



## INVESTOR PRESENTATION

# Macroeconomic Overview

Turkish Banking Sector

Shareholder Structure

Yapı Kredi at a Glance – Key Financial Figures

Strategic Pillars

Financial Performance

Sustainability Approach

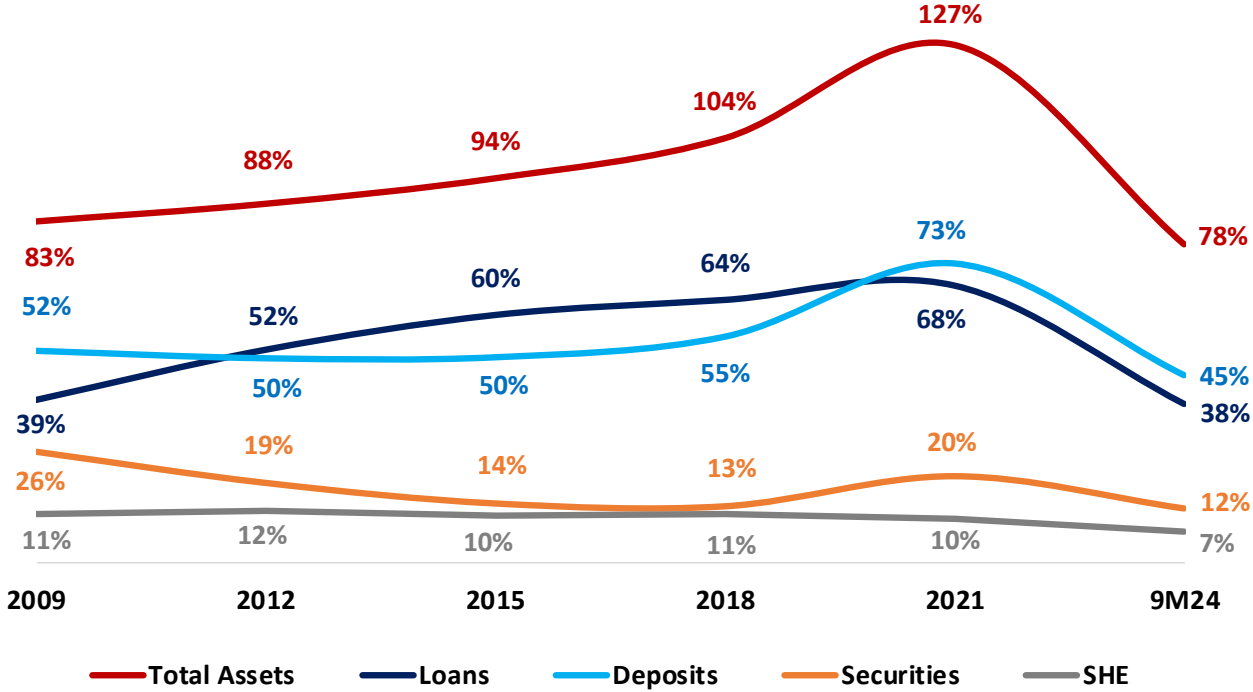
Annex

# Macro Trends & Demographics - I

## Turkey Statistics

Total Population <sup>1</sup> <i>(in mn)</i>	85.3	CAD/GDP <sup>3</sup>	-1.8%
Population <sup>1</sup> < age 30	45%	Budget Deficit /GDP <sup>4</sup>	-4.7%
Household Debt <sup>2</sup> /GDP	11%	Public Debt /GDP <sup>4</sup>	26.1%
Total assets / GDP	80%	Total loans /GDP	39%

## Selected Balance Sheet Item Shares in GDP



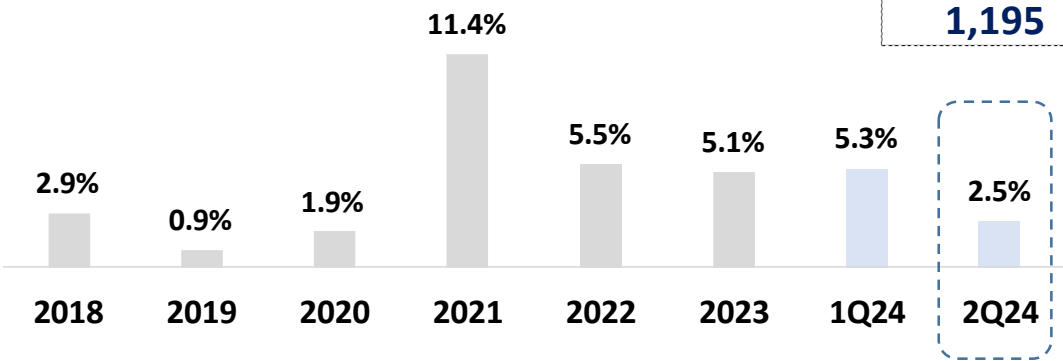
1. Source: TÜİK, as of 2023-end.  
2. As of August 2024.

