

|   |
|---|
| <p><b>1. Compliance and AML Organization</b></p>  |
| <p>a) Please detail:</p> <ul style="list-style-type: none"> <li>• Name Bank: <b>Yapı ve Kredi Bankası A.Ş.</b></li> <li>• Number of customers: <b>Approximately 12 mio (active)</b></li> <li>• Number of branches in the country and oversea (<i>indicate where</i>): <b>796 domestic + 1 foreign branch in Bahrain.</b></li> <li>• Bank's Ranking: What is the bank's position in respect of the other banks in the country? <b>The 4<sup>th</sup> biggest private bank in Turkey &gt;&gt; <a href="http://Investor.Presentation(yapikrediinvestorrelations.com">Investor Presentation (yapikrediinvestorrelations.com)</a></b></li> </ul>   |
| <p>b) A description of Compliance and AML function including number of employees and reporting lines. <b>Our Bank has a formal AML Compliance function. There are 50 employees (including the Head of Anti-Financial Crimes) in the department. Department has been divided into 5 different teams:</b></p> <ul style="list-style-type: none"> <li>• Financial Group Sanctions (9 headcounts);</li> <li>• Financial Group Legislation, Reporting and KYC (15 headcounts);</li> <li>• AML Monitoring and Control (16 headcounts);</li> <li>• Financial Group 2nd Level Controls (4 headcounts) and;</li> <li>• Subsidiaries Compliance (5 headcounts).</li> </ul> <p><b>AML Reporting is being presented to the Board of Directors/Audit Committee quarterly (if needed immediately). It is also presented to the Head of Compliance monthly. Besides, the Annual Risk Assessment is being prepared and presented to the Board of Directors via Audit Committee, which is an independent committee within the Board.</b></p> |
| <p>c) How is Senior Management (Board of Directors and/or relevant senior management committees) kept informed about key AML related topics? <b>AML Reporting is presented to Board of Directors/Audit Committee quarterly, if needed immediately. AML Reporting is also presented to Head of Compliance monthly. In addition to these reporting, we have procedures in place to escalate some issues to Head of Compliance and/or Board of Directors/Audit Committee as described in our policies.</b></p>   |
| <p>d) Is the Compliance Function responsible for assessing the effectiveness of AML related controls (e.g., KYC, transaction monitoring, sanction screening)? <b>AML Department are responsible for KYC, transaction monitoring, and sanction screening issues.</b></p>   |
| <p><b>2. AML Policies and procedures</b></p>  |
| <p>a) Who has the task of updating and approving the amendments in the AML/Financial Sanctions Policies? <b>AML Department.</b></p>   |
| <p>b) When did the last updates occur and how often are AML/Financial Sanctions Policies updated? <b>May, 2023. The Policy is reviewed annually and updated, if necessary.</b></p>  |
| <p>c) How are the Policies enforced among the employees? <b>Through e-mails, trainings (both class and e-learning based) and circulars.</b></p>   |

