

**FIRST SUPPLEMENT dated 7 March 2024  
to the Base Prospectus dated 20 December 2023**



**Yapı ve Kredi Bankası A.Ş.  
U.S.\$11,000,000,000  
Global Medium Term Note Programme**

This Supplement (the “**Supplement**”) to the Base Prospectus dated 20 December 2023 (the “**Base Prospectus**”) constitutes a supplement for the purposes of Article 23 of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) and is prepared in connection with the U.S.\$11,000,000,000 Global Medium Term Note Programme (the “**Programme**”) established by Yapı ve Kredi Bankası A.Ş. (the “**Bank**” or the “**Issuer**”, and together with its subsidiaries, the “**Group**”). Terms defined in the Base Prospectus have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuer.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Regulation. The Central Bank of Ireland only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of this Supplement. Investors should make their own assessment as to the suitability of investing in the Notes.

**Purpose of this Supplement**

This Supplement has been prepared and published for the purposes of incorporating into the Base Prospectus the latest financial statements of the Group (as defined in the Base Prospectus) and of the Bank and certain recent events in connection with the Issuer. As a result, certain modifications to the Base Prospectus are hereby being made.

A copy of each of the audited BRSA consolidated financial statements of the Group and the audited BRSA unconsolidated financial statements of the Bank, as at and for the year ended 31 December 2023 (including PwC’s (as defined in the Base Prospectus) independent auditor’s report and notes thereto, together the “**New Annual BRSA Financial Statements**”) has been filed with the Central Bank of Ireland and the Irish Stock Exchange plc trading as Euronext Dublin and, by means of this Supplement, is incorporated by reference into, and forms part of, the Base Prospectus. Copies of the New Annual BRSA Financial Statements can be obtained without charge from the registered office of the Issuer and from the Issuer’s website: (a) with respect to the consolidated New Annual BRSA Financial Statements, at <https://www.yapikrediinvestorrelations.com/en/images/pdf/brsa-consolidated-financials/2023/31122023-consolidated-financials.pdf>, and (b) with respect to the unconsolidated New Annual BRSA Financial Statements, at <https://www.yapikrediinvestorrelations.com/en/images/pdf/brsa-unconsolidated-financials/2023/31122023-unconsolidated-financials.pdf>. The New Annual BRSA Financial Statements, which are in English, were prepared as convenience translations of corresponding Turkish language BRSA financial statements (which translations the Issuer confirms are direct and accurate). The New Annual BRSA Financial Statements were not prepared for the purpose of their incorporation by reference into the Base Prospectus.

In addition, this Supplement sets out in the attached pages a “*Recent Developments*” section relating to the New Annual BRSA Financial Statements and additional information, which section shall, from the date hereof, form part of, and be incorporated into, the Base Prospectus. Statements contained herein shall, to the extent applicable and whether expressly, by implication or otherwise, modify or supersede statements set out in, or previously incorporated by reference into, the Base Prospectus. Where there is any inconsistency between the information contained in (or incorporated by reference into) the Base Prospectus and the information contained herein (or incorporated by reference into the Base Prospectus by means of this Supplement), the information contained herein (or incorporated by reference into the Base Prospectus by means of this Supplement) shall prevail.

If the documents which are incorporated by reference in the Base Prospectus by virtue of this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Base Prospectus for the purposes of the Prospectus Regulation except where such information or other documents are specifically incorporated by reference in, or attached to, the Base Prospectus by virtue of this Supplement.

Except as disclosed herein (including in the New Annual BRSA Financial Statements incorporated by reference into the Base Prospectus by means of this Supplement), there has been no significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus since the publication of the Base Prospectus.

There has been no material adverse change in the financial prospects of either the Issuer or the Group since 31 December 2023, being the end of the last financial period for which the Issuer and the Group's audited financial statements have been published, and there has been no significant change in the financial performance or position of either the Issuer or the Group since 31 December 2023.

For the convenience of the reader, certain figures have been translated into U.S. dollars at a rate of TL 29.4382 = U.S.\$1.00 as of 31 December 2023 and TL 18.6983 = U.S.\$1.00 as of 30 December 2022, each of which corresponds with the Bank's published exchange rate as of such date, as disclosed in the New Annual BRSA Financial Statements, in Note 4 thereto. Such translation should not be construed as a representation that the TL amounts have been or could have been converted into U.S. dollars at any particular rate or at all.

None of the Dealers or the Arrangers make any representation, express or implied regarding, or accept any responsibility for, the contents hereof or any information incorporated by reference into the Base Prospectus by means of this Supplement.

## RECENT DEVELOPMENTS

### Redemption of AT1 Notes by the Issuer

On 17 January 2024, the Issuer announced the redemption in full of U.S.\$650 million in aggregate outstanding principal amount of its Perpetual Fixed Rate Resettable Additional Tier 1 Notes (“AT1 Notes”), issued on 15 January 2019. The AT1 Notes were redeemed on 16 January 2024. The Group estimates that its Tier 1 capital adequacy ratio as at 31 December 2023 would have worsened by approximately 150 bps if the redemption of AT1 Notes had occurred on 31 December 2023.

### Hyperinflation

*This subsection should be read together with the section titled “Presentation of Financial and Other Information—Presentation of Financial Information”, “Risk Factors—Risks Related to the Group’s Business—The Group’s BRSA Financial Statements were prepared under standards applicable to banks in Türkiye and not prepared under IFRS”, “Risk Factors—Risks Related to Türkiye—Türkiye’s economy is subject to inflation and risks relating to its current account deficit” and “Appendix 1—Overview of Significant Differences Between IFRS and BRSA Accounting Principles” in the Base Prospectus.*

On 23 November 2023, the Public Oversight Accounting and Auditing Standards Authority announced that entities reporting under TFRS should begin implementing the “TAS 29 Financial Reporting in Hyperinflationary Economies” standard in their financial statements, and adjusting their financial statements for inflation, from periods ending on and after 31 December 2023, subject to alternative timelines being set by applicable regulatory and auditing entities such as the BRSA and the CMB, with adjustments also applied to all periods presented in the financial statements. On 12 December 2023, the BRSA announced that the financial statements of banks and financial leasing, factoring, financing, savings financing and asset management companies as of 31 December 2023 will not be subject to the inflation adjustment required under TAS 29. On 11 January 2024, the BRSA announced that such entities, including the Bank, will be required to implement inflation accounting and will be required to adjust historical periods presented in financial statements for all periods starting on or after 1 January 2025.

The Bank anticipates applying TAS 29 for the reporting periods starting 1 January 2025. The impact of such application is expected to be reflected in the Group’s consolidated and unconsolidated financial statements from the three months ended 31 March 2025 including adjustment and reclassification of the comparative periods ended 31 March 2024.

The Bank closely monitors the application of TAS 29 but cannot predict its impact on such financial statements. Under TAS 29, financial statements of an entity that reports in the currency of a hyperinflationary economy should be stated in terms of the measuring unit current balance sheet date. Non-monetary items which are not already expressed in terms of the measuring unit current at the end of the reporting period and components of owners’ equity in the statement of financial position, and all items in the statement of profit or loss and other comprehensive income would be indexed by applying a general price index. In addition, gains or losses arising from net monetary position would be included in net income under a separate line item. Related adjustments and reclassifications are expected to have an impact on the Bank’s future financial statements, results of operations and financial condition, with nominal growth rates of the balance sheet and profitability in the Group’s BRSA Financial Statements significantly exceeding the rates as measured on a constant-currency basis. The Bank’s margins may be impacted as a result of the application of TAS 29 which will therefore limit the visibility of the Bank’s past performance and make it more difficult for investors to analyse the Bank’s other historical results.

In accordance with the BRSA Principles, the Bank has not applied the requirements of TAS 29 in the New Annual BRSA Financial Statements and all financial information has been presented on an unadjusted basis. The Bank will continue to act in accordance with the BRSA Principles.

### Resignation of CBRT Governor

Fatih Karahan replaced Hafize Gaye Erkan as the CBRT governor in an unexpected change on 3 February 2024. The Central Bank announced on 4 February 2024 that it would continue its efforts targeted at disinflation and reaffirmed that it would maintain monetary tightness until inflation falls to levels consistent with its targets.

## Turkish Banking System

*This subsection should be read together with the section titled “Turkish Banking System” in the Base Prospectus.*

The following table shows key indicators for deposit-taking banks in Türkiye as of (or for the period ended on) the indicated dates:

	For the year ended 31 December	
	2023	2022
	(%)	
Loan Growth .....	55	53
<i>TL</i> .....	56	77
<i>FC (USD)</i> .....	(2)	(17)
Customer Deposit Growth.....	70	69
<i>TL</i> .....	91	151
<i>FC (USD)</i> .....	(9)	(16)
Securities Growth.....	63	81
<i>TL</i> .....	63	115
<i>FC (USD)</i> .....	3	(1)
NPL Ratio .....	1.6	2.1
Capital adequacy ratio (CAR) .....	18.4	19.2
TL Loan – Deposit Spread .....	(1.4)	4.4
Return on tangible equity (RoTE) .....	34.1	40.2

Source: BRSA monthly bulletin ([www.bddk.org.tr](http://www.bddk.org.tr)), based on the BRSA’s calculations of such figures.

## Articles of Association

The Bank’s board of directors resolved to amend its Articles of Association on 30 January 2024. The amendments effect (i) an extension of the authorized share capital of the Bank from 2024 through 2028 and (ii) an update to the bank’s registered address to align with that included in the municipal trade registry. The amendments are to be approved by the BRSA, the CMB and other relevant authorities, and approved by the Bank’s shareholders at the first ordinary general assembly meeting thereafter.

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*The remainder of this section should be read together with and form part of the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Base Prospectus.*

## Turkish Economy

The table below summarises Türkiye’s macroeconomic indicators for each of the years ended 31 December 2023 and 2022:

	For the year ended 31 December	
	2023	2022
Gross Domestic Product (“GDP”) growth (%) <sup>(1)</sup> .....	4.5	5.5
CPI Inflation (%) <sup>(1)</sup> .....	64.8	64.3
Current Account Deficit as percentage of GDP (%) <sup>(2)</sup> .....	(4.0)	(5.4)
Budget Deficit as percentage of GDP (%) <sup>(2)</sup> .....	(5.2)	(0.9)
USD to TL exchange rate <sup>(2)</sup> .....	29.40	18.70
2Y Benchmark Bond Rate (%) <sup>(2)</sup> .....	39.7	8.8

(1) Based on data from the Turkish Statistical Institute.

(2) Based on data from the Ministry of Treasury and Finance.

Headline inflation based on the CPI reached 64.8%, 64.3%, 36.1%, 14.6% and 11.8% as of 31 December 2023, 31 December 2022, 31 December 2021, 31 December 2020 and 31 December 2019 respectively, mainly due to the pass-through effect from the depreciation of the Turkish Lira and rising food and other prices. As of February 2024, annual CPI rose to 67.1%, mainly driven by the increases in the price of food and non-alcoholic beverages, utilities, household equipment, transportation and hotels and restaurants. Core inflation (C Index) was 70.6% year-on-year as of 31 December 2023, compared to 51.9% year-on-year as of 31 December 2022, 31.9% year-on-year as of 31 December 2021, 14.3% year-on-year as of 31 December 2020 and 9.8% year-on-year as of 31 December 2019, and stands at 72.9% as of February 2024. In addition to inflation in Türkiye, expectations for inflation globally have been disrupted by geopolitical risks arising from the conflict between Russia and Ukraine and its negative impact on global supply chains, which had already deteriorated during the COVID-19 pandemic, leading to on-going supply constraints and high price volatility in energy, various intermediate goods and commodities.

The factors driving higher inflation have also led to tighter monetary policies and caused demand to weaken on a global scale. As a result of the high inflation across the world, financial conditions have remained volatile, which is another important factor limiting economic activity. See *“Risk Factors—Risks Related to Türkiye—Türkiye’s economy is subject to inflation and risks relating to its current account deficit”* in the Base Prospectus.

### **Interest Rates and Monetary Policy in Türkiye**

On 22 February 2024, the Monetary Policy Committee of the CBRT (“MPC”) decided to maintain the policy rate (one-week repo auction rate) at 45%. The MPC had previously decided, on 25 January 2024, to raise the policy rate from 42.5% to 45%, and announced that the new level would be maintained until inflation expectations converge with its projections, subject to any change in the inflation outlook.

On 6 March 2024, the CBRT announced additional measures to tighten monetary policy, including tighter limits under the CBRT’s growth-based securities maintenance practice. On 7 March 2024, the CBRT also introduced new additional reserve requirements based on loan growth.

