

# Yapı Kredi

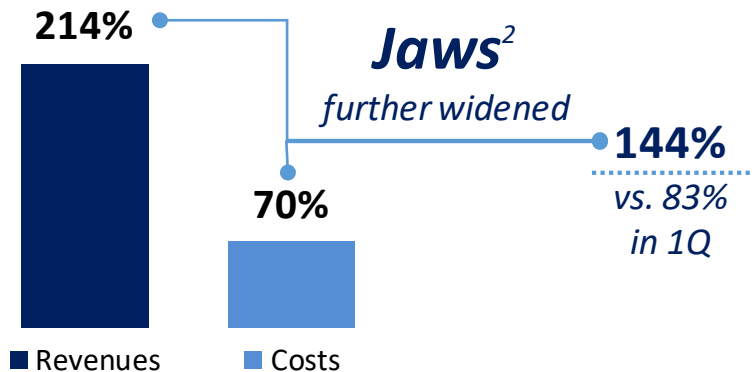
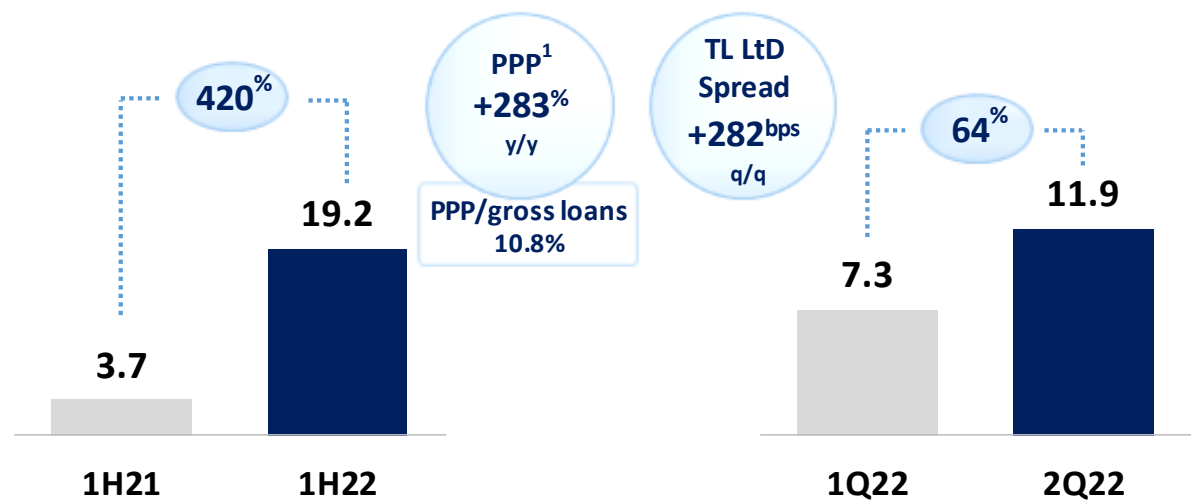
## 1H22 EARNINGS PRESENTATION



26 July 2022

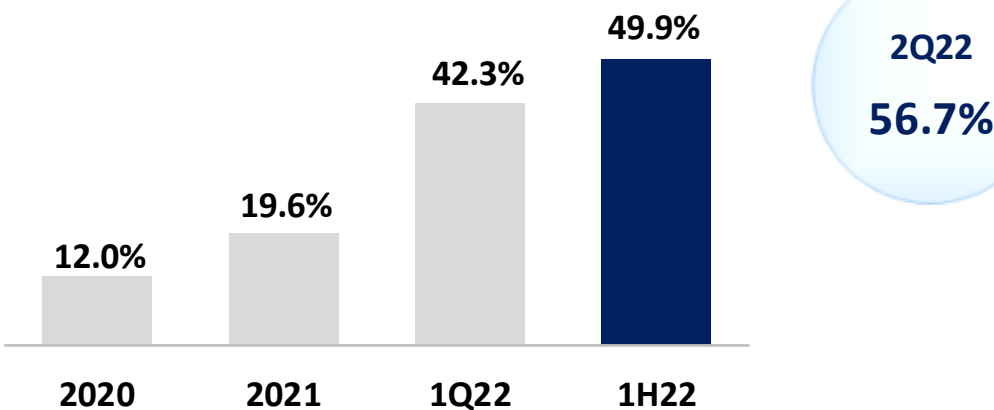
# Best-in-class profitability via top-line performance

## Net Profit (TL bln)

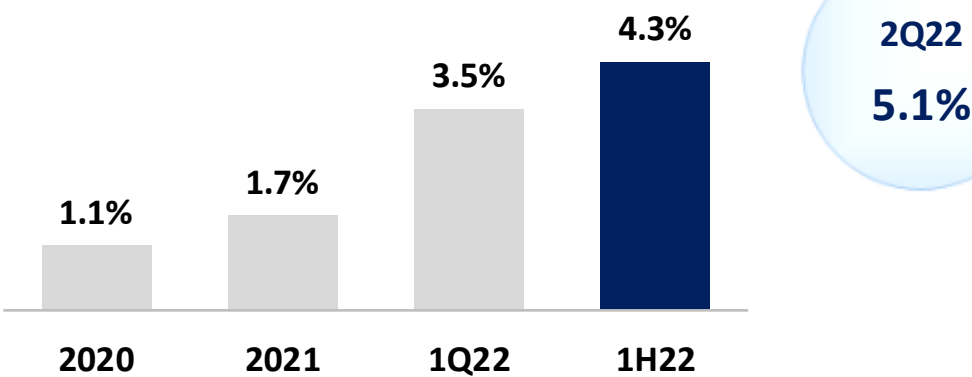


## RoTE & RoA

### RoTE



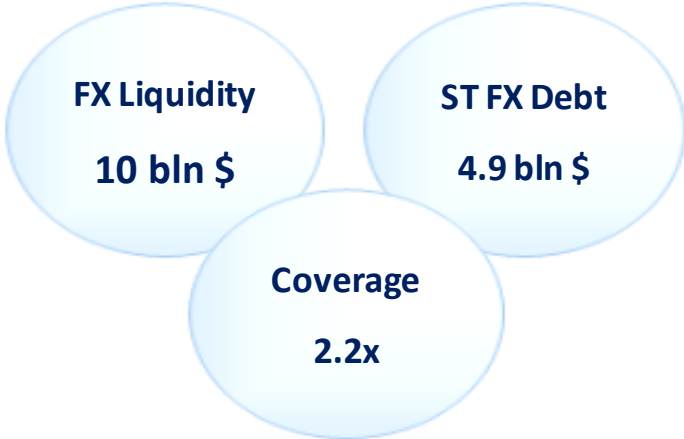
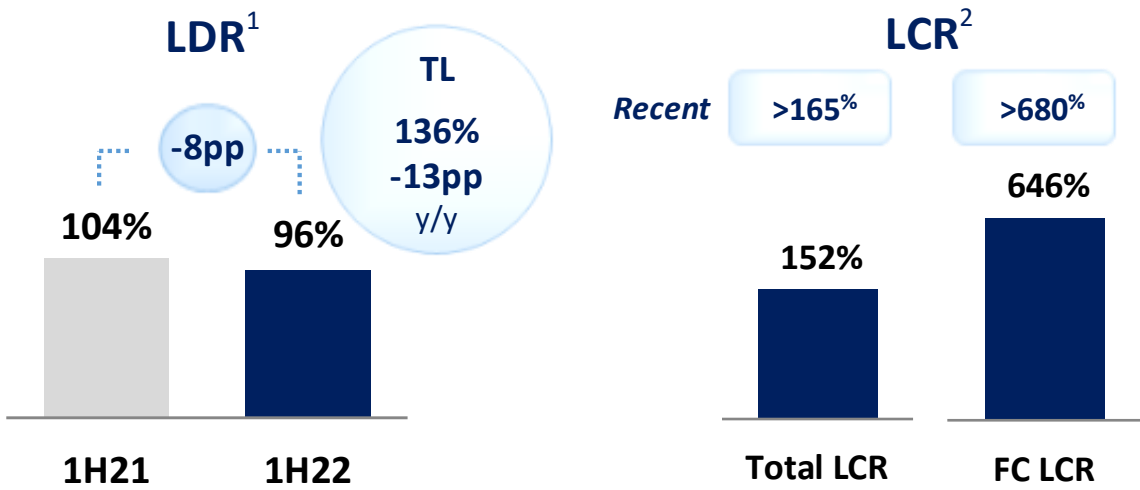
### RoA



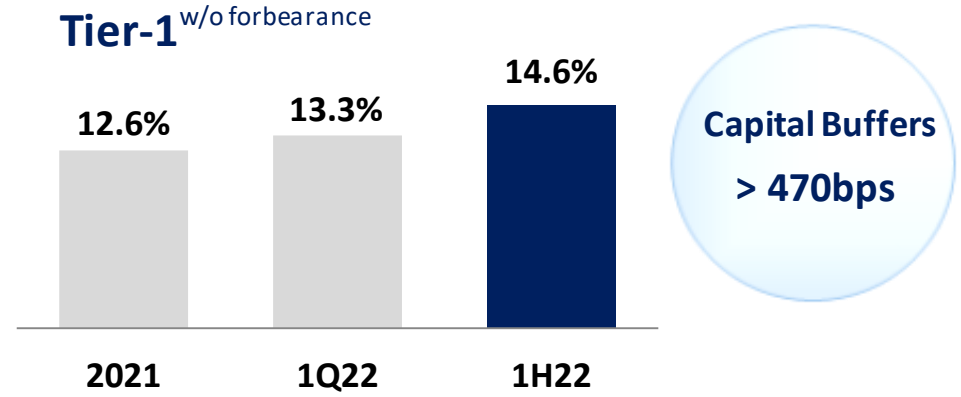
Notes:  
1. Normalised for linker income, PPP (Pre-Provision Profit): NII + Fees + Opex + Net Trading + Subsidiary & Dividend income – ECL hedge – collections  
2. Based on Bank-only financials, Revenues normalised with linkers

