

Türkiye İş Bankası Anonim Şirketi

**Unconsolidated Financial Statements
As at and For the Year Ended
December 31, 2025**

With Independent Auditor's Report Thereon

*(Convenience Translation of Unconsolidated Financial Statements
and Related Disclosures and Footnotes Originally Issued in Turkish)*

This report includes "Independent Auditor's Report" comprising 8 pages and; "Unconsolidated Financial Statements and Related Disclosures and Footnotes" comprising 121 pages.



INDEPENDENT AUDITOR’S REPORT

To the Shareholders of Türkiye İş Bankası Anonim Şirketi

A. Audit of the Unconsolidated Financial Statements

1. Opinion

We have audited the accompanying unconsolidated financial statements of Türkiye İş Bankası Anonim Şirketi (“the Bank”), which comprise the statement of unconsolidated balance sheet as at 31 December 2025, unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders’ equity, unconsolidated statement of cash flows for the year then ended, and the notes to the unconsolidated financial statements and a summary of significant accounting policies and unconsolidated financial statement notes.

In our opinion, the unconsolidated financial statements present fairly, in all material respects, the unconsolidated financial position of the Bank as at 31 December 2025, and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with the Banking Regulation and Supervision Agency (“BRSA”) Accounting and Financial Reporting Legislation which includes “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 Turkish Financial Reporting Standards (“TFRS”) for those matters not regulated by the aforementioned regulations.



2. Basis of Opinion

Our audit was conducted in accordance with the “Regulation on Independent Audit of Banks” published by the BRSA on the Official Gazette No. 29314 dated 2 April 2015, the Standards on Independent Auditing (the “SIA”) that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the “POA”). Our responsibilities under these standards are further described in the “Auditor’s Responsibilities for the Audit of the Unconsolidated Financial Statements” section of our report. We hereby declare that we are independent of the Bank in accordance with the Ethical Rules for Independent Auditors (Including Independence Standards) (the “Ethical Rules”) issued by the POA and applicable to audits of financial statements of public interest entities, the ethical requirements regarding independent audit in regulations issued by the POA as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate 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 unconsolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the key audit matter was addressed in the audit
Expected credit losses for loans The Bank has total provision for expected credit losses amounting to TL 88,971,006 thousand in respect to total loans amounting to TL 2,381,139,450 thousand which represent a significant portion of the Bank's total assets in its unconsolidated financial statements as of 31 December 2025. Explanations and notes regarding expected credit losses on loans are represented in Notes VII of Section Three, VIII of Section Three, II of Section Four, XI.c of Section Four, I.f of Section Five of the accompanying unconsolidated financial statements as at 31 December 2025. The Bank recognizes provision for expected credit losses in accordance with "TFRS 9 Financial Instruments" requirements in line with the "Regulation on the Procedures and Principles for Classification of Loans and Provisions to be Provided" as published in the Official Gazette dated 22 June 2016 with number 29750. TFRS 9 is a complex accounting standard which requires considerable judgement and interpretation. These judgements and interpretations are key in the development of the financial models built to measure the expected credit losses on loans recorded at amortized cost. Furthermore, in order to determine expected credit losses, the Bank performs both quantitative and qualitative assessments and identifies significant increases in credit risk and default events, for stage classifications of loans.	Within the scope of our audit we have assessed policy, procedure and management principles of the Bank with respect to stage classification of loans and calculation of expected credit losses in accordance with TFRS 9. . We tested the design and the operating effectiveness of relevant controls implemented in accordance with these principles. We checked appropriateness of matters considered in the methodology applied by the Bank with respect to TFRS 9 for calculation of the provision amount and stage classification of loans. For forward looking assumptions used by the Bank's management in its expected credit losses calculations, we held discussions with management and evaluated these assumptions using publicly available information. Regarding expected credit losses methodology; we have assessed and tested appropriateness of model segmentation, lifetime probability of default model, exposure at default model, loss given default model, and approaches in relation to projection of macroeconomic expectations with our financial risk experts. We have assessed expert judgment utilized in interpretation of supportable forward looking expectations (including macroeconomic factors).

Key Audit Matters	How the key audit matter was addressed in the audit
Expected credit losses for loans (Continued) In addition, the operation of the models requires large data inputs that are generated through more than one system and the accuracy and completeness of data are key in the determination of expected credit losses on loans. Expected credit losses are calculated on a collective basis for portfolios of loans of a similar nature and on individual basis for significant loans, taking into account Management's best estimate at the balance sheet date and historical losses incurred. Our audit was focused on this area due to existence of complex estimates and information used in the assessment of expected credit losses, such as macroeconomic expectations, current conditions, historical loss experiences; the significance of the loan balances; the correct and timely stage classification of loans in accordance with applicable regulation and the importance of determination of the associated impairment allowances. The correct classification of loans, timely and correctly identification of loss event and other judgements and estimations made by the management have significant impacts on the amount of impairment provisions for loans. Therefore, this area is considered as key audit matter.	Our procedures also included the followings: Together with our financial risk experts, we evaluated and tested reasonableness of the changes in the expected credit loss allowance methodology and the performance of the impairment models used. For a sample of exposures, we checked the accuracy of determining Exposure at Default, including the consideration of prepayments and repayments in the cash flows and the resultant arithmetical calculations. We checked the calculation of the Loss Given Default (LGD) used by the Bank in the expected credit losses calculations, and tested collaterals, recovery and costs in addition to arithmetical calculations. For a selected sample, we checked expected credit losses determined based on individual assessment per Bank's policy using supporting data, and evaluated appropriateness via discussion with management. We checked key data sources for data used in expected credit losses calculations. We tested reliability and completeness of the data used in expected credit losses calculations with our information systems specialists. We checked accuracy of expected credit losses calculations. We have performed loan review procedures based on a selected sample to assess the appropriateness of the Bank's determination of staging for credit risk and timely identification of impairment and appropriate provisioning for impairment. We have reviewed the consistency and adequacy of the disclosures in the unconsolidated financial statements of the Bank with respect to expected credit losses on loans.

Key Audit Matters	How the key audit matter was addressed in the audit
<i>Valuation of Pension Fund obligations</i> The Bank has recognised a provision of TL 15,345,552 thousand for the pension fund obligations related to Türkiye İş Bankası A.Ş. Mensupları Emekli Sandığı Vakfı (the “Fund”) in the unconsolidated financial statements as at 31 December 2025. Explanations regarding the Fund and the recognized provision are disclosed in Note XVII.2 of Section Three and Note II.i.4.1 of Section Five and of the accompanying unconsolidated financial statements prepared as of 31 December 2025. The Fund was established in accordance with the Social Security Law numbered 506 article No 20 and they are within the scope of Funds whose members’ rights are to be transferred to the Social Security Institution (SSI). The President of the Republic of Türkiye is authorized to determine the date of transfer. The calculation of the Fund’s obligations and the selection of appropriate assumptions require significant judgment and technical expertise. The Bank’s management uses external actuaries for the purpose of valuations of Fund obligations. During our audit, we determined this area to be a key audit matter, considering the fundamental assumptions and estimates used in the calculation of the Fund’s obligations, the uncertainty regarding the transfer date, the technical interest rate applied in the present value calculation being determined in accordance with the law governing the transfer conditions, and the significant impact that may arise from possible changes in these assumptions on the Fund’s obligations.	Within our audit, we tested, on a sample basis, the accuracy of the retiree and employee data provided by the Bank’s management to the external actuarial firm for the calculation of the Fund obligations. Additionally, we tested the existence and valuation of the assets reported in the Fund’s balance sheet. We assessed whether there were significant changes in the actuarial assumptions used in the calculation, employee benefits provided during the period, plan assets and liabilities, and regulatory requirements related to valuations. Together with our actuarial specialists, we evaluated the reasonableness of the assumptions and valuations applied by external actuaries in the calculation of the obligations. Additionally, we reviewed the disclosures related to pension fund obligations in the Bank’s unconsolidated financial statements.



4. Responsibilities of Management and Those Charged with Governance for the Unconsolidated Financial Statements

The Bank management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the BRSA Accounting and Financial Reporting Legislation, and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

5. Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015, SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015, SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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. Other Responsibilities Arising From Regulatory Requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Bank's bookkeeping activities concerning the period from 1 January to 31 December 2025 period are not in compliance with the TCC and provisions of the Bank's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

Additional Paragraph for Convenience Translation

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 December 2025. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.



Talar Gül, SMMM
Independent Auditor

Istanbul, 6 February 2026

TÜRKİYE İŞ BANKASI A.Ş.

THE UNCONSOLIDATED FINANCIAL REPORT AS AT AND FOR THE YEAR ENDED DECEMBER 31, 2025

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The unconsolidated financial report as at and for the year ended prepared in accordance with the communiqué of “Financial Statements and Related Disclosures and Footnotes to be announced to Public by Banks” as regulated by Banking Regulation and Supervision Agency, comprises the following sections:

GENERAL INFORMATION ABOUT THE BANK

UNCONSOLIDATED FINANCIAL STATEMENTS

EXPLANATIONS ON THE ACCOUNTING POLICIES

INFORMATION ON FINANCIAL STRUCTURE AND RISK MANAGEMENT

DISCLOSURES AND FOOTNOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS

OTHER EXPLANATIONS

INDEPENDENT AUDITOR’S REPORT

The unconsolidated financial statements for the year ended and related disclosures and footnotes in this report are prepared in accordance with the Regulation on the Procedures and Principles for Accounting Practices and Retention of Documents by Banks, “Banking Regulation and Supervision Agency” (BRSA) regulations, “Turkish Accounting Standards”, “Turkish Financial Reporting Standards” and the related statements and guidance and in compliance with the financial records of our Bank. Unless otherwise stated, the accompanying unconsolidated financial report is presented in thousands of Turkish Lira (TL) and has been subjected to independent audit and presented as the attached.

Sadrettin Yurtsever

Member of the Board and
the Audit Committee

Güzide Meltem Kökden

Deputy Chairperson of the
Board of Directors and
Chairperson of the Audit
Committee

Adnan Bali

Chairperson of the Board of
Directors

Hürdoğau Irmak

Head of Financial Management
Division

Mehmet Türk

Deputy Chief Executive
In Charge of Financial
Reporting

Hakan Aran

Chief Executive Officer

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SECTION ONE: GENERAL INFORMATION ABOUT THE BANK

I. Explanations on the Establishment Date and Initial Status of the Bank, History Including the Changes in the Former Status

TÜRKİYE İŞ BANKASI A.Ş. ("the Bank") was established on August 26, 1924, to operate in all kinds of banking activities and to initiate and/or participate in all kinds of financial and industrial sector undertakings when necessary. There is no change in the Bank's status since its establishment.

II. Explanations on the Capital Structure, Shareholders who Directly or Indirectly, Solely or Jointly Undertake the Management and Control of the Bank, any Changes in the Period, and Information on the Bank's Risk Group

As of December 31, 2025, the shareholder structure of the Bank is as follows:

- 38.66% of the shares are owned by the Türkiye İş Bankası A.Ş. Members' Supplementary Pension Fund Foundation (December 31, 2024: 38.59%).
- 28.09% of the shares belong to Atatürk and, in accordance with his will, are represented by the Republican People's Party (CHP) (December 31, 2024: 28.09%). As stipulated in Atatürk's will, the dividend income from these shares is allocated to the Turkish Language Association and the Turkish Historical Society, and dividend payments are made to these institutions in accordance with the provisions of the will and applicable legal regulations.
- 33.25% is free float (December 31, 2024: 33.32%).

III. Explanations on the Chairperson's, Directors', Auditors', Chief Executive Officer's and Deputy Chief Executives' Shares, if any, and the Areas of their Responsibility at the Bank

Chairperson and Members of the Board of Directors:

Name and Surname	Areas of Responsibility
Adnan Bali	Chairperson of the Board of Directors, Remuneration Committee, Chairperson of the Risk Committee, Sustainability Committee, Chairperson of the Board of Directors Operating Principles Committee, and the Member of the Credit Committee
Güzide Meltem Kökden	Deputy Chairperson of the Board of Directors, Chairperson of the Audit Committee, TRNC Internal Systems Committee and Operational Risk Committee, Member of the Risk Committee
Hakan Aran	Chief Executive Officer and Board Member, Chairperson of the Credit Committee, Human Resources Committee and Information Systems Strategy Committee, Natural Member of the Risk Committee, Chairperson of the Executive Committee, Member of the Operational Risk Committee
Sadrettin Yurtsever	Director, Chairperson of the Corporate Governance Committee, Member of the Audit Committee, Remuneration Committee, TRNC Internal Systems Committee, Sustainability Committee Risk Committee, Member of the Operational Risk Committee Corporate Social Responsibility Committee, and the Member of the Board of Directors Operating Principles Committee
Fazlı Bulut	Director, Member of Corporate Social Responsibility Committee, Corporate Governance Committee and Substitute Member of the Credit Committee
Durmuş Öztekin	Director, Member of Corporate Social Responsibility Committee, and the Member of the Board of Directors Operating Principles Committee
Şebnem Aydın	Director, Member of Corporate Governance Committee, Corporate Social Responsibility Committee, Credit Committee and Sustainability Committee, Substitute Member of the Credit Committee
Recep Hakan Özyıldız	Director
Mustafa Rıdvan Selçuk	Director
Ahmet Gökhan Sungur	Director
Bahattin Özarslantürk	Director, Member of the Credit Committee

Chief Executive Officer and Deputy Chief Executives:

Name and Surname	Areas of Responsibility
Hakan Aran	Chief Executive Officer and Member of the Board of Directors, Credit Committee, Chairperson of Human Resources Committee and Information Technologies Strategic Committee Natural Member of Risk Committee, Member of Operational Risk Committee and Chairperson of the Executive Committee
Ebru Özşuca	Financial Institutions, Treasury, Capital Markets, Member of the Risk Committee, Economic Research, Investor Relations and Sustainability, Member of the Risk Committee and Sustainability Committee
Hasan Cahit Çınar	Affiliates, Credit Strategy Management, Corporate, Retail and Commercial Loan Allocation, Project Finance, Member of the Risk Committee and Sustainability Committee
Ozan Gürsoy	Transaction Banking, Corporate and Commercial Banking Marketing, Corporate and Commercial Banking Sales, Cross-Border Banking, Free Zone Branches, Corporate Social Responsibility Committee and Member of the Sustainability Committee
Sezgin Yılmaz	SME and Business Banking Marketing, and Sales and, Agricultural Banking Marketing, Commercial Banking Product, Member of the Corporate Social Responsibility Committee and Sustainability Committee
Sabri Gökmenler	Information Technologies, Data Management and Artificial Intelligence, Member of Operational Risk Committee and Information Technologies Strategic Committee
Sezgin Lüle	Retail Banking Marketing, Sales and Product, Digital Banking, Customer Relations, Payment Systems Ecosystem, Product and Operations, Member of Operational Risk Committee and Sustainability Committee
Suat Ergenekon Sözen	General Secretariat, Corporate Communications, Private Banking Marketing and Sales, Member of the Corporate Social Responsibility Committee and Member of the Sustainability Committee
Olgun Tufan Kurbanoglu	Legal Affairs and Follow-Up, Legal Counsellorship, Credit Monitoring, Retail Loans Recovery, Commercial and Corporate Loans and Retail Loans Proceeding
Mehmet Celayir	Support Services, Construction and Real Estate Management, Consumer Relations Coordination Officer, Banking Core Operations, Foreign Transactions, and Commercial Loan Operations,, Sustainability Committee
Mehmet Türk	Financial Management, Financial Law and Tax Management Consulting, Procurement, Strategy and Corporate Performance Management, Management Reporting and Internal Accounting, Risk Committee, Member of Information Systems Strategy and Sustainability Committee
Gürler Özkök	Financial Institutions, Treasury, Capital Markets, Member of the Risk Committee, Economic Research, Investor Relations and Sustainability, Member of the Risk Committee and Sustainability Committee
Ali Yalçın	Affiliates, Credit Strategy Management, Corporate, Retail and Commercial Loan Allocation, Project Finance, Member of the Risk Committee and Sustainability Committee

The Parent Bank's shares attributable to the Directors and members of the Audit Committee, to the CEO and the Deputy Chief Executives are of minor importance.

IV. Information on the Bank's Qualified Shareholders

Name Surname/Company	Shares	Ownership	Paid-in Capital	Unpaid Capital
T. İş Bankası A.Ş. Mensupları Munzam Sosyal Güvenlik ve Yardımlaşma Sandığı Vakfı (İşbank Members' Supplementary Pension Fund)	9,665,357	38.66%	9,665,357	
Cumhuriyet Halk Partisi – Republican People's Party - (Atatürk's Shares)	7,023,013	28.09%	7,023,013	

V. Summary Information on the Bank's Functions and Business Lines

In line with the relevant legislation and principles stated in the Articles of Incorporation of the Bank, the Bank's activities include operating in retail, commercial, corporate and private banking, foreign currency and money market operations, marketable securities operations, international banking services and other banking operations, as well as initiating or participating in all kinds of financial and industrial sector corporations as may be required.

VI. Existing or Potential, Actual or Legal Obstacles on the Transfer of Shareholders' Equity between the Bank and its Subsidiaries or the Reimbursement of Liabilities

None.

VII. Written Policies on Assessment of Ensuring Compliance on Market Discipline, Disclosure Obligations, Frequency and Accuracy of the Related Disclosures

The Bank has written policies on assessment of ensuring compliance on market discipline, disclosure obligations, frequency and accuracy of related disclosures. The mentioned policies which are agreed by Board of Directors' can be obtained from the Bank's website.

SECTION TWO: UNCONSOLIDATED FINANCIAL STATEMENTS

TÜRKİYE İŞ BANKASI A.Ş. UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)							
ASSETS	Footnotes	THOUSAND TL					
		CURRENT PERIOD (31/12/2025)			PRIOR PERIOD (31/12/2024)		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (NET)		660,757,442	877,981,902	1,538,739,344	531,071,035	565,058,489	1,096,129,524
1.1 Cash and Cash Equivalents		365,288,826	636,089,132	1,001,377,958	287,944,087	394,061,828	682,005,915
1.1.1 Cash and Balances with Central Bank	V-I-a	346,703,081	529,928,235	876,631,316	278,449,213	351,017,445	629,466,658
1.1.2 Banks	V-I-ç	18,640,234	106,620,955	125,261,189	9,652,098	43,277,226	52,929,324
1.1.3 Money Market Placements		0	0	0	0	0	0
1.1.4 Expected Credit Loss (-)		54,489	460,058	514,547	157,224	232,843	390,067
1.2 Financial Assets at Fair Value Through Profit or Loss	V-I-b	10,990,284	48,278,556	59,268,840	6,350,265	26,792,268	33,142,533
1.2.1 Government Debt Securities		2,027,300	48,008,354	50,035,654	424,160	26,324,829	26,748,989
1.2.2 Equity Securities		9,283	270,202	279,485	29,526	467,439	496,965
1.2.3 Other Financial Assets		8,953,701	0	8,953,701	5,896,579	0	5,896,579
1.3 Financial Assets at Fair Value Through Other Comprehensive Income	V-I-d	282,979,186	175,448,896	458,428,082	233,858,928	130,957,084	364,816,012
1.3.1 Government Debt Securities		282,050,835	167,316,146	449,366,981	233,697,936	125,499,089	359,197,025
1.3.2 Equity Securities		928,351	4,589,484	5,517,835	160,992	3,131,760	3,292,752
1.3.3 Other Financial Assets		0	3,543,266	3,543,266	0	2,326,235	2,326,235
1.4 Derivative Financial Assets	V-I-ç-i	1,499,146	18,165,318	19,664,464	2,917,755	13,247,309	16,165,064
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		1,499,146	18,165,318	19,664,464	2,917,755	13,247,309	16,165,064
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income		0	0	0	0	0	0
II. Financial Assets Measured at Amortised Cost (Net)		1,710,392,253	838,887,721	2,549,279,974	1,256,744,271	604,895,924	1,861,640,195
2.1 Loans	V-I-e	1,550,889,066	830,250,384	2,381,139,450	1,063,165,284	593,748,138	1,656,913,422
2.2 Lease Receivables	V-I-i	0	0	0	0	0	0
2.3 Factoring Receivables		0	0	0	0	0	0
2.4 Other Financial Assets Measured at Amortised Cost (Net)	V-I-f	230,264,251	26,942,464	257,206,715	230,338,871	25,571,906	255,910,777
2.4.1 Government Debt Securities		227,338,493	10,307,348	237,645,841	226,873,977	9,220,942	236,094,919
2.4.2 Other Financial Assets		2,925,758	16,635,116	19,560,874	3,464,894	16,350,964	19,815,858
2.5 Expected Credit Loss (-)		70,761,064	18,305,127	89,066,191	36,759,884	14,424,120	51,184,004
III. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)	V-I-n	91,706	0	91,706	29,674	0	29,674
3.1 Held for Sale		91,706	0	91,706	29,674	0	29,674
3.2 Discontinued Operations		0	0	0	0	0	0
IV. EQUITY INVESTMENTS		246,520,316	31,985,170	278,505,486	182,543,271	21,640,096	204,183,367
4.1 Investments in Associates (Net)	V-I-g	1,315,131	0	1,315,131	630,092	0	630,092
4.1.1 Associates Accounted by using Equity Method		0	0	0	0	0	0
4.1.2 Unconsolidated Associates		1,315,131	0	1,315,131	630,092	0	630,092
4.2 Subsidiaries (Net)	V-I-ğ	243,276,392	31,985,170	275,261,562	181,913,179	21,640,096	203,553,275
4.2.1 Unconsolidated Financial Subsidiaries		106,609,639	31,985,170	138,594,809	77,205,132	21,640,096	98,845,228
4.2.2 Unconsolidated Non-Financial Subsidiaries		136,666,753	0	136,666,753	104,708,047	0	104,708,047
4.3 Joint Ventures (Net)	V-I-h	1,928,793	0	1,928,793	0	0	0
4.3.1 Joint Ventures Accounted by using Equity Method		0	0	0	0	0	0
4.3.2 Unconsolidated Joint Ventures		1,928,793	0	1,928,793	0	0	0
V. TANGIBLE ASSETS (Net)	V-I-j	72,384,989	70,653	72,455,642	53,571,172	108,067	53,679,239
VI. INTANGIBLE ASSETS (Net)	V-I-k	18,574,634	2,331	18,576,965	11,307,641	11,039	11,318,680
6.1 Goodwill		0	0	0	0	0	0
6.2 Other		18,574,634	2,331	18,576,965	11,307,641	11,039	11,318,680
VII. INVESTMENT PROPERTY (Net)	V-I-l	0	0	0	0	0	0
VIII. CURRENT TAX ASSET		0	0	0	0	0	0
IX. DEFERRED TAX ASSET	V-I-m	24,402,218	0	24,402,218	28,969,422	0	28,969,422
X. OTHER ASSETS	V-I-o	123,739,332	19,149,495	142,888,827	59,187,368	8,638,968	67,826,336
TOTAL ASSETS		2,856,862,890	1,768,077,272	4,624,940,162	2,123,423,854	1,200,352,583	3,323,776,437

TÜRKİYE İŞ BANKASI A.Ş. UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)							
LIABILITIES	Footnotes	THOUSAND TL					
		CURRENT PERIOD (31/12/2025)			PRIOR PERIOD (31/12/2024)		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	V-II-a	1,737,716,329	1,361,183,327	3,098,899,656	1,215,866,946	911,250,240	2,127,117,186
II. FUNDS BORROWED	V-II-c	4,601,934	224,127,438	228,729,372	39,722,918	171,370,181	211,093,099
III. MONEY MARKETS		190,956,612	176,693,906	367,650,518	243,127,704	95,279,915	338,407,619
IV. SECURITIES ISSUED (Net)	V-II-ç	9,740,766	104,262,503	114,003,269	5,276,541	50,329,132	55,605,673
4.1 Bills		9,740,766	0	9,740,766	1,356,385	0	1,356,385
4.2 Asset Backed Securities		0	0	0	0	0	0
4.3 Bonds		0	104,262,503	104,262,503	3,920,156	50,329,132	54,249,288
V. FUNDS		0	0	0	0	0	0
5.1 Borrower Funds		0	0	0	0	0	0
5.2 Other		0	0	0	0	0	0
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		0	0	0	0	0	0
VII. DERIVATIVE FINANCIAL LIABILITIES	V-II-b-g	546,055	8,542,624	9,088,679	262,474	10,522,645	10,785,119
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		546,055	8,542,624	9,088,679	262,474	10,522,645	10,785,119
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		0	0	0	0	0	0
VIII. FACTORING PAYABLES		0	0	0	0	0	0
IX. LEASE PAYABLES (Net)	V-II-f	8,389,838	43,806	8,433,644	5,385,180	166,652	5,551,832
X. PROVISIONS	V-II-ğ	38,660,170	2,020,541	40,680,711	35,179,471	2,358,429	37,537,900
10.1 Restructuring Provisions		0	0	0	0	0	0
10.2 Reserve for Employee Benefits		9,568,449	0	9,568,449	6,258,365	0	6,258,365
10.3 Insurance Technical Provisions (Net)		0	0	0	0	0	0
10.4 Other Provisions		29,091,721	2,020,541	31,112,262	28,921,106	2,358,429	31,279,535
XI. CURRENT TAX LIABILITY	V-II-h	18,446,169	277,705	18,723,874	9,610,498	323,648	9,934,146
XII. DEFERRED TAX LIABILITY	V-II-i	0	0	0	0	0	0
XIII. LIABILITIES RELATED TO ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS	V-II-i	0	0	0	0	0	0
13.1 Held for Sale		0	0	0	0	0	0
13.2 Discontinued Operations		0	0	0	0	0	0
XIV. SUBORDINATED DEBT	V-II-i	2,340,553	65,218,604	67,559,157	2,340,183	44,645,150	46,985,333
14.1 Loans		0	0	0	0	0	0
14.2 Other Debt Instruments		2,340,553	65,218,604	67,559,157	2,340,183	44,645,150	46,985,333
XV. OTHER LIABILITIES	V-II-e	217,584,755	25,951,260	243,536,015	141,701,790	20,718,968	162,420,758
XVI. SHAREHOLDERS' EQUITY	V-II-j	423,377,425	4,257,842	427,635,267	319,332,430	-994,658	318,337,772
16.1 Paid-in capital		25,000,000	0	25,000,000	25,000,000	0	25,000,000
16.2 Capital Reserves		4,283,170	204	4,283,374	4,794,906	204	4,795,110
16.2.1 Share Premium		761,044	204	761,248	98,673	204	98,877
16.2.2 Share Cancellation Profits		0	0	0	0	0	0
16.2.3 Other Capital Reserves		3,522,126	0	3,522,126	4,696,233	0	4,696,233
16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		88,599,871	1,490,460	90,090,331	69,017,785	193	69,017,978
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		30,128,714	2,767,178	32,895,892	12,752,071	-995,055	11,757,016
16.5 Profit Reserves		205,425,549	0	205,425,549	161,392,775	0	161,392,775
16.5.1 Legal Reserves		17,588,975	0	17,588,975	14,795,605	0	14,795,605
16.5.2 Status Reserves		0	0	0	0	0	0
16.5.3 Extraordinary Reserves		187,836,574	0	187,836,574	146,597,170	0	146,597,170
16.5.4 Other Profit Reserves		0	0	0	0	0	0
16.6 Profit or Loss		69,940,121	0	69,940,121	46,374,893	0	46,374,893
16.6.1 Prior Periods' Profit or Loss		2,499,446	0	2,499,446	857,448	0	857,448
16.6.2 Current Period Profit or Loss		67,440,675	0	67,440,675	45,517,445	0	45,517,445
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,652,360,606	1,972,579,556	4,624,940,162	2,017,806,135	1,305,970,302	3,323,776,437

TÜRKİYE İŞ BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF OFF-BALANCE SHEET ITEMS							
OFF-BALANCE SHEET ITEMS	Footnotes	THOUSAND TL					
		(31/12/2025)			(31/12/2024)		
		TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET CONTINGENCIES AND COMMITMENTS (I+II+III)	V-III	3,089,302,212	2,119,312,450	5,208,614,662	1,461,335,740	1,644,079,812	3,105,415,552
I. GUARANTEES AND SURETYSHIPS		423,169,887	473,380,660	896,550,547	283,802,597	298,899,765	582,702,362
1.1 Letters of Guarantee		392,338,627	302,083,172	694,421,799	261,805,646	195,223,113	457,028,759
1.1.1 Guarantees Subject to State Tender Law		2,955,192	2,805,788	5,760,980	2,241,617	2,241,930	4,483,547
1.1.2 Guarantees Given for Foreign Trade Operations		80,242,276	142,790,828	223,033,104	36,821,882	79,158,186	105,980,068
1.1.3 Other Letters of Guarantee		309,141,159	156,486,556	465,627,715	232,742,147	113,822,997	346,565,144
1.2 Bank Acceptances		30,728,671	14,053,706	44,782,377	20,465,688	6,343,217	26,808,905
1.2.1 Import Letter of Acceptance		0	5,159,048	5,159,048	0	2,823,457	2,823,457
1.2.2 Other Bank Acceptances		30,728,671	8,894,658	39,623,329	20,465,688	3,519,760	23,985,448
1.3 Letters of Credit		102,589	151,051,267	151,153,856	1,531,263	91,631,581	93,162,844
1.3.1 Documentary Letters of Credit		2,121	114,523,217	114,525,338	1,182,121	63,843,522	65,025,643
1.3.2 Other Letters of Credit		100,468	36,528,050	36,628,518	349,142	27,788,059	28,137,201
1.4 Prefinancing Given as Guarantee		0	0	0	0	0	0
1.5 Endorsements		0	0	0	0	0	0
1.5.1 Endorsements to the Central Bank of Turkey		0	0	0	0	0	0
1.5.2 Other Endorsements		0	0	0	0	0	0
1.6 Purchase Guarantees for Securities Issued		0	0	0	0	0	0
1.7 Factoring Guarantees		0	0	0	0	0	0
1.8 Other Guarantees		0	6,192,515	6,192,515	0	5,701,854	5,701,854
1.9 Other Suretieships		0	0	0	0	0	0
II. COMMITMENTS		2,340,144,481	160,636,372	2,500,780,853	1,003,399,364	75,046,089	1,078,445,453
2.1 Irrevocable Commitments		2,334,878,282	138,905,416	2,473,783,698	999,805,062	60,232,106	1,060,037,168
2.1.1 Forward Asset Purchase Commitments		26,841,102	100,882,134	127,723,236	7,556,201	27,161,425	34,717,626
2.1.2 Forward Deposit Purchase and Sales Commitments		0	0	0	0	0	0
2.1.3 Capital Commitments to Associates and Subsidiaries		0	0	0	0	0	0
2.1.4 Loan Granting Commitments		501,982,839	5,425,926	507,408,765	232,701,080	3,782,785	236,483,865
2.1.5 Securities Underwriting Commitments		0	0	0	0	0	0
2.1.6 Commitments for Reserve Deposit Requirements		0	0	0	0	0	0
2.1.7 Commitments for Cheque Payments		23,754,395	0	23,754,395	15,115,800	0	15,115,800
2.1.8 Tax and Fund Liabilities from Export Commitments		8,113,561	0	8,113,561	1,096,921	0	1,096,921
2.1.9 Commitments for Credit Card Expenditure Limits		1,766,052,589	0	1,766,052,589	737,663,382	0	737,663,382
2.1.10 Commitments for Credit Cards and Banking Services Promotions		3,084,196	0	3,084,196	2,267,499	0	2,267,499
2.1.11 Receivables from Short Sale Commitments		0	0	0	0	0	0
2.1.12 Payables for Short Sale Commitments		0	0	0	0	0	0
2.1.13 Other Irrevocable Commitments		5,049,600	32,597,356	37,646,956	3,404,179	29,287,896	32,692,075
2.2 Revocable Commitments		5,266,199	21,730,956	26,997,155	3,594,302	14,813,983	18,408,285
2.2.1 Revocable Loan Granting Commitments		5,266,199	21,730,956	26,997,155	3,594,302	14,813,983	18,408,285
2.2.2 Other Revocable Commitments		0	0	0	0	0	0
III. DERIVATIVE FINANCIAL INSTRUMENTS		325,987,844	1,485,295,418	1,811,283,262	174,133,779	1,270,133,958	1,444,267,737
3.1 Derivative Financial Instruments Held for Risk Management		0	0	0	0	0	0
3.1.1 Fair Value Hedges		0	0	0	0	0	0
3.1.2 Cash Flow Hedges		0	0	0	0	0	0
3.1.3 Net Foreign Investment Hedges		0	0	0	0	0	0
3.2 Derivative Financial Instruments Held for Trading		325,987,844	1,485,295,418	1,811,283,262	174,133,779	1,270,133,958	1,444,267,737
3.2.1 Forward Foreign Currency Buy/Sell Transactions		98,445,121	124,890,434	223,335,555	27,706,508	96,003,977	123,710,485
3.2.1.1 Forward Foreign Currency Buy Transactions		17,315,192	93,669,025	110,984,217	15,522,723	46,382,451	61,905,174
3.2.1.2 Forward Foreign Currency Sell Transactions		81,129,929	31,221,409	112,351,338	12,183,785	49,621,526	61,805,311
3.2.2 Currency and Interest Rate Swaps		176,405,026	1,100,398,256	1,276,803,282	135,032,219	1,047,294,894	1,182,327,113
3.2.2.1 Currency Swap Buy Transactions		11,986,808	228,697,840	240,684,648	8,165,998	270,332,661	278,498,659
3.2.2.2 Currency Swap Sell Transactions		138,239,520	264,830,702	403,070,222	102,131,687	250,150,793	352,282,480
3.2.2.3 Interest Rate Swap Buy Transactions		13,089,349	303,434,857	316,524,206	12,367,267	263,405,720	275,772,987
3.2.2.4 Interest Rate Swap Sell Transactions		13,089,349	303,434,857	316,524,206	12,367,267	263,405,720	275,772,987
3.2.3 Currency, Interest Rate and Security Options		49,728,330	82,079,814	131,808,144	10,043,383	43,509,732	53,553,115
3.2.3.1 Currency Call Options		28,472,526	30,165,660	58,638,186	5,946,178	15,627,296	21,573,474
3.2.3.2 Currency Put Options		21,255,804	37,636,146	58,891,950	4,097,205	16,223,410	20,320,615
3.2.3.3 Interest Rate Call Options		0	7,139,004	7,139,004	0	5,829,513	5,829,513
3.2.3.4 Interest Rate Put Options		0	7,139,004	7,139,004	0	5,829,513	5,829,513
3.2.3.5 Securities Call Options		0	0	0	0	0	0
3.2.3.6 Securities Put Options		0	0	0	0	0	0
3.2.4 Currency Futures		1,409,367	1,364,778	2,774,145	1,351,669	1,204,350	2,556,019
3.2.4.1 Currency Buy Futures		0	1,364,778	1,364,778	513,974	701,970	1,215,944
3.2.4.2 Currency Sell Futures		1,409,367	0	1,409,367	837,695	422,380	1,260,075
3.2.5 Interest Rate Futures		0	0	0	0	0	0
3.2.5.1 Interest Rate Buy Futures		0	0	0	0	0	0
3.2.5.2 Interest Rate Sell Futures		0	0	0	0	0	0
3.2.6 Other		0	176,562,136	176,562,136	0	82,121,005	82,121,005
IV. CUSTODY AND PLEDGES RECEIVED (IV+V+VI)		3,203,245,565	3,500,278,979	6,703,524,544	2,271,458,103	2,762,728,509	5,034,186,612
IV. ITEMS HELD IN CUSTODY		321,767,811	406,862,223	728,630,034	168,684,043	308,629,051	477,313,094
4.1 Customers' Securities Held		0	0	0	0	0	0
4.2 Investment Securities Held in Custody		180,148,845	3,289,789	183,438,634	65,458,518	4,921,305	70,379,823
4.3 Cheques Received for Collection		126,309,295	184,403,274	310,712,569	91,950,060	145,504,571	237,454,631
4.4 Commercial Notes Received for Collection		8,535,248	106,991,510	115,526,758	6,972,471	74,645,434	81,617,905
4.5 Other Assets Received for Collection		0	0	0	0	0	0
4.6 Assets Received for Public Offering		0	0	0	0	0	0
4.7 Other Items Under Custody		6,774,423	112,177,650	118,952,073	4,302,994	83,557,741	87,860,735
4.8 Custodians		0	0	0	0	0	0
V. PLEDGED ITEMS		2,881,477,754	3,093,416,756	5,974,894,510	2,102,774,060	2,454,099,458	4,556,873,518
5.1 Marketable Securities		127,262,632	3,063,654	3,190,916	94,798,512	1,923,478	96,621,990
5.2 Guarantee Notes		2,730,256	85,271,994	88,002,240	2,467,456	71,281,123	73,748,579
5.3 Commodity		534,929,719	407,506,441	942,436,160	429,580,049	342,841,658	772,421,707
5.4 Warranty		0	0	0	0	0	0
5.5 Real Estates		1,719,326,454	1,928,799,633	3,648,126,087	1,203,553,399	1,489,539,369	2,693,092,768
5.6 Other Pledged Items		497,228,693	668,775,044	1,166,003,737	372,374,644	548,613,830	920,988,474
5.7 Pledged Items Depository		0	0	0	0	0	0
VI. ACCEPTED BILL, GUARANTEES AND SURETIES		0	0	0	0	0	0
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		6,292,547,777	5,619,591,429	11,912,139,206	3,732,793,843	4,406,808,321	8,139,602,164

TÜRKİYE İŞ BANKASI A.Ş. UNCONSOLIDATED INCOME STATEMENT			
INCOME STATEMENT	Footnotes	THOUSAND TL	
		(01/01-31/12/2025)	(01/01-31/12/2024)
I. INTEREST INCOME	V-IV-a	754,552,897	530,914,982
1.1 Interest Income on Loans		500,358,048	351,037,829
1.2 Interest Income on Reserve Deposits		77,522,542	38,906,546
1.3 Interest Income on Banks		8,069,177	3,678,579
1.4 Interest Income on Money Market Placements		1,601,826	6,809
1.5 Interest Income on Marketable Securities Portfolio		165,696,127	136,747,075
1.5.1 Financial Assets At Fair Value Through Profit or Loss		999,380	652,599
1.5.2 Financial Assets At Fair Value Through Other Comprehensive Income		94,726,032	69,392,640
1.5.3 Financial Assets At Measured at Amortised Cost		69,970,715	66,701,836
1.6 Financial Lease Income		0	0
1.7 Other Interest Income		1,305,177	538,144
II. INTEREST EXPENSE (-)	V-IV-b	657,631,368	496,464,280
2.1 Interest on Deposits		516,095,668	365,123,914
2.2 Interest on Funds Borrowed		22,032,462	19,081,206
2.3 Interest on Money Market Funds		102,073,586	94,486,490
2.4 Interest on Securities Issued		14,688,797	11,724,979
2.5 Financial Lease Expense		1,771,423	1,048,779
2.6 Other Interest Expenses		969,432	4,998,912
III. NET INTEREST INCOME (I - II)		96,921,529	34,450,702
IV. NET FEES AND COMMISSIONS INCOME		134,351,262	91,410,738
4.1 Fees and Commissions Received		158,450,504	111,177,290
4.1.1 Non-cash Loans		7,411,098	5,445,187
4.1.2 Other		151,039,406	105,732,103
4.2 Fees and Commissions Paid		24,099,242	19,766,552
4.2.1 Non-cash Loans		2,151	1,772
4.2.2 Other		24,097,091	19,764,780
V. DIVIDEND INCOME		214,571	102,016
VI. TRADING INCOME /(LOSS) (Net)	V-IV-c	-22,199,201	-8,861,710
6.1 Gains/(Losses) on Securities Trading	V-IV-ç	5,823,211	21,591,560
6.2 Derivative Financial Transactions Gains/Losses		-26,747,313	-55,996,915
6.3 Foreign Exchange Gains / (Losses)		-1,275,099	25,543,645
VII. OTHER OPERATING INCOME	V-IV-d	20,979,157	23,950,005
VIII. GROSS OPERATING INCOME (III+IV+V+VI+VII)		230,267,318	141,051,751
IX. EXPECTED CREDIT LOSS (-)	V-IV-e	57,046,178	23,479,808
X. OTHER PROVISION EXPENSES (-)	V-IV-e	0	148,449
XI. PERSONNEL EXPENSE (-)		59,691,857	46,194,223
XII. OTHER OPERATING EXPENSES (-)	V-IV-f	90,329,649	70,955,262
XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)		23,199,634	274,009
XIV. AMOUNT IN EXCESS RECORDED AS GAIN AFTER MERGER		0	0
XV. PROFIT/LOSS FROM ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD		48,487,355	37,899,758
XVI. NET MONETARY POSITION GAIN/LOSS		0	0
XVII. PROFIT/LOSS ON CONTINUING OPERATIONS BEFORE TAX (XIII+...+XVI)	V-IV-g	71,686,989	38,173,767
XVIII. TAX PROVISION FOR CONTINUING OPERATIONS (±)	V-IV-g	4,246,314	-7,343,678
18.1 Current Tax Provision		2,416,152	1,538,046
18.2 Deferred Tax Income Effect (+)		9,025,511	10,537,912
18.3 Deferred Tax Expense Effect (-)		7,195,349	19,419,636
XIX. NET PERIOD PROFIT/LOSS FROM CONTINUING OPERATIONS (XVI±XVII)	V-IV-h	67,440,675	45,517,445
XX. INCOME ON DISCONTINUED OPERATIONS		0	0
20.1 Income on Assets Held for Sale		0	0
20.2 Gain on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		0	0
20.3 Other Income on Discontinued Operations		0	0
XXI. EXPENSE ON DISCONTINUED OPERATIONS (-)		0	0
21.1 Expense on Assets Held for Sale		0	0
21.2 Loss on Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		0	0
21.3 Other Expense on Discontinued Operations		0	0
XXII. PROFIT/LOSS ON DISCONTINUED OPERATIONS BEFORE TAX (XX-XXI)		0	0
XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		0	0
23.1 Current Tax Provision		0	0
23.2 Deferred Tax Expense Effect (+)		0	0
23.3 Deferred Tax Income Effect (-)		0	0
XXIV. NET PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		0	0
XXV. NET PERIOD PROFIT/LOSS (XIX+XXIV)	V-IV-ı	67,440,675	45,517,445
Earnings per Share (*)	III-XX	2.6976	1.8207

(*) Earnings/losses per share correspond to each share with a nominal value of 1 TL. The earnings per share figures for the prior period have been restated in accordance with the explanation provided in section III-XX

TÜRKİYE İŞ BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	THOUSAND TL	
	CURRENT PERIOD (01/01-31/12/2025)	PRIOR PERIOD (01/01-31/12/2024)
I. PROFIT/LOSS FOR THE PERIOD	67,440,675	45,517,445
II. OTHER COMPREHENSIVE INCOME	46,973,423	8,283,670
2.1 Other comprehensive income that will not be reclassified to profit or loss	24,897,009	24,740,852
2.1.1 Revaluation Surplus on Tangible Assets	13,472,679	13,759,361
2.1.2 Revaluation Surplus on Intangible Assets	0	0
2.1.3 Gains/(Losses) on remeasurements of Defined Benefit Plans	-1,267,251	-1,174,023
2.1.4 Other Income/Expense Items of Other Comprehensive Income not to be Reclassified to Profit Or Loss	14,873,845	13,902,205
2.1.5 Taxes Relating To Components Of Other Comprehensive Income not to be Reclassified To Profit Or Loss	-2,182,264	-1,746,691
2.2 Other Income/Expense Items not be Reclassified to Profit or Loss	22,076,414	-16,457,182
2.2.1 Exchange Differences on Translation	9,070,830	2,211,396
2.2.2 Valuation and/or Reclassification Profit or Loss from Financial Assets at Fair Value through Other Comprehensive Income	8,842,088	-32,491,830
2.2.3 Income/(Loss) Related with Cash Flow Hedges	0	0
2.2.4 Income/(Loss) Related with Hedges of Net Investments in Foreign Operations	-6,382,567	-1,691,123
2.2.5 Other Income/Expense Items of Other Comprehensive Income to be Reclassified to Other Profit or Loss	11,101,934	5,222,328
2.2.6 Taxes Relating To Components Of Other Comprehensive Income to be Reclassified To Profit Or Loss	-555,871	10,292,047
III. TOTAL COMPREHENSIVE INCOME (I+II)	114,414,098	53,801,115

TÜRKİYE İŞ BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

THOUSAND TL

CHANGES IN SHAREHOLDERS' EQUITY	Footnotes	THOUSAND TL													
						Accumulated Other Comprehensive Income That will not be Reclassified in Profit/(Loss)			Accumulated Other Comprehensive Income That will be Reclassified in Profit/(Loss)						
		Paid-in Capital	Share Premium	Share Certificate Cancellation Profits	Other Capital Reserves	Tangible assets accumulated revaluation reserve Increase /(Decrease)	Accumulated gains/(losses) on remeasurements of defined benefit plans	Other (1)	Exchange differences on translation reserve	Accumulated gains/(losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income	Other (2)	Profit Reserves	Prior Period Profit/(Loss)	Net Current Period Profit/(Loss)	Total Shareholder's Equity
PRIOR PERIOD (31/12/2024)	V-V														
I. Beginning Balance		10,000,000	110,264		1,195,273	23,772,963	-2,501,549	23,654,403	11,532,809	1,770,256	14,911,133	110,787,175	72,564,757		267,797,484
II. Adjustment in accordance with TAS 8															
2.1 The Effect of Adjustments															
2.2 The Effect of Changes in Accounting Policies															
III. New Balance (I+II)		10,000,000	110,264		1,195,273	23,772,963	-2,501,549	23,654,403	11,532,809	1,770,256	14,911,133	110,787,175	72,564,757		267,797,484
IV. Total Comprehensive Income						11,660,463	-821,816	13,902,205	2,211,396	-22,707,120	4,038,542			45,517,445	53,801,115
V. Capital Increase in Cash		15,000,000										-15,000,000			
VI. Capital Increase Through Internal Reserves															
VII. Paid-in-Capital inflation adjustment difference															
VIII. Convertible Bonds															
IX. Subordinated Debt															
X. Increase/(Decrease) Through Other Changes			-11,387		3,500,960	-648,691						267,322	648,691		3,756,895
XI. Profit Distribution												65,338,278	-72,356,000		-7,017,722
11.1 Dividend Paid													-7,017,722		-7,017,722
11.2 Transfer to Reserves												65,338,278	-65,338,278		
11.3 Other (*)															
Ending Balance (III+IV+.....+X+XI)		25,000,000	98,877		4,696,233	34,784,735	-3,323,365	37,556,608	13,744,205	-20,936,864	18,949,675	161,392,775	857,448	45,517,445	318,337,772
CURRENT PERIOD (31/12/2025)															
I. Beginning Balance		25,000,000	98,877		4,696,233	34,784,735	-3,323,365	37,556,608	13,744,205	-20,936,864	18,949,675	161,392,775	46,374,893		318,337,772
II. Adjustment in accordance with TAS 8															
2.1 The Effect of Adjustments															
2.2 The Effect of Changes in Accounting Policies															
III. New Balance (I+II)		25,000,000	98,877		4,696,233	34,784,735	-3,323,365	37,556,608	13,744,205	-20,936,864	18,949,675	161,392,775	46,374,893		318,337,772
IV. Total Comprehensive Income						11,127,255	-887,076	14,656,829	9,070,830	6,371,448	6,634,137			67,440,675	114,414,098
V. Capital Increase in Cash															
VI. Capital Increase Through Internal Reserves															
VII. Paid-in-Capital inflation adjustment difference															
VIII. Convertible Bonds															
IX. Subordinated Debt															
X. Increase/(Decrease) Through Other Changes			662,371		-1,174,107	-2,423,668		-1,400,987		-937,539		2,209,626	2,423,669		-640,635
XI. Profit Distribution												41,823,148	-46,299,116		-4,475,968
11.1 Dividend Paid													-4,475,968		-4,475,968
11.2 Transfer to Reserves												41,823,148	-41,823,148		
11.3 Other															
Ending Balance (III+IV+.....+X+XI)		25,000,000	761,248		3,522,126	43,488,322	-4,210,441	50,812,450	22,815,035	-15,502,955	25,583,812	205,425,549	2,499,446	67,440,675	427,635,267

(1) The accumulated amounts of items that will not be classified in profit or loss from other comprehensive income for investments valued using the equity method.

