,875,169	12,404,650
Total	28,248,119	26,413,625

c) Total amount of non-cash loans:

	31 December 2024	31 December 2023
Non-Cash Loans Given for Cash Loan Risks	894,856	723,085
With Original Maturity of 1 Year or Less	734,695	657,736
With Original Maturity of More Than 1 Year	160,161	65,349
Other Non-Cash Loans	27,353,263	25,690,540
Total	28,248,119	26,413,625

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III. Explanations and Notes on Consolidated Off-Balance Sheet Items (continued)

1. Explanation on off-balance sheet items (continued):

d) Information on sectoral risk concentration of non-cash loans

	31 December 2024				31 December 2023			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agriculture	18	0.00	-	-	24	-	-	-
Farming and Raising Livestock	-	-	-	-	6	-	-	-
Forestry	-	-	-	-	-	-	-	-
Fishery	18	100.00	-	-	18	-	-	-
Manufacturing	351,686	9.97	2,071,775	8.38	151,027	8.09	4,176,074	17.01
Mining and Quarrying	173	0.05	1,771	0.09	238	0.01	1,476	0.01
Production	237,093	67.42	2,013,518	97.19	61,276	3.28	2,343,339	9.55
Electricity, Gas and Water	114,420	32.53	56,486	2.73	89,513	4.79	1,831,259	7.46
Construction	29,742	0.84	1,027,826	4.16	18,899	1.01	990,544	4.04
Services	2,324,446	65.87	4,628,814	18.73	1,696,330	90.85	19,379,799	78.95
Wholesale and Retail Trade	120,627	5.19	385,515	8.33	47,914	2.57	3,977,972	16.21
Accommodation and Dining Services	1,615	0.07	-	-	1,619	0.09	-	-
Transportation and	48,633	2.09	1,348,569	29.13	13,105	0.70	1,676,539	6.83
Financial Institutions	2,148,707	92.44	2,830,608	61.15	1,628,900	87.24	13,450,132	54.79
Real Estate and Lending Services	125	0.01	64,122	1.39	139	0.01	275,156	1.12
Self-Employment Services	-	-	-	-	-	-	-	-
Educational Services	-	-	-	-	97	0.01	-	-
Health and Social Services	4,739	0.20	-	-	4,556	0.24	-	-
Other	823,157	23.33	16,990,655	68.74	928	0.05	-	-
Total	3,529,049	100.00	24,719,070	100.00	1,867,208	100.00	24,546,417	100.00

e) Non-cash loans classified under Group I and II:

	Group I ^(*)		Group II	
	TL	FC	TL	FC
Letters of Guarantee	3,522,837	6,436,660	2,251	-
Acceptance/Aval Credits	-	-	-	-
Letters of Credit	-	2,390,190	-	-
Securities Issue Purchase Guarantees	-	-	-	-
Factoring Guarantees	-	-	-	-
Other Commitments and Contingencies	-	15,875,169	-	-
Total	3,522,837	24,702,019	2,251	-

*Third stage non-cash loans of TL 21,012 are not included.

2. Explanations on the services rendered on behalf of and account of other persons:

The Group performs purchase-sale transactions on behalf of its customers and provides custody, management and consultancy services.

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IV. Explanations and Notes on Consolidated Profit or Loss Statement

1. Information on interest income:

a) Information on interest income received from loans:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Interest Income Received from Loans ⁽¹⁾				
Short-Term Loans	741,154	740,705	408,098	1,211,909
Medium and Long-Term Loans	129,095	3,781,377	199,145	2,722,934
Loans Under Follow-Up	52,615	-	14,352	-
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total	922,864	4,522,082	621,595	3,934,843

⁽¹⁾ Also includes fees and commissions from cash loans.

b) Information on interest income received from banks:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
From Central Bank of The Republic of Türkiye	273,101	-	77,613	-
From Domestic Banks	159,844	43,407	32,181	28,726
From Foreign Banks	-	37,653	-	35,964
From Foreign Offices and Branches	-	-	-	-
Total	432,945	81,060	109,794	64,690

c) Information on interest income received from securities portfolio:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Financial Assets at Fair Value Through Profit Or Loss	-	-	-	-
Financial Assets at Fair Value Through Other				
Comprehensive Income	25,386	35,283	3,414	28,570
Financial Assets Measured at Amortized Cost	4,196,817	314,557	2,863,283	401,679
Total	4,222,203	349,840	2,866,697	430,249

d) Information on interest income received from associates and subsidiaries: None (31 December 2023: None).