# Strength in fundamentals during the times of volatility

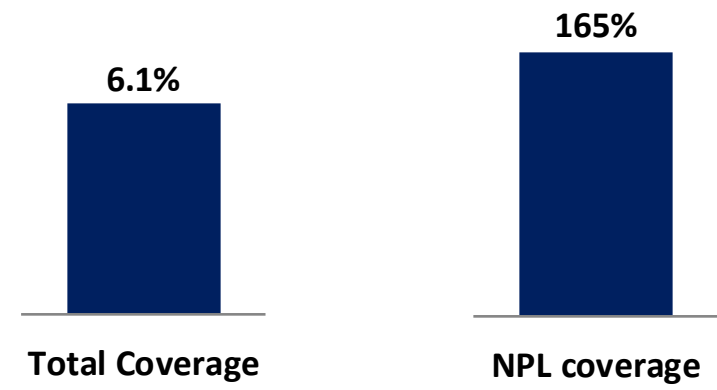
## Enhanced liquidity



## Further strengthened capital



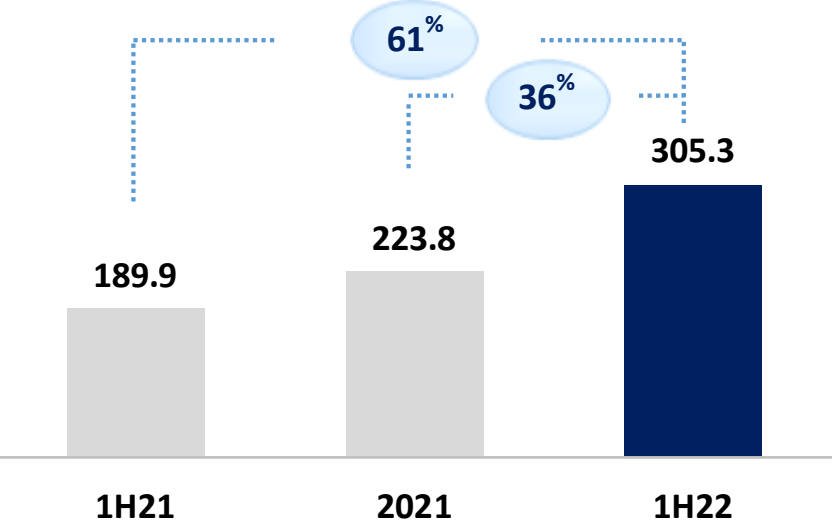
## Conservative provisions<sup>3</sup>



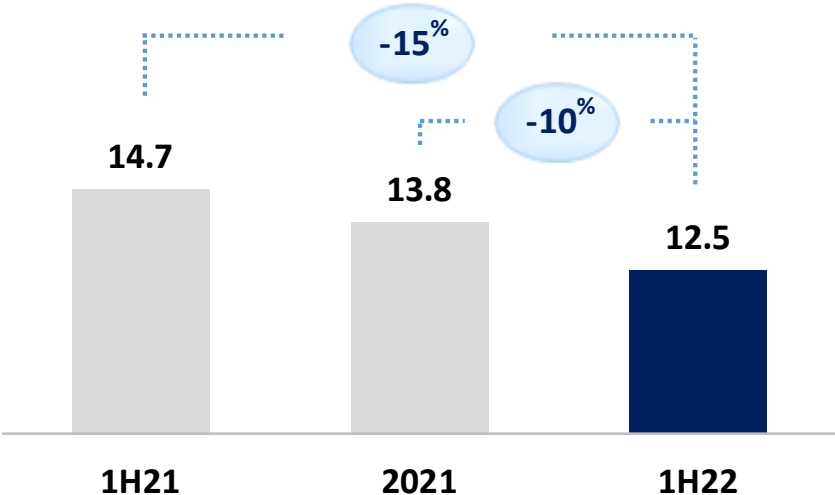
Notes:  
1. LDR= Loans / (Deposits + TL Bonds)  
2. As of 30 June 2022  
3. Based on Bank-only BRSA financials

# Market share gains sustained in TL loans, continued deleveraging in FC

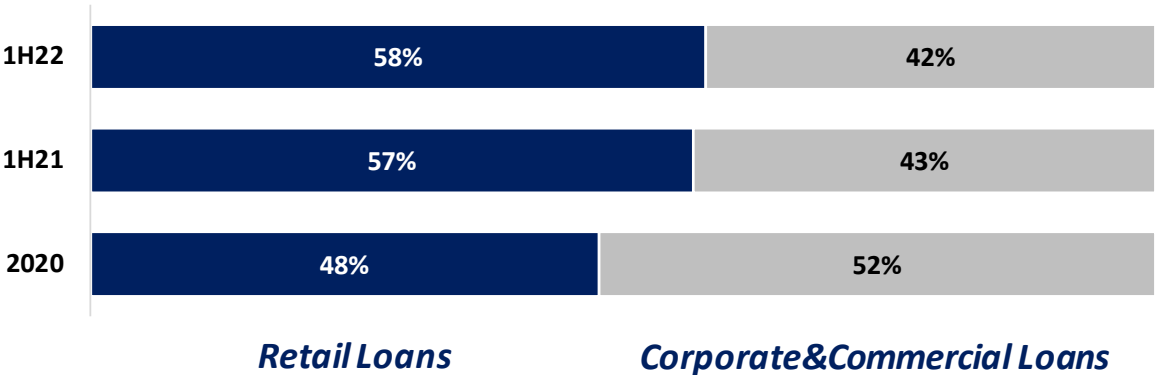
## TL Performing Loans (TL bln)



## FC Performing Loans (US\$ bln)

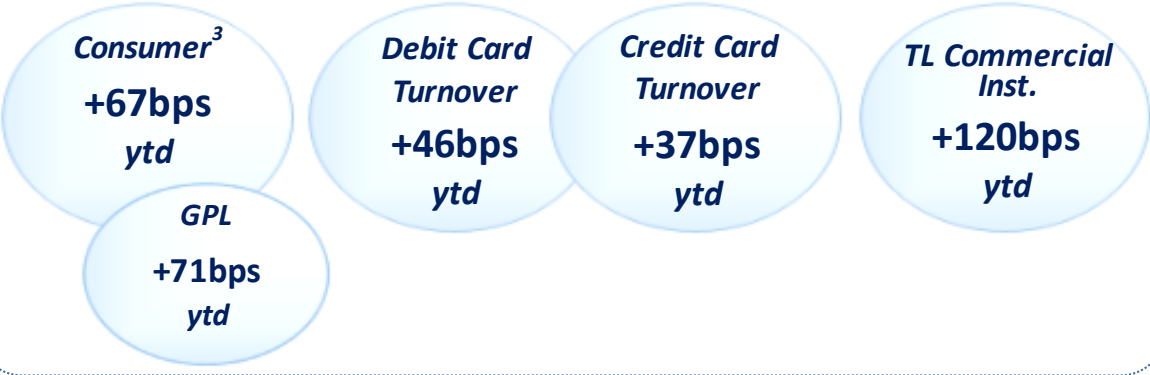


## Loan Breakdown (FX adjusted<sup>1</sup>)



## Ongoing market share gains

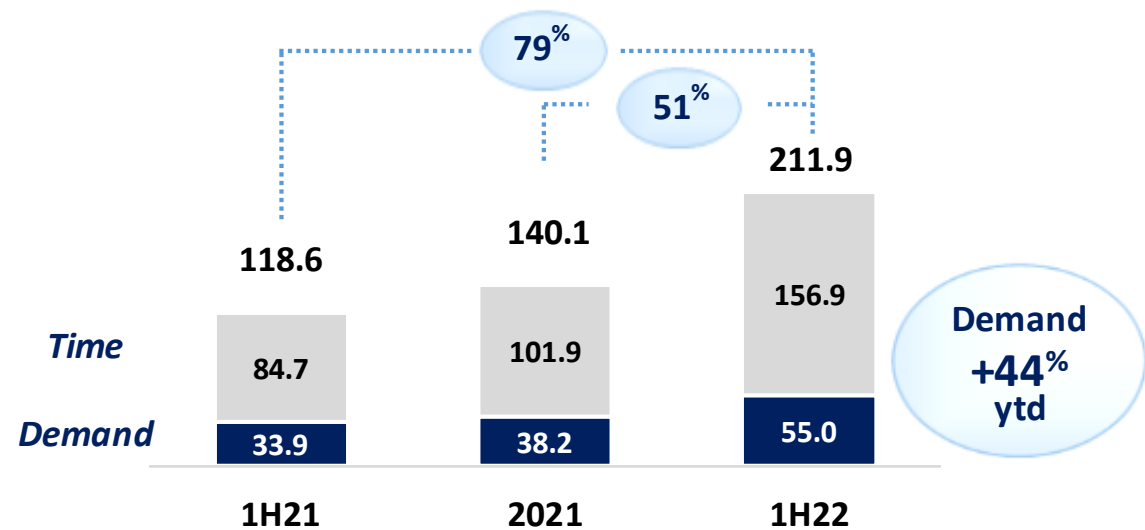
(among private banks<sup>2</sup>)



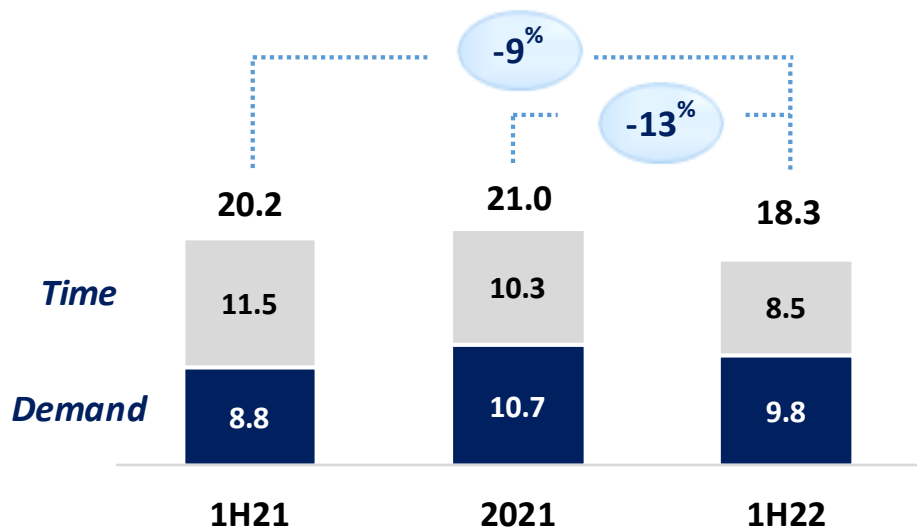
Notes:  
1. Based on MIS data, Retail loans include individuals and SME;  
2. Based on BRSA weekly data as of 1 July 2022;  
3. Excluding credit cards

# TL denominated deposit growth through small ticket market share gains

## TL Customer Deposits (TL bln)



## FC Customer Deposits (US\$ bln)



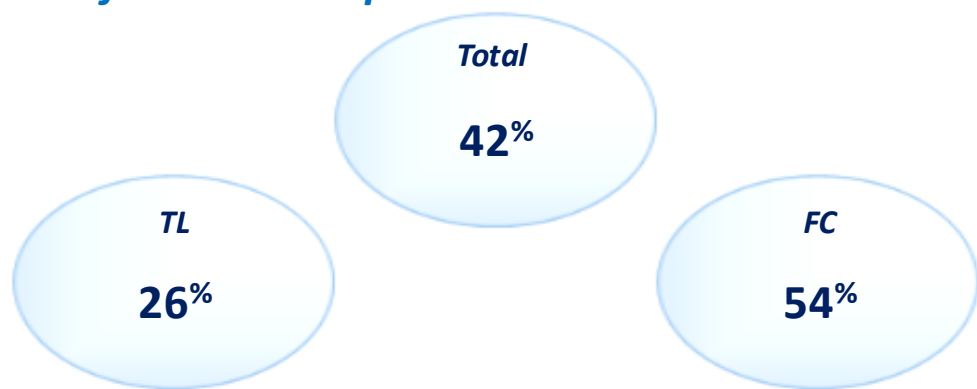
## Market share gains on sticky small tickets

(among private banks<sup>1</sup>)

TL Individual  
+36bps  
ytd

Individual  
Demand  
+34bps  
ytd

## Share of Demand Deposits

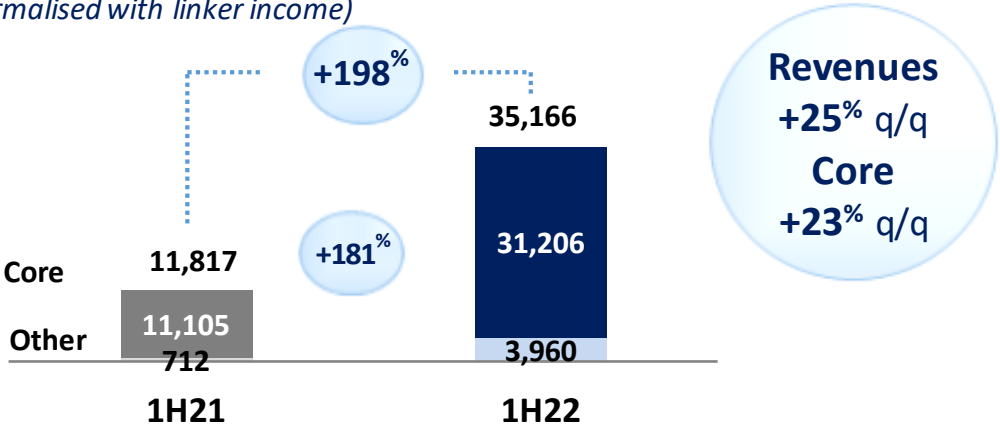


Notes:  
1. Based on BRSA weekly data as of 1 July 2022

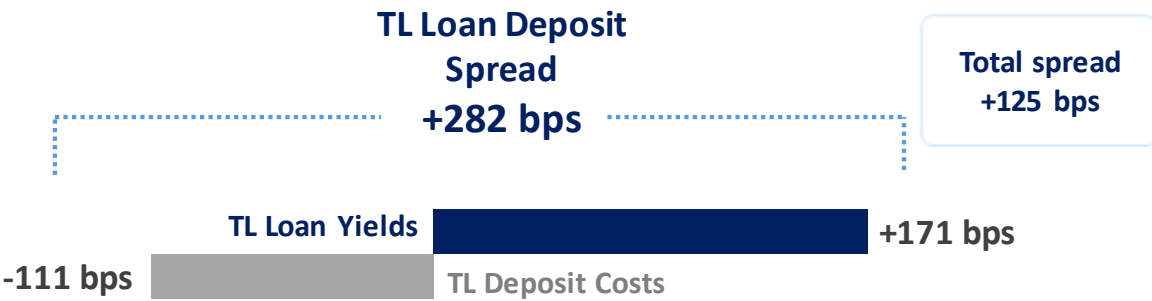
# 23% q/q surge in revenues on the back of continued margin improvement