### **Turkish Ratings Outlook**

On 12 January 2024, Moody’s revised the outlook on Türkiye’s sovereign credit rating from “Stable” to “Positive”. Following this change, on 17 January 2024, the rating agency revised the outlook on the Group’s long-term foreign currency deposit, long-term local currency deposit and senior unsecured debt from “Stable” to “Positive”, affirming the rating “B3”. On 12 January 2024, Moody’s also upgraded Türkiye’s FC country ceiling rate from “B3” to “B2” and following that, on 17 January 2024, Yapı ve Kredi Bank’s long-term FC counterparty risk rating is upgraded from “B3” to “B2”.

### **Exchange Rate**

Due to the volatility in financial markets and the rise in risk premiums, the Turkish Lira depreciated to a new low, reaching TL 29.40 to U.S.\$1 on 31 December 2023. As of 5 March 2024, the exchange rate is approximately TL 31.40 to U.S. \$1.

### **Analysis of Results of Operations for the Year Ended 31 December 2023 and 2022**

The Group’s net profit was TL 68,010,164 thousand in the year ended 31 December 2023, an increase of 29% compared to net profit of TL 52,745,301 thousand for the year ended 31 December 2022. The increase was primarily driven by strong fees and commissions performance as well as trading activities. The Group’s cost-to-income ratio was 31% for the year ended 31 December 2023 compared to 20.4% for the year ended 31 December 2022. Costs grew slightly above average inflation on the back of continued investment in business growth, investments in human capital, the impact of inflation pass-through and earthquake-related costs.

The table below summarises the Group’s summary consolidated statements of profit and loss for each of the years ended 31 December 2023 and 2022, the components of which are described in greater detail below:

	<b>For the year ended 31 December</b>		
	<b>2023</b>	<b>2022</b>	<b>% Change</b>
	<i>(TL thousands)</i>		
<b>Consolidated statement of profit and loss</b>			
Interest income .....	232,944,677	133,298,907	74.75
Interest expense .....	(153,527,562)	(54,040,436)	184.10
<b>Net interest income</b> .....	<b>79,417,115</b>	<b>79,258,471</b>	<b>0.20</b>
Net fees and commissions income.....	38,160,316	15,740,654	142.43
Dividend income .....	66,864	88,694	(24.61)
Trading profit/(loss) (net).....	21,288,402	10,201,691	108.68
Other operating income <sup>(1)</sup> .....	17,706,326	10,258,437	72.60
<b>Gross profit from operating activities</b> <sup>(1)</sup> .....	<b>156,639,023</b>	<b>115,547,947</b>	<b>35.56</b>
Allowance for expected credit losses <sup>(1)</sup> .....	(24,224,659)	(22,520,512)	7.57
Other operating expenses.....	(30,561,094)	(13,851,191)	120.64
Other provision expenses.....	(151,802)	(364,615)	(58.37)
Personnel expenses.....	(18,296,354)	(9,853,390)	85.69
<b>Net operating profit/(loss)</b> .....	<b>83,405,114</b>	<b>68,958,239</b>	<b>20.95</b>
Profit/loss from equity method applied subsidiaries.....	1,623,787	235,529	589.42
<b>Profit/loss before taxes from continuing operations</b> .....	<b>85,028,901</b>	<b>69,193,768</b>	<b>22.89</b>
Provisions for taxes on income from continuing operations (±).....	(17,018,737)	(16,448,467)	3.47
<b>Net profit/loss from continuing operations</b> .....	<b>68,010,164</b>	<b>52,745,301</b>	<b>28.94</b>
Minority shares.....	1,328	612	116.99
<b>Group's profit/loss</b> .....	<b>68,008,836</b>	<b>52,744,689</b>	<b>28.94</b>

- (1) Starting from 1 January 2023, the Group has started to report reversals of provisions for expected credit losses on a gross basis. The comparative financial information for the period ending 31 December 2022 has been retrospectively restated for this change. Accordingly, for the year ended 31 December 2022, income amounting to TL 6,517,358 related to the reversal of provisions, which was previously reported under the provision for expected losses, has been classified under other operating income.

The following table provides certain of the Group's key ratios as of the dates and for the periods indicated:

	<b>As of and for the year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<i>(%)</i>	
Return on average tangible shareholders' equity .....	45.1	56.6
Return on assets .....	4.5	5.4
Net interest margin.....	5.4	9.1
Capital adequacy ratio <sup>(1)</sup> .....	16.9	18.1
Tier 1 capital adequacy ratio <sup>(2)</sup> .....	15.3	16.2
Cost-to-income ratio <sup>(3)</sup> .....	30.8	20.4
NPL ratio.....	2.9	3.4
Cost to average total assets .....	3.2	2.4

*Note: The measures presented in the table above are defined under and should be read in conjunction with "Presentation of Financial and Other Information—Alternative Performance Measures" in the Base Prospectus. Key ratios related to profit and loss items are compared on an annual basis.*

- (1) The capital adequacy ratios do not include the impact of BRSA Temporary Forbearances. In accordance with BRSA rules, as of 31 December 2023 and 31 December 2022, total risk weighted assets are calculated with arithmetic average of the CBRT's spot purchase exchange rates for 252 working days before calculation date. The capital adequacy ratios reported for 31 December 2023 and 31 December 2022, in each case including the impact of Temporary Forbearances, were 19.1% and 19.9%, respectively.
- (2) The tier 1 capital adequacy ratios do not include the impact of BRSA Temporary Forbearances. In accordance with BRSA rules, as of 31 December 2023 and 31 December 2022, total risk weighted assets are calculated with arithmetic average of the CBRT's spot purchase exchange rates for 252 working days before calculation date. The tier 1 capital adequacy ratios reported for 31 December 2023 and 31 December 2022, in each case including the impact of Temporary Forbearances, were 17.2% and 17.9%, respectively. The Group estimates that its Tier 1 capital adequacy ratio as at 31 December 2023 would have worsened by approximately 150 bps if the redemption of the AT1 Notes had occurred on 31 December 2023. See "Recent Developments—Redemption of AT1 Notes by the Issuer."

- (3) Starting from 1 January 2023, the Group has started to report reversals of provisions for expected credit losses on a gross basis. The comparative financial information for the year ended 31 December 2022 has been retrospectively restated for this change.

### ***Net Interest Income and Net Interest Margin***

The Group's net interest income remained stable, increasing by 0.2% to TL 79,417,115 thousand for the year ended 31 December 2023 from TL 79,258,471 thousand for the year ended 31 December 2022. Net interest income remained stable for the year ended 31 December 2023 compared to the year ended 31 December 2022, supported by both CPI-linked securities income contribution and interest income from TL performing loans despite an increase in TL funding costs. Interest income increased by 74.8% in the year ended 31 December 2023 as compared against the year ended 31 December 2022, but was offset by an increase in interest expense of 184% due to the increasing interest rate environment. Interest income from performing loans increased by 91.8%, due to a 100% increase in interest income from TL performing loans. Interest income from marketable securities increased by 45.1%, compared to 31 December 2022, mainly arising from income from CPI-linked securities. The Group's interest expense increased by 184% in the year ended 31 December 2023 as compared to the year ended 31 December 2022, primarily driven by a 277% increase in interest expense on Turkish Lira deposits (which constitute 75.8% of the Group's interest expense).

The Group's interest income is primarily attributable to interest on loans, which amounted to TL 132,052,261 thousand (56.7% of total interest income) for the year ended 31 December 2023, an increase of 91.0% compared to TL 69,141,269 thousand (51.9% of total interest income) for the previous year. The Bank has been proactively reducing its portfolio of long-term loans since the beginning of 2022, resulting in the duration gap between TL loans and deposits decreasing significantly and increasing the Bank's ability to reprice its loans to market rates in the short-term. The Group's remaining interest income mainly derives from interest received from marketable securities, which amounted to TL 84,363,783 thousand (36.2% of the Group's total interest income) in the year ended 31 December 2023, an increase of 45.1% compared to TL 58,125,296 thousand (43.6% of the Group's total interest income) for the previous year. As of 31 December 2023, the Bank's cumulative swap adjusted net interest margin (net interest income divided by average interest earning assets, Bank-only) decreased to 5.39%, which stood at 9.10% as of 31 December 2022 primarily due to increased deposit costs and lower CPI linker income contribution.

As of 31 December 2023, the Group's revenue margin (on a consolidated basis) decreased by 265 bps to 8.17%, as compared to 10.81% as of 31 December 2022.

### ***Net Fees and Commissions Income***

The Group's net fees and commissions income for the year ended 31 December 2023 amounted to TL 38,160,316 thousand, an increase of 142.43% from TL 15,740,654 thousand for the year ended 31 December 2022. The increase was across the board and mainly driven by increases in payment systems driven by higher numbers of transactions and economic activity, also supported by an increase in lending related and money transfer fees.

As of 31 December 2023, of the total net fees and commissions breakdown received by the Bank, 53% came from card payment systems (an increase of 174% compared to 31 December 2022), which was primarily the result of an increased number of transactions, 29% from lending-related activity (an increase of 129% compared to 31 December 2022), 6% from bancassurance (an increase of 89% compared to 31 December 2022), 7% from money transfers (an increase of 112% compared to 31 December 2022), 5% from investment products (an increase of 103% compared to 31 December 2022). See "*Turkish Regulatory Environment—Caps on Credit Card Interest Rates, POS Commission Rates, Demand Deposit Accounts Interest Rates and Fees for Commercial Customers*" in the Base Prospectus.

### ***Other Operating Income***

Other operating income for the year ended 31 December 2023 was TL 17,706,326 thousand, an increase of 72.60% from TL 10,258,437 thousand for the year ended 31 December 2022. Starting from 1 January 2023, the Group has started to report reversals of provisions for expected credit losses on a gross basis, impacting the Group's other

operating income. The comparative financial information for the year ended 31 December 2022 has been retrospectively restated for this change.

### ***Allowance for Expected Credit Losses***

Allowance for expected credit losses and other provision expenses for the year ended 31 December 2023 amounted to TL 24,376,461 thousand, an increase of 6.52% from TL 22,885,127 thousand for the year ended 31 December 2022. In the year ended 31 December 2023, the Group's allowance for expected credit losses has increased by 7.57% to TL 24,224,659 thousand. However, through limited NPL inflows and strong collection performance, management expects unsecured retail lending to reach approximately ~100bps annualized cost of risk.

Starting from 1 January 2023, the Group has started to report reversals of provisions for expected credit losses on a gross basis, impacting the Group's allowance for expected credit losses. The comparative financial information for the year ended 31 December 2022 has been retrospectively restated for this change.

In 2023, due to strong collection performance, asset quality continued to improve. Accordingly, the Bank's ratio of Stage 2 loans to total loans decreased to 11.4% as of 31 December 2023 from 13.2% as of 31 December 2022. Meanwhile, due to the migration of one large loan in Stage 3, that had been previously classified under Stage 2 and highly covered, coverage decreased to 14.8% as of 31 December 2023 from 19.2% as of 31 December 2022. The Bank's ratio of Stage 3 loans to total loans improved to 3.0% as of 31 December 2023 compared to 31 December 2022. In all, with 0.7% coverage in Stage 1 loans, total provisions per gross loans amounted to 4.4% as of 31 December 2023 compared to 5.9% as of 31 December 2022.

The net cost of risk decreased to 1.10% (0.15% if adjusted for foreign exchange impact) in the year ended 31 December 2023 compared to 2.55% (1.60% if adjusted for foreign exchange impact) in 2022.

### ***Other Operating Expenses (Including personnel expenses)***

Other operating expenses (including personnel expenses) for the year ended 31 December 2023 were TL 48,857,448 thousand, an increase of 106.11% from TL 23,704,581 thousand for the year ended 31 December 2022. The increase for the year ended 31 December 2023 was above inflation due to continued investments in both business growth and human capital. As of 31 December 2023, the Bank had 780 branches (including 711 retail branches, 15 private banking branches, four corporate branches and 44 commercial branches, three mobile branches, one free zone branch, one custody branch and one branch abroad). The total number of employees of the Group decreased to 15,954 as of 31 December 2023, as compared to 16,339 as of 31 December 2022. The driver of the decrease in the total number of employees were mainly retirements. This decline is in line with the adjustments made parallel to the 2024 budget and aligns with the Bank's strategic focus on reorganisation opportunities.

Starting from 1 January 2023, the Group has started to report reversals of provisions for expected credit losses on a gross basis, impacting the Group's operating revenues continuing and operating expenses continuing. The comparative financial information for the year ended 31 December 2022 has been retrospectively restated for this change.

### ***Analysis by Segment***

Since August 2021, the Group carries out its banking operations through three main business units: (a) retail banking (including credit cards, individual banking), (b) corporate banking, and (c) commercial and SME banking. The Group also has other foreign and other domestic operations.

Prior to August 2021 the Group's corporate banking unit and its commercial and SME banking unit were operated as a single operating segment within the Group. They were separated in August 2021 with the appointment of Muharrem Kaan Şakul as Assistant General Manager for Corporate Banking and Akif Cahit Erdoğan appointed as Assistant General Manager for Commercial and SME Banking Management.