|   |
|---|
| d) Are the policies and procedures applied also to your branches/subsidiaries/related entities? <b><i>Our policy has been implemented within the bank and its overseas branches, as well as its subsidiaries in case the legislation of the country where they operate permits.</i></b>   |
| <b>3. Anti-bribery &amp; Anti-corruption</b>  |
| a) Please detail the relevant anti-bribery and corruption legislation to which your bank abides. <b><i>The bank complies with all applicable anti-bribery and anti-corruption laws or regulations.</i></b>  |
| b) Does your bank have a code of conduct/policies/procedures in place which include zero tolerance of bribery and corruption? <b><i>Yes.</i></b>  |
| c) Does your bank provide any kind of training in relation to bribery and corruption and if that is the case how are ABC policies and procedures enforced among your employees, BoDs and Senior Managers? <b><i>A tailored e-learning training is given to all YKB employees including Bods and senior managers and third parties' employees. ABC e-learning is a part of mandatory training, so it should be completed successfully in the given period of time.</i></b>   |
| d) Does your bank have controls in place to monitor the effectiveness of the anti-bribery and corruption policy and of the measures taken to prevent, detect and report bribery and corruption cases? <b><i>ABC Policy is monitored effectively, including published standards, training, audits and other methods. There are second level controls within the scope of ABC risk methodology. Internal and external audits in relation to compliance with ABC policies and procedures and whether these are benchmarked with all applicable laws and regulations to the extent permissible by domestic law. All whistleblowing received shall be examined and/or the case may be directly presented to the Disciplinary Committee by the ABC team. If needed, the case can share with investigation team by ABC unit. Depending on the nature of relevant incident, disciplinary penalties ranging up to termination of labour contract might be inflicted as well.</i></b> |
| e) How are the BoDs and Senior Managers involved in the anti-bribery and corruption compliance initiatives of your bank? <b><i>ABC team is responsible for reporting at board level, the BoD approves the ABC policy.</i></b>   |
| f) Does your bank have a dedicated team managing bribery and corruption? If that is the case, please detail the number of employees allocated to the team, their roles and their reporting line. <b><i>Yes. There is a designated ABC team who are responsible for YKB Anti-bribery and Anti-corruption Policy. We have 4 employees in this team. We have a tailored ABC Risk Methodology and we have second level controls within the scope of risk methodology. ABC Team is working under Compliance, Risk Management and Internal Control Department which are directly reporting to the Audit Committee within the Board of Directors.</i></b>  |
| g) Does your bank have a confidential/anonymous Financial Crime/ABC whistleblowing hotline that is available to all employees? <b><i>Yes. All employees can report the suspicious or doubtful activities including bribery and corruption, confidential and anonymous communication channels are available on Anti-bribery &amp; Anti-corruption Policy.</i></b>  |

h) Are all the responses provided above representative of all branches, subsidiaries and/or affiliates of your bank? **Yes.**

#### **4. KYC procedure**

a) Which documents are applied and what information is required in case of individuals and in case of companies? *The requested documents and information vary according to the customer type.*

- *In accordance with our national legislation, for the identification of natural persons, the following information is being requested and recorded: name, surname, place and date of birth, nationality, type and number of the identity card, address, sample of signature, and telephone number, fax number, e-mail, if any, and information on job and profession, Reason of business relationship. The information is verified through:*

*a) T.R. identity card, T.R. driving license or passport for Turkish citizens;*

*b) Passport, certificate of residence or any type of identity card considered proper by the Ministry for non-Turkish citizens. The address submitted while establishing permanent business relationship is verified through a certificate of residence, any utility bill drawn up within the previous three months from the date of transaction or through government database.*

- *For legal entities, the following information is requested and recorded: the title of the legal person, trade registry number, tax identity number, field of activity, full address, telephone number, fax number and e-mail. The information is verified through:*

*a) The title of the legal person, its trade registry number, field of activity, full address are verified through documents of registration to the trade registry;*

*b) Tax identity number are verified through documents drawn up by the related unit of Revenue Administration. Identification information of persons authorized to represent the legal person are being verified through identity cards.*

*In addition to these requests which is mandatory according to our national legislation, additional information/document can be requested to classify customer and verify the information received.*

b) How do you identify and verify the ultimate beneficial owner (UBO)? What ownership % threshold is used to identify the UBO? *Beneficial Owner means in the case of corporate entities:*

- *The natural person(s) who ultimately owns or controls a legal entity through direct or indirect ownership or control 25% plus one of the shares or 25% plus one of the voting rights in that legal entity, including through bearer share holdings, other than a company listed on a regulated market;*

- *The natural person(s) who otherwise exercises control over the management of a legal entity. There may be such cases where no natural person is identifiable who ultimately owns or exerts control over a legal entity. In such exceptional cases, having exhausted all other means of identification, and provided there are no grounds for suspicion, the senior managing official(s) are the beneficial owner(s). A written confirmation that the customer will not act on behalf of third parties is obtained. Threshold for identifying ultimate beneficial owners is applied as 10%.*

c) Are there specific customer types that are prohibited? *Business relationship with the following customer types/industries are not established:*