## Revenues<sup>1;2</sup> (TL mln)

(normalised with linker income)

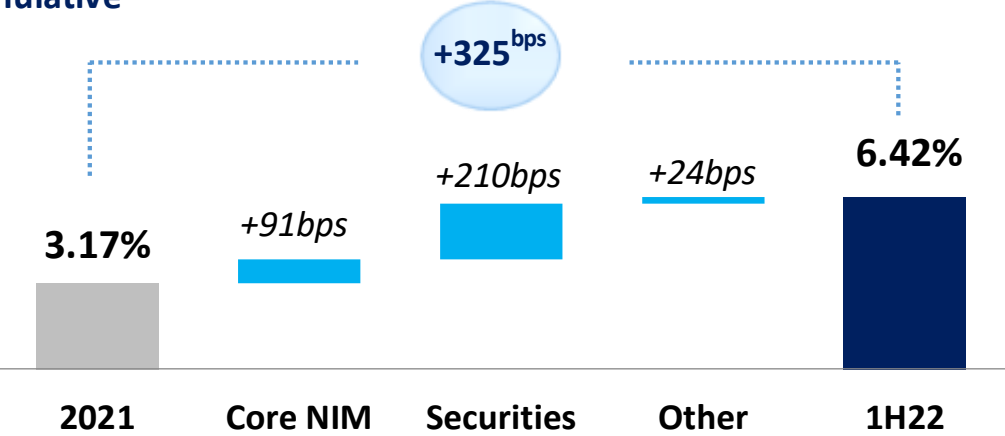


## Loan - Deposit Spread (quarterly)

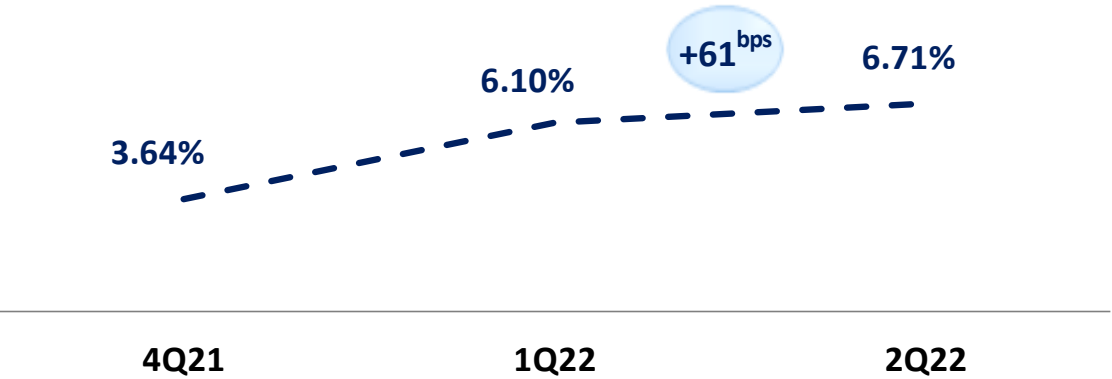


## NIM Evolution<sup>3</sup>

Cumulative



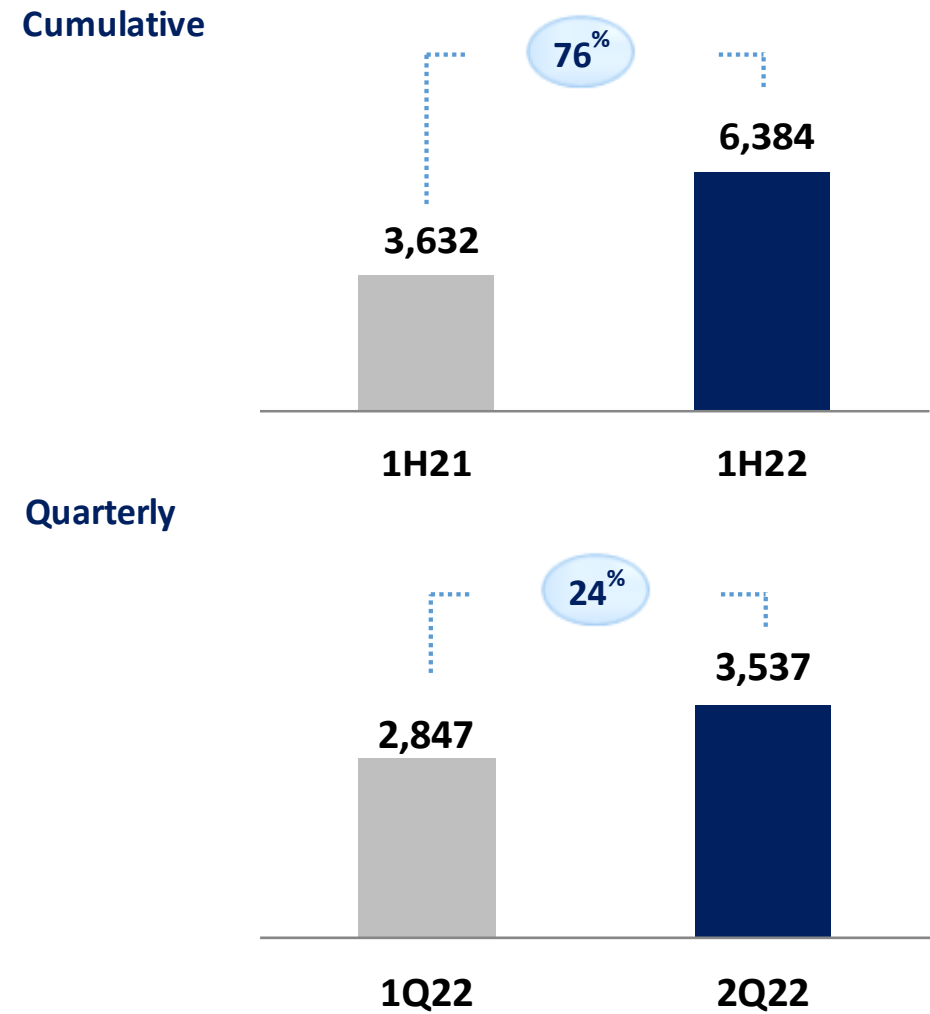
Quarterly (normalised with linker income)



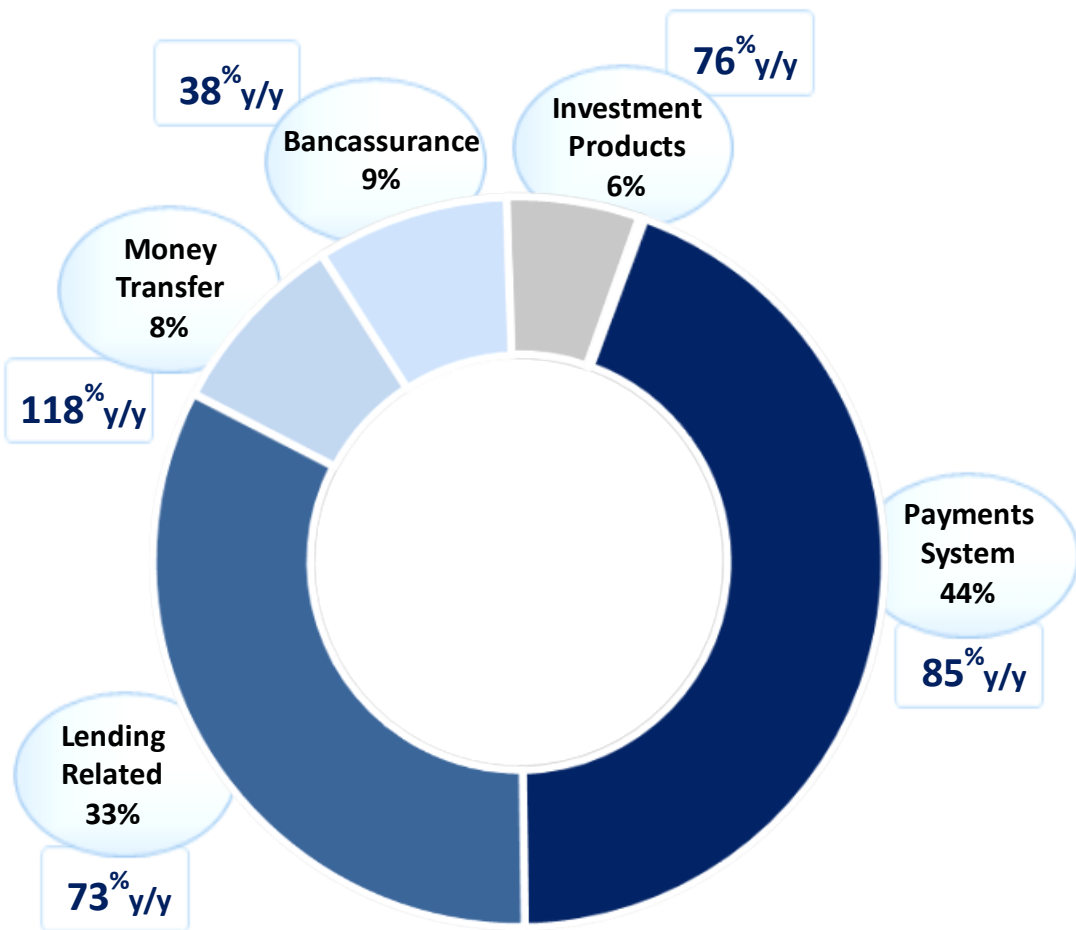
Notes:  
1.Revenues and other revenues exclude ECL collection income and trading income to hedge FCECL  
2.Core Revenues = NII + swap costs + net fee income  
3.Based on Bank-Only financials