The following tables set forth certain data for the Group's segments for each of the years ended 31 December 2023 and 2022:

	Year ended 31 December 2023							Total operations of the Group
	Retail Banking	Corporate Banking	Commercial and SME Banking	Other Foreign Operations	Other Domestic Operations	Treasury, Asset Liability Management and Other	Consolidation Adjustments <sup>(1)</sup>	
	<i>(TL, thousands)</i>							
Operating revenue continuing <sup>(2)</sup> .....	58,498,456	12,586,936	42,970,047	3,212,925	8,820,138	30,621,739	(138,082)	156,572,159
Operating expenses continuing <sup>(2)</sup> .....	(26,116,281)	(5,583,817)	(7,048,449)	(968,739)	(2,052,751)	(31,601,954)	138,082	(73,233,909)
<b>Net operating income continuing</b> .....	<b>32,382,175</b>	<b>7,003,119</b>	<b>35,921,598</b>	<b>2,244,186</b>	<b>6,767,387</b>	<b>(980,215)</b>	—	<b>83,338,250</b>
Dividend income <sup>(3)</sup> .....	—	—	—	—	—	66,864	—	66,864
Income/loss from investments accounted based on equity method.....	—	—	—	—	—	1,623,787	—	1,623,787
<b>Profit before tax</b> .....	<b>32,382,175</b>	<b>7,003,119</b>	<b>35,921,598</b>	<b>2,244,186</b>	<b>6,767,387</b>	<b>710,436</b>	—	<b>85,028,901</b>
Tax expense <sup>(3)</sup> .....	—	—	—	—	—	(17,018,737)	—	(17,018,737)
<b>Net period income from continuing operations</b> .....	<b>32,382,175</b>	<b>7,003,119</b>	<b>35,921,598</b>	<b>2,244,186</b>	<b>6,767,387</b>	<b>(16,308,301)</b>	—	68,010,164
Minority interest.....	—	—	—	—	—	(1,328)	—	(1,328)
Net period income from discontinued operations.....	—	—	—	—	—	—	—	—
<b>Group income/loss</b> .....	<b>32,382,175</b>	<b>7,003,119</b>	<b>35,921,598</b>	<b>2,244,186</b>	<b>6,767,387</b>	<b>(16,309,629)</b>	—	<b>68,008,836</b>

- (1) Consolidation adjustments include transactions with subsidiaries and investments consolidated in these financial statements.
- (2) Starting from 1 January 2023, the Group has started to report reversals of provisions for expected credit losses on a gross basis, impacting the Group's operating revenues continuing and operating expenses continuing.
- (3) Dividend income and tax provision expenses have not been distributed based on operating segments and have been presented under "Treasury, Asset Liability Management and Other".

	Year ended 31 December 2022							Total operations of the Group
	Retail Banking	Corporate Banking	Commercial and SME Banking	Other Foreign Operations	Other Domestic Operations	Treasury, Asset Liability Management and Other	Consolidation Adjustments <sup>(1)</sup>	
	<i>(TL, thousands)</i>							
Operating revenue continuing <sup>(2)</sup> .....	20,936,911	6,562,696	18,276,595	1,450,116	3,963,319	64,308,299	(38,683)	115,459,253
Operating expenses continuing <sup>(2)</sup> .....	(15,442,780)	(4,982,023)	(7,397,186)	(542,401)	(1,162,091)	(17,101,910)	38,683	(46,589,708)
<b>Net operating income continuing</b> ..	<b>5,494,131</b>	<b>1,580,673</b>	<b>10,879,409</b>	<b>907,715</b>	<b>2,801,228</b>	<b>47,206,389</b>	—	<b>68,869,545</b>
Dividend income <sup>(3)</sup> .....	—	—	—	—	—	88,694	—	88,694
Income/loss from investments accounted based on equity method.....	—	—	—	—	—	235,529	—	235,529
<b>Profit before tax</b> .....	<b>5,494,131</b>	<b>1,580,673</b>	<b>10,879,409</b>	<b>907,715</b>	<b>2,801,228</b>	<b>47,530,612</b>	—	<b>69,193,768</b>
Tax expense <sup>(3)</sup> .....	—	—	—	—	—	(16,448,467)	—	(16,448,467)
<b>Net period income from continuing operations</b> .....	<b>5,494,131</b>	<b>1,580,673</b>	<b>10,879,409</b>	<b>907,715</b>	<b>2,801,228</b>	<b>31,082,145</b>	—	<b>52,745,301</b>
Minority interest.....	—	—	—	—	—	(612)	—	(612)
Net period income from discontinued operations.....	—	—	—	—	—	—	—	—
<b>Group income/loss</b> .....	<b>5,494,131</b>	<b>1,580,673</b>	<b>10,879,409</b>	<b>907,715</b>	<b>2,801,228</b>	<b>31,081,533</b>	—	<b>52,744,689</b>

- (1) Consolidation adjustments include transactions with subsidiaries and investments consolidated in these financial statements.
- (2) Starting from 1 January 2023, the Group has started to report reversals of provisions for expected credit losses on a gross basis, impacting the Group's operating revenues continuing and operating expenses continuing. The comparative financial information for the year ended 31 December 2022 has been retrospectively restated for this change.
- (3) Dividend income and tax provision expenses have not been distributed based on operating segments and have been presented under "Treasury, Asset Liability Management and Other".

## Financial Condition

The table below sets forth the components of the Group's summary consolidated balance sheet data as of 31 December 2023 and 31 December 2022:

	<b>31 December 2023</b>	<b>31 December 2022</b>
	<i>(TL thousands)</i>	
<b>Consolidated balance sheet</b>		
Cash and balances with Central Bank .....	279,039,489	152,830,903
Banks .....	56,822,176	39,845,017
Loans.....	947,552,677	628,188,410
Receivables From Leasing Transactions (Net).....	32,451,026	20,548,153
Factoring Receivables.....	12,801,773	12,481,468
Financial assets at fair value through profit or loss .....	2,277,485	2,270,895
Financial assets at fair value through other comprehensive income.....	97,017,989	78,471,491
Financial assets measured at amortised cost .....	318,113,094	168,826,257
Others.....	117,297,691	80,804,420
<b>Total assets.....</b>	<b>1,863,373,400</b>	<b>1,184,267,014</b>
Deposits .....	1,108,885,676	705,495,439
Borrowings.....	161,034,843	94,116,398
Others.....	414,571,888	258,393,238
<b>Shareholders' equity.....</b>	<b>178,880,993</b>	<b>126,261,939</b>
<b>Total Liabilities and shareholders' equity .....</b>	<b>1,863,373,400</b>	<b>1,184,267,014</b>

### **Total Assets**

The Group had total assets of TL 1,863,373,400 thousand as of 31 December 2023, an increase of 57.34% as compared to 31 December 2022. The largest share of the increase in total assets in the year ended 31 December 2023 came from loans which increased by 50.84% to TL 947,552,677 thousand as of 31 December 2023 from TL 628,118,410 thousand as of 31 December 2022, mainly due to the increase in TL loans in line with the Bank's TL and small-ticket volume growth strategy. Additionally, a large portion of the increase in assets came from securities, which increased by 67.25% to TL 417,408,568 thousand as of 31 December 2023 from TL 249,568,643 thousand as of 31 December 2022. Loans and receivables comprised 53.28% of total assets as of 31 December 2023, as compared to 55.83% as of 31 December 2022. Foreign exchange loans decreased in U.S. dollar terms due to redemptions and limited demand. Performing loans increased by 50.91% as compared to 31 December 2022. As of 31 December 2023, the breakdown of total loans by sector was as follows: 43% from retail (compared to 37% as of 31 December 2022), 4% from financial institutions (compared to 4% as of 31 December 2022), 12% from export related loans (compared to 10% as of 31 December 2022), 26% from business loans (compared to 34% as of 31 December 2022) and 16% from other loans and receivables (compared to 15% as of 31 December 2022).

The Bank's intra-group cash exposure in total cash loans as of 31 December 2023 was 12.1% of the total capital base (as compared to the maximum regulatory limit of 20%). In addition, the top 20 loans accounted for 13% of the total loan book.

The percentage of non-performing loans to gross loans decreased to 2.88% as of 31 December 2023 from 3.37% as of 31 December 2022. The specific coverage on non-performing loans without considering collateral decreased to 68.97% as of 31 December 2023 versus its level at 74.5% as of 31 December 2022. If generic provisions for cash loans were also included, total coverage on non-performing loans would have been at 145% as of 31 December 2023, as compared to 166% as of 31 December 2022, mainly due to prudent provisioning and loan classification. The Group's net cost of risk improved to 0.14% as of 31 December 2023 and 1.01% as of 31 December 2023 if the foreign exchange impact is included, from 1.47% as of 31 December 2022, primarily driven by limited NPL inflows and strong collections performance.

The Group's total securities (comprising financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial assets measured at amortised cost) increased by 67.25% to TL 417,408,568 thousand as of 31 December 2023 from TL 249,568,643 thousand as of 31 December 2022, primarily due to an increase in government debt securities under financial assets measured at amortised cost. The mix of securities was approximately 36% foreign currency (majority fixed rate) and 64% Turkish Lira of which

approximately 30% were fixed rate, 7% were floating rate and 63% were CPI-linked securities. The percentage of securities in total assets increased to 22.4% as of 31 December 2023 from 21.1% as of the same period of 2022.

The Group uses an internal managerial metric, Value at Risk (“**VaR**”), to simulate its potential economic loss. VaR represents potential loss of certain items on the balance sheet in value over one day for a 99% confidence interval. VaR metrics are in line with approved limits.

### ***Total Liabilities and Shareholders’ Equity***

On the liability side, deposits increased by 57.18% to TL 1,108,885,676 thousand as of 31 December 2023 from TL 705,495,439 thousand as of 31 December 2022 and constituted 75.58% of the Group’s total liabilities as of 31 December 2023 (compared to 59.57% as of 31 December 2022). The growth in deposits was higher than the growth in loans during the year ended 31 December 2023 mainly focusing on regulatory requirements, liquidity management and reduced lending activity. During the year ended 31 December 2023, the Group’s TL denominated deposits grew at a higher rate than its USD denominated deposits in line with sector evolution. The Group’s focus on relatively less costly small ticket retail and demand deposits continued in 2023. The funding base was supported by successful capital markets issuances including the issuance of U.S.\$650 million Additional Tier 1 Capital Notes (“**AT1 Notes**”) on 15 January 2019. The AT1 Notes were redeemed on the first reset date thereof, 15 January 2024. The share of customer demand deposits in total deposits was 42% as of 31 December 2023. The Group issued floating-rate Tier 2 notes to qualified investors in Türkiye in July 2019 with a transaction size of TL 500 million and a subordinated Tier-2 debt of TL 300 million in October 2019. Additionally, the Group successfully completed a 144A/Reg S, 10NC5 Basel III compliant Tier-2 deal with a coupon rate of 7.875% in January 2021, replacing the subordinated debt issued in March 2016 that was announced to be called by the Group with the announcement of the issuance. Further, the Group issued Basel III-compliant U.S.\$650 million fixed rate resettable Tier 2 Notes in January 2024. The loans to deposits ratio (including TL securities) decreased to 82.2% as of 31 December 2023, as compared to 84.6% as of 31 December 2022.

Borrowings (including loans received/funds borrowed, subordinated debt and marketable securities issued) increased by 66.92% to TL 366,087,981 thousand as of 31 December 2023 from TL 219,314,861 thousand as of 31 December 2022. The composition of borrowings as of 31 December 2023 was as follows: 26.51% from securitisations, 43.99% from syndications, 10.06% from subordinated debt, 2.79% from bonds and bills (including loan participation notes) and 16.65% from other funding sources, including foreign trade related borrowings and borrowings of subsidiaries.

The Group’s shareholders’ equity increased by 41.67% to TL 178,880,993 thousand as of 31 December 2023 from TL 126,261,939 thousand as of 31 December 2022 as a result of strong profit generation on the back of core banking income increase.

According to BRSA consolidated figures, the Group had a reported capital adequacy ratio of 19.1% as of 31 December 2023 (or 16.9% without Temporary Forbearances) as compared to 19.9% as of 31 December 2022 (or 18% without Temporary Forbearances).

### ***Off-Balance Sheet Commitments***

The Group’s total off-balance sheet commitments including guarantees and warranties, commitments and derivative instruments increased by 84.83% to TL 2,664,843,397 thousand as of 31 December 2023, from TL 1,441,792,466 thousand as of 31 December 2022. The increase in total off-balance sheet commitments in the year ended 31 December 2023 was primarily due to the increase in commitments, which increased by 179.56% to TL 865,614,639 thousand as of 31 December 2023 from TL 309,637,638 thousand as of 31 December 2022.