3. As of June 2024.  
4. Source: Ministry of Treasury and Finance, ratio as of June 2024.

# Macro trends & Demographics - II

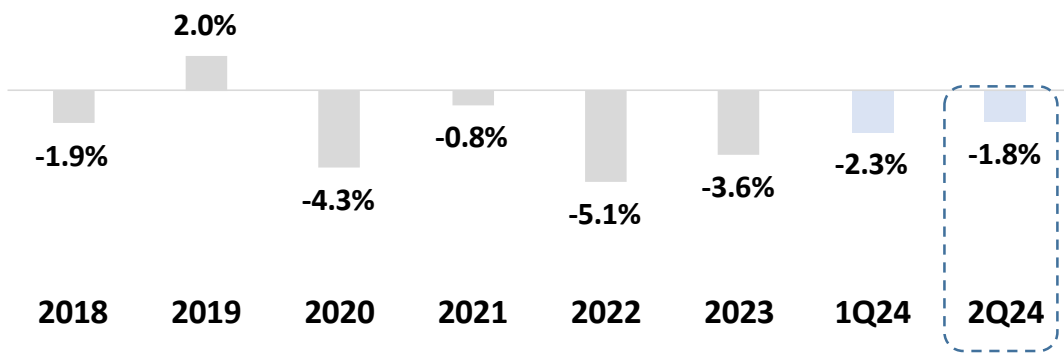
## GDP

GDP<sup>1</sup> (USD bn)  
**1,195**

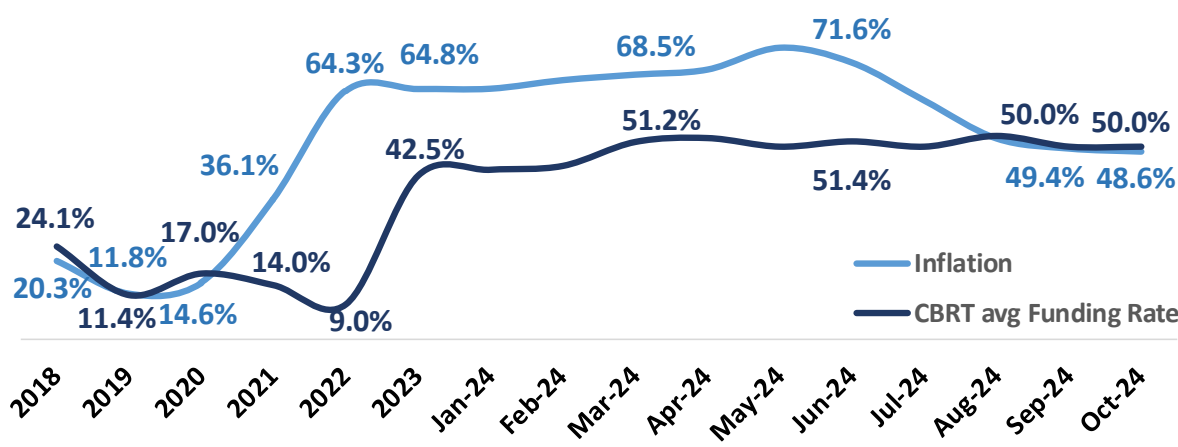


## Current Account Balance/GDP

Current Account<sup>2</sup> (USD bn)  
**-11.3**

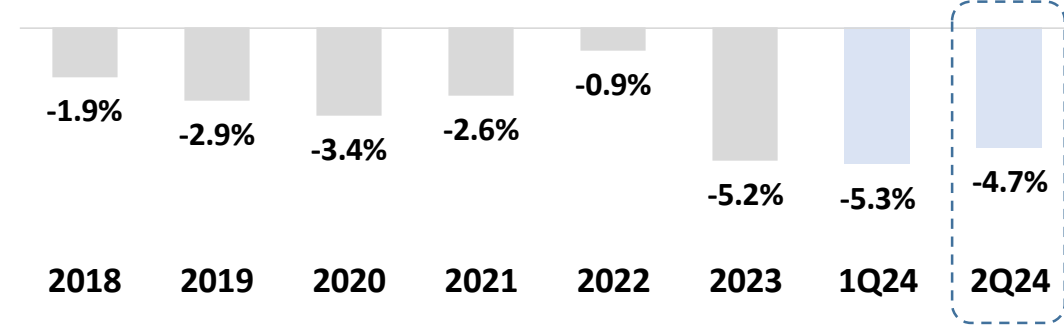


## Inflation (YoY) & CBRT avg Funding Rate



## Budget Deficit/GDP

Budget Balance<sup>1</sup> (USD bn)  
**-49.9**



1. As of June 2024.  
2. As of August 2024.



Macroeconomic Overview



## **Turkish Banking Sector**



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Financial Performance



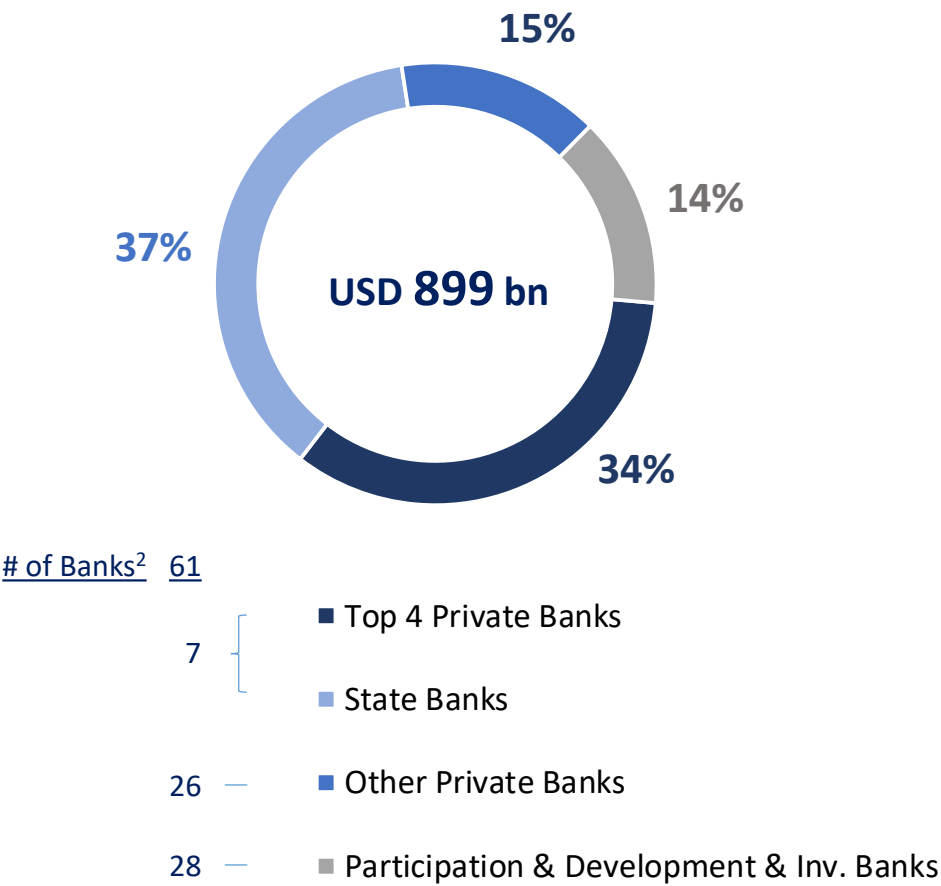
Sustainability Approach



Annex

# Turkish Banking Sector

Asset Breakdown of Banking System<sup>1</sup>

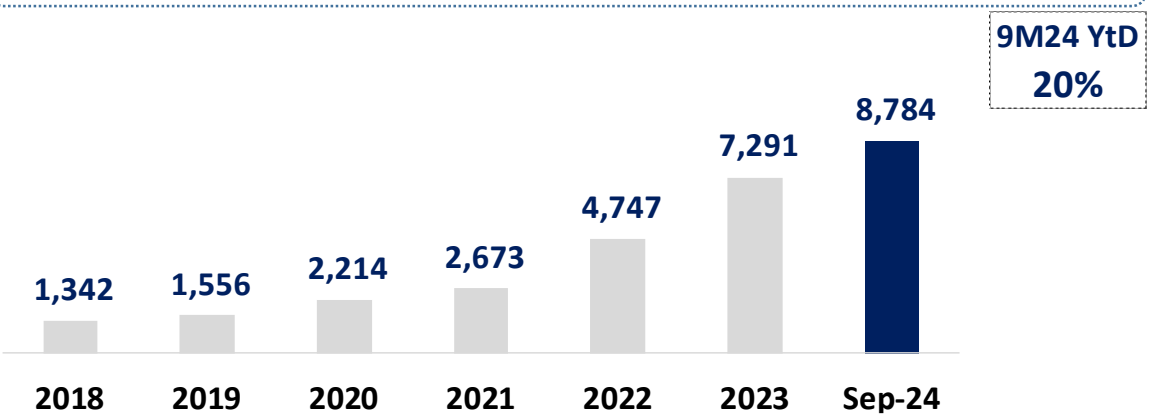


Top 10 Banks <sup>3</sup>	Market Share Assets	Loans	Free Float	Foreign Direct Ownership
<i>State</i>				
Ziraat Bank	16.2%	16.9%	-	
VakıfBank	11.7%	12.4%	6.0%	
Halk Bankası <sup>4</sup>	9.3%	9.7%	8.5%	
<i>Private</i>				
Isbank	10.5%	10.3%	33.6%	
Garanti BBVA	8.2%	9.4%	13.9%	BBVA (85.97%)
Yapı Kredi	7.6%	7.8%	38.8%	
Akbank	7.5%	7.8%	50.8%	
QNB Finansbank	4.5%	5.4%	0.12%	QNB (99.88%)
DenizBank	4.4%	4.5%	-	Emirates NBD (100%)
TEB	1.9%	2.1%	-	BNP Paribas (72.5%)

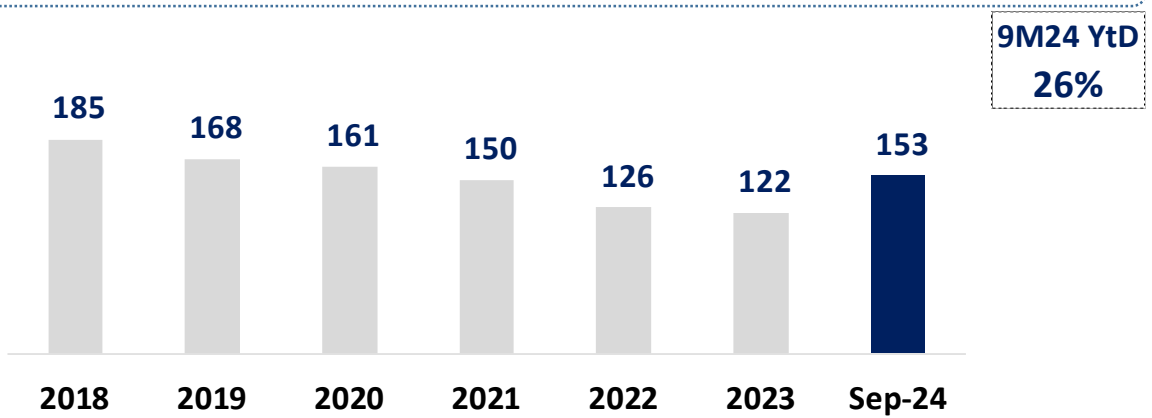
1. Based on BRSA monthly data, as of September 2024.  
2. Based on TBB data, as of September 2024.  
3. Based on BRSA bank-only financials, as of September, 2024, unless stated otherwise  
4. Based on BRSA bank-only financials, as of June, 2024

# Turkish Banking Sector – Commercial Banks

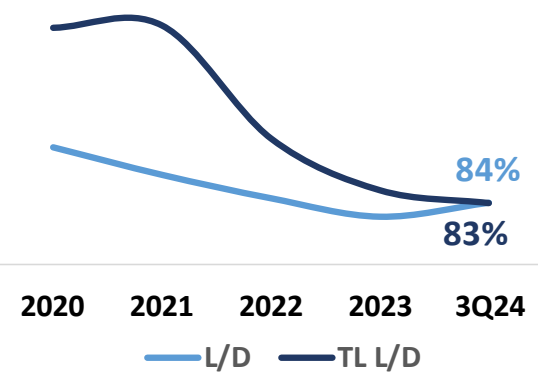
TL Performing Loans<sup>1</sup> (TL bn)



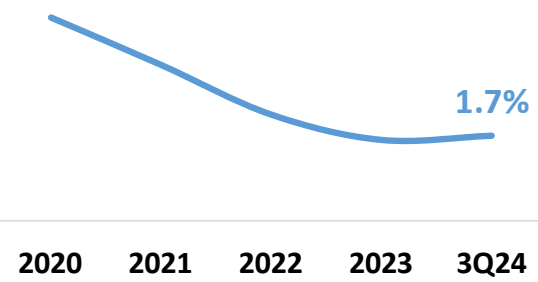
FC Performing Loans<sup>1</sup> (USD bn)



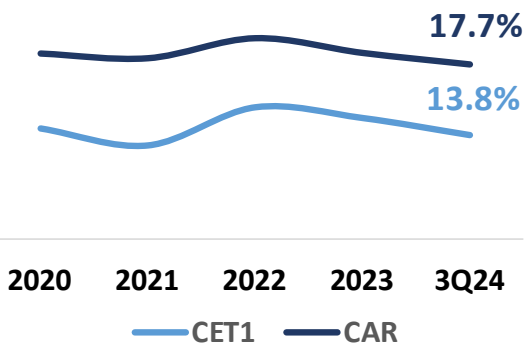
L/D Ratios<sup>2</sup>



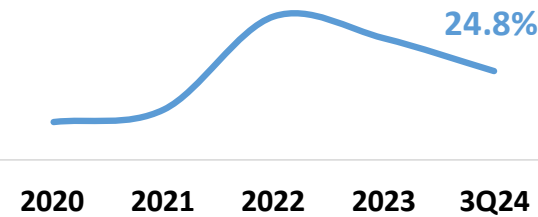
NPL Ratio<sup>2</sup>



Capital Ratios<sup>2</sup>  
incl. forbearances



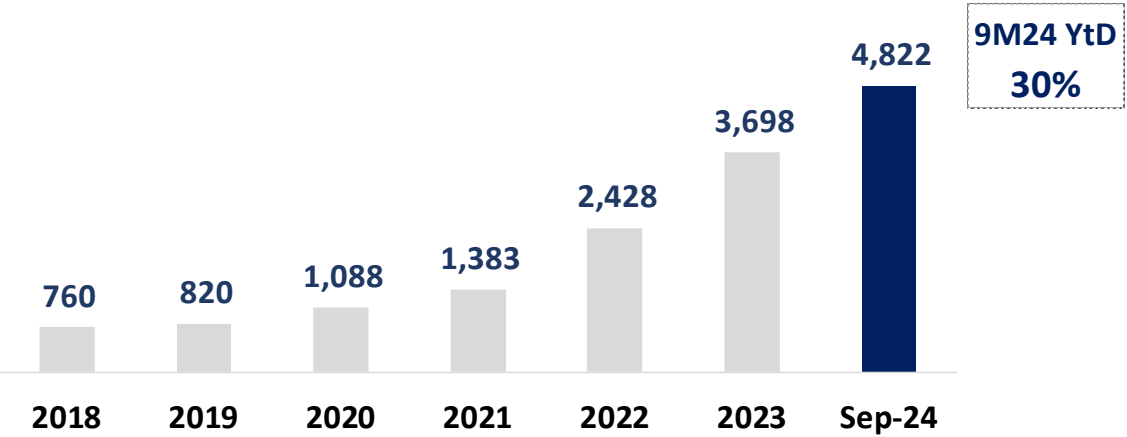
RoAE<sup>2</sup>



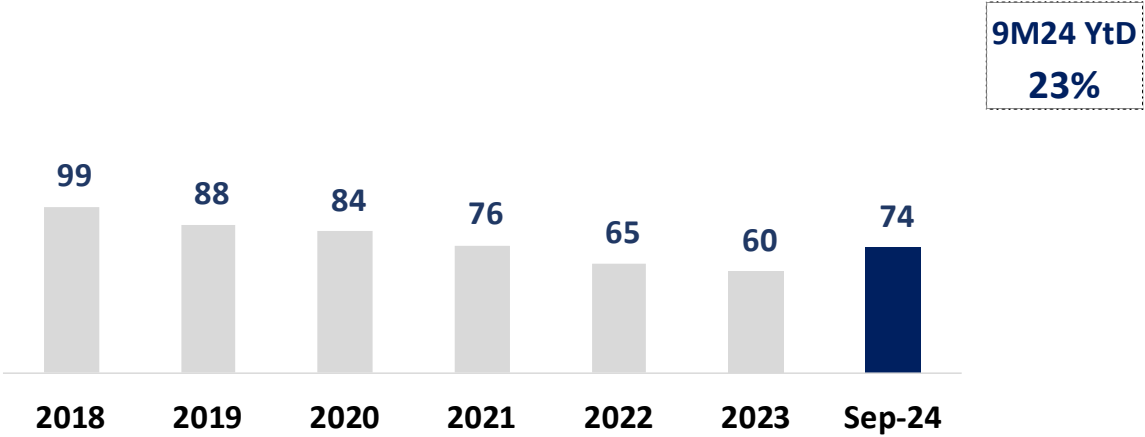
Notes: Commercial banks' figures  
1. Based on BRSA weekly data, as of September 27, 2024  
2. Based on BRSA monthly data, as of September 2024