(2) The accumulated amounts of items that will be classified in profit or loss from other comprehensive income for investments valued using the equity method, along with gains/losses from hedging against the net investment risk related to foreign operations.

TÜRKİYE İŞ BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF CASH FLOWS			
	Footnotes	THOUSAND TL	
		CURRENT PERIOD (01/01-31/12/2025)	PRIOR PERIOD (01/01-31/12/2024)
A. CASH FLOWS FROM BANKING OPERATIONS	V-VI		
1.1 Operating Profit Before Changes in Operating Assets and Liabilities		35,241,795	-4,138,545
1.1.1 Interest Received		719,584,479	467,555,143
1.1.2 Interest Paid		-661,348,741	-482,789,489
1.1.3 Dividend Received		214,571	102,016
1.1.4 Fees and Commissions Received		158,450,504	111,319,686
1.1.5 Other Income		20,925,925	28,184,844
1.1.6 Collections from Previously Written Off Loans and Other Receivables		6,516,301	5,949,434
1.1.7 Cash Payments to Personnel and Service Suppliers		-120,246,687	-92,313,298
1.1.8 Taxes Paid		-9,872,155	-11,791,309
1.1.9 Other		-78,982,402	-30,355,572
1.2 Changes in Operating Assets and Liabilities		95,468,638	193,527,145
1.2.1 Net (Increase) / Decrease in Financial Assets at Fair Value Through Profit or Loss		-1,739,379	-186,310
1.2.2 Net (Increase) / Decrease in Due From Banks		-123,499,111	-74,428,590
1.2.3 Net (Increase) / Decrease in Loans		-533,884,672	-408,634,933
1.2.4 Net (Increase) / Decrease in Other Assets		-9,008,587	773,465
1.2.5 Net Increase / (Decrease) in Bank Deposits		2,897,106	-32,717,461
1.2.6 Net Increase / (Decrease) in Other Deposits		694,160,006	388,992,428
1.2.7 Net Increase/ (Decrease) in Financial Liabilities at Fair Value Through Profit or Loss		0	0
1.2.8 Net Increase / (Decrease) in Funds Borrowed		-25,045,591	67,981,334
1.2.9 Net Increase / (Decrease) in Matured Payables		0	0
1.2.10 Net Increase / (Decrease) in Other Liabilities		91,588,866	251,747,212
I. Net Cash Provided From Banking Operations		130,710,433	189,388,600
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net Cash Provided from Investing Activities		-40,952,082	-165,874,452
2.1 Cash Paid for the Purchase of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		-3,948,445	-4,143,863
2.2 Cash Obtained from Sale of Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		0	0
2.3 Cash Paid for the Purchase of Tangible Asset		-7,946,015	-5,878,554
2.4 Cash Obtained from the Sale of Tangible Asset		286,037	68,255
2.5 Cash Paid for Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		-472,675,616	-209,151,741
2.6 Cash Obtained from Sale of Financial Assets at Fair Value Through Other Comprehensive Income		424,419,890	90,070,605
2.7 Cash Paid for Purchase of Financial Assets Measured at Amortised Cost		-54,858,274	-122,095,482
2.8 Cash Obtained from Sale of Financial Assets Measured at Amortised Cost (*)		73,760,204	88,787,421
2.9 Other		10,137	-3,531,093
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash provided from financing activities		42,067,412	-29,877,227
3.1 Cash obtained from funds borrowed and securities issued		152,534,896	60,267,816
3.2 Cash used for repayment of funds borrowed and securities issued		-102,168,859	-84,957,945
3.3 Equity Instruments		0	0
3.4 Dividends Paid		-4,475,968	-7,017,722
3.5 Payments for Finance Leases		-3,822,657	-2,239,176
3.6 Other		0	4,069,800
IV. Effect of change in foreign exchange rate on cash and cash equivalents		6,341,360	1,527,701
V. Net increase in cash and cash equivalents		138,167,123	-4,835,378
VI. Cash and cash equivalents at beginning of the period		355,029,322	359,864,700
VII. Cash and cash equivalents at end of the period		493,196,445	355,029,322

(*) It also includes financial assets measured at amortized cost.

TÜRKİYE İŞ BANKASI A.Ş. UNCONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION TABLE			
		THOUSAND TL	
		CURRENT PERIOD (31/12/2025)	PRIOR PERIOD (31/12/2024)
I.	DISTRIBUTION OF CURRENT YEAR PROFIT (1)		
1.1	CURRENT PERIOD PROFIT (2)	71,686,989	40,031,215
1.2	TAXES AND DUES PAYABLE (-)	4,246,314	-7,343,678
1.2.1	Corporate Tax (Income Tax)	1,318,111	901,131
1.2.2	Income Tax Withholding	1,098,041	636,915
1.2.3	Other Taxes and Dues Payable (3)	1,830,162	-8,881,724
A.	NET PROFIT FOR THE PERIOD (1.1-1.2)	67,440,675	47,374,893
1.3	PRIOR YEARS' LOSSES (-)	0	0
1.4	FIRST LEGAL RESERVES (-)	0	2,793,370
1.5	OTHER STATUTORY RESERVES (-)	0	100,341
B.	NET PROFIT ATTRIBUTABLE TO [(A-(1.3+1.4+1.5)]	67,440,675	44,481,182
1.6	FIRST DIVIDEND TO SHAREHOLDERS (-)	0	1,500,000
1.6.1	To Owners of Ordinary Shares	0	1,499,998
1.6.2	To Owners of Preferred Shares	0	2
1.6.3	To Preferred Shares (Preemptive Rights)	0	0
1.6.4	To Profit Sharing Bonds	0	0
1.6.5	To Holders of Profit/Loss Share Certificates	0	0
1.7	DIVIDENDS TO PERSONNAL (-)	0	994,682
1.8	DIVIDENDS TO THE BOARD OF DIRECTORS (-)	0	0
1.9	SECOND DIVIDEND TO SHAREHOLDERS (-)	0	3,051,745
1.9.1	To Owners of Ordinary Shares	0	3,051,735
1.9.2	To Owners of Privileged Shares	0	5
1.9.3	To Owners of Preferred Shares	0	5
1.9.4	To Profit Sharing Bonds	0	0
1.9.5	To Holders of Profit/Loss Share Certificates	0	0
1.10	STATUTORY RESERVES (-)	0	0
1.11	EXTRAORDINARY RESERVES	0	38,934,755
1.12	OTHER RESERVES	0	0
1.13	SPECIAL FUNDS	0	0
II.	DISTRUBITION FROM RESERVES		
2.1	DISTRUBITED RESERVES	0	0
2.2	DIVIDENDS TO SHAREHOLDERS (-)	0	0
2.2.1	To Owners of Ordinary Shares	0	0
2.2.2	To Owners of Privileged Shares	0	0
2.2.3	To Owners of Preferred Shares	0	0
2.2.4	To Profit Sharing Bonds	0	0
2.2.5	To Holders of Profit/Loss Share Certificates	0	0
2.3	DIVIDENDS TO PERSONNAL (-)	0	0
2.4	DIVIDENDS TO THE BOARD OF DIRECTORS (-)	0	0
III.	EARNINGS PERSHARE		
3.1	TO OWNERS OF ORDINARY SHARES (4)	2.6976	1.8207
3.2	TO OWNERS OF ORDINARY SHARES (%)	270	182
3.3	TO OWNERS OF PRIVILEGED SHARES (4)	0	0
3.4	TO OWNERS OF PRIVILEGED SHARES (%)	0	0
IV.	DIVIDEND PER SHARE		
4.1	TO OWNERS OF ORDINARY SHARES (4)	0	0.1821
4.2	TO OWNERS OF ORDINARY SHARES (%)	0	18.21
4.3	TO OWNERS OF PRIVILEGED SHARES (4)	0	0.3529
4.4	TO OWNERS OF PRIVILEGED SHARES (%)	0	35.29
(1) The decision for dividend payment is made at the Annual General Meeting. Annual General Meeting has not been held as of the reporting date. (2) In accordance with "TAS 19 Employee Benefits" TL 1,000,000 allocated for the profit share to be distributed to the perdonnel in 2024 and added to the profit distribution base of the same year, and TL 857,448 retained earnings added to the profit distribution base of the same year are added to the previous period's profit in the table. (3) Deferred Tax Expense/Income. (4) Expressed in exact TL.			

SECTION THREE: EXPLANATIONS ON ACCOUNTING POLICIES

I. Basis of Presentation:

The unconsolidated financial statements, related notes, and explanations in this report are prepared in accordance with the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by Banking Regulation and Supervision Authority, (together referred as "BRSA Accounting and Financial Reporting Legislation") and requirements of Turkish Financial Reporting Standards (TFRS) published the Public Oversight Accounting and Auditing Standards Authority for the matters not regulated by the aforementioned legislations.

The format and content of the unconsolidated financial statements, as well as the explanations and footnotes, have been prepared in accordance with the "Communiqué on Financial Statements to be Disclosed to the Public by Banks and the Explanations and Footnotes Related to Them", published in the Official Gazette No. 28337 on June 28, 2012, and the "Communiqué on Public Disclosure of Risk Management by Banks", published in the Official Gazette No. 29511 on October 23, 2015, as well as the amendments and additions made to these communiqués. The Bank prepares its accounts in Turkish currency in accordance with the provisions of the Banking Law, the Turkish Commercial Code and the Turkish Tax Law.

TAS 29 Financial Reporting in Hyperinflation Economies requires entities whose functional currency is that of a hyperinflationary economy to prepare their financial statements in terms of the measuring unit current at the end of the reporting period. TAS 29 describes characteristics that may indicate that an economy is hyperinflationary, and it requires all entities that report in the currency of the same hyperinflationary economy apply this Standard from the same date. With the announcement made on November 23, 2023, POA stated that, entities that is applying TFRS on their financial statements for the annual reporting period ending on or after December 31, 2023 should be presented by adjusting for the inflation effect in accordance with the relevant accounting principles in the TAS 29 standard, on the other hand, POA explained that institutions or organizations authorized to regulate and supervise may determine different transition dates in their own fields for the implementation of TMS 29 provisions. In accordance with the BRSA's decision dated December 12, 2023, and numbered 10744, the financial statements of banks and financial leasing, factoring, financing, savings financing and asset management companies dated December 31, 2023 will not be subject to the inflation adjustment required within the scope of TMS 29. In accordance with the Decision No. 10825 dated January 11, 2024, it was decided to switch to inflation accounting as of January 1, 2025. It was announced by the decision numbered 10825 dated January 11, 2024, that inflation accounting would be implemented starting from January 1, 2025; however, according to the decision numbered 11021 dated December 5, 2024, it was decided not to apply inflation accounting in 2025 as well. Furthermore, with the decision numbered 11340 dated December 18, 2025, the earlier decision numbered 10825 dated January 11, 2024, was repealed, and it was declared that banks as well as financial leasing, factoring, financing, savings financing, and asset management companies would not be subject to inflation adjustment in 2026. Accordingly, TFRS 29 has not been applied, and no inflation adjustment has been made in the financial statements dated December 31, 2025.

TFRS 17 "Insurance Contracts" standard, published by POA on February 16, 2019 to be applied for accounting periods starting after 31 December 2022, determines the principles regarding the recognition, measurement, presentation, and disclosure of insurance contracts within the scope of the standard. The purpose of TFRS 17 is to ensure that entities display these contracts fairly. POA has decided to apply TFRS 17 on consolidated and individual financial statements of companies as of January 1, 2024. In this regard, in a letter dated February 15, 2024, sent by KGK to the Turkish Banking Association, it was stated that the application of TFRS 17 for insurance companies, reinsurance companies, pension companies, banks with investments/partnerships in these companies and other companies with investments/partnerships in these companies has been postponed to January 1, 2025 and in its previous article dated January 14, 2025, it was stated that it was postponed to January 1, 2026. As a result, the standard will not be applied in the financial statements for the period ending December 31, 2025. Furthermore, the SEDDK has changed the effective date of TFRS 17 to January 1, 2026, by a letter published in the Official Gazette No. 33108 on December 15, 2025. Accordingly, in a letter dated January 7, 2026, sent by KGK to the Turkish Banking Association, it was stated that the application of TFRS 17 in the consolidated and separate financial statements of insurance companies, reinsurance companies, pension companies, banks with investments/partnerships in these companies and other companies with investments/partnerships in these companies has been postponed to January 1, 2027.

The accounting policies applied in the current period are in line with the prior period Unconsolidated financial statements. The accounting policies and valuation principles used in the preparation of financial statements are presented below in detail.

Explanation for convenience translation to English

The differences between accounting principles, as described in these preceding paragraphs and accounting principles generally accepted in countries in which unconsolidated financial statements are to be distributed and International

Financial Reporting Standards (“TFRS”) have not been quantified in these unconsolidated financial statements. Accordingly, these unconsolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and TFRS.

II. Strategy for Use of Financial Instruments and Foreign Currency Transactions

1. The Bank’s Strategy on Financial Instruments

The Bank’s main activities comprise private, retail, commercial and corporate banking, money market and securities market operations, as well as activities related to international banking services.

In conformity with the general liability structure of the banking system, the Bank’s liabilities are mainly composed of short-term deposits and other medium and long-term liabilities. The liquidity risk that may arise from this liability structure can be easily controlled through deposit continuity, as well as widespread network of the correspondent banks, market maker status (The Bank is one of the market maker banks) and using liquidity facilities of the Central Bank of Republic of Türkiye (“CBRT”). As a result, the liquidity of the Bank and the banking system can be easily monitored. On the other hand, foreign currency liquidity requirements are met by the money market operations and currency swaps.

Most of the funds collected bear fixed interest, and by closely monitoring the developments in the sector, both fixed and floating rate placements are made based on the yields of alternative investment instruments.

Safety principle has always been the top priority in placements and the placements are focused on high yielding and low risk assets by considering their maturity structure. Accordingly, a pricing policy aiming at high return is implemented in the long-term placements and attention is paid to the maximum use of non-interest income generation opportunities. The Bank determines its lending strategy by taking into consideration the international and national economic data and expectations, market conditions, current and potential credit customers’ expectations and tendencies, and risks such as interest rate, liquidity, currency and credit risks. Furthermore, in conformity with this strategy, the Bank acts within the legal limits in terms of asset-liability management.

The primary objectives related to balance sheet components are set by the long-term plans shaped along with budgeting; and the Bank takes the required positions against the short-term currency, interest rates and price fluctuations in accordance with these plans and the course of the market conditions.

Foreign currency, interest rate and price fluctuations in the markets are monitored instantaneously. While taking positions, in addition to the legal limits, the Bank’s own transaction and control limits are also effectively monitored to avoid limit overrides.

The Bank’s asset-liability management is executed by the Asset-Liability Management Committee, within the risk limits determined by the Board of Directors, to keep the liquidity risk, interest rate risk, currency risk and credit risk within certain limits depending on the equity adequacy and to maximize profitability

2. Foreign Currency Transactions

Foreign currency monetary assets and liabilities on the balance sheet are converted into Turkish Lira by using the prevailing exchange rates at the balance sheet date. Non-monetary items in foreign currencies carried at fair value are converted into Turkish Lira by the rates at the date of which the fair value is determined. Exchange rate differences arising from the conversions of monetary foreign currency items and the collections of and payments in foreign currency transactions are reflected to the income statement.

The Bank started to apply equity method for the foreign associates and subsidiaries which were followed with historical rates in accordance with the TAS 27 “Separate Financial Statements” In this context, foreign subsidiaries are accounted at current rates in the financial statement and the resulting exchange differences are accounted under equity.

The financial statements of the foreign branches of the Bank are prepared in the currency of the primary economic environment in which the entity operates (functional currency). The financial statements of foreign branches are expressed in TL which is the functional currency of the Bank and the presentation currency of the financial statements. Assets and liabilities of the foreign branches of the Bank are converted into TL by using the prevailing exchange rates at the balance sheet date. Income and expenses are converted by at exchange rates at the dates of the transactions. The exchange rate differences arising from the conversion are recorded in the shareholders’ equity.

The Bank has been applying net investment hedging accounting to the portion of its net investment amounting to EUR 468,6 million in its subsidiary Isbank AG, headquartered in Germany and whose functional currency is the EUR, which it accounts for using the equity method, to protect against exchange difference risk since November 2023. The part of the demand euro deposit that is subject to hedge accounting has been determined as a hedging instrument. Currency-related changes in the portion of demand foreign currency deposits subject to hedge accounting are accounted for in equity under “Accumulated Other Comprehensive Income or Expenses Reclassified in Profit or Loss”.

III. Associates and Subsidiaries

The Bank accounts its associates and subsidiaries and in accordance with equity method which described in TAS 28.

Under the equity method, Bank's share of net assets of the associates and subsidiaries is recognized in the Bank's financial statements. The profit or loss of the Bank includes the Bank's share of the profit or loss of the associates and subsidiaries and Bank's other comprehensive income or expenses include the Bank's share of other comprehensive income or expenses of the associates and subsidiaries. Mergers / acquisitions and change in share ratios of related associates and subsidiaries during the period are shown under the item "Increase / Decrease through Other Changes" in the statement of changes in shareholders' equity.

IV. Forward, Option Contracts and Derivatives Instruments

Derivative transactions of the Bank consist of foreign currency and interest rate swaps, forwards, foreign currency options and interest rate options. The Bank has no derivative instruments decomposed from the main contract.

The Bank classifies derivative transactions, which act as a hedge but does not meet qualification criteria for hedge accounting, as "Derivative Financial Assets at Fair Value through Profit or Loss" in accordance with the "TFRS 9 Financial Instruments" requirements.

Derivative transactions are recorded at their fair value at the date of contract, receivables and payables arising from these transactions are recorded in off-balance sheet accounts. Derivative transactions are measured at fair value at subsequent reporting dates and if the valuation difference is positive, they are classified as "Derivative Financial Assets at Fair Value through Profit or Loss", if it is negative they are classified as "Derivative Financial Liabilities at Fair Value through Profit or Loss". The differences arising from the valuation of derivative transactions are associated with the income statement.

V. Interest Income and Expenses

Interest income is calculated by using the effective interest rate method (the rate that equal the future cash flows of a financial asset or liability to its present net book value) to gross carrying amount of financial asset in conformity with "TFRS 9 Financial Instruments" except financial asset that is not a purchased or originated credit-impaired financial asset but subsequently has become credit-impaired.

Under the scope of TFRS 9 application, the Bank does not reverse the interest accruals and discounts of non-performing loans and other receivables and monitors the related amounts under interest income and calculates expected credit loss on these amounts according to the related methodology.

VI. Fees and Commission Income and Expenses

Fees and commissions, other than those that constitute an integral part of the effective interest rate of financial instruments measured at amortized cost, are recognized on an accrual basis in accordance with TFRS 15 "Revenue from Contracts with Customers." Revenues earned from services provided through contracts or in connection with transactions such as asset purchases or sales on behalf of a third-party individual or legal entity are recognized in the income accounts in the period in which they are collected.

VII. Financial Assets

The Bank within the scope of “TFRS 9 Financial Instruments”, classifies and accounts its financial assets as “Financial Assets at Fair Value Through Profit or Loss”, “Financial Assets at Fair Value Through Other Comprehensive Income” or “Financial Assets at Measured at Amortized Cost” by considering their business model and contractual cash flow characteristics. Financial assets are recognized or derecognized according to TFRS 9 “Recognition and Derecognition in Statement of Financial Position” requirements. The Bank recognizes a financial asset in its statement of financial position when it becomes a party to the contractual provisions of the financial instrument. Financial assets are measured at their fair value on initial recognition in the financial statements.

The Bank has three different business models for classification of financial assets:

- Business model aimed at holding financial assets to collect contractual cash flows: Financial assets held under the mentioned business model are managed to collect contractual cash flows over the life of these assets. The Bank manages its assets held under this portfolio to collect certain contractual cash flows
- Business model aimed at collecting contracted cash flows of financial assets and selling: In this business model, the Bank intends both to collect contractual cash flows of financial assets and to sell these assets.
- Other business models: A business model in which financial assets; are not held within the scope of a business model aimed at collection of contractual cash flows and within the scope of a business model aimed at collecting and selling contracted cash flows, are measured by reflecting fair value in profit or loss.

The Bank is able to reclassify all affected financial assets in case it changes the business model that is used for the management of financial asset.

In the event of the termination of the rights related to the cash flows from a financial asset, the transfer of all risks and rewards of the financial asset to a significant extent or has no longer control of the financial assets, the Bank derecognizes the financial asset.

1. Financial Assets at Fair Value Through Profit or Loss

Financial assets except financial assets measured at amortized cost or at fair value through other comprehensive income, are measured at fair value through profit or loss. Financial assets at fair value through profit or loss are financial assets held for the purpose of generating profit from short-term fluctuations in price or similar factors in the market or being part of a portfolio for profitability in the short term, regardless of the acquisition reason or financial assets that are not held in a business model that aims at collecting and/or selling contractual cash flows of financial assets.

Financial assets at fair value through profit or loss are initially measured at fair value on the balance sheet and are subsequently re-measured at fair value. Gains or losses arising from the valuation are related to profit and loss accounts.

In some cases, restructuring, alteration or counterparty changes of contractual cash flows of loans may lead to derecognition of related loans in accordance with TFRS 9. When the change in the financial asset results from derecognizing the existing financial asset from the financial statements and the revised financial asset is recognized in the financial statements, the revised financial asset is considered as a new financial asset in accordance with TFRS 9. When it is determined that there are significant changes between the new conditions of the revised financial asset and the first conditions in related agreements, the Bank evaluates the new financial asset according to the current business models. When it is determined that the contractual conditions do not only result in cash flows that include principal and interest payments at certain dates, but the financial asset is also recognized at fair value and is subject to valuation. The differences arising from the valuation are reflected in the nominal accounts.

The Bank recognizes loans at fair value through profit or loss, if the contractual terms of the loan, do not result in cash flow including the principal payments and interest payments generated from principal amounts at certain dates. These loans are valued at their fair values after their recognition and the losses or gains arising from the valuation are included in the profit and loss accounts.

2. Financial Assets at Fair Value Through Other Comprehensive Income

Financial assets at fair value through other comprehensive income are financial assets that are held under a business model that aims both to collect contractual cash flows and to sell financial assets, and financial assets with contractual terms that lead to cash flows that are solely payments of principal and interest on the principle amount outstanding at specific dates.

Financial assets at fair value through other comprehensive income are initially recognized at their fair value including their transaction costs on the financial statements. The initial recognition and subsequent valuation of such financial assets, including the transaction costs, are carried out on a fair value basis and the difference between amortized cost and the cost of borrowing instruments is recognized in profit or loss by using the effective interest method. Dividend income arising from investments in equity instruments that are classified as at fair value through other comprehensive income is also recognized in income statements.

Gains and losses, except impairment gain or loss and foreign exchange gain or loss, arising from changes in the fair value of financial assets at fair value through other comprehensive income are reflected to other comprehensive income until derecognized or reclassified. When the value of the financial asset is collected or financial asset is disposed, the related fair value differences accumulated in the shareholders' equity are transferred to the profit or loss statement.

Equity securities classified as financial assets measured at fair value through other comprehensive income are accounted for at their fair values. Exceptionally, cost may be considered an appropriate estimate for determining fair value. This is only applicable when there is a lack of sufficiently recent information for measuring fair value or when fair value can be measured using multiple methods, and cost best reflects the estimate of fair value among these methods. If this option is exercised, any accumulated fair value gains or losses will not be reclassified to the income statement.

During the initial introduction to financial statements, amendments to the fair value of an investment in an equity instrument within the framework of TFRS 9 that are not held for trading or that are not valued in a financial statement of an entity that acquires business combinations under the "TFRS 3 Business Combinations" may be subject to an irreversible preference regarding these amendments being accounted in other comprehensive income. In such case dividends taken from mentioned investment will be accounted in financial statement as profit or loss.

3. Financial Assets Measured at Amortized Cost

Financial assets measured at amortized cost are those financial assets that are held within the framework of a business model aimed at collecting contractual cash flows over the life of the asset and which result in cash flows that include principal and interest on the principal amount outstanding at specific dates. Financial assets measured at amortized cost with the initial recognition at fair value including transaction costs are subject to valuation with their discounted cost value by using the effective interest rate method, after eliminating any provision for impairment if there is any. Interest income measured by using the effective interest rate method are recognized in the income statement as an "interest income".

The Bank evaluates its loans within the framework of current business models and can be classified as Financial Assets measured at Amortized Cost.

The Bank also holds consumer price indexed government bonds ("CPI") in its securities portfolio, reclassified as financial assets measured at fair value through other comprehensive income, financial assets measured at fair value through profit or loss and financial assets measured at amortized cost. In the valuation of the mentioned securities, the estimated inflation curve created by using the CPI index announced by Turkish Statistical Institute ("TÜİK") and the "Annual CPI Expectation After 12 Months" from the CBRT Market Participants Survey is used. Future cash flows of securities are estimated by using the mentioned inflation data and valuation is made according to the effective interest method within the framework of the reference inflation index formula specified in the Undersecretariat of Treasury's Investor Guide of CPI.

VIII. Impairment of Financial Assets

In accordance with the “TFRS 9-Financial Instruments” and the regulation and related decision “Procedures and Principals regarding Classification of Loans and Allowances Allocated for Such Loans” issued by BRSA, the Bank recognizes expected credit loss allowance on financial assets at fair value through other comprehensive income, financial assets measured at amortized cost, impaired credit commitments and financial guarantee contracts.

Within the scope of TFRS 9, the expected credit loss is calculated according to the “three-stage” impairment model based on the change in the loan quality of financial assets after initial recognition and detailed in the following headings:

Stage 1:

An important determinant for calculating the expected credit loss in accordance with TFRS 9 is to assess whether there is a significant increase in the credit risk of the financial asset. Financial assets that have not experienced a significant increase in credit risk since the initial recognition are monitored in the stage one. Impairment for credit risk for the Stage 1 financial assets is equal to the 12-month expected credit losses.

Stage 2:

Financial assets that experienced a significant increase in the credit risk since initial recognition, are transferred to Stage 2. The expected credit loss of these financial assets is measured at an amount equal to the instrument’s lifetime expected credit loss. To classify a financial asset in the stage 2, the following criteria is considered:

- Overdue between 30-90 days
- Restructuring of the loan
- Significant deterioration in the probability of default

In case of a significant deterioration in the probability of default, the credit risk is increased significantly, and the financial asset is classified as stage 2. The absolute and gradual thresholds used to increase the probability of default are differentiated based on portfolio and product group. In this manner, for the commercial portfolio, definition of increase in the probability of default is the comparison between the probability of default on loan’s opening date, obtained from the integrated rating/score based on internal rating and probability of default of the same loan on reporting date, obtained from the integrated rating/score based on internal rating. For each individual loan portfolio, the integrated score at the time the loan was granted is compared with the current integrated score as of the reporting period. If the deterioration in the score leads to an increase in the probability of default that exceeds the predetermined threshold, it is assessed that there has been a significant increase in credit risk.

Stage 3:

Financial assets with sufficient and fair information for impairment at the reporting date, are classified in the third stage. Expected credit loss of these financial assets is measured at an amount equal to the lifetime expected credit loss. The following basic factors are considered for the classification of a financial asset in the third stage:

- More than 90 days past due

Whether the credit rating is weakened, has suffered a significant weakness or cannot be collected or there is a certain opinion on this matter

While estimating the expected credit loss, statistical models, methods and tools are used in accordance with the relevant legislation and accounting standards. Expected credit loss is measured using reasonable and supportable information by taking current and forecasts of future economic information into consideration, including macroeconomic factors. Three scenarios, base scenario, optimistic scenario and the worst scenario, are used in forecasting studies made by macroeconomic models. The variables used in these estimates include the Industrial Production Index, Employment Rate and Credit Default Swap indicators. The validity of the risk parameter estimates used in the calculation of expected credit losses is reviewed and evaluated at least annually within the framework of model validation processes. Macroeconomic forecasts and risk delinquency data used in risk parameter models are re-evaluated every quarter to reflect the changes in economic conjuncture and are updated if needed. Except for demand or revolving loans, the maximum period for which expected credit losses are to be determined is the contractual life of the financial asset. For demand or revolving loans, maturity is determined by taking the future risk mitigation processes into account such as behavioral maturity analyses performed by the Bank and cancellation/revision of the Bank’s credit limit.

While calculating the expected credit loss, aside from assessment of whether there is a significant increase in credit risk or not, basic parameters expressed as probability of default, loss given default and exposure at default are used.

Probability of Default: Represents the probability of default on the loan over a specified period. In this context, the Bank has developed models to calculate 12-month and life-time default probabilities by using internal rating-based credit rating models. As for the Group Companies historical probability of default data has also been observed.

Loss Given Default (LGD): Defined as the damage caused by the default of borrower to the total balance of the exposure at the time of default. The LGD estimates are determined in terms of credit risk groups that are detailed in the Bank's data resources and system facilities. The model used for LGD forecasting based on the Bank's historical collection data, statistical models are used to explain the LGD ratios formed in past periods, considering the direct cost items in the collection process, using risk variables that differ for each credit risk group.

Exposure at Default: For cash loans, the cash balance at the date of report, for non-cash loans the balance calculated using the Credit Conversion Factor (CCF) is represented by Exposure at Default.

Credit Conversion Factor: Calculated for non-cash loans (undrawn limit for revolving loans, commitments, non-cash loans etc.) The historical limit usage data of the Bank for revolving loans are analyzed and the limit amount that can be used until the moment of default is estimated. For non-cash loans, the cash conversion ratio of the loan amount is estimated by analyzing the product type and the past compensation amount of the bank.

Credit risks, which require qualitative assessments due to their characteristics and differ by grouping in this manner, are considered as individual within the internal policies. Calculations are made by the method of discounted cash flows with the effective interest rate expected from the relevant financial instrument. Discounted cash flows are estimated for 3 different scenarios in which parameters are differentiated, and individual expected credit loss is calculated by taking into consideration the cash deficit amounts weighted according to probabilities.

As mentioned above, the Bank allocated expected credit losses by reflecting additional provisions through individual assessments performed for the customers that operates in sectors where the impact might be high in accordance with the Bank's risk policies.

Expected credit loss is reflected in the income statement. Released provisions in the current year are accounted under "Expected Credit Loss Expenses" and released provision which is carried from the prior year are accounted under "Other Operating Income".

Receivables evidenced through the Legal Process that collection is not possible can be written-off by fulfilling the requirements of the Tax Procedure Law. Besides, the loans for which specific provision is allocated and for which there is no reasonable expectation of recovery might be written-off.

IX. Offsetting Financial Instruments

Financial assets and financial liabilities shall be offset, and the net amount shall be presented in the balance sheet only when a party currently has a legally enforceable right to set off the recognized amounts or intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

X. Sale and Repurchase Agreements and Securities Lending Transactions

Marketable securities subject to repurchase agreements are classified under "Financial Assets at Fair Value through Profit and Loss", "Financial Assets at Fair Value through Other Comprehensive Income" or "Financial Assets Measured at Amortized Cost" in the Bank's portfolio and they are valued according to the valuation principles of the related portfolios.

Funds obtained from the repurchase agreements are recognized under "Funds from Repurchase Transactions" account in liabilities. For the difference between the sale and repurchase prices determined by the repo agreements for the period; expense accrual is calculated using the effective interest rate method.

Reverse repo transactions are recognized under the "Receivables from Reverse Repo Transactions" account. For the difference between the purchase and resale prices determined by the reverse repo agreements for the period; income accrual is calculated using the effective interest rate method.

XI. Non-current Assets Held for Sale and Discontinued Operations and Related Liabilities

Assets that meet the criteria to be classified as held for sale within the scope of “TFRS 5 – Non-current Assets Held for Sale and Discontinued Operations” are measured at the lower one of their fair value and their carrying amount which from the costs to sell are deducted and presented separately within the financial statements. In order to classify a tangible fixed asset as held for sale, the asset (or the disposal group) should be available for an immediate sale in its present condition subject to the terms of any regular sales of such assets (or such disposal groups) and the sale should be highly probable. For a highly probable sale, the appropriate level of management must be committed to a plan to sell the asset (or the disposal group), and an active programme to complete the plan should be initiated to locate a customer. Also, the asset (or the disposal group) should have an active market sale value, which is a reasonable value in relation to its current fair value. Events or circumstances may extend the completion of the sale more than one year. Such assets are still classified as held for sale if there is sufficient evidence that the delay in the sale process is due to the events and circumstances occurred beyond the control of the entity or the entity remains committed to its plan to sell the asset (or disposal group).

A discontinued operation is a component of a bank that either has been disposed of or is classified as held for sale. Gains or losses relating to discontinued operations are presented separately in the income statement.

XII. Goodwill and Other Intangible Assets

As at the balance sheet date, there is no goodwill recorded in the unconsolidated balance sheet of the Bank.

The Bank’s intangible assets consist of software programs. The purchased items are presented with their acquisition costs less the accumulated amortization and impairment provisions. In case there is an indication of impairment, the recoverable amount of the related intangible asset is estimated within the framework of “TAS 36 – Impairment of Assets” and impairment provision is set aside in case the recoverable amount is below its acquisition cost.

The related assets are amortized by the straight-line method considering the estimated useful life. The amortization method and period are periodically reviewed at the end of each year.

XIII. Tangible Assets

The Bank follows its real estates in use, which are recorded under tangible fixed assets, according to the revaluation model within the framework of “TAS 16 – Property, Plant and Equipment”. The positive difference between the net book value of real estate property values and the renewed expertise values which are determined by the licensed valuation, companies are recorded under the shareholders’ equity.

In case there is an indication of impairment, the recoverable amount of the related intangible asset is estimated within the framework of “TAS 36 – Impairment of Assets” and impairment provision is set aside in case the recoverable amount is below its acquisition cost.

Tangible assets other than the land and construction in progress are amortized at the straight-line method, according to their estimated useful lives. The estimated useful life, residual amount and the method of amortization are reviewed every year for the possible effects of the changes that occur in the estimates and if there is any change in the estimates, they are recognized prospectively.

Assets held under finance lease are depreciated over the expected useful life of the related assets.

Assets subject to leasing are depreciated according to relevant contract periods.

Within the scope of the TFRS 16 standard, development costs related to leases that cannot be added to the cost of the right-of-use asset and are within the scope of exceptions in the mentioned standard are amortized in equal amounts, taking into account the benefit period. However, in any case the useful life cannot exceed leasing term. When the lease period is not certain or longer than 5 years, the amortization period is recognized as 5 years.

The difference between the sales proceeds arising from the disposal of tangible assets or the inactivation of a tangible asset and the book value of the tangible assets are recognized in the income statement.

Regular maintenance and repair costs incurred for tangible assets are recognized as expense.

There are no pledges, mortgages and similar encumbrances on tangible assets.

The depreciation rates used in amortization of tangible assets and their estimated useful lives are as follows:

	Estimated Economic Life (Year)	Depreciation Rate
Buildings	50	2%
Safe Boxes	2-50	2%-50%
Other Movables	2-25	4%-50%

XIV. Leasing Transactions

The bank accounts for its leases within the scope of the "TFRS 16-Leases" standard (TFRS 16). For contracts within the scope of TFRS 16, right-of-use assets and lease liabilities are reflected in the financial statements, and these are shown under "Tangible Assets" and "Leasing Transaction Liabilities ", respectively.

In accordance with TFRS 16, the right of use asset is first measured at cost. The cost of the right-of-use asset consists of the present value of the lease payments as of the date the lease obligation begins, the amount obtained by deducting all lease incentives received, and the sum of all initial direct costs incurred by the lessee. The bank measures right-of-use assets using the cost method. Fixed assets accounted for as right-of-use assets are depreciated taking into account the contract period.

In accordance with TFRS 16, lease liabilities are calculated by discounting future lease payments using the Bank's borrowing rate at the inception or contract date. The interest expense relating to the lease liability for each period is the amount determined by applying a fixed periodic interest rate to the remaining balance of the lease liability. Interest expense on lease liabilities and exchange differences are recognized in the income statement.

XV. Provisions and Contingent Liabilities

As of the end of the reporting period, a past event is deemed to give rise to a present obligation if, taking account of all available evidence, it is more likely than not that a present obligation exists, the entity recognizes a provision in the financial statements. As of the end of the reporting period where it is more likely that no present obligation exists at the end of the reporting period, the entity discloses a contingent liability on footnotes unless the possibility of an outflow of resources embodying economic benefits is remote.

In the financial statements, a provision is made for an existing commitment resulted from past events if it is probable that the commitment will be settled, and a reliable estimate can be made of the amount of the obligation.

Provisions are calculated based on the reliable estimates of management on the expenses to incur as of the balance sheet date to fulfil the liability by considering the risks and uncertainties related to the liability. In case the provision is measured by using the estimated cash flows required to fulfil the existing liability, the book value of the related liability is equal to the present value of the related cash flows.

If the amount is not reliably estimated and there is no probability of cash outflow from the Bank to settle the liability, the related liability is considered as "contingent" and disclosed in the notes to the financial statements.

XVI. 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 Bank. Since showing 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, but if there is a possibility that an inflow of economic benefits of these assets may occur then it is explained in the footnotes of the financial statements. Nevertheless, the developments related to the contingent assets are constantly evaluated and if it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs.

XVII. Liabilities Regarding Employee Benefits

1. Severance Indemnities and Short-Term Employee Benefits

According to the related regulation and the collective bargaining agreements, the Bank is obliged to pay termination benefits for employees who retire, die, quit for their military service obligations, who have been dismissed as defined in the related regulation or (for the female employees) who have voluntarily quit within one year after the date of their marriage. Within the scope of “TAS 19-Employee Benefits”, the Bank allocates severance indemnity provisions for employee benefits by estimating the present value of the probable future liabilities. According to TAS 19, all actuarial gains and losses occurred are recognized under shareholder’s equity. The Bank also allocates provision for the unused paid vacation.

2. Retirement Benefit Obligations

Türkiye İş Bankası A.Ş. Emekli Sandığı Vakfı (“İşbank Pension Fund”), of which each Bank employee is a member, has been established according to the provisional Article 20 of the Social Security Act No. 506. As per provisional article numbered 23 of the Banking Law numbered 5411, it is ruled that Bank pension funds, which were established within the framework of Social Security Act, will be transferred to the Social Security Institution, within 3 years after the publication of such law. Methods and principles related to transfer have been determined as per the Cabinet decision dated November 30, 2006, numbered 2006/11345. However, the related article of the act has been cancelled upon the President’s application dated

November 2, 2005, by the Supreme Court’s decision dated March 22, 2007, numbered E,2005/39, K,2007/33, which was published on the Official Gazette dated March 31, 2007, and numbered 26479 and the execution decision was ceased as of the issuance date of the related decision.