- *Shell banks,*
- *Offshore banks,*

- *Exchange offices,*
- *Unregulated charities,*
- *Anonymous relationships,*
- *Drugs and marijuana related firms,*
- *Unregulated money remittance businesses,*
- *Red light business and adult entertainment companies,*
- *Individuals & entities that decline to provide information or documents,*
- *Individuals & entities that are included in black lists issued by the AML/CFT authorities,*
- *Unregulated providers of digital/virtual currencies, individuals or entities where it has known that they are actively involved in criminal, corrupt or terrorist activities.*

d) Are there customer types that are restricted? *EDD-based onboarding & restricted on a risk-based approach for below customer types:*

- *Atomic power,*
- *Defence industry manufacturers,*
- *MSB & PSP companies,*
- *Embassies and other diplomatic missions,*
- *Mining & mineral extraction companies,*
- *Oil & gas industry companies,*
- *Dealers in high value or precious goods (e.g. car dealers; jewelry, gems and precious metal dealers; art and antique dealers; etc.),*
- *Real estate companies,*
- *Travel and tour companies,*
- *Regulated charities,*
- *Correspondent banks,*
- *Non-resident customers,*
- *Citizens of sanctioned countries.*

#### 5. Risk rating procedure

a) Which factors are relevant for the risk classification (e.g., geography, product and services, distribution channels etc.)? *The factors for classifying customers are as follows: Country risk, Industry risk, Product and Services risk, Entity risk, PEP risk, Reputational risks.*

b) Do you have procedures for classifying customers into various risk categories, as for instance: (high, medium, low)? If yes, what types? *Our clients can be categorised as low risk, medium risk or high risk.*

c) Is the risk rating procedure manual or automated? If automated, which system do you use? *Automated, Actimize CDD.*

d) On which periodic basis each customer risk classification type is reviewed? *For high-risk customers, every year; for medium-risk, every 3 years; and for low-risk, every 5 years.*

e) May the risk classification be reviewed in case of trigger events (such as negative news)? *Yes.*

f) What types of customers are classified as high risk? **EDD process has been performed for high-risk customers. The following customer types are considered as high-risk:**

- **Mining & mineral extraction companies,**
- **Oil & gas industry companies,**
- **Defence industry manufacturers,**
- **Real estate companies,**
- **Regulated charities,**
- **PEPs and RCAs,**
- **NGOs,**
- **Diplomatic missions and their staff,**
- **PSP and MSB companies,**
- **Correspondent banks,**
- **Waste and recycling companies,**
- **Renewable energy firms,**
- **Tobacco companies,**
- **General trade companies,**
- **Delivery and courier firms,**
- **Visa service providers,**
- **Brokers,**
- **Dealers in high value or precious goods (e.g. art and antique dealers; car dealers; jewellery, gem & precious metal dealers),**
- **Professional service providers (Lawyers, Accountants, Notaries, Consultants, Auditors etc.)**

g) Do you apply Enhanced Due diligence on high-risk customers? How is it carried out? **Yes. Risks with regard to the product usage, geography, business type or industry, adverse media, sanctions circumvention and PEP status are being assessed. Accordingly, relevant evidence is requested as per the residential status, ultimate beneficial ownership, sanctions nexus or involvement, intended purpose of transactions whether they are consistent with the customer profile etc. Establishing business relationship with high-risk customers that are subject to EDD requires Compliance Officer's approval and such relationship cannot be established without it.**

#### **6. Negative news screening**

a) How do you identify negative news on your customers? Please describe the process (if automated or manual, who is in charge to evaluate the news, etc.) **Customers are being screened against adverse media lists provided by Dow Jones Factiva during onboarding through the Actimize CDD tool. In case of any match, the customer opening creates an alert and opening is subject to AML team approval. Relationship cannot be established without such approval.**

b) Do you use an automated tool to screen the customer base against negative news? If yes, which is the vendor? **Automated, Actimize CDD with lists provided by Dow Jones Factiva.**

c) When do you perform the screening against negative news?