# Turkish Banking Sector – Private Banks

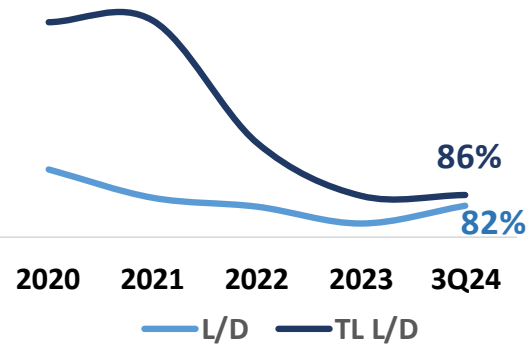
TL Performing Loans<sup>1</sup> (TL bn)



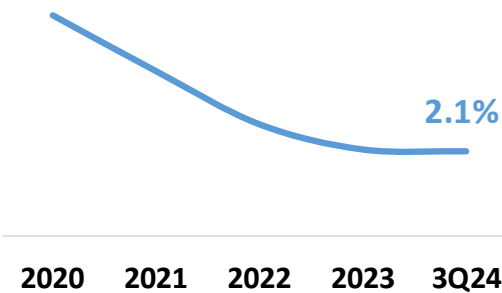
FC Performing Loans<sup>1</sup> (USD bn)



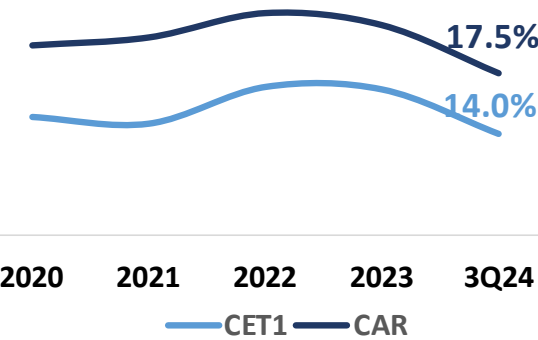
L/D Ratios<sup>2</sup>



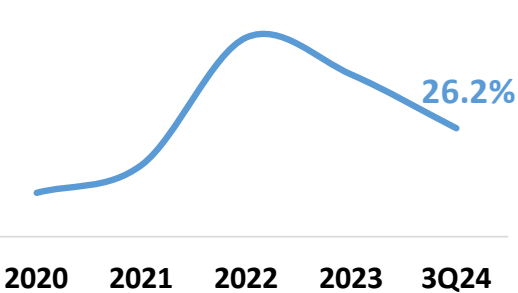
NPL Ratio<sup>2</sup>



Capital Ratios<sup>2</sup>  
incl. forbearances



RoAE<sup>2</sup>



Notes: Private banks' figures

1. Based on BRSA weekly data, as of September 27, 2024

2. Based on BRSA monthly data, as of September 2024





Macroeconomic Overview



Turkish Banking Sector



## **Shareholder Structure**



Yapı Kredi at a Glance – Key Financial Figures



Strategic Pillars



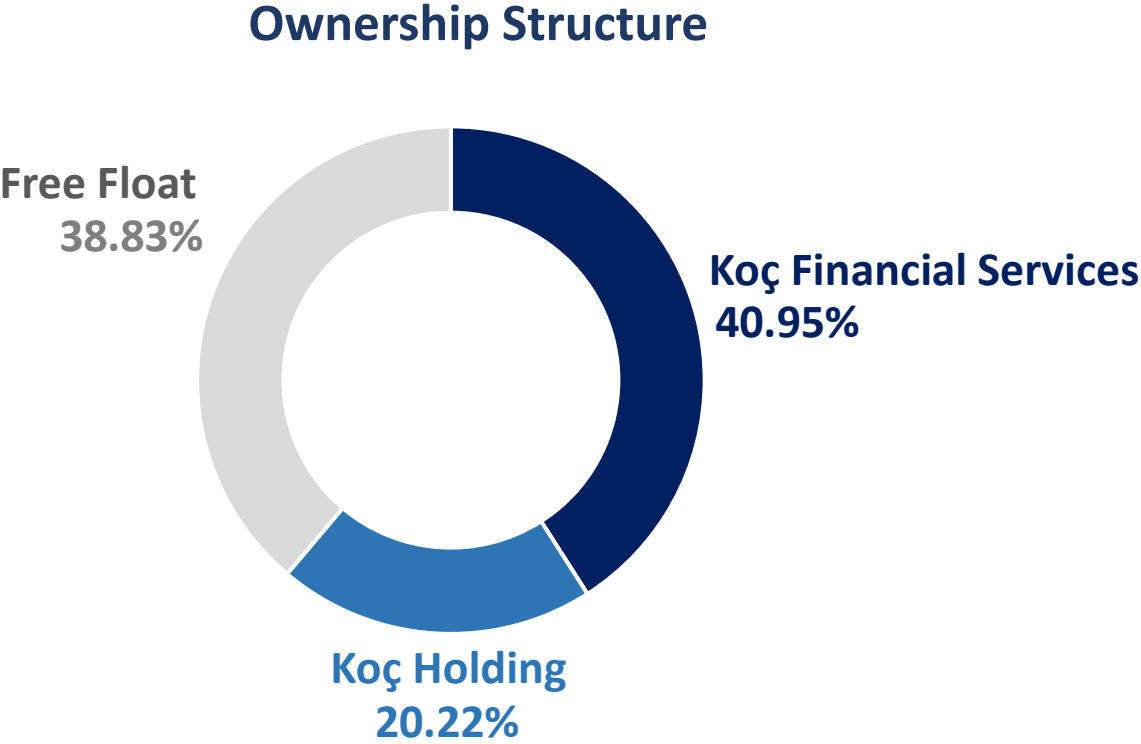
Financial Performance



Sustainability Approach



Annex

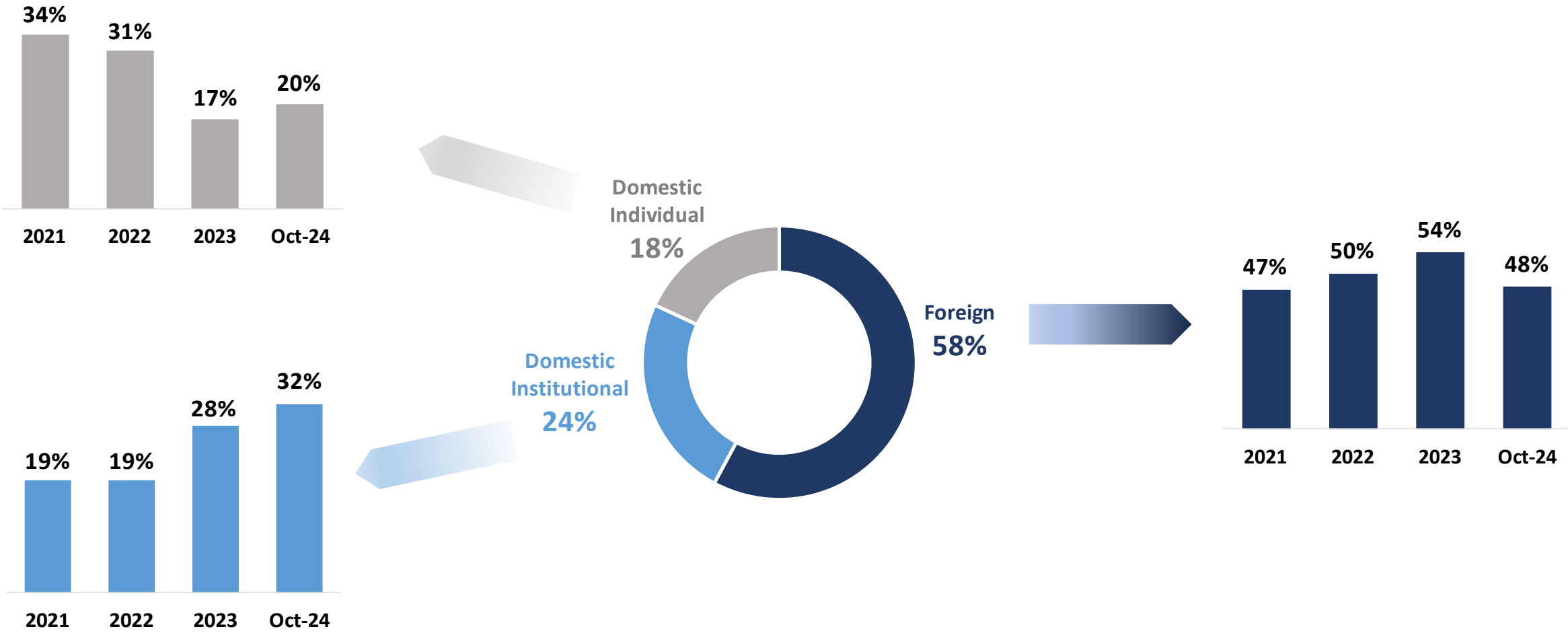


Largest exporting group in Turkey:  
~7% of Turkey’s total exports

Koç Holding	1H24
Total Assets (TL mln)	3,586,889
Revenues (TL mln)	1,009,725
Net Income (TL mln)	1,632