After the justified decree related to cancelling the provisional Article 23 of the Banking Law was announced by the Constitutional Court on the Official Gazette dated December 15, 2007 and numbered 26731, Turkish Grand National Assembly started to work on establishing new legal regulations, and after it was approved at the General Assembly of the TGNA, the Law numbered 5754 “Emendating Social Security and General Health Insurance Act and Certain Laws and Decree Laws”, which was published on the Official Gazette dated May 8, 2008, and numbered 26870, came into effect. The new law decrees that the contributors of the Bank pension fund, the ones who receive salaries or income from these funds and their rightful beneficiaries will be transferred to the Social Security Institution and will be subject to this Law within 3 years after the release date of the related article, without any need for further operation. The three-year transfer period can be prolonged for maximum 2 years by the Cabinet decision. However, related transfer period has been prolonged for 2 years by the Cabinet decision dated March 14, 2011, which was published on the Official Gazette dated April 9, 2011, and numbered 27900. In addition, by the Law “Emendating Social Security and General Health Insurance Act”, which was published on the Official Gazette dated March 8, 2012, and numbered 28227, this period of 2 years has been raised to 4 years after that related transfer period has been prolonged for one more year by the Cabinet decision dated April 8, 2013, which was published on the Official Gazette dated May 3, 2013, and numbered 28636 also this period has revalidated one more year by the Cabinet decision dated February 24, 2014, which was published on the Official Gazette dated April 30, 2014 and numbered 28987. The Council of Ministers has been lastly authorized to determine the transfer date in accordance with the last amendment in the first paragraph of the 20th provisional article of Law No,5510 implemented by the Law No. 6645 on Amendment of the “Occupational Health and Safety Law and Other Laws and Decree Laws” published in the Official Gazette dated April 23, 2015, and numbered 29335. This authority was transferred to the President with the delegated legislation No,703 which was published in the repetitive Official Gazette No. 30473 dated July 9, 2018.

On the other hand, the application made on June 19, 2008 by the Republican People’s Party to the Constitutional Court for the annulment and motion for stay of some articles, including the first paragraph of the provisional article 20 of the Law, which covers provisions on transfers, was rejected in accordance with the decision taken at the meeting of the aforementioned court on March 30, 2011.

The aforementioned Law also states that:

- Through a commission constituted by the attendance of one representative separately from the Social Security Institution, Ministry of Finance, Turkish Treasury, State Planning Organization, Banking Regulation and Supervision Agency, Savings Deposit Insurance Fund, one from each pension fund, and one representative from the organization employing pension fund contributors, related to the transferred persons, the cash value of the liabilities of the pension fund as of the transfer date will be calculated by considering their income and expenses in terms of the lines of insurance within the context of the related Law, and technical interest rate of 9.8% will be used in the actuarial calculation of the value in cash,
- •And that after the transfer of the pension fund contributors, the ones who receive salaries or income from these funds and their rightful beneficiaries to the Social Security Institution, these persons' uncovered social rights and payments, despite being included in the trust indenture that they are subject to, will be continued to be covered by the pension funds and the employers of pension fund contributors.

In line with the new law, the Bank obtained a technical actuarial valuation report from the licensed actuary for the year ended December 31, 2025. The actuarial assumptions used in the aforementioned actuarial report are disclosed in Note II-ğ.4.1 of the Fifth Section. In the financial statements for the relevant period, a provision has been recognized equivalent to the actual and technical deficit amount stated in the said actuarial report. Legislative changes that came into effect as of the reporting date were taken into account in the calculation of the fund liabilities. Within this context, the regulation increasing the earnings ceiling for premium calculation from 7.5 times to 9 times the minimum wage, and the amendment raising the employer contribution rate for disability, old age, and death insurance under the retirement scheme from 11% to 12%, were published in the Official Gazette dated December 19, 2025, and will be effective as of January 1, 2026. These regulations have been included in the actuarial liability calculations as they were enacted as of the reporting date. As a result of the net effect of these legislative changes, a decrease occurred in the fund liability amount.

On the other hand, within the scope of the temporary article added to the Social Insurance and General Health Insurance Law dated May 31, 2006 and numbered 5510, with the Law No. 7438 published in the Official Gazette dated March 1, 2023 and numbered 32121, among those who request pension after the effective date of the relevant article, those who will be granted an old-age or retirement pension according to the relevant regulations, are provided with the opportunity to benefit from old-age and retirement pensions if they meet the conditions other than age in the said provisions.

İşbank Members' Supplementary Pension Fund has been founded to provide beneficiaries with additional social security and solidarity rights to compulsory social security benefits as per the provisions of the Turkish Commercial Code and Turkish Civil Code.

XVIII. Taxation

1. Corporate Tax

Pursuant to the amendment made in Article 32 of the Corporate Tax Law with the Law No. 7394, the corporate tax rate has been determined as 25%, starting from the declarations that must be submitted as of July 1, 2022 and being valid for the corporate earnings for the taxation period starting from January 1, 2022. On the other hand, the Law No. 7456 published in the Official Gazette No. 32249 dated July 15, 2023, and the Corporate Tax Law No. 32. in accordance with the amendment made to the article, the corporate tax rate has been determined as 30% starting from the returns that must be submitted as of October 1, 2023, and applying to corporate earnings of institutions for the year 2023 and subsequent taxation periods. The Corporate Tax rate valid for the period of December 31, 2025, is 30%.

Pursuant to Article 2 of Law No. 7566, published in the Official Gazette No. 33112 dated December 19, 2025, the fourth provisional tax period, which was repealed by Law No. 7338, has been reinstated. Therefore, As per the Corporate Tax law, temporary tax is calculated and paid quarterly in line with the principles of the Income Tax Law and at the corporate tax rate. The temporary tax payments are deducted from the current period's corporate tax.

Tax provision consists of current tax provision and deferred tax income/expense. The current tax liability is calculated over the portion of the period subject to taxation. The taxable profit differs from the profit involved in the statement of profit and loss, as the income and expense items that can be taxable or deductible at other periods, and items that are not taxable or deductible are excluded. The current tax amounts payable is netted off with prepaid tax amounts and presented on the financial statements.

Within the framework of the Corporate Tax Law numbered 5520, 75% of the gains on the sale of the participation shares, which were held in the assets for a minimum of 2 whole years and 75% of the gains on the sale of immovable are exempt from tax provided that they are added to the capital as set forth by the Law or that they are kept in a special fund under liabilities for a period of 5 years. However, in accordance with Article 89 / a of the Law No. 7061 and Article 5.1.e and Article 5.1.f of the Corporate Tax Law, which were published in the Official Gazette dated December 5, 2017, and numbered 30261, the 75% applied in terms of immovable sales mentioned above has been reduced to 50% which is effective from the date of publication of the Law.

On the other hand, with the Law No. 7456 published in the Official Gazette dated July 15, 2023, and numbered 32249, the exception for 50% of the income arising from the sale of immovables in Article 5.1.e of the Corporate Tax Law has been abolished. However, pursuant to the temporary article 16 added to the Corporate Tax Law with the 22nd article of the Law No. 7456, the pre-amendment provisions will be taken into consideration for the immovables included in the assets of the institutions before July 15, 2023. The 50% rate will be applied as 25% for the real estate sales earnings to be made after July 15, 2023.

Additionally, with Presidential Decree No. 9160 published in the Official Gazette dated November 27, 2024, and numbered 32735, the exemption rate for gains arising from the sale of participation shares, founder's shares, usufruct shares, and pre-emptive rights has been reduced to 50%.

In accordance with the provision of Article 298/A of the Tax Procedure Law (TPL), the necessary conditions for inflation adjustment in the calculation of corporate tax as of the end of the 2021 calendar year have been met. However, the application of inflation adjustment in the calculation of corporate tax was postponed to 2023 with the regulation made with the "Law on the Amendment of the Tax Procedure Law and the Corporate Tax Law" numbered 7352 published in the Official Gazette dated January 29, 2022, and numbered 31734. Accordingly, the TPL financial statements were not subjected to inflation correction in the 2021, 2022 and 2023 accounting periods and the provisional tax periods of the 2023 accounting period, including the provisional tax periods, and the TPL financial statements dated December 31, 2023, were subject to inflation correction, regardless of whether the inflation adjustment conditions were met or not. In accordance with TPL Provisional Article 33, profit/loss differences arising from the inflation adjustment made on December 31, 2023, and required to be shown in previous years' profit/loss accounts do not affect the corporate tax base. Furthermore, pursuant to the regulation introduced by Law No. 7491 on Amendments to Certain Laws and Decree Laws, it has been stipulated that the profit/loss differences arising from inflation adjustments to be made by banks during the 2024 and 2025 fiscal years, including interim tax periods, shall not be taken into account in the determination of taxable income.

However, with Article 34 of Law No. 7571, published in the Official Gazette No. 33118 dated December 25, 2025, the temporary Article 37 added to the Tax Procedure Law No. 213 stipulates that the financial statements will not be subject to inflation adjustment for the 2025 fiscal year and provisional tax periods, as well as for the 2026 and 2027 fiscal years (and for those with a special fiscal year, for the fiscal years ending in 2026, 2027, and 2028), regardless of whether the conditions for inflation adjustment under the repealed Article 298 have been met.

With the regulations in paragraph (Ç) of Article 298 of the TPL and Provisional Article 32, taxpayers have been given the opportunity to optionally revalue within the scope of the TPL General Communiqué No. 537. However, these revaluation opportunities cannot be used in periods where inflation adjustment is applied in accordance with Article 298 bis of the TPL. However, in accordance with paragraph (A) of Article 298 of the TPL and Provisional Article 33, revaluation cannot be made within the scope of paragraph (Ç) of the same article in periods when inflation adjustment is required. Therefore, as a result of not applying inflation adjustment for the year 2025, the revaluation option made available has been utilized in the current period.

On July 16, 2024, Turkey began adopting the OECD's Global Minimum Tax (Pillar 2) regulations through a Bill submitted to the Grand National Assembly of Turkey. These regulations entered into force with Law No. 7524, published in the Official Gazette No. 32620 on August 2, 2024. The relevant law has been prepared based on OECD regulations and is aligned with these regulations. According to the law, two separate declarations are required: the Local Minimum Top-up Corporate Tax declaration and the Global Minimum Top-up Corporate Tax declaration. The local and global minimum corporate tax rates are both set at 15%. It is stipulated that the Local Minimum Top-up Corporate Tax must be declared and paid between the first and last day of the twelfth month following the closing month of the fiscal period. The Local Minimum Top-up Corporate Tax for the year 2024 has been declared and has not resulted in any additional liability. As for the Global Minimum Corporate Tax, it is regulated that the calculated tax must be declared and paid by the last day of the fifteenth month following the closing month of the fiscal period. However, for tax returns related exclusively to the 2024 fiscal year, the declaration deadline is extended to the last day of the eighteenth month following the closing month of the fiscal period, with payment due by the same deadline. The Local and Global Minimum Top-up Corporate Tax Implementation Communiqué regarding the related tax regulation was published on December 26, 2025. Declarations related to these taxes cover entities on a country-by-country basis and include consolidated companies. These declarations will be made considering the exemptions, exclusions, and safe harbor provisions provided in the law. It is assessed that these regulations will not have a material impact on the Bank's financial position or performance.

Additionally, Article 36 of Law No. 7524 has introduced Article 32/C, titled "Domestic Minimum Corporate Tax," into the Corporate Tax Law. According to this regulation, the corporate tax calculated under Articles 32 and 32/A cannot be less than 10% of the corporate income before applying deductions and exemptions. This regulation entered into force upon publication and will apply to corporate income for the 2025 tax period. Furthermore, Communiqué No. 23 on Corporate Tax was published in the Official Gazette No. 32676 on September 28, 2024, regarding this matter.

2. Deferred Tax:

Deferred tax asset or liability is determined by calculating the tax effects of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amounts considered in the legal tax base account, by taking the legal tax rates into account. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Free provisions that are allocated for possible future risks are not subject to deferred tax calculation. No tax assets or liabilities are recognized for the temporary timing difference that affects neither the taxable profit nor the accounting profit and that arises from the initial recognition in the balance sheet, of assets and liabilities, other than the goodwill and mergers. The Bank calculates deferred tax for the provisions allocated for Stage 1 and Stage 2 expected credit loss.

The carrying values of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated over the tax rates that are valid or nearly effective in the period when the assets are realized, or the liabilities are fulfilled and are recorded as expense or income in the income statement. However, deferred tax is recognized directly in equity accounts if it relates to assets directly associated with equity in the same or a different period.

Furthermore, as per the amendment to Article 32 of the Corporate Tax Law introduced by Law No. 7456, published in the Official Gazette No. 32249 on July 15, 2023, the corporate tax rate has been adjusted to 30% for tax periods beginning on or after October 1, 2023, applicable to corporate earnings for 2023 and subsequent tax periods. The bank has used the 30% rate for its deferred tax calculations.

For the years 2023 and 2024, the tax effects arising from the inflation adjustment of corporate tax in the financial statements in accordance with provisional Article 33 of the Tax Procedure Law, as well as the revaluation effect realized in 2025 pursuant to Article 298/Ç (repeated) of the Tax Procedure Law, have been included in the deferred tax calculation. Deferred tax assets and liabilities are shown in financial tables by way of offsetting.

3. Tax Practices in the Countries that Foreign Branches Operate:

Turkish Republic of Northern Cyprus (TRNC)

In accordance with TRNC tax legislation, 15% income tax is accrued on the remaining tax base after 10% corporate tax is deducted from corporate income. The tax bases for companies are determined by adding the expenses that cannot be deducted according to TRNC regulations, to commercial gains and by subtracting exemptions and deductions from commercial gains. Income tax is paid in June, and corporate tax payment is made in two equal installments, in May and in October. On the other hand, withholding tax is paid in TRNC over interest income and similar gains of the companies. The related withholding tax payments and provisional tax paid every quarter during the year are deducted from corporate tax payable and the difference between withholding and provisional tax amounts and corporate tax payable is discounted from income tax provided that the withholding tax and paid provisional tax amounts are higher than corporate tax amount.

England

Corporate earnings are subject to 25% corporate tax in England. The relevant rate is applied to the tax base that is determined by adding the expenses that cannot be deducted due to the regulations, to commercial gains and by subtracting exemptions and deductions from commercial gains. Respect to the current year, if the tax base calculated in accordance with the country legislation is within a certain range, the corporate tax is paid in July, October of the relevant year and in January and April of the following year; If it is over a certain amount, it is paid in four installments in March, June, September, and December of the relevant year. The corporate tax amount must be finalized and paid by the end of September of the year following the year of profit. In case the corporate tax payable as a result of the calculation is below the temporary taxes paid, the difference amount is deducted later or paid back to the Branch by the authority.

Bahrain

The tax on corporate earnings in Bahrain has been set at a rate of 15% pursuant to the Local Minimum Top-up Tax (DMTT) Law, which came into effect on January 1, 2025. The DMTT applies to branches, subsidiaries, and similar entities of multinational corporations operating in Bahrain whose consolidated revenues exceed EUR 750 million. Enacted in accordance with the OECD's Pillar Two rules, this law aims to top up the difference between the local tax rate and the global minimum tax rate in favor of the latter, requiring corporations to make additional tax payments based on their commercial profit balances calculated after considering exemptions and deductions provided under local legislation.

Considering the Bank's consolidated revenue level, the Bahrain Branch falls within the scope of the aforementioned tax law. However, taking into account the tax obligations of the Bank in other countries where it operates on a consolidated basis, and given that the 15% tax rate applied in Bahrain is expected to be lower than the Bank's global effective tax rate, it is assessed that the Bahrain Branch will not be subject to any additional (top-up) tax, provided that it meets the other conditions specified in the local law (DMTT).

The Republic of Iraq (Iraq)

The corporate tax rate in Iraq is 15%, and the corporate tax is paid on a consolidated basis to the tax office of the foreign bank's central branch. The first branch established in Iraq is considered as the central branch. Foreign bank branches whose central branch is within the boundaries of the Central Government must present their consolidated financial statements and pay accrued tax to the relevant tax office by the end of May of the following year, and branches of foreign banks whose central branch is within the boundaries of the Northern Iraq Regional Government must present their financial statements and pay accrued tax by the end of June of the following year at the latest. Northern Iraq Regional Government tax offices can accrue fixed taxes other than the specified rate and can postpone the due date.

Kosovo

Corporate earnings are subject to income tax rate of 10% according to the Kosovo legislation. This ratio is applied to the tax base that will be calculated as a result of the implementation of exemptions, deductions, addition of disallowable expenses, to the corporate income and that are calculated in accordance with the tax laws. Tax must be paid in advance until April, July, October and the 15th day of January of the following year by four installments. If those prepaid taxes are lower than the final corporate tax, the difference is paid until the end of March of the following year, in case of a claim made by the company, if it is higher, then the difference is returned to the institution by the tax authorities after the inspection conducted by those institutions.

4. Transfer Pricing:

Transfer pricing is regulated through Article 13 of Corporate Tax Law titled “Transfer Pricing through Camouflage of Earnings”. Detailed information for the practice regarding the subject is found in the “General Communiqué Regarding Camouflage of Earnings through Transfer Pricing”.

According to the aforementioned regulations, in the case of making purchase or sales of goods or services with relevant persons/corporations at a price that is determined against “arm’s length principle”, the gain is considered to be distributed implicitly through transfer pricing and such distribution of gains is not subject to deductions according to article 11 of Corporate Tax Law in means of corporate tax.

XIX. Borrowings

The Bank, whenever required, generates funds from individuals and institutions residing domestically and abroad by approaching the borrowing instruments in the form of syndication, securitization, collateralized borrowing and issue of bonds/bills. Such transactions are at first carried at acquisition cost, and in the following periods they are valued at amortized cost measured by using the effective interest rate method.

XX. Equity Shares and Their Issuance

Transaction costs related to the issuance of shares are accounted for as expenses. Dividend income related with the equity shares are determined by the Parent Bank’s General Assembly of the Shareholders. Dividends to be distributed are calculated independently of earnings/loss per share.

According to the “IAS 33 Earnings per Share” standard, the calculation of earnings per share considers the weighted average number of shares. In cases where the number of shares increases due to bonus issues resulting from capital increases via internal sources, earnings per share calculations for comparative periods are adjusted by recalculating the previously determined weighted average number of shares. This adjustment assumes that the bonus issue occurred at the beginning of the comparative period. If such changes in the number of shares occur after the balance sheet date but before the financial statements are approved for publication, earnings per share calculations are also based on the new number of shares.

The Bank’s paid-in capital is TL 25,000,000, which corresponds to a total of 625,002,250 shares divided into A, B, and C groups. This consists of TL 1 in A group shares, each with a nominal value of 1 Penny TL 29,000 in B group shares, each valued at 1 Penny, and TL 24,999,970 in C group shares, each with a nominal value of 4 Penny. The earnings per share amount corresponding to each share with a nominal value of 1 TRY is presented in the table below.

	Current Period	Prior Period
Profit distributable to shareholders	67,440,675	45,517,445
Number of shares in nominal TL equivalent (thousands)	25,000,000	25,000,000
Earnings per share – (in full TL)	2,6976	1,8207

XXI. Bank Acceptances and Bills of Guarantee

Bill guarantees and acceptances are realized simultaneously with the customer payments, and they are presented as possible liabilities and commitments in the off-balance sheet accounts.

XXII. Government Incentives

There are no government incentives utilized by the Bank, during the current or prior accounting periods.

XXIII. Segment Reporting

Business segment is the part of an enterprise,

- which conducts business operations where it can gain revenues and make expenditures (including the revenues and expenses related to the transactions made with the other parts of the enterprise),
- whose operating results are regularly monitored by the authorities with the power to make decisions related to the operations of the enterprise in order to make decisions related to the funds to be allocated to the segment and to evaluate the performance of the segment, and
- which has its separate financial information.

Information on the Bank's business segmentation and related information is explained in Section IV, Note XII.

XXIV. Other Disclosures

None.

SECTION FOUR: INFORMATION ON THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK

I. I. Explanations on Shareholders' Equity

The capital adequacy standard ratio of the bank is 18.52%. (December 31, 2024: 19.65%). The capital adequacy standard ratio has been calculated based on the Regulation on Shareholder's Equity of Banks, the Regulation on Measurement and Assessment of Capital Adequacy of Bank and other legal regulations related with BRSA decision dated December 12, 2023, numbered 10747 and December 12, 2024 numbered 11038. Within the scope of the Board decision, the amount subject to credit risk has been calculated by using the CBRT exchange rates as of June 26, 2024, and the shareholders' equity has been calculated without considering the negative effects of financial assets in the portfolio of "Financial Assets Through Other Comprehensive Income" acquired before the Board decision dated January 1, 2024. The aforementioned regulations were repealed as of January 2026 pursuant to the BRSA's decision dated November 13, 2025, numbered 11286. Accordingly, the capital adequacy standard ratio calculated without considering these regulations as of December 2025 stands at 16.04%.

	Current Period	Prior Period
COMMON EQUITY TIER I CAPITAL		
Paid-in Capital to be Entitled for Compensation after All Creditors	26,615,938	26,615,938
Share Premium	761,248	98,877
Legal Reserves	204,178,730	160,246,295
Other Comprehensive Income according to TAS	170,359,687	120,514,647
Profit	69,940,121	46,374,893
Net Current Period Profit	67,440,675	45,517,445
Prior Period Profit	2,499,446	857,448
Bonus Shares from Associates, Subsidiaries and Joint-Ventures not Accounted in Current Period's Profit		
Common Equity Tier I Capital Before Deductions	471,855,724	353,850,650
Deductions From Common Equity Tier I Capital		
Valuation adjustments calculated as per the article 9, (i) of the Regulation on Bank Capital		
Current and prior periods' losses not covered by reserves, and losses accounted under equity according to TAS	24,902,951	11,847,806
Leasehold improvements on operational leases	688,630	385,276
Goodwill Netted with Deferred Tax Liabilities		
Other Intangible Assets Netted with Deferred Tax Liabilities Except Mortgage Servicing Rights	16,833,376	10,585,468
Remaining after deducting from the related deferred tax liability with the deferred tax asset based on future taxable income, except for deferred tax assets based on temporary differences	3,224,186	3,861,893
Differences arise when assets and liabilities not held at fair value, are subjected to cash flow hedge accounting		
Total credit losses that exceed total expected loss calculated according to the Regulation on Calculation of Credit Risk by Internal Ratings Based Approach		
Securitization gains		
Unrealized gains and losses from changes in bank's liabilities' fair values due to changes in creditworthiness		
Net amount of defined benefit plans		
Direct and Indirect Investments of the Bank on its own Tier 1 Capital	305,613	305,613
Shares Obtained against Article 56, Paragraph 4 of the Banking Law		
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital		
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital		
Mortgage servicing rights (amount above 10% threshold)		
Net Deferred Tax Assets arising from Temporary Differences Exceeding the Threshold of Tier I Capital		
Amount Exceeding the 15% Threshold of Tier 1 Capital as per the Article 2, Clause 2 of the Regulation on Measurement and Evaluation of Capital Adequacy of Banks		
The Portion of Net Long Position of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank owns 10% or more of the Issued Share Capital not deducted from Tier 1 Capital		
Excess Amount arising from Mortgage servicing rights		
Excess Amount arising from Deferred Tax Assets from Temporary Differences		
Other items to be defined by the regulator		
Deductions from Tier I Capital in cases where there are no adequate Additional Tier I or Tier II Capitals		

Total Deductions from Common Equity Tier I Capital	45,954,756	26,986,056
Total Common Equity Tier I Capital	425,900,968	326,864,594
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity Tier I Capital and the Related Share Premiums		
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	21,310,000	
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)		
Additional Tier I Capital before Deductions	21,310,000	
Deductions from Additional Tier I Capital		
Direct and Indirect Investments of the Bank on its own Additional Tier I Capital (-)		
Investments in Equity Instruments Issued by Banks or Financial Institutions Invested in Bank's Additional Tier I Capital and Having Conditions Stated in the Article 7 of the Regulation		
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank does not own 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 Consolidated Banks and Financial Institutions where the Bank owns more than 10% of the Issued Share Capital		
Other items to be Defined by the regulator		
Items to be Deducted from Tier I Capital during the Transition Period		
Goodwill and Other Intangible Assets and Related Deferred Taxes not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Evaluation of Capital Adequacy of Banks (-)		
Net Deferred Tax Asset/Liability not deducted from Tier I Capital as per the Temporary Article 2, Clause 1 of the Regulation on Measurement and Evaluation of Capital Adequacy of Banks (-)		
Deduction from Additional Tier I Capital when there is not enough Tier II Capital (-)		
Total Deductions from Additional Tier I Capital		
Total Additional Tier I Capital	21,310,000	
Total Tier I Capital (Tier I Capital= Common Equity Tier I Capital + Additional Tier I Capital)	447,210,968	326,864,594
TIER II CAPITAL		
Debt Instruments and the Related Issuance Premiums Defined by the BRSA	30,744,000	38,110,000
Debt Instruments and the Related Issuance Premiums Defined by the BRSA (Covered by Temporary Article 4)		
Provisions (Amounts explained in the first paragraph of the article 8 of the Regulation on Bank Capital)	31,399,779	22,090,464
Tier II Capital Before Total Deductions	62,143,779	60,200,464
Deductions from Tier II Capital		
Direct and Indirect Investments of the Bank on its own Tier II Capital (-)		
Investments in Equity Instruments Issued by Banks and Financial Institutions Invested in Bank's Tier II Capital and Having Conditions Stated in the Article 8 of the Regulation		
The Total of Net Long Position 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 Tier I Capital (-)		
The Total of Net Long Position of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier I Capital (-)		
Other items to be Defined by the regulator (-)		
Total Deductions from Tier II Capital		
Total Tier II Capital	62,143,779	60,200,464
Total Equity (Total Tier I and Tier II Capital)	509,354,747	387,065,058
Deductions from Total Equity (Tier I Capital and Tier II Capital)	23,809	6,269
Loans Granted against the Articles 50 and 51 of the Banking Law	23,809	6,269
Net Book Values of Movables and Immovable's 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 regulator		
Items to be Deducted from the Sum of Tier I and Tier II Capital (Capital) During the Transition Period		

The Portion of Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank does not own 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Tier I Capital, Additional Core Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation		
The Portion of Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank owns more than 10% of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital not deducted from Additional Tier I Capital or Tier II Capital as per the Temporary Article 2, Clause 1 of the Regulation		
The Portion of Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank owns 10% of the Issued Share Capital, Deferred tax assets based on temporary differences and the right to offer mortgage as per the Temporary Article 2, Clause 1, Sub Clause 1 and 2 of the Regulation		
CAPITAL		
Total Capital (Total of Tier I Capital and Tier II Capital)	509,330,938	387,058,789
Total Risk Weighted Assets	2,750,274,304	1,969,489,752
CAPITAL ADEQUACY RATIOS		
Common Equity Tier I Capital Ratio (%)	15.49	16.60
Tier I Capital Ratio (%)	16.26	16.60
Capital Adequacy Ratio (%)	18.52	19.65
BUFFERS		
Total Additional Common Equity Requirement Ratio (a+b+c)	2.57	2.56
a) a) Capital Conservation Buffer Ratio (%)	2.50	2.50
b) b) Bank-specific Counter-Cyclical Capital Buffer Ratio (%)	0.07	0.06
c) c) Systematic Important Bank Buffer Ratio (%) (*)	0.00	0.00
Additional Common Equity Tier I Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation (%)	10.26	10.60
Amounts Lower Than Excesses as per Deduction Rules		
Remaining Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital		
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Issued Share Capital	3,030,188	554,844
Remaining Mortgage Servicing Rights		
Net Deferred Tax Assets arising from Temporary Differences	21,178,032	25,107,529
Limits for Provisions Used in Tier II Capital Calculation		
General Loan Provisions for Exposures in Standard Approach (before limit of one hundred and twenty-five per ten thousand)	46,318,955	28,429,516
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	31,399,779	22,090,464
Total Loan Provision that Exceeds Total Expected Loss Calculated According to the Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach		
Total Loan Provision that Exceeds Total Expected Loss Calculated According to the Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0,6% Risk Weighted Assets		
Debt Instruments Covered by Temporary Article 4 (effective between 1 January 2018-1 January 2022)		
Upper Limit for Additional Tier I Capital Items subject to Temporary Article 4		
Amount of Additional Tier I Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit		
Upper Limit for Additional Tier II Capital Items subject to Temporary Article 4		
Amount of Additional Tier II Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit		

(*) The systemic important bank buffer ratio is reported as '0.00' in the unconsolidated financial report, as it must be filled out by systemic important banks that are not required to prepare consolidated financial statements under Article 4, paragraph 4 of the Regulation on Systemically Important Banks.

Information on Subordinated Liabilities:

Issuer	Türkiye İş Bankası A.Ş.	Türkiye İş Bankası A.Ş.	Türkiye İş Bankası A.Ş.
Unique identifier (CUSIP, ISIN etc.)	US90016BAF58 / XS1623796072	US900151AM36 / XS2970145012	US900151AN19 / XS3174368152
Governing law(s) of the instrument	It is subject to English Law except for certain articles that will be subject to Turkish Law. Issued within the scope of BRSA Regulation on Banks' Equity.	It is subject to English Law except for certain articles that will be subject to Turkish Law. Issued within the scope of BRSA Regulation on Banks' Equity.	It is subject to English Law except for certain articles that will be subject to Turkish Law. Issued within the scope of BRSA Regulation on Banks' Equity.
Subject to 10% deduction as of 1/1/2015	No	No	No
Eligible at unconsolidated/consolidated	Unconsolidated -Consolidated	Unconsolidated -Consolidated	Unconsolidated -Consolidated

Instrument type	Bond	Bond	Bond
Amount recognized in regulatory capital (Currency in million, as of most recent reporting date)	8,524	21,310	21,310
Par value of instrument	21,310	21,310	21,310
Accounting classification	Subordinated Liabilities	Subordinated Liabilities	Subordinated Liabilities
Original date of issuance	June 29, 2017	January 15, 2025	September 29, 2025
Perpetual or dated	Dated	Undated	Dated
Original maturity date	11 Years	-	10,5 Years
Issuer call subject to prior supervisory (BRSA) approval	Yes	Yes	Yes
Optional call date, contingent call dates and redemption amount	The Bank: (1) provided that subject to having obtained the prior approval of the related legislation, can purchase or otherwise acquire treasury stock (2) provided that subject to having obtained the prior approval of the BRSA, (a) can redeem all bonds if any taxes imposed or levied (b) can redeem all bonds in case of the deduction from equity.	The Bank has the option to redeem all outstanding bonds between January 15, 2030, and July 15, 2030, subject to the approval of the BRSA. Additionally, the Bank may (1) purchase or otherwise acquire the bonds, provided that applicable regulations permit such actions, and (2) redeem all bonds, subject to BRSA approval, in the event of (a) a tax event, or (b) a capital write-down situation.	Subject to the approval of the BRSA, the Bank has the option to redeem all of the bonds between 2 January 2031 and 2 April 2031. In addition, the Bank may (1) purchase or otherwise acquire the bonds, provided that the applicable legislation permits; and (2) subject to the approval of the BRSA, redeem all of the bonds in the event of (a) the occurrence of a tax event or (b) the occurrence of a capital disqualification event.
Subsequent call dates, if applicable	None.	There is a redemption option available on coupon payment dates following July 15, 2030.	None.

Coupons / dividends

Fixed or floating dividend/coupon	Fixed	Fixed	Fixed
Coupon rate and any related index	9.19%	9.13%	7.38%
Existence of a dividend stopper	None.	None.	None.
Fully discretionary, partially discretionary or mandatory	None.	Optional	None.
Existence of step up or other incentive to redeem	None.	None.	None.
Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative
Convertible or non-convertible	None.	None.	None.
If convertible, conversion trigger (s)			
If convertible, fully or partially			
If convertible, conversion rate			
If convertible, mandatory or optional conversion			
If convertible, specify instrument type convertible into			
If convertible, specify issuer of instrument it converts into			
Write-down feature	In accordance with Regulations on Equities of Banks.Article 8.2.ġ. bonds have deleted option from records.	In accordance with Regulations on Equities of Banks.Article 7.2. bonds have deleted option from records.	In accordance with Regulations on Equities of Banks.Article 8.2.ġ bonds have deleted option from records.
If write-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred	In the event of losses incurred, pursuant to Article 71 of the Banking Law, the following actions may be taken: (1) revocation of the Bank's operating license and liquidation, or (2) transfer of the Bank's shareholders' rights (excluding dividends) and the Bank's management and supervision to the Savings Deposit Insurance Fund	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on

	to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable).	(TMSF), provided that the loss is covered by reducing the capital of existing shareholders. In such cases, or where there is a likelihood of these situations, or if the Core Capital Adequacy Ratio falls below 5.125%, the Bank may be derecognized from the records based on the decision of the BRSA in this regard.	the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable).
If write-down, full or partial	Partially or completely	Partially or completely	Partially or completely
If write-down, permanent or temporary	Permanent	Temporary	Permanent
If temporary write-down, description of write-up mechanism		The reversal of the triggering event(s) that led to the impairment, and the Core Capital Adequacy Ratio exceeding 5.125%.	
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Paid before shares and the primary of subordinated debt and after all the other debts.	Payment will be made after contributory capital and all other liabilities.	Paid before shares and the primary of subordinated debt and after all the other debts
Incompliance with article number 7 and 8 of "Own fund regulation"	Yes	Yes	Yes
Details of incompliance with article number 7 and 8 of "Own fund regulation"	To vest conditions stated in clause of the Article 8 and don't vest the conditions stated in clause of the Article 7.	To vest conditions stated in clause of the Article 7 and don't vest the conditions stated in clause of the Article 8.	To vest conditions stated in clause of the Article 8 and don't vest the conditions stated in clause of the Article 7.

Issuer	Türkiye İş Bankası A.Ş.	Türkiye İş Bankası A.Ş.	Türkiye İş Bankası A.Ş.
Unique identifier (CUSIP, ISIN etc.)	TRSTISB72712	TRSTISB62911	TRSTISB92918
Governing law(s) of the instrument	Is subject to Turkish Law. Has been issued in accordance with the BRSA Communiqué regarding the Equity of Banks.	Is subject to Turkish Law. Has been issued in accordance with the BRSA Communiqué regarding the Equity of Banks.	Is subject to Turkish Law. Has been issued in accordance with the BRSA Communiqué regarding the Equity of Banks.

Taking into account in equity calculation

Subject to 10% deduction as of 1/1/2015	No	No.	No
Eligible at unconsolidated / consolidated	Unconsolidated – Consolidated	Unconsolidated - Consolidated	Unconsolidated – Consolidated
Instrument type (types to be specified by each jurisdiction)	Bond	Bond	Bond
Amount recognized in regulatory capital (Currency in TL million, as of most recent reporting data)	220	480	210
Nominal value of instrument (TL Million)	1,100	800	350
Accounting classification	Subordinated Liabilities	Subordinated Liabilities	Subordinated Liabilities
Original date of issuance	08.08.2017	19.06.2019	26.09.2019
Perpetual or dated	Dated	Dated	Dated
Original maturity date	10 Years	10 Years	10 Years
Issuer call subject to prior supervisory approval	Yes	Yes	Yes
Optional call date, contingent call dates and redemption amount	5 years after the issuance, at the earliest	5 years after the issuance, at the earliest	5 years after the issuance, at the earliest
Subsequent call dates, if applicable	5 years after the issuance, at the earliest	5 years after the issuance, at the earliest	5 years after the issuance, at the earliest

Interest/Dividend Payment

Fixed or floating coupon/dividend payments	Floating	Floating	Floating
Coupon rate and any related index	Government Debt Security for 5 years + 350 basis points	Borsa İstanbul Turkish Lira Overnight Reference Interest Rate Index + 193 basis points	Government Debt Security for 5 years + 350 basis points

Existence of a dividend stopper	None.	None.	None.
Fully discretionary, partially discretionary or mandatory	None.	None.	None.
Existence of step up or other incentive to redeem	None.	None.	None.
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible into equity shares	None.	None.	None.
If convertible, conversion trigger (s)			
If convertible, fully or partially			
If convertible, conversion rate			
If convertible, mandatory or optional conversion			
If convertible, specify instrument type convertible into			
If convertible, specify issuer of instrument it converts into			
Write-down feature	In accordance with Regulations on Equities of Banks, Article 8 (2) (g), bonds have deleted option from records.	In accordance with Regulations on Equities of Banks, Article 8 (2) (g), bonds have deleted option from records.	In accordance with Regulations on Equities of Banks, Article 8 (2) (g), bonds have deleted option from records.
If write-down, write-down trigger(s)	Due to the losses incurred, within the framework of Article 71 of the Banking Law, (1) the Bank's operating license is to be revoked and liquidated or (2) the rights of all of its shareholders (except to dividends) and the management and supervision of the Bank are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable) based on the decision of the BRSA.	Due to the losses incurred, within the framework of Article 71 of the Banking Law, (1) the Bank's operating license is to be revoked and liquidated or (2) the rights of all of its shareholders (except to dividends) and the management and supervision of the Bank are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable) based on the decision of the BRSA.	Due to the losses incurred, within the framework of Article 71 of the Banking Law, (1) the Bank's operating license is to be revoked and liquidated or (2) the rights of all of its shareholders (except to dividends) and the management and supervision of the Bank are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable) based on the decision of the BRSA.
If bond can be written-down, full or partially	Partially or Completely	Partially or Completely	Partially or Completely
If bond can be written-down, permanent, or temporary	Permanent	Temporary	Permanent
If temporary write-down, description of write-up mechanism			
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	Paid before shares and the primary of subordinated debt and after all the other debts.	Paid before shares and the primary of subordinated debt and after all the other debts.	Paid before shares and the primary of subordinated debt and after all the other debts.
Incompliance with article number 7 and 8 of Regulation on Bank Capital	Yes.	Yes.	Yes.
Details of incompliance with article number 7 and 8 of Regulation on Bank Capital	To vest conditions stated in clause of the Article 8 and don't vest the conditions stated in clause of the Article 7.	To vest conditions stated in clause of the Article 8 and don't vest the conditions stated in clause of the Article 7.	To vest conditions stated in clause of the Article 8 and don't vest the conditions stated in clause of the Article 7.

Explanations on the reconciliation of amounts on the equity items statement and amounts on the balance sheet:

Current Period	Carrying Amount	Amounts in Equity Calculation (*)
Shareholders' equity	427,635,267	446,647,160
Leasehold improvements on operational leases	688,630	-688,630
Goodwill and intangible assets	18,576,965	-16,833,376
Provision	46,318,955	31,399,779
Subordinated debt	67,559,157	52,054,000
Deductions from shareholders' equity	3,247,995	-3,247,995
Capital		509,330,938

(*)The related amounts are calculated in accordance with "Regulation on Equities of Banks". In this context, part of the expected credit loss of stage 1 and stage 2 up to 1.25 % of amount subject to credit risk, part; subordinated loans according of the regulation, have been taken into consideration in equity calculation. On the other hand, in the calculation, the amount of equity and the amount of credit risk calculated in accordance with the regulation dated December 12, 2023 and numbered 10747.

II. Explanations on Credit Risk

1. Credit risk is defined as the possibility of incurring loss where the counterparty in a transaction, partially or completely fails to meet its contractual obligations in due time in an agreement with the Bank.

The Bank's position against the credit risk limits defined by the current legislation is monitored by the Board. Within this framework, loans extended to Risk Groups and the Bank's Risk Group, including the Bank; loans in high amounts and limitations regarding the shares in participations are monitored according to the limits determined in connection with the size of the shareholders' equity.

Credit risk limits of customers are determined depending on the financial situation and loan requirements of the borrowers, in strict compliance with the relevant banking legislation, within the framework of loan authorization limits of Branches, Regional Offices, Loan Divisions, the Deputy Chief Executives responsible for loans, the CEO, the Credit Committee and Board of Directors. These limits may be changed as may be deemed necessary by the Bank. Moreover, all commercial credit limits are revised periodically, provided that each period does not exceed a year. Furthermore, the borrowers and borrower groups forming a large proportion of the overall placement are subject to risk limits in order to provide further minimization of potential risk.

The geographical distribution of borrowers is consistent with the concentration of industrial and commercial activities in Turkey.

The distribution of borrowers by sector is monitored closely for each period and sectoral risk limits have been determined to prevent concentration of risk in sectoral sense.

The credit-worthiness of customers is monitored on a consistent basis by using company rating and scoring models specially developed for this purpose, and the audit of statements of account received is assured to have been made in accordance with the provisions as stipulated by the relevant legislation.

Utmost importance is given to ensure that loans are furnished with collaterals. In accordance with the credit risk policy, the allocation decision is not based on the assumption that the collateral can be collected by redeeming it in principle. However, to minimize the credit risk, an appropriate level of collateral is obtained by accurately analyzing the credit worthiness and credit need of the customer. Legal recourse of collaterals in case of default, their redemption period, and their ability to maintain their expected value are taken into account from the beginning of the loan allocation process. Most of the loans extended are collateralized by taking real estate, movable or commercial enterprise under pledge, promissory notes and other liquid assets as collateral, or by acceptance of bank letters of guarantee and individual or corporate guarantees. The absence of concentration in terms of collateral is an important element of the credit policy.

Non-performing and impaired loans has been classified in accordance with the "TFRS 9-Financial Instruments" and BRSA's "Regulation on Procedures and Principles for Classification of Loans and Provisions to be set aside". The detailed descriptions of these methods correspond with accounting practices, are included in Section Three Note VIII.

Credit risk is the risk reduction effects without taking into consideration the total amount of exposures after offsetting transactions with different risk classes according to the types and amounts of disaggregated risks are listed below the average for the period.

Amount subject to credit risk (*)	Current Period Risk Amount	Average Risk Amount (**)
Risk Classifications(*)		
Exposures to central governments or central banks	1,402,919,468	1,326,536,398
Exposures to regional governments or local authorities	2,673,361	1,995,661
Exposures to administrative bodies and non-commercial undertakings	1,341,788	1,213,347
Exposures to multilateral development banks	1,077,466	1,221,128
Exposures to international organizations		
Exposures to banks and brokerage houses	154,691,949	160,068,478
Corporates exposures	1,228,708,608	1,196,137,234
Retail exposures	1,055,896,799	852,730,721
Exposures secured by residential real estate property	125,719,112	109,543,326
Exposures secured by commercial real estate property	108,294,494	97,752,792
Past due items	27,898,027	19,556,796
Items in regulatory high-risk categories	2,341,680	2,471,618
Exposures in the form of bonds by mortgages		
Short term exposures to banks, brokerage houses and corporates		
Exposures in the form of collective investment undertakings	8,953,701	7,672,322
Other items	188,602,230	170,442,744
Share Certificate Investment	274,683,642	244,477,217

(*) Risk amounts after the credit conversions and the effects of credit risk mitigation

(**) Average risk amounts are the arithmetical average of the amounts in quarterly reports prepared.

2. There are certain control limits on forward transactions in terms of counter parties, and the risks taken for derivative instruments are evaluated along with other potential risks resulting from the market fluctuations.

3. As a result of the current level of customers' needs and the progress in the domestic market in this particular area, the Bank uses derivative transactions either for hedging or for commercial purposes. Derivative instruments with a remarkable volume are monitored with consideration that they can always be liquidated in case of need.

4. Indemnified non-cash loans are considered as having the same risk weights as unpaid cash loans.

The rating and scoring systems applied by the Bank, includes detailed company analysis and enables rating of all companies and loans without any restrictions regarding credibility. Loans and companies, which have been renewed, restructured or rescheduled, are rated within the scope of this system. Specialized loans are evaluated by a special rating system, which is based on the credibility of the counterparty as well as the feasibility and risk analysis of the cash flows created mainly by the projects undertaken or the asset financed.