## Liquidity Coverage Ratio (LCR)

LCR is a metric measuring the adequacy of unencumbered free liquid assets (“**High quality liquid assets**”) to meet expected net cash flows over the next 30 days. LCR is an important Basel regulation metric that measures short-term liquidity and is closely monitored in the Group.

High quality liquid assets included in the LCR calculation consist of cash, effective money, CBRT accounts and reserves and debt instruments issued by the Treasury of the Republic of Türkiye which are treated as high quality liquid assets.

Cash outflows from derivative transactions in the LCR calculation are based on inclusion of net cash flows with maturity of 30 days in the calculation. Additionally, transactions having a margin possibility are included in LCR calculation by taking the largest amount according to absolute value of net margin flows realised in the last 24 months in respect of 30 days period or for liability into consideration as cash outflow.

Secured funding consists of repo and secured loan transactions. A large part of securities which are subject of guaranteed funding transactions consist of Sovereign Bonds issued by Treasury of the Republic of Türkiye and transactions are carried out both in the CBRT market and interbank market.

All cash inflow and outflow items related to liquidity profile of the Bank are included in liquidity coverage ratio tables below. The Group’s LCR based on the simple average of the last three months LCR for 31 December 2023 was 160.39%. The table below shows the calculation of LCR for the periods indicated:

	31 December 2023 <sup>(1)</sup>				31 December 2022 <sup>(1)</sup>			
	Unweighted Amounts		Weighted Amounts		Unweighted Amounts		Weighted Amounts	
	TL+FC	FC	TL+FC	FC	TL+FC	FC	TL+FC	FC
<b>High Quality Liquid Assets</b>								
High Quality Liquid Assets .....			444,921,023	195,493,470			272,983,478	131,335,615
<b>Cash Outflows</b>								
Retail and Small Business Customers								
Deposits.....	686,593,230	270,729,748	61,980,490	26,692,777	397,165,767	188,483,727	36,092,366	18,795,427
Stable deposits.....	133,576,647	7,603,956	6,678,832	380,198	72,484,220	1,058,912	3,624,211	52,946
Less stable deposits .....	553,016,583	263,125,792	55,301,658	26,312,579	324,681,547	187,424,815	32,468,155	18,742,481
Unsecured Funding other than Retail and Small Business Customers Deposits .....	374,217,199	152,245,229	236,940,845	86,224,237	281,926,371	142,155,176	168,334,921	81,418,756
Operational deposits	—	—	—	—	—	—	—	—
Non-Operational deposits .....	250,017,022	119,023,968	126,644,444	53,002,976	202,790,483	105,269,760	97,785,352	44,533,340
Other Unsecured funding.....	124,200,177	33,221,261	110,296,401	33,221,261	79,135,888	36,885,416	70,549,569	36,885,416
Secured funding .....	—	—	1,985	—	—	—	116,510	86,724
Other Cash Outflows .....	3,642,170	3,642,170	3,642,170	3,642,170	3,475,231	3,475,231	3,475,231	3,475,231
Liquidity needs related to derivatives and market valuation changes on derivatives transactions.....	3,642,170	3,642,170	3,642,170	3,642,170				
Debts related to the structured financial products.....	—	—	—	—	3,475,231	3,475,231	3,475,231	3,475,231
Commitment related to debts to financial markets and other off balance sheet liabilities.....	—	—	—	—	—	—	—	—
Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments.....	384,517,221	193,393,677	19,225,861	9,669,684	258,290,430	144,736,960	12,914,521	7,236,848
Other irrevocable or conditionally revocable commitments .....	690,700,951	68,704,451	55,860,731	16,398,913	251,677,440	38,594,558	22,214,640	5,678,798
<b>Total Cash Outflows.....</b>			<b>377,652,082</b>	<b>142,627,781</b>			<b>243,148,189</b>	<b>116,691,784</b>
<b>Cash Inflows</b>								
Secured Lending Transactions.....	—	—	—	—	—	—	—	—
Unsecured Lending Transactions.....	144,645,440	48,862,239	99,304,404	41,853,457	82,979,532	40,250,599	62,709,823	35,883,439
Other Contractual Cash Inflows .....	946,200	62,083,519	946,200	62,083,519	302,562	76,848,953	302,561	76,848,954
<b>Total Cash Inflows.....</b>	<b>145,591,640</b>	<b>110,945,758</b>	<b>100,250,604</b>	<b>103,936,976</b>	<b>83,282,094</b>	<b>117,099,552</b>	<b>63,012,384</b>	<b>112,732,393</b>
<b>Capped Amounts</b>								
<b>Total High Quality Liquid Assets .....</b>			<b>444,921,023</b>	<b>195,493,470</b>			<b>272,983,478</b>	<b>131,335,615</b>
<b>Total Net Cash Outflows .....</b>			<b>277,401,478</b>	<b>38,690,805</b>			<b>180,135,805</b>	<b>29,172,946</b>
<b>Liquidity Coverage Ratio (%) .....</b>			<b>160.39</b>	<b>505.27</b>			<b>151.54</b>	<b>450.20</b>

(1) Figures are calculated based on the simple average between figures for the last three months.

## Loan-Deposit Spreads and Loan Yields

The table below shows the calculation of Loan-Deposit Spreads and Loan Yields as of 31 December 2023 and 31 December 2022:

	<b>31 December 2023</b>	<b>31 December 2022</b>
	<i>(TL thousands, except %)</i>	
<b>Daily Annualisation</b> .....	1.00	1.00
<b>Interest income on Performing Loans</b> .....	127,440,083	<b>66,463,396</b>
TL .....	108,181,878	54,071,403
<b>Total Performing Loans</b> .....	<b>876,755,974</b>	<b>583,708,111</b>
TL.....	649,208,502	411,970,307
<b>Average Performing Loans<sup>(1)</sup></b> .....	<b>709,219,798</b>	<b>489,045,970</b>
TL.....	509,078,906	310,760,620
Performing Loan Yield.....	18.0%	13.6%
TL Performing Loan Yield.....	21.3%	17.4%
<b>Interest cost on Deposits</b> .....	<b>101,694,387</b>	<b>32,743,900</b>
TL.....	100,487,321	31,010,184
<b>Deposits</b> .....	<b>1,036,469,934</b>	<b>672,765,318</b>
TL.....	640,797,971	387,420,825
<b>Average Deposits<sup>(1)</sup></b> .....	<b>862,780,865</b>	<b>525,197,725</b>
TL.....	528,111,418	249,025,900
Cost of Deposit.....	11.8%	6.2%
Cost of Deposit (TL) .....	19.0%	12.5%
Performing Loan - Deposit spreads .....	6.2%	7.4%
Performing Loan - Deposit spreads (TL) .....	2.2%	4.9%

(1) Year-end average figures are calculated as the average of: the year-end figure for the prior year and the figures of each quarter end of the relevant year.

## Selected Statistical and Other Information for the year ended 31 December 2023

### *Average Consolidated Balance Sheet Information and Information on Interest Rates*

The following tables set forth the average consolidated balances of the Group's interest earning assets and interest-bearing liabilities, the interest generated from such assets and liabilities and average return rate at each date presented. For purposes of the following tables, except as otherwise indicated, the average is calculated on a daily basis for each representative period and is based on consolidated figures derived from the Group's internal accounting and MIS in accordance with BRSA Principles.

	<b>For the year ended 31 December</b>					
	<b>2023</b>			<b>2022</b>		
	<b>Average Balance<sup>(1)</sup></b>	<b>Interest</b>	<b>Average Rate (%)</b>	<b>Average Balance<sup>(1)</sup></b>	<b>Interest</b>	<b>Average Rate (%)</b>
	<i>(TL, thousands, except %)</i>					
<b>Assets</b>						
Banks .....	48,333,597	6,879,475	28.47	39,845,017	1,586,633	8.55
Loans and receivables	827,011,754	132,052,261	31.93	661,218,031	69,141,269	25.02
Marketable securities	333,488,606	84,363,783	50.59	249,568,643	58,125,296	60.95
<b>Liabilities</b>						
Deposits.....	907,190,558	118,733,607	26.18	705,495,439	32,831,617	11.67
Money markets.....	51,838,765	5,987,085	23.10	40,295,030	5,096,328	21.19
Other funds borrowed <sup>(2)</sup> .....	200,771,024	26,931,510	26.83	143,467,206	14,001,017	21.71

(1) Average balances are calculated based on the beginning and ending balances over the relevant period.

(2) Includes borrowings and marketable securities.

## Average Interest Earning Assets, Yields, Margins and Spreads

### Marketable Securities Portfolio

The Group's marketable securities portfolio comprises of financial assets at fair value through profit or loss, financial assets measured at amortised cost and financial assets at fair value through other comprehensive income. Trading securities are acquired or incurred principally for the purpose of selling or repurchasing them in the near term or to form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

The size of the Group's marketable securities portfolio increased by 67.25% to TL 417,408,568 thousand (U.S.\$14,179,147 thousand) as of 31 December 2023, compared to TL 249,568,643 thousand (U.S.\$13,347,130 thousand) as of 31 December 2022, which in turn represented an increase of 89.23% compared to TL 131,885,976 thousand (U.S.\$10,162,664 thousand) as of 31 December 2021, which represented an increase of 67.36% compared to TL 78,805,549 thousand (U.S.\$10,735,720 thousand) as of 31 December 2020. The increase for the year ended 31 December 2023 was mainly driven by the accumulation of TL fixed rate Turkish government bonds and accruals (i.e., accrued interest resulting from link to CPI, payable upon redemption) in the Bank's CPI-linked Turkish government bond portfolio and foreign currency denominated fixed rate Turkish government bonds. The increase for the year ended 31 December 2022, 2021, and 2020 were each driven by growth in the CPI-linked bond portfolios.

In line with the risk management policies of the Group, 88.43% of the Group's marketable securities portfolio comprised financial assets measured at amortised cost as of 31 December 2023, compared to 75.34% as of 31 December 2022, 71.87% as of 31 December 2021 and 79.10% as of 31 December 2020. The following table sets out an analysis of the composition of the Group's marketable securities portfolio as of the dates indicated:

	As of 31 December	
	2023	2022
	<i>(TL, thousands)</i>	
Financial Assets Measured at Fair Value Through Profit or Loss <sup>(1)</sup> .....	2,277,485	2,270,895
Financial Assets Measured at Fair Value Through Other Comprehensive Income .....	97,017,989	78,471,491
Financial Assets Measured at Amortised Cost <sup>(2)</sup> .....	318,113,094	168,826,257
<b>Total marketable securities portfolio</b> .....	<b>417,408,568</b>	<b>249,568,643</b>

(1) Includes "Government debt securities" (TL 718,268 thousand and TL 365,229 thousand as of 31 December 2023 and 2022, respectively) "Other financial assets" (TL 1,522,323 thousand and TL 419,992 thousand as of 31 December 2023 and 2022 respectively) and "Share certificates" (TL 36,894 thousand and TL 1,485,674 thousand as of 31 December 2023 and 2022, respectively), as presented in the consolidated balance sheets as of 31 December 2023 and 2022.

(2) Includes "Government debt securities" (TL 302,772,173 thousand and TL 163,629,166 thousand as of 31 December 2023 and 2022, respectively) and "Other financial assets" (TL 15,340,921 thousand and TL 5,197,091 thousand as of 31 December 2023 and 2022 respectively), as presented in the consolidated balance sheets as of 31 December 2023 and 2022.

The interest rates on the Group's Turkish Lira and foreign currency denominated securities ranged between 38.34% to 39.55% and from 4.12% to 3.05%, respectively, for the year ended 31 December 2023 compared to 48.68% to 53.69% and from 2.62% to 7.56%, respectively, for the year ended 31 December 2022.

### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss assets include Government bonds and treasury bills, i.e., securities issued by the Turkish Treasury, as well as open ended mutual funds, derivatives and also equity securities that are either listed or unlisted.

The following table sets out a breakdown of such assets of the Group as of the dates indicated:

	As of 31 December	
	2023	2022
	<i>(TL, thousands)</i>	
Government debt securities .....	718,268	365,229
Share certificates .....	36,894	1,485,674
Other financial assets .....	1,522,323	419,992
<b>Financial assets where fair value change is reflected to other comprehensive income statement.....</b>	<b>2,277,485</b>	<b>2,270,895</b>

As of 31 December 2023, the size of the Group's portfolio increased by 0.29% to TL 2,277,485 thousand (U.S.\$77,365 thousand) from TL 2,270,895 thousand (U.S.\$121,449 thousand) as of 31 December 2022.

#### *Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income are financial assets that are not held for trading purposes, nor intended by the Group to be held-to-maturity. The portfolio of such assets consists of Government bonds, treasury bills and Eurobonds that are discounted and coupon securities issued by the Turkish Treasury, as well as open ended mutual funds incorporated in Türkiye, CLNs, other bonds issued by domestic and foreign financial institutions and equity securities that are either listed or unlisted.