Koç Holding Ratings: Moody’s: Ba3 / S&P: BB

# Yapi Kredi Ownership Structure – *Free Float Analysis*



Notes:  
Based on the MKK data dated 31.10.2024



Macroeconomic Overview



Turkish Banking Sector



Shareholder Structure



## **Yapı Kredi at a Glance – Key Financial Figures**



Strategic Pillars



Financial Performance



Sustainability Approach



Annex

# Who We Are - Milestones

1944

## ESTABLISHMENT

Yapı Kredi, Turkey's first retail focused private bank with a nationwide presence, was established

1946

Tradesmen loan was extended followed by other sector-specific loans

1950's

Strengthened Market Position

1960's

**CHILDREN'S BANKING**  
With children's accounts, Yapı Kredi expanded the coverage of deposit banking and introduced children to banking services

1964

## FIRST COLLECTIVE AGREEMENT

The first collective bargaining agreement in banking was signed

1967

## FIRST COMPUTER IN BANKING

Yapı Kredi introduced computers into the Turkish banking industry

1975

Yapı Kredi has been the first bank to receive authorization for maintaining foreign currency position in Turkey

1980

Yapı Kredi was acquired by Çukurova Holding

1984

## FIRST ONLINE APPLICATION IN BANKING

Turkey's first inter-branch online banking application was launched

1985

## FOUNDATION OF CORPORATE BANKING

Yapı Kredi has been the first to initiate corporate banking services under the name Wholesale Commercial Banking

1986

## YAPI KREDİ BONDS GO CROSS-BORDER

Yapı Kredi has been the first Turkish bank whose bonds and certificates were traded on international capital markets

1987

## CROSS-BORDER ONLINE CONNECTION LISTING

Cross-Border Online Connection  
Yapı Kredi stock was quoted on İstanbul Stock Exchange

1988

## FOUNDATION OF INDIVIDUAL BANKING

A number of firsts were introduced in Turkey in keeping with "Active Banking" concept.

### TELE-24

All financial needs of customers began to be fulfilled by ATMs

### TELECARD

Turkey's first debit card was issued

### FIRST CONSUMER LOAN

Turkey's first consumer loan was extended

### FIRST OVERDRAFT CREDIT CARD

Yapı Kredi Visa Classic Card has been Turkey's first overdraft credit card

1989

## FIRST AUTO LOAN

Turkey's first auto loan was extended

1992

## OVERDRAFT ACCOUNT

Overdraft Account, a revolutionary step in the Turkish banking sector, was introduced

1991

## WORLD CARD

WorldCard that is accepted worldwide was launched

## TELEPHONE BANKING

First telephone banking service was initiated

## FIRST POS DEVICE

Turkey's first POS device was put to use

2000

## TELEWAP

Turkey's first mobile banking branch

2009

## TURKEY'S FIRST IPHONE APPLICATION

The first financial app in Turkish developed for iPhone was introduced

2006

## BIGGEST MERGER IN THE TURKISH BANKING SECTOR

Resulting from the merger of Koçbank, the 8<sup>th</sup> largest bank (an associate of Koç Finansal Hizmetler, which is a 50-50 joint venture by Koç Holding and UniCredit) with Yapı Kredi, 7<sup>th</sup> largest bank, Yapı Kredi became the 4<sup>th</sup> largest private bank

2018

## CAPITAL INCREASE

The paid-in capital of Yapı Kredi was raised by TL 4.1 billion to TL 8.45 billion

2019

## THE FIRST ADDITIONAL TIER-1 ISSUANCE WITHIN TURKISH DEPOSIT BANKS

Additional Tier-1 issuance of USD 650 million was carried out

2020

## CHANGE IN SHAREHOLDING STRUCTURE

The shareholding agreement between Koç Holding and UniCredit ended.

## INCREASED PUBLIC FLOATION

The free float ratio of Yapı Kredi went up to 30% upon UniCredit's sale of shares

## COVID-19

During the Covid-19 pandemic, which affected the whole world, uninterrupted service and support was provided to customers while prioritizing the health of employees.

2021

## KOÇ HOLDING'S DISCLOSURE CONCERNING THE PURCHASE OF YAPI KREDİ SHARES FROM UNICREDIT

Koç Holding announced that it would by 18% of the 20% of Yapı Kredi's shares held by UniCredit

## INCREASED PUBLIC FLOATION

The free float ratio of Yapı Kredi went up to 32.03% after UniCredit sold 2% share to the market

2022

As of 1 April 2022, the share transfer have been finalized and Koç Holding's direct share in Yapı Kredi increased from 9.02% to 27.02%.

2023

On July 25, 2023, Koç Holding A.Ş. announced to the public that the shares corresponding to 6.81% of Yapı Kredi shares owned by Koç Holding A.Ş. were sold to institutional investors outside the stock market, through the accelerated bookbuilding method.

# A leading financial services group

## Yapı Kredi in Numbers<sup>1</sup>

Number of  
Branches

773

Employees

14.911

Number of ATM's

5,427

POS Terminals

~1.4mn

Number of  
Customers

~16.5mn

Customer  
Penetration

>60%

## Subsidiaries

 **YapıKredi**  
Azerbaijan

Investments in digital  
products and channels

 **YapıKredi**  
Netherlands

Strong transaction  
capabilities in foreign  
trade and structured  
commodity finance

 **YapıKredi**  
Germany

Mainly focusing on  
trade finance as well as  
offering services such  
as Wealth  
Management

 **YapıKredi**  
Asset Management

Advanced product  
management expertise  
with a **8.9%**<sup>3</sup> market  
share

 **YapıKredi**  
Invest

**13.7%**<sup>2</sup> market share  
on the basis of market  
share in equities

 **YapıKredi**  
Factoring

Solidly positioned in  
the sector with a  
**7.8%**<sup>4</sup> market share

 **YapıKredi**  
Leasing

A leading institution  
with **18%**<sup>4</sup> market  
share

Notes:  
1. As of September 2024-end  
2. Market share based on Takasbank data as of June 2024  
3. Market share based on Borsa Istanbul data as of June 2024  
4. Leasing and Factoring market shares based on Association of Financial Institution data as of June 2024



Macroeconomic Overview



Turkish Banking Sector



Shareholder Structure



Yapı Kredi at a Glance – Key Financial Figures



## **Strategic Pillars**



Financial Performance



Sustainability Approach



Annex

# Strategic pillars solidifying the outlook for upcoming periods

## Strong Customer Base

**~ 16.5 million and counting**

**+1 million new customer acquisition ytd**

AUM driven acquisition rather than free-lending  
More room to penetrate & long lasting relations