5. Lending transactions abroad are conducted by determining the country risks of related countries within the context of the current rating system and by taking the market conditions, country risks, and the relevant legal limitations into account. Furthermore, the credibility of banks and other financial institutions established abroad is examined within the framework of the ratings that are determined by rating agencies and backed with CDS-IR (based on credit default swap) ratings and credit limits are assigned to the related banks and financial institutions accordingly.

6. (i) The share of the Bank's receivables from the top 100 and 200 cash loan customers in the overall cash loan portfolio stands at 21%, 27%, respectively (December 31, 2024: 23%, 30%).

(ii) The share of the Bank's receivables from the top 100 and 200 non-cash loan customers in the overall non-cash portfolio stands at 40%, 51% respectively (December 31, 2024: 40%, 51%).

(iii) The share of the Bank's cash and non-cash receivables from the top 100 and 200 loan customers in the overall cash and non-cash loans stands at 13%, 17%, respectively (December 31, 2024: 13%, 17%).

Companies that are among the top loan customers ranked according to cash, non-cash and total risks are leaders in their own sectors, the loans advanced to them are in line with their volume of industrial and commercial activity. A significant part of such loans is extended on a project basis, with their repayment sources being analyzed in accordance with the banking principles to be considered as satisfactory and associated risks are determined and duly covered by obtaining appropriate guarantees when deemed necessary.

7. The total value of the stage 1 and stage 2 expected credit loss allocated for credit risk stands at TL 40,849,877 (December 31, 2024: TL 26,067,614).

8. The Bank measures the quality of its loan portfolio by applying different rating/scoring models on cash commercial/corporate loans, retail loans and credit cards. The breakdown of the rating/scoring results, which are classified as “Strong”, “Standard” and “Below Standard” by considering their default features, is shown below.

The loans whose borrowers’ capacity to fulfill their obligations is very good, are defined as “Strong”, whose borrowers’ capacity to fulfill its obligations in due time is reasonable, are defined as “Standard” and whose borrowers’ capacity to fulfill their obligations is poor, are defined as “Below Standard”.

	Current Period	Prior Period
Strong	48.54%	56.02%
Standard	38.70%	33.70%
Below Standard	12.76%	10.28%

The table data comprises behavior rating/scoring results.

9. The net values of the collaterals of the closely monitored loans are given below in terms of collateral types and risk matches.

Type of Collateral	Current Period			Prior Period		
	Personal	Commercial and Corporate	Credit Cards	Personal	Commercial and Corporate	Credit Cards
Real Estate Mortgage (*)	6,232,863	34,104,740		3,846,312	10,550,465	
Cash Collateral (Cash, securities pledge, etc.)	195,555	455,735		170,788	216,638	
Pledge on Wages and Vehicles	12,069,343	5,094,806		9,209,580	2,185,368	
Cheques & Notes		9,566			1,544	
Other (Suretyship, commercial enterprise under pledge, commercial papers, etc.)	849,535	65,056,013		815,936	50,152,244	
Non-collateralized	39,637,598	13,778,455	88,422,523	20,362,097	7,892,021	42,206,705
Total	58,984,894	118,499,315	88,422,523	34,404,713	70,998,280	42,206,705

(*) The mortgage and/or pledge amounts on which third parties have priorities are deducted from the fair values of collaterals in expertise reports; and after comparing the results to the mortgage/pledge amounts and loan balances, the smallest figures are considered to be the net value of collaterals.

10. The net values of the collaterals of non-performing loans are given below in terms of collateral types and risk matches.

Type of Collateral	Current Period		Prior Period	
	Net Value of the Collateral	Loan Balance	Net Value of the Collateral	Loan Balance
Real Estate Mortgage (*)	13,443,494	13,443,494	4,581,852	4,581,852
Cash Collateral	16,632	16,632	3,955	3,955
Vehicle Pledge	3,157,321	3,157,321	1,023,276	1,023,276
Other (Suretyship, commercial enterprise under pledge, commercial papers, etc.)	18,309,571	18,309,571	9,729,332	9,729,332

(*) The mortgage and/or pledge amounts on which third parties have priorities are deducted from the fair values of collaterals in expertise reports, and after comparing the results to the mortgage/pledge amounts and loan balances the smallest figures are considered to be the net value of collaterals.

11. The aging analysis of the receivables past due but not impaired in terms of financial asset classes, is as follows:

Current Period	31-60 Days (**)	61-90 Days (**) (***)	Total
Loans(*)			
Corporate / Commercial Loans	2,326,390	1,839,531	4,165,921
Consumer Loans	4,148,011	1,892,590	6,040,601
Credit Cards	14,229,262	6,954,343	21,183,605
Total	20,703,663	10,686,464	31,390,127

(*) The loans classified as closely monitored that are not past due or past due for less than 31 days is TL 221,975,117.

(**) Related figures show only overdue amounts of installment based commercial loans and installment-based consumer loans; the principal amounts of the loans which are not due as of the balance sheet date are equal to TL 5,824,614 and TL 6,716,874 respectively.

Prior Period	31-60 Days (**)	61-90 Days (**) (***)	Total
Loans(*)			
Corporate / Commercial Loans	628,836	765,539	1,394,375
Consumer Loans	1,956,886	890,325	2,847,211
Credit Cards	6,570,018	2,438,003	9,008,021
Total	9,155,740	4,093,867	13,249,607

(*) The loans classified as closely monitored that are not past due or past due for less than 31 days is TL 93,878,417.

(**) Related figures show only overdue amounts of installment based commercial loans and installment-based consumer loans; the principal amounts of the loans which are not due as of the balance sheet date are equal to TL 874,533 and TL 1,943,686 respectively.

12. Profile of significant exposures in major regions

Current Period Risk Groups (*)	Domestic	European Union	OECD Countries (**)	Off-Shore Banking Regions	USA, Canada	Other Countries	Investments in Associates, Subsidiaries and Jointly Controlled Entities	Undistributed Assets/ Liabilities (***)	Total
Contingent and Non-Contingent Receivables from Central Governments or Central Banks	1,366,906,696	9	1,449,411		1,651,580	32,911,772			1,402,919,468
Contingent and Non-Contingent Receivables from Regional Government or Domestic Government	2,673,333					28			2,673,361
Contingent and Non-Contingent Receivables from Administrative Units and Non-Commercial Enterprises	1,341,320					468			1,341,788
Contingent and Non-Contingent Receivables from Multilateral Development Banks		268,347	809,119						1,077,466
Contingent and Non-Contingent Receivables from International Organizations									
Contingent and Non-Contingent Receivables from Banks and Intermediaries	47,350,625	33,688,245	37,005,301	888,215	19,957,717	15,801,846			154,691,949
Contingent and Non-Contingent Corporate Receivables	1,170,457,795	2,912,501	28,129,567	2,501,313	31,351	24,676,081			1,228,708,608
Contingent and Non-Contingent Retail Receivables	1,040,425,582	2,217,173	1,174,335	10,802	341,347	11,727,560			1,055,896,799
Contingent and Non-Contingent Receivables Secured by Residential Property	231,524,688	1,122,304	85,408	2,807	83,113	1,195,286			234,013,606
Non-Performing Receivables	27,652,450	92,487	43,566	530	19,742	89,252			27,898,027
Receivables are identified as high risk by the Board	2,340,942	269	1			468			2,341,680
Secured Marketable Securities									
Short-term Receivables and Short-term Corporate Receivables from Banks and Intermediaries									
Investments as Collective Investment Institutions	8,953,701								8,953,701
Other Receivables	188,602,230								188,602,230
Share Certificate Investments							274,683,642		274,683,642
Total	4,088,229,362	40,301,335	68,696,708	3,403,667	22,084,850	86,402,761	274,683,642		4,583,802,325

(*) Risk amounts after the credit conversions and the effects of credit risk mitigation

(**) OECD countries other than EU countries, USA and Canada

(***) Assets and liabilities that are not consistently allocated.

Prior Period	Domestic	European Union	OECD Countries (**)	Off-Shore Banking Regions	USA, Canada	Other Countries	Investments in Associates, Subsidiaries and Jointly Controlled Entities	Undistributed Assets/Liabilities (***)	Total
Risk Groups (*)									
Contingent and Non-Contingent Receivables from Central Governments or Central Banks	1,100,079,405	7			494,693	26,474,467			1,127,048,572
Contingent and Non-Contingent Receivables from Regional Government or Domestic Government	1,979,083					31			1,979,114
Contingent and Non-Contingent Receivables from Administrative Units and Non-Commercial Enterprises	904,780					155			904,935
Contingent and Non-Contingent Receivables from Multilateral Development Banks		209,385	1,012,225						1,221,610
Contingent and Non-Contingent Receivables from International Organizations									
Contingent and Non-Contingent Receivables from Banks and Intermediaries	59,117,380	26,036,071	40,974,464	665,780	7,334,257	5,506,888			139,634,840
Contingent and Non-Contingent Corporate Receivables	919,003,417	2,884,522	12,066,227	1,979,319	70,534	17,068,900			953,072,919
Contingent and Non-Contingent Retail Receivables	618,302,038	1,348,174	564,625	5,810	207,233	7,417,279			627,845,159
Contingent and Non-Contingent Receivables Secured by Residential Property	160,607,376	353,651	211,133	2,983	82,649	546,823			161,804,615
Non-Performing Receivables	9,350,391	48,130	25,861	66	10,702	38,184			9,473,334
Receivables are identified as high risk by the Board	2,130,636	28	9			12			2,130,685
Secured Marketable Securities									
Short-term Receivables and Short-term Corporate Receivables from Banks and Intermediaries									
Investments as Collective Investment Institutions	6,104,760								6,104,760
Other Receivables	134,608,432		324,419						134,932,851
Share Certificate Investments							202,798,581		202,798,581
Total	3,012,187,698	30,879,968	55,178,963	2,653,958	8,200,068	57,052,739	202,798,581		3,368,951,975

(*) The figures represent total risk amounts before credit risk mitigation and after credit conversion factor.

(**) OECD countries other than EU countries, USA and Canada

(***) Assets and liabilities that are not consistently allocated

13. Risk profile by sectors or counterparties:

Current Period																	
Bank																	
	(1) (**)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	TL	FC	Total
Sectors/Counterparty (*)																	
Agricultural	87,524		6,364				16,717,800	51,894,285	3,224,661	848,394	5,222				67,834,947	4,949,303	72,784,250
Farming and Raising Livestock	86,071		6,364				13,557,969	51,544,013	3,164,137	839,093	5,135				67,253,463	1,949,319	69,202,782
Forestry	1,453						119,727	178,682	27,739	6,805	82				334,351	137	334,488
Fishing							3,040,104	171,590	32,785	2,496	5				247,133	2,999,847	3,246,980
Industry	5,573,601		931				554,591,623	72,841,119	41,308,311	3,640,856	156,361			103,854,038	382,310,933	399,655,907	781,966,840
Mining	76,997		127				9,381,658	1,426,236	987,787	29,440	67,845				5,975,338	5,994,752	11,970,090
Production	5,482,786						447,795,045	70,117,534	39,167,497	2,975,163	82,636			103,854,038	349,308,706	320,165,993	669,474,699
Electricity, gas, and water	13,818		804				97,414,920	1,297,349	1,153,027	636,253	5,880				27,026,889	73,495,162	100,522,051
Construction	161,693		8,957				105,004,536	35,010,229	20,030,714	1,962,403	1,998,405				107,311,076	56,865,861	164,176,937
Services	672,342,558		1,175,041	1,077,466		154,571,402	463,853,890	272,085,488	92,147,181	9,852,496	165,529	8,808,963	50,209	164,634,910	1,089,203,461	751,561,672	1,840,765,133
Wholesale and Retail Trade	1,289,992						186,246,927	156,964,280	45,979,309	7,631,777	150,201			522,997	325,517,222	73,268,261	398,785,483
Hotel, Food and Beverage Services	49,645						23,436,403	20,452,746	16,992,607	501,922	2,190				33,831,289	27,604,224	61,435,513
Transportation and Telecommunication	34,056						102,116,872	59,543,509	9,198,535	1,112,962	6,789			330,487	89,425,842	82,917,368	172,343,210
Financial Institutions	670,764,552		150,094	1,077,466		154,571,402	75,813,153	4,283,605	5,117,973	35,452	465	8,808,963	50,209	163,781,426	568,853,467	515,601,293	1,084,454,760
Real Estate and Renting Services	7,303		908,319				31,787,147	10,585,084	10,208,158	240,365	2,884				34,439,097	19,300,163	53,739,260
Self-Employment Services	12,712		106,385				5,848,924	8,129,039	1,658,551	224,243	415				12,961,808	3,018,461	15,980,269
Education Services	11,635		2,364				4,219,345	2,916,161	899,533	30,598	108				4,810,208	3,269,536	8,079,744
Health and Social Services	172,663		7,879				34,385,119	9,211,064	2,092,515	75,177	2,477				19,364,528	26,582,366	45,946,894
Other	724,754,092	2,673,361	150,495			120,547	88,540,759	624,065,678	77,302,739	11,593,878	16,163	144,738	188,552,021	6,194,694	1,450,658,718	273,450,447	1,724,109,165
Total	1,402,919,468	2,673,361	1,341,788	1,077,466		154,691,949	1,228,708,608	1,055,896,799	234,013,606	27,898,027	2,341,680	8,953,701	188,602,230	274,683,642	3,097,319,135	1,486,483,190	4,583,802,325

(1) Contingent and non-contingent exposures to central governments or central banks (2) Contingent and non-contingent exposures to regional governments or local authorities

(3) Contingent and non-contingent exposures to administrative bodies and non-commercial undertakings (4) Contingent and non-contingent exposures to multilateral development banks (5) Contingent and non-contingent exposures to international organizations

(6) Contingent and non-contingent exposures to banks and brokerage houses (7) Contingent and non-contingent corporate receivables (8) Contingent and non-contingent retail receivables (9) Contingent and non-contingent exposures secured by real estate property (10) Past due receivables (11) Receivables Classified as High Risk by the Board (12) Investments in Collective Investment Schemes (13) Other receivables (14) Stock Investment(*) Risk amounts after the credit conversions and the effects of credit risk mitigation (**) Credit Guarantee Fund guaranteed by the undersecretariat of treasury are included in the receivables from central governments.

14. Analysis of maturity-bearing exposures according to remaining maturities:

	Current Period					
	Time to Maturity					
	1 Month	1-3 Months	3-6 Months	6-12 Months	Over 1 Year	Total
Risk Groups (*)						
Receivables from Central Governments or Central Banks	708,227,583	18,021,784	22,777,068	23,326,744	574,924,881	1,347,278,060
Receivables from Regional Governments or Domestic Governments	1,643	12,125	1,877	167,362	1,097,375	1,280,382
Receivables from Administrative Units and Non-Commercial Enterprises	259	7,686	69	896,896	406,012	1,310,922
The multilateral development banks and non-contingent receivables	131,266				946,200	1,077,466
Receivables from Banks and Intermediaries	33,204,161	10,233,667	14,778,153	27,074,210	28,777,043	114,067,234
Corporate Receivables	60,370,976	134,579,957	149,034,087	246,635,668	637,025,031	1,227,645,719
Retail Receivables	8,030,371	24,428,454	47,304,251	160,523,119	719,821,456	960,107,651
Collateralized Receivables with Real Estate Mortgages	3,811,716	8,707,955	13,300,216	28,898,875	173,112,274	227,831,036
Receivables are identified as High Risk by the Board	73,066	276,167	63,044	351,910	1,551,490	2,315,677
Total	813,851,041	196,267,795	247,258,765	487,874,784	2,137,661,762	3,882,914,147

(*)The figures represent total risk amounts before credit risk mitigation and after credit conversion factor.

15. Information on Risk Classes

In the calculation of the amount subject to credit risk, determining the risk weights related to risk classes stated on the article of “Regulation on Measurement and Evaluation of Capital Adequacy of Banks”, is based on the Fitch Ratings’ and JCR Avrasya Derecelendirme A.Ş. international rating.

“Receivables from Banks and Intermediaries” are receivables from related parties residing in foreign countries against the risk evaluated in class with “Receivables from Central Governments or Central Banks” are receivables that are evaluated in the class will be the subject of risk weights determined in accordance with Fitch Ratings issued by the rating of the risk. “Contingent and Non-Contingent Receivables from Banks and Intermediaries” in the class with resident banks and brokerage firms in the dorm evaluated risk “Corporate Receivables” in the class evaluated dorm resident companies and financial institutions in the TL-denominated receivables, the risk weights that will be the subject of JCR Avrasya Derecelendirme A.Ş. international rating grades assigned by it are used.

The table related to mapping the ratings used in the calculations and credit quality grades, which is stated in the Annex of Regulation on Measurement and Evaluation of Capital Adequacy of Banks, is given below:

Credit Quality Grades	1	2	3	4	5	6
Risk Rating	AAA via AA-	A+ via A-	BBB+ via BBB-	BB+ via BB-	B+ via B-	CCC+ and lower

Risk Amounts according to Risk Weights

Risk Weight	0%	20%	35%	50%	75%	100%	150%	250%	Other	Mitigation in Shareholders' Equity (**)
Amount Before Credit Risk Mitigation (*)	1,412,551,561	182,256,373	125,837,945	323,732,302	1,063,934,450	1,470,698,693	3,690,368	3,030,188	13,273,831	20,745,495
Amount After Credit Risk Mitigation	1,418,703,831	182,251,457	125,719,112	322,540,515	1,055,896,799	1,459,048,714	3,337,878	3,030,188	13,273,831	20,745,495

(*) The figures represent total risk amounts before credit risk mitigation and after credit conversion factor.

16. Miscellaneous Information According to Type of Counterparty or Major Sectors

	Significant Sectors/Counterparty	Loans		Provisions
		Depreciated (TFRS 9)		Expected Credit Loss (TFRS 9)
		Significant Increase in Credit Risk (Stage 2)	Non-Performing (Stage 3)	
1	Agricultural	8,611,601	1,257,230	1,305,957
1.1	Farming and Raising Livestock	8,587,743	1,241,565	1,295,491
1.2	Forestry	18,067	9,994	6,654
1.3	Fishing	5,791	5,671	3,812
2	Industry	55,545,715	11,236,738	19,348,853
2.1	Mining	290,443	97,388	109,784
2.2	Production	21,818,720	8,331,082	8,505,952
2.3	Electricity, gas, and water	33,436,552	2,808,268	10,733,117
3	Construction	6,529,432	10,138,538	8,920,591
4	Services	53,602,233	20,774,094	18,306,914
4.1	Wholesale and Retail Trade	16,225,616	13,811,982	9,480,682
4.2	Hotel, Food and Beverage Services	9,830,237	650,187	1,483,544
4.3	Transportation and Telecommunication	10,110,458	1,698,454	2,100,569
4.4	Financial Institutions	415,413	80,932	85,123
4.5	Real Estate and Renting Services	14,208,787	4,117,387	4,588,915
4.6	Self-Employment Services	1,894,370	225,012	371,448
4.7	Education Services	323,636	53,823	60,314
4.8	Health and Social Services	593,716	136,317	136,319
5	Other	141,617,751	32,636,466	29,560,122
6	Total	265,906,732	76,043,066	77,442,437

17. Information on Value Adjustments and Change in Credit Provisions:

		Beginning Balance	Additional Provisions	Reversal of Provisions	Other Value Adjustment	Ending Balance
1	Stage 3 provisions	24,947,686	34,125,320	-10,951,877		48,121,129
2	Stage 1 and Stage 2 Provisions	26,067,614	25,154,942	-10,372,679		40,849,877

18. Exposures Subject to Counter-cyclical Capital Buffer

Country	RWA Calculations for Private Sector Loans in Banking Book	RWA calculations for Trading Book	Total
Turkey	1,912,644,109	9,280	1,912,653,389
TRNC	27,673,624		27,673,624
England	21,936,949		21,936,949
Cayman Island	2,501,313		2,501,313
Iraq	2,080,472		2,080,472
Malta	1,369,779		1,369,779
Panama	1,198,502		1,198,502
Marshall Island	1,135,593		1,135,593
Germany	1,038,883		1,038,883
Netherlands	1,014,220		1,014,220
Other	17,155,371		17,155,371

III. Explanations on Currency Risk

The exposed currency risk of the Bank is result of the difference between the assets denominated in and indexed to foreign currencies and liabilities denominated in foreign currencies. Furthermore, parity fluctuations of different foreign currencies are another element of the currency risk.

The currency risk is managed by the internal currency risk limits which are established as a part of the Bank's risk policies. The Assets and Liabilities Management Committee and the Assets and Liabilities Management Unit meet regularly to take the necessary decisions for hedging exchange rate and parity risks within the framework of the limits determined by the "Net Foreign Currency Overall Position/Shareholders' Equity" Standard Ratio which is a part of the legal requirement and the internal currency risk limits specified by the Board of Directors. Foreign exchange risk management decisions are strictly applied.

In measuring currency risk, both the Standard Method and the Value at Risk Model (VAR) and Expected Shortfall are used as applied in the statutory reporting.

Measurements made within the scope of the Standard Method are carried out on a monthly basis and form the basis of determining the capital requirement for hedging currency risk.

Risk measurements made within the context of the VAR are practiced on a daily basis using the historical and Monte Carlo simulation methods. Scenario analyses are conducted to support the calculations made within the VAR context. Expected loss calculations are also carried out daily.

The results of the measurements made on currency risk are reported to the Key Management and the risks are closely monitored by taking into account the market and the economic conditions.

The Bank's foreign currency purchase rates at the date of balance sheet and for the last five working days of the period announced by the Bank in TL are as follows:

Date	USD	EUR
December 31, 2025 (*)	42.6200	50.1173
December 30, 2025	42.6043	50.1367
December 29, 2025	42.5938	50.1670
December 26, 2025	42.5790	50.2219
December 25, 2025	42.5103	50.0857
December 24, 2025	42.5078	50.2400

(*)Balance sheet valuation exchange rate.

The Bank's last 30-days arithmetical average foreign currency purchase rates:**USD: TL 42.2912****EUR: TL 49.6021****Sensitivity to currency risk:**

The Bank's sensitivity to any potential change in foreign currency rates has been analyzed. In the analysis presented below, 10% change, which is also the amount used for the internal reporting purposes, is anticipated in USD, IQD, EUR and GBP.

	% Change in Foreign Currency	Effects on Profit/Loss (*)	
		Current Period	Prior Period
USD	10 % increase	-2,182,644	-3,076,836
	10 % decrease	2,182,644	3,076,836
IQD	10 % increase	430,161	326,761
	10 % decrease	-430,161	-326,761
EUR	10 % increase	243,944	184,277
	10 % decrease	-243,944	-184,277
GEL	10 % increase	254,989	185,257
	10 % decrease	-254,989	-185,257

(*) Indicates the values before tax

Information on currency risk:

Current Period	EUR	USD	Other FC	Total
Assets				
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey (1)	157,521,792	183,694,820	188,711,623	529,928,235
Banks	10,223,701	13,916,568	82,480,686	106,620,955
Financial Assets at Fair Value through Profit/Loss (2)	1,767,616	5,486,241	46,530,835	53,784,692
Money Market Placements				
Financial Assets at Fair Value Through Other Comprehensive Income	21,025,374	154,397,675	25,847	175,448,896
Loans (3)	493,602,113	298,018,890	38,751,327	830,372,330
Investments in Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)	24,877,041		7,108,129	31,985,170
Financial Assets Measured at Amortised Cost	1,497,770	12,529,700	12,914,994	26,942,464
Derivative Financial Assets Held for Risk Management				
Tangible Assets (4)		2,949	67,704	70,653
Intangible Assets		1,300	1,031	2,331
Other Assets (2)	-4,674,355	4,777,984	-288,052	-184,423
Total Assets	705,841,052	672,826,127	376,304,124	1,754,971,303
Liabilities				
Banks Deposits	7,818,174	7,273,527	5,021,257	20,112,958
Foreign Currency Deposits (5)	386,714,878	377,339,432	577,016,059	1,341,070,369
Money Market Funds	41,680,673	134,413,401	599,832	176,693,906
Funds Provided from Other Financial Institutions	63,298,008	160,829,430		224,127,438
Marketable Securities Issued (6)	8,514,304	150,341,488	10,625,315	169,481,107
Miscellaneous Payables	7,471,375	7,152,928	966,900	15,591,203
Derivative Financial Liabilities Held for Risk Management				
Other Liabilities (2)	5,964,954	9,047,966	925,056	15,937,976
Total Liabilities	521,462,366	846,398,172	595,154,419	1,963,014,957
Net Balance Sheet Position	184,378,686	(173,572,045)	(218,850,295)	(208,043,654)
Net Off Balance Sheet Position	(182,451,768)	151,584,788	233,654,139	202,787,159
Derivative Financial Assets (8)	96,525,606	220,626,890	240,791,920	557,944,416
Derivative Financial Liabilities (8)	278,977,374	69,042,102	7,137,781	355,157,257

Non-Cash Loans	221,308,981	232,679,068	19,392,611	473,380,660
Prior Period				
Total Assets				
Total Liabilities	482,582,808	536,237,060	174,066,257	1,192,886,125
Net Balance Sheet Position	355,308,381	663,713,881	281,553,592	1,300,575,854
Net Off Balance Sheet Position	127,274,427	(127,476,821)	(107,487,335)	(107,689,729)
Derivative Financial Assets	(125,974,605)	95,666,355	121,441,404	91,133,154
Derivative Financial Liabilities	43,633,525	233,269,437	135,183,852	412,086,814
Non-Cash Loans	169,608,130	137,603,082	13,742,448	320,953,660
Net Balance Sheet Position	136,422,021	148,677,849	13,799,895	298,899,765

1) The item includes precious metals accounts amounting to 183,493,346 TL.

(2) In accordance with the provisions of the "Regulation on the Calculation and Application of the Foreign Currency Net General Position/Equity Standard Ratio on a Consolidated and Non-Consolidated Basis by Banks," 12,659,182 TL of Derivative Financial Asset Discounts and 567,146 TL of Prepaid Expenses under assets; and 5,306,757 TL of Derivative Financial Liability Discounts and 4,257,842 TL of Equity under liabilities have not been taken into account in the calculation of currency risk. Other Assets and Other Liabilities also include Expected Loss Provisions; the expected loss provision balance for foreign currency-indexed loans is 1,588 TL.

(3) The mentioned amounts include foreign currency-indexed loans tracked in TRY accounts, totaling 121,946 TL, of which 119,215 TL is indexed to USD and 2,731 TL is indexed to Euro.

(4) Includes Non-Current Assets Held for Sale and Discontinued Operations (Net).

(5) The item includes precious metal deposit accounts amounting to 470,043,963 TL.

(6) It also includes issued bonds classified under capital-like debt instruments in the balance sheet.

(7) Derivative transactions within the definitions of forward foreign currency purchase and forward foreign currency sale commitments stated in the aforementioned Regulation have been taken into account.

IV. Explanations on Interest Rate Risk

Interest rate risk is defined as the impairment in the value of the Bank's interest sensitive Asset, liabilities and off-balance sheet items due to interest rate fluctuations. A method which takes into consideration the effect of standard interest shocks on the economic values of the Bank's on, and off-balance sheet interest sensitive accounts is used for measuring the interest rate risk arising from the banking accounts, whereas the interest rate risk related to interest sensitive financial instruments followed under trading accounts is assessed within the scope of market risk.

Potential effects of interest rate risk on the Bank's assets and liabilities, market developments, the general economic environment and expectations are regularly followed in meetings of the Asset-Liability Management Committee, where further measures to reduce risk are taken when necessary.

The Bank's on and off-balance sheet interest sensitive accounts other than the assets and liabilities exposed to market risk are monitored and controlled by the limits on the ratio of structural interest rate risk to equity and tier 1 capital determined by the Board within the scope of "Asset-Liability Management Risk Policy". Moreover, scenario analyses formed in line with the average maturity gaps and the historical data and expectations are also used in the management of the related risk.

In addition, the impact of changes in interest rates on the Bank's net interest income is regularly analyzed. Within this framework, the limit on the ratio of change in net interest income to the capital is expected to occur under various scenarios are monitored and regularly reported to senior management.

Interest rate sensitivity

In this part, the sensitivity of the Bank's assets and liabilities to the interest rates has been analyzed assuming that the year-end balance figures were the same throughout the year. Mentioned analysis shows how the FC and TL changes in interest rates by one point during the one-year period affect the Bank's income accounts and shareholders' equity under the assumption maturity structure and balances are remain the same all year round at the end of the year.

During the measurement of the Bank's interest rate sensitivity, the profit/loss on the asset and liability items that are evaluated with market value are determined by adding to/deducting from the difference between the expectancy value of the portfolio after one year in case there is no change in interest rates and the value of the portfolio one year later, which is measured after the interest shock, the interest income to be additionally earned/to be deprived of during the one year period due to the renewal or repricing of the related portfolio at the interest rates formed after the interest shock.

On the other hand, in the profit/loss calculation of assets and liabilities that are not evaluated by the current market prices, it is assumed that assets and liabilities with fixed interest rates will be renewed at maturity date and the assets and liabilities having variable interest rates will be renewed at the end of repricing period with the market interest rates generated after the interest shock.

Within this context, ceteris paribus, the possible changes that may occur in the Bank's profit and shareholders' equity in case of 100 basis point increase/decrease in TL and FC interest rates on the reporting day are given below:

% Change in the Interest Rate (*)		Effect On Profit/Loss		Effect on Equity (**)	
TL	FC	Current Period	Prior Period	Current Period	Prior Period
100 bps increase	100 bps increase	1,235,381	-988,390	-8,610,645	-7,574,600
100 bps decrease	100 bps decrease	108,008	1,391,207	9,249,316	8,153,873

(*) Changes in interest rates is calculated assuming that the expectations reflected in inflation. The effects on the profit/loss and shareholders' equity are stated with their before tax values.

(**) The effect on the profit/loss is mainly arising from the fact that the average maturity of the Bank's fixed rate liabilities is shorter than the average maturity of its fixed rate assets.

a. Interest rate sensitivity of assets, liabilities and off-balance sheet items (Based on time remaining to repricing date):

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-interest Bearing	Total
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	276,563,545					600,067,771	876,631,316
Banks	42,210,613	637,300	433,454			81,979,822	125,261,189
Financial Assets at Fair Value through Profit/Loss (*)	15,028,074	26,644,228	26,615,160	1,278,183	132,748	9,234,911	78,933,304
Money Market Placements							
Financial Assets at Fair Value Through Other Comprehensive Income	87,207,723	42,899,243	71,024,686	151,153,813	100,624,782	5,517,835	458,428,082
Loans	885,809,706	194,596,658	720,717,371	482,416,570	97,598,948	197	2,381,139,450
Financial Assets Measured at Amortized Cost	28,598,090	64,879,177	67,644,354	62,360,621	33,724,473		257,206,715
Other Assets (**)	1,715,796					445,624,310	447,340,106
Total Assets	1,337,133,547	329,656,606	886,435,025	697,209,187	232,080,951	1,142,424,846	4,624,940,162
Liabilities							
Banks Deposits	57,157,621	2,621,554	4,359,602			5,111,357	69,250,134
Other Deposits	1,404,424,802	241,593,758	56,015,239	6,021,459	522,522	1,321,071,742	3,029,649,522
Money Market Funds	310,932,552	36,743,682	19,974,284				367,650,518
Miscellaneous Payables	7,419,828					195,527,212	202,947,040
Marketable Securities Issued (***)	1,860,413	12,062,236	56,225,402	89,710,671	21,703,704		181,562,426
Funds Provided from Other Financial Institutions	89,595,142	120,603,025	15,968,742	2,562,463			228,729,372
Other Liabilities (****)	3,621,588	2,455,674	3,501,073	2,887,502	5,338,597	527,346,716	545,151,150
Total Liabilities	1,875,011,946	416,079,929	156,044,342	101,182,095	27,564,823	2,049,057,027	4,624,940,162
Balance Sheet Long Position			730,390,683	596,027,092	204,516,128		1,530,933,903
Balance Sheet Short Position	-537,878,399	-86,423,323				-906,632,181	-1,530,933,903
Off Balance Sheet Long Position	6,695,253	30,473,938		15,779,600	5,245,010		58,193,801
Off Balance Sheet Short Position			-52,436,800				-52,436,800
Total Position	-531,183,146	-55,949,385	677,953,883	611,806,692	209,761,138	-906,632,181	5,757,001

(*) The balance includes derivative financial assets

(**) The expected loss provisions are shown in Non-Interest column.

(***) Includes Tier 2 subordinated bond which is classified on the balance sheet as subordinated loan.

(****) Equity is included in "non-interest bearing" column.

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-interest Bearing	Total
Assets							
Cash (Cash in Vault, Foreign Currency Cash, Money in Transit, Cheques Purchased) and Balances with the Central Bank of Turkey	229,502,436					399,964,222	629,466,658
Banks	18,939,060	705,081				33,285,183	52,929,324
Financial Assets at Fair Value through Profit/Loss (*)	8,529,575	7,051,105	9,513,815	17,121,648	99,095	6,992,359	49,307,597
Money Market Placements							

Financial Assets at Fair Value Through Other Comprehensive Income	67,534,317	32,279,264	57,074,792	105,481,193	99,153,694	3,292,752	364,816,012
Loans	551,507,502	150,022,058	506,939,994	355,732,266	92,711,562	40	1,656,913,422
Financial Assets Measured at Amortized Cost	32,859,475	56,601,399	73,385,087	59,880,175	33,184,641		255,910,777
Other Assets (**)	896,013					313,536,634	314,432,647
Total Assets	909,768,378	246,658,907	646,913,688	538,215,282	225,148,992	757,071,190	3,323,776,437
Liabilities							
Banks Deposits	55,425,991	1,825,678	4,719,295			2,600,740	64,571,704
Other Deposits	920,383,840	237,148,244	60,363,808	7,061,638	1,287,747	836,300,205	2,062,545,482
Money Market Funds	307,244,787	25,437,101	5,725,731				338,407,619
Miscellaneous Payables	7,133,926					125,714,355	132,848,281
Marketable Securities Issued (***)	3,030,966	5,728,755	24,904,153	41,786,352	27,140,780		102,591,006
Funds Provided from Other Financial Institutions	74,733,400	123,716,643	10,116,493	1,986,884	539,679		211,093,099
Other Liabilities (****)	4,214,286	2,465,187	4,533,194	1,790,918	3,587,097	395,128,564	411,719,246
Total Liabilities	1,372,167,196	396,321,608	110,362,674	52,625,792	32,555,303	1,359,743,864	3,323,776,437
<i>Balance Sheet Long Position</i>			536,551,014	485,589,490	192,593,689		1,214,734,193
Balance Sheet Short Position	-462,398,818	-149,662,701				-602,672,674	-1,214,734,193
Off Balance Sheet Long Position	10,228,961	31,352,525		13,872,800			55,454,286
Off Balance Sheet Short Position			-51,095,000		-372,000		-51,467,000
Total Position	-452,169,857	-118,310,176	485,456,014	499,462,290	192,221,689	-602,672,674	3,987,286

(*) The balance includes derivative financial assets

(**) The expected loss provisions are shown in Non-Interest column.

(***) Includes issued bonds classified under capital-like debt instruments in the balance sheet.

(****) Equity is included in "non-interest bearing" column.

b. Average interest rates applied to monetary financial instruments:

	EUR	USD	JPY	TL
Current Period	%	%	%	%
Assets				
Cash (Cash in Vault. Foreign Currency Cash. Money in Transit. Cheques Purchased) and Balances with the Central Bank of Turkey	2.75	2.75		33.12
Banks	1.65	2.66		34.25
Financial Assets at Fair Value through Profit/Loss	3.23	4.21		26.46
Money Market Placements				
Financial Assets at Fair Value Through Other Comprehensive Income	5.10	6.60		30.39
Loans	6.42	7.84		47.26
Financial Assets Measured at Amortized Cost	3.86	6.16		30.57
Liabilities				
Banks Deposits	2.41	5.09		37.77
Other Deposits	0.01	0.04		31.78
Money Market Funds	2.65	4.99		37.95
Miscellaneous Payables				
Debt Securities Issued (*)	3.34	7.32		42.38
Funds Provided from Other Financial Institutions	3.48	5.58		28.32

(*) Includes issued bonds classified under capital-like debt instruments in the balance sheet.

Prior Period	EUR	USD	JPY	TL
	%	%	%	%
Assets				
Cash (Cash in Vault. Foreign Currency Cash. Money in Transit. Cheques Purchased) and Balances with the Central Bank of Turkey	3.50	3.50		35.11
Banks	2.43	3.70		43.63
Financial Assets at Fair Value through Profit/Loss	2.31	4.04		42.54
Money Market Placements				
Financial Assets at Fair Value Through Other Comprehensive Income	4.97	6.56		34.02
Loans	6.65	8.08		49.11
Financial Assets Measured at Amortized Cost	2.71	6.10		34.74
Liabilities				
Banks Deposits	3.62	7.06		48.09
Other Deposits	0.04	0.07		37.27
Money Market Funds	3.38	6.06		48.69
Miscellaneous Payables				
Debt Securities Issued (*)	5.51	7.85		47.31
Funds Provided from Other Financial Institutions	4.63	6.66		45.81

(*) Includes issued bonds classified under capital-like debt instruments in the balance sheet.

V. Explanations on Equity Shares Risk Arising from Banking Book

- a. Accounting policies related to equity investments in associates and subsidiaries and jointly controlled entities (joint ventures) can be seen in Section Three, Note III.
- b. Balance Sheet Value of Equity Investment, fair value, and for publicly traded, if the market value is different from the fair value comparison to the market price:

Investments in Shares	Comparison		
	Book Value	Fair Value	Market Value (*)
Quoted			
Subsidiaries	185,546,521		159,839,884
Financial Subsidiaries			
Jointly Controlled Entities (Joint Ventures)			
Non-Quoted			
Subsidiaries	89,715,041		
Financial Subsidiaries	1,315,131		
Jointly Controlled Entities (Joint Ventures)	1,928,793		

(*) Represents the equity interest held by the Bank in the respective companies.

c. Information on revaluation surpluses and unrealized gains/losses on equity securities and results included in Common Equity and Tier II Capital

Portfolio	Realized Gains/losses During the period	Revaluation Increases		Unrealized Gains and Losses		
		Total	Including into Tier I Capital (*)	Total	Including into Common Equity	Total
Private Equity Investments						
Shares Traded on a Stock Exchange		178,263,702	178,263,702			
Other Stocks		70,636,630	70,636,630			
Total		248,900,332	248,900,332			

(*) Represents the amounts reflected in equity based on the equity method.

ç. Capital requirement as per equity shares:

Portfolio	Carrying Value	Total RWA	Minimum Capital Requirement
Private Equity Investments			
Share Traded on a Stock Exchange	185,546,521	185,546,521	14,843,722
Other Stocks	92,958,965	89,011,940	7,120,955
Total	278,505,486	274,558,461	21,964,677

(*) Includes equity investments classified as associates, subsidiaries, and jointly controlled entities (joint ventures).

VI. Explanations on Liquidity Risk Management and Liquidity Coverage Ratio

Liquidity risk may occur as a result of funding long-term assets with short-term liabilities; The Bank's liquidity is managed by the Asset-Liability Management Committee in accordance with the business strategies, legal requirements, current market conditions and expectations regarding the economic and financial conjuncture.

The Bank's principal source of funding is deposits. Although the average maturity of deposits is shorter than that assets as a result of the market conditions, the Bank's wide network of branches and stable core deposit base are its most important safeguards of funding. Additionally, the Bank borrows medium and long-term funds from institutions abroad.

Effective management of liquidity risk requires the avoidance of concentrations of liquidity sources and uses in specific positions. The Bank's primary funding source, deposits, is obtained from a large number of customers, which is a natural consequence of a stable core deposit base. However, concentration limits are effectively applied to ensure diversity of liquidity sources and uses. Deposits or non-deposit borrowings from a counterparty or group are closely monitored based on the liquidity concentration limits considered at the time of the transaction and the calculated risk. In addition, the Bank's cumulative liquidity gaps across various maturity bands are periodically monitored and reported to senior management.

In order to meet the liquidity requirements that may arise from market fluctuations, considerable attention is paid to the need to preserve liquidity and efforts in this respect are supported by projections of Turkish Lira and Foreign Currency (FC) cash flows. The term structure of TL and FC deposits, their costs and amounts are monitored on a daily basis. During these studies historical events and future expectations are taken into account as well. Based upon cash flow projections, prices are differentiated for different maturities and measures are taken accordingly to meet liquidity requirements. Moreover, potential alternative sources of liquidity are determined to be used in case of extraordinary circumstances.

The liquidity risk exposure of the Bank has to be within the risk capacity limits which are prescribed by the legislation and the Bank's risk appetite defined in its business strategy. It is essential for the Bank to have an adequate level of unencumbered liquid asset stock which can be sold or pledged, in case a large amount of reduction in liquidity sources occurs. The level of liquid asset buffer is determined in accordance with the liquidity risk tolerance which is set by the Board of Directors. Asset-Liability Management Committee is responsible for monitoring the liquidity position, determining appropriate sources of funds and deciding the maturity structure in accordance with the limits which are set by the Board of Directors.

The Treasury Division is responsible for monitoring the liquidity risk, in accordance with the Asset and Liability Management Risk Policy limits, objectives set out in the business plan and the decisions taken at the meetings of Asset-Liability Management Committee. The Treasury Division is also responsible for making liquidity projections and taking necessary precautions to reduce liquidity risk, by using the results of stress testing and scenario analysis. Within this scope, Treasury Division is monitoring the Turkish Lira (TL) and foreign currency (FC) liquidity position instantly and prospectively based on the information provided from the branches, business units and IT infrastructure of the Bank. The assessment of long-term borrowing opportunities is carried out regularly in order to balance the cash inflows and outflows and to mitigate the liquidity risk. The Bank creates liquidity through repurchase agreements and secured borrowings based on the high quality liquid asset portfolio, through securitization and other structured finance products which are created from the asset pools like credit card receivables and retail loans.

The liquidity risk of the Bank itself, its foreign branches and its consolidated subsidiaries is managed within regulatory limits and in line with the Group's core strategies. To ensure effective liquidity management and maintain sustainability, the Group's funding sources and the ability to diversify these sources across markets, instruments and maturities are maximized. In addition, the liquidity position of the Group companies is continuously monitored by the Bank.

The Bank applies liquidity stress tests to measure liquidity risk. In this approach, in liquidity stress scenarios in which parameters are determined by the Board of Directors, the ability of the Bank's liquid assets' in covering cash outflows within a one-month horizon has been described. Liquidity adequacy limits for TL and FC are determined by Board of Directors, based on the liquidity requirements and risk tolerance of the Bank. The liquidity risk is measured by the Risk Management Division and results are reported to the related executive functions, senior management and Board of Directors.

It is essential for the Bank to monitor the liquidity position and funding strategy continuously. In case of a liquidity crisis that may arise from unfavorable market conditions, extraordinary macroeconomic situations and other reasons which are beyond the control of the Bank, "Emergency Action and Funding Plan" is expected to be commissioned. In that case, related committees have to report the precautions taken and their results to the Board of Directors through Audit Committee.

The Bank's Foreign Currency (FC) and total (TL+FC) liquidity coverage ratio averages for the last three months, the highest value and the lowest value occurred in this period are given below.