The following table sets out certain information relating to the portfolio of such assets of the Group as of the dates indicated:

	As of 31 December	
	2023	2022
	<i>(TL, thousands)</i>	
Debt securities.....	101,757,174	79,553,354
Quoted on stock exchange.....	101,756,131	77,776,653
Not quoted <sup>(1)</sup> .....	1,043	1,776,701
Share certificates .....	242,543	139,910
Quoted on stock exchange	4,183	2,667
Not quoted.....	238,360	137,243
Impairment provision (-) <sup>(1)</sup> .....	4,981,728	1,221,773
<b>Other<sup>(2)</sup>.....</b>	<b>—</b>	<b>—</b>
<b>Total financial assets at fair value through other comprehensive income .....</b>	<b>97,017,989</b>	<b>78,471,491</b>

(1) The figure includes the negative differences between the cost and the market price of the securities and the impairment provisions, if any.

(2) Other includes mutual funds.

#### *Financial Assets Measured at Amortised Cost*

Financial assets measured at amortised cost are financial assets with fixed or determinable payments and fixed maturity that the Group intends and has the ability to hold to maturity. These include certain debt investments. The Group cannot classify any financial asset as held-to-maturity if it has, during the current financial year or during the two preceding financial years, sold or transferred financial assets measured at amortised cost before maturity.

The portfolio of the Group consists of Government bonds, treasury bills and Eurobonds that are purchased at discount and coupon securities issued by the Turkish Treasury and foreign government bonds.

The following table sets out certain information relating to the Group's portfolio of such assets as of the dates indicated:

	As of 31 December	
	2023	2022
	<i>(TL, thousands)</i>	
Government bonds .....	302,772,173	163,629,166
Other debt securities.....	15,340,921	5,197,091
<b>Total Financial Assets Measured at Amortised Cost.....</b>	<b>318,113,094</b>	<b>168,826,257</b>

As of 31 December 2023, the size of the portfolio of such assets increased by 88.43% to TL 318,113,094 thousand (U.S.\$10,806,133 thousand) from TL 168,826,257 thousand (U.S.\$9,028,963 thousand) as of 31 December 2022.

#### *Maturities of Securities*

The following tables set out the remaining maturities of the Group's securities based upon the original term to maturity (showing lifetime cash flows, which as a result are greater than the balance sheet amounts) as of the dates indicated:

	As of 31 December 2023					
	Demand and up to 3 months	3 months-1 year	1 year-5 years	Over 5 years	Term not specified	Total
	<i>(TL, thousands)</i>					
Net financial assets at fair value through profit or loss.....	575,275	40,278	247,444	418,577	995,911	2,277,485
Net financial assets at fair value through other comprehensive income...	725,784	10,474,966	39,607,238	46,011,852	198,149	97,017,989
Net financial assets measured at amortised cost .....	5,887,829	18,594,204	187,552,404	106,078,657	—	318,113,094

	As of 31 December 2022					
	Demand and up to 3 months	3 months-1 year	1 year-5 years	Over 5 years	Term not specified	Total
	<i>(TL, thousands)</i>					
Net financial assets at fair value through profit or loss.....	37,453	20,156	127,463	212,054	1,873,769	2,270,895
Net financial assets at fair value through other comprehensive income...	656,339	10,007,510	36,774,190	30,857,630	175,822	78,471,491
Net financial assets measured at amortised cost .....	934,816	7,598,035	69,400,548	90,892,858	—	168,826,257

#### *Currency breakdown of marketable securities portfolio*

The following table sets out the currencies of the Group's marketable securities portfolio as of the dates indicated:

	As of 31 December 2023					
	U.S.\$	Euro	Other	Total Foreign Currency	TL	Total
	<i>(TL, thousands)</i>					
Net financial assets at fair value through profit or loss.....	1,625,351	26,470	—	1,651,821	625,664	2,277,485
Net financial assets at fair value through other comprehensive income...	29,222,127	218,024	1,494,144	30,934,295	66,083,694	97,017,989
Net financial assets measured at amortised cost .....	98,706,987	20,043,096	—	118,750,083	199,363,011	318,113,094

	<b>As of 31 December 2022</b>					
	<b>U.S.\$</b>	<b>Euro</b>	<b>Other</b>	<b>Total Foreign Currency</b>	<b>TL</b>	<b>Total</b>
			<i>(TL, thousands)</i>			
Net financial assets at fair value through profit or loss.....	714,743	38,583	—	753,326	1,517,569	2,270,895
Net financial assets at fair value through other comprehensive income.	15,193,758	1,868,486	930,357	17,992,601	60,478,890	78,471,491
Net financial assets measured at amortised cost .....	62,553,614	9,824,178	—	72,377,792	96,448,465	168,826,257

### *Loan Portfolio*

Loans and receivables represent the largest component of the Group's assets. As of 31 December 2023, total loans and receivables amounted to TL 951,491,229 thousand (U.S.\$32,321,651 thousand), which represented 51.06% of the Group's total assets compared to TL 624,189,513 thousand (U.S.\$33,382,153 thousand) as of 31 December 2022, which represented 52.71% of the Group's total assets at that time. The Group's net loans and receivables for 31 December 2023 increased by 52.44% compared to 31 December 2022.

The Group provides financing for various purposes, the majority of which are corporate loans and loans to SMEs. However, if demand for longer term financing from existing customers and other high quality corporate credits increases, the Group expects the maturity profile of its portfolio to increase further.

### *Distribution of Loans and Receivables by Sector*

As of 31 December 2023, the Group's performing loan portfolio comprised mainly the following segments: Turkish Lira company loans (27%), foreign currency company loans (30%), commercial instalment loans (8%), credit cards (24%), general purpose consumer loans (15%) and mortgages (2%). Foreign currency project finance loans make up 36% of the foreign currency loans (with a contraction of 22% year-over-year).

As part of its ongoing lending strategy, the Group intends to focus on smaller loans including in the retail segment and selected Turkish Lira loans. Lending to individuals through consumer loans (including credit cards) rose by 77% to TL 394,041,554 thousand as of 31 December 2023, mainly as a continuation of its lending strategy of small tickets, compared to TL 222,398,694 thousand as of 31 December 2022.

The following table sets out the Group's performing retail and corporate loans by category, including watch list customers, as of 31 December 2023 and 31 December 2022:

	<b>As of 31 December</b>		
	<b>2023</b>	<b>2022</b>	<b>%</b>
	<i>(TL, thousands)</i>		
<b>Individual loans</b>			
Housing .....	16,735,002	13,847,534	20.85
Credit cards .....	185,617,218	79,162,199	134.48
Auto .....	16,245,226	8,246,884	96.99
Other .....	140,895,911	90,268,142	56.09
<b>Total individual loans.....</b>	<b>359,493,357</b>	<b>191,524,759</b>	<b>87.70</b>
Loans to companies (including SMEs).....	633,312,119	469,693,272	34.84
<b>Total loans to companies.....</b>	<b>633,312,119</b>	<b>469,693,272</b>	<b>34.84</b>
<b>Total .....</b>	<b>992,805,476</b>	<b>661,218,031</b>	<b>50.15</b>

The Bank expects that its primary growth opportunities in its retail segment will be in general purpose loans as well as loans to SMEs, which are presently underpenetrated markets in Türkiye compared to Western Europe and

U.S. markets. The credit card market is also expected to continue to be a focus area for the Bank, although with lower growth as it is a well-developed and relatively more penetrated market.

#### Composition by Maturity and Interest Rate

The following table sets out certain information relating to the maturity profile of the Group's loan portfolio (including NPLs) based upon the original term to maturity (showing lifetime cash flows, which as a result are greater than the balance sheet amounts) as of the dates indicated:

	As of 31 December	
	2023	2022
	<i>(TL, thousands)</i>	
Unclassified.....	12,726,955	(14,762,220)
Up to 3 months.....	369,004,188	223,372,691
3 months to 1 year.....	334,189,292	203,001,194
1 year to 5 years.....	202,905,906	168,756,509
Over 5 years.....	58,118,798	43,821,339
<b>Total loans.....</b>	<b>951,491,229</b>	<b>624,189,513</b>

#### Composition of Loan Portfolio by Currency

As of 31 December 2023, foreign currency denominated loans amounted to TL 288,809,703 thousand (U.S.\$9,810,712 thousand), or 30.48% of total loans (of which U.S. dollar obligations were the most significant portion), compared to TL 199,145,834 thousand (U.S.\$10,650,478 thousand) as of 31 December 2022.

The following table sets out an analysis of the composition of the Group's cash loan portfolio by currency as of the dates indicated:

	As of 31 December		
	2023	2022	%
	<i>(TL, thousands)</i>		
TL.....	662,681,526	425,043,679	55.91
U.S.\$.....	134,342,390	95,032,005	41.37
Euro.....	139,138,634	96,274,085	44.52
Other.....	15,328,679	7,839,744	95.53
<b>Total.....</b>	<b>951,491,229</b>	<b>624,189,513</b>	<b>52.44</b>

Foreign currency loans include foreign exchange indexed loans amounting to TL 115,545 thousand as of 31 December 2023, which have been reported as Turkish Lira-denominated loans in the BRSA Financial Statements (TL 166,285 thousand as of 31 December 2022).

#### Comparison by Loan Classification and Allowances

The following tables set out a comparison of the Group's loan portfolio by loan classification and allowances as of the dates indicated:

	As of 31 December 2023					
	Corporate, commercial and other loans	Consumer loans	Credit Cards	Financial leasing	Factoring	Total
	<i>(TL, thousands)</i>					
Standard loans.....	446,488,989	161,695,287	208,229,437	31,201,599	11,858,727	859,474,039
Watch list.....	78,977,088	12,180,852	11,935,978	847,295	802,932	104,744,145
Loans under legal follow-up.....	19,351,247	6,500,634	2,193,165	402,132	140,114	28,587,292
Specific provisions (-).....	12,246,986	5,503,201	1,590,788	276,276	99,589	19,716,840
<b>Total.....</b>	<b>532,570,338</b>	<b>174,873,572</b>	<b>220,767,792</b>	<b>32,174,750</b>	<b>12,702,184</b>	<b>973,088,636</b>

As of 31 December 2022

	Corporate, commercial and other loans	Consumer loans	Credit Cards	Financial leasing	Factoring	Total
	<i>(TL, thousands)</i>					
Standard loans .....	318,915,497	104,081,716	103,407,456	19,281,878	11,805,900	557,492,447
Watch list .....	65,208,722	8,280,844	6,628,678	765,372	575,670	81,459,286
Loans under legal follow-up.....	15,598,722	4,661,054	1,405,721	500,903	99,898	22,266,298
Specific provisions (-) .....	10,587,775	4,284,070	1,281,113	367,751	72,096	16,592,805
<b>Total .....</b>	<b>389,135,166</b>	<b>112,739,544</b>	<b>110,160,742</b>	<b>20,180,402</b>	<b>12,409,372</b>	<b>644,625,226</b>

*Fair value of collateral*

Collateral mainly comprises the following: cash funds, deposits, mortgages of real estate at the land registry and mortgages of real estate built on allocated land, export documents, guarantees, and acceptances and pledges on vehicles. The following tables show the fair value of collateral under the Group's watch listed and loans under legal follow-up as of the dates indicated:

As of 31 December 2023

	Corporate, commercial and other loans	Consumer loans	Credit Cards	Financial leasing	Factoring	Total
	<i>(TL, thousands)</i>					
Watch list .....	42,290,303	319,802	—	847,295	—	43,457,400
Loans under legal follow-up <sup>(1)</sup> .....	7,759,063	103,889	—	402,132	—	8,265,084
<b>Total .....</b>	<b>50,049,366</b>	<b>423,691</b>	<b>—</b>	<b>1,249,427</b>	<b>—</b>	<b>51,722,484</b>

As of 31 December 2022

	Corporate, commercial and other loans	Consumer loans	Credit Cards	Financial leasing	Factoring	Total
	<i>(TL, thousands)</i>					
Watch list .....	42,650,060	199,734	11	765,372	—	43,615,177
Loans under legal follow-up <sup>(1)</sup> .....	4,847,433	177,922	—	500,903	—	5,526,258
<b>Total .....</b>	<b>47,497,493</b>	<b>377,656</b>	<b>11</b>	<b>1,266,275</b>	<b>—</b>	<b>49,141,435</b>

## Risk

A description of the Group’s risk management policies is set out in “*Risk Management*” in the Base Prospectus.