**Highest # of salary & pension customers**  
**>6 million**

**>60% of customers are efficient in terms**  
**penetrated products**

**Widespread customer base**

Supporting margin management especially cost of  
funding

**Increasing # of transactions**

**5x** since 2020

**Individual driven high demand deposit share**

**Total → 44%      TL → 26%      FC → 70%**

## Repricing for the Future

**TL loan pricing**

**~400bps** higher for new flow vs sector<sup>2</sup>  
throughout September

**Controlled TL deposit pricing**

**~130bps** below sector<sup>2</sup>  
throughout September

**Focus in lucrative FC loan growth**

**30%** ytd growth in FC loans with hefty  
high single-digit spreads

**External Borrowings**

**~7 bln USD** external funding in a year

## Sound Asset Quality

**A well covered portfolio**

Total coverage at **3.7%**  
**~100 bln TL** provision set aside since 2017

**NPL inflows under control**

Net inflows / Gross loans<sup>1</sup> at **2.2%**

**Salary customer support**

Share of salary customers in GPLs **~60%**  
GPL life-time P/D **< 1%**

**Credit Cards**

Credit Card NPL ratio **~30bps** below sector<sup>2</sup>

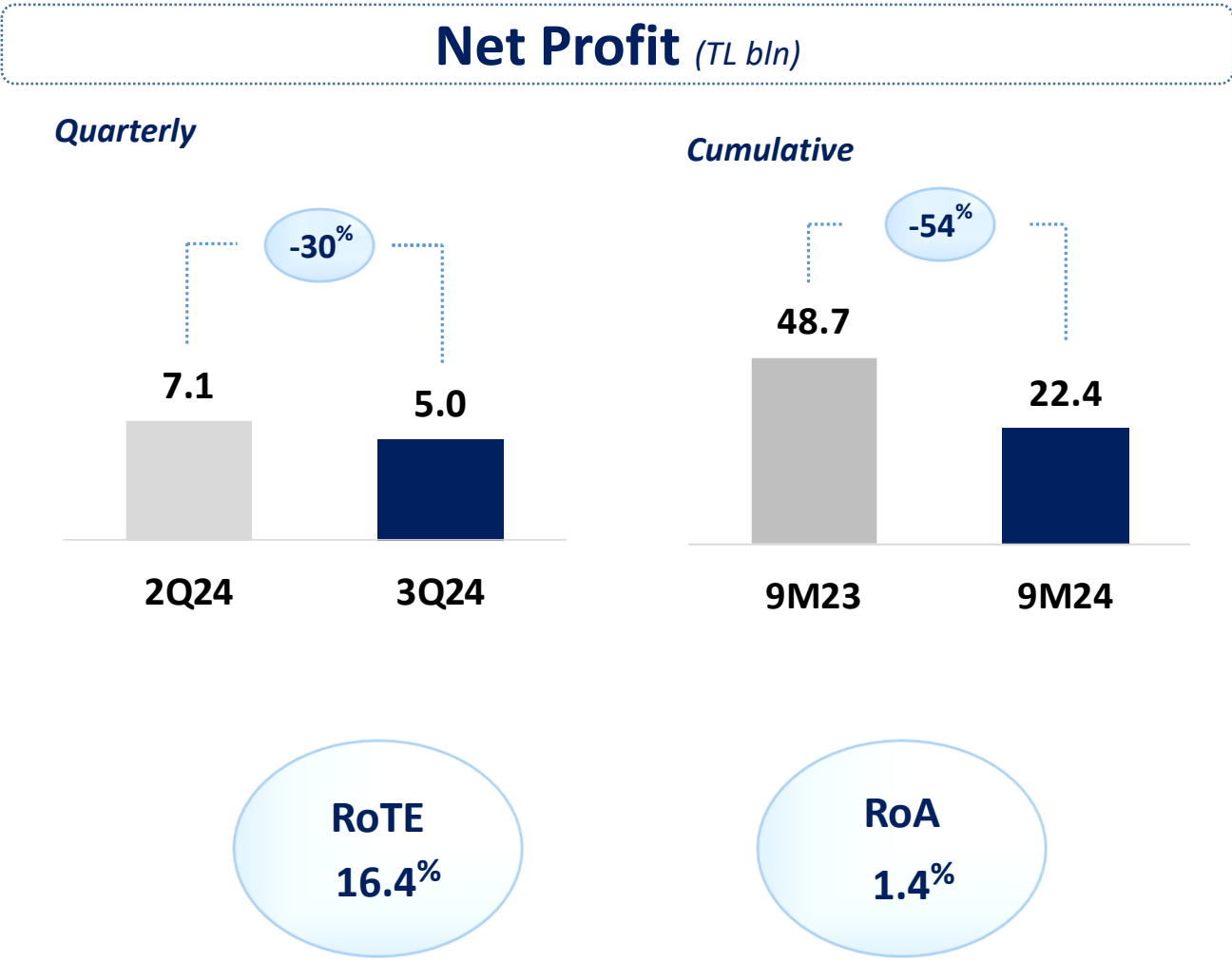
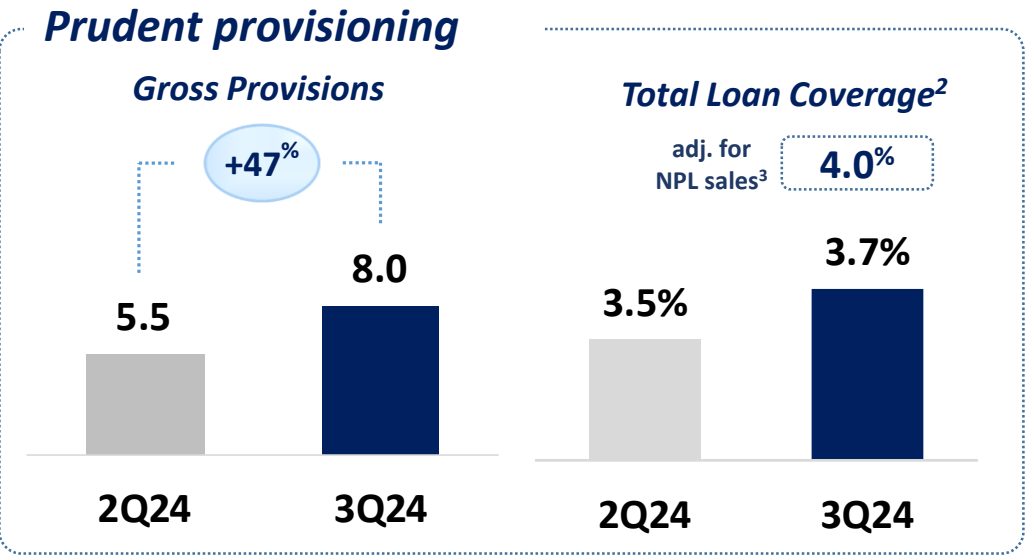
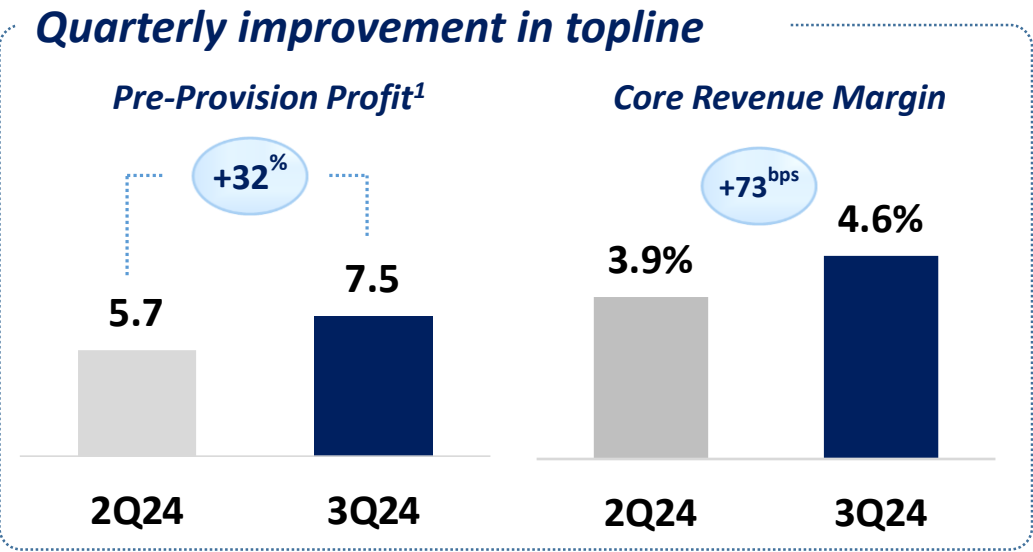
**Low Concentration in Loans**

Highest sectoral loan book concentration  
**~6%**



- Macroeconomic Overview
- Turkish Banking Sector
- Shareholder Structure
- Yapı Kredi at a Glance – Key Financial Figures
- Strategic Pillars
- **Financial Performance**
- Sustainability Approach
- Annex

# Top-line improvement kick started, conservative provisioning weigh on net profit



Notes:  
1. PPP (Pre-Provision Profit): NII+ Fees + Opex + Net Trading + Subsidiary & Dividend income – ECL hedge – collections 2. Based on bank-only BRSA financials 3. NPL Sales 9M24: 4.0 bln TL (1Q24: 1 bln TL, 2Q24: 1.1 bln TL, 3Q24: 1.9 bln TL)

# Strong fundamentals alongside a well positioned balance sheet

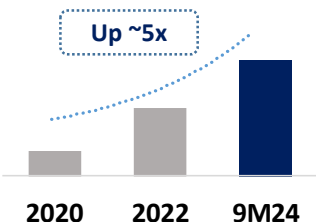
## Strong Customer Franchise

~16.5 million customers

>60% of customers are efficient in terms penetrated products

### # of Transactions<sup>1</sup>

### Demand Deposit Share



Total: 44%  
(bank-only 46%)

TL: 26%  
FC: 70%

## Well Positioned Balance Sheet

TL deposit pricing<sup>2</sup>  
~130bps below sector  
through September

New TL loan pricing<sup>2</sup>  
>400bps above sector  
through September

Lucrative spread on  
FC loans with a  
cautious approach

## Comfortable Capitalisation<sup>3</sup>

Buffers

318bps

272bps

11.2%

12.3%

CET-1

Tier-1

Breakeven

USD/TL: 80 (~135% depreciation)

NPL ratio: 7.5% (440bps increase)

## Solid Liquidity

LDR<sup>4</sup>

LCR<sup>5</sup>

99%

89%

333%

127%

TL LDR

Total LDR

FC LCR

Total LCR

~9 bln USD FC liquidity 2.2x ST debt coverage

~7 bln USD external borrowing secured since Sept'23

## Sound Asset Quality<sup>6</sup>

4.0%

Adjusted for  
NPL sales<sup>7</sup>

3.7%

Total Coverage

Further coverage  
increase in unsecured  
consumer loans

Share of Salary  
customers in GPLs  
>60%

Credit Card NPL ratio  
>30bps below sector

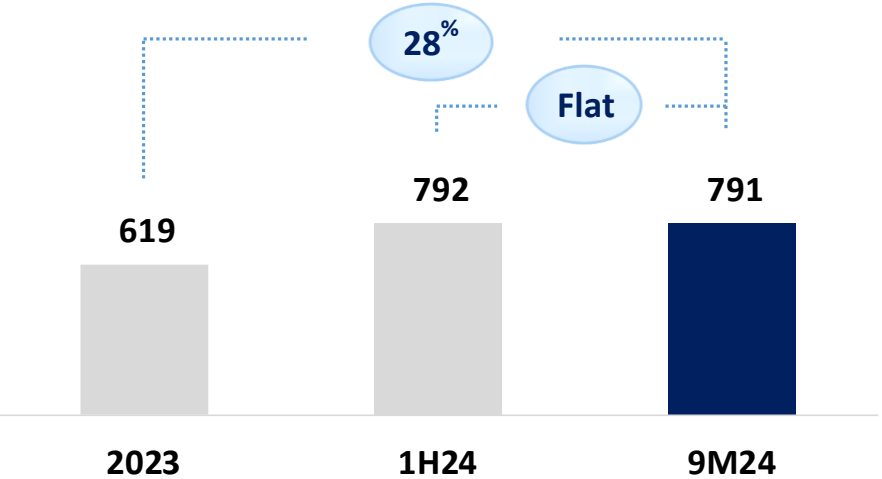
Notes:

1. Based on MIS, Bank-Only financials 2. Based on CBT weekly data average. 3. excluding regulatory forbearance. 4. LDR = Loans / (Deposits + TL Bonds). 5. 3 months average.

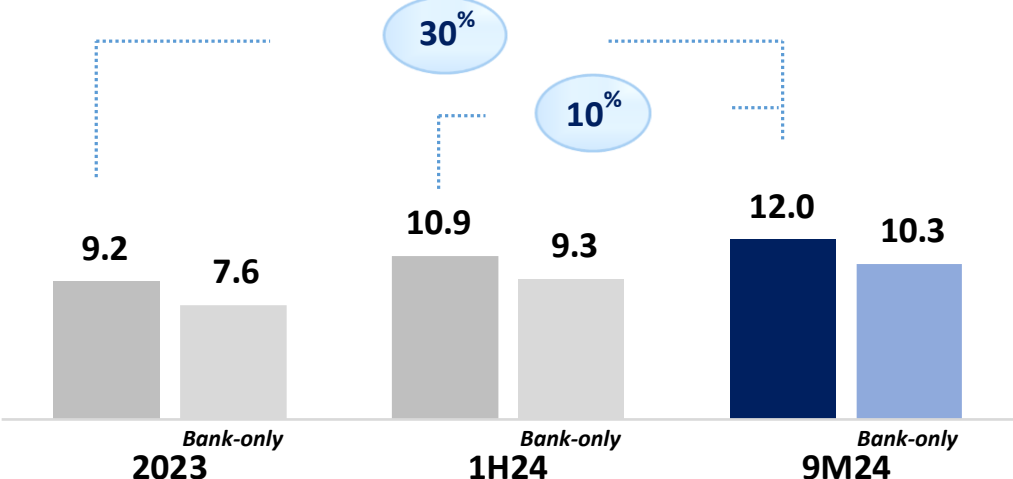
6. Based on Bank-only BRSA financials. 7. NPL Sales 9M24: 4.0 bln TL (1Q24: 1 bln TL, 2Q24: 1.1 bln TL, 3Q24: 1.9 bln TL)

# Selective lending with ongoing repricing actions lead to best-in class loan yield evolution among peers

## TL Performing Loans<sup>1</sup> (TL bln)



## FC Performing Loans<sup>1</sup> (US\$ bln)



## Best in class TL Loan Yield<sup>2</sup> improvement among peers

Quarterly Change (3Q24)