	Current Period		Prior Period	
	TL+FC	FC	TL+FC	FC
The lowest value	110.33	230.58	132.79	227.81
Applicable week	28.11,2025	28.11,2025	03.01,2025	03.01,2025
The highest value	132.95	403.40	155.50	347.47
Applicable week	Ocotber 17, 2025	October 24, 2025	October 18, 2024	November 29, 2024

Liquidity Coverage Ratio:

Current Period	Total Unweighted Value (*)		Total Weighted Value (*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			1,056,699,689	530,713,571
Cash Outflows				
Retail and Small Business Customers, of which;	1,961,593,826	1,027,814,264	174,151,679	102,781,426
Stable deposits	440,154,068		22,007,703	
Less stable deposits	1,521,439,758	1,027,814,264	152,143,976	102,781,426
Unsecured wholesale funding, of which;	1,150,089,133	332,625,007	704,971,246	191,959,225
Operational deposits	14,550,838	111,112	3,600,669	27,778
Non-operational deposits	866,647,721	263,916,806	520,408,423	124,375,479
Other unsecured funding	268,890,574	68,597,089	180,962,154	67,555,968
Secured funding			26,540,500	26,705,865
Other cash outflows, of which;	4,781,912	13,383,028	4,781,912	13,383,028
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	4,781,912	13,383,028	4,781,912	13,383,028
Obligations related to structured financial products				
Commitments related to debts to financial markets and other off-balance sheet obligations				
Other revocable off-balance sheet commitments and contractual obligations	25,651,554	20,744,052	1,282,578	1,037,203
Other irrevocable or conditionally revocable off-balance sheet obligations	3,089,947,579	493,370,276	237,005,818	62,604,660
TOTAL CASH OUTFLOWS			1,148,733,733	398,471,407
CASH INFLOWS				
Secured lending				
Unsecured lending	365,432,980	162,342,555	261,299,583	147,080,367
Other cash inflows	6,822,949	71,376,746	6,822,949	71,376,746
TOTAL CASH INFLOWS	372,255,929	233,719,301	268,122,532	218,457,113
			Upper Limit Applied Values	
TOTAL HQLA STOCK			1,056,699,689	530,713,571
TOTAL NET CASH OUTFLOWS			880,611,201	180,014,294
LIQUIDITY COVERAGE RATIO (%)			120.33	303.88

(*) The simple arithmetic average calculated for the last three months of the weekly simple arithmetic average.

Prior Period	Total Unweighted Value (*)		Total Weighted Value (*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS				
High Quality Liquid Assets			674,751,205	359,737,554
CASH OUTFLOWS				
Retail and Small Business Customers, of which;	1,327,081,119	642,647,456	127,921,908	69,208,188
Stable deposits	278,469,669		14,994,521	
Less stable deposits	1,048,611,450	642,647,456	112,927,387	69,208,188
Unsecured funding, of which;	643,845,133	220,955,370	377,218,060	133,658,180
Operational deposits	8,039,391	38,525	2,140,766	10,372
Non-operational deposits	496,420,200	179,305,255	278,194,398	89,609,827
Other unsecured funding	139,385,542	41,611,590	96,882,896	44,037,981
Secured funding			9,881,584	10,132,112
Other cash outflows, of which;	7,726,806	15,805,053	8,321,176	17,020,826
Derivatives cash outflow and liquidity needs related to market valuation changes on derivative or other transactions	4,052,923	12,131,170	4,364,686	13,064,336
Obligations related to structured financial products				
Commitments related to debts to financial markets and other off-balance sheet obligations	3,673,883	3,673,883	3,956,490	3,956,490
Other revocable off-balance sheet commitments and contractual obligations	12,014,179	8,508,716	646,917	458,162
Other irrevocable or conditionally revocable off-balance sheet obligations	1,419,219,194	296,403,493	126,029,985	36,279,901
TOTAL CASH OUTFLOWS			650,019,630	266,757,369
CASH INFLOWS				
Secured lending	2,156			
Unsecured lending	238,053,346	93,796,122	176,348,588	89,885,725
Other cash inflows	6,307,359	42,818,907	6,792,541	46,112,669
TOTAL CASH INFLOWS	244,362,861	136,615,029	183,141,129	135,998,394
			Upper Limit Applied Value	
TOTAL HQLA STOCK			674,751,205	359,737,554
TOTAL NET CASH OUTFLOWS			466,878,501	130,758,975
LIQUIDITY COVERAGE RATIO (%)			145.05	279.54

(*) The simple arithmetic average calculated for the last three months of the weekly simple arithmetic average.

As of December 31, 2025, the total liquidity coverage ratio stood at 120.33%, while the ratio for foreign currency (FC) was 303.88% (previous period: total 145.05%, FC 279.54%).

Compared to the prior quarter, in the fourth quarter of 2025, the total liquidity coverage ratio decreased despite the increase in the total high-quality liquid asset stock due to the rise in net cash outflows, and foreign currency liquidity coverage ratio increased with the effect of the rise in high-quality liquid asset stock. Total and Foreign Currency liquidity coverage ratios are continuing to hover far above the minimum level (respectively 100% and 80%) pursuant to legal legislations (Previous quarter: total 129.56%, foreign currency 297.51%).

The Liquidity Coverage Ratio which has been introduced to ensure banks to preserve sufficient stock of high-quality assets to meet their net cash outflows that may occur in the short term is calculated as per the Communiqué on “Measurement and Assessment of the Liquidity Coverage Ratio of Banks” published by BRSA. The ratio is directly affected by the level of unencumbered high-quality assets which can be liquidated at any time and net cash inflows and outflows arising from the Bank’s assets, liabilities and off-balance sheet transactions.

The Bank’s high quality liquid asset stock primarily consists of cash, the accounts held at CBRT and unencumbered government bonds which are issued by Turkish Treasury.

The Bank’s principal source of funding is deposits. In terms of non-deposit borrowing, funds received from repurchase agreements, marketable securities issued, and funds borrowed from financial institutions are among the most significant funding sources of the Bank

Cash flows of derivatives that will take place within 30 days are taken into account in calculation of liquidity coverage ratio. Cash outflows of derivatives that arise from margin obligations, are reflected to the results in accordance with the methodology articulated in the related legislation.

The current and previous period results of the net stable funding ratio, which is another indicator complementary to the liquidity coverage ratio and used in measuring liquidity risk, are given below, and the three-month simple arithmetic average and individual results of the ratio in the relevant periods are also shown.

Net Stable Funding Ratio:

Current Period		a	b	c	ç	d
		Unweighted amount by residual maturity				Weighted Amount
		Undated / No Maturity	Up to 6 months	6 months to 1 year	1 year and more than 1 year	
Available Stable Funding						
1	Available Stable Funding				529,414,965	529,414,965
2	Capital Instruments				515,265,156	515,265,156
3	Regulatory capital				14,149,809	14,149,809
4	Other capital instruments	1,016,159,803	990,211,481	17,819,390	6,101,827	1,849,254,500
5	Deposits (from retail and small business customers)	147,615,247	291,615,942	581,724	12,080	417,833,743
6	Stable Deposits (from retail and small business customers)	868,544,556	698,595,539	17,237,666	6,089,747	1,431,420,757
7	Less Stable Deposits (from retail and small business customers)	309,791,490	1,254,480,465	108,045,813	191,865,296	605,583,239
8	Wholesale funding	16,885,295	34,009,747			25,447,521
9	Operational deposits	292,906,195	1,220,470,718	108,045,813	191,865,296	580,135,718
10	Other wholesale funding					
11	Liabilities with matching interdependent assets	5,310,506	249,570,359	243,263	51,110,415	117,463,522
12	Other liabilities			5,310,506		
13	Net Derivatives Liabilities		249,570,359	243,263	51,110,415	117,463,522
14	TOTAL AVAILABLE STABLE FUNDING					3,101,716,226
Required Stable Funding						
15	High Quality Liquid Assets (HQLA)					32,385,683
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:	421,826,540	980,039,293	382,601,630	715,616,060	1,707,365,450
18	Performing loans to financial institutions secured by Level 1 HQLA					
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	92,421,343	30,683,504	18,607,959	12,258,251	41,973,836
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs	329,405,197	938,254,953	349,938,553	574,020,271	1,544,528,718
21	35% or Lower Risk Weight	7,579,571	7,853,144	5,749,188	5,865,379	15,540,383
22	Residential Mortgage Secured Loans		10,363,624	8,339,737	77,192,753	62,883,539
23	35% or Lower Risk Weight		5,734,417	6,171,464	60,409,905	45,219,379
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities		737,212	5,715,381	52,144,785	57,979,357
25	Assets with matching interdependent liabilities					
26	Other assets		111,657,361	179,666	564,972,900	615,656,229
27	Physical traded commodities (including gold)	9,599,676				8,159,725
28	Initial Margin of Derivative Contracts or Default Funds Provided to a Central Counterparty			622,246		528,909
29	Net Derivative Assets			16,785,804		16,785,804
30	Derivatives Liabilities Before Deducting Variation Margin Posted			483,582		483,582
31	All other assets not included in the above categories		102,057,685	179,666	547,081,268	589,698,209
32	Off Balance Sheet Liabilities		913,762,870	6,242,683	2,354,245,191	163,712,537
33	TOTAL REQUIRED STABLE FUNDING					2,519,119,899
34	NET STABLE FUNDING RATIO (%)					123.13

As of December 31, 2025, the total net stable funding ratio was 123.13% (Previous Period: 130.21%).

Compared to the previous quarter, it is observed that in the fourth quarter of 2025, the Net Stable Funding Ratio decreased due to the increase in assets requiring stable funding marginally exceeding the increase in available stable funding

(previous quarter: 126.20%). The total net stable funding ratio continues to be well above the minimum level (100%) stipulated in the legal legislation.

Net stable funding rate, which was created to make the liability-structure of banks more stable and reliable by directing banks to medium and long-term funding sources, is the minimum stable funding required by the bank's funding structure and activities, with a maturity perspective longer than one month, unlike liquidity coverage ratio, it is based on comparing the requirements. The rate is calculated by dividing the "current stable funding amount" by the "required stable funding amount". While the current stable funding amount is determined according to the maturity and counterparties of the items in the liabilities, including equity; the required stable funding amount is calculated by considering varying rates depending on the maturity and liquidity quality of the items in assets.

The progress of the relevant rate in October, November and December 2025 and its 3-month averages are shown in the table below.

Period	Rate
31 October 2025	127.42%
30 November 2025	122.40%
31 December 2025	123.13%
Average of 3-months	124.32%

Prior Period		a	b	c	d	e
		Unweighted value by residual maturity				Weighted Value
		Without maturity	Less than 6 months	6 months to 1 year	1 year and more than 1 year	
Available Stable Fund						
1	Capital Instruments				385,184,753	385,184,753
2	Regulatory capital				377,288,484	377,288,484
3	Other capital instruments				7,896,269	7,896,269
4	Deposits (from retail and small business customers)	626,264,998	805,401,564	17,451,416	7,675,817	1,326,283,994
5	Stable Deposits (from retail and small business customers)	104,005,713	198,548,581	812,538	24,732	288,221,986
6	Less Stable Deposits (from retail and small business customers)	522,259,285	606,852,983	16,638,878	7,651,085	1,038,062,008
7	Wholesale funding	186,385,981	932,582,404	86,445,700	125,074,103	445,056,918
8	Operational deposits	8,637,980	25,955,394			17,296,687
9	Other wholesale funding	177,748,001	906,627,010	86,445,700	125,074,103	427,760,231
10	Liabilities with matching interdependent assets					
11	Other liabilities	5,708,088	136,602,751	89,018	38,471,070	80,900,321
12	Net Derivatives Liabilities			5,708,088		
13	All other liabilities and equity not included in the above categories		136,602,751	89,018	38,471,070	80,900,321
14	TOTAL AVAILABLE STABLE FUNDING					2,237,425,986
Required Stable Funding						
15	High Quality Liquid Assets (HQLA)					28,030,391
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:	270,506,164	731,715,366	223,677,612	511,445,535	1,204,184,987
18	Performing loans to financial institutions secured by Level 1 HQLA					
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	29,499,724	27,644,962	15,626,438	6,502,114	25,026,904
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs	241,006,440	697,718,950	200,645,638	406,914,738	1,091,022,664
21	35% or Lower Risk Weight	4,093,739	5,541,319	3,752,204	3,995,011	9,904,449
22	Residential Mortgage Secured Loans		5,638,433	4,982,405	55,095,064	43,204,878
23	35% or Lower Risk Weight		3,660,530	3,964,348	44,681,727	32,855,561
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities		713,021	2,423,131	42,933,619	44,930,541
25	Assets with matching interdependent liabilities					
26	Other assets		30,707,245	99,087	393,258,846	405,188,220
27	Physical traded commodities (including gold)	2,451,535				2,083,804
28	Initial Margin of Derivative Contracts or Default Funds Provided to a Central Counterparty			9,804,900		8,334,165

Total Assets	453,413,734	743,263,063	238,877,958	569,934,042	745,450,966	249,673,136	323,163,538	3,323,776,437
Total Liabilities	838,900,945	1,480,513,900	259,656,863	226,703,703	107,454,258	48,849,252	361,697,516	3,323,776,437
Liquidity Gap	-385,487,211	-737,250,837	-20,778,905	343,230,339	637,996,708	200,823,884	-38,533,978	
Net Off Balance Sheet Position		-5,784,711	126,183	270,822	2,100,411	1,378,000		-1,909,295
Derivative Financial Assets		252,463,508	111,700,640	86,265,097	188,376,937	82,373,039		721,179,221
Derivative Financial Liabilities		258,248,219	111,574,457	85,994,275	186,276,526	80,995,039		723,088,516
Non-cash Loans	293,971,921	22,373,899	50,525,668	151,411,503	56,373,761	8,045,610		582,702,362

(*) Asset items, such as Tangible Assets, Subsidiaries and Associates, Office Supply Inventory, Prepaid Expenses and Non-Performing Loans, which are required for banking operations and which cannot be converted into cash in short-term, other liabilities such as Provisions which are not considered as payables and Shareholders' Equity, are shown in the "Unallocated" column.

(**) Includes Derivative financial assets.

(***) Nonperforming loans are included in "Unallocated" column.

(****) Includes issued bonds classified under capital-like debt instruments in the balance sheet.

In compliance with the "TFRS 7", the following table indicates the maturities of the Bank's major financial liabilities which are not qualified as derivatives. The following tables have been prepared by referencing the earliest payment dates without discounting the liabilities. The interest to be paid on the related liabilities is included in the following table. The adjustments column represents the total interest cash flows to be accrued in the following periods, and the carrying values of the related liabilities recognized in the balance sheet do not include these amounts.

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total	Adjustments (-)	Balance Sheet Value
Liabilities									
Deposits	1,326,183,099	1,474,814,338	254,341,496	62,364,381	6,763,324	546,304	3,125,012,942	26,113,286	3,098,899,656
Funds Provided from Other Financial Institutions		21,352,206	6,481,860	138,577,346	60,860,257	22,575,820	249,847,489	21,118,117	228,729,372
Money Market Funds		303,285,864	10,875,177	35,903,443	21,682,724		371,747,208	4,096,690	367,650,518
Marketable Securities Issued (*)		3,121,460	11,002,380	60,965,371	120,212,692	29,953,869	225,255,772	43,693,346	181,562,426
Leasing Liabilities		315,197	716,125	2,171,020	7,258,684	7,652,775	18,113,801	9,680,157	8,433,644

(*) Includes issued capital-like debt instruments classified under capital-like debt instruments in the balance sheet.

Prior Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total	Adjustments (-)	Balance Sheet Value
Liabilities									
Deposits	838,900,945	988,313,952	249,665,972	69,488,046	8,138,826	1,366,305	2,155,874,046	28,756,860	2,127,117,186
Funds Provided from Other Financial Institutions		36,491,935	9,713,209	117,884,286	50,969,700	22,049,667	237,108,797	26,015,698	211,093,099
Money Market Funds		299,232,287	5,892,498	20,369,909	17,339,734		342,834,428	4,426,809	338,407,619
Marketable Securities Issued (*)		3,537,142	4,350,843	33,496,460	62,608,346	27,267,188	131,259,979	28,668,973	102,591,006
Leasing Liabilities		182,857	401,799	1,417,572	4,507,590	5,498,522	12,008,340	6,456,508	5,551,832

(*) Includes issued bonds with the characteristics of capital-like debt instruments classified under capital-like debt instruments in the balance sheet.

The following table shows the remaining maturities of non-cash loans of the Bank.

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total
Letters of Credit	35,141,927	10,049,266	31,626,117	70,567,852	3,768,694		151,153,856
Letters of Guarantee	380,644,318	10,797,524	46,703,984	145,697,711	106,043,032	4,535,230	694,421,799
Acceptances	171,819	2,132,314	5,453,702	33,829,804	2,395,517	799,221	44,782,377
Other	1,934,505		36,362	70,490	3,183,376	967,782	6,192,515
Total	417,892,569	22,979,104	83,820,165	250,165,857	115,390,619	6,302,233	896,550,547

Prior Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total
Letters of Credit	27,327,705	10,017,578	21,274,621	32,193,857	2,349,083		93,162,844
Letters of Guarantee	265,031,081	9,718,234	25,320,610	99,095,586	52,328,513	5,534,735	457,028,759
Acceptances	48,936	2,638,087	3,930,437	19,700,638	490,807		26,808,905
Other	1,564,199			421,422	1,205,358	2,510,875	5,701,854
Total	293,971,921	22,373,899	50,525,668	151,411,503	56,373,761	8,045,610	582,702,362

The following table shows the remaining maturities of derivative financial assets and liabilities of the Bank.

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total
Forwards Contracts-Buy	42,899,812	28,773,549	34,098,233	5,212,623		110,984,217
Forwards Contracts-Sell	41,670,004	29,783,903	35,742,065	5,155,366		112,351,338
Swaps Contracts-Buy	135,554,911	60,699,746	85,252,838	185,523,415	90,177,944	557,208,854
Swaps Contracts-Sell	231,949,791	131,540,304	86,663,221	181,337,790	88,103,322	719,594,428
Futures Transactions-Buy	1,364,778					1,364,778
Futures Transactions-Sell	1,409,367					1,409,367
Options-Call	31,693,582	16,323,157	8,213,750	2,407,697	7,139,004	65,777,190
Options-Put	31,581,819	16,139,622	8,596,964	2,573,545	7,139,004	66,030,954
Other	100,499,233	73,349,472	2,713,431			176,562,136
Total	618,623,297	356,609,753	261,280,502	382,210,436	192,559,274	1,811,283,262

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total
Forwards Contracts- Buy	12,051,024	21,701,364	26,533,294	1,619,492		61,905,174
Forwards Contracts- Sell	12,046,741	21,898,438	26,300,175	1,559,957		61,805,311
Swaps Contracts-Buy	184,952,211	57,432,928	49,060,536	186,282,445	76,543,526	554,271,646
Swaps Contracts-Sell	233,650,444	85,611,339	49,261,589	184,366,569	75,165,526	628,055,467
Futures Transactions-Buy	763,000	522,444	10,500			1,295,944
Futures Transactions-Sell	814,806	432,129	13,140			1,260,075
Options-Call	8,080,013	3,333,975	9,684,486	475,000	5,829,513	27,402,987
Options-Put	7,223,462	3,304,062	9,443,091	350,000	5,829,513	26,150,128
Other	51,130,026	29,038,418	1,952,561			82,121,005
Total	510,711,727	223,275,097	172,259,372	374,653,463	163,368,078	1,444,267,737

VII. Explanations on Leverage Ratio

a. Explanations on Differences Between Current and Prior Years' Leverage Ratios

The Bank's unconsolidated leverage ratio is calculated in accordance with the principles of the "Regulation on Measurement and Evaluation of Banks' Leverage Level". The Bank's unconsolidated leverage ratio is 5.18% (December 31, 2024: 5.76%). According to Regulation the minimum leverage ratio is 3%. The changes in the leverage ratio are mostly due to the increase in total risk amounts exceeding the increase in core capital.

b. Explanations on leverage ratio:

	Current Period (*)	Prior Period (*)
On-Balance sheet items		
On-balance sheet items (excluding derivatives and SFTs, but including collateral)	4,490,382,172	3,259,568,654
Assets amounts deducted from Tier 1 capital	-17,983,581	-14,339,823
Total on balance sheet exposures	4,472,398,591	3,245,228,831
Derivative exposures and credit derivatives		
Replacement cost associated with derivative financial instruments and credit derivatives	17,509,323	16,542,468
The potential amount of credit risk with derivative financial instruments and credit derivatives	8,545,927	5,553,844
The total amount of risk on derivative financial instruments and credit derivatives	26,055,250	22,096,312
Investment securities or commodity collateral financing transactions		
The amount of risk investment securities or commodity collateral financing transactions (Excluding on balance sheet items)	58,146,665	67,932,885
Risk amount of exchange brokerage operations		
Total risks related with securities or commodity financing transactions	58,146,665	67,932,885
Off -Balance Sheet Items		
Gross notional amount of off-balance sheet items	3,273,429,854	1,599,218,876
Adjustments for conversion to credit equivalent amounts	-26,412,594	-13,888,431
The total risk of off-balance sheet items	3,247,017,260	1,585,330,445
Capital and Total Exposures		
Tier 1 Capital	404,139,202	283,424,026
Total Exposures	7,803,617,766	4,920,588,473
Leverage Ratio		
Leverage Ratio	5.18	5.76

(*) Three-month average of the amounts in Leverage Ratio table.

VIII. Explanations on Other Price Risks

The Bank is exposed to stock price risk due to its investments in companies traded on Borsa İstanbul A.Ş. (BIST) that are monitored under Financial Assets at Fair Value Through Profit or Loss.

The Bank's sensitivity to stock price risk at the reporting date was measured with an analysis. In the analysis, with the assumption of all other variables were held constant and the data (stock prices) used in the valuation method are 10% higher or lower. According to this assumption, in shares traded in Borsa İstanbul and followed under Financial Assets at Fair Value through Profit or Loss account, expected to have an effect amounting to TL 928 increase/decrease.

IX. Explanations on Presentation of Assets and Liabilities at Fair Value

1. Information on fair values of financial assets and liabilities

	Book Value		Fair value	
	Current Period	Prior Period	Current Period	Prior Period
Financial Assets				
Money Market Placements				
Banks	125,261,189	52,929,324	125,257,291	52,921,265
Financial Assets at Fair Value through Other Comprehensive Income	458,428,082	364,816,012	458,428,082	364,816,012
Investments Financial Assets Measured Amortized Cost	257,206,715	255,910,777	238,887,201	230,342,782
Loans	2,305,096,384	1,622,483,926	2,345,319,162	1,631,517,696
Financial Liabilities				
Banks Deposits	69,250,134	64,571,704	69,296,270	64,762,509
Other Deposits	3,029,649,522	2,062,545,482	3,030,594,145	2,060,353,170
Funds Provided from Other Financial Institutions	228,729,372	211,093,099	228,202,876	211,079,652
Marketable Securities Issued (*)	181,562,426	102,591,006	191,857,597	106,697,263
Miscellaneous Payables	202,947,040	132,848,281	202,947,040	132,848,281

(*) Includes subordinated bonds which are classified on the balance sheet as subordinated loans.

Strike prices, quotations, market prices determined by the CBRT and published in the Official Gazette and the values calculated by using alternative models, are taken as the basis in the fair value determination of Financial Assets at fair value through other comprehensive income.

When the prices of the financial assets measured at amortized cost cannot be measured in an active market, fair values are not deemed to be reliably determined and amortized cost, calculated by the internal rate of return method, are taken into account as the fair values.

Fair values of banks, loans granted, deposits and funds borrowed from other financial institutions and marketable securities are calculated by discounting the amounts in each maturity bracket formed according to repricing periods, using the rate corresponding to relevant maturity bracket in the discount curves based on current market conditions.

2. Information on fair value measurements recognized in the financial statements

“IFRS 13 - Fair Value Measurement” standard requires the items, which are recognized in the balance sheet at their fair values to be shown in the notes by being classified within a range. According to this, the related financial instruments are classified into three levels in such a way that they will express the significance of the data used in fair value measurements. At the first level, there are financial instruments, whose fair values are determined according to quoted prices in active markets for identical assets or liabilities, at the second level, there are financial instruments, whose fair values are determined by directly or indirectly observable market data, and at the third level, there are financial instruments, whose fair values are determined by the data, which are not based on observable market data. The financial assets, which are recognized in the balance sheet at their values, are shown below as classified according to the aforementioned principles of ranking.

Current Period	Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit and Loss			
Debt Securities	38,906,708	11,128,946	
Equity Securities	279,485		
Derivative Financial Assets at Fair Value through Profit and Loss		19,664,464	
Other		8,953,701	
Financial Assets at Fair Value Through Profit or Loss (*)			
Debt Securities	202,361,702	250,548,545	
Equity Securities	4,552,936	807,044	
Other			
Derivative Financial Liabilities		9,088,679	

(*) Since they are not traded in an active market, the equity securities TL 157,855 under the financial assets at fair value through other comprehensive income are shown in the financial statements at acquisition cost and the related securities are not shown in this table.

Prior Period	Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit and Loss			
Debt Securities	25,364,534	1,384,455	
Equity Securities	496,965		
Derivative Financial Assets Held for Trading		16,165,064	
Other		5,896,579	
Financial Assets Available-for-Sale (*)			
Debt Securities	105,573,261	255,457,638	492,361
Equity Securities	3,102,722	57,858	
Other			
Derivative Financial Liabilities		10,785,119	

(*) Since they are not traded in an active market, the equity securities TL 132,172 under the financial assets available-for-sale are shown in the financial statements at acquisition cost and the related securities are not shown in this table.

The movement table of financial assets at level 3 is given below:

	Current Period	Prior Period
Balance at the Beginning of the Period	492,361	250,219
Purchases		492,361
Redemption or Sales	-492,361	-250,219
Valuation Difference		
Transfers		
Balance at the end of the Period		492,361

Real estates which are presented in the financial statements at fair value are classified at level 3.

X. Explanations on Transactions Carried Out on Behalf of Third Parties and Fiduciary Transactions

The Bank gives trading and custody services in the name and on the account of its customers. The Bank has no fiduciary transactions.

XI. Explanations on Risk Management Objectives and Policies

Explanations according to “Communiqué on Public Disclosures about Risk Management” published on the Official Gazette No.29511 dated October 23, 2015, are included below. The Bank uses the Standardized Approach for calculation of capital charge for credit risk, therefore explanations about internal ratings-based approach are not included.

a. General Information on Risk Management Approach and Risk Weighted Amounts

a.1. The Bank's risk management approach

Bank is exposed to financial and non-financial risks which are required to be analyzed, monitored, and reported within specific risk management principles of the Bank and with the perspective of risk management. The risk management process is organized within the framework of risk management and serves the creation of a common risk culture in corporate level, which brings “corporate governance” to forefront, the independence of the internal audit and monitoring units from the business units that undertake risks is established risk is defined in accordance with international regulations and in this context measurement, analysis, monitoring, reporting, and control functions are carried.

Risk management process and the functions involved in the process is one of the primary responsibilities of the Board of Directors. The Risk Committee operates to prepare the Bank's risk management strategies and policies, submit them to the Board of Directors for approval and monitor the implementations. Evaluating the capital adequacy and observing the active use of results in Bank's planning and decision-making processes, establishing and monitoring limits related to main risks, monitoring the activities of risk management (determining, defining, measuring, evaluating and managing risk) and monitoring results and methods in measuring risk are also under their authority and responsibility of the Committee. Committee reports activity results to the Board of Directors through Audit Committee.

The Operational Risk Committee is engaged in determining strategies and policies for the management of operational risks that the Bank may be exposed to, developing an operational risk management framework, and strengthening the

governance model for operational risks. The Committee reports the results of its activities to the Board of Directors through the Audit Committee.

The Risk Management Department, which reports to the Board of Directors of the Parent Bank through the Internal Systems Manager; organized as Asset-Liability Management Unit, Credit Risk Management Unit, Credit Risk Analytics and Control Unit, Operational Risk and Affiliate Risk Unit, Model Risk and Validation Unit, Internal Capital Assessment Process and Economic Capital Unit.

The Bank's risk management process is carried out within the framework of risk policies which are issued by the Board of the Directors via Internal Systems Manager by taking the recommendations of the Risk Management Department into account and which include the written standards that are implemented by the business units. These policies which are entered into force in line with the international practices are general standards which contain organization and scope of the risk management function, risk measurement policies, duties and responsibilities of the risk management group, procedures for determining risk limits, ways to eliminate limit violations, compulsory approvals, and confirmations to be given in a variety of events and situations.

In the aforementioned risk policies, the Bank's risk appetite framework is defined as a set of approaches that determine the risk capacity, the risk appetite, the risk tolerance and that include the policies, procedures, controls and systems for reporting and monitoring of the limits set for the Bank's risk profile and the indicators in the framework. The Bank's risk appetite framework, which is formed in accordance with the above-mentioned factors and entered into force with the Board of Directors approval, includes indicators that are aligned with the business plan, the strategic program, capital and remuneration planning and comparable on a business unit level to the extent possible. The compliance to the limits within the framework is periodically monitored and the realization of the risk appetite indicators are reported to the Risk Committee and the Boards on a monthly basis.

In order to build a strong corporate culture that has a risk management perspective, the Bank has policies, processes, systems and a control system that is integrated with the Bank's risk management system to effectively control the bank's risk management system is available. All employees of the Bank essentially perform their duties in a responsible manner that aims to develop controls to reduce or eliminate the probability of the Bank to incur losses related to the operational risks. In the process risk analysis studies, risks and the related controls are evaluated together with employees performing the relevant process in a holistic approach. Procedures to be followed in case of a risk threshold breach and risk definitions are given in the risk politics. Code of conducts, operation manuals, the sharing of duties between business units and risk units are announced to the Bank's staff.

The risk reports that analyze the results reached by the Bank and the comprehensive risk assessment and comparison of these results with a risk management perspective are periodically submitted to the Risk Committee and to the Board through the Audit Committee. The content of the above mentioned reports could be summarized as follows:

Aforesaid Reports;

- Capital adequacy ratio, the progression of the components of this ratio and the issues that affect the aforementioned ratio,
- Monitoring the compliance status of the limits set by the Board of Directors as a part of the risk appetite framework and based on the components of the main risk types,
- In addition to the assessment of the loan portfolio on the basis of counterparties and loan types, monitoring of the portfolio as a whole according to parameters such as maturity, sector, geography, risk ratings, arrears, defaults,
- Measuring the assets and liabilities management risk, and reporting of measurement results,
- Monitoring of all risks assessed in the context of operational risk within the scope of non-financial risks, including operational risk, loss events that occurred in the Bank and risk indicators,
- Testing the measurement results in terms of completeness and reliability,
- Analyzing the level of risk indicators under various stress scenarios,
- Examining various concentration indicators and the course followed by these indicators

findings and opinions that can be summarized in the following manner are presented.

As per the communique on "Bank's Internal Systems and Internal Capital Adequacy and Assessment Process" and "Guidelines for Stress Testing of Banks to Use in Capital and Liquidity Planning", stress tests are conducted for the entire risks that the Bank is exposed to and on the basis of significant risk categories. As a part of the holistic stress tests, risk appetite, capital planning, strategic plan and budget, action plans for emergencies and unexpected situations related to miscellaneous risks and other issues considered as significant are taken into consideration. In the holistic and individual stress test processes carried out by the Bank, the most advanced approaches used in risk measurement in the Bank are

used as much as possible, together with the methods that are the basis of legal reporting (standard approaches for credit and market risk, basic indicator approach for operational risk).

In the stress tests, both the first pillar risks (credit risk, market risk, operational risk) in scope of the regulatory framework and all the other risks that the Bank is exposed to independent of the regulatory framework are taken into account in a holistic perspective. In determining the course of capital adequacy under various scenarios during the planning horizon, the actions that the Bank will take in case of stress conditions and the impact of the diversified growth strategies of business units on the capital adequacy and the balance sheet are considered.

The levels at which the capital adequacy ratio of the Bank will reach are estimated and monitored with stress tests. In addition, reverse stress tests are carried out regularly, by determining the problematic loan growth rate and increase in exchange rates, which will cause the Bank's capital adequacy to fall within the legal limits.

The scope and content of the Bank's risk management system in terms of the main risk types are listed below. Bank's risk mitigation strategies and processes for the assessment of their effectiveness are given in Fourth Section II No. "Explanations on Credit Risk" under the Section IV, XI-f.1 notes. No. "The Public Disclosure of Qualitative Information Related to the Market Risk" mentioned in the section.

Credit risk

Credit risk is defined as the risk of the failure to comply with the requirements or failing to fulfill its obligations partially or totally of the counter side of the transaction contract with the Bank. The methodology and responsibilities of the credit risk management, controlling and monitoring and the framework of credit risk limitations specified with the credit risk policy.

The Bank defines measures and manages credit risk of all products and activities. Board of Directors review the Bank's credit risk policies and credit risk strategy on an annual basis as a minimum. Top Management is responsible for the implementation of credit risk policies which are approved by Board of Directors.

As a result of loans and credit risks analysis all findings are reported to Board of Directors and Top Management on a regular basis. In addition to transaction and company-based credit risk assessment process, monitoring of credit risk also refers to an approach with monitoring and managing the credit as a whole maturity, sector, security, geography, currency, credit type and credit rating.

In the Bank's credit risk management, along the limits as required by legal regulations, the Bank utilizes the risk limits to undertake the maximum credit risk within risk groups or sectors that the Board of Directors determines. These limits are determined such a way that prevents risk concentration on sectors. In case of exceeding the limits, the excess and its reasons are immediately reported to the Risk Committee and Board of Directors. The actions to be taken to remedy the excess and the time to eliminate the excess are concluded under the authority of the Board of Directors. The results of the controls regarding the excess of the risk limits and the evaluations of these limits are presented by Internal Audit and Risk Management Group to Top Management and Board of Directors.

The Bank uses credit decision support systems which are created for the purpose of credit risk management, lending decisions, controlling the credit process and credit provisioning. The consistency of the credit decision support systems with the structure of the Bank's activities, size and complexity is examined continuously by internal systems. Credit decision support systems contain the Risk Committee assessment and approval of Board of Directors.

Asset and Liability Management Risk

Asset-liability management risk defined as the risk of Bank's incurring loss due to managing all financial risks that are inflicted from the Bank's assets, liabilities and off-balance sheet transactions, ineffectively. Trading book portfolio's market risk, structural interest rate risk and liquidity risk of the banking portfolio; are considered within the scope of the asset liability management.

Complying the established risk limits and being at the limits that stipulated by the legislation are the primary priority of Asset-liability management risk. Risk limits are determined by the Board of Directors by taking into consideration of the Group's liquidity, target income level and general expectations about changes in risk factors.

Board of Directors and the Audit Committee are responsible for following the Bank's capital is used optimally; for this purpose, checking the status against risk limits and providing the necessary actions are taken.

Asset and Liability Management Committee is responsible for managing the Asset and Liability risk within the framework of operating principles that are involved in the risk appetite and risk limits are set by the Board of Directors in accordance with the policy statement.

Asset and liability management processes and compliance with the provisions of the policy are controlled and audited by the internal audit system. The execution of the audit, reporting the audit results, action plans for the elimination of errors

and gaps identified as a result of inspections regarding the fulfillment of the principles, are determined by the Board of Directors.

Operational Risk

Operational risk is defined as “the possibility of loss resulting from inadequate or failed internal processes, people and systems, or from external events, including legal risk”. Studies consisted of and are formed of occur by execution of identification, definition, measurement, analysis, monitoring of operational risk, providing and reporting the necessary control related to monitoring the progress of our country and the world, the development of techniques and methods, necessary legal reporting, notification and conduct of follow-up transactions. Studies on the subject are conducted by the Department of Risk Management.

Operational risks that arise due to the activities are defined in "Bank Risk Catalogue" and classified in respect of species. Bank Risk Catalogue is kind of the fundamental document that used for identification and classification of all at the risk that may be encountered. It is updated in line with the changes in the nature of the processes and activities.

Qualitative and quantitative methods are used in a combination for measurement and evaluation of the operational risks. In this process, information use that obtained from "Impact-Probability Analysis", "Missing Event Data Analysis", "Risk Indicators", "Scenario Analysis", "Top-Down Risk Assessment", "Internal Model" methods. Methods prescribed by legal regulations are applied as minimum in determining the capital requirement level for the operating risk.

Operational Risk Committee, the management of operational risks that the bank may be exposed for the determination of policies and strategies, the development of an operational risk management framework and operational risks include activities with the aim of strengthening the governance model. The Committee works in cooperation with the Risk Committee and reports the results of its activities to the Board of Directors through the Audit Committee.

All risks are assessed in the context of operational risk, loss events and the risk indicators same as operational risks that occurred in the Bank, are monitored on a regular basis by the Department of Risk Management and reported periodically to the Risk Committee, Operational Risk Committee, and the Board of Directors.

Model Risk Management and Validation Operations

Model risk is the risk of financial losses and/or loss of reputation that the Bank may be exposed to due to errors and/or malfunctions that occur during the creation, implementation or use of models used in its activities. In order to address the model risk in a holistic manner, the model definition, model life cycle and triple line of defense structure and the duties and responsibilities of all functions of the Bank in this structure are defined in the model risk management policy.

Model risk management and validation activities in the second line of defense of the triple line of defense structure; creating the model inventory, determining and approving the model class, validating the models, preparing periodic reports on the Bank's model risk and presenting those reports to the Risk Committee, Audit Committee and Board of Directors.

Risk measurement models are validated at least once a year according to international standards. Within the scope of validation, activities are carried out to test the performance and validity of models with statistical methods, to examine the quality of the data used in the model development phase and the conceptual soundness of the selected methods, and to evaluate the health of the processes created for the use of the models. The results of the validation activities are reported to the Risk Committee, Audit Committee and the Board of Directors.

a.2. Overview of risk weighted amounts:

	Risk Weighted Amounts		Minimum Capital Requirements
	Current Period	Prior Period	Current Period
Credit risk (excluding counterparty credit risk) (CCR)	2,463,333,902	1,734,792,838	197,066,712
Of which standardized approach (SA)	2,463,333,902	1,734,792,838	197,066,712
Of which internal rating-based (IRB) approach			
Counterparty credit risk	32,119,245	24,952,370	2,569,540
Of which standardized approach for counterparty credit risk (CCR)	32,119,245	24,952,370	2,569,540
Of which internal model method (IMM)			
Equity positions in banking book under basic risk weighting or internal rating-based approach			

Equity investments in funds – look-through approach	8,953,701	6,104,760	716,296
Equity investments in funds – mandate-based approach			
Equity investments in funds – 1250% weighted risk approach			
Settlement risk		13	
Securitization positions in banking accounts			
Of which IRB ratings-based approach (RBA)			
Of which IRB Supervisory formula approach (SFA)			
SA/simplified supervisory formula approach (SSFA)			
Market risk	42,449,575	47,671,138	3,395,966
Of which standardized approach (SA)	42,449,575	47,671,138	3,395,966
Of which internal model approaches (IMM)			
Operational Risk	195,842,411	154,581,523	15,667,393
Of which Basic Indicator Approach	195,842,411	154,581,523	15,667,393
Of which Standardized approach (SA)			
Of which Advanced measurement approach			
The amounts below the thresholds for deduction from capital (subject to a 250% risk weight)	7,575,470	1,387,110	606,038
Floor adjustment			
Total	2,750,274,304	1,969,489,752	220,021,945

b. Linkages between Financial Statements and Risk Amounts

b.1. Differences and matching between asset and liabilities' carrying values in financial statements and risk amounts in capital adequacy calculation

Current Period	Carrying values in financial statements prepared as per TAS	Carrying values of items in accordance with Turkish Accounting Standards				
		Subject to credit risk	Subject to counterparty credit risk	Securitization Positions	Subject to market risk	Not subject to capital requirements or subject to deduction from capital
Assets						
Cash and CBRT	876,631,316	876,631,316				
Banks and Money Market Placements	125,261,189	125,261,189				
Financial Assets at Fair Value Through Profit/Loss	59,268,840	55,754,737			3,514,103	
Financial Assets at Fair Value Through Other Comprehensive Income	458,428,082	458,428,082			7,431,954	
Derivative Financial Assets at Fair Value Through Profit/Loss	19,664,464		19,664,464		5,968,241	
Derivative Financial Assets at Fair Value Through Other Comprehensive Income						
Financial Assets at Amortized Cost-Credit	2,381,139,450	2,381,115,641				23,809
Financial Assets at Amortized Cost-Other Financial Assets	257,206,715	257,206,715				
Financial Assets at Amortized Cost-Expected Loss Provisions (-)	89,066,191	89,066,191				
Assets Held for Sale and Discontinued Operations	91,706	91,706				
Investment in Associates, Subsidiaries and Joint-Ventures	278,505,486	278,505,486				
Tangible Assets	72,455,642	71,767,012				688,630
Intangible Assets	18,576,965	1,743,589				16,833,376

Investment Properties						
Current Tax Asset						
Deferred Tax Asset	24,402,218	21,178,032				3,224,186
Other Assets	142,374,280	142,374,280				
Total Assets	4,624,940,162	4,580,991,594	19,664,464		16,914,298	20,770,001
Liabilities						
Deposits	3,098,899,656					3,098,899,656
Funds Borrowed	228,729,372		29,823,227			198,906,145
Money Market Funds	367,650,518		367,650,518			
Marketable Securities Issued	114,003,269					114,003,269
Derivative Financial Liabilities at Fair Value Through Profit/Loss	9,088,679		9,088,679		5,837,998	
Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income						
Leasing Transaction Liabilities	8,433,644					8,433,644
Provisions	40,680,711					40,680,711
Current Tax Liability	18,723,874					18,723,874
Deferred Tax Liability						
Subordinated Debts	67,559,157					
Other Liabilities	243,536,015					243,536,015
Shareholders' Equity	427,635,267					
Total Liabilities	4,624,940,162		406,562,424		5,837,998	3,723,183,314

Prior Period	Carrying values in financial statements prepared as per TAS	Carrying values of items in accordance with Turkish Accounting Standards				
		Subject to credit risk	Subject to credit risk	Subject to credit risk	Subject to credit risk	Subject to credit risk
Assets						
Cash and CBRT	629,466,658	629,466,658				
Banks and Money Market Placements	52,929,324	52,929,324				
Financial Assets at Fair Value Through Profit/Loss	33,142,533	31,182,496			1,960,037	
Financial Assets at Fair Value Through Other Comprehensive Income	364,816,012	364,816,012			7,749,684	
Derivative Financial Assets at Fair Value Through Profit/Loss	16,165,064		16,165,064		6,971,602	
Derivative Financial Assets at Fair Value Through Other Comprehensive Income						
Financial Assets at Amortized Cost-Credit	1,656,913,422	1,656,907,153				6,269
Financial Assets at Amortized Cost-Other Financial Assets	255,910,777	255,910,777				
Financial Assets at Amortized Cost-Expected Loss Provisions (-)	51,184,004	51,184,004				
Assets Held for Sale and Discontinued Operations	29,674	29,674				
Investment in Associates, Subsidiaries and Joint-Ventures	204,183,367	204,183,367				
Tangible Assets	53,679,239	53,293,963				385,276
Intangible Assets	11,318,680	733,212				10,585,468
Investment Properties						
Current Tax Asset						
Deferred Tax Asset	28,969,422	25,107,529				3,861,893
Other Assets	67,436,269	67,436,269				
Total Assets	3,323,776,437	3,290,812,430	16,165,064		16,681,323	14,838,906

Liabilities						
Deposits	2,127,117,186					2,127,117,186
Funds Borrowed	211,093,099		61,678,205			149,414,894
Money Market Funds	338,407,619		338,407,619			
Marketable Securities Issued	55,605,673					55,605,673
Derivative Financial Liabilities at Fair Value Through Profit/Loss	10,785,119		10,785,119		6,399,918	
Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income						
Leasing Transaction Liabilities	5,551,832					5,551,832
Provisions	37,537,900					37,537,900
Current Tax Liability	9,934,146					9,934,146
Deferred Tax Liability						
Subordinated Debts	46,985,333					
Other Liabilities	162,420,758					162,420,758
Shareholders' Equity	318,337,772					
Total Liabilities	3,323,776,437		410,870,943		6,399,918	2,547,582,389

b.2. The main sources of the differences between the risk amounts and the amounts assessed in accordance with TAS in the financial statements

Current Period		Total	Credit Risk	Securitization Positions	Counterparty credit risk	Market risk
1	Asset carrying value amount under scope of TAS	4,624,940,162	4,580,991,594		19,664,464	16,914,298
2	Liabilities carrying value amount under scope of TAS				-397,473,745	5,837,998
3	Total net amount scope of financial statement	4,624,940,162	4,580,991,594		417,138,209	11,076,300
4	Off-balance sheet amounts	4,307,863,797	571,630,968		29,411,443	
5	Repo style transactions (*)				48,379,383	
6	Differences in valuations					
7	Differences due to different netting rules					
8	Differences due to consideration of provisions					
9	Differences due to prudential filters		-638,549,957			
10	Differences due to risk mitigation (**)		8,031,482			
11	Risk Amounts		4,522,104,087		77,790,826	11,076,300

(*) According to the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks", it is the counterparty credit risk amount calculated for repo style transactions.