The Group uses an internal rating model for the evaluation of credit risk management of its corporate and commercial clients, classifying them on a scale of 17 grades. The following table shows the Bank’s rating tool concentration by risk classes as of the dates indicated:

	Rating Class <sup>(1)</sup>	Concentration level (%)	
		As of 31 December	
		2023	2022
Above average .....	1 — 4	46.2	43.6
Average.....	5+ — 6	41.3	40.7
Below average.....	7+— 9	12.6	15.7

(1) For corporate and commercial clients only.

Scoring models are also used throughout the granting (underwriting) and monitoring (“RiskMon”) processes for consumer loans and the credit card segment. These models are developed and updated in accordance with changes in customer behaviour. The development of a new application scorecard to evaluate SME customers is still in progress. The new model is expected to categorise clients into 23 rating classes.

The Group conducted two NPL sales totalling TL 3,047 million in 2023, two totalling TL 1,672 million in 2022, none in 2021 and TL 453.8 million in 2020. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-Performing Loan Sales*” in the Base Prospectus.

## Sources of Funding

As of 31 December 2023, the Group’s major sources of funds for its lending and investment activities were deposits (accounting for 75.58% of total funding) and, to a lesser extent, funds borrowed (accounting for 13.49% of total funding), and marketable securities issued (net) (accounting for 6.61% of total funding), compared to 75.97%, 14.38% and 5.31%, respectively as of 31 December 2022. The following table sets out the Group’s sources of funding as of the dates indicated:

	As of 31 December			
	2023	%	2022	%
	<i>(TL, thousands, except %)</i>			
Deposits .....	1,108,885,676	75.58	705,495,439	75.97
Funds borrowed including subordinated loans.....	197,880,982	13.49	133,504,630	14.38
Money markets .....	63,382,500	4.32	40,295,030	4.34
Marketable securities issued (net).....	97,039,999	6.61	49,350,808	5.31
<b>Total.....</b>	<b>1,467,189,157</b>	<b>100.00</b>	<b>928,645,907</b>	<b>100.00</b>

The availability of such funds is influenced by factors such as prevailing interest rates, market conditions and the existing level of competition.

In January 2023, the Bank repaid the U.S.\$585 million loan granted by UniCredit Bank Austria AG on 9 January 2013 with a maturity of 10 years (callable after five years).

## Deposits

Deposits consist of customer demand and time deposits. Customer current accounts generally bear no interest and can be withdrawn upon demand. For time deposits, different interest rates are paid on the various types of accounts offered by the Group. Deposits comprise local deposits, foreign currency deposits, savings, and commercial deposits. Deposit growth in the year ended 31 December 2023 compared to 31 December 2022 was mainly driven by growth in Turkish Lira-denominated deposits and nominal increases in foreign currency deposits due to the depreciation of the Turkish Lira.

The following tables set out the maturity structure of the Group's deposits/collected funds (in Turkish Lira, thousands):

As of 31 December 2023								
	Demand	Up to 1 month	1-3 months	3-6 months	6 months – 1 year	1 year and over	Cumulative Deposits	Total
Savings deposits.....	71,511,573	12,327,501	180,557,819	67,064,162	63,658,295	4,046,974	189	399,166,513
Foreign currency deposits.....	256,921,928	46,294,507	56,538,991	9,577,938	10,072,916	12,503,350	—	391,909,630
Residents in Türkiye.....	228,614,999	36,860,459	49,196,792	5,996,874	1,815,433	860,103	—	323,344,660
Residents abroad.....	28,306,929	9,434,048	7,342,199	3,581,064	8,257,483	11,643,247	—	68,564,970
Public sector deposits.....	5,846,024	3,115,835	119,870	18,835	1,508	—	—	9,102,072
Commercial deposits.....	53,894,753	23,519,689	76,366,803	17,454,437	27,091,967	2,032,242	—	200,359,891
Other institutions deposits.....	755,091	919,243	4,980,443	1,066,252	521,736	169	—	8,242,934
Precious metals vault.....	64,458,794	—	1,854,413	—	1,070,896	203,323	—	67,587,426
Bank deposits.....	1,142,440	6,681,561	13,579,519	4,878,101	5,732,620	502,969	—	32,517,210
The CBRT.....	—	—	—	—	—	—	—	—
Domestic banks.....	56,021	6,626,558	1,264,438	4,878,101	5,732,620	502,969	—	19,060,707
Foreign banks.....	626,041	55,003	12,315,081	—	—	—	—	12,996,125
Participation banks.....	460,378	—	—	—	—	—	—	460,378
Other.....	—	—	—	—	—	—	—	—
<b>Total.....</b>	<b>454,530,603</b>	<b>92,858,336</b>	<b>333,997,858</b>	<b>100,059,725</b>	<b>108,149,938</b>	<b>19,289,027</b>	<b>189</b>	<b>1,108,885,67</b>

  

As of 31 December 2022								
	Demand	Up to 1 month	1-3 months	3-6 months	6 months – 1 year	1 year and over	Cumulative Deposits	Total
Savings deposits.....	48,659,040	5,628,551	147,023,414	7,064,785	735,023	4,350,934	472	213,462,219
Foreign currency deposits.....	160,693,649	41,185,234	64,999,846	5,990,576	4,360,361	7,116,769	—	284,346,435
Residents in Türkiye.....	146,810,112	33,935,416	62,220,315	4,783,271	1,932,781	1,135,962	—	250,817,857
Residents abroad.....	13,883,537	7,249,818	2,779,531	1,207,305	2,427,580	5,980,807	—	33,528,578
Public sector deposits.....	1,073,991	1,812,672	106,067	3,730	—	—	—	2,996,460
Commercial deposits.....	42,934,974	28,267,542	63,925,448	13,448,552	109,747	7,225,835	—	155,912,098
Other institutions deposits.....	340,198	606,623	3,278,473	414,220	722	13,487	—	4,653,723
Precious metals vault.....	31,226,726	—	1,125,635	—	1,152,310	132,437	—	33,637,108
Bank deposits.....	1,325,315	2,286,606	1,710,701	3,042,361	1,955,815	166,598	—	10,487,396
The CBRT.....	—	—	—	—	—	—	—	—
Domestic banks.....	4,348	2,154,596	887,874	3,042,361	1,955,815	166,598	—	8,211,592
Foreign banks.....	561,811	132,010	822,827	—	—	—	—	1,516,648
Participation banks.....	759,156	—	—	—	—	—	—	759,156
Other.....	—	—	—	—	—	—	—	—
<b>Total.....</b>	<b>286,253,893</b>	<b>79,787,228</b>	<b>282,169,584</b>	<b>29,964,224</b>	<b>8,313,978</b>	<b>19,006,060</b>	<b>472</b>	<b>705,495,439</b>

As of 31 December 2023, the weighted average interest rate on Turkish Lira-denominated time deposit accounts offered by the Group to customers was 19.03%, while the interest rate paid on both euro and U.S. dollar denominated time deposits was 0.78% and 0.82%, respectively.

The following table sets out the currency basis analysis of the deposits/collected funds (including interest expense accruals for all deposits) as of the dates indicated:

	As of 31 December	
	2023	2022
	<i>(TL, thousands)</i>	
TL.....	638,781,576	385,622,097
U.S.\$.....	208,505,507	171,290,340
Euro.....	175,961,972	106,190,294
Other.....	85,636,621	42,392,708
<b>Total.....</b>	<b>1,108,885,676</b>	<b>705,495,439</b>

### Other Borrowed Funds

The following table sets out a breakdown of the Group's other borrowed funds as of the dates indicated:

	As of 31 December			
	2023		2022	
	TL	FC	TL	FC
Central Bank .....				
From domestic banks and institutions .....	11,757,504	10,615,941	10,069,627	7,015,365
From foreign banks, institutions and funds	660,191	138,001,207	949,471	76,081,935
<b>Total .....</b>	<b>12,417,695</b>	<b>148,617,148</b>	<b>11,019,098</b>	<b>83,097,300</b>

The following table sets out the maturity profile of the Group's borrowings over expected cash flows (showing lifetime cash flows, which as a result are greater than the balance sheet amounts) as of the dates indicated:

	As of 31 December			
	2023		2022	
	TL	FC	TL	FC
Short-term .....	9,920,235	30,605,554	9,608,706	21,306,245
Medium and Long-term .....	2,497,460	118,011,594	1,410,392	61,791,055
<b>Total .....</b>	<b>12,417,695</b>	<b>148,617,148</b>	<b>11,019,098</b>	<b>83,097,300</b>

The Group has entered into a number of Turkish Lira/Turkish Lira and foreign currency financings with banks and other financial institutions, which have an average maturity of 12 months.

As of 31 December 2023, the Group had borrowings of TL 161,034,843 thousand.

### Debt Securities in Issue

The following table sets out a breakdown of the Group's marketable securities issued net as of the dates indicated:

	As of 31 December			
	2023		2022	
	TL	FC	TL	FC
Bills.....	10,221,955	10,933,847	11,280,086	2,031,595
Asset backed securities.....	—	16,325,139	—	4,940,364
Bonds .....	402,929	59,156,129	665,581	30,433,182
<b>Total .....</b>	<b>10,624,884</b>	<b>86,415,115</b>	<b>11,945,667</b>	<b>37,405,141</b>

### Derivatives

The Group also enters into interest rate and foreign exchange swap and future contracts, which are agreements to hedge its interest rate and foreign currency exposure risk. The following tables set out certain information on consolidated options, futures and swaps as of the dates indicated, prepared in accordance with BRSA Principles:

	As of 31 December	
	2023	2022
<b>Types of derivative transactions</b>		
<b>Foreign currency related derivative transactions</b> .....	<b>605,454,301</b>	<b>419,094,074</b>
FC trading forward transactions .....	50,297,878	30,739,505
Trading swap transactions .....	524,028,470	279,037,373
Futures transactions .....	7,475,390	2,520,247
Trading option transactions .....	23,652,563	106,796,949
<b>Interest related derivative transactions</b> .....	<b>505,199,409</b>	<b>249,210,542</b>
Forward interest transactions .....	—	—
Interest rate swaps .....	500,965,348	244,236,022
Interest rate options .....	4,234,061	4,974,520
Interest rate futures .....	—	—
<b>Other trading derivative transactions</b> .....	<b>214,035,638</b>	<b>97,258,538</b>
<b>Total trading derivative transactions</b> .....	<b>1,324,689,348</b>	<b>765,563,154</b>
<b>Types of hedging derivative transactions</b>	—	-
Transactions for fair value hedge .....	4,329,397	5,017,677
Cash flow hedges .....	81,581,421	117,782,458
Transactions for foreign net investment hedge .....	—	—
<b>Total hedging related derivatives</b> .....	<b>85,910,818</b>	<b>122,800,135</b>
<b>Total derivative transactions</b> .....	<b>1,410,600,166</b>	<b>888,363,289</b>

## AMENDMENTS

The following amendments are made to the Base Prospectus:

### AMENDMENT OF UNICREDIT AS ARRANGER

All references to “UniCredit Bank GmbH” as Arranger in the Base Prospectus are hereby amended and updated by references to “Citigroup Global Markets Limited”.

### REMOVAL OF UNICREDIT AS DEALER

All references to “UniCredit Bank GmbH” as Dealer in the Base Prospectus are hereby removed.

### PRESENTATION OF FINANCIAL AND OTHER INFORMATION

The second paragraph of the section entitled “*Presentation of Financial Information*” on page (vii) of the Base Prospectus is hereby amended and supplemented by adding “2023” to the list of years ended 31 December included in the definition of Annual BRSA Financial Statements.

### OVERVIEW OF THE GROUP AND THE PROGRAMME

The eighth paragraph of the section entitled “*Overview*”, set forth on page 2 of the Base Prospectus, is hereby amended, and updated by the following:

According to the consolidated Annual BRSA Financial Statements for the year ended 31 December 2023, the Group had gross profit from operating activities of TL 156,639 million (U.S.\$5,321 million) compared to TL 115,548 million for the year ended 31 December 2022 (restated to report reversals of provisions for expected credit losses on a gross basis). For the year ended 31 December 2023, the Group’s cost-to-income ratio was 30.8% and operating cost growth was 106% year-over-year, compared to 20.4% and 117%, respectively, for the year ended 31 December 2022 (restated to report reversals of provisions for expected credit losses on a gross basis). For the year ended 31 December 2023, the Group’s costs divided by average assets ratio was 3.2% versus 2.4% as of 31 December 2022. The Group’s fees divided by operating costs ratio reached 78.2% in the year ended 31 December 2023 versus 66.5% as of 31 December 2022.