- at onboarding: **Yes.**
- ongoing (which is the frequency?): **Yes, immediately when there is a change with regard to lists.**
- KYC review: **Yes.**

## 7. Politically Exposed Person related controls (PEP)

- a) Please provide your definition of PEP; do you include in your definition domestic and international PEP? **Both for locally and internationally; politically exposed person is a natural person who is or who has been entrusted with prominent public functions and includes the following: (a) heads of State, heads of government, ministers and deputy or assistant ministers; (b) members of parliament or of similar legislative bodies; (c) members of the governing bodies of political parties; (d) members of supreme courts, of constitutional courts or of other high-level judicial bodies, the decisions of which are not subject to further appeal, except in exceptional circumstances; (e) members of courts of auditors or of the boards of central banks; (f) ambassadors, chargés d'affaires and high-ranking officers in the armed forces; (g) members of the administrative, management or supervisory bodies of State-owned enterprises; (h) directors, deputy directors and members of the board or equivalent function of an international organisation. No public function referred to in points (a) to (h) shall be understood as covering middle-ranking or junior officials. The definition is extended to family members <sup>[1]</sup> and their close associates <sup>[2]</sup>.**
- <sup>[1]</sup> Family members are the spouse, or a person considered to be equivalent to a spouse, of a politically exposed person; the children and their spouses, or persons considered to be equivalent to a spouse, of a politically exposed person; the parents of a politically exposed person.
- <sup>[2]</sup> Close associates are natural persons who are known to have joint beneficial ownership of legal entities or legal arrangements, or any other close business relations, with a politically exposed person; and natural persons who have sole beneficial ownership of a legal entity or legal arrangement which is known to have been set up for the de facto benefit of a politically exposed person.
- b) How do you identify PEPs? Are PEP Lists used? **The onboarding forms include such question(s) so that we request the customer's declaration. However, we do not just rely on the information provided; the customers are screened against PEP lists provided by Dow Jones Factiva during the onboarding.**
- c) Do you use an automated tool to screen your customers against PEP list? If yes, which is the vendor? **Automated, Actimize CDD with lists that are provided by Dow Jones Factiva.**
- d) What controls do you performs on PEPs? **Account opening/business relationship process for PEPs, are subject to approval of Compliance Officer or Chief Executive Officer (CEO) via AML Department, on a case by case basis. This type of customers is categorized as high risk. During a review of a PEP relationship, further research is conducted to ensure that there has been no material change in the risk profile of the PEP since he/she was last reviewed. Where there has been a material adverse change, this issue is investigated and assessed by AML Department & Compliance Officer for consideration whether to continue with the actual relationship.**
- e) How do you classify them (high, medium, low risk)? **High risk.**
- f) How do you approve the relationship with PEPs? **Account opening/business relationship process for PEPs, are subject to approval of Compliance Officer or Chief Executive Officer (CEO) via AML Department.**