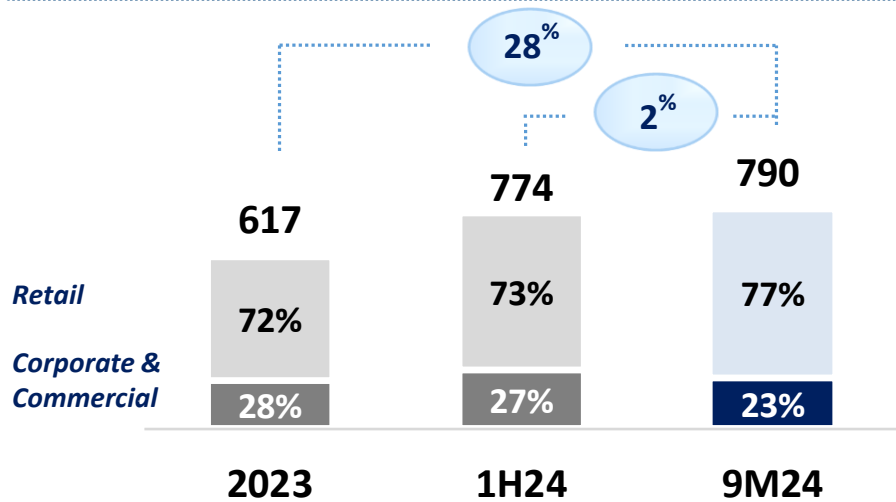
## Active TL loan pricing actions supporting the yields

- ✓ TL loan yield improved significantly in 3Q24, above peer group
- ✓ New loan repricing: **>400<sup>bps</sup> above the sector** throughout September
- ✓ **Lucrative FC loan growth** with a cautious approach

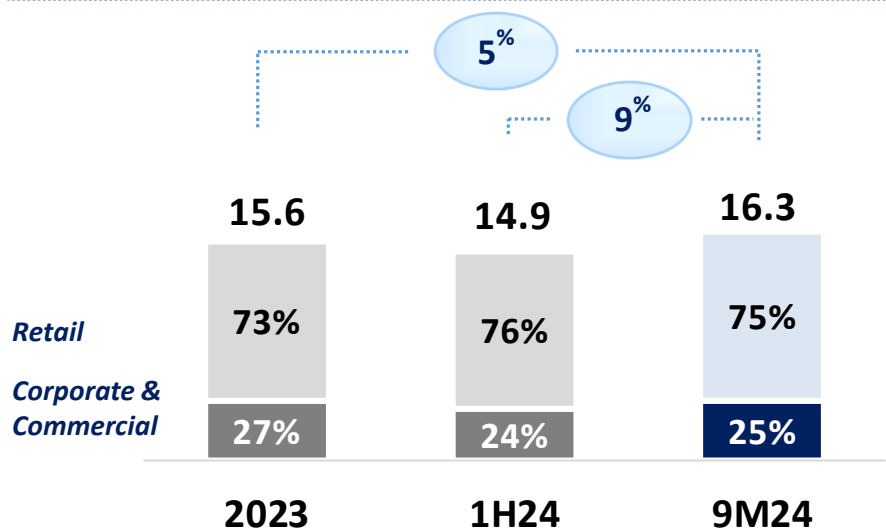
Notes:  
1. Loans exclude loans provided to financial institutions; adjusted for the FX indexed loans  
2. Based on 9M24 BRSA bank-only financials, announced so far. Credit card related differences adjusted

# Strong demand deposit base coupled with ongoing deposit cost management

## TL Customer Deposits (TL bln)

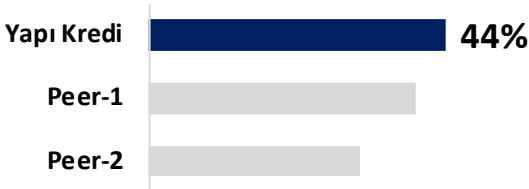


## FC Customer Deposits (USD bln)



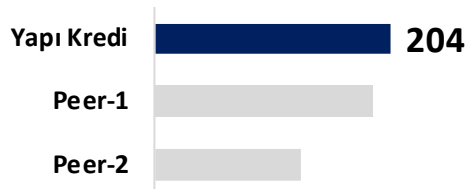
## Best-in Class Demand Deposit Share

### Highest<sup>1</sup> Demand Deposits' Share



TL: 26%, +441<sup>bps</sup> ytd  
FC: 70%, +24<sup>bps</sup> ytd

### Highest<sup>1</sup> TL Demand Deposits (TL bln)



ytd: +54%  
q/q: +8%

## Effective cost of deposit management

- ✓ High level of demand deposits
- ✓ Widespread customer base: ~16.5 million
- Supporting margin management
- ✓ Controlled TL deposit pricing
- ~130<sup>bps</sup> below sector throughout September

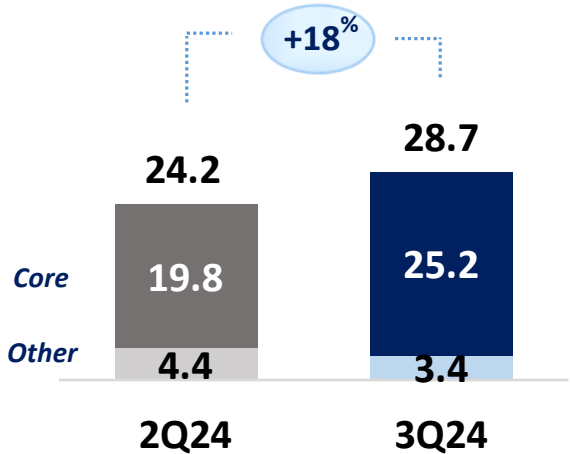
1. Based on BRSA financials as of 9M24 for peers announced so far

# Improvement in quarterly core revenues, NIM widening already started but limited given prolonged high interest rate environment

## Revenues<sup>1,2</sup> (TL bln)

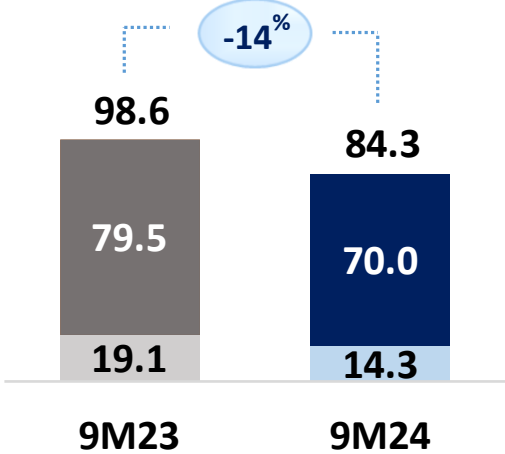
### Quarterly

Core Revenue Margin **3.9%** **4.6%**

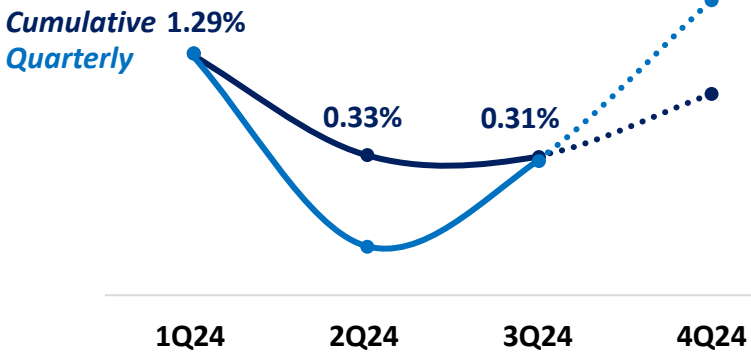


### Cumulative

**8.3%** **4.6%**



## NIM<sup>3</sup>



**NIM improvement postponed**

Ongoing pressure from macro-prudential measures

Prolonged tight monetary stance

## Loan-Deposit Contribution to NIM<sup>4</sup>

### Quarterly



### Cumulative



**Highest Loan-Deposit contribution to NIM among peers: Set for the Future**

TL Loan / Deposit Spread widened **+236<sup>bps</sup> q/q** thanks to  
Active Loan Repricing: **+221<sup>bps</sup> q/q**; **117<sup>bps</sup>** above peers  
Controlled cost of TL deposits: **-15<sup>bps</sup> q/q**

Notes:

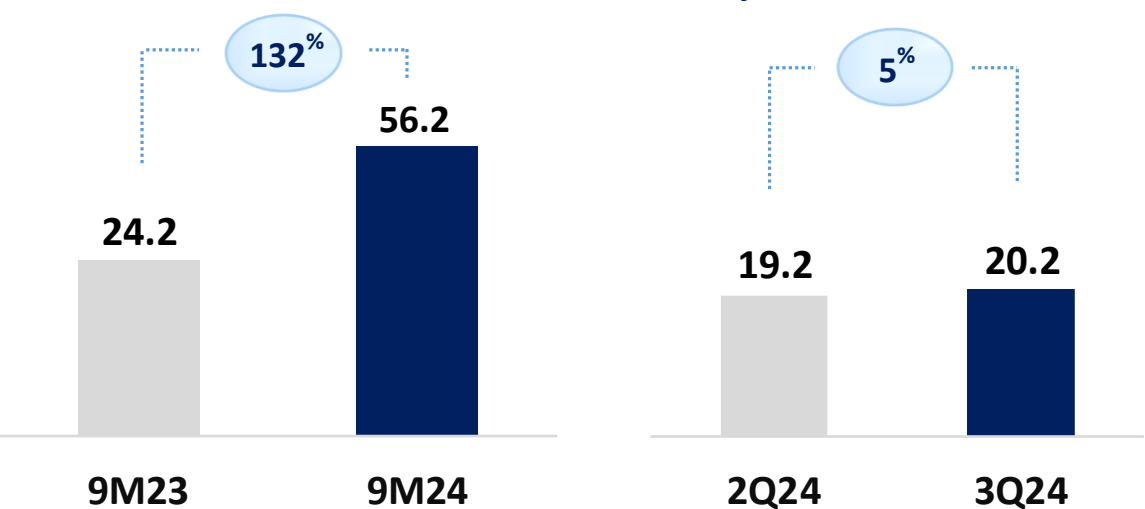
1.Revenues and other revenues exclude ECL collection income and trading income to hedge FC ECL. 2. Core Revenues = NII + swap costs + net fee income 3. Based on Bank-Only financials 4. Based on 9M24 BRSA bank-only financials, announced so far