### BUSINESS OF THE BANK

The eighth paragraph of the section entitled “*Overview*”, set forth on page 193 of the Base Prospectus, is hereby amended and updated by the following:

According to the consolidated Annual BRSA Financial Statements for the year ended 31 December 2023, the Group had gross profit from operating activities of TL 156,639 million (U.S.\$5,321 million) compared to TL 115,548 million for the year ended 31 December 2022 (restated to report reversals of provisions for expected credit losses on a gross basis). For the year ended 31 December 2023, the Group’s cost-to-income ratio was 30.8% and operating cost growth was 106% year-over-year, compared to 20.4% and 117%, respectively, for the year ended 31 December 2022 (restated to report reversals of provisions for expected credit losses on a gross basis). For the year ended 31 December 2023, the Group’s costs divided by average assets ratio was 3.2% versus 2.4% as of 31 December 2022. The Group’s fees divided by operating costs ratio reached 78.2% in the year ended 31 December 2023 compared to 66.5% as of 31 December 2022.

### TURKISH REGULATORY ENVIRONMENT

The following paragraph shall be inserted immediately following the paragraph commencing “*Pursuant to Article 55 of the Banking Law, the following transactions are exempt from the above mentioned lending limits*” set forth under the section entitled “*Lending Limits*” starting on page 262 of the Base Prospectus:

The BRSA published the Regulation on the Determination of Risk Groups and Lending Limits in the Official Gazette dated 21 December 2023 and numbered 32406. The main rules summarised above on the lending limits have not been changed but the BRSA has clarified certain details and has brought additional

rules and limited exceptions. The following are certain key provisions that the BRSA has introduced with the Regulation on the Determination of Risk Groups and Lending Limits:

- The BRSA has introduced new criteria for determination of the credit customers within the same risk group, pursuant to which a bank is required to also assess the economic dependency between two customers when determining whether they are within the same risk group. While a bank determining the risk groups whose risk amount exceeds five per cent. (5%) of the bank's Tier I capital, the bank must analyse whether a customer has economic dependence on other customers based on the following criteria. For other credit customers that do not exceed the aforementioned five per cent. (5%) limit, it is appropriate for the bank to consider these criteria in determining the risk groups:
  - (i) fifty per cent. (50%) or more of the customer's annual gross revenues or annual gross expenses arise from transactions with the other customer;
  - (ii) the customer gives guarantees, sureties or is in some way responsible for the debts of the other customer, in whole or in part, and when the liability crystallizes, the risk is large enough to cause the first customer to also default on its debts;
  - (iii) a significant portion of the goods or services produced by the customer is sold to the other customer and the other customer cannot be easily replaced by another party;
  - (iv) the sources of income to be used by multiple customers to repay their debts to the bank are the same and there are no other sources of income that will allow these customers to repay their debts in full;
  - (v) the financial difficulty experienced by another customer is of a magnitude that may prevent the customer from fulfilling its obligations on time and in full;
  - (vi) the default or bankruptcy of another customer is likely to cause the default or bankruptcy of the customer; and
  - (vii) generation of a large portion of multiple clients' funds from the same source and the unavailability of an alternative fund provider in the event of default of that fund provider, from which such clients generate a large portion of their funds.

Under the circumstances (i), (ii), (iii), (v) and (vi) above, where the economic dependency is one-way, the customer must be included in the risk group of the other customer, to which it has economic dependency; however, it is not necessary to include the other customer to which it has economic dependency in the risk group to which the customer belongs, provided that there is no other relationship between them that requires them to be in the same risk group. Under the circumstances (iv) and (viii) above, where the economic dependency is two-way, customers with economic dependency between each other are to be included in each other's risk groups.

- On the determination of a risk group of a person, the BRSA has clarified that, multiple customers that are under the control of or economically dependent on central governments, central banks or public institutions that are subject to the same risk weight application as receivables from central governments in accordance with the Capital Adequacy Regulation are not required to be considered in the same risk group only due to this relationship, provided that there is no other relationship between them that requires them to be considered in the same risk group.
- Exceptionally, (i) the persons that are required to be classified in the same risk group by a bank in accordance with paragraphs 1 and 2 of Article 4 of the Regulation on the Determination of Risk Groups and Lending Limits, provided that their exceptional circumstances or the presence of preventative corporate governance practices is determined by such bank, and (ii) the persons that are required to be classified in the same risk group by a bank due to their economic dependency, provided that it is determined by the bank that one party will not be affected by the other party's default or financial

difficulties by finding new sources of funding or business partners, the bank may not classify these two persons within the same risk group.

- The lending limits are to be calculated and applied both on a consolidated and unconsolidated basis. In the calculation by a bank of lending limits on a consolidated basis: (i) all debts and liabilities of persons within the scope of the risk group definition to all entities included in the consolidated financial institutions group of the bank, in the nature of a credit, are taken into account by such bank (provided that factoring receivables of consolidated financial institutions and items related to various loans and overdrafts are to be taken into account as cash loans) and (ii) the risk group including the bank is applied as the risk group including the group of financial institutions by taking into account the parent company and each subsidiary including the group of financial institutions subject to consolidation.
- All on-balance sheet and off-balance sheet risks that are taken into account by a bank within the scope of the Capital Adequacy Regulation and monitored by such bank in trading or banking accounts are to be included by such bank in the lending limits calculations. The BRSA has introduced certain details about the calculation of such risks in the Regulation on Determination of Risk Groups and Lending Limits, such as the methodology to be applied for derivative transactions, covered securities, other structured products and credits to central counterparties defined in the Capital Adequacy Regulation.

A bank, in the calculation of lending limits, must take into account the financial collaterals, unfunded credit protections and on-balance sheet netting that meet the minimum requirements as per the Communiqué on Credit Risk Mitigation Techniques published in the Official Gazette dated 6 September 2014 and numbered 29111 (the “**Communiqué on Credit Risk Mitigation Techniques**”) as risk amount reduction. The banks are not to use the collaterals that are exclusively taken into account in the calculation of the amount subject to credit risk with internal rating-based approaches for risk amount reduction in the calculation of lending limits. If such credit risk mitigation techniques mentioned above are used in the capital adequacy calculations made in accordance with the Capital Adequacy Regulation, they must also be used in the lending limits calculations.

- The BRSA has exercised the discretion granted to it in the Banking Law in determining further transactions of banks not subject to the lending limits. The following transactions have also been included within the scope of transactions not subject to the lending limits:
  - (i) receivables from central governments, central banks or public institutions subject to the same application as receivables from central governments pursuant to the Capital Adequacy Regulation and receivables secured by guarantees provided or securities issued by central governments, provided that the conditions specified in the Communiqué on Credit Risk Mitigation Techniques are met;
  - (ii) day-to-day receivables arising from transactions of banks with other banks, including banks headquartered abroad;
  - (iii) receivables arising from settlement transactions with central counterparties performing qualified transactions within the scope of the Capital Adequacy Regulation; and
  - (iv) amounts deducted from equity components.

In case the receivables specified in paragraph (i) above are hedged with a credit derivative, the risk amount calculated in accordance with the Regulation on the Determination of Risk Groups and Lending Limits must take into account in the lending limits of the hedging party, notwithstanding whether the underlying asset is exempt from the lending limits.

Banks must not take into account avals, guarantees and sureties accepted from the persons included in a risk group as the collateral of the loans extended to such risk group in the calculation of the lending limits of such risk group.

- In addition to the transactions specified above, banks must not take into account the following transactions either in the calculation of the lending limits extended to the risk group to which the banks themselves belong:
  - (i) shareholding interests in consolidated banks and financial institutions;
  - (ii) unlimited guarantees given by banks operating in Turkey to the competent authorities of foreign countries against the liabilities of the consolidated subsidiaries of these banks engaged in banking activities in foreign countries in accordance with the legislation of the relevant country; and
  - (iii) shareholding interests acquired free of charge as a result of all kinds of capital increases and value increases of shareholding interests that do not require any fund outflow.
- In the calculation of the lending limits of a bank, such bank's latest consolidated Tier I capital and shareholders' equity and unconsolidated Tier 1 capital and shareholders' equity calculated in accordance with the Equity Regulation is to be taken into account and the lending limits are calculated and reported to the BRSA at the end of each month.
- In case of a breach in the lending limits, banks are obliged to immediately notify the BRSA of the reasons thereof, together with the remedial measures planned to be taken. In case of volatility in the financial markets, in order to ensure stability in the interbank money market, the BRSB is authorized not to consider the excesses in the transactions in this market over the lending limits as a non-compliance with the limits. The amount in excess of any of the limits calculated on a consolidated basis and an unconsolidated basis is to be taken into account, notwithstanding which one of such limits is exceeded. If there is an excess in both limits, banks must take into account the higher excess amount. In the event that the lending limits are exceeded due to decreases in the consolidated or unconsolidated, Tier 1 capital or equity, such excesses must be eliminated within a period of six (6) months. In case the excess requires an increase in the consolidated or unconsolidated Tier 1 capital or shareholders' equity, the relevant bank must carry out the increase by taking into account whichever of the Tier 1 capital or shareholders' equity that requires the higher increase amount.

The fifth paragraph of the section entitled “*Liquidity Reserve Requirement*”, set forth on page 272 of the Base Prospectus, is hereby amended and updated by the following:

Pursuant to the amendments to the Communiqué Regarding Reserve Requirements, published in the Official Gazette dated 30 January 2024 and No. 32445, with the amendments effective from 19 January 2024, the reserve requirements regarding Turkish Lira liabilities vary by category and tenor, as set forth below:

<b>Category of Turkish Lira Liabilities</b>	<b>Required Reserve Ratio</b>
<b>1) Deposit/participation accounts (excluding deposit/participation accounts held at foreign banks)</b>	
Demand deposits, notice deposits .....	8.0%
Up to 1 month maturity (including 1 month) .....	8.0%
Up to 3 months maturity (including 3 months) .....	8.0%
Up to 6 months maturity (including 6 months) .....	0%
Up to 1 year maturity .....	0%
With maturities of 1 year and longer.....	0.0%
Deposits with FX or price protection by the CBRT with up to 6 months maturity (including 6 months)	25.0%
Deposits with FX or price protection by the CBRT with a maturity longer than 6 months.....	10.0%
<b>2) Borrowers' deposit accounts held at development and investment banks*</b> .....	0%
<b>3) Other liabilities (including deposit/participation accounts held at foreign banks)</b>	
Up to 1 year maturity (including 1 year).....	8.0%
Up to 3 years maturity (including 3 years).....	5.5%
Longer than 3 years maturity	3.0%
Securities issued by development and investment banks with a maturity longer than 1 year.....	0.0%

\* Due to laws applicable to development and investment banks, the amount deposited in such accounts cannot exceed the total outstanding loan amount extended by the relevant development and investment bank to such borrower.

The seventh paragraph of the section entitled “*Liquidity Reserve Requirement*”, set forth on page 273 of the Base Prospectus, is hereby amended and updated by the following:

On 19 August 2019, with the intention of using reserve requirements more flexibly and effectively as a macro-prudential tool to support financial stability, the CBRT decided to change the ratio of and the remuneration applied to required capital reserves. Accordingly, the required reserve ratios for Turkish Lira liabilities and the remuneration rates for Turkish Lira-denominated required reserves were linked to the annual growth rates of the banks' Turkish Lira-denominated standardised cash loans and cash loans under close monitoring, excluding foreign currency-indexed loans and loans extended to banks. For banks whose loan growth is between 10% and 20% (reference values), the required reserve ratios for Turkish Lira liabilities in all maturity brackets excluding deposits and participation funds with 1-year or longer maturity (excluding deposits/participation funds obtained from banks abroad) and other liabilities with longer than 3-year maturity (including deposits/participation funds obtained from banks abroad), was to be set at 2%. The reserve requirement ratios for other banks were left unchanged. Additionally, the remuneration rate of 13% previously applied to Turkish Lira-denominated required reserves, was set at an increased rate of 15% for banks with a loan growth between the reference values and at 5% to others. According to such arrangement, loan growth rates were to be calculated in each reserve requirement period and the banks whose loan growth was between the reference values were to be subject to the related reserve requirement ratios and remuneration rates in the next three-months (six reserve requirement periods). On 27 November 2020, as part of its simplification policy, the CBRT decided to abolish the differing application to banks of required reserve ratios for liabilities and remuneration rates for required reserves held with the CBRT, based on their annual loan growth rates. It further decided to set the remuneration rate applicable for all of the banks at 12% for Turkish Lira-denominated required reserves and at 0% for FX-denominated required reserves. As of 15 April 2022, the CBRT reduced the remuneration rate for Turkish Lira-denominated required reserves to 0%. Further, the CBRT charges the banks a commission on the required reserves held with the CBRT for the FX-denominated deposit accounts and participation funds (including the precious metal accounts) at a rate of 11.0% with effect from 8 December 2023 to which commission is not to be applied to certain banks in case the criteria determined by the CBRT are met. Such rate varies from time to time. On 27 October 2023, as part of the efforts of the CBRT to incentivise the Turkish Lira deposits' share in the overall deposit base, the CBRT announced that certain measures on such commissions charged on the required reserves held with the CBRT for the FX-denominated deposit accounts and participation funds are to be taken. In particular, based on the ratio of renewal of the banks' FX-protected TL time deposits converted initially from FX-deposits (in the calculation of which renewal, such deposits renewed as standard TL time deposits, with a maturity of at least 32 days, are also taken into account), (a) if a bank fails to attain a ratio of hundred per cent. (100%) renewal of its FX-protected TL time deposits converted