(**) The source of the difference is collaterals of exposures to which credit risk mitigation is applied in the calculation of capital adequacy.

Prior Period		Total	Credit Risk	Securitization Positions	Counterparty credit risk	Market risk
1	Asset carrying value amount under scope of TAS	3,323,776,437	3,290,812,430		16,165,064	16,681,323
2	Liabilities carrying value amount under scope of TAS				-400,085,824	6,399,918
3	Total net amount scope of financial statement	3,323,776,437	3,290,812,430		416,250,888	10,281,405
4	Off-balance sheet amounts	2,386,848,627	370,234,055		23,066,748	
5	Repo style transactions (*)				72,185,131	
6	Differences in valuations					
7	Differences due to different netting rules					
8	Differences due to consideration of provisions					
9	Differences due to prudential filters		-349,710,428			

10	Differences due to risk mitigation (**)		-22,232,389			
11	Risk Amounts		3,289,103,668		95,251,879	10,281,405

(*) According to the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks", it is the counterparty credit risk amount calculated for repo style transactions.

(**) The source of the difference is collaterals of exposures to which credit risk mitigation is applied in the calculation of capital adequacy.

The Bank intends to use fair value measurement methods in accordance with TFRS 13 using valuation methodologies based primarily on observable data. In this context, market prices, quoted prices, prices set by CBRT and published in official gazette and internal pricing models are also utilized in the fair value measurement of the financial assets in the form of securities. Valuation models that use market data such as interest rates, efficiency curves, currency, and volatility curves are used as the basis for derivative transactions while third party valuation services are also available.

The accuracy of the market prices, data and / or model inputs used in valuation under the independent price validation process is regularly checked and the suitability of the results provided by the third-party pricing service is tested at regular intervals.

c. Explanation on Credit Risk

c.1. General Information on Credit Risk

c.1.1. General qualitative information on credit risk

This information is included in footnotes under Section Four, Note II "Explanations on Credit Risk," and Section Four, Note XI-a.1.

c.1.2. Credit quality of assets:

Current Period	Gross Carrying Value in Financial Statements Prepared in Accordance with Turkish Accounting Standards (TAS)		Allowances/ amortization and impairments	Net Values
	Defaulted	Non-defaulted		
Loans	76,043,066	2,305,096,384	48,121,129	2,333,018,321
Debt Securities		772,479,727	23,263,885	749,215,842
Off-balance sheet exposures	8,511,129	3,361,823,116	2,610,522	3,367,723,723
Total	84,554,195	6,439,399,227	73,995,536	6,449,957,886

Prior Period	Gross Carrying Value in Financial Statements Prepared in Accordance with Turkish Accounting Standards (TAS)		Allowances/ amortization and impairments	Allowances/ amortization and impairments
	Defaulted	Non-defaulted		
Loans	34,429,496	1,622,483,926	24,947,686	1,631,965,736
Debt Securities		662,497,347	27,860,962	634,636,385
Off-balance sheet exposures	5,674,783	1,637,064,747	2,627,584	1,640,111,946
Total	40,104,279	3,922,046,020	55,436,232	3,906,714,067

c.1.3. Changes in stock of default loans and debt securities (*):

	Current Period	Prior Period
Defaulted loans and debt securities at end of the previous reporting period	34,429,496	24,919,748
Loans and debt securities that have defaulted since the last reporting period	78,404,503	30,995,809
Receivables back to non-defaulted status	-2,172,119	-1,184,023
Amounts written off	-9,580,268	-5,561,107
Other changes	-25,038,546	-14,740,931
Defaulted loans and debt securities at end of the reporting period	76,043,066	34,429,496

(*) Indemnified non-cash loans or non-cash loans not converted into cash, of the firms which are followed under "Non-performing Loans" accounts are not included in the table.

c.1.4. Additional Explanation About the Credit Quality of Assets

Bank's methods for determining provision amounts and classification of its loans are mentioned in the Section Three Note VIII.

The bank is restructuring its loans classified as first and second group as well as non-performing loans and receivables. Restructuring in performing loans are made by granting a new loan or extending the term date of credit given to customer by Bank. Restructuring of a contract is made on customer's demand or with the purpose of enhancing the solvency of customer. Restructuring in non-performing loans are generally made by establishing a new redemption plan within the context of a protocol aiming the collection of those receivables whose redemption plan are not valid because of delinquency previously.

The breakdown of receivables in terms of geographic regions, sectors and remaining maturities are represented in "Explanations on Credit Risk" in the Section Four Notes II.

On the basis of sector-based provisions for receivables are presented in the footnote numbered Section Four II-16. The amounts of the receivables that are set aside for the geographical regions are as follows. The amount of non-performing loans which are written off in 2025 is TL 9,580,268.

	Current Period		Prior Period	
	Non-Performing Loans	Specific Provision	Non-Performing Loans	Specific Provision
Domestic	75,215,450	47,547,317	33,846,315	24,494,711
EU Countries	221,924	129,437	152,688	104,821
OECD Countries (*)	159,476	107,684	108,000	76,199
Off-shore Banking Regions	1,249	719	198	132
USA, Canada	50,246	30,504	33,392	22,777
Other Countries	394,721	305,468	288,903	249,046
Total	76,043,066	48,121,129	34,429,496	24,947,686

(*) OECD countries other than the EU countries, USA and Canada

The aging analysis of past-due receivables is included in Section Four Note II-11

c.2. Credit risk mitigation

c.2.1. Qualitative Requirements to be Disclosed to The Public Regarding Credit Risk Mitigation Techniques

In the calculation of the Bank's Credit Risk Mitigation in accordance with the "Communiqué on Credit Risk Mitigation Techniques" published in the Official Gazette numbered 29111 on 6 September 2014, the financial collaterals are taken into consideration. The Bank takes local currency and foreign currency deposit pledges into consideration as financial collaterals in calculating regulatory capital adequacy.

Information on key characteristics of the policies and processes related to the assessment and management of collateral are included in footnotes under Section IV No. II, "Credit Risk Explanations"

c.2.2. Credit risk mitigation techniques:

Current Period	Exposures unsecured	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures Secured by Financial Guarantees, of which: Secured Amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
Loans	2,291,732,108	33,818,892	19,413,632	7,467,324	6,159,720		
Debt securities	749,215,842						
Total	3,040,947,950	33,818,892	19,413,632	7,467,324	6,159,720		
Of which defaulted	76,043,065						

Prior Period	Exposures unsecured	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures Secured by Financial Guarantees, of which: Secured Amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
Loans	1,580,337,911	41,340,574	29,081,584	10,287,248	8,527,013		
Debt securities	634,636,385						
Total	2,214,974,296	41,340,574	29,081,584	10,287,248	8,527,013		
Of which defaulted	34,429,494						

c.3. Credit risk if standard approach is used

c.3.1. Qualitative disclosures about the ratings notes used by banks to calculate credit risk by standard approach

The mentioned disclosure is presented in Section Four Note XI-a.1.

c.3.2. Standard approach - Exposure credit risk and credit risk mitigation effects

Current Period	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	On-balance sheet amount	Off-balance sheet amount	On-balance sheet Amount
Exposures to sovereigns and their central banks	1,395,765,453	9,921	1,401,848,522	1,070,946	32,911,771	2.35%
Exposures to regional and local governments	2,605,274	142,008	2,605,274	68,087	1,336,695	50.00%
Exposures to administrative bodies and non-commercial entities	1,130,971	1,647,244	1,127,475	214,313	1,341,788	100.00%
Exposures to multilateral development banks	1,077,466		1,077,466			0.00%
Exposures to international organizations						
Exposures to banks and securities firms	73,299,481	75,677,843	73,299,481	81,392,468	53,728,502	34.73%
Exposures to corporates	832,929,043	842,667,474	823,200,191	405,508,417	1,064,503,396	86.64%
Retail exposures	1,017,774,278	2,173,420,271	1,011,301,188	44,595,611	791,922,599	75.00%
Exposures secured by residential property	121,188,448	9,230,111	121,097,754	4,621,358	44,001,689	35.00%
Exposures secured by commercial property	96,465,561	18,230,277	96,465,561	11,828,933	62,860,047	58.05%
Past-due loans	27,898,027		27,898,027		19,735,893	70.74%
Exposures in higher-risk categories by the Board	115,960	6,868,294	115,958	2,225,722	3,024,393	129.15%
Exposures in the form of bonds secured by mortgages						
Short term exposures to banks, brokerage houses and corporates						
Equity investments in the form of collective investment undertakings	8,953,701		8,953,701		8,953,701	100.00%
Equity investments	188,586,886	99,177,399	188,586,886	15,344	141,991,917	75.29%
Other exposures	274,683,642		274,683,642		279,228,924	101.65%
Total	4,042,474,191	3,227,070,842	4,032,261,126	551,541,199	2,505,541,315	54.66%

(*) The loan conversion rate and the amount of off-balance sheet receivables after credit risk reduction include the amount of counterparty credit risk.

	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	On-balance sheet amount	Off-balance sheet amount	On-balance sheet Amount
Prior Period						
Exposures to sovereigns and their central banks	1,118,496,591	12,630	1,127,001,382	47,190	26,474,467	2.35%
Exposures to regional and local governments	1,977,348	4,439	1,977,349	1,765	989,573	50.00%
Exposures to administrative bodies and non-commercial entities	876,549	874,391	815,775	89,160	904,935	100.00%
Exposures to multilateral development banks	1,221,610		1,221,610			0.00%
Exposures to international organizations						
Exposures to banks and securities firms	45,242,192	45,359,858	45,242,191	94,392,649	42,815,113	30.66%
Exposures to corporates	701,618,562	602,057,105	678,498,907	274,574,012	818,423,792	85.87%
Retail exposures	613,714,913	868,430,052	608,393,493	19,451,666	470,883,869	75.00%
Exposures secured by residential property	84,039,869	6,456,267	83,965,024	3,111,309	30,476,717	35.00%
Exposures secured by commercial property	66,529,565	13,137,346	66,529,565	8,198,717	44,074,096	58.98%
Past-due loans	9,473,334		9,473,334		6,014,999	63.49%
Exposures in higher-risk categories by the Board	920,553	4,470,226	920,390	1,210,295	5,213,600	244.69%
Exposures in the form of bonds secured by mortgages						
Short term exposures to banks, brokerage houses and corporates						
Equity investments in the form of collective investment undertakings	6,104,760		6,104,760		6,104,760	100.00%
Equity investments	134,600,714	28,283,662	134,600,714	332,137	104,643,880	77.55%
Other exposures	202,798,581		202,798,581		203,630,848	100.41%
Total	2,987,615,141	1,569,085,976	2,967,543,075	401,408,900	1,760,650,649	52.26%

(*) The loan conversion rate and the amount of off-balance sheet receivables after credit risk reduction include the amount of counterparty credit risk.

c.3.3. Standardized Approach-Exposures by Risk Classes and Risk Weights:

Current Period	Risk Weights											
	Bank											
	0%	10%	20%	25%	35%	50%	75%	100%	150%	250%	Other	Total
Risk Groups												
Exposures to sovereigns and their central banks	1,370,007,697							32,911,771				1,402,919,468
Exposures to regional and local governments						2,673,333		28				2,673,361
Exposures to administrative bodies and non-commercial entities								1,341,788				1,341,788
Exposures to multilateral development banks	1,077,466											1,077,466
Exposures to international organizations												
Exposures to banks and securities firms	1,008,358		73,262,842			70,569,025		3,635,690	21,223		6,194,811	154,691,949
Exposures to corporates			108,988,615			141,645,418		969,503,902	1,491,653		7,079,020	1,228,708,608
Retail exposures							1,055,896,799					1,055,896,799
Exposures secured by residential property					125,719,112							125,719,112
Exposures secured by commercial property						90,868,894		17,425,600				108,294,494
Past-due loans						16,574,161		11,073,974	249,892			27,898,027
Exposures in higher-risk categories by the Board						209,684		556,886	1,575,110			2,341,680
Exposures in the form of bonds secured by mortgages												
Short term exposures to banks, brokerage houses and corporates												
Equity investments in the form of collective investment undertakings								8,953,701				8,953,701
Equity investments								271,653,454		3,030,188		274,683,642
Other exposures	46,610,310							141,991,920				188,602,230
Total	1,418,703,831		182,251,457		125,719,112	322,540,515	1,055,896,799	1,459,048,714	3,337,878	3,030,188	13,273,831	4,583,802,325

Prior Period	Risk Weights											
	Bank											
	0%	10%	20%	25%	35%	50%	75%	100%	150%	250%	Other	Total
Risk Groups												
Exposures to sovereigns and their central banks	1,100,574,105							26,474,467				1,127,048,572
Exposures to regional and local governments						1,979,083		31				1,979,114
Exposures to administrative bodies and non-commercial entities								904,935				904,935
Exposures to multilateral development banks	1,221,610											1,221,610
Exposures to international organizations												
Exposures to banks and securities firms			53,479,552			54,564,675		3,843,800	296,033		27,450,780	139,634,840
Exposures to corporates			99,388,907			99,623,030		744,648,838	2,633,388		6,778,756	953,072,919
Retail exposures							627,845,159					627,845,159
Exposures secured by residential property					87,076,333							87,076,333
Exposures secured by commercial property						61,308,373		13,419,909				74,728,282
Past-due loans						6,921,242		2,547,520	4,572			9,473,334
Exposures in higher-risk categories by the Board						123,711		26,361	1,365,052		615,561	2,130,685
Exposures in the form of bonds secured by mortgages												
Short term exposures to banks, brokerage houses and corporates												
Equity investments in the form of collective investment undertakings								6,104,760				6,104,760
Equity investments								202,243,737		554,844		202,798,581
Other exposures	30,288,967							104,643,884				134,932,851
Total	1,132,084,682		152,868,459		87,076,333	224,520,114	627,845,159	1,104,858,242	4,299,045	554,844	34,845,097	3,368,951,975

ç. Explanations on Counterparty credit risk

ç.1. Qualitative Explanations on Counterparty credit risk

The counterparty credit risk that the Bank is exposed to be managed within the framework of general limit allocation and credit risk mitigation that are outlined in the Credit Risk Policy of the Bank. In setting general credit limits, the counterparty credit risks of customers as well as their cash and noncash risks are taken into account with a holistic view. Moreover, the total position of the transactions which create counterparty credit risk is also monitored under a separate risk limit.

The counterparty credit risk, which stems from derivatives and repo like transactions including transactions with qualified central counterparties that result in liabilities for both sides, is measured according to the Appendix-2 and Appendix-4 of the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" Counterparty credit risk valuation method based on the calculation of fair values of the derivative transactions is implemented. In the process of calculating the counterparty credit risk, the Standard Approach is used to determine the risk amounts of derivative transactions. In calculating the risk amount related to derivative transactions; 1.4 times the sum of potential credit risk amounts and positive replacement costs is charged.

Most of the credit risk related to the derivative transactions with other banks is subject to daily collateral clearing agreements mutually signed with related parties and the counterparty credit risk is hence reduced. There are no guarantees received or sold by credit derivatives by the Bank in the context of trading or banking accounts.

ç.2. Counterparty credit risk (CCR) approach analysis:

Current Period	Replacement Cost	Potential Future Exposure	EEPE (Effective Expected Positive Exposure)	Alpha used for computing regulatory EAD	Exposure after Credit Risk Mitigation	Risk Weighted Amounts
Standardized Approach -CCR (for derivatives)	4,374,838	4,601,333		1,4	12,566,639	6,731,862
Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					35,857,769	18,680,904
Value-at-Risk (VaR) (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
Total						25,412,766

Prior Period	Replacement Cost	Potential Future Exposure	EEPE (Effective Expected Positive Exposure)	Alpha used for computing regulatory EAD	Exposure after Credit Risk Mitigation	Risk Weighted Amounts
Standardized Approach -CCR (for derivatives)	3,038,883	4,908,735		1,4	11,126,665	4,940,774
Internal Model Method (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
Simple Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
Comprehensive Approach for credit risk mitigation (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)					34,492,106	12,740,576
Value-at-Risk (VaR) (for repo transactions, securities or commodity lending or borrowing transactions, long settlement transactions and securities financing transactions)						
Total						17,681,350

ç.3. Capital obligation for credit valuation adjustment (CVA):

	Current Period		Prior Period	
	Risk Amounts (Post CRM)	Risk Weighted Amounts	Risk Amounts (Post CRM)	Risk Weighted Amounts
Total portfolios subject to the Advanced CVA capital obligation				
(i) VaR component (including the 3x multiplier)				
(ii) Stressed VaR component (including the 3x multiplier)				
All portfolios subject to the Standardized CVA capital obligation	12,566,639	6,431,688	11,126,665	6,539,264
Total subject to the CVA capital change	12,566,639	6,431,688	11,126,665	6,539,264

ç.4. CCR exposures by risk class and risk weights:

Current Period	Risk Weights								Total Credit Risk (*)
	0%	10%	20%	50%	75%	100%	150%	Other	
Risk Groups									
Exposures to sovereigns and their central banks	1,001,615								1,001,615
Exposures to regional and local governments									
Exposures to administrative bodies and non-commercial entities						26			26
Exposures to multilateral development banks									
Exposures to international organizations									
Exposures to banks and securities firms			14,427,583	19,055,125					33,482,708
Exposures to corporates			497,460	1,062,881		12,335,757			13,896,098
Retail exposures					43,961				43,961
Other Exposures								13,273,830	13,273,830
Total	1,001,615		14,925,043	20,118,006	43,961	12,335,783		13,273,830	61,698,238

(*) Other receivables: d.7. includes amounts reported in the table of risks to the central counterparty.

Prior Period	Risk Weights								Total Credit Risk (*)
	0%	10%	20%	50%	75%	100%	150%	Other	
Prior Period									
Exposures to sovereigns and their central banks	35,656								35,656
Exposures to regional and local governments									
Exposures to administrative bodies and non-commercial entities						31			31
Exposures to multilateral development banks									
Exposures to international organizations							41,342		41,342
Exposures to banks and securities firms			20,811,510	20,768,991		612,303			42,192,804
Exposures to corporates			641,292	747,209		1,952,056			3,340,557
Retail exposures					8,378				8,378
Other Exposures								34,229,535	34,229,535
Total	35,656		21,452,802	21,516,200	8,378	2,564,390	41,342	34,229,535	79,848,303

(*) Other receivables: d.7. includes amounts reported in the table of risks to the central counterparty.

ç.5. Collateral for CCR:

Current Period	Collateral used in derivative transactions				Collateral used in other transactions	
	Received Collateral		Given Collateral		Received Collateral	Given Collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash- Domestic Currency					192,177,313	
Cash- Other Currencies					152,205,922	
Total					344,383,235	

Prior Period	Collateral used in derivative transactions				Collateral used in other transactions	
	Received Collateral		Given Collateral		Received Collateral	Given Collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash- Domestic Currency					278,968,046	
Cash- Other Currencies					85,042,652	
Total					364,010,698	

ç.6. Credit derivatives exposures:

None.

ç.7. Exposures to central counterparties (CCP):

	Current Period		Prior Period	
	Post CRM risk exposure	RWA	Post CRM risk exposure	RWA
Exposure to Qualified Central Counterparties (QCCPs) (total)		274,791		731,756
Exposures for trades at WCCPs (excluding initial margin and default fund contributions); of which	13,273,830	265,476	34,229,536	684,591
OTC Derivatives	7,132,917	142,658	7,075,789	141,516
Exchange-traded Derivatives				
Repo-reverse repo transactions, credit securities transactions and securities or commodities lending or borrowing	6,140,913	122,818	27,153,747	543,075
Netting sets where cross-product has been approved				
Segregated initial margin				
Non-segregated initial margin				
Paid guarantee fund amount	304,108	9,315	2,260,249	47,165
Unpaid guarantee fund commitment				
Exposures to non-QCCPs (total)				
Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which				
OTC Derivatives				
Exchange-traded Derivatives				
Securities financing transactions				
Netting sets where cross-product has been approved				
Segregated initial margin				
Non-segregated initial margin				
Pre-funded default fund contributions				
Unfunded default fund contributions				

d. Explanations on securitizations:

None.

e. Market Risk Explanations**e.1. Qualitative information to be disclosed to the public regarding market risk**

Market risk is defined as the risk that may reduce the market value of the trading portfolio due to the changes in the risk factors named interest rate, exchange rates, equities and the price of commodities and options.

The procedures for the management of market risk are discussed in the Bank's "Asset and Liability Management Risk Policy" and those procedures are in line with the risk/return expectations of the Bank and with the limits that are defined in the risk appetite framework. Limits related to market risk; are established by the Board and are revised periodically in order to reflect market conditions and best practices in the industry. Compliance to those limits is closely monitored by the Risk Management Department, Asset and Liability Management Committee and by the executive departments. Additionally, compliance with the provisions relating to the procedures and policies of market risk management is audited by the internal audit system.

Trading activities of the securities that are included in the calculation of market risk is carried out by taking the Asset-Liability Committee decisions, risk policies and established limits into consideration and risks arising due to these activities are hedged using derivatives transactions where necessary.

Measurement of market risk, reporting of results, and monitoring compliance with the risk limits are among the key responsibilities of the Risk Management Department. Analyses related to market risk are reported to the Risk Committee and to the Board via the Audit Committee by the Risk Management Department.

The trading book of the Bank included in market risk calculations consists of on balance-sheet financial assets that are held for trading intent, derivatives that provide hedge to those instruments and foreign currency positions. The market risk carried by the Bank is measured and monitored using two methods known respectively as the Standard Method and the Value at Risk Model (VAR) and Expected Shortfall in accordance with the local regulations which are established in compliance with the international legislations. In this context, the exchange rate risk emerges as the most important component of the market risk.

The market risk calculations using the Standard Method are performed at the end of each month and the measurement results are included in the statutory reports as well as being reported to the Bank's top management.

The Value at Risk Model and Expected Shortfall are another alternative for the Standard Method used for measuring and monitoring market risk. This model is used to measure the market risk on a daily basis in terms of interest rate risk, currency risk and equity share risk and is a part of the Bank's daily internal reporting. Further retrospective testing (back-testing) is carried out on a daily basis to determine the reliability of the daily risk calculation by the VAR model, which is used to estimate the maximum possible loss for the following day.

Scenario analyses which support the VAR model used to measure the losses that may occur in the ordinary market conditions are practiced, and the possible impacts of scenarios that are developed based on the future predictions and the past crises, on the value of the Bank's portfolio are determined and the results are reported to the Bank's top management.

e.2. Standardized Approach:

	Current Period	
	RWA	RWA
Outright Products	40,532,301	46,518,975
Interest rate risk (general and specific)	7,369,738	7,005,800
Equity risk (general and specific)	18,550	323,450
Foreign exchange risk	31,348,013	38,692,575
Commodity risk	1,796,000	497,150
Options	1,917,274	1,152,163
Simplified approach		
Delta-plus method	1,917,274	1,152,163
Scenario approach		
Securitizations		
Total	42,449,575	47,671,138

f. Explanations on Operational Risk

The operational risk capital requirement is calculated once a year using the Basic Indicator Approach in accordance with Article 24 of the “Regulation on the Measurement and Evaluation of Banks’ Capital Adequacy”, in parallel with the implementation under the domestic legislation. As of December 31, 2025, the operational risk amount is TL 195,842,410 (December 31, 2024: TL 154,581,523), and information regarding the calculation is provided below.

Current Period	2 PP Amount	1 PP Amount	CP Amount	Total/No. of Years of Positive Gross	Rate (%)	Total
Gross Income	93,016,951	120,588,427	99,742,479	3	15	15,667,393
Value at operational risk (Total*12.5)						195,842,411

Prior Period	2 PP Amount	1 PP Amount	CP Amount	Total/No. of Years of Positive Gross	Rate (%)	Total
Gross Income	33,725,058	93,016,951	120,588,427	3	15	12,366,522
Value at operational risk (Total*12.5)						154,581,523

g. The interest rate risk of the banking book items:

Interest rate risk arising from banking accounts—which is defined as the risk of adverse effects on capital due to changes in market interest rates caused by differences in repricing periods and interest rate structures of interest-earning assets, interest-bearing liabilities, and interest-sensitive derivative transactions—comprises components such as repricing risk, yield curve risk, basis risk, and option risk. The Bank utilizes both the “Economic Value of Equity” (EVE) and “Net Interest Income” (NII) approaches in its Interest Rate Risk in the Banking Book (IRRBB) calculations. These two methods complement each other by reflecting the impacts of interest rate risk over different time horizons. The EVE approach measures the effect of changes in interest rates on the present value of the Bank’s interest rate-sensitive assets, liabilities, and off-balance-sheet items, capturing the long-term effects of interest rate risk arising from banking accounts and illustrating the potential impact of interest rate movements on the Bank’s capital position. The NII approach, on the other hand, measures the impact of interest rate changes on the Bank’s expected net interest income over a specified forward-looking period, reflecting short- and medium-term profit sensitivity and thereby complementing the EVE measurement. Both approaches are calculated not only under the standard parallel and non-parallel yield curve shock scenarios prescribed by the BRSA but also under internally developed scenarios designed to evaluate risks specific to the Bank’s balance sheet structure. These internal scenarios include parallel shocks that incorporate stress levels exceeding the standard shock levels by considering historical data, as well as non-parallel shocks that account for asymmetric movements across different maturities of the yield curve. These methodologies are consistently applied across all significant currencies.

The framework of the Bank's risk management approach is detailed in Note XI-a.1 of the Fourth Section. The Interest Rate Risk in the Banking Book (IRRBB), which falls within the scope of Asset-Liability Management Risk, is managed in accordance with the strategies determined by the Asset-Liability Management Committee and within the policies established by the Bank's Board of Directors. In managing this risk, position management can be conducted on a currency basis using fixed or floating rate products within the balance sheet, as well as various derivative instruments such as interest rate swaps and interest rate options outside the balance sheet.

Compliance with internally set risk appetite indicators and limits related to the banking portfolio is monitored daily by the Risk Management Department and the Asset-Liability Management Committee, with measurement results regularly reported to the Board of Directors on a monthly basis.

In the context of IRRBB, the Economic Value of Equity (EVE) calculation takes into account the principles set forth in the "Regulation on Measuring and Evaluating Interest Rate Risk Arising from Banking Accounts Using the Standard Shock Method," published in the Official Gazette No. 32898 dated May 12, 2025, and the communique numbered 2025/1.

With changes in market conditions, the projected cash flows of certain products may differ from the contractual terms, and in accordance with the related legal provisions, behavioral optionality risk must be incorporated into these calculations. Under the Regulation, model outputs may be used for non-maturity deposits that exhibit low sensitivity to interest rate changes and have a maturities longer than their contractual terms, time deposits with early withdrawal risk, and fixed-rate loans subject to prepayment risk. These models are regularly monitored, reviewed, and validated as part of the Model Risk Management and Validation Activities. In cases where the Bank cannot internally calculate these ratios, the rates determined by the BRSA may be used. To reflect behavioral cash flows in the Bank's balance sheet and EVE calculations, results from an internally developed core demand deposit model are used for demand deposit products, while the rates set by the BRSA are applied for all fixed-rate loans and fixed-rate time deposits.

The behavioral modeling efforts for demand deposit products, conducted using long-term time series data segmented by currency and customer type, aim to identify the amount and maturity profile of core deposits that consistently remain stable on the Bank's balance sheet within each currency and segment. The model, referred to as the Core Demand Deposit Model, is designed to capture the impact of market dynamics on core deposits by reflecting different behavioral characteristics across identified segments and main currencies. In line with the Regulation, maturity profile assignments are made based on the core deposit decay profile indicated by the model outputs, ensuring compliance with upper limits set at five years for retail and individual customers and four years for other customer types, on a deposit class and sub-segment basis. Details regarding repricing periods for non-maturity deposits derived from model outputs as of December 31, 2025, and subject to reporting, are provided in the table below.

Repricing Period (Months)			
Currency		Individual and Retail Customers	Other Customers
Average Repricing Period	TL	8.98	6.05
	USD	17.20	9.04
	EUR	30.85	10.39
	XAU	13.05	7.34
Longest Repricing Period		60	48

For portfolios related to early loan repayments and early withdrawals of time deposits, the ratios determined by the BRSA have been used in the EVE (Economic Value of Equity) calculations, the results of which are provided below. Apart from the factors detailed above that may significantly impact the EVE results, no other assumptions have been applied in the calculations.

	EDD (Thousand TL) *
Period	December 31, 2025
Parallel Up	-23,418,501
Parallel Down	25,141,166
Steepening	6,205,710
Flattening	-9,221,656
Short-Term Up	-16,525,616
Short-Term Down	15,527,751
Maximum	-23,418,501
Period	December 31, 2025
Common Equity Tier 1 (CET1) Capital	428,199,077

(*) Negative balances represent impairment under the Economic Value of Equity (EVE) calculation.

The significant currencies subject to the Economic Value of Equity (EVE) calculation for the relevant period are determined as TRY, USD, EUR, and XAU. Interest rate-sensitive positions in these currencies are classified according to their repricing periods and interest rate structures, and cash flows are generated to include interest margins. The resulting figures are converted into Turkish Lira and reported on an aggregated basis. The discount yield curve used consists of the risk-free reference interest rates provided to banks by the BRSA. As of December 31, 2025, the Bank's economic value sensitivity under the parallel upward shock scenario was (-) TRY 23 billion, and the standard interest rate risk ratio (IRRBB Standard Ratio) stood at 5.47%.

Pursuant to the temporary article of the Communiqué on Disclosures to be Made to the Public Regarding Risk Management by Banks;

- Disclosures related to Net Interest Income Change (NII)
- Current and prior period data related to NII
- Prior period data related to Economic Value of Equity (EVE)

shall begin to be included in the notes starting from the period ended December 31, 2026.

ğ. Remuneration policy

The Remuneration Committee, which is established to carry out the duties and activities related to the monitoring and supervision of the Bank's remuneration applications on behalf of the Board of Directors, consists of two members.

The Remuneration Committee meets at least twice a year, not exceeding six months, and reports to the Board of Directors on the results of the activities carried out and important matters considered to have an impact on the Bank's position. As of the end of 2025, the Remuneration Committee met 9 times and made a total of 11 decisions.

Regarding compliance with the Corporate Governance Principles, the Remuneration Committee monitors and supervises the practices related to wage management on behalf of the Board of Directors; the fees are in line with the Bank's ethical values, internal balances and strategic objectives; the evaluation of the remuneration policy and its practices in the context of risk management; it is responsible for the presentation of the proposals determined in line with the requirements of the salary policy and the other responsibilities determined by the provisions of the applicable legislation and the fulfillment of the duties given by the Board of Directors in this framework.

As of the end of 2025, the number of qualified employees working at the Bank is 27.

The monetary and social rights of employees are determined in accordance with the Chartering Policy in the framework of the legislation related to the Collective Labor Agreement. The Bank carries out its practices about remuneration policies within the framework of relevant banking and capital market legislation. This policy includes all managers and employees. Premium payments are made once a year to managers and managers who work in branches and headquarters units. It is considered that managerial premium payments are in line with the Bank's long-term strategy and the risks assumed, as well as the performance of its employees. There are no variable fees for qualified employees in the Bank.

The compliance of the wage levels in the bank with the sector wage levels is monitored by participating in independent and anonymous wage surveys, which are held twice a year.

Within the scope of the remuneration policy, the Bank's pricing practices are planned and executed based on effective risk management, prevention of excessive risk taking, compliance with relevant legislation and scope and structure of the bank's activities, strategies, long-term objectives and risk management structures.

The fees to be paid to the managers and employees of the Bank at every stage; It is essential that the Bank is in line with its ethical values, internal balances and strategic objectives, and that it is not only associated with its short-term performance.

Payments made to employees are determined in a manner that will positively impact the Bank's corporate values and based on objective conditions.

Payments to be made to the managers of the units within the internal systems and to their staff are determined by considering the performance of the relevant personnel in relation to their functions, as they are in the audit or oversight, or are independent of the performance of the activity unit they control.

XII. Explanations on Segment Reporting

The Bank's operations are classified as corporate, commercial, retail and private banking, and treasury/investment banking.

Services to the large corporations, SMEs and other trading companies are provided through various financial instruments within the scope of the corporate and commercial operations. Services such as project financing, operating and investment loans, deposit and cash management, credit cards, cheques and bills, foreign trade transactions and financing, letter of guarantees, letter of credits, forfeiting, foreign currency trading, bill collections, payrolls, investment accounts, tax collections and other banking services are provided for the aforementioned customer segments.

Retail banking services are comprised of individuals needs such as deposits, consumer loans, overdraft accounts, credit cards, bill collections, remittances, foreign currency trading, safe-deposit boxes, insurance, tax collections, and investment accounts and by other banking services. All kinds of financing and cash management services provided to individuals in the high-income level are recognized as Private Banking activities.

Treasury transactions and investment activities are comprised of medium- and long-term funding tools such as securities trading, money market transactions, spot and forward TL and foreign currency trading, and derivative transactions such as forwards, swaps, futures and options, as well as syndications and securitizations. Investments of the Bank in subsidiaries, associates and jointly controlled entities (joint ventures) operating in the financial and real sectors are evaluated within this scope and the details regarding the aforementioned investments are stated in Notes I.g, I.ğ and I.h of Section Five.

Statement of information related to business segmentation is given below. Below mentioned information has been prepared with the data obtained from the Bank's management reporting system.

Current Period	Corporate/Commercial Banking	Individual/Private Banking	Treasury Transaction/Investment Activities	Unallocated	Total
Interest Income	320,642,368	171,524,740	252,889,672	9,496,117	754,552,897
Interest Expense	221,012,123	229,005,744	138,794,845	68,818,656	657,631,368
Fees and Commissions Income (Net)	90,522,993	42,303,642		1,524,627	134,351,262
Dividend Income			214,571		214,571
Trading Income/Loss (Net)			-22,199,201		-22,199,201
Other Income	5,981,902	2,383,020	45	12,614,190	20,979,157
Expected Credit Loss and Other Provision Expenses	24,193,860	14,027,003		18,825,315	57,046,178
Other Operating Expense	29,524,838	71,143,020	38,811	49,314,837	150,021,506
Income/Loss from Investments in Subsidiaries Accounted by Equity Method			48,487,355		48,487,355
Income Before Tax					71,686,989
Tax Provision					4,246,314
Net Period Profit					67,440,675
Total Assets	1,522,928,671	810,089,651	1,198,334,776	1,093,587,064	4,624,940,162
Total Liabilities	1,083,823,914	1,920,086,928	856,307,182	764,722,138	4,624,940,162

Prior Period	Corporate/Commercial Banking	Individual/Private Banking	Treasury Transaction/Investment Activities	Unallocated	Total
Interest Income	243,563,540	103,417,768	179,339,009	4,594,665	530,914,982
Interest Expense	161,842,861	167,262,306	125,292,675	42,066,438	496,464,280
Commission Income (Net)	65,540,428	25,608,143		262,167	91,410,738
Dividend Income			102,016		102,016
Trading Income/Loss (Net)			-8,861,710		-8,861,710
Other Income	5,974,625	1,280,124	79,311	16,615,945	23,950,005
Provision Expense	8,945,936	7,436,493	148,449	7,097,379	23,628,257
Other Expense	21,017,674	51,029,733		45,102,078	117,149,485
Income/Loss from Investments in Subsidiaries Accounted by Equity Method			37,899,758		37,899,758
Income Before Tax					38,173,767
Tax Provision					-7,343,678
Net Period Profit					45,517,445
Total Assets	1,131,791,558	500,174,177	927,147,077	764,663,625	3,323,776,437
Total Liabilities	648,722,646	1,380,081,905	727,448,547	567,523,339	3,323,776,437

SECTION FIVE: DISCLOSURES AND FOOTNOTES ON THE UNCONSOLIDATED FINANCIAL STATEMENTS

I. DISCLOSURES AND FOOTNOTES ON ASSETS

a. Cash and Central Bank of Turkey:

a.1. Cash and balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	13,641,216	33,942,782	9,316,389	25,978,070
Central Bank of Turkey	333,061,865	486,385,777	269,132,824	322,587,841
Other		9,599,676		2,451,534
Total	346,703,081	529,928,235	278,449,213	351,017,445

a.2. Information on balances with the Central Bank of Turkey:

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposit	175,342,517	158,420,549	161,734,742	120,315,264
Unrestricted Time Deposit				
Restricted Time Deposit				
Other (*)	157,719,348	327,965,228	107,398,082	202,272,577
Total	333,061,865	486,385,777	269,132,824	322,587,841

(*) The amount of reserve deposits held at the Central Bank of Turkey.

a.3. Information on reserve requirements:

As per the Communiqué no. 2013/15 “Reserve Deposits” of the Central Bank of the Republic of Turkey (“CBRT”), banks keep reserve deposits at the CBRT for their TL and FC liabilities mentioned in the communiqué.

The reserve deposit rates vary according to their maturity compositions; the reserve deposit rates are realized between 3% - 40% for TL deposits and other liabilities, between 22% - 32% for FC deposits and precious metal deposit accounts and between 5% - 25% for other FC liabilities. Additionally, an additional 2.5% reserve requirement in Turkish Lira is imposed on foreign currency deposits (excluding foreign bank deposits and precious metal accounts).

Liabilities subject to reserve requirements are calculated and set aside every two weeks on Friday for 14-day periods.

For the required reserves in Turkish Lira held by deposit banks, the Central Bank pays interest at rates determined by the CBRT for accounts with exchange rate/price protection support provided by the Central Bank and for Turkish Lira deposit accounts.

For foreign currency deposit/participation fund liabilities (excluding foreign bank deposits/participation funds the transition to Turkish Lira and the share of Turkish Lira, calculated on the amount required for reserve requirements and notice foreign currency deposit accounts (excluding the portion held in Turkish Lira).

b. Information on Financial Assets at Fair Value through Profit and Loss:

b.1. Financial Assets at fair value through profit and loss, which are given as collateral or blocked:

As of December 31, 2025, there are no financial assets at fair value through profit and loss, which are given as collateral or blocked (December 31, 2024: Not Available).

b.2. Financial assets at fair value through profit and loss, which are subject to repurchase agreements:

Financial assets at fair value through profit and loss, which are subject to repurchase agreements as of December 31, 2025, are amounting to TL 45,436,549 (December 31, 2024: TL 22,131,851).

b.3. TL 4,804,518 of other financial assets consists of the mutual funds; Quasar İstanbul Konut Gayrimenkul and Quasar İstanbul Ticari Gayrimenkul which were founded by İş Portföy Yönetimi A.Ş. (December 31, 2025: TL 3,559,392)

c. Positive differences on derivative financial assets held for trading:

Derivative Financial Assets at Fair Value Through Profit or Loss	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	958,398	289,753	1,095,284	798,104
Swap Transactions	496,683	17,525,667	1,808,312	12,083,725
Futures				
Options	44,065	349,898	14,159	365,480
Other				
Total	1,499,146	18,165,318	2,917,755	13,247,309

d. Information on Banks:

d.1. Information on Banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic Banks	333	885,128	316	1,181,245
Foreign Banks	18,639,901	105,735,827	9,651,782	42,095,981
Foreign Head Office and Branches				
Total	18,640,234	106,620,955	9,652,098	43,277,226

d.2. Information on foreign banks:

	Restricted Amount		Unrestricted Amount	
	Current Period	Prior Period	Current Period	Prior Period
EU Countries	46,487,703	7,285,117	115,207	335,030
USA, Canada	5,633,192	4,363,727	114,222	
OECD Countries (*)	36,186,634	12,217,832	1,277,994	2,670,579
Off-shore Banking Regions				
Other	14,129,546	10,891,270	20,431,230	13,984,208
Total	102,437,075	34,757,946	21,938,653	16,989,817

(*) OECD countries other than the EU countries, USA and Canada.