|  |
|--|
| <p>g) When do you perform the PEP screening?</p> <ul style="list-style-type: none"> <li>• at onboarding: <b>Yes.</b></li> <li>• ongoing (which is the frequency?): <b>Yes, immediately when there is any change within lists.</b></li> <li>• KYC review: <b>Yes, during a review of a PEP relationship, further research is conducted to ensure that there has been no material change in the risk profile of the PEP since he/she was last reviewed. Where there has been a material adverse change, this issue is investigated and assessed by AML Department &amp; Compliance Officer for consideration whether to continue with the actual relationship.</b></li> </ul>  |
| <p>h) How do you monitor them? <b>Relationships involving PEPs are subject to enhanced ongoing monitoring. This include sample-testing a greater number of transactions on PEP relationships than on non-PEP relationships and/or setting alert thresholds at a lower level than for other transactions in order to ensure that a greater number of potentially suspicious transactions are identified. It may also include regular monitoring of press or other sources to identify any changes as per the PEP's reputation.</b></p>  |
| <p>i) How many PEPs does the bank have within their client base? <b>Confidential.</b></p>  |
| <p><b>8. Client base: Do you have among your customers:</b></p>  |
| <p>a) Internet banks/banks with no brick, and mortar premises. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Prohibited.</b></p>   |
| <p>b) Money transfer / money services businesses. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Yes, this segment of customers are restricted and subject to EDD / AML team approval. We are onboarding only licensed, experienced MSBs applying the same AML measures like us, such as Western Union. As an international MSB customer of YKB, currently we have such relationship only with WU. Besides, all WU customers that should be our customers too, thus we don't serve walk-in customers. The other MSB customers are domestic, and they conduct transactions only in local currency (TRY). All sort of MSB customers is categorized as high-risk per YKB policy and they are subject to EDD procedures and Compliance Officer's approval for KYC as well. Since we are very selective, the number of this type of customers is very limited.</b></p> |
| <p>c) Gaming companies/Internet gambling. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Prohibited.</b></p>  |
| <p>d) Mineral extraction/oil and gas companies. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Yes, this segment of customers are restricted and subject to EDD / AML team approval.</b></p>  |
| <p>e) Arms and ammunition manufacturers and traders. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Prohibited.</b></p>   |
| <p>f) Traders in dual use goods (goods that can be used for civil and for military purposes). If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an</p>  |

|   |
|---|
| EDD on them? <b>Yes, this segment of customers are restricted and subject to EDD / AML team approval.</b>   |
| g) Dealers in high value or precious goods. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Yes, this segment of customers are restricted and subject to EDD / AML team approval.</b>                             |
| h) Cargo shipping. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Yes, this segment of customers are restricted and subject to EDD / AML team approval.</b>  |
| i) Real Estate Construction. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Yes, this segment of customers are restricted and subject to EDD / AML team approval.</b>  |
| j) Companies whose ownership is through bearer shares. If yes, how many customers do you have of this typology? Do you consider them as high-risk? Do you apply an EDD on them? <b>Prohibited.</b>  |
| k) Non Profit Organizations / Charities. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Yes, this segment of customers are restricted and subject to EDD / AML team approval.</b>                                |
| l) Embassies and / or Consulates. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Yes, this segment of customers are restricted and subject to EDD / AML team approval.</b>                                       |
| m) Offshore companies. If yes, how many Offshore companies do you have? If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Yes, this segment of customers are restricted and subject to EDD / AML team approval.</b> |
| n) Non-operating companies. If yes, how many non – operating companies do you have? If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Not applicable.</b>   |
| o) Shell companies and Shell Banks. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Not applicable.</b>   |
| p) Banks with offshore licenses. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Not applicable.</b>  |
| q) Virtual currencies. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? Please, advise on the presence of any virtual/crypto currency provider and/or platform in your customer base. <b>Not applicable.</b>          |
| r) Trusts. If yes, how many customers do you have of this typology? Do you consider them as high risk? Do you apply an EDD on them? <b>Not applicable.</b>  |