# Stellar fee performance; 76% y/y increase

## Net Fees Income (TL mln)



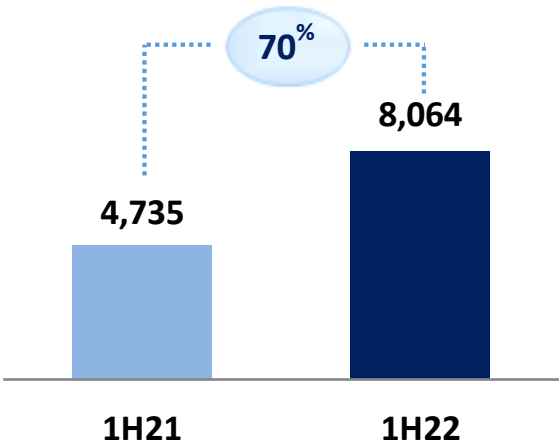
## Net Fees Composition<sup>1</sup>



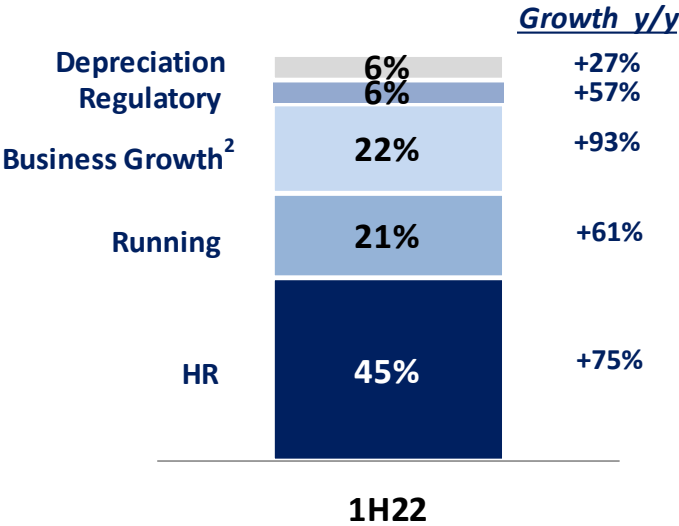
Notes:  
1. Based on Bank-Only financials

# Costs under control with continuous investments in business growth

## Operating Costs (TL mln)

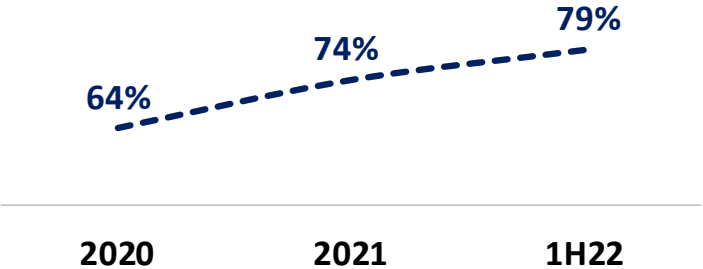


## Cost Breakdown<sup>1</sup>

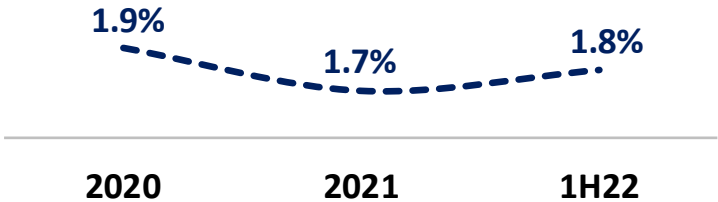


## Solid & steady improvement in Efficiency KPIs

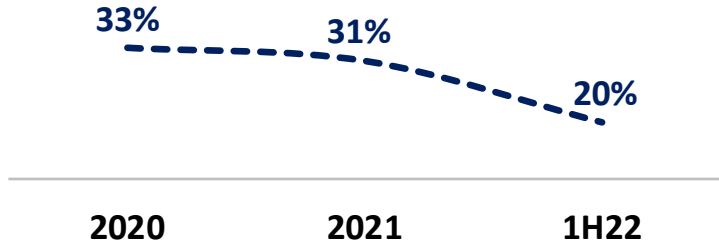
### Fee coverage of Opex



### Cost/Avg. Assets



### Cost/Income

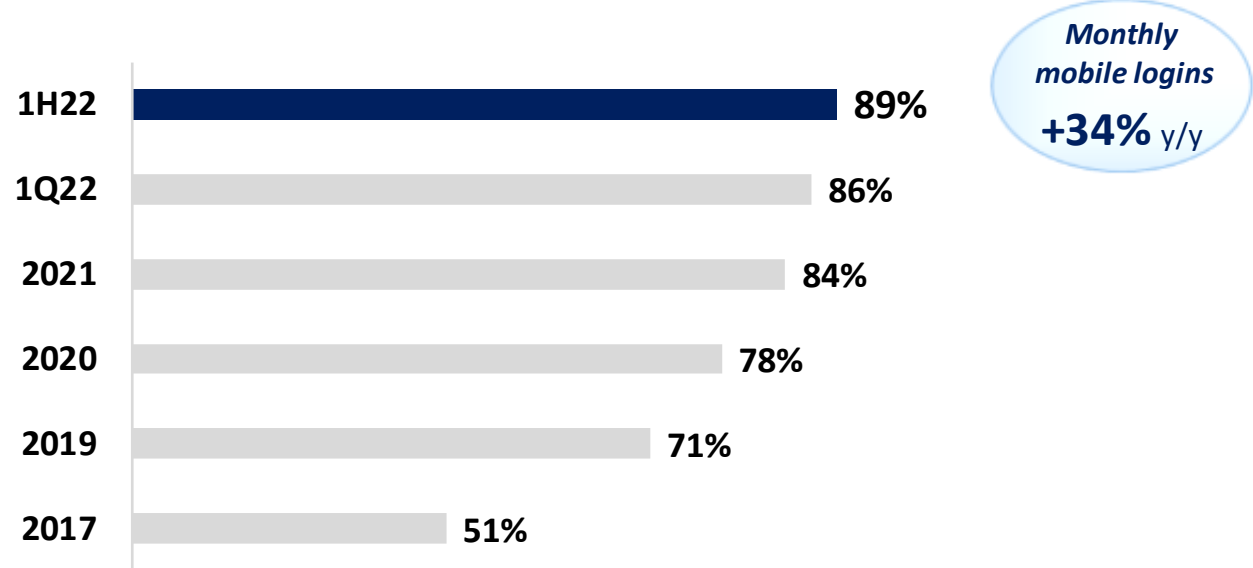


Notes:  
1. Based on Bank-only financials, MIS data  
2. Including customer acquisition costs