# Customer penetration further supports fees, amid contained loan activity

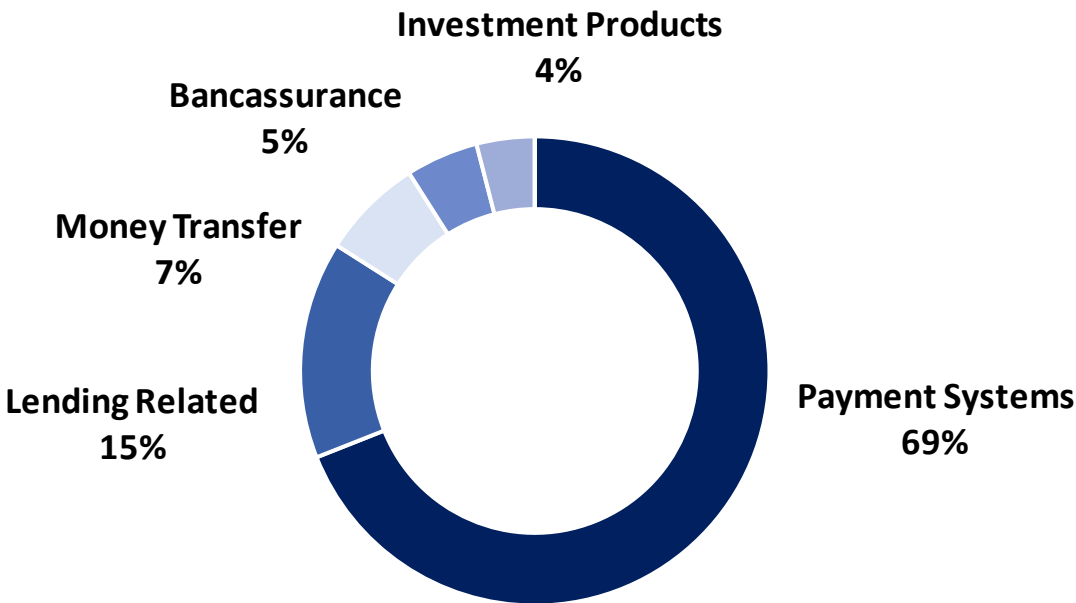
## Net Fee & Commission Income *(TL bln)*

Cumulative

Quarterly



## Net Fee & Commission Composition<sup>1</sup>



Support from payment systems coupled with increase in # of transactions supported by customer penetration *(change y/y)*

Payment Systems  
+288%

Lending Related  
+12%

Money Transfers  
+84%

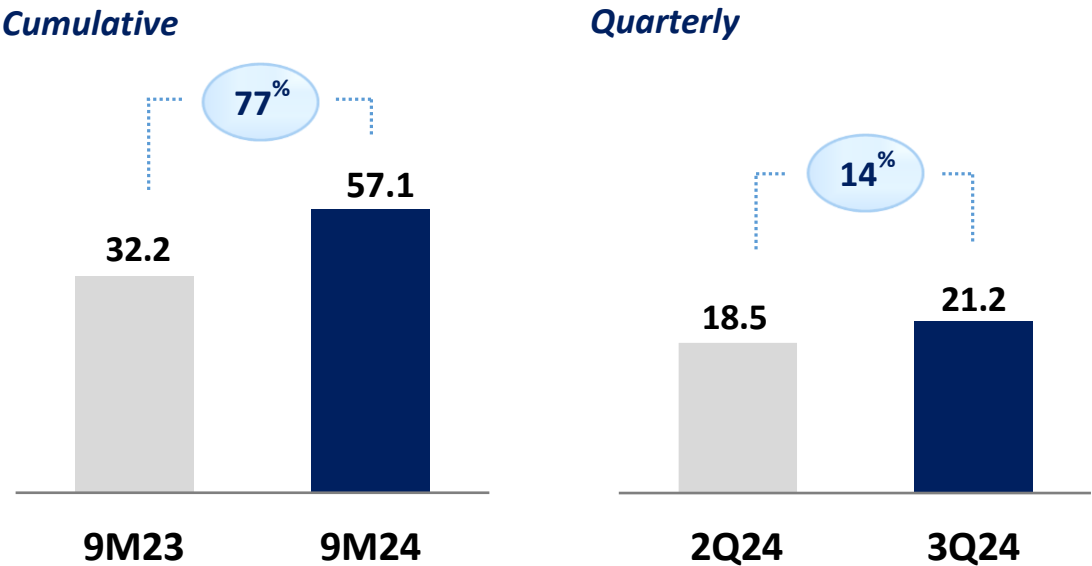
Bancassurance  
+72%

Investment Products  
+51%

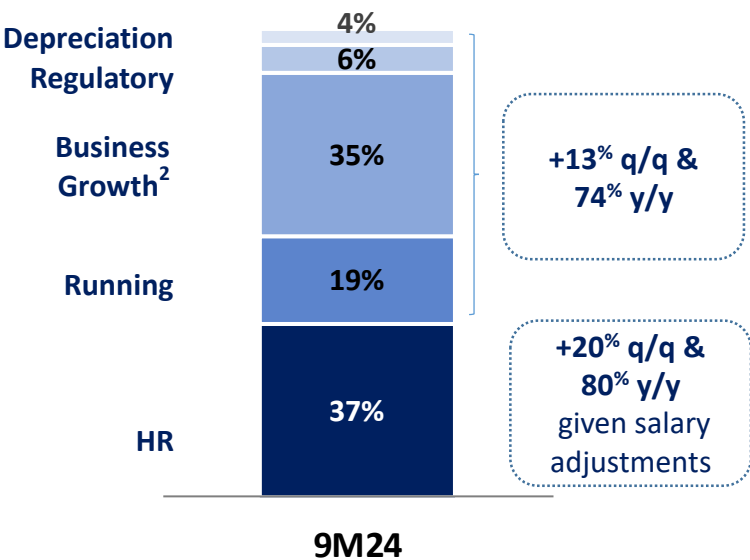
Notes:  
1. Based on MIS, Bank-Only financials.

# Controlled cost growth with human capital focus, fee coverage of opex at 98%

## Operating Costs (TL bln)

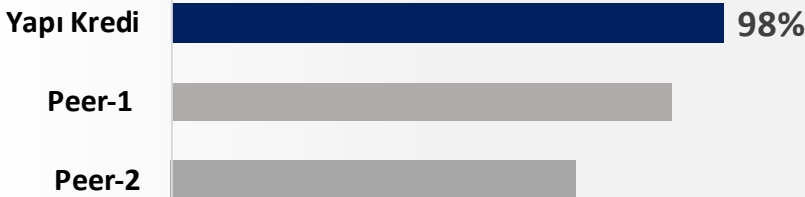


## Cost Breakdown<sup>1</sup>

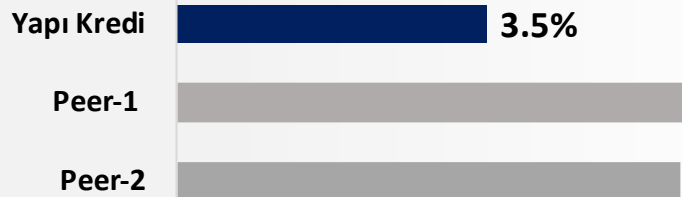


## Best-in class<sup>3</sup> efficiency KPIs (cumulative)

### Fees / Opex



### Cost / Avg. Assets

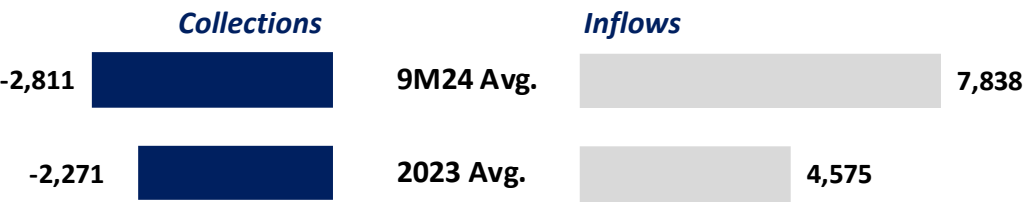


Notes:  
1. Based on Bank-only financials, MIS data.  
2. Including customer acquisition costs, World points and advertisement.  
3. Based on BRSA financials as of 9M24 for peers announced so far



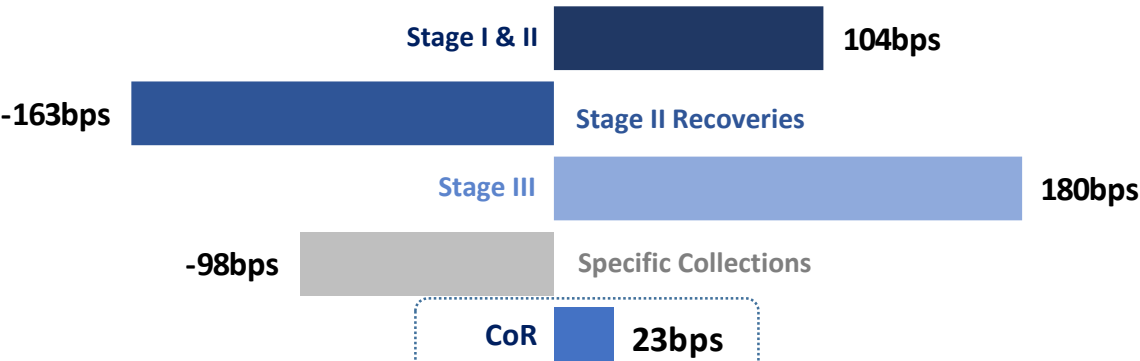
# NPL inflows driven by unsecured consumer loans, strong collections and recoveries sustain from company side

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

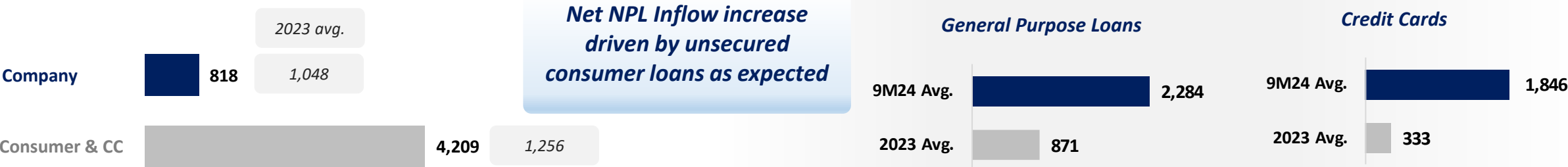


	2023 Avg.	9M24 Avg.	1Q24	2Q24	3Q24
Net NPL Inflow	2,304	5,027	1,853	5,332	7,897

## Cost of Risk (cumulative)



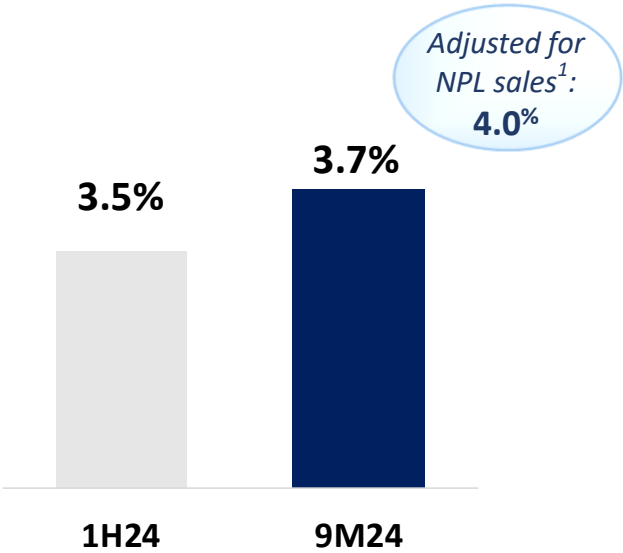
## Net NPL Inflow Breakdown (9M24 quarterly average; TL mln)