Expected credit loss for cash and cash equivalents:

	Current Period			Prior Period		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Beginning of period provisions	390,067			289,533		
Additional provisions within the period	42,633			72,706		
Transfers within the period	-69,789			-7,220		
Write-offs from Assets						
Transfer to Stage 1						
Transfer to Stage 2						
Transfer to Stage 3						
Currency Exchange Difference	151,636			35,048		
Current Period Ending Provisions	514,547			390,067		

e. Information on Financial Assets at Fair Value through Other Comprehensive Income:

e.1. Information on financial assets at Fair Value through Other Comprehensive Income, which are given as collateral or blocked:

Financial assets at fair value through other comprehensive income, which are given as collateral or blocked, amount to TL 59,632,718 as of December 31, 2025 (December 31, 2024: TL 67,269,604).

e.2. Information on financial assets at Fair Value Through Other Comprehensive Income, which are subject to repurchase agreements:

Financial assets at fair value through other comprehensive income, which are subject to repurchase agreements amount to TL 246,978,238 as of December 31, 2025 (December 31, 2024: TL 222,719,350).

e.3. Information on financial assets at Fair Value through Other Comprehensive Income:

	Current Period		Prior Period	
Debt Securities		476,286,338		389,391,441
Quoted on a Stock Exchange		217,846,472		116,243,365
Not- Quoted (*)		258,439,866		273,148,076
Share Certificates		5,517,835		3,292,752
Quoted on a Stock Exchange		4,552,936		3,102,722
Not-Quoted		964,899		190,030
Impairment Losses (-)		23,376,091		27,868,181
Other				
Total		458,428,082		364,816,012

(*) Refers to the debt securities, which are not quoted on the Stock Exchange, or which are not traded, although quoted, on the Stock Exchange at the end of the related period.

f. Information related to loans:

f.1. Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Lending to Shareholders				
Corporate Shareholders				
Individual Shareholders				
Indirect Lending to Shareholders				
Loans and Other Receivables to Employees	2,945,663	2,966	1,948,029	763
Total	2,945,663	2,966	1,948,029	763

f.2. Information about the Standard loans and loans under close monitoring and loans under close monitoring that have been restructured:

Cash Loans	Standard Loans	Loans Under Close Monitoring		
		Loans Not Subject to Restructuring	Restructured Loans	
			Loans with Revised Contract Terms	Refinance
Non-specialized loans	2,039,189,652	135,030,599	82,957,965	47,918,168
Corporation Loans	685,667,831	32,853,857	23,636,229	32,301,067
Export Loans	332,109,923	4,969,231	996,233	1,932,733
Import Loans				
Loans Extended to Financial Sector	55,659,421	164,489		
Consumer Loans	304,636,103	46,610,016		12,374,878
Credit Cards	457,001,152	38,368,237	50,054,286	
Other	204,115,222	12,064,769	8,271,217	1,309,490
Specialized Loans				
Other Receivables				
Total	2,039,189,652	135,030,599	82,957,965	47,918,168

	Current Period		Prior Period	
	Standard Loans	Loans Under Close Monitoring	Standard Loans	Loans Under Close Monitoring
12 Month Expected Credit Losses (Stage I)	11,528,569		6,562,546	
Significant Increase in Credit Risk (Stage II)		29,321,308		19,505,068

f.3. Information on Maturity analysis of cash loans:

Cash Loans	Standard Loans	Loans under close monitoring	
		Loans Not Subject to Restructuring	Restructured Loans
Short-term Loans and Other Receivables	1,066,484,552	84,062,456	25,412,862
Medium and Long-term Loans and Other Receivables	972,705,100	50,968,143	105,463,271

f.4. Information on consumer loans, retail credit cards, personnel loans and personnel credit cards(*):

	Short-Term	Medium and Long Term	Interest and Income Accruals	Total
Consumer Loans – TL	87,139,247	188,431,842	6,824,267	282,395,356
Real Estate Loans	142,671	85,685,647	1,449,645	87,277,963
Vehicle Loans	1,588,011	3,136,614	56,881	4,781,506
General Purpose Consumer Loans	85,408,565	99,609,581	5,317,741	190,335,887
Other				
Consumer Loans – FC Indexed		118	3,790	3,908
Real Estate Loans		118	3,790	3,908
Vehicle Loans				
General Purpose Consumer Loans				
Other				
Consumer Loans – FC				
Real Estate Loans				
Vehicle Loans				
General Purpose Consumer Loans				

Other				
Retail Credit Cards – TL	386,878,486	38,513,668	9,816,302	435,208,456
With Instalments	119,673,063	38,513,668	5,513,078	163,699,809
Without Instalments	267,205,423		4,303,224	271,508,647
Retail Credit Cards – FC	1,683,746			1,683,746
With Instalments				
Without Instalments	1,683,746			1,683,746
Personnel Loans-TL	462,764	631,697	80,751	1,175,212
Real Estate Loans	240	14,244	226	14,710
Vehicle Loans	2,797	5,695	100	8,592
General Purpose Consumer Loans	459,727	611,758	80,425	1,151,910
Other				
Personnel Loans- FC Indexed				
Real Estate Loans				
Vehicle Loans				
General Purpose Consumer Loans				
Other				
Personnel Loans – FC				
Real Estate Loans				
Vehicle Loans				
General Purpose Consumer Loans				
Other				
Personnel Credit Cards – TL	1,299,024	16,960	6,103	1,322,087
With Instalments	394,126	16,960		411,086
Without Instalments	904,898		6,103	911,001
Personnel Credit Cards-FC	13,726			13,726
With Instalments				
Without Instalments	13,726			13,726
Overdraft Accounts – TL (real persons)	77,312,521		2,734,000	80,046,521
Overdraft Accounts – FC (real persons)				
Total	554,789,514	227,594,285	19,465,213	801,849,012

(*) The amount of individual loans granted to non-resident individuals, totaling TRY 20,140,315 (credit cards: TRY 5,733,358; other consumer loans: TRY 14,406,957), has been excluded from the table.

f.5. Information on commercial instalments loans and corporate credit cards:

	Short-Term	Medium and Long Term	Interest and Income Accruals	Total
Commercial Loans with Instalments-TL	35,366,473	203,876,289	9,852,162	249,094,924
Real Estate Loans	19,045	3,847,959	444,884	4,311,888
Vehicle Loans	5,210,624	28,543,782	1,315,209	35,069,615
General Purpose Commercial Loans	30,136,804	171,484,548	8,092,069	209,713,421
Other				
Commercial Loans with Instalments-FC Indexed		9,034	98,372	107,406
Real Estate Loans				
Vehicle Loans				
General Purpose Commercial Loans		9,034	98,372	107,406
Other				
Commercial Loans with Instalments-FC	655,858	16,213,791	366,752	17,236,401
Real Estate Loans				
Vehicle Loans		3,474		3,474
General Purpose Commercial Loans	655,858	16,210,317	366,752	17,232,927

Other				
Corporate Credit Cards-TL	104,880,161	862,797	1,325,567	107,068,525
With Instalments	29,488,448	862,797		30,351,245
Without Instalments	75,391,713		1,325,567	76,717,280
Corporate Credit Cards-FC	127,135			127,135
With Instalments				
Without Instalments	127,135			127,135
Overdraft Accounts – TL (corporate)	28,640,742		553,203	29,193,945
Overdraft Accounts – FC (corporate)				
Total	169,670,369	220,961,911	12,196,056	402,828,336

f.6. Allocation of loan by borrowers:

	Current Period	Prior Period
Public	8,776,597	8,019,480
Private	2,296,319,787	1,614,464,446
Total	2,305,096,384	1,622,483,926

f.7. Domestic and foreign loans:

	Current Period	Prior Period
Domestic Loans	2,221,745,352	1,580,149,798
Foreign Loans	83,351,032	42,334,128
Total	2,305,096,384	1,622,483,926

f.8. Loans granted to subsidiaries and associates:

	Current Period	Prior Period
Direct Loans Granted to Subsidiaries and Associates	24,941,686	25,336,725
Indirect Loans Granted to Subsidiaries and Associates		
Total	24,941,686	25,336,725

f.9. Information on impairment provisions of Loans (Stage 3):

	Current Period	Prior Period
Loans with Limited Collectability	13,032,406	4,351,824
Loans with Doubtful Collectability	13,833,138	6,094,765
Uncollectible Loans	21,255,585	14,501,097
Total	48,121,129	24,947,686

f.10 Information on non-performing loans (Net):

f.10.1. Information on non-performing loans, which 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 provisions)	2,253,410	1,286,102	9,854,589
Restructured Loans	2,253,410	1,286,102	9,854,589
Prior Period			

(Gross amounts before the provisions)	1,111,288	489,045	4,968,306
Restructured Loans	1,111,288	489,045	4,968,306

f.10.2. Information on the movement of total non-performing loans:

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Non-Performing Loans
Prior Period Ending Balance	8,181,404	9,451,895	16,796,197
Corporate and Commercial Loans	2,144,320	2,391,073	13,409,450
Retail Loans	2,377,349	2,589,711	1,565,541
Credit Cards	3,659,735	4,471,111	1,690,211
Other			130,995
Additions (+)	76,738,762	480,988	1,184,753
Corporate and Commercial Loans	31,932,545	116,832	1,063,331
Retail Loans	16,447,044	60,225	11,513
Credit Cards	28,359,173	303,931	16,056
Other			93,853
Transfers from Other NPL Categories (+)		45,524,540	24,990,776
Corporate and Commercial Loans		17,157,040	9,081,780
Retail Loans		10,594,370	5,846,568
Credit Cards		17,773,130	10,062,428
Other			
Transfers to Other NPL Categories (-)	45,524,540	24,990,776	
Corporate and Commercial Loans	17,157,040	9,081,780	
Retail Loans	10,594,370	5,846,568	
Credit Cards	17,773,130	10,062,428	
Other			
Collections (-)	14,010,689	7,251,703	6,018,304
Corporate and Commercial Loans	3,574,364	2,252,728	3,863,904
Retail Loans	4,005,297	2,078,603	1,071,489
Credit Cards	6,431,028	2,920,372	1,009,250
Other			73,661
Write-Offs (-)	782	1,238	11,779
Corporate and Commercial Loans	171	177	221
Retail Loans	367	423	707
Credit Cards	244	638	10,851
Other			
Debt Sale (-) (**)			9,566,469
Corporate and Commercial Loans			704,280
Retail Loans			2,768,540
Credit Cards			6,093,649
Other			
Currency Change Effect	17,444	19,092	33,495
Corporate and Commercial Loans	16,508	11,596	30,687
Retail Loans	936	7,496	2,808
Credit Cards			
Other			
Current Period Ending Balance	25,401,599	23,232,798	27,408,669
Corporate and Commercial Loans	13,361,798	8,341,856	19,016,843
Retail Loans	4,225,295	5,326,208	3,585,694
Credit Cards	7,814,506	9,564,734	4,654,945
Other			151,187
Provisions (-)	13,032,406	13,833,138	21,255,585
Corporate and Commercial Loans	6,976,009	5,240,524	15,679,150
Retail Loans	1,654,127	2,440,930	1,976,635
Credit Cards	4,402,270	6,151,684	3,448,713
Other			151,087
Net Balance on Balance Sheet	12,369,193	9,399,660	6,153,084

(*) In March 2025, receivables amounting to 1,738,890 TL from the portfolio of non-performing loans were transferred to GSD Varlık Yönetim A.Ş., Hedef Varlık Yönetim A.Ş., Birikim Varlık Yönetim A.Ş., Dünya Varlık Yönetim A.Ş., Arsan Varlık Yönetim A.Ş., Denge Varlık Yönetim A.Ş. and Gelecek Varlık Yönetim A.Ş. through a cash collection of 617,500 TL as the sales price. In August 2025, receivables amounting to TL 5,049,750 from the portfolio of non-performing loans were transferred to GSD Varlık Yönetim A.Ş., Hedef Varlık Yönetim A.Ş., Birikim Varlık Yönetim A.Ş., Dünya Varlık Yönetim A.Ş., Gelecek Varlık Yönetim A.Ş., Ortak Varlık Yönetim A.Ş., İstanbul Varlık Yönetim A.Ş., Emir Varlık Yönetim A.Ş., and Tuna Varlık Yönetim A.Ş. through a cash collection of TL 998,500 as the sales price. In November 2025, receivables amounting to TL 2,777,829 from the portfolio of non-performing loans were transferred to GSD Varlık Yönetim A.Ş., Birleşim Varlık Yönetim A.Ş., Dünya Varlık Yönetim A.Ş., Doğru Varlık Yönetim A.Ş., Birikim Varlık Yönetim A.Ş. and İlke Varlık Yönetim A.Ş. through a cash collection of TL 598,000 as the sales price. After the sale of the portfolio consisting of written-off receivables and non-performing loan receivables, the Bank's non-performing loan ratio has decreased from 3.58% to 3.19% as of December 31, 2025.

f.10.3. Information on foreign currency non-performing loans:

	Group III	Group IV	Group V
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Current Period			
Balance at the End of the Period	2,702,140	1,320,663	10,612,342
Provisions (-)	1,434,963	886,842	8,985,720
Net Balance on Balance Sheet (*)	1,267,177	433,821	1,626,622
Prior Period			
Balance at the End of the Period	101,145	316,318	9,261,964
Provisions (-)	47,010	215,670	8,247,501
Net Balance on Balance Sheet (*)	54,135	100,648	1,014,463

(*) In addition to the loans extended in foreign currency, loans which are monitored in Turkish Lira are included.

f.10.4. Information on gross and net non-performing loans as per customer categories:

	Group III	Group IV	Group V
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Current Period (Net)	12,369,193	9,399,660	6,153,084
Loans to Individuals and Corporate (Gross)	25,401,599	23,232,798	27,257,482
Provisions (-)	13,032,406	13,833,138	21,104,498
Loans to Individuals and Corporate (Net)	12,369,193	9,399,660	6,152,984
Banks (Gross)			
Provisions (-)			
Banks (Net)			
Other Loans (Gross)			151,187
Provisions (-)			151,087
Other Loans (Net)			100
Prior Period (Net)	3,829,580	3,357,130	2,295,100
Loans to Individuals and Corporate (Gross)	8,181,404	9,451,895	16,665,202
Provisions (-)	4,351,824	6,094,765	14,388,123
Loans to Individuals and Corporate (Net)	3,829,580	3,357,130	2,277,079
Banks (Gross)			
Provisions (-)			
Banks (Net)			
Other Loans (Gross)			130,995
Provisions (-)			112,974
Other Loans (Net)			18,021

f.10.5. Information on interest accruals, valuation differences and related provisions calculated for non-performing loans:

	Group III	Group IV	Group V
	Loans with Limited Collectability	Loans with Doubtful Collectability	Uncollectible Loans
Current Period (Net)	1,457,751	1,560,805	918,696
Interest accruals and valuation differences	3,023,050	3,825,389	3,765,465
Provisions (-)	1,565,299	2,264,584	2,846,769
Prior Period (Net)	528,797	497,693	244,593
Interest accruals and valuation differences	1,123,423	1,408,183	1,914,946
Provisions (-)	594,626	910,490	1,670,353

f.10.6. Outline of the liquidation policy for uncollectible loans and other receivables:

In order to ensure the liquidation of non-performing loans, all possibilities evaluated to ensure maximum collection according to the legislation. Primarily, administrative initiatives are taken to deal with the borrower. Collection through legal proceedings is applied if there is no possibility of collection, liquidation or structuring for receivables through negotiations.

Our receivables that cannot be collected through administrative and legal initiatives can be written off from the assets within the framework of portfolio-based receivables sales or write-offs, by fulfilling the requirements of the Tax Procedure Law.

f.10.7. Information on write-off policy:

Receivables classified as non-performing loans are collected primarily within the framework of administrative contacts with the debtors, and if no result is obtained, legal proceedings are applied. In case of deletion of NPLs from assets, one of the methods of destruction, receivable sale and write-off can be applied.

In the Bank's write-off policy within the framework following the amendment made in Article 53 of the Banking Law with the Law on Income Tax and amending Certain Laws No. 19.07,2019/7186, along with the "Classification of Loans and the Procedures and Principles for the Reserves to be Allocated" published in the Official Gazette No. 27.11,2019 / 30961, the following statements are issued,

- The portion of the receivables, which are followed under the Fifth Group-Loans with a Loss Qualification and for which a lifetime expected credit loss provision has been made due to the default of the debtor, for which there is no reasonable expectation of its collection, can be write-off to the extent of the maximum provision amount,
- write-off is an accounting practice and does not result in the remission of the receivable

receivables that are proven to be uncollectible in legal follow-up process can be write-off within the instructions of Tax Procedure Law.

Expected Credit Loss

	Current Period			Prior Period		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Provisions beginning of the period	6,562,546	19,505,068	24,947,686	4,365,200	14,576,370	18,831,930
Additional provisions within the period	6,748,036	15,759,167	31,442,489	3,155,512	11,934,740	12,319,864
Transfers within the period	-2,096,141	-3,703,558	-1,317,773	-1,205,400	-6,459,982	-1,133,009
Write-offs from Assets			-9,580,268			-5,561,107
Transfer to Stage 1	1,140,979	-1,129,633	-11,346	650,410	-638,057	-12,353
Transfer to Stage 2	-760,516	845,425	-84,909	-331,547	358,470	-26,923
Transfer to Stage 3	-198,940	-2,483,891	2,682,831	-93,487	-429,094	522,581
Currency Exchange Difference	132,605	528,730	42,419	21,858	162,621	6,703
Provisions at the end of the period	11,528,569	29,321,308	48,121,129	6,562,546	19,505,068	24,947,686

g. Financial Assets Measured at Amortised Cost:**g.1. Financial Assets Measured at Amortised Cost given as collateral or blocked:**

Financial assets measured at amortised cost given as collateral or blocked amount to TL 31,702,216 as of December 31, 2025 (December 31, 2024: TL 55,252,961).

g.2. Financial Assets Measured at Amortised Cost subject to repurchase agreements:

Financial assets measured at amortised cost, which are subject to repurchase agreements amount to TL 119,477,996 as of December 31, 2025 (December 31, 2024: TL 134,152,568).

g.3. Information on government securities measured at amortised cost:

	Current Period	Prior Period
Government Bonds	237,645,841	236,094,919
Treasury Bills		
<i>Other Public Debt Securities</i>		
Total	237,645,841	236,094,919

g.4. Information on financial assets measured at amortised cost:

	Current Period	Prior Period
Debt Securities	257,206,715	255,910,777
Quoted on a Stock Exchange	241,634,572	238,080,076
<i>Not Quoted (*)</i>	15,572,143	17,830,701
Impairment Losses (-)		
Total	257,206,715	255,910,777

(*) Indicates unlisted debt securities, and debt securities that have not been traded at the end of the related periods while they are listed.

g.5. Movement of financial assets measured at amortised cost within the year:

	Current Period	Prior Period
Beginning Balance	255,910,777	196,022,961
Foreign Exchange Differences Arising on Monetary Assets	6,022,292	3,663,374
Purchases During the Year	54,858,273	122,095,482
Disposals through Sales and Redemption	-73,760,203	-88,787,420
Impairment Losses (-)		
Valuation effect	14,175,576	22,916,380
Balance at the End of the Period	257,206,715	255,910,777

Expected credit loss for financial assets measured at amortised cost

	Current Period			Prior Period		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Beginning Term Provision	168,703			194,003		
Additional Provisions During the Period	66,675			162,182		
Disposal During the Period	-140,334			-187,488		
Write-off						
Transfer to Stage 1						
Transfer to Stage 2						
Transfer to Stage 3						
Exchange Rate Differences	141			6		
Period-end Provisions	95,185			168,703		

h. Information on associates (Net):**h.1. General information on associates:**

No.	Title	Address (City/ Country)	Bank's Share Percentage-If Different, Voting Percentage (%)	Bank's Risk Group Share Percentage (%)
1-	Arap Türk Bankası A.Ş.	İstanbul/TÜRKİYE	20.58	20.58
2-	Kredi Kayıt Bürosu A.Ş.	İstanbul/TÜRKİYE	9.09	9.09

h.2. Information on financial statements of associates in the above order (*):

No.	Total Assets	Shareholders' Equity	Total Tangible Assets	Interest Income (**)	Securities Income	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value
1-	30,147,342	5,352,850	1,975,746	2,366,428	3,719	584,521	198,554	
2-	5,412,217	2,351,328	1,163,080	588,061	3,013	1,282,745	517,710	

(*) Shows September 30, 2025, amounts for Kredi Kayıt Bürosu A.Ş..

(**) Includes interest income on securities.

h.3. Movement of investments in associates:

	Current Period	Prior Period
Beginning Balance	630,092	475,064
Movements During the Period		
Purchases	351,992	
Bonus Shares Acquired		
Dividends Received from Current Year Profit		
Sales		
Revaluation Increase / Decrease(*)	333,047	155,028
Impairment		
Other		
Balance at the end of the period	1,315,131	630,092
Capital commitments		
Contribution in equity at the end of the period (%)		

(*) Represents the amount related to the capital increase of Arap Türk Bankası A.Ş.

(**) The differences arising from accounting by equity method is included.

h.4. Sectoral information on financial associates and the related carrying amounts:

Associates	Current Period	Prior Period
Banks	1,101,395	554,844
Insurance Companies		
Factoring Companies		
Leasing Companies		
Finance Companies		
Other Financial Participations		
Total	1,101,395	554,844

h.5. Associates quoted on a stock exchange: None.**h.6. Associates disposed of in the current period: None.****h.7. Associates acquired in the current period: None.**

i. Information on subsidiaries (Net)

i.1. Information on the equity of major subsidiaries:

	Türkiye Sınai Kalkınma Bankası A.Ş.	Insurance / Reinsurance Companies	İş Finansal Kiralama A.Ş.	İşbank AG
COMMON EQUITY TIER I CAPITAL				
Common Equity Tier I Capital Before Deductions	46,114,215	39,408,564	12,077,584	22,655,976
Deductions from Common Equity Tier I Capital (-)	1,573,397	641,165	90,000	83,146
Total Common Equity Tier I Capital	44,540,818	38,767,399	11,987,584	22,572,830
ADDITIONAL TIER I CAPITAL				
Additional Tier I Capital before Deductions	12,800,760			
Deductions from Additional Tier I Capital (-)				
Total Tier I Capital	57,341,578	38,767,399	11,987,584	22,572,830
TIER II CAPITAL				
Tier II Capital Before Deductions	2,627,572			
Deduction from Tier II Capital (-)				
Total Tier II Capital	2,627,572			
Total Tier I Capital and Tier II Capital	59,969,150	38,767,399	11,987,584	22,572,830
Total Tier I Capital and Tier II Capital				
EQUITY	59,969,150	38,767,399	11,987,584	22,572,830

i.2. General information on subsidiaries:

No	Title	Address (City/ Country)	Bank's Share Percentage-if Different, Voting Rights (%)	Bank's Risk Group Share Percentage (%)
1-	Anadolu Hayat Emeklilik A.Ş.	Istanbul/TÜRKİYE	63.92	84.92
2-	İş Finansal Kiralama A.Ş.	Istanbul/TÜRKİYE	30.52	60.97
3-	İş Gayrimenkul Yatırım Ortaklığı A.Ş.	Istanbul/TÜRKİYE	52.50	65.28
4-	İş Merkezleri Yönetim ve İşletim A.Ş.	Istanbul/TÜRKİYE	86.33	100.00
5-	İş Net Elektronik Bilgi Üretim Dağıtım Ticaret ve İletişim Hizmetleri A.Ş.	Istanbul/TÜRKİYE	100.00	100.00
6-	İş Yatırım Menkul Değerler A.Ş.	Istanbul/TÜRKİYE	65.74	70.78
7-	İşbank AG	Frankfurt-Main/GERMANY	100.00	100.00
8-	JSC İşbank	Moscow/RUSSIA	100.00	100.00
9-	JSC Isbank Georgia	Tbilisi/GEORGIA	100.00	100.00
10-	Kültür Yayınları İş Türk A.Ş.	Istanbul/TÜRKİYE	100.00	100.00
11-	Milli Reasürans T.A.Ş.	Istanbul/TÜRKİYE	87.60	87.60
12-	Trakya Yatırım Holding A.Ş.	Istanbul/TÜRKİYE	100.00	100.00
13-	Türkiye Sınai Kalkınma Bankası A.Ş.	Istanbul/TÜRKİYE	47.68	51.37
14-	Türkiye Şişe ve Cam Fabrikaları A.Ş.	Istanbul/TÜRKİYE	52.58	59.65

i.3. Financial statement information related to subsidiaries in the above order:

No	Total Assets	Shareholder s' Equity	Total Tangible Assets	Interest Income	Securities Income	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value (**)	Additional Shareholders' Equity Required
1-	443,673,308	13,657,246	940,634	5,903,793	542,395	5,994,213	4,305,802	42,419,500	
2-	101,221,396	13,453,550	141,903	16,848,584	446,770	3,630,137	1,925,193	11,524,641	
3-	53,248,022	46,875,610	44,569,261	532,897	753,621	10,372,739	11,080,257	20,421,375	
4-	2,414,919	689,750	779,793	134,344	43,384	187,707	174,702		
5-	1,749,037	277,665	111,572	47,213		96,522	26,672		
6-	114,986,022	34,998,443	7,143,439	13,662,383	6,919,719	15,045,759	12,489,979	60,255,000	
7-	111,522,065	24,864,729	391,203	5,690,441		1,213,958	1,331,536		
8-	33,432,662	4,558,244	273,035	3,513,063	118	2,199,294	1,287,802		
9-	9,957,961	2,549,892	162,502	589,536		186,175	144,543		
10-	757,483	522,997	8,574	20,504	59,367	183,916	95,498		
11-	49,817,462	26,338,377	215,956	2,623,767	1,899,381	9,776,419	5,933,631		
12-	47,619,922	31,694,792	13,257,013	636,587	1,354,742	2,929,386	1,148,454		
13-	334,293,518	46,463,725	7,545,974	37,142,909	986,817	11,427,146	10,356,755	34,832,000	
14-	453,750,636	224,166,373	279,704,926	14,223,423	-54,173	13,042,325	13,404,573	118,423,855	

(*) Fair value represents the company's market value.

The financial statement information presented in the table above represents amounts where inflation accounting has not been applied, as disclosed by the companies in their public financial reports or special situation disclosures. When preparing the Bank's financial statements, these balances have been adjusted in accordance with the requirements of the equity method defined in IAS 28, in line with the group's accounting policies

i.4. Movement of investments in subsidiaries:

	Current Period	Prior Period
Balance at the Beginning of the Period	203,553,275	143,978,072
Movements in the Period		
Purchases (*)	3,635,264	4,143,863
Bonus Shares Acquired		
Dividends Received from Current Year Profit		
Sales(**)	-70,876	
Revaluation Surplus/Deficit (***)	68,143,899	55,431,340
Impairment		
Balance at the End of the Period	275,261,562	203,553,275
Capital Commitments		
Contribution in equity at the end of the period (%)		

(*) The current period balance is due to the stock purchases from the publicly traded shares of Türkiye Şişe ve Cam Fabrikaları A.Ş., İş Gayrimenkul Yatırım Ortaklığı A.Ş., Anadolu Hayat Emeklilik A.Ş., and İş Finansal Kiralama A.Ş., and the capital increase of Trakya Yatırım Holding A.Ş.

(**) Includes the balance of Moka Ödeme Kuruluşu A.Ş., which was merged under Moka United Ödeme Hizmetleri ve Elektronik Para Kuruluşu A.Ş., resulting in the loss of control.

(***) The differences arising from accounting by equity method is included.

i.5. Sectoral information on financial subsidiaries and the related carrying amounts:

Related Companies	Current Period	Prior Period
Banks	54,218,900	38,145,018
Insurance Companies	35,979,015	22,573,033
Factoring Companies		
Leasing Companies	3,111,723	2,021,433
Finance Companies		
Other Financial Subsidiaries	45,285,171	36,105,744
Total	138,594,809	98,845,228

i.6. Subsidiaries quoted on stock exchange:

	Current Period	Prior Period
Traded on domestic stock exchanges	185,546,521	142,938,830
Traded on foreign stock exchanges		
Total	185,546,521	142,938,830

i.7. Subsidiaries disposed of in the current period:

Moka Ödeme Kuruluşu A.Ş., which lost control following its merger under Moka United Ödeme Hizmetleri ve Elektronik Para Kuruluşu A.Ş., has been accounted for under the Jointly Controlled Entities account.

i.8. Subsidiaries acquired in the current period: None.**j. Information on Jointly Controlled entities:****j.1. General Information on jointly controlled entities:**

Title	Address (City/ Country)	Bank's Share Percentage-if Different, Voting Rights (%)	Bank's Risk Group Share Percentage (%)
Moka United Ödeme Hizmetleri ve Elektronik Para Kuruluşu A.Ş.	İstanbul/TÜRKİYE	20.83	50.00

(*) Trakya Yatırım Holding A.Ş. holds a 22.92% stake in Moka United Ödeme Hizmetleri ve Elektronik Para Kuruluşu A.Ş., however, only the Bank's direct shareholdings are classified under jointly controlled entities (joint ventures).

j.2. Financial Information on Jointly Controlled Entities:

Total Assets	Shareholders' Equity	Total Tangible Assets	Interest Income (**)	Securities Income	Current Period Profit/Loss	Prior Period Profit/Loss	Fair Value
21,575,057	9,992,192	8,985,465	605,442		6,787,694		

(*) Includes income from interest on securities.

j.3. Statement of Movements on Jointly Controlled Entities

	Current Period	Prior Period
Balance at the Beginning of the Period		
Movements in the Period	70,876	
Purchases (*)		
Bonus Shares Acquired		
Dividends Received from Current Year Profit		
Sales	445,305	
Revaluation Surplus/Deficit (**)		
Impairment	1,412,612	
Balance at the End of the Period	1,928,793	
Capital Commitments (***)		
Contribution in equity at the end of the period (%)		
Balance at the Beginning of the Period		

(*) Represents the amount classified within jointly controlled entities portfolio related to Moka United Ödeme Hizmetleri ve Elektronik Para Kuruluşu A.Ş.

(**) The differences arising from accounting by equity method is included.

(***) Represents the net gain arising from the disposal of the Bank's shares in its subsidiary, Moka Ödeme Kuruluşu A.Ş. ("Moka"), and the simultaneous acquisition of shares in Moka United Ödeme Hizmetleri ve Elektronik Para Kuruluşu A.Ş. ("Moka United Payment"). This gain stems from the difference between the provisional fair value of the Moka United Payment shares at the acquisition date and the carrying amount of the investment recognized in connection with the transaction.

j.4. Sector Information and Recorded Amounts Related to Jointly Controlled Entities

Related Companies	Current Period	Prior Period
Banks		
Insurance Companies		
Factoring Companies		
Leasing Companies		
Finance Companies		
Other Financial Participations	1,928,793	
Total	1,928,793	

j.5. Jointly Controlled Entities quoted on a stock exchange: None.

j.6. Jointly Controlled Entities disposed of in the current period: None.

j.7. Jointly Controlled Entities acquired in the current period:

Following the merger of the subsidiary Moka Ödeme ve Elektronik Para Kuruluşu A.Ş. with Birleşik Ödeme Hizmetleri ve Elektronik Para A.Ş., the new company was registered under the name "Moka United Ödeme Hizmetleri ve Elektronik Para Kuruluşu Anonim Şirketi." The 20.83% stake, initially classified under associates, has been accounted for as a jointly controlled entity considering the decision-making power granted by the additional shares acquired by Trakya Yatırım Holding during the period.

k. Information regarding finance lease receivables of the Bank (Net):

The Bank has no finance lease receivables.

l. Explanations on derivative financial assets held for risk management:

The Bank has no derivative financial assets held for risk management.

m. Information on tangible assets (net):

	Real Estates	Leased Tangible Assets	Buildings Under Construction	Vehicles	Other Tangible Assets	Total
Prior Period						
Cost	41,242,844	9,379,404	2,625,501	248,664	9,200,668	62,697,081
Accumulated Depreciation	-28,967	-4,358,091		-50,357	-4,580,427	-9,017,842
Net Book Value	41,213,877	5,021,313	2,625,501	198,307	4,620,241	53,679,239
Current Period End:						
Net Book Value at the Beginning of the Period	41,213,877	5,021,313	2,625,501	198,307	4,620,241	53,679,239
Change During the Period (Net) (*)	10,529,773	4,826,168	4,245,565	122,933	3,053,747	22,778,186
Depreciation	-229,634	-2,174,471		-64,990	-1,461,853	-3,930,948
Impairment	-104,776					-104,776
Net Currency Translation Differences (*)		26,189		847	6,905	33,941
Cost at the Period End	51,449,768	14,857,974	6,871,066	367,760	12,231,117	85,777,685
Accumulated Depreciation at the Period End	-40,528	-7,158,775		-110,663	-6,012,077	-13,322,043
Closing Net Book Value	51,409,240	7,699,199	6,871,066	257,097	6,219,040	72,455,642

(*) The balance includes the movements in cost and accumulated depreciation items.

n. Information on Intangible Assets:

	Current Period	Prior Period
Net Book Value at the Beginning of the Period	11,318,680	6,398,654
Change During the Period (Net) (*)	10,950,728	7,066,650
Depreciation	-3,695,473	-2,148,478
Impairment		
Net Currency Translation Differences (*)	3,030	1,854
Cost at the Period End	28,868,701	17,909,260
Accumulated Depreciation at Period End	-10,291,736	-6,590,580
Closing Net Book Value	18,576,965	11,318,680

(*) The balance includes the movements in cost and accumulated depreciation items.

o. Explanations on investment property:

The Bank has no investment property.

m. Information on deferred tax asset:

The bank has deferred tax assets of TL 24,402,218 (28,969,422TL deferred tax liability as of December 31, 2024) bas of December 31, 2024. The deferred tax asset in question is calculated on the basis of temporary differences between assets and transfers that are tracked with book value in the Bank's records and their tax bases calculated in accordance with the tax legislation. If the items that constitute temporary differences are tracked among equity items, the deferred tax asset related to the recoverable portion of taxable profits that will be obtained in future periods is calculated over these temporary differences, and the deferred tax asset/liability calculated over these temporary differences is associated with the relevant equity items.

	Current Period	Prior Period
Deferred Tax (Asset)/Liability:		
Tangible Assets Base Differences (*)	5,448,239	2,715,015
Provisions (**)	-21,617,671	-18,330,082
Valuation of Financial Assets	6,699,202	-821,845
Other (***)	-14,931,988	-12,532,510
Net Deferred Tax (Asset)/Liability:	-24,402,218	-28,969,422

(*) Deferred tax assets have been recognized based on the inflation adjustment provisions of Article 33 of the Tax Procedure Law and the revaluation provisions of Article 298/Ç of the Tax Procedure Law.

(**) Employee rights liabilities consist of pension fund actual and technical deficit, credit card points provisions, expected loss provisions for I. and II. stage loans and other provisions.

(***) The current period amount also includes deferred tax assets related to the financial loss, as well as foreign branch exchange differences and various other items, with usability until 2029.

	Current Period	Prior Period
Beginning Value	28,969,422	12,090,016
Deferred Tax Income / (Expense) (Net)	-1,830,162	8,881,724
Deferred Tax Accounted Under Equity	-2,738,135	8,545,356
Deferred Tax Accounted Under Previous Year P / L		-547,570
Exchange rate differences	1,093	-104
Net Deferred Tax (Asset)/Liability:	24,402,218	28,969,422

n. Information on assets held for sale and discontinued operations:

	Current Period	Prior Period
Balance at the Beginning of the Period	29,674	1,540,594
Transfers (Net)	62,032	-1,510,822
Depreciation (Net)		
Impairment Losses (-)		-98
Balance at the End of the Period	91,706	29,674

(*) Includes the balances related to Greeneco Enerji Elektrik Üretim A.Ş., which were previously classified under Other Assets in the prior period, reclassified in the current period under Non-current Assets Held for Sale and Discontinued Operations, and subsequently sold. Details are provided in Note VII-b.6 of the Fifth Section.

The other assets classified as “Assets Held for Sale” consist of securities and real estates. Those real estates subject to sale are announced on the Bank’s web site. Announcements about the real estates subject to sale are also made by means of newspaper advertisements and similar media.

The Bank has no discontinued operations.

o. Information on Other Assets:

The “other assets” item of the balance sheet does not exceed 10% of total assets.

II. DISCLOSURES AND FOOTNOTES ON LIABILITIES

a. Information on Deposits:

a.1. The maturity structure of deposits (current period):

Current Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Months to 1 Year	1 Year and Over	Accumulated Deposits	Total
Savings Deposits	148,297,450		102,851,830	550,163,829	76,480,961	2,289,609	3,367,375	5,275	883,456,329
Foreign Currency Deposits	624,827,325		33,244,051	153,327,759	14,457,903	6,246,961	38,921,320	1,087	871,026,406
Residents in Turkey	519,360,593		29,131,259	114,555,912	10,930,869	1,986,512	5,109,241	1,087	681,075,473
Residents Abroad	105,466,732		4,112,792	38,771,847	3,527,034	4,260,449	33,812,079		189,950,933
Public Sector Deposits	16,599,861		97,891	854,909	114,740	277,316	6		17,944,723
Commercial Deposits	124,466,357		257,410,609	289,631,619	63,252,446	1,166,677	157,104		736,084,812
Other Institutions Deposits	3,825,019		3,693,211	37,654,235	5,840,370	79,119	1,335		51,093,289
Precious Metals Deposits	403,055,730		5,805	36,968,256	4,270,599	24,500,481	1,243,092		470,043,963
Interbank Deposits	5,111,357		53,243,935	3,633,504	198	2,586,928	4,674,212		69,250,134
The Central Bank of the Republic of Turkey	2,019								2,019
Domestic Banks	57,345		42,425,408	2,850,113					45,332,866
Foreign Banks	5,051,794		10,818,527	783,391	198	2,586,928	4,674,212		23,915,050
Participations Banks	199								199
Other									
Total	1,326,183,099		450,547,332	1,072,234,111	164,417,217	37,147,091	48,364,444	6,362	3,098,899,656

Within the framework of the ""Communiqué on Supporting the Transformation into Turkish Lira Deposits and Participation Accounts" published in the Official Gazette dated February 24, 2022 and numbered 31760 and the CBRT's communiques numbered 2021/14, 2021/16, 2022/7 and 2022/11, the Bank offers its customers a TL deposit product with exchange rate protection. As of December 31, 2025, the amount of the foreign exchange-protected deposits opened within this scope is TL 10,873,157 (31.12.2024: 145,485,017 TL).

Prior Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Months to 1 Year	1 Year and Over	Accumulated Deposits	Total
Savings Deposits	103,601,082		43,374,108	365,355,340	190,225,901	5,224,033	10,655,257	4,897	718,440,618
Foreign Currency Deposits	473,258,549		35,365,270	137,408,307	15,560,451	9,178,772	27,065,322	2,874	697,839,545
Residents in Turkey	398,404,506		32,353,980	105,288,395	12,507,253	2,221,523	4,777,419	2,874	555,555,950
Residents Abroad	74,854,043		3,011,290	32,119,912	3,053,198	6,957,249	22,287,903		142,283,595
Public Sector Deposits	7,991,829		366,595	583,038	127,838		6		9,069,306
Commercial Deposits	74,817,528		164,490,634	108,502,682	43,610,868	2,355,933	15,704,829		409,482,474
Other Institutions Deposits	5,271,088		6,470,540	16,323,684	5,113,612	66,198	2,519		33,247,641
Precious Metals Deposits	171,360,129		4,422	9,897,194	1,764,738	10,848,552	590,863		194,465,898
Interbank Deposits	2,600,740		44,000,976	8,207,452	824,717	1,273,271	7,664,548		64,571,704
The Central Bank of the Republic of Turkey	1,207								1,207
Domestic Banks	45,853		41,946,350	1,555,813					43,548,016
Foreign Banks	2,552,742		2,054,626	6,651,639	824,717	1,273,271	7,664,548		21,021,543
Participations Banks	938								938
Other									
Total	838,900,945		294,072,545	646,277,697	257,228,125	28,946,759	61,683,344	7,771	2,127,117,186

a.2. Savings deposits which are under the guarantee of Savings Deposits Insurance Fund exceeding the insurance limit:

Savings Deposits	Under the Guarantee of Savings Deposits Insurance Fund		Exceeding the Limit of Deposit Insurance Fund	
	Current Period	Prior Period	Current Period	Prior Period
Savings Deposits	424,680,039	296,130,386	447,489,869	415,169,414
Foreign Currency Savings Deposits	227,338,219	180,312,282	327,689,685	282,017,177
Other Deposits in the Form of Savings Deposits	175,972,233	85,739,717	271,205,009	98,328,906
Foreign Branches' Deposits Under Foreign Authorities' Insurance	25,072,938	17,066,181	23,054,481	17,594,139
Off-shore Banking Regions' Deposits Under Foreign Authorities Insurance				

(*) As per the amendment published in the Official Gazette No. 31936 on 27 August 2022, the determination of insurable deposits has been revised, whereby deposits up to TL 950 (previously TL 650) at domestic branches of banks, excluding those belonging to official institutions and credit or financial institutions, are now covered by insurance in the current period. Accordingly, there is a commercial deposit amount of TL 70,427,150 (31 December 2024: 48,842,920 TL) under insurance in the current period, which is not shown in the table.

a.3. Savings deposits which are not under the guarantee of deposit insurance fund:

	Current Period	Prior Period
Foreign Branches' Saving Deposits and Other Accounts	23,054,481	17,594,139
Deposits and Other Accounts held by Main Shareholders and their Relatives		
Deposits and Other Accounts of the Chairperson and Members of Board of Directors, Chief Executive Officer, Senior Executive Officers and their Relatives	135,287	139,177
Deposits and Other Accounts Covered by Assets Generated Through the Offenses Mentioned in Article 282 of the Turkish Criminal Code No.5237 and Dated 26 September 2004		
Deposits in the Banks to be Engaged Exclusively in Off-shore Banking in Turkey		

b. Information on Derivative Financial Liabilities Held for Trading:

Derivative Financial Liabilities at Fair Value Through Profit or Loss	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	299,471	1,712,505	2,780	2,169,991
Swap Transactions	197,433	6,475,436	163,267	8,021,396
Futures				
Options	49,151	354,683	96,427	331,258
Other				
Total	546,055	8,542,624	262,474	10,522,645

c. Banks and other financial institutions:

c.1. Information on banks and other financial institutions:

	Current Period		Prior Period	
	TL	FC	TL	FC
Funds borrowed from the Central Bank of Turkey				
Domestic banks and Institutions	3,381,278	7,317,694	1,567,070	6,825,092
Foreign banks, institutions and funds	1,220,656	216,809,744	38,155,848	164,545,089
Total	4,601,934	224,127,438	39,722,918	171,370,181

c.2. Maturity analysis of funds borrowed:

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-term	685,686	21,199,167	24,053,890	16,008,152
Medium and Long-term	3,916,248	202,928,271	15,669,028	155,362,029
Total	4,601,934	224,127,438	39,722,918	171,370,181

c.3. Information on funds borrowed:

Information on funds received through syndicated loans and securitization deals, which take a significant place among funds borrowed, are given below.

Syndication loans:

Date of Use	Funds Borrowed	Maturity
June 2025	751,000,000 USD + 513,450,000 EUR	1 year
November 2025	800,500,000 USD + 331,100,000 EUR	1 year

Securitization deals:

The Bank obtained funds by way of putting on securitization deals all its claims and receivables based on diversified payment rights in USD, EUR and GBP through TIB Diversified Payment Rights Finance Company.

Information on funds received through securitization is given below.

Date	Structured Entity	Amount	Final Maturity	Remaining Debt Amount as at December 31, 2025
December 14	TIB Diversified Payment Rights Finance Company	220,000,000 USD	14 years	60,000,000 USD
March 15	TIB Diversified Payment Rights Finance Company	15,000,000 USD	15 years	7,968,750 USD
October 16	TIB Diversified Payment Rights Finance Company	55,000,000 USD	12 years	16,097,556 USD
December 16	TIB Diversified Payment Rights Finance Company	158,800,000 USD	10-13 years	36,720,477 USD
December 17	TIB Diversified Payment Rights Finance Company	125,000,000 USD	9 years	29,761,905 USD
August 22	TIB Diversified Payment Rights Finance Company	227,000,000 USD	5 years	122,230,769 USD
November 23	TIB Diversified Payment Rights Finance Company	195,000,000 USD	5 years	180,000,000 USD
November 23	TIB Diversified Payment Rights Finance Company	50,000,000 EUR	5 years	46,153,846 EUR
February 24	TIB Diversified Payment Rights Finance Company	140,000,000 USD	5-6 years	140,000,000 USD
May 24	TIB Diversified Payment Rights Finance Company	221,855,000 USD	5-6 years	221,855,000 USD
September 24	TIB Diversified Payment Rights Finance Company	450,000,000 USD	10 years	450,000,000 USD
September 24	TIB Diversified Payment Rights Finance Company	100,000,000 EUR	10 years	100,000,000 EUR

d. Information on Debt Securities Issued (Net):

	Current Period		Prior Period	
	TL	FC	TL	FC
Bills	9,740,766		1,356,385	
Bonds		104,262,503	3,920,156	50,329,132
Total	9,740,766	104,262,503	5,276,541	50,329,132

e. Concentration on the Bank's liabilities:

67% of the Bank's liabilities consists of deposits, 5% of loans borrowed, 4% of securities issued and Tier II subordinated loans. Deposits have spread to a wide customer base with different characteristics. Borrowings are composed of funds obtained from various financial institutions through syndication, securitization, post-financing and money markets.

f. Information on Other Liabilities:

Other liabilities do not exceed 10% of the balance sheet total.

g. Information on Lease Payables (net):

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 Year	177,660	166,770	159,010	142,237
Between 1-4 Years	1,731,171	1,305,738	942,357	692,814
More than 4 Years	16,204,970	6,961,136	10,906,973	4,716,781
Total	18,113,801	8,433,644	12,008,340	5,551,832

h. Explanations on Hedging Derivative Financial Liabilities:

The bank has no financial liabilities held for hedging derivatives.

i. Information on Provisions:**i.1. Reserves for employee benefits:**

The Bank is obligated to pay severance compensation to employees who retire, pass away, leave due to military service, or are terminated as specified in the relevant legislation and collective bargaining agreements. Additionally, female employees who resign within one year of marriage are entitled to severance pay. According to the relevant legislation, severance pay is one month's salary for each year of service. As of the balance sheet date, the monthly salary amount is considered without exceeding the severance pay ceiling. The provision for severance pays is calculated by estimating the present value of the probable future payments that will be required upon employees' retirement. The liability of the Bank arising from severance payment is determined in accordance with the actuarial report prepared by an independent valuation company. As of December 31, 2025 provision amounting to TL 8,449,698 is reflected in the financial statements (December 31, 2024: TL 5,549,318).