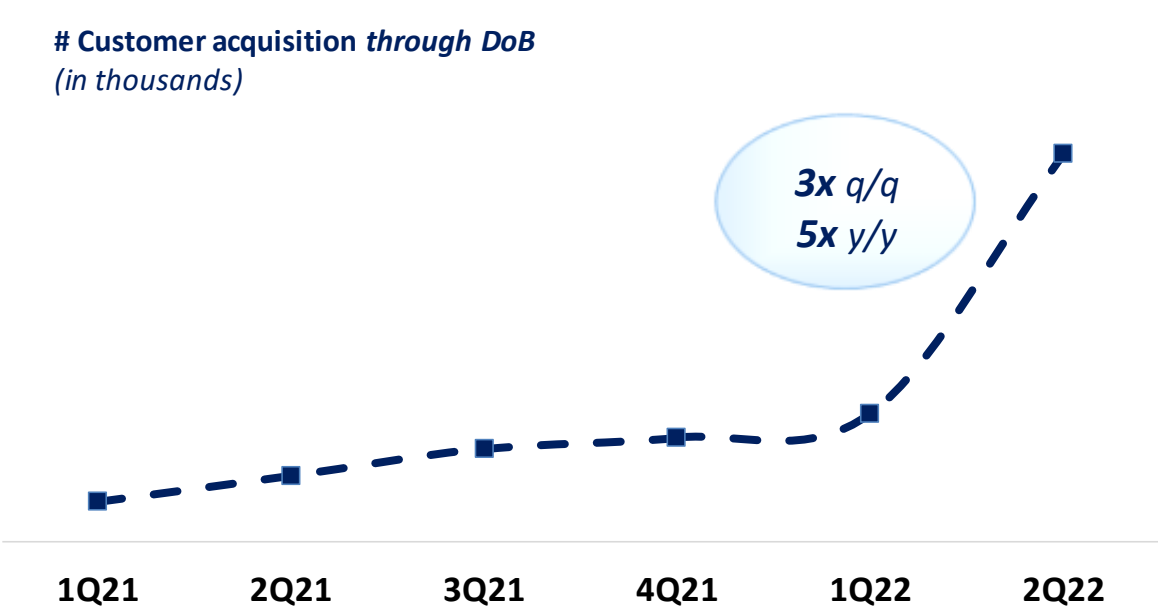


# Ongoing improvement in digital

## Digital customer penetration



## Digital On-boarding



### Sold via digital

# of Credit Cards  
**↑ 81% y/y**

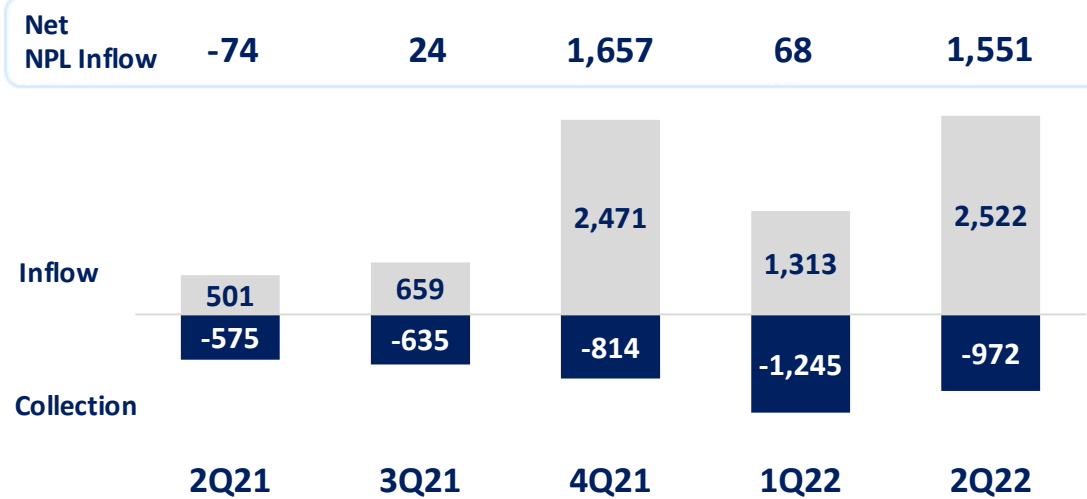
GPLs  
**↑ 93% y/y**

Share of digital  
in total  
**~80%**

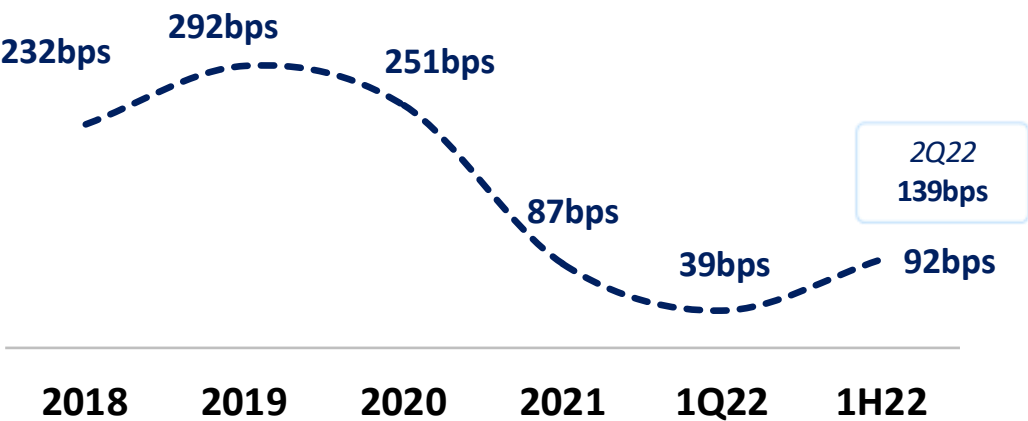
Notes:  
Based on MIS data

# High provisioning despite limited net NPL inflows

## Quarterly Net NPL Formation<sup>1;2</sup> (TL mln)



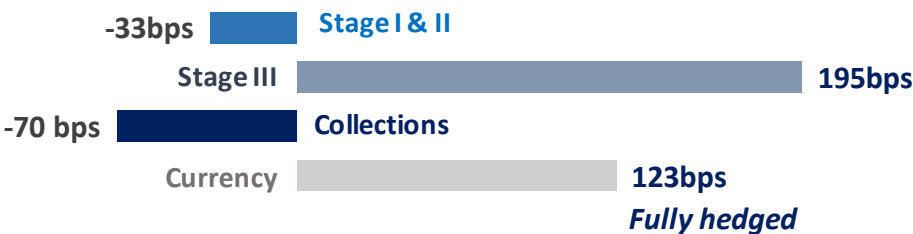
## Net Cost of Risk



## 2Q22 Net NPL Inflow Breakdown



## 1H22 Net CoR Composition

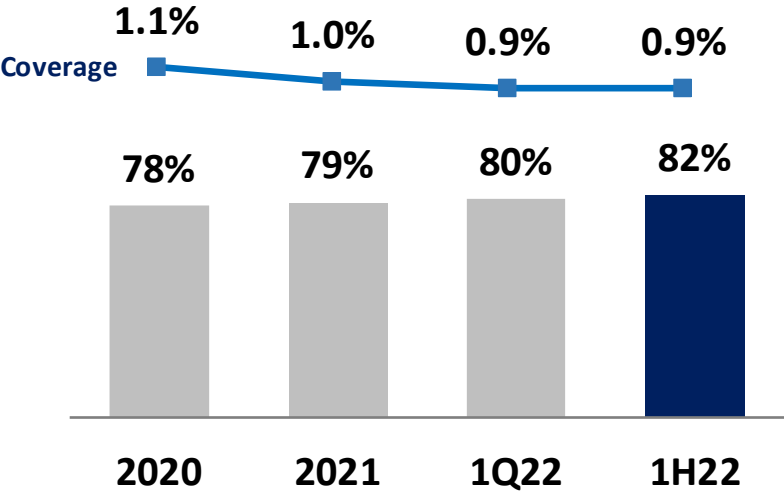


Notes:

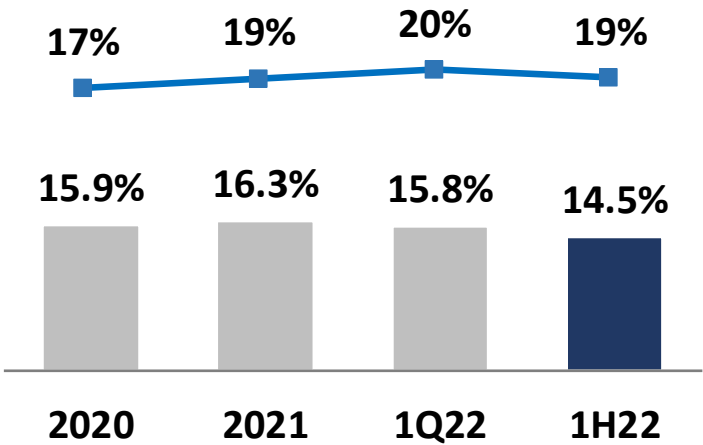
1. Based on Bank-only BRSA financials
2. Excluding the positive impact of NPL sales & write-offs ; Excluding LYY related inflow and write-off

# Strong coverage levels sustained

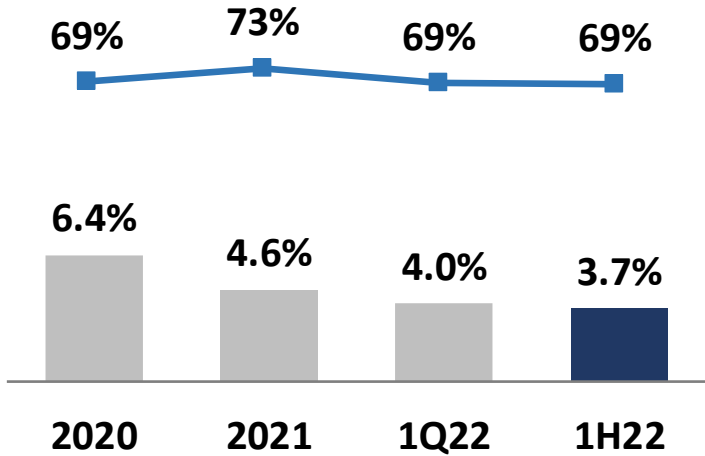
## Stage I



## Stage II

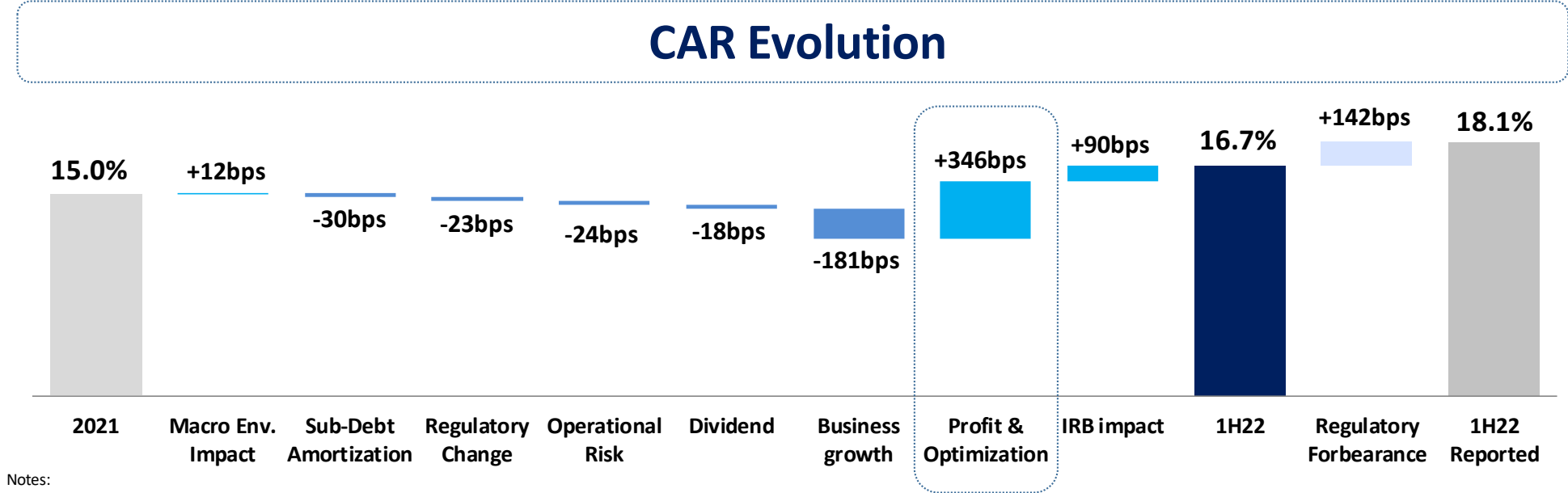
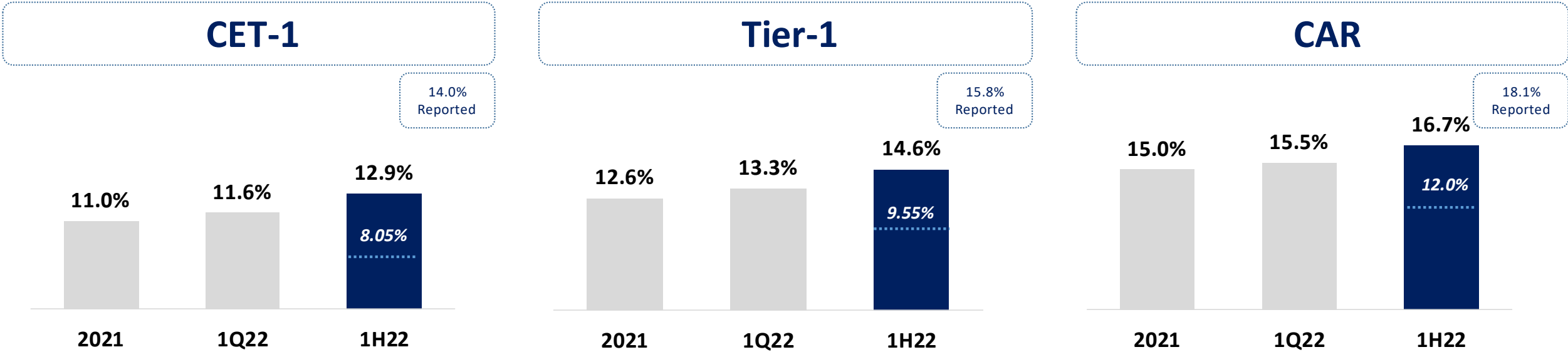


## Stage III



Notes:  
Based on Bank-only BRSA financials  
NPL sales: 2Q: 1,151 mIn TL

# Resilient solvency supported by consistent internal capital generation



More than 470 bps buffers vs. regulatory thresholds

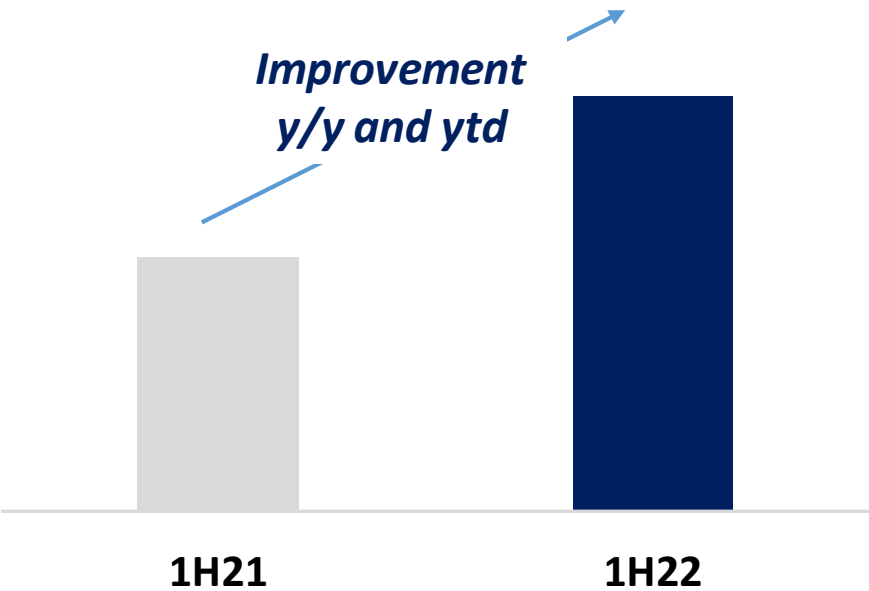
Strong Internal Capital Generation

Notes:  
Capital Conservation Buffer: 2.5%; Counter-Cyclical Buffer: 0.05%; SIFI Buffer: 1.0%  
Minimum Regulatory Requirements- CET1: 8.05%; Tier-1: 9.55%; CAR: 12.0%

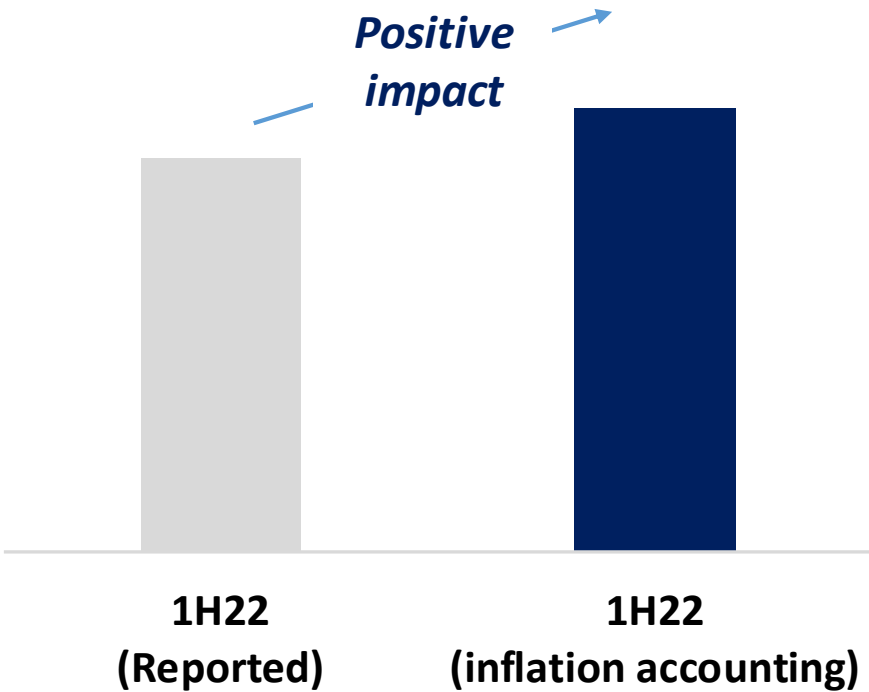
# Inflation accounting: mid-to-high single digit RoTE in 1H22 on top of inflation