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IV. Explanations and Notes on Consolidated Profit or Loss Statement (continued)

2. Information on interest expense:

a) Information on interest expense related to funds borrowed:

	31 December 2024		31 December 2023	
	TL	FC	TL	FC
Banks ⁽¹⁾	85,502	2,799,046	257,096	2,489,296
Central Bank of The Republic of Türkiye	-	-	-	-
Domestic Banks	33,438	-	143,949	-
Foreign Banks	52,064	2,799,046	113,147	2,489,296
Foreign Branches and Offices Abroad	-	-	-	-
Other Institutions	-	-	-	-
Total	85,502	2,799,046	257,096	2,489,296

⁽¹⁾ Also includes fees and commission expenses related to loans allowed.

b) Information on interest expense paid to associates and subsidiaries:

None (31 December 2023: None).

c) Information on interest expense paid to securities issued: None.

d) Maturity structure of the interest expense on deposits:

The Parent Bank has no interest expense paid to deposits callable within 7 days.

31 December 2024		Time Deposits						Acc. Deposits	Total
Account Name	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 year and over			
TL									
Bank Deposits	-	600,660	-	-	-	-	-	-	600,660
Saving Deposits	-	74,417	699,994	105,230	34,726	114,479	-	-	1,028,846
Public Sector Deposits	-	-	-	-	-	-	-	-	-
Commercial Deposits	-	371,854	1,942,576	136,059	137	-	-	-	2,450,626
Other Deposits	-	183	12,304	4	-	-	-	-	12,491
Total	-	1,047,114	2,654,874	241,293	34,863	114,479	-	-	4,092,623
Foreign Currency									
Foreign Currency	-	9,407	450,531	6,654	8,502	1,392	-	-	476,486
Deposits									
Bank Deposits	-	11,995	-	-	-	-	-	-	11,995
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Total	-	21,402	450,531	6,654	8,502	1,392	-	-	488,481
Grand Total	-	1,068,516	3,105,405	247,947	43,365	115,871	-	-	4,581,104

31 December 2023		Time Deposits						Total
Account Name	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 year and over	Acc. Deposits	
TL								
Bank Deposits	-	326,463	-	-	-	-	-	326,463
Saving Deposits	-	30,564	288,750	128,456	18,809	13,632	-	480,211
Public Sector Deposits	-	-	-	-	-	-	-	-
Commercial Deposits	-	275,914	357,989	67,045	74,275	-	-	775,223
Other Deposits	-	405	1,316	-	3	1	-	1,725
Total	-	633,346	648,055	195,501	93,087	13,633	-	1,583,622
Foreign Currency								
Foreign Currency	-	12,896	547,951	6,725	15,513	1,195	-	584,280
Deposits								
Bank Deposits	-	4,385	-	-	-	-	-	4,385
Precious Metal Deposits	-	-	-	-	-	-	-	-
Total	-	17,281	547,951	6,725	15,513	1,195	-	588,665
Grand Total	-	650,627	1,196,006	202,226	108,600	14,828	-	2,172,287

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IV. Explanations and Notes on Consolidated Profit or Loss Statement (continued)

4. Explanation on dividend income

	31 December 2024	31 December 2023
Financial Assets at Fair Value Through Profit/Loss	7	4
Financial Assets at Fair Value Through Other Comprehensive Income	-	-
Other	-	-
Total	7	4

5. Information on trading profit / loss (net):

	31 December 2024	31 December 2023
Profit	10,011,066	16,626,937
Capital Market Gains	90,376	23,338
Derivative Gains	4,241,693	6,379,883
Foreign Exchange Gains	5,678,997	10,223,716
Loss (-)	10,373,920	15,176,665
Capital Market Losses	-	885
Derivative Losses	4,401,590	6,091,544
Foreign Exchange Losses	5,972,330	9,084,236
Trade Profit/Loss (Net)	(362,854)	1,450,272

5. Information on other operating income:

The “Other operating income” item in the income statement mainly consists of collections from receivables for which provision was made in previous periods, provisions set aside in previous years and reversed in the current year, and income from sales from the follow-up portfolio.