Main actuarial assumptions used in calculation of severance pay liability are as follows:

- In the calculation, the discount rate is 26.60%, the inflation rate is 21.82%, and the real wage increase rate is 2%.
- In the calculation, the ceiling of 53,919.68 TL (full TL amount) valid as of 31.12.2025 was taken as basis.
- Retirement age is taken into account as the earliest age at which individuals can retire

The movements related to provision for employee termination benefits are given below:

	Current Period	Prior Period
Present value of defined benefit obligation at the beginning of the period	5,549,318	5,269,706
Service Cost	434,463	367,490
Interest Cost	1,323,860	1,008,920
Benefits paid	-163,286	-2,292,214
Loss/(Gain) due to Settlements / Reductions / Terminations	36,169	21,393
Past Service Cost	1,923	
Actuarial loss/(gain)	1,267,251	1,174,023
Defined benefit obligation at the end of the period	8,449,698	5,549,318

The sensitivity of the defined benefit obligation for past service on December 31, 2025 to assumptions is as follows:

- If the discount rate is increased by 1% per year, the defined benefit obligation decreases by 9.1%.
- If the discount rate is decreased by 1% per year, the defined benefit obligation increases by 10.5%.
- If the annual inflation rate is increased by 1%, the defined benefit obligation increases by 10.9%.
- If the annual inflation rate is decreased by 1%, the defined benefit obligation decreases by 9.6%.

In addition to the employee termination benefits the Bank allocates provisions for the unused vacation pay liability. As of December 31, 2025, provision for unused vacation pay is amounting to TL 1,118,751 (December 31, 2024: TL 709,047).

i.2. Provisions for exchange losses in the principal amount of foreign currency indexed loans: Since foreign currency indexed loans are followed based on the rates on the lending date, the Bank incurs a loss if the exchange rates decrease and makes profit if the exchange rate increases. As of December 31, 2025, and December 31, 2024, provision amount for the currency evaluation losses in the principal amount of foreign currency indexed loans is not available.

i.3. As of December 31, 2025, the Bank's provisions for non-cash loans for Stage 1 and Stage 2 non-cash loans amount to TL 3,979,997 (December 31, 2024: TL 1,412,580). As of December 31, 2025, the Bank's specific provisions for indemnified non-cash loans balance is TL 2,610,522 (December 31, 2024: TL 2,627,584) which is allocated for the non-cash loans of companies whose loans are followed under "Non-performing Loans" accounts.

i.4. Information on other provisions:

i.4.1. Liabilities arising from retirement benefits:

Liabilities of pension funds founded as per the Social Security Act:

Within the scope of the explanations given in Section Three Note XVII, in the actuarial report which was prepared as of December 31, 2025 for Türkiye İş Bankası A.Ş. Emekli Sandığı Vakfı (İşbank Pension Fund) by a licensed actuary, of which each Bank employee is a member, and which has been established according to the provisional Article 20 of the Social Security Act No. 506, the amount of actuarial and technical deficit stands at TL 15,345,552. As of the same date, a provision was reserved for this amount in the financial statements.

The above-mentioned actuarial audit, which was made in accordance with the principles of the related law, measures the cash value of the liability as of December 31, 2025, in other words; it measures the amount to be paid to the Social Security Institution by the Bank. Actuarial assumptions used in the calculation are given below.

-9.8% technical deficit interest rate is used.

-35.75% total premium rate is used.

-CSO 1980 woman/man mortality tables are used.

In addition, the "Prime-Based Ceiling Wage Increase" is determined based on the "Prime-Based Ceiling Wage" set by the Social Security Institution (SGK). A real increase above inflation is assumed for the earnings of members paying contributions and the maximum wage, taking into account realizations from previous periods.

In calculating the liability amount for period-based benefits, certain actuarial assumptions in addition to those mentioned above are used. Within this framework, the final liability amount that the Bank will bear upon the occurrence of the transfer may vary depending on factors such as discount rates, mortality rates, pension increases, salary increases of active members, and turnover rates.

Below table shows the cash values of premium and salary payments of the Bank as of December 31, 2025, taking the health expenses within the Social Security Institution limits into account.

	Current Period	Prior Period
Net Present Value of Total Liabilities Other Than Health	-154,536,637	-110,173,970
Net Present Value of Long-Term Insurance Line Premiums	83,769,791	52,768,803
Net Present Value of Total Liabilities Other Than Health	-70,766,846	-57,405,167
Net Present Value of Health Liabilities	-16,040,460	-11,408,363
Net Present Value of Health Premiums	58,838,306	38,916,992
Net Present Value of Health Liabilities	42,797,846	27,508,629
Pension Fund Assets	12,623,448	8,795,720
Amount of Actuarial and Technical Deficit	-15,345,552	-21,100,818

The assets of the pension fund are as follows.

	Current Period	Prior Period
Cash and Cash Equivalents	4,731,158	7,071,179
Securities Portfolio	5,942,199	634,320
Other	1,950,091	1,090,221
Total	12,623,448	8,795,720

Health benefits that are still being paid will be determined within the framework of the Social Security Institution legislation and related regulations with the transfer.

i.4.2. Provision of credit cards and promotion of banking services applications: As of December 31, 2025, the Bank has recognized provisions amounting to TL 1,553,914 for the amount which is recognized within the framework of credit card expenses of credit card customers or promotions for banking services. (December 31, 2024: TL 1,198,281).

i.4.3. Other provisions, expense provisions, provisions for ongoing lawsuits, and various other provisions are included beyond those mentioned above.

j. Information on Tax Liability:

j.1. Information on current tax liability:

j.1.1. Information on tax provision:

Explanations in relation to taxation and tax calculations were stated in section three notes XVIII. As of December 31, 2025, the remaining corporate tax debt as a result of netting of temporary taxes paid with corporate tax liability is TL 750,244. (December 31, 2024: TL 393,747)

j.1.2. Information on taxes payable:

	Current Period	Prior Period
Corporate Tax Payable	750,244	393,747
Tax on Securities Income	9,894,937	3,833,201
Tax on Real Estate Income	24,467	15,750
Banking Insurance Transaction Tax	6,071,734	4,535,558
Foreign Exchange Transaction Tax	136,215	57,312
Value Added Tax Payable	477,489	273,503
Other	1,270,600	756,776
Total	18,625,686	9,865,847

j.1.3. Information on premiums:

	Current Period	Prior Period
Social Security Premiums – Employees	6,314	4,020
Social Security Premiums – Employer	7,285	4,639
Bank Pension Fund Premiums – Employees		
Bank Pension Fund Premiums – Employer		
Pension Fund Membership Fees and Provisions-Employees		
Pension Fund Membership Fees and Provisions-Employer		
Unemployment Insurance – Employees	28,196	19,880
Unemployment Insurance – Employer	56,393	39,760
Others		
Total	98,188	68,299

j.2. Information on deferred tax liabilities: None**k. Information on Payables for Assets Held for Sale and Discontinued Operations**

The Bank does not have any payables for assets held for sale and discontinued operations.

l. Information on subordinated loans

Bank has issued subordinated debt securities, to be included in the contribution capital calculation, with the following nominal values;

- 11 year-term having a call option on 6th year in the amount of USD 500,000,000 with interest rate of 7% on June 29, 2017 and 10,5 year-term having a call option on 5,5th year in the amount of USD 500,000,000 with interest rate of 7.38% (effective from June 29, 2023 with an interest rate of 9.192%) on September 29, 2025 for the purpose of making available to the individuals and legal persons who are resident abroad,
- TL 1,100,000 on August 8, 2017, TL 800,000 June 19, 2019, and TL 350,000 September 26, 2019 (Full TL amount) each with a 10-year maturity and floating interest rates for qualified investors without being offered to the public in Turkey.

The following debt instrument will be included in the calculation of nominal contributory capital:

- On January 15, 2025, the Bank issued additional Tier 1 capital instruments denominated in USD 500,000,000 nominal value, with a 5.5-year call option and no maturity date, carrying an interest rate of 9.13%, targeted at non-resident individuals and legal entities abroad.

The total carrying amount of these debt securities amounts to TRY 67,559,157 as of December 31, 2025 (December 31, 2024: TRY 46,985,333).

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt Instruments To Be Included In Additional Capital Calculation		22,199,579		
Subordinated Loans				
Subordinated Debt Instrument		22,199,579		
Debt Instruments To Be Included In Contribution Capital Calculation	2,340,553	43,019,025	2,340,183	44,645,150
Subordinated Loans				
Subordinated Debt Instrument	2,340,553	43,019,025	2,340,183	44,645,150
Total	2,340,553	65,218,604	2,340,183	44,645,150

m. Information on shareholders' equity:**m.1. Presentation of paid-in capital:**

	Current Period	Prior Period
Common shares	24,999,970	24,999,970
Preferred shares	30	30
Total	25,000,000	25,000,000

m.2. Explanation as to whether the registered share capital system ceiling is applicable at the Bank, if so, the amount of registered share capital:

Capital System	Paid-in Capital	Ceiling
Registered Capital System	25,000,000	100,000,000

m.3. The capital increase made in current period: None

m.4. Information on capital increase through transfer from capital reserves during the current period: None.

m.5. Significant commitments of the Bank related to capital expenditures within the last year and the following quarter, the general purpose thereof, and the estimation of funds required for them: There is no capital commitment.

m.6. Information regarding the shares of the company acquired:

In accordance with the decision of the Board of Directors dated August 17, 2018, the Bank repurchased 130 million shares, representing 2.89% of the capital, between August 28, 2018 and December 31, 2018. By resolution of the Board of Directors dated May 31, 2019, the General Management was authorized to sell the said shares at a selling price not lower than the cost of repurchase. After the free capital increases on June 14, 2022 and February 27, 2024, the number of shares reached 722,200,364.31, of which 306,000,000 shares, representing 1.22% of the capital, were sold on Borsa İstanbul on December 13, 2024. The pre-tax gain of TL. 3,845,106 resulting from this sale was recognized in equity in accordance with Capital Markets Board Communiqué II-22.1 on Repurchased Shares and was not recognized in the income statement.

m.7. Previous periods' indicators related to income, profitability and liquidity, and the estimated effects of forecasts, which are to be made by taking into consideration the uncertainties of these indicators, on the Bank's equity: The Bank's balance sheet is managed in a prudent way to ensure that the effect of risks arising from interest rates, exchange rates and loans is at the lowest level.

m.8. Privileges Granted to Shares:

Turkish Commercial Law and related registration are kept conditionally;

Group (A) shares each with a nominal value of 1 Kurus have the privileges of;

- Receiving 20 times the number of shares in the distribution of bonus shares issued from conversion of extraordinary and revaluation reserves generated in accordance with the relevant laws (Article 18 of the Articles of Incorporation)
-
- Exercising the preference rights as 20 times (Article 19 of the Articles of Incorporation), and

Despite having a lower nominal value, Group (B) shares, each with a nominal value of 1 Kurus, have the same rights with the Group (C) shares having a nominal value of 4 Kurus each. Furthermore, Group (A) and (B) shares, each with a nominal value of 1 Kurus, are granted privileges in distribution of profits pursuant to Article 58 of the Articles of Incorporation.

m.9. Information on marketable securities value increase fund:

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets At Fair Value Through Other Comprehensive Income	-17,118,252	3,767,816	-19,723,337	-1,213,527
Valuation Difference	-24,621,518	5,006,815	-28,185,695	-1,703,093
Deferred Tax Effect	7,503,266	-1,238,999	8,462,358	489,566
Foreign Exchange Differences				
Total	-17,118,252	3,767,816	-19,723,337	-1,213,527

(*) The amounts include the valuation difference of TRY 2,532,374 arising from equity instruments accounted for under "Other Comprehensive Income that will not be reclassified to profit or loss" pursuant to TFRS 9, as well as the related deferred tax effect amounting to TRY 379,855 (totaling TRY 2,152,519).

n. Information on Dividend Distribution:

At the Bank's Ordinary General Assembly, held on March 27, 2025, it was decided to allocate net profit from operating activities of 2024, amounting to TL 45,517,445 as follows;

- adding a total of TL 857,448, which is formed within the framework of various legislative regulations and is monitored in the profits of previous years,

The balance sheet profit based on distribution amounting to TL 46,374,893 formed accordingly, of which a total of TL 100,341 arising from real estate sales gains was allocated as special reserves.

Addition of the provision amount of TL 1,000,000 allocated during the period for the profit share to be distributed to the personnel within the framework of the accounting standard "TAS 19-Benefits Provided to the Employees",

of the amount as a basis for distribution of TL 47,274,552;

TL 4,551,740 to A, B and C group shares as cash,

TL 5 to the founding shares as cash,

TL 994,682 as cash dividend to employees to be distributed,

TL 41,728,125 as legal and extraordinary reserves to be reserved,

has been decided. As of March 27, 2025; TL 41,728,125 was transferred to reserves account, cash dividends were distributed to the shares other than the shares acquired by the Bank, as of April 1, 2025. An amount of TRY 75,777 related to treasury shares repurchased during profit distribution has been transferred to the retained earnings account.

III. DISCLOSURES AND FOOTNOTES ON OFF BALANCE SHEET ITEMS

a. Explanations to Liabilities Related to Off-Balance Sheet Items:

a.1. Types and amounts of irrevocable loan commitments:

Commitment for credit card limits amounts to TL 1,766,052,589 (31.12,2024: TL 737,663,382) and commitment to pay for cheque leaves amounts to TL 23,754,395 (31.12,2024: TL 15,115,800). The amount of commitment for the forward purchase of assets is TL 63,810,058 (31.12,2024: TL 17,344,697) and for the forward sale of assets is TL 63,913,178 (31.12,2024: TL 17,372,930).

a.2. The structure and amount of probable losses and commitments resulting from off-balance sheet items, including those below:

As of December 31, 2025, the Bank's provisions for indemnified non-cash loans balance is TL 2,610,522 (December 31, 2024: TL 2,627,584) which is allocated for the non-cash loans of companies whose loans are followed under "Non-performing Loans" accounts. Commitments are shown in the table of "off-balance sheet items".

a.3. Guarantees, bank acceptances, collaterals that qualify as financial guarantees, and non-cash loans including other letters of credit:

	Current Period	Prior Period
Bank Acceptances	44,782,377	26,808,905
Letters of Credit	151,153,856	93,162,844
Other Guarantees	6,192,515	5,701,854
Total	202,128,748	125,673,603

a.4. Certain guarantees, provisional guarantees, suretyships and similar transactions:

	Current Period	Prior Period
Letters of Tentative Guarantees	12,371,871	11,113,505
Letters of Certain Guarantees	433,404,085	276,894,434
Letters of Advance Guarantees	64,759,393	48,771,925
Letters of guarantee given to customs offices	27,442,692	22,644,795
Other Letters of Guarantee	156,443,758	97,604,100
Total	694,421,799	457,028,759

a.5. Total Non-cash Loans:

	Current Period	Prior Period
Non-cash Loans against Cash Risks	156,443,754	89,585,202
With Original Maturity of 1 Year or Less	38,267,268	18,203,231
With Original Maturity More Than 1 Year	118,176,486	71,381,971
Other Non-cash Loans	740,106,793	493,117,160
Total	896,550,547	582,702,362

a.6. Sectoral risk concentration of non-cash loans:

	Current Period				Prior Period			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agriculture	1,969,300	0.47	792,809	0.16	1,450,462	0.51	380,767	0.12
Farming and Livestock	1,772,936	0.42	630,607	0.13	1,322,097	0.47	341,797	0.11
Forestry	87,981	0.02			86,675	0.03		
Fishery	108,383	0.03	162,202	0.03	41,690	0.01	38,970	0.01
Industry	156,332,493	36.94	269,348,734	56.90	106,012,804	37.35	174,540,532	58.39
Mining and Quarrying	3,716,509	0.88	2,185,769	0.46	1,940,614	0.68	2,276,199	0.76
Manufacturing Industry	131,990,367	31.19	243,392,050	51.42	89,685,546	31.60	155,721,796	52.10
Electricity, Gas, Water	20,625,617	4.87	23,770,915	5.02	14,386,644	5.07	16,542,537	5.53
Construction	65,399,655	15.45	64,685,610	13.66	44,463,016	15.67	47,392,226	15.86
Services	198,351,956	46.87	135,580,939	28.65	131,076,773	46.19	74,467,238	24.90
Wholesale and Retail Trade	112,243,638	26.52	54,171,036	11.44	74,479,019	26.24	40,511,831	13.55
Hotel and Restaurant Services	4,722,786	1.12	3,772,952	0.80	2,488,717	0.88	2,070,877	0.69
Transport and Communications	21,030,232	4.97	13,295,890	2.81	15,391,947	5.42	11,533,637	3.86
Financial Institutions	39,135,164	9.25	47,427,072	10.02	25,672,445	9.05	13,251,803	4.43
Real Estate and Rental Services,	12,309,508	2.91	12,007,540	2.54	8,025,858	2.83	6,455,810	2.16
Self-Employment Services	2,880,811	0.68	4,244,325	0.90	2,018,636	0.71	215,674	0.07
Education Services	694,278	0.16	94,803	0.02	847,016	0.30	10,915	0.00
Health and Social Services	5,335,539	1.26	567,321	0.12	2,153,135	0.76	416,691	0.14
Other	1,116,483	0.27	2,972,568	0.63	799,542	0.28	2,119,002	0.73
Total	423,169,887	100.00	473,380,660	100.00	283,802,597	100.00	298,899,765	100.00

a.7. Non-cash Loans classified under Group I and Group II:

	Group I		Group II	
	TL	FC	TL	FC
Non-cash Loans	416,423,230	463,196,661	5,393,910	3,533,583
Letters of Guarantee	385,645,969	293,483,229	5,341,910	2,257,456
Bank Acceptances	30,674,672	13,897,742	52,000	155,964
Letters of Credit	102,589	149,623,175		1,120,163
Endorsements				
Underwriting Commitments of the Securities Issued				
Factoring Related Guarantees				
Other Guaranties and Warranties		6,192,515		

b. Explanation on Derivative Financial Instruments:

Majority of the Bank's derivative transactions comprise foreign currency and interest rate swaps, forward foreign exchange trading, and currency and interest rate options. Even though some derivative transactions economically provide risk hedging, since all necessary conditions to be defined as items suitable for financial risk hedging accounting are not met, they are recognized as "fair value through profit or loss" within the framework of TFRS 9 "Financial Instruments".

c. Explanations Related to Contingencies and Commitments:

Balance of the “Other Irrevocable Commitments” account, which comprised the letters of guarantees, guarantees and commitments submitted by the Bank pursuant to its own internal affairs and guarantees given to third parties by other institutions in favor of the Bank and the commitments due to housing loans extended within the scope of unfinished house projects followed amounts to TL 37,646,956.

The cheques given to customers is presented under off balance sheet commitments, as per the related regulations is amounting to TL 23,754,395. In case the cheques presented for payment to beneficiaries are not covered, the Bank will be obliged to pay the uncovered amount up to TL 11,120 (in exact TL amount) for the cheques that are subject to the Law numbered 3167 on “the Regulation of Payments by Cheque and Protection of Cheque Holders”, and up to TL 12,650 (in exact TL amount) for the cheques that are subject to the “Cheque Law” numbered 5941. The uncollected amount will be followed under “Indemnified Non-Cash Loans”.

d. Explanations related to transactions made on behalf of or on the account of others:

It is explained in Note X under Section Four.

IV. DISCLOSURES AND FOOTNOTES ON STATEMENT OF INCOME

a. Explanations to Liabilities Related to Off-Balance Sheet Items:

a.1. Information on interest income on loans:

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Income on Loans (*)				
Short-term Loans	231,291,563	18,698,110	164,825,324	14,811,360
Medium and Long-term Loans	205,037,442	38,810,917	136,639,662	28,554,364
Interest on Non-performing Loans	6,513,294	6,722	6,201,557	5,562
Premiums Received from State Resource Utilization Support Fund				
Total	442,842,299	57,515,749	307,666,543	43,371,286

(*) Includes fee and commission income on cash loans.

a.2. Information on interest income on banks:

	Current Period		Prior Period	
	TL	FC	TL	FC
The Central Bank of Turkey		12,641		
Domestic Banks	1,497,722	88,890	936,831	18,051
Foreign Banks	5,381,754	1,088,170	1,917,736	805,961
Foreign Head Offices and Branches				
Total	6,879,476	1,189,701	2,854,567	824,012

a.3. Information on interest income from securities::

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets at Fair Value Through Profit or Loss	343,083	656,297	148,230	504,369
Financial Assets at Fair Value Through Other Comprehensive Income	84,719,811	10,006,221	62,028,037	7,364,603
Financial Assets Measured at Amortised Cost	68,626,787	1,343,928	65,547,449	1,154,387
Total	153,689,681	12,006,446	127,723,716	9,023,359

As detailed in Note VII of Chapter III, the Bank has consumer price indexed (CPI) government bonds classified as financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss and financial assets measured by amortized cost in its securities portfolio. As of December 31, 2025, the valuation of these securities was made based on an annual inflation estimate of 29.08%. In the case of CPI forecast changes by 100 basis points in a positive or negative direction, as of December 31, 2025, its pre-tax profit will increase by approximately TL 298 million (full amount) or decrease by TL 299 million (full amount)

a.4. Information on interest income received from associates and subsidiaries:

	Current Period	Prior Period
Interest Income from Associates and Subsidiaries	5,227,891	4,501,799

b. Interest Expense**b.1. Information on interest expense from funds borrowed:**

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks	10,176,225	7,213,115	8,088,106	7,466,888
Central Bank of Turkey				
Domestic Banks	1,041,836	493,414	330,562	374,858
Foreign Banks	9,134,389	6,719,701	7,757,544	7,092,030
Foreign Head Offices and Branches				
Other Institutions		4,643,122		3,526,212
Total (*)	10,176,225	11,856,237	8,088,106	10,993,100

(*) Includes fee and commission expenses from cash loans

b.2. Information on interest paid to associates and subsidiaries:

	Current Period	Prior Period
Interest Paid to Associates and Subsidiaries	6,433,333	5,289,332

b.3. Information on interest paid on marketable securities issued:

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest on Securities Issued	4,653,938	10,034,859	3,359,542	8,365,437

b.4. Information on Interest Expense on Deposits According to Maturity Structure::

Current Period	Demand Deposits	Time Deposits						Total
		Up to One Month	Up to Three Months	Up to Six Months	Up to One Year	Over One Year	Accumulated Deposits	
TL								
Bank Deposits	182	23,106,487	1,191,806	232	10,001			24,308,708
Savings Deposits		34,242,859	205,668,937	43,141,138	778,289	2,019,374	1,001	285,851,598
Public Sector Deposits		91,907	298,961	46,454	50,736			488,058
Commercial Deposits		82,126,862	78,601,882	24,561,501	331,322	1,136,063		186,757,630
Other Institutions Deposits		2,583,210	9,063,934	3,285,628	17,650	239,969		15,190,391
Deposits with 7 Days Notice								
Total	182	142,151,325	294,825,520	71,034,953	1,187,998	3,395,406	1,001	512,596,385
FC								
Foreign Currency Deposits	143	48,577	198,431	42,819	242,660	1,042,749	179	1,575,558
Bank Deposits		1,286,084	147,296	22,484	194,596	218,351		1,868,811
Deposits with 7 Days Notice								
Precious Metals Deposits			30,120	2,861	20,839	1,094		54,914
Total	143	1,334,661	375,847	68,164	458,095	1,262,194	179	3,499,283
Grand Total	325	143,485,986	295,201,367	71,103,117	1,646,093	4,657,600	1,180	516,095,668

Prior Period	Demand Deposits	Time Deposits						Total
		Up to One Month	Up to Three Months	Up to Six Months	Up to One Year	Over One Year	Accumulated Deposits	
TL								
Bank Deposits	184	24,387,617	559,297					24,947,098
Savings Deposits	1,114	10,402,011	104,006,118	88,802,610	5,720,088	3,975,065	889	212,907,895
Public Sector Deposits	61	46,870	147,322	48,526	2			242,781
Commercial Deposits	45,944	46,673,746	30,395,601	25,044,655	4,986,905	5,696,324		112,843,175
Other Institutions Deposits	16	2,202,117	4,059,455	3,935,903	403,971	386		10,601,848
Deposits with 7 Days' Notice								
Total	47,319	83,712,361	139,167,793	117,831,694	11,110,966	9,671,775	889	361,542,797
FC								
Foreign Currency Deposits	166	153,886	599,453	65,281	179,079	921,187	1	1,919,053
Bank Deposits		548,583	298,849	75,253	268,312	451,097		1,642,094
Deposits with 7 Days' Notice								
Precious Metals Deposits			7,971	999	10,525	475		19,970
Total	166	702,469	906,273	141,533	457,916	1,372,759	1	3,581,117
Grand Total	47,485	84,414,830	140,074,066	117,973,227	11,568,882	11,044,534	890	365,123,914

c. Information on dividend income:

	Current Period	Prior Period
Financial Assets at Fair Value Through Profit and Loss	3,800	4,194
Financial Assets at Fair Value Through Other Comprehensive Income	210,771	97,822
Other		
Total	214,571	102,016

d. Information on trading income/losses (Net):

	Current Period	Prior Period
Income		
Securities Trading Gains	7,981,636	22,226,140
Gains on Derivative Financial Instruments (*)	62,764,684	49,490,675
Foreign Exchange Gains	3,833,947,241	2,265,448,387
Losses (-)		
Securities Trading Losses	2,158,425	634,580
Losses on Derivative Financial Instruments (*)	89,511,997	105,487,590
Foreign Exchange Losses	3,835,222,340	2,239,904,742
Trading Income /Losses (Net)	-22,199,201	-8,861,710

(*)Income arising from foreign currency changes related to derivative transactions amounts to TL 34,829,740 and the losses amount to TL 62,941,529 and the amount of net losses TL 28,111,789 (December 31, 2024, profit: TL 24,428,284, loss: TL 80,922,928).

e. Information on other operating income:

Other operating income includes TL 5,755,266, which primarily arises from the reversal of provisions set aside previously for the Türkiye İş Bankası A.Ş. Personnel Pension Fund. TL 10,144,589 mainly consists of reversals of expected loss provisions for loans and collections from Stage 3 loans, representing adjustments to expenses from previous years.

In the previous period, TRY 20,129,923 of other operating income primarily comprised reversals of expected credit loss provisions allocated for loans and recoveries from Stage 3 loans, representing adjustments related to prior years' expenses. Of the related amount, TL 10,000,000 is due to the cancellation of free provisions allocated for potential risks.

f. Information on expected credit loss and other provision expense:

	Current Period	Prior Period
Expected Credit Loss	57,046,178	23,479,808
12 Month Expected Credit Loss (Stage I)	7,801,271	3,072,063
Significant Increase in Credit Risk (Stage II)	10,969,436	5,184,855
Non-performing Loans (Stage III)	38,275,471	15,222,890
Impairment Losses on Marketable Securities		148,449
Financial Assets at Fair Value Through Profit or Loss		148,449
Financial Assets at Fair Value Through Other Comprehensive Income		
Impairment Losses on Associates, Subsidiaries and Joint-Ventures		
Associates		
Subsidiaries		
Jointly Controlled Entities		
Other ^(*)		
Total	57,046,178	23,628,257

g. Other operating expenses:

	Current Period	Prior Period
Reserve for Employee Termination Benefits	1,633,129	
Bank Pension Fund Deficit Provisions		6,812,075
Impairment Losses on Tangible Assets	114,080	5,457
Depreciation Expenses of Tangible Assets	3,930,948	2,681,641
Impairment Losses on Intangible Assets		
Impairment Losses on Goodwill		
Amortization Expenses of Intangible Assets	3,695,473	2,148,478
Impairment Losses on Equity Accounted Investments		
Impairment Losses on Assets to be Disposed	73,463	6,626
Depreciation Expenses of Assets to be Disposed		
Impairment Losses on Assets Held for Sale and Subject to Discontinued Operations		98
Other Operating Expenses	63,190,934	47,458,968
Leasing Expenses Related to Exceptions to TFRS 16	685,367	412,375
Repair and Maintenance Expenses	1,607,508	1,178,953
Advertisement Expenses (*)	4,105,326	4,817,539
Other Expenses (*)	56,792,733	41,050,101
Loss on Sale of Assets	233,911	5,600
Other (**)	17,457,711	11,836,319
Total	90,329,649	70,955,262

(*) The amount of expenditure made by the Bank within the scope of donation, aid and social responsibility projects in the current period is total TL 732,181 (December 31, 2024: TL 328,853). It includes expenses of fees, taxes, duties, and funds amounting to TL 7,295,251 (December 31, 2024: TL 4,716,141), as well as savings deposit insurance fund expenses of TL 7,351,445 (December 31, 2024: TL 4,843,850).

h. Information on profit before tax from continuing and discontinued operations:

The Bank's profit before tax arises from continuing activities. As of 31 December 2025, TL 96,921,529 of the profit before tax consists of net interest income, TL 134,351,262 of net fee and commission income, and the total of personnel expenses and other operating expenses is TL 150,021,506.

i. Information on provision for taxes from continuing and discontinued operations

As of December 31, 2025, the amount of the Bank's tax provision is TL 4,246,314 and the amount consists of current tax expense that is amounting to TL 2,416,152 and consists of deferred tax expense amounting TL 1,830,162.

j. Information on Net Operating Profit/Loss after Net Profit/Loss from Continuing and Discontinued Operations:

The Bank's net profit made from its continuing operations as of December 31, 2025, amounts to TL 67,440,675.

k. Information on net period profit/loss:

k.1. Income and expenses resulting from ordinary banking activities: There is no specific issue required to be disclosed for the Bank's performance for the year ended period between January 1, 2025 – December 31, 2025.

k.2. Effects of changes in accounting estimates on the current and future periods' profit/loss: There is no issue to be disclosed.

k.3. "The other" item which is located at the bottom of "Fees and Commissions Received" in the income statement consist of various fees and commissions received from transactions such as credit card transactions, capital market transactions.

l. Explanation on other items on the income statement:

The main other income items included in the income statement consist of other interest income, other fee and commission income explained in footnote IV-i.3 of Chapter Five, other operating income explained in footnote IV-d of Chapter Five, and profit/loss items from partnerships applying the equity method.

m. Fees for services received from an independent audit firm:

In accordance with the decision of public oversight, accounting and auditing standards authority dated 26.03,2021, the fees for the reporting period regarding the services received from the independent auditor or independent audit firm are given in the table below. In addition to the Bank, the fees for services rendered to the Bank's domestic/foreign subsidiaries and jointly controlled partnerships are included in the aforementioned fees, which are stated as VAT excluded.

	Current Period	Prior Period
Independent audit fee for the reporting period	233,691	134,396
Other Assurance Services and Other Non-Audit Fees	54,986	28,702
Total	288,677	163,098

(*) Following the approval of the financial statements for the period from January 1, 2024, to December 31, 2024, this amount also includes the assurance services for the 2024 TSRS Sustainability Report conducted within 2025, as well as the audit fees for the 2024 financial statements of insurance companies prepared in accordance with TFRS 17.

V. DISCLOSURES AND FOOTNOTES ON STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

The paid-in capital is TL 25,000,000 in legal records. As of balance sheet date, the balance of legal reserves is TL 17,588,975 and the balance of extraordinary reserves is TL 187,836,574.

Detail of the securities increase fund is explained in Section Five Note II-m.9 and TL 6,378,862 of this amount is the deferred tax effect on financial assets at fair value through other comprehensive income (31 December 2024: TL 8,951,924).

The exchange difference amounting to TL (6,382,567) arising from net investment hedging accounting, the details of which are included in the Third Part II-2 footnote, has been accounted for under the item "Accumulated Other Comprehensive Income or Expenses Reclassified in Profit or Loss",

VI. DISCLOSURES AND FOOTNOTES ON STATEMENT OF CASH FLOWS

The operating profit to TL 35,241,795 before the changes in operating assets and liabilities mostly comprised of TL 719,584,479 of interest received from loans and securities, and TL (661,348,741) of interest paid on deposits, loans, money market transactions and marketable securities borrowed by the Bank. The account "Other" classified under operating profit other than fees and commissions paid, cash payments to personnel and service suppliers and taxes paid consists of other operating expenses, exchange and derivative gains/losses accounts is TL (78,982,402) (December 31, 2024: TL (30,355,572)).

Net Increase (Decrease) in Other Liabilities account classified in changes of assets and liabilities resulting from the changes in Funds Provided Under Repurchase Agreements, miscellaneous payables, other liabilities and taxes, duties, charges, and premiums increase as TL 91,588,866 (December 31, 2024: TL 251,747,212 increase).

Net Cash Provided from Other Investing Activities account includes net cash flows from sale of intangible assets and declined by TL 10,137 (December 31, 2024: TL 3,531,093 decrease).

The effect of changes in foreign exchange rates on cash and cash equivalents is TL 6,341,360 as of December 31, 2025 (December 31, 2024: TL 1,527,701). Due to the high rate of turnover of related foreign currency assets, the difference between the last 30 days' arithmetic average of currency exchange rates and the year-end currency exchange rate is used to calculate the effect of change in foreign exchange rate.

Cash, cash in foreign currency, unrestricted deposits in Central Bank of Turkey, money in transit, cheques purchased, precious metals, money market operations as well as demand and timed up to 3 months are defined as cash and cash equivalents.

Cash and cash equivalents at beginning of the period:

	31.12,2024	31.12,2023
Cash	319,796,000	325,002,285
Cash in TL and Foreign Currency	35,294,459	30,724,839
Central Bank of Turkey and Other	284,501,541	294,277,446
Cash Equivalents	35,233,322	34,862,415
Banks' Demand Deposits and Time Deposits Up to 3 Months	35,233,322	34,862,415
Money Market Receivables		
Total Cash and Cash Equivalents	355,029,322	359,864,700

The total amount resulting from the transactions made in the previous period shows the total cash and cash equivalents as of the beginning of the current period.

Information regarding cash and cash equivalents at the end of the period:

	31.12,2025	31.12,2024
Cash	390,946,740	319,796,000
Cash in TL and Foreign Currency	47,583,998	35,294,459
Central Bank of Turkey and Other	343,362,742	284,501,541
Cash Equivalents	102,249,705	35,233,322
Banks' Demand Deposits and Time Deposits Up to 3 Months	102,249,705	35,233,322
Money Market Receivables		
Total Cash and Cash Equivalents	493,196,445	355,029,322

VII. DISCLOSURES AND FOOTNOTES ON THE BANK'S RISK GROUP

a. Information on the volume of transactions relating to the Bank's risk group, incomplete loan and deposit transactions and period's profit and loss:

a.1. Information on loans held by the Bank's risk Group

Current Period:

Bank's Risk Group	Investments in Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		Direct and Indirect Shareholders of the Bank		Other Real Persons and Corporate Bodies that have been Included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans						
Balance at the beginning of the period	25,336,725	31,592,293			8,974,274	2,973,352
Balance at the end of the period	24,941,686	35,019,241			4,363,977	2,537,534
Interest and commission income received	5,179,706	28,448			2,408,805	58,557

Prior Period:

Bank's Risk Group	Investments in Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		Direct and Indirect Shareholders of the Bank		Other Real Persons and Corporate Bodies that have been Included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans						
Balance at the beginning of the period	30,091,136	28,515,121			9,751,588	2,191,346
Balance at the end of the period	25,336,725	31,592,293			8,974,274	2,973,352
Interest and commission income received	4,474,370	15,991			1,653,642	41,924

a.2. Information on deposits held by the Bank's risk group

Bank's Risk Group	Investments in Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		Direct and Indirect Shareholders of the Bank		Other Individuals and Corporates in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at the beginning of the period	29,309,431	31,663,727	2,014,110	1,700,282	20,784,267	7,193,861
Balance at the end of the period	33,437,032	29,309,431	1,670,021	2,014,110	36,188,963	20,784,267
Interest expense on deposits	5,731,966	4,761,290	896,408	1,591,850	9,337,011	3,246,503

a.3. Information on forward and option agreements and other similar agreements made with the Bank's risk group:

Bank's Risk Group	Investments in Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)		Direct and Indirect Shareholders of the Bank		Other Individuals and Corporates in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Transactions at Fair Value Through Profit and Loss						
Beginning of the period	14,035,222	6,952,556			21,974	310,289
End of the period	24,237,713	14,035,222			2,647,848	21,974
Total Profit/Loss	96,037	702,205			-19,288	5,404
Transactions for hedging purposes						
Beginning of the period						
End of the period						
Total Profit/Loss						

b. Disclosures for Bank's risk group:

b.1. The relation of the Bank with corporations in its risk group and under its control regardless of whether there are any transactions between the parties:

All types of corporate and retail banking services are provided to these corporations in line with the articles of Banking Law.

b.2. The type and amount of transaction carried out, and its ratio to the overall transaction volume, values of principal items and their ratios to overall items, pricing policy and other items in addition to the structure of the relationship:

The transactions carried out are mainly loan and deposit transactions. The ratio of loans extended to the risk group to the overall cash loans is 1.27%, while the ratio (excluding NPL) to the overall assets is 0.63%; the ratio of deposits of the risk group corporations to the overall deposits is 2.30%, while the ratio to overall liabilities is 1.54%, the comparable pricing method is used for the transactions.

b.3. Purchase and sale of real estates, other assets and services, agency agreements, finance lease contracts, transfer of information obtained through research and development, license agreements, funding (including loans and provision of support as cash capital or capital-in-kind), guarantees and collaterals, and management agreements:

Security purchases are made by İş Finansal Kiralama A.Ş., a subsidiary of the Bank, through leasing activities when required. The Parent Bank's branches act as agents of Anadolu Anonim Türk Sigorta Şirketi and Anadolu Hayat Emeklilik A.Ş. In addition, the Bank, through its branches and distribution channels, conducts Intermediary activities for the Transmission of Orders in favor of İş Yatırım Menkul Değerler A.Ş. Furthermore, through its branches, The Bank's Private Banking and Commercial and Corporate Banking branches are the agency of İş Portföy Yönetimi A.Ş.

If requested, cash and non-cash loan requirements of corporations within the risk group are met in accordance with the limits imposed by the Banking Law and the prevailing market conditions.

b.4. As of December 31, 2025, total worth of the shares, which the Bank purchased from its subsidiaries that are traded on Istanbul Stock Exchange and accounted under the Financial Assets at Fair Value Through Profit or Loss in accordance with the scope of the relevant Board of Directors decisions is None (December 3, 2024: TL 19,162).

b.5. The sale of the İzmir Service Building, registered under parcel number 6, block 950, Akdeniz Neighborhood, Konak District, İzmir Province, owned by the Bank, for a price of TRY 975,000 excluding VAT, the plots registered under parcel numbers 8 and 9, block 3535, Umurbey Neighborhood, Konak District, İzmir Province, for a price of TRY 945,000 excluding VAT, and the two-block real estate registered under parcel number 165, block 3219, İçerenköy Neighborhood, Ataşehir District, Istanbul Province, for a price of TRY 335,000 excluding VAT — totaling a gross amount of TRY 2,255,000 excluding VAT — to İş Gayrimenkul Yatırım Ortaklığı was completed on March 28, 2025.

b.6. The Bank's 50% stake in Greeneco Enerji Elektrik Üretim A.Ş. was sold in December 2025 to İş Enerji Yatırımları A.Ş., in which the Bank holds an indirect 100% interest, for a consideration of USD 100 million. USD 20 million of the sale price was collected in cash, and the remaining amount will be collected during 2026. The resulting valuation gain of TRY 557,824 has been recognized in the income statement.

c. Total salaries and similar benefits paid to the (executive members and senior executives)

In the current period, the gross total of payment provided to the key management amounts is TL 380,607 (December 31, 2024: TL 276,319).

VIII. DISCLOSURES ON THE BANK'S DOMESTIC, FOREIGN, OFF-SHORE BRANCHES OR ASSOCIATES AND FOREIGN REPRESENTATIVE OFFICES

	Number	Employees			
Domestic Branches (*)	997	20,246			
			Country of Incorporation		
Foreign Representative Offices	1	3	China		
	1	2	Egypt		
				Total Assets	Legal Capital
Foreign Branches	2	63	England	139,704,693	5,712
	15	254	Turkish Republic of Northern Cyprus	113,025,273	80,000
	2	50	Iraq	19,305,011	3,181,728
	2	9	Kosovo	2,575,379	501,173
	1	3	Bahrain	70,921	
Off-Shore Branches					

(*) The Branches located in Free Trade Zones in Turkey are included among domestic branches.

IX. SUBSEQUENT EVENTS

In accordance with the decision of the Board of Directors on the issuance of debt instruments dated November 3, 2025, the Bank issued a financing bond with a nominal value of TL 35,370,000 thousand after December 31, 2025.

Pursuant to the decisions of the Board of Directors on the issuance of debt instruments abroad dated November 3, 2025, the Bank issued financing bonds with a nominal value of USD 50 million and GBP 21 million abroad after December 31, 2025.

In addition, on January 30, 2026, the Bank issued bonds with a nominal value of USD 500 million and an interest rate of 7.58% as part of an additional capital instrument in accordance with the decision of the Board of Directors dated November 3, 2025. These bonds have an 11-year maturity and include a call option exercisable in the 6th year.

The Board of Directors has resolved to authorize the General Management to undertake the necessary initiatives for opening a branch in Hong Kong.

SECTION SIX: OTHER EXPLANATIONS

I. EXPLANATIONS ON THE BANK'S CREDIT RATINGS:

	Rating	Outlook (*)
MOODY'S		
Long-term Foreign Currency Deposit	Ba3	Stable
Long-term Local Currency Deposit	Ba3	Stable
Senior Unsecured Debt Rating (MTN)	Ba3	-
Short-term Foreign Currency Deposit	NP	-
Short-term Local Currency Deposit	NP	-
FITCH RATINGS		
Long-term Foreign Currency Issuer Default Rating	BB-	Positive
Long-term Local Currency Issuer Default Rating	BB-	Positive
Short-term Foreign Currency Issuer Default Rating	B	-
Short-term Local Currency Issuer Default Rating	B	-
National Long-term Rating	AA- (tur)	Stable
Viability Rating	bb-	-

The dates when the Bank's credit ratings/outlooks were last updated are given below:

Moody's: 30 July 2025, Fitch Ratings: 28 January 2026

(*) Outlook:

“Stable” indicates that the current rating will not be changed in the short term; “positive” indicates that the current rating is very likely to be upgraded and “negative” indicates that the current rating is very likely to be downgraded

SECTION SEVEN: EXPLANATIONS ON THE AUDITORS' INDEPENDENT AUDIT REPORT**I. EXPLANATIONS ON THE AUDITORS' INDEPENDENT AUDIT REPORT:**

The Bank's unconsolidated financial statements and footnotes as of December 31, 2025, to be disclosed to the public have been reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and the review report dated February 6, 2026, is presented in the introduction part of this report.

II. EXPLANATIONS AND FOOTNOTES OF THE INDEPENDENT AUDITORS REPORT

There are no significant issues or necessary disclosures or notes in relation to the Bank's operations other than those mentioned above.