## RoTE

*Real return on top of inflation*



## Capital Adequacy Ratio



Inflation used in CPI linker valuation is aligned with inflation figures that are used in accounting, for fair comparison  
Reported CPI linker inflation - 1H22: 50%, 1H21: 13.5%; ytd inflation - 6M22: 42.4%, 6M21: 8.5%; annualised ytd inflation - 1H22: 84.7%; 1H21: 16.9%; annual inflation - 1H22: 78.6%, 1H21: 17.5%, 2021: 36%

**Q&A**

**ANNEX**

# 2022 Guidance

		2022 Guidance
Volumes	TL Loan Growth	High-Twenties
	FX Loan Growth	Shrinkage
Revenues	NIM	~+100bps
	Fee Growth	High-Twenties
Costs	Cost increase	< Average Inflation
Asset Quality	Total CoR	< 150bps

**2022 RoTE: Improvement**

Notes:  
All figures are based on BRSA consolidated financials, except for NIM



# Macro environment and banking sector

## Macro Environment

	2020	2021	1H22
<b>GDP Growth (y/y)<sup>1</sup></b>	1.8%	11.0%	<b>7.3%</b>
<b>CPI Inflation (y/y)</b>	14.6%	36.1%	<b>78.6%</b>
<b>CAD<sup>2</sup>/GDP<sup>3</sup></b>	-5.0%	-1.7%	<b>-3.9%</b>
<b>Budget Deficit/GDP<sup>3</sup></b>	-3.4%	-2.7%	<b>-1.0%</b>
<b>USD/TL (eop)</b>	7.34	12.98	<b>16.67</b>
<b>2Y Benchmark Bond Rate (eop)</b>	15.0%	22.7%	<b>24.1%</b>

## Banking Sector

	2020	2021	1H22
<b>Loan Growth (y/y)</b>	<b>33%</b>	<b>36%</b>	<b>59%</b>
<i>TL</i>	42%	21%	54%
<i>FC (USD)</i>	-4%	-7%	-13%
<b>Cust. Deposit Growth (y/y)</b>	<b>33%</b>	<b>51%</b>	<b>75%</b>
<i>TL</i>	23%	20%	70%
<i>FC (USD)</i>	15%	0%	-7%
<b>NPL Ratio</b>	<b>4.0%</b>	<b>3.1%</b>	<b>2.5%</b>
<b>CAR<sup>4</sup></b>	<b>18.3%</b>	<b>18.1%</b>	<b>17.9%</b>
<b>RoTE<sup>4</sup></b>	<b>10.5%</b>	<b>14.0%</b>	<b>35.9%</b>

### Notes:

All macro data as of June 2022 unless otherwise stated

Banking sector volumes based on BRSA weekly data as of 1 July 2022

1. As of Mar'22

2. CAD indicates Current Account Deficit as of May'22

3. 2Q22 GDP Forecast

4. BRSA monthly data as of May 2022, CAR includes regulatory forbearances.

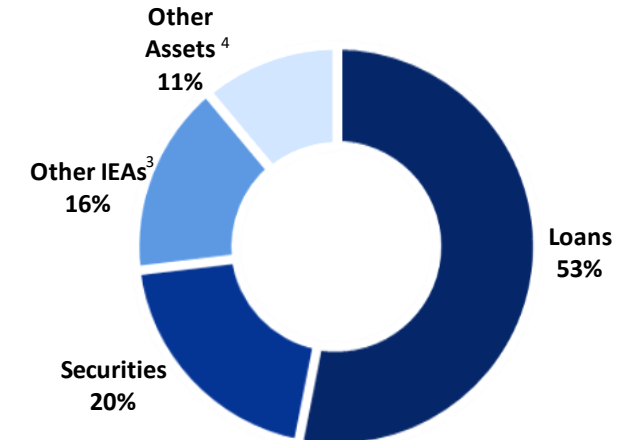
# Consolidated balance sheet

TL bln	1H21	2021	1Q22	1H22	q/q	y/y	ytd
<b>Total Assets</b>	<b>555.9</b>	<b>780.8</b>	<b>872.1</b>	<b>991.0</b>	<b>14%</b>	<b>78%</b>	<b>27%</b>
<b>Loans<sup>1</sup></b>	<b>318.1</b>	<b>403.1</b>	<b>458.0</b>	<b>513.3</b>	<b>12%</b>	<b>61%</b>	<b>27%</b>
TL Loans	189.9	223.8	255.7	305.3	19%	61%	36%
FC Loans (\$)	14.7	13.8	13.8	12.5	-10%	-15%	-10%
<b>Securities</b>	<b>92.6</b>	<b>131.9</b>	<b>159.0</b>	<b>191.0</b>	<b>20%</b>	<b>106%</b>	<b>45%</b>
TL Securities	62.4	76.2	92.3	111.3	21%	78%	46%
FC Securities (\$)	3.5	4.3	4.6	4.8	5%	38%	11%
<b>Customer Deposits</b>	<b>294.9</b>	<b>412.8</b>	<b>469.6</b>	<b>517.7</b>	<b>10%</b>	<b>76%</b>	<b>25%</b>
TL Customer Deposits	118.6	140.1	180.3	211.9	18%	79%	51%
FC Customer Deposits (\$)	20.2	21.0	19.8	18.3	-7%	-9%	-13%
<b>Borrowings</b>	<b>125.4</b>	<b>179.2</b>	<b>191.1</b>	<b>208.1</b>	<b>9%</b>	<b>66%</b>	<b>16%</b>
TL Borrowings	14.5	15.6	18.0	18.0	0%	24%	15%
FC Borrowings (\$)	12.7	12.6	11.8	11.4	-3%	-10%	-10%
<b>Shareholders' Equity</b>	<b>52.4</b>	<b>63.5</b>	<b>78.1</b>	<b>94.4</b>	<b>21%</b>	<b>80%</b>	<b>49%</b>
<b>Assets Under Management</b>	<b>52.0</b>	<b>80.3</b>	<b>89.8</b>	<b>92.0</b>	<b>3%</b>	<b>77%</b>	<b>15%</b>
<b>Loans/(Deposits+TL Bills)</b>	104%	94%	95%	96%			
<b>CAR<sup>2</sup></b>	16.2%	15.0%	15.5%	16.7%			
<b>Tier-I<sup>2</sup></b>	13.8%	12.6%	13.3%	14.6%			
<b>Common Equity Tier-I<sup>2</sup></b>	12.4%	11.0%	11.6%	12.9%			

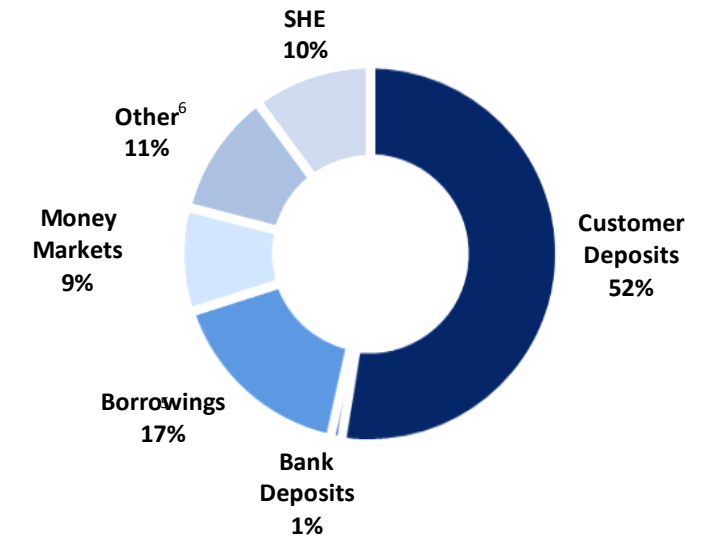
Notes:

- Loans indicate performing loans. TL and FC Loans are adjusted for the FX indexed loans
- Excluding regulatory forbearances
- Other interest earning assets (IEAs) include Balances with the Central Bank Turkey, banks and other financial institutions, money markets, factoring receivables, financial lease receivables
- Other assets include investments in associates, subsidiaries, joint ventures, hedging derivative financial assets, property and equipment, intangible assets, tax assets, assets held for resale and related to discontinued operations (net) and other

## Assets – Bank Only



## Liabilities – Bank Only



- Borrowings: include funds borrowed, marketable securities issued (net), subordinated loans. Intragroup funding / Total exposures is limited to cash excluding Business Related (i.e. Trade Finance), Repos and loro/nostro accounts
- Other liabilities: other provisions, hedging derivatives, deferred and current tax liability and other

# Consolidated income statement

TL million	2Q21	1Q22	2Q22	y/y	q/q	1H21	1H22	y/y
<b>Net Interest Income including swap costs</b>	<b>3,544</b>	<b>9,247</b>	<b>15,575</b>	<b>339%</b>	<b>68%</b>	<b>6,194</b>	<b>24,822</b>	<b>301%</b>
o/w NII	4,996	10,633	15,925	219%	50%	8,943	26,558	197%
o/w CPI-linkers <sup>1</sup>	1,673	4,798	8,352	399%	74%	2,734	13,150	381%
o/w Swap costs	-1,452	-1,386	-350	-76%	-75%	-2,748	-1,736	-37%
<b>Fees &amp; Commissions</b>	<b>1,782</b>	<b>2,847</b>	<b>3,537</b>	<b>99%</b>	<b>24%</b>	<b>3,632</b>	<b>6,384</b>	<b>76%</b>
<b>Core Revenues</b>	<b>5,326</b>	<b>12,094</b>	<b>19,112</b>	<b>259%</b>	<b>58%</b>	<b>9,827</b>	<b>31,206</b>	<b>218%</b>
<b>Operating Costs</b>	<b>2,436</b>	<b>3,458</b>	<b>4,606</b>	<b>89%</b>	<b>33%</b>	<b>4,735</b>	<b>8,064</b>	<b>70%</b>
<b>Core Operating Income</b>	<b>2,891</b>	<b>8,636</b>	<b>14,506</b>	<b>402%</b>	<b>68%</b>	<b>5,092</b>	<b>23,142</b>	<b>355%</b>
<b>Trading and FX gains/losses</b>	<b>462</b>	<b>2,923</b>	<b>3,465</b>	<b>650%</b>	<b>19%</b>	<b>1,659</b>	<b>6,388</b>	<b>285%</b>
Trading excl. ECL hedge	96	1,453	1,843	1812%	27%	512	3,296	544%
ECL hedging	365	1,470	1,622	344%	10%	1,147	3,092	169%
<b>Other income</b>	<b>91</b>	<b>173</b>	<b>492</b>	<b>442%</b>	<b>185%</b>	<b>201</b>	<b>664</b>	<b>231%</b>
o/w income from subs	34	37	61	81%	67%	64	98	54%
o/w Dividends	11	61	24	n.m.	-60%	15	85	467%
o/w Others	46	76	406	782%	437%	122	482	294%
<b>Pre-provision Profit</b>	<b>3,443</b>	<b>11,732</b>	<b>18,463</b>	<b>436%</b>	<b>57%</b>	<b>6,951</b>	<b>30,194</b>	<b>334%</b>
<b>ECL net of collections</b>	<b>577</b>	<b>1,931</b>	<b>3,466</b>	<b>500%</b>	<b>79%</b>	<b>2,149</b>	<b>5,398</b>	<b>151%</b>
ECL (excl. currency impact)	212	461	1,844	770%	300%	1,001	2,305	130%
o/w Stage 3 Provisions	540	826	4,061	652%	392%	1,292	4,887	278%
o/w Stage 1 + Stage 2 Provisions	459	2,040	213	-54%	-90%	1,905	2,253	18%
o/w Currency Impact	365	1,470	1,622	344%	10%	1,147	3,092	169%
o/w Collections (-)	-422	-935	-808	92%	-14%	-1,049	-1,743	66%
<b>Provisions for Risks and Charges</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>n.m.</b>	<b>n.m.</b>	<b>110</b>	<b>25</b>	<b>-77%</b>
o/w Other provisions for risks and charges	0	0	0	n.m.	n.m.	22	0	n.m.
o/w Pension fund provisions	0	0	25	n.m.	n.m.	88	25	-71%
<b>Other Provisions</b>	<b>6</b>	<b>237</b>	<b>15</b>	<b>n.m.</b>	<b>-94%</b>	<b>18</b>	<b>252</b>	<b>1328%</b>
<b>Pre-tax Income</b>	<b>2,860</b>	<b>9,563</b>	<b>14,957</b>	<b>423%</b>	<b>56%</b>	<b>4,676</b>	<b>24,520</b>	<b>424%</b>
Tax	627	2,305	3,034	384%	32%	990	5,339	439%
<b>Net Income</b>	<b>2,233</b>	<b>7,259</b>	<b>11,922</b>	<b>434%</b>	<b>64%</b>	<b>3,685</b>	<b>19,181</b>	<b>420%</b>
<b>ROTE</b>	<b>18.0%</b>	<b>42.3%</b>	<b>56.7%</b>	<b>24pp</b>	<b>14pp</b>	<b>15.4%</b>	<b>49.9%</b>	<b>35pp</b>
<b>ROAA</b>	<b>1.6%</b>	<b>3.5%</b>	<b>5.1%</b>	<b>188bps</b>	<b>161bps</b>	<b>1.4%</b>	<b>4.3%</b>	<b>292bps</b>