initially from FX-deposits (in the calculation of which renewal, standard TL time deposits, with a maturity of at least 32 days, are also taken into account), the maturity of which fall within a given calculation period, such commissions will be charged by the CBRT at the level of six per cent. (6%) p.a. on the required reserves, which may go up to at most eight per cent. (8%) p.a., depending on the distance of the actual ratio to the targeted hundred per cent. (100%) renewal ratio, and (b) if a bank fails achieves or exceeds the ratio of hundred per cent. (100%) renewal of its FX-protected TL time deposits converted initially from FX-deposits (in the calculation of which renewal, standard TL time deposits, with a maturity of at least 32 days, are also taken into account), the maturity of which fall within a given calculation period, such commissions will be charged by the CBRT at levels varying based on the ratio of renewal as FX-protected TL time deposits (“**Renewal Ratio 1**”) and the ratio of renewal as standard TL time deposits, with a maturity of at least 32 days (“**Renewal Ratio 2**”) by charging on the aforementioned required reserves (i) a commission of zero point two per cent. (0.2%) p.a. for each five per cent. (5%) shortfall if the relevant bank’s Renewal Ratio 1 is lower than seventy-five per cent. (75%) (at most, three per cent. (3%) p.a. of commission for having a Renewal Ratio 1 lower than seventy-five per cent. (75%)), and (ii) a commission of zero point five per cent. (0.5%) p.a. for each one per cent. (1%) shortfall if the relevant bank’s Renewal Ratio 2 is lower than ten per cent. (10%) (at most, five per cent. (5%) p.a. of commission for having a Renewal Ratio 2 lower than ten per cent. (10%)). On the FX-denominated deposits that the Turkish banks bring from abroad and hold with the CBRT in excess of the FX-denominated required reserves held with the CBRT, the CBRT pays a remuneration at a rate 4.5% per annum. Pursuant to the amendments to the Communiqué Regarding Reserve Requirements, published in the Official Gazette dated 23 April 2022 and No. 31818, cash loans denominated in Turkish Lira, the principles of which are determined by the Central Bank, on the basis of the accounting standards and registration system which banks and financing companies are subject to, constitute assets subject to reserve requirements and the required reserve ratio was applied as 10% for the relevant assets (as calculated on the last Friday of every four-week period) for a maintenance period of four weeks. However, with an amendment published on 20 August 2022 in the Official Gazette No. 31929, such required reserve ratio for the relevant assets was reduced to 0% for banks. Instead, the reserve requirement maintenance being applied at a ratio of 20% was replaced by the requirement of maintenance of long-term Turkish Lira securities issued by the Turkish government (see “*Turkish Regulatory Environment—Macprudential Measures requiring Maintenance of Securities*” in the Base Prospectus) at 30% over the amount of TL-denominated commercial cash loans (subject to certain exclusions as explained in “*Turkish Regulatory Environment—Macprudential Measures requiring Maintenance of Securities*”) for banks, which was also abolished by the CBRT on 27 October 2023. Nevertheless, on 2 November 2023, the CBRT abolished the required reserve ratio entirely for the relevant assets, which had been applied as 0% for the banks, and introduced with effect from 27 October 2023, a new additional requirement on banks to hold reserves with the CBRT at a rate of 4% for their foreign currency deposits and participation accounts (excluding foreign banks’ deposits and participation accounts and precious metal deposit accounts held with such banks), which reserves are required to be held with the CBRT in cash in Turkish Lira-denominated blocked accounts. Pursuant to the amendments to the Communiqué Regarding Reserve Requirements, published in the Official Gazette dated 30 January 2024 and No. 32445, with the amendments effective from 19 January 2024, such additional reserve requirements for foreign currency deposits and participation accounts (excluding foreign banks’ deposits and participation accounts and precious metal deposit accounts held with such banks) was increased from four per cent. (4%) to eight per cent. (8%). To strengthen the monetary transmission mechanism, increase the share of Turkish lira deposits, and support the transition from FX-protected deposits to Turkish lira deposits, reserve requirements of eligible deposit banks maintained for their Turkish lira deposit and FX-protected deposit accounts with a maturity longer than one month will be subject to remuneration every three months.

The following paragraph shall be inserted immediately following the paragraph commencing “*On 26 May 2023, the BRSA published the Regulation on the Net Stable Funding Ratio Calculations of Banks to align the*” set forth under the section entitled “*Liquidity Reserve Requirement*” starting on page 273 of the Base Prospectus:

On 7 March 2024, the CBRT introduced a new mandatory reserve requirement based on loan growth of banks. It required that, if the growth rate for the cash loans extended by a bank (the procedures and

principles of which are determined by the CBRT) is above 2.00% from the calculation date of 29 March 2024 until the calculation date of 3 January 2025 (inclusive) compared to the previous calculation date, such bank must set out and block Turkish lira denominated mandatory reserves for the amount of the loans exceeding this rate. The CBRT may apply instead of the aforementioned growth rate a higher one for loan types determined by the CBRT. Banks calculate such loan growth rates on Fridays every four weeks according to the calculation method the procedures and principles of which are determined by the CBRT. The establishment of such mandatory reserves by such bank starts on the Friday two weeks following the calculation date and ends on the Thursday of the fifty-second week following the beginning of the establishment.

The first paragraph of the section entitled “*Caps on Credit Card Interest Rates, POS Commission Rates, Demand Deposit Accounts Interest Rates and Fees for Commercial Customers*”, set forth on page 294 of the Base Prospectus, is hereby amended and updated by the following:

With a communiqué published on 31 October 2020, the Central Bank has changed the methodology of determination of credit card interest caps. According to such communiqué, the monthly cap on credit card interest rates for Turkish Lira transactions is to be determined by adding 55 basis points on the monthly reference rate published in accordance with the Communiqué on Commercial Customer Fees. For FX transactions, such monthly cap is to be determined as 80% of the monthly cap for Turkish Lira transactions, by rounding to at most two decimal places. The monthly cap on default interest rates for credit card transactions is to be determined by adding a further 30 basis points. After the changes made to the Communiqué on Commercial Customer Fees on 23 June 2023, the monthly caps are normally published by the CBRT on each day the CBRT publishes the reference rate on its official website and are applicable as of the first day of the next month. The reference rate is published normally on the 5<sup>th</sup> last business day of any given month; *however*, if the monetary policy committee of the CBRT meets on a date in any month after the 5<sup>th</sup> last business day of such month, the reference rate is to be published with the most recent data on the date of such meeting and the reference rate calculated as at the date of such publication is updated if it changes more than 5% compared to the most recently published reference rate. For July 2023, the Central Bank published such rates as follows: (i) 1.91% as the monthly cap on credit card interest rates for Turkish Lira transactions, (ii) 2.21% as the monthly cap on default interest rates for Turkish Lira credit card transactions, (iii) 1.53% as the monthly cap on credit card interest rates for FX transactions and (iv) 1.83% as the monthly cap on default interest rates for FX credit card transactions. On 25 July 2023, the Central Bank introduced further changes to the methodology on the calculation of interest rate caps applicable to the cash withdrawal and cash utilisation transactions and set out that the interest rate caps applicable to the cash withdrawal and cash utilisation transactions from credit cards (and overdraft accounts) are to be determined by adding 131 basis points instead of 55 basis points on the monthly reference rate published in accordance with the Communiqué on Commercial Customer Fees. With the amendments published in the Official Gazette dated 22 December 2023 and numbered 32407 to the Communiqué on Commercial Customer Fees, it has been set that the reference rate cannot exceed 3.11%. Accordingly, for January and February 2024, the Central Bank published the monthly interest rate caps as follows: (i) a monthly interest rate cap of 4.42% applied to credit card cash withdrawals/utilisations and overdraft accounts, (ii) and a monthly default interest cap of 4.72% applied to credit card cash withdrawals/utilisations and overdraft accounts, (iii) 3.66% as the monthly cap on credit card interest rates for Turkish Lira transactions (other than credit card cash withdrawals/utilisations and overdraft accounts), (iv) 3.96% as the monthly cap on default interest rates for Turkish Lira credit card transactions (other than credit card cash withdrawals/utilisations and overdraft accounts), (v) 2.93% as the monthly cap on credit card interest rates for FX transactions, and (vi) 3.23% as the monthly cap on default interest rates for FX credit card transactions.

The second paragraph of the section entitled “*Macroprudential Measures requiring Maintenance of Securities*”, set forth on page 295 of the Base Prospectus, is hereby amended and updated by the following:

Pursuant to the Regulation on Maintenance of Securities, each Turkish bank is required to hold an amount of such securities equal to 4% of the amount of the foreign currency deposits, participation funds and

precious metals accounts held by the relevant customers with such bank as well as the funds from foreign exchange-denominated repo transactions.

The fourth paragraph of the section entitled “*Macroprudential Measures requiring Maintenance of Securities*”, set forth on page 296 of the Base Prospectus, is hereby amended and updated by the following:

Further, according to the amendments made on 20 August 2022, 31 December 2022, 25 July 2023 and 22 December 2023 to the Regulation on Maintenance of Securities, if:

- (a) a bank’s Turkish Lira-denominated commercial cash loan growth (excluding the Excluded Loans) during each calculation period from 26 August 2022 to 25 November 2022 compared to the previous calculation period was higher than 3.00%, then such bank is required to hold with the CBRT long-term Turkish Lira-denominated securities issued by the Turkish government in an amount equal to the amount over such 3.00%;
- (b) a bank’s Turkish Lira-denominated commercial cash loan (excluding the Excluded Loans) growth as of 30 December 2022 compared to 29 July 2022 is higher than 10%, then such bank is required to hold with the Central Bank long-term Turkish Lira-denominated securities issued by the Turkish government in an amount equal to the amount over such 10% minus the amount already held as required by paragraph (a) above; and
- (c) a bank’s Turkish Lira-denominated commercial cash loan growth (excluding the Excluded Loans) during any calculation period from 27 January 2023 to (and including) 28 June 2024 compared to the previous calculation period were higher than 2.00% (which was set out initially as 3.00% but then revised downwards to 2.00% by the CBRT on 25 July 2023, starting from 29 July 2023), then such bank would be required to hold with the CBRT long-term Turkish Lira-denominated securities issued by the Turkish government in an amount equal to the amount over such 2.00% (such ratio of 2.00% may be increased by the CBRT for certain types of loans to be determined by the CBRT). The CBRT revises these monthly loan growth limits from time to time and on 6 March 2024, it announced that (i) the monthly growth limit for TL commercial loans (excluding the Excluded Loans and loans extended in the earthquake zone), previously set at 2.50% has been reduced to 2.00%, (ii) the monthly growth limit for general purpose loans, previously set at 3.00%, has been revised down to 2.00% and (iii) the 2.00% limit for auto loans remains unchanged.

The fifth paragraph of the section entitled “*Amendments to the Turkish Insolvency and Restructuring Regime*”, set forth on page 300 of the Base Prospectus, is hereby amended and updated by the following:

The Framework Agreement’s term expired on 19 July 2023, but its term was extended by another two years on 28 December 2023, such that it will remain in force through 28 December 2025. The President may further extend the term of the Framework Agreement by another two years.

## **TAXATION**

The following paragraph shall be inserted immediately following the paragraph commencing “*For Turkish tax purposes, a legal entity is a resident of Türkiye if its corporate domicile is in Türkiye*” starting on page 301 of the Base Prospectus:

With the changes introduced by the Law No. 7491 published in the Official Gazette dated 28 December 2023 and numbered 32413, the profit/loss difference arising from the inflation adjustment made by banks, financial leasing, factoring and financing companies, e-money and payment services institutions, authorised foreign exchange currency-related entities, asset management companies (*varlık yönetim şirketleri*), securities intermediaries and other capital markets institutions, insurance and reinsurance companies and pension companies in the 2024 and 2025 accounting periods, including temporary tax periods, are not to be taken into account in the determination of earnings. The President is authorized by the Law No. 7491 to extend such period by one accounting period, including the temporary tax periods.

## **GENERAL INFORMATION**

The second paragraph on page 328 of the Base Prospectus, set forth under the section entitled “*Authorisation*”, is hereby amended, and updated by the following:

The establishment of the Programme and the issue of Notes have been duly authorised by a resolution of the Board of Directors of the Issuer dated 25 July 2013, 4 September 2013, 27 November 2013, 10 February 2014, 26 February 2015, 25 February 2016, 22 February 2017, 26 February 2018, 20 February 2019, 20 February 2020, 24 February 2021, 19 January 2022, 21 December 2022 and 27 December 2023.