6. Impairment on expected loans and other provisions receivables:

	31 December 2024	31 December 2023
Allowance for Expected Credit Losses	(1,068,969)	584,732
12-Month Expected Credit Losses (Stage 1)	(360,293)	869,403
Significant Increase in Credit Risk (Stage 2)	(710,932)	(386,816)
Credit-Impaired (Stage 3)	2,256	102,145
Impairment Provisions for Securities	14,168	17,116
Financial Assets at Fair Value Through Profit or Loss	12,322	14,372
Financial Assets at Fair Value Through Other Comprehensive Income	1,846	2,744
Impairment Provisions Related to Investments in Associates, Subsidiaries and Joint Ventures	-	-
Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other	-	89,739
Total	(1,054,801)	691,587

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IV. Explanations and Notes on Consolidated Profit or Loss Statement (continued)

7. Information related to other operating expenses:

	31 December 2024	31 December 2023
Reserve for Employee Termination Benefits	73,173	79,287
Reserve for Bank’s Social Aid Fund Deficit	-	-
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	151,345	36,468
Impairment Expenses of Intangible Assets	-	-
Impairment Expenses of Goodwill	-	-
Depreciation Expenses on Intangible Assets	31,988	14,062
Impairment Expenses of Investments in Associates by Using Equity Method	-	-
Impairment Expenses of Assets Held for Resale	-	-
Depreciation Expenses of Assets Held for Resale	-	30
Impairment Expenses of Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	354,052	245,044
Leasing Expenses related to TFRS 16 Exemptions	5,774	2,417
Repair and Maintenance Expenses	92,799	70,198
Advertisement Expenses	6,728	10,488
Other Expenses	248,751	161,941
Loss on Sale of Assets	38	67
Other ⁽¹⁾	368,559	455,764
Total	979,155	830,722

⁽¹⁾ Other line mainly includes taxes paid other than corporate income tax, customs and duties paid and SDIF premium expense.

8. Profit / loss before taxes from continued and discontinued operations:

Profit before taxes for continued operations is TL (55,789) (31 December 2023: TL 2,029,405 profit before tax). Profit before taxes consists of net interest income amounting to TL 1,001,261 (31 December 2023: TL 2,539,196), net fees and commission income amounting to TL 633,552 (31 December 2023: TL 390,113), personnel expenses amounting to TL 1,777,123 (31 December 2023: TL 1,140,024) and other operating expenses amounting to TL 979,155 (31 December 2023: TL 830,722).

9. Taxes on income from continued and discontinued operations:

For the period ended 31 December 2024, deferred tax income amounting to TL 670,435 (31 December 2023: TL 277,024 deferred tax income) and TL 449,360 deferred tax expense (31 December 2023: TL 762,847 deferred tax expense) arise from temporary differences.

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IV. Explanations and Notes on Consolidated Profit or Loss Statement (continued)

10. Information on continued and discontinued operations net profit/loss:

Net profit from continued operations is TL 21,514 (31 December 2023: TL 1,474,026 net profit).

11. Information on net profit and loss:

- a) If it is required that the nature of the income and expense items arising from ordinary banking transactions, size and repetition rate for the understanding of the Parent Bank's performance over the period, the nature and amount of these items: None.
- b) The profit / loss effect of a change in the estimate made in relation to the financial statement items, if any, is likely to affect subsequent periods: None.
- c) There is no profit/loss of minority interests (31 December 2023: None).

12. In case the other items in the consolidated statement of profit or loss exceeds 10% of the total profit or loss, the sub-accounts constituting at least 20% of these items:

In the consolidated statement of profit or loss; the “Other” captions presented under “Fees and Commissions Received” and “Fees and Commissions Paid” accounts, which are included in “Net Fee and Commission Income,” consist mainly of income received and expenses paid to customers and third parties regarding banking activities.

13. Fees for services received from independent auditor / independent audit firm

The fee information for the reporting period regarding the services received from the independent auditor or independent audit firm in accordance with the decision of the POA dated 26 March 2021 is given in the table below. These fees include the fees for the services provided to the Bank's subsidiaries.

	31 December 2024 ⁽¹⁾	31 December 2023 ⁽¹⁾⁽²⁾
Independent Audit Fee	6,690	5,920
Other Assurance Services Fee	7,097	1,022
Fee for Services Other than Independent Audit	-	-
Total	13,787	6,942

(1) Amounts Excluding VAT.

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V. Explanations and Notes on Consolidated Statement of Changes in Shareholders’ Equity

1. Differences arising on revaluation of tangible assets:

As a result of the revaluation of the Group's real estate properties, a value increase of TL 55,048 (31 December 2023: TL 83,177) is reflected in the financial statements in the current period.

2. Explanations on profit distribution:

At the Ordinary General Assembly Meeting of the Parent Bank held on 25 March 2024, it was decided to allocate 5% of the legal reserves of TL 66,159 from TL 1,323,195, which constitutes the net after-tax unconsolidated balance sheet profit of 2023, in accordance with Article 519/1 of the TCC and the remaining TL 1,257,036 was decided to be transferred to extraordinary reserves.

As of the date of these financial statements, the Bank's annual Ordinary General Assembly meeting has not been held yet.