Notes:

n.m.: not meaningful

1. Interest income from CPI linkers includes only inflation impact on principal amount and does not include the interest income from fixed coupon rate

# Bank-only income statement

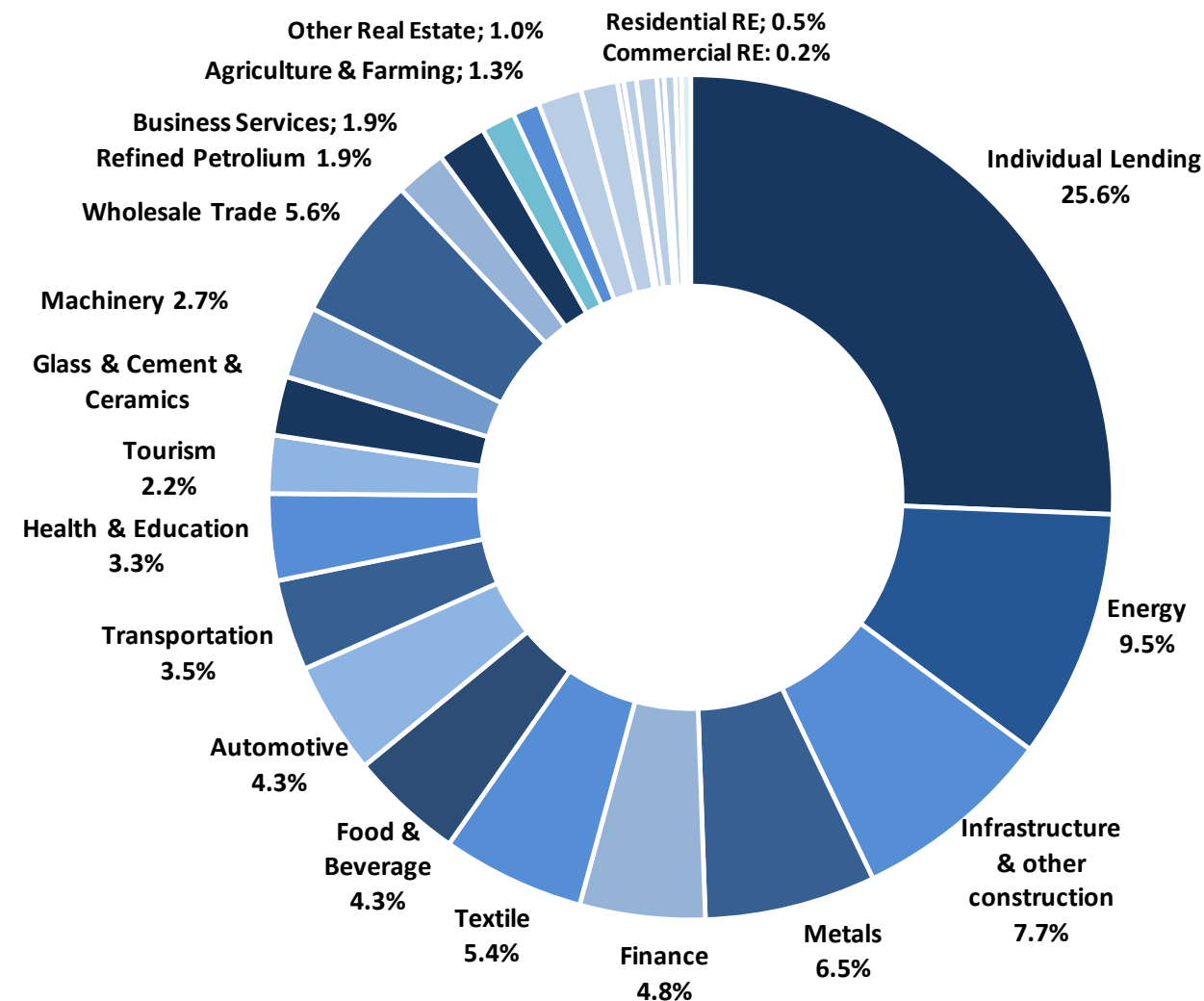
TL million	2Q21	1Q22	2Q22	y/y	q/q	1H21	1H22	y/y
<b>Net Interest Income including swap costs</b>	<b>3,190</b>	<b>8,678</b>	<b>14,953</b>	<b>369%</b>	<b>72%</b>	<b>5,517</b>	<b>23,631</b>	<b>328%</b>
o/w NII	4,764	10,174	15,533	226%	53%	8,474	25,707	203%
o/w CPI-linkers <sup>1</sup>	1,673	4,798	8,352	399%	74%	2,734	13,150	381%
o/w Swap costs	-1,574	-1,496	-581	-63%	-61%	-2,957	-2,076	-30%
<b>Fees &amp; Commissions</b>	<b>1,631</b>	<b>2,584</b>	<b>3,198</b>	<b>96%</b>	<b>24%</b>	<b>3,285</b>	<b>5,782</b>	<b>76%</b>
<b>Core Revenues</b>	<b>4,821</b>	<b>11,262</b>	<b>18,151</b>	<b>276%</b>	<b>61%</b>	<b>8,802</b>	<b>29,413</b>	<b>234%</b>
<b>Operating Costs</b>	<b>2,283</b>	<b>3,229</b>	<b>4,333</b>	<b>90%</b>	<b>34%</b>	<b>4,448</b>	<b>7,563</b>	<b>70%</b>
<b>Core Operating Income</b>	<b>2,539</b>	<b>8,033</b>	<b>13,818</b>	<b>444%</b>	<b>72%</b>	<b>4,355</b>	<b>21,850</b>	<b>402%</b>
<b>Trading and FX gains/losses</b>	<b>437</b>	<b>2,813</b>	<b>3,319</b>	<b>660%</b>	<b>18%</b>	<b>1,587</b>	<b>6,131</b>	<b>286%</b>
Trading excl. ECL hedge	71	1,343	1,696	n.m.	26%	439	3,039	592%
ECL hedging	365	1,470	1,622	344%	10%	1,147	3,092	169%
<b>Other income</b>	<b>313</b>	<b>665</b>	<b>1,160</b>	<b>271%</b>	<b>74%</b>	<b>736</b>	<b>1,825</b>	<b>148%</b>
o/w income from subs	266	529	769	189%	45%	617	1,298	110%
o/w Dividends	0	47	0	n.m.	n.m.	2	47	2107%
o/w Others	46	89	391	753%	341%	117	480	311%
<b>Pre-provision Profit</b>	<b>3,288</b>	<b>11,511</b>	<b>18,296</b>	<b>456%</b>	<b>59%</b>	<b>6,677</b>	<b>29,807</b>	<b>346%</b>
<b>ECL net of collections</b>	<b>525</b>	<b>1,873</b>	<b>3,517</b>	<b>570%</b>	<b>88%</b>	<b>2,068</b>	<b>5,390</b>	<b>161%</b>
ECL (excl. currency impact)	160	402	1,895	1087%	371%	920	2,297	150%
o/w Stage 3 Provisions	515	792	4,050	686%	412%	1,149	4,842	322%
o/w Stage 1 + Stage 2 Provisions	400	1,944	195	-51%	-90%	1,796	2,139	19%
o/w Currency Impact	365	1,470	1,622	344%	10%	1,147	3,092	169%
o/w Collections (-)	-390	-863	-728	86%	-16%	-877	-1,591	81%
<b>Provisions for Risks and Charges</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>n.m.</b>	<b>n.m.</b>	<b>110</b>	<b>25</b>	<b>-77%</b>
o/w Other provisions for risks and charges	0	0	0	n.m.	n.m.	22	0	n.m.
o/w Pension fund provisions	0	0	25	n.m.	n.m.	88	25	-71%
<b>Other Provisions</b>	<b>3</b>	<b>229</b>	<b>4</b>	<b>n.m.</b>	<b>-98%</b>	<b>9</b>	<b>233</b>	<b>2378%</b>
<b>Pre-tax Income</b>	<b>2,760</b>	<b>9,409</b>	<b>14,750</b>	<b>434%</b>	<b>57%</b>	<b>4,491</b>	<b>24,160</b>	<b>438%</b>
Tax	527	2,151	2,828	436%	31%	805	4,979	518%
<b>Net Income</b>	<b>2,233</b>	<b>7,258</b>	<b>11,922</b>	<b>434%</b>	<b>64%</b>	<b>3,685</b>	<b>19,181</b>	<b>420%</b>
<b>ROTE</b>	<b>18.0%</b>	<b>42.2%</b>	<b>56.6%</b>	<b>39pp</b>	<b>14pp</b>	<b>15.3%</b>	<b>49.9%</b>	<b>35pp</b>
<b>ROAA</b>	<b>1.7%</b>	<b>3.7%</b>	<b>5.5%</b>	<b>372bps</b>	<b>172bps</b>	<b>1.5%</b>	<b>4.6%</b>	<b>310bps</b>

Notes:

n.m.: not meaningful

1. Interest income from CPI linkers includes inflation impact on principal amount and does not include the interest income arising from fixed coupon rate.