|  |
|--|
| s) Do you offer services to occasional (walk-in) customers? If yes, do you identify them? Which transactions are allowed to be processed? <b>No.</b>   |
| t) Do you accept non-resident customers? If yes, <ul style="list-style-type: none"> <li>• from which countries? Non-sanctioned countries/regions. <b>We do not establish any business relationship with customers resident in Cuba, Iran, Syria, North Korea, Sudan, South Sudan, Crimea/Sevastopol and the other annexed regions of Ukraine.</b></li> <li>• how many non-resident customers do you have? <b>Less than 5%</b></li> <li>• how many non-resident customers are from high-risk countries? <b>Less than 1%</b></li> <li>• Which customer types are these (e.g.) individuals, corporates, financial institutions, non-operating companies (NOCs)? <b>Individuals and corporates.</b></li> </ul> |
| u) Will the transactions from any of the above categories of customers be processed through your accounts? If yes, from which ones of the listed customers? <b>Transactions can be conducted only if there is no broadly prohibited country or region (Cuba, Iran, Syria, North Korea, Sudan, South Sudan, Crimea/Sevastopol and the other annexed regions of Ukraine) as well as sanctions nexus.</b>   |
| v) Approximately what is the total number of customers that you have? What is the percentage of high-risk customers? <b>Less than 5%</b>   |
| <b>9. Do you provide the following services to your customers?</b>   |
| a) Bulk Cash Services <b>Yes (domestic only).</b>  |
| b) Anonymous accounts <b>No.</b>   |
| c) Pooled accounts <b>No.</b>  |
| d) Payable through accounts <b>No.</b>   |
| e) If so, are the transactions relating to these services expected to be processed through your accounts? <b>Not applicable.</b>   |
| <b>10. Downstream Correspondent Clearing Services (DCCS)</b>   |
| a) Do you provide downstream (nested) correspondent banking services to other banks? <b>No.</b>  |
| b) Does the Bank provide downstream (nested) correspondent banking services through your accounts? <b>No.</b>  |
| c) What tools do you use to monitor the relationships with banks to which DCCSs are provided? <b>Not applicable.</b>   |
| d) Do you offer DCCS to local or foreign banks? If foreign banks: in which countries are they located? Please provide the names of your respondents that transactions will be process for, on your accounts. <b>Not applicable.</b>  |

|  |
|--|
| e) What controls do you perform on AML framework of the bank to which is offered Downstream Correspondent Clearing Services? <b>Not applicable.</b>  |
| f) Which transactions do you accept? <b>Not applicable.</b>  |
| <b>11. Transaction Monitoring</b>  |
| a) Which system do you use to monitor transactions? <b>Actimize SAM.</b>   |
| b) What types of transactions do you monitor? <b>All transactions of the customers are monitored via Actimize SAM.</b>   |
| c) How do you monitor cash transactions? Are there minimum reporting thresholds? <b>Cash transactions are monitored via automated system, Actimize. All cash transactions (without a threshold) are reported to national FIU on a daily basis.</b>   |
| d) Do you have scenarios for identifying suspicious transactions? Please provide details. <b>We have an automated monitoring system which contains rule based and profile based scenarios. Examples of the transactions we aimed to detect are as follows: large value transactions, cash transactions, transaction that are inconsistent with the customer profile.</b>   |
| e) Approximately how many alerts are generated and investigated annually? <b>Confidential.</b>   |
| f) Who is in charge to investigate the alerts (branches or head office)? Please describe the procedure. Head office (AML Department/monitoring and control team). <b>All alerts created by Actimize SAM are reviewed by AML monitoring and control team. Generated alerts have been monitored on a daily basis. If needed, additional information and/or documents have been requested from the customer via RM. In case any suspicious activity has been identified as a result of monitoring activities, the activities have to be reported to local Financial Intelligence Unit (Financial Crimes Investigation Board of Turkey). The reporting has been made by Compliance Officer and the reports cannot be shared with anyone, except related authorities determined by the law.</b> |
| g) Do you have a process for reporting suspicious transactions and to which authority? <b>Yes, the national FIU (Financial Crimes Investigation Board of Turkey).</b>  |
| h) Approximately how many suspicious transaction reports are submitted to the relevant local authorities annually? <b>Confidential.</b>  |
| <b>12. Sanction screening</b>  |
| a) Which systems do you use for both customer and transaction screening? Which data provider do you use? <b>Actimize WLF &amp; Dow Jones Factiva.</b>  |
| b) Which lists do you apply? <b>UN, EU, US, UK and the domestic lists.</b>   |