3. Information on changes after revaluation of financial assets at fair value through other comprehensive income:

Gains or losses arising from the remeasurement of financial assets at fair value through other comprehensive income are recognized in equity. In the current period, a valuation gain of TL (518,980) (31 December 2023 - TL 753,869) has been recognized in equity related to financial assets at fair value through other comprehensive income.

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VI. Explanations and Notes on Consolidated Cash Flow Statement

1. Differences arising on revaluation of tangible assets:

The components of cash and cash equivalents and the accounting policies used in the determination of these components:

Cash in vault, foreign currencies, cash in transit, cheques purchased, demand deposits in banks including demand deposit balances with the Central Bank of Türkiye are described as “Cash”; interbank money market placements, time deposits in banks which have original maturities shorter than three months and reverse repo receivables are described as “Cash Equivalents”. The reserve requirement amounts within the Central Bank are not considered as “cash equivalent assets” in the statement of cash flows.

a) Cash and cash equivalent assets at the beginning of the period:

	31 December 2024	31 December 2023
Cash	11,363,544	4,947,685
Cash in Vault, Foreign Currencies and Other	320,208	168,241
Demand Deposits at Banks	11,043,336	4,779,444
Cash Equivalents	877,670	987,707
Interbank Money Market	-	5,400
Time Deposits at Banks	877,670	982,307
Total	12,241,214	5,935,392

b) Cash and cash equivalents at the end of the period:

	31 December 2024	31 December 2023
Cash	9,211,382	11,363,544
Cash in Vault, Foreign Currencies and Other	263,219	320,208
Demand Deposits at Banks	8,948,163	11,043,336
Cash Equivalents	1,134,575	877,670
Interbank Money Market	485,865	-
Time Deposits at Banks	648,710	877,670
Total	10,345,957	12,241,214

c) Information on cash and cash equivalents held by the second Bank but not available for free use due to legal restrictions or other reasons:

d) As stated in Article 1, reserve requirement amounts that are not released (blocked) within the Central Bank of the Republic of Turkey are not considered as cash equivalents in the statement of cash flows.

e) Explanations on other items in the third statement of cash flows and the effect of changes in foreign exchange rates on cash and cash equivalents:

f) As of 31 December 2024, “Other” item under “Operating profit before changes in operating assets and liabilities” amounting to TL (739,523) (31 December 2023: TL (217,069)) consists of other operating expenses that generate cash flows excluding personnel expenses, corporate tax paid, other taxes and duties and fees and commissions paid.

g) As of 31 December 2024, “Net increase/decrease in other payables” amounting to TL 4,302,752 (31 December 2023: TL 3,185,625) included in “Changes in operating assets and liabilities” consists of changes in miscellaneous payables, other liabilities, payables to money markets, taxes, duties, charges and premiums payable. As of 31 December 2024, “Net increase/decrease in other assets” amounting to TL (1,259,899) (31 December 2023: TL 1,552,238) consists of changes in miscellaneous receivables and other assets.

h) As of 31 December 2024, cash outflow amounting to TL (419,581) (31 December 2023: TL (128,718) outflow) included in “Net cash flows from investing activities” is due to balance sheet differences of financial assets at fair value through other comprehensive income.

i) The effect of changes in foreign exchange rates on cash and cash equivalents amounted to TL 741,689 for 2023 (31 December 2023: TL 2,046,883).

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VII. Explanations on the Parent Bank’s Risk Group

1. Information on the volume of transactions with the Parent Bank’s risk group, lending and deposits outstanding at period end and income and expenses in the current period:

a) 31 December 2024:

Current Period Parent Bank’s Risk Group ⁽¹⁾	Associates, Subsidiaries and Joint Ventures		Bank’s Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						
Balance at the Beginning of the Period	65	2	-	1,834,052	231	-
Balance at the End of the Period	2	-	-	1,526,559	298	-
Interest and Commission Income Received	-	-	-	-	-	-

⁽¹⁾ As described in the 2nd Subclause on Article 49 of Banking Law no.5411.

As of 31 December 2024, the Bank has placements amounting to TL 545,345 (31 December 2023: TL 39,352) in banks in the risk group.

Prior Period Parent Bank’s Risk Group ⁽¹⁾	Associates, Subsidiaries and Joint Ventures		Bank’s Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables	-	-	-	-	-	-
Balance at the Beginning of the Period	21	2	-	1,315,089	28	40
Balance at the End of the Period	65	2	-	1,834,052	231	-
Interest and Commission Income Received	-	-	-	-	-	-

(1) As described in the 2nd Subclause on Article 49 of Banking Law no.5411.

b) Information on deposits held by the Parent Bank’s risk group:

Current Period Parent Bank’s Risk Group ⁽¹⁾	Associates, Subsidiaries and Joint Ventures		Bank’s Direct and Indirect Shareholders		Other Components in Risk Group	
Deposits						
Balance at the beginning of the Period	-		66,855		9,887	
Balance at the End of the Period	-		116,823		18,543	
Interest on Deposits	-		-		1,264	

⁽¹⁾ As described in the 2nd Subclause on Article 49 of Banking Law no.5411.