# Sectoral breakdown of loans

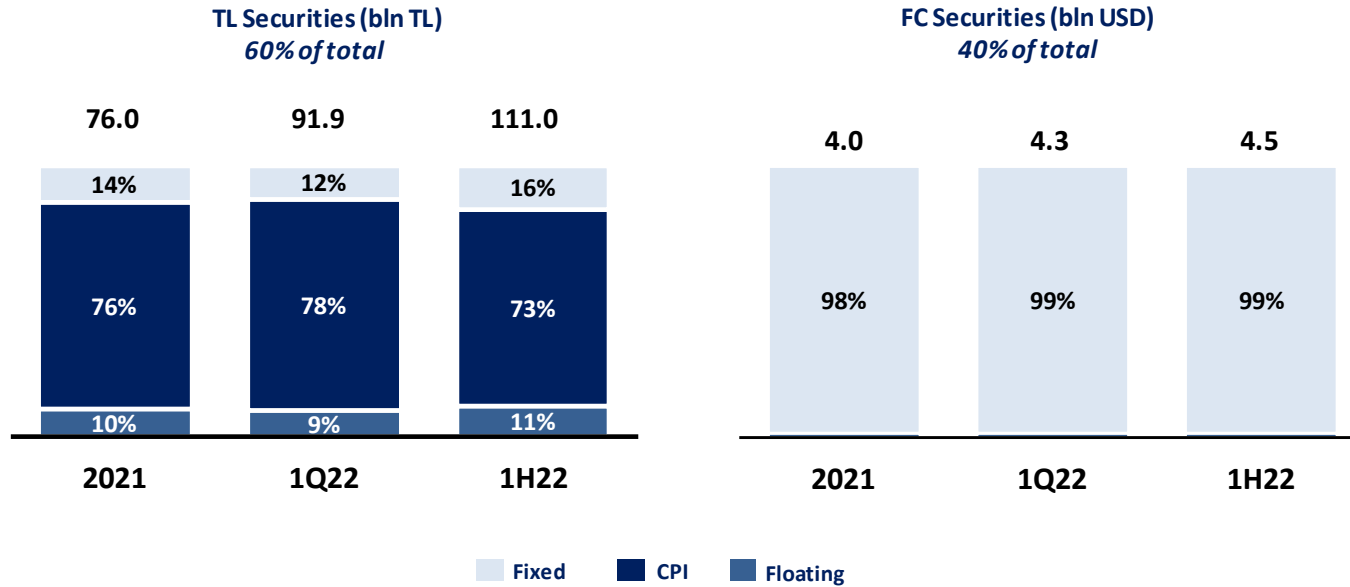


- *The Share of Energy Loans in total down by 3 pp since 2018*
- *The Share of Infrastructure and Other Construction in total down by 3 pp since 2018*
- *Energy Sector total coverage at 12%, 48% of the loans are under Stage 2*
- *Energy Sector Risky Stage 2 files' coverage at 27%*
- *Infrastructure and other construction Stage 2 coverage at 18%*
- *Total Real Estate loans Stage 2 coverage at 26%*
- *8% share of **SMEs** in cash loans, **19%** of which is under CGF scheme*

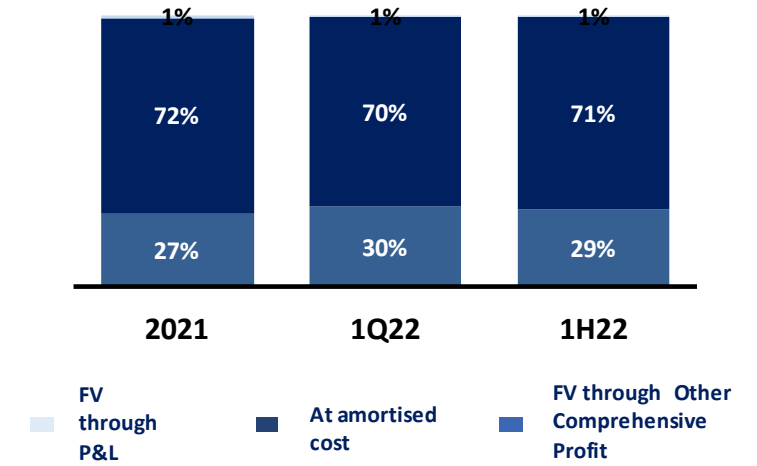
Notes:  
Based on MIS Data, Loans include gross cash and non-cash loans

# Securities

Composition by Type<sup>1</sup>



Composition by Classification<sup>1</sup>



## ■ CPI linker volume: ~81 bn TL

CPI linker valuation: 50% oct-oct inflation (1Q22: 35%; 2021: 19.9%; 1H21: 13.5%)




## ■ M-t-m unrealized gain/loss<sup>2</sup> at 6.9 bn TL as of 1H22 (7.6 bln TL in 1Q22; 1.5 bn TL in 2021)

Notes:

1. Based on Bank-Only financials

2. Net of tax

# Details of main borrowings

International	Syndications	<p>~ US\$ 1.6 bln</p> <ul style="list-style-type: none"> <li>■ <b>Nov'21:</b> US\$ 360.5 mln and € 396.5 mln, all-in cost at Libor+2.15% and Euribor+1.75 % for 367 days. 38 banks from 19 countries</li> <li>■ <b>Jun'22:</b> US\$ 349.5 mln and € 431.5 mln, all-in cost at SOFR+2.75% and Euribor+2.10% for 367 days. 37 banks from 19 countries</li> </ul>
	AT1	<p>~US\$ 650 mln outstanding</p> <ul style="list-style-type: none"> <li>■ <b>Jan'19:</b> US\$ 650 mln market transaction, callable every 5 years, perpetual, 13.875% (coupon rate)</li> </ul>
	Subordinated Loans	<p>~US\$ 2.36 bln outstanding</p> <ul style="list-style-type: none"> <li>■ <b>Dec'12:</b> US\$ 1,000 mln market transaction, 10 years, 5.5% fixed rate</li> <li>■ <b>Jan'13:</b> US\$ 585 mln, 10NC5, 5.7% fixed rate – Basel III Compliant</li> <li>■ <b>Dec'13:</b> US\$ 270 mln, 10NC5, 7.72% – Basel III Compliant</li> <li>■ <b>Jan'21:</b> US\$ 500 mln market transaction, 10NC5, 7.875% (coupon rate)- Basel III Compliant</li> </ul>
	Foreign and Local Currency Bonds / Bills	<p>US\$ 1.50 bln Eurobonds</p> <ul style="list-style-type: none"> <li>■ <b>Jun'17:</b> US\$ 500 mln, 5.85% (coupon rate), 7 years</li> <li>■ <b>Mar'18:</b> US\$ 500 mln, 6.10% (coupon rate), 5 years</li> <li>■ <b>Mar'19:</b> US\$ 500 mln, 8.25% (coupon rate), 5.5 years</li> </ul>
	Covered Bond	<p>TL 1.97 bln outstanding</p> <ul style="list-style-type: none"> <li>■ <b>Oct'17:</b> Mortgage-backed with maturity 5 years</li> <li>■ <b>Feb'18:</b> Mortgage-backed with 5 years maturity</li> <li>■ <b>May'18:</b> Mortgage-backed with 5 years maturity</li> <li>■ <b>Mar'19:</b> Mortgage-backed with 5 years maturity</li> <li>■ <b>Dec'19:</b> Mortgage-backed with 5 years maturity</li> </ul>
Domestic	Local Currency Bonds / Bills	<p>TL 4.59 bln total</p> <ul style="list-style-type: none"> <li>■ <b>Aug'21:</b> TL 181 mln, 14-month maturity, TLREF indexed</li> <li>■ <b>Apr'22:</b> TL 1.75 bln, 3-month maturity </li> <li>■ <b>May'22:</b> TL 996 mln, 3-month maturity </li> <li>■ <b>Jun'22:</b> TL 1.66 bln, 3-month maturity </li> </ul>
	Subordinated Loans	<p>TL 800 mln total</p> <ul style="list-style-type: none"> <li>■ <b>Jul'19:</b> TL 500 mln, 10-year maturity, TRLIBOR + 100 bps</li> <li>■ <b>Oct'19:</b> TL 300 mln, 10-year maturity, TLREF index + 130 bps</li> </ul>

# Sustainability

## Climate Change Mitigation



- Sustainability-Linked Funding ~30% of Total Wholesale
- Committed since July 2021
- Renewable Energy loans ~45% of Total Energy Portfolio
- Thermal coal-related power & mining phase out



## Sustainable Finance



### Increase Financial Inclusion

...through further diversified ESG linked products

Sustainability Linked Loans  
ESG advisory services  
ESG Linked Investment Funds  
Sustainable Credit Cards

### Existing ESG Products & Services

Nature Friendly Mortgage & Auto loans  
ESG Linked Investment Funds  
Yapı Kredi Leasing & Arçelik Cooperation  
Solar panel installations

## Ratings

Leader in Turkey  
Best-in-class globally

MSCI  
ESG RATINGS



Upgraded  
by 3 levels  
to AA

CCC B BB BBB A AA AAA

CDP Turkey Water Leader  
3 consecutive years



Bank's score  
Above global sector average

The only company at the leadership level  
in the finance sector on the global scale

## Indices



Included in 2022  
Bloomberg Gender  
Equality Index



FTSE4Good



Among the  
<Best-in-Class> Companies

Improvement  
in 2021

Risk Rating

+6<sup>pp</sup>

Risk Management

+12<sup>pp</sup>

1 of 4 companies  
in Turkey

Sustainability Yearbook  
Member 2022

S&P Global

1st year of reporting  
Total ESG score: 64



BIST  
SUSTAINABILITY INDEX  
CONSTITUENT COMPANY



# Disclaimer

This presentation has been prepared by Yapı ve Kredi Bankası A.Ş. (the “Bank”). This presentation is not directed at, or intended for distribution to or use by, any person or entity that is a citizen or resident of, or located in, any locality, state, country or other jurisdiction where such distribution or use would be contrary to law or regulation or which would require any registration, licensing or other action to be taken within such jurisdiction.

This presentation does not constitute or form part of, and should not be construed as, an offer or invitation to sell securities of the Bank, or the solicitation of an offer to subscribe for or purchase securities of the Bank, and nothing contained herein shall form the basis of or be relied on in connection with any contract or commitment whatsoever. Any decision to purchase any securities of the Bank should be made solely on the basis of the conditions of the securities and the information contained in the offering circular, information statement or equivalent disclosure document prepared in connection with the offering of such securities. Prospective investors are required to make their own independent investigations and appraisals of the business and financial condition of the Bank and the nature of any securities before taking any investment decision with respect to securities of the Bank.

This presentation and the information contained herein are not an offer of securities for sale in the United States or any other jurisdiction. No action has been or will be taken by the Bank in any country or jurisdiction that would, or is intended to, permit a public offering of securities in any country or jurisdiction where action for that purpose is required. In particular, no securities have been or will be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or with any securities regulatory authority of any state or other jurisdiction of the United States and securities may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Bank does not intend to register or to conduct a public offering of any securities in the United States or any other jurisdiction.

This presentation is an advertisement and is not a prospectus for the purposes of EU Directive 2003/71/EC and any amendments thereto, including the amending directive, Directive 2010/73/EU to the extent implemented in the relevant member state and any relevant implementing measure in each relevant member state (the “Prospectus Directive”) and/or Part VI of the United Kingdom’s Financial Services and Markets Act 2000. This presentation is only directed at and being communicated to the limited number of invitees who: (A) if in the European Economic Area, are persons who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive (“Qualified Investors”); (B) if in the United Kingdom are persons (i) having professional experience in matters relating to investments so as to qualify them as “investment professionals” under Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); and (ii) falling within Article 49(2)(a) to (d) of the Order; and/or (C) are other persons to whom it may otherwise lawfully be communicated (all such persons referred to in (A), (B) and (C) together being “Relevant Persons”). This presentation must not be acted or relied on by persons who are not Relevant Persons. Any investment activity to which this presentation relates is available only to Relevant Persons and may be engaged in only with Relevant Persons. Nothing in this presentation constitutes investment advice and any recommendations that may be contained herein have not been based upon a consideration of the investment objectives, financial situation or particular needs of any specific recipient. If you have received this presentation and you are not a Relevant Person you must return it immediately to the Bank.