|   |
|---|
| c) How do you screen client names (including shareholders and related parties)? Which criteria are used for screening (e.g., name, location, date of birth)? <b>Via Actimize, on real-time basis (name/location/place and country of birth/address).</b>  |
| d) How frequently do you screen your customer base? <ul style="list-style-type: none"> <li>• During onboarding: <b>Real time.</b></li> <li>• If there is a change in Sanctionslists: <b>Daily basis.</b></li> <li>• If there is a change in customer information (country/address etc.): <b>Daily basis.</b></li> </ul>   |
| e) Do you screen each transaction against applicable sanctions list? If yes, how often and how? <b>Yes. All parties of the transactions are screened against UN, EU, US, UK and the domestic lists on a real time basis via Actimize.</b>   |
| f) Do you perform regular testing on the efficiency of the tools? <b>Yes, we apply independent testing annually.</b>  |
| g) Are transactions screened in real time? Is it possible to block/reject transactions if necessary? <b>Sanction screening is conducted in real time as per Swift transactions. It is possible to block/reject transactions, if deemed necessary.</b>   |
| h) Within which timeframe are external lists updated in the systems following changes in such lists? <b>On a daily basis.</b>   |
| i) Do you conduct business in or with any of the sanctioned countries/territories or persons subject to asset freeze sanctions imposed by EU and US? Do you have a portfolio with sanctioned countries/regions/territories including but not limited to Iran, Syria, Sudan, South Sudan, North Korea, Crimea, Cuba or Venezuela (last two if it involves US Persons or USD)? If, yes comment and answer the following question: are your products used for transactions related to sanctioned countries/regions/territories? If, yes can you provide more information and clarification on the transactions? <b>No.</b> |
| j) Please confirm that you will not engage in any transactions that would violate EU or US sanctions or involve any in g) mentioned countries/territories or persons? <b>Yes. YKB conducts its transactions in line with the said sanctions regulations.</b>  |
| <b>13. Training</b>   |
| a) Courses held during the last year. Are the AML and Financial Sanctions training mandatory for all the bank staff, including the Senior Management, and the Board members? <b>Yes, AML &amp; Financial Sanctions trainings are mandatory for each employee. Class trainings are provided to the new employees. Every year, online trainings are assigned to the employees who take exams as well.</b>   |
| b) Which the AML / FS training Frequency? Which is the minimum threshold applied to pass the final test/assessment of the training courses? Which is the current completion rate of the AML/FS trainings? <b>Newly hired employee take the training face to face. Each year, all relevant employees takes the exam. Every 2 years, online trainings are assigned to the employees. There is a test, which comes at the end of the said course(s).</b>   |

c) Do you keep records of the trainings offered to the employees? Do you have an escalation process in place for the staff that not perform/complete the trainings? Please describe. **Yes, training activities /completion ratio are reported to senior management and to the local FIU as well.**

d) Types of courses offered to all the staff and to new employee (in class/ face to face or online). Are the training contents differentiated in relation to the different professional roles? **All the onboarded employees receive AML & Sanctions trainings. The trainings are repeated periodically Training activities are conducted under surveillance and coordination of Compliance Officer. Class trainings and e-learning methods are used according to the experience and the job definition of the specified personnel. The training is repeated periodically considering also amendments of the regulations and other requirements.**

#### 14. Internal and External Audit

a) A description of the audit process made by Internal Audit and by the Local Supervision Authority of AML policy applied on your branches and subsidiaries. **Internal Audit and Local Supervision Authority conduct audits in terms of the effectiveness of our AML-related controls.**

b) When was the last internal/external/regulator audit? Were there some findings? if yes, which remediation actions have you put in place? **2022. We regret to inform you that we cannot share any information regarding the results of the audit/examination. However, we can say that there is not any major findings.**

Name of the Bank: **Yapı ve Kredi Bankası A.Ş.**

Name of the Authorized Person & Title: **İrem Körgen & Financial Group Head of Sanctions**

Date: **November 20, 2023**

Signature: \_\_\_\_\_