Prior Period Parent Bank’s Risk Group ⁽¹⁾	Associates, Subsidiaries and Joint Ventures		Bank’s Direct and Indirect Shareholders		Other Components in Risk Group	
Deposits						
Balance at the beginning of the Period	-		20,025		5,224	
Balance at the End of the Period	-		66,855		9,887	
Interest on Deposits	-		-		486	

⁽¹⁾ As described in the 2nd Subclause on Article 49 of Banking Law no.5411.

The Parent Bank has borrowed loans from the Parent Bank’s Risk Group amounting TL 42,129,255 as at 31 December 2024 (31 December 2023: TL 37,009,437).

The Parent Bank has borrowed subordinated loans from the Parent Bank’s Risk Group amounting to TL 10,587,784 as at 31 December 2024 (31 December 2023: TL 8,838,475).

c) Information on forward transactions, option contracts and other similar agreements with the risk group of the Parent Bank:

As of 31 December 2024, the Group has no derivative transactions with the risk group it is included in (31 December 2023: None).

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VII. Explanations on the Parent Bank’s Risk Group (continued)

2. The Parent Bank’s Transactions with the Risk Group:

Besides nature of the relationship, transaction type, amount and its proportion in total transaction amount, amounts of primary transactions and their proportions in total amount, pricing policy and other matters:

In the Group’s transactions with its risk group, pricing policy and other matters are determined and applied at market conditions. As of 31 December 2024, proportion of cash loans to risk group in total cash loans is 0.0008% (31 December 2023: 0.0006%) and proportion of deposits from its risk group in total deposits is 0.5% (31 December 2023: 0.5%). Proportion of borrowings from its risk group in total funds borrowed is 24.6% (31 December 2023: 38.1%).

As a result of other activities in the risk group of the Bank, other commission income is amounting to TL 5 (31 December 2023: TL 4), other operating income is amounting to TL 1,487 (31 December 2023: TL 789) and there is no other operating expenses (31 December 2023: None).

In the current period, benefits provided to the Group’s key management amount to TL 113,082 (31 December 2023: TL 76,077).

VIII. Information on Domestic, Foreign, Offshore Branches and Foreign Representative Offices of Parent Bank

	Number	Employees		
Domestic branches	55	776	Country	
Foreign representative offices	-	-		-
			Total Assets	
			Legal Capital	
Foreign branches	-	-		-
Off-Shore branches	-	-		-

IX. Explanation and Notes on Subsequent Events

None.

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SECTION SIX

OTHER EXPLANATIONS ON THE BANK’S ACTIVITIES

I. Other Explanations

None.

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SECTION SEVEN

EXPLANATIONS ON THE AUDITORS’ REPORT

I. Explanations on the Auditors’ Report

The consolidated financial statements of the Parent Bank and its subsidiaries as at and for the year ended 31 December 2024 have been audited by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., (Member of Deloitte Touche Tohmatsu Limited) and the Auditors’ Report dated 21 February 2025 is presented in the introduction of this report.

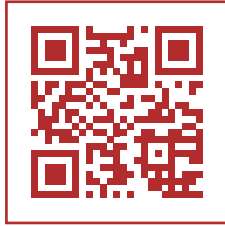
II. Explanation and Notes Prepared by the Independent Auditors

None.

CONTACT

ICBC Turkey Bank Anonim Şirketi (ICBC Turkey) conducts operations as a foreign-capitalized deposit bank in Türkiye. The contact information of our branches can be reached on our website under the heading of the “Contact Us”/ “Branch-ATMs” or by QR Code.

Period of the Report	01.01.2024–31.12.2024
Trade Name of the Bank	ICBC Turkey Bank A.Ş.
Currency of the Report	Unless indicated otherwise, all of the amounts are indicated in thousand TL.
Trade Registry Number of the Bank	224058 - İstanbul Chamber of Commerce
Head Office Adress	Maslak Mah. Dereboyu/2 Cad. No: 13 34398 Sarıyer - İstanbul
Head Office Phone No.	+90 212 335 53 35
Head Office Fax No.	+90 212 328 13 28
Internet Site Adress	www.icbc.com.tr
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