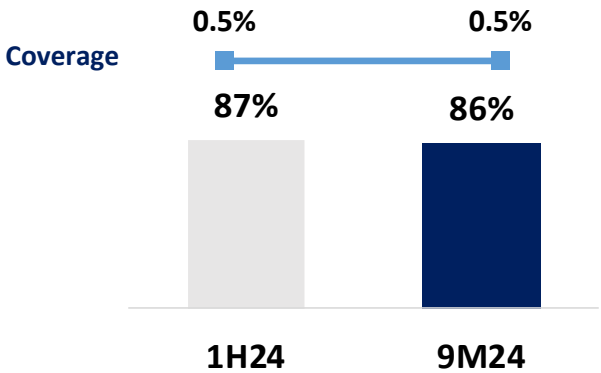
Notes:  
1. Based on Bank-only BRSA financials.  
2. Excluding the positive impact of NPL sales & write-offs; NPL Sales 9M24: 4.0 bln TL (1Q24: 1 bln TL, 2Q24: 1.1 bln TL, 3Q24: 1.9 bln TL).

# Prudent provisioning, significant increase in unsecured consumer loan coverages

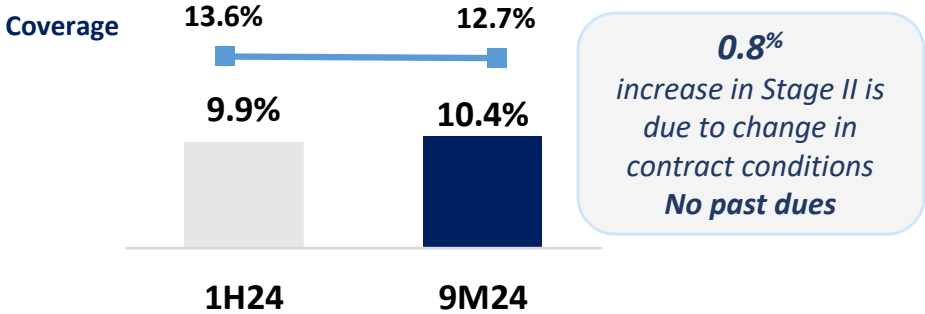
## Total Coverage



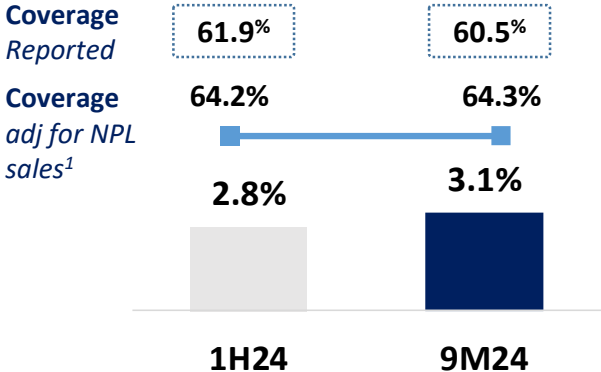
### Stage I



### Stage II

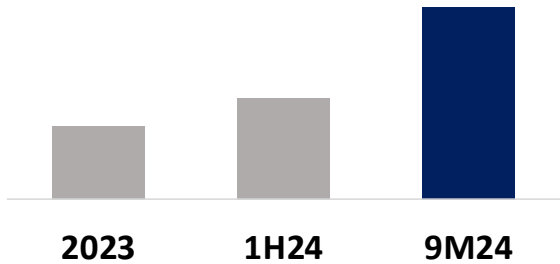


### Stage III

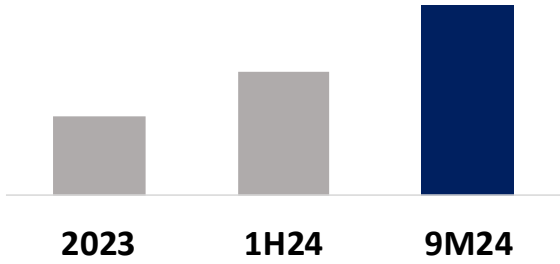


Further Increasing Coverage of Unsecured Consumer Loans in-line with Prudence

## Consumer Loans Coverage<sup>2</sup>

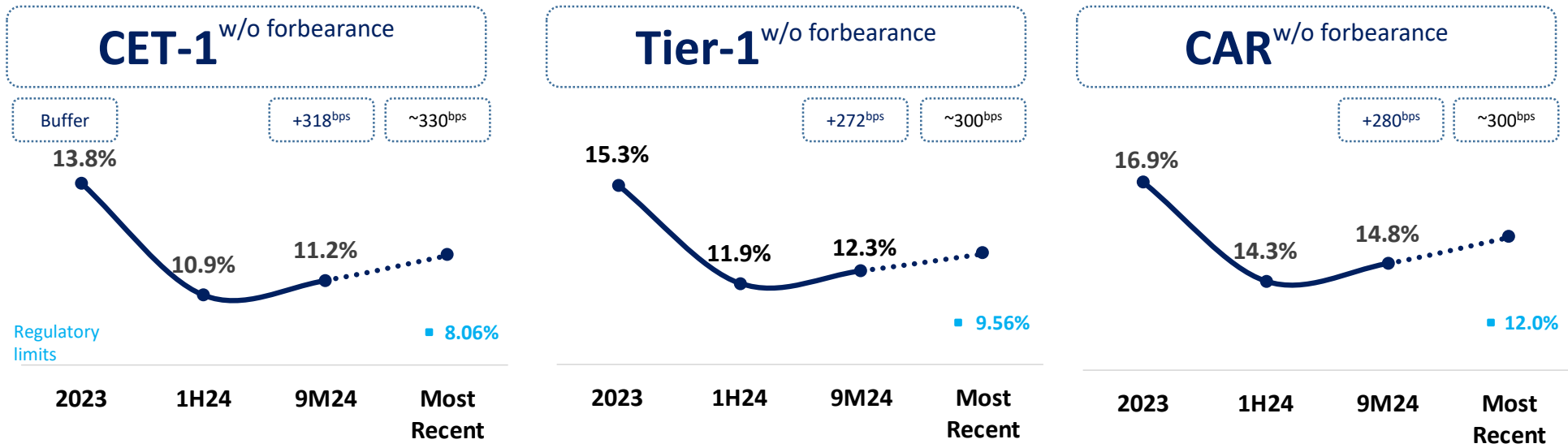


## Credit Card Loans Coverage<sup>2</sup>

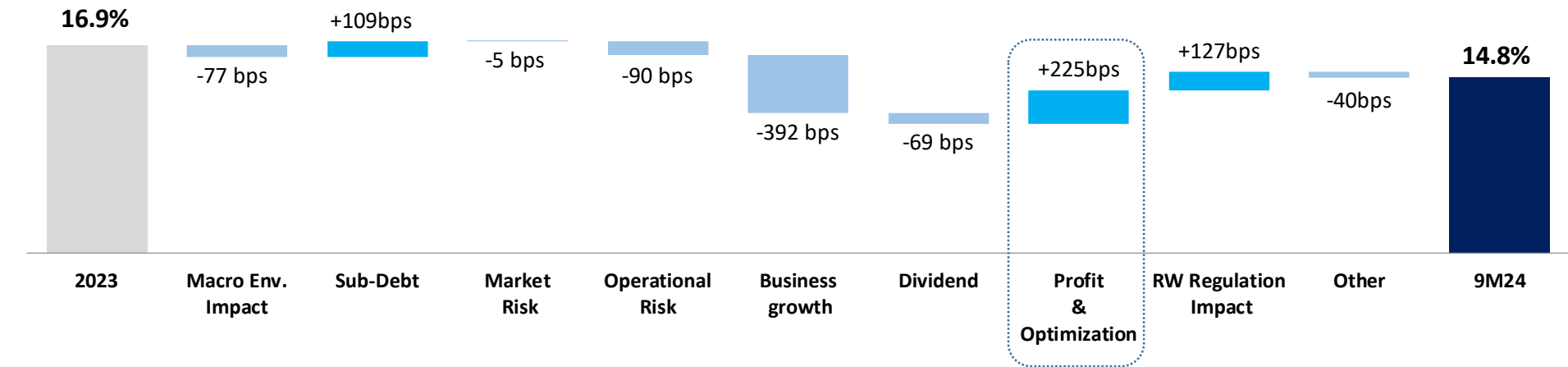


Note:  
Based on Bank-only BRSA financial  
1. NPL Sales 9M24: 4.0 bln TL (1Q24: 1 bln TL, 2Q24: 1.1 bln TL, 3Q24: 1.9 bln TL)  
2. Based on MIS data excluding NPL sales

# Very comfortable capital buffers further supported by ease in regulations



## CAR Evolution (without forbearance)



**Rate Sensitivity**

First **+100bps** TL interest rate  
impact on Capital ratios  
**~-15bps**

**Currency Sensitivity**






First **10% depreciation**  
impact on  
CET-1: **-33bps** Tier-1: **-26bps**  
CAR: **-10bps**  
Breakeven TRY/USD: **~80**

**Asset Quality Sensitivity**

Breakeven NPL Ratio  
**~7.5%**  
vs  
Recent: **3.1%**

Notes:  
Capital Conservation Buffer: 2.5%; Counter-Cyclical Buffer: 0.055%; SIFI Buffer: 1.0%

# Details of main borrowings

International	Syndications	<p>~ US\$ 1.73 bln</p> <ul style="list-style-type: none"> <li>■ <b>Nov'23:</b> US\$ 359 mln and € 372,5 mln, all-in cost at SOFR+ 3.50% and Euribor+ 3.25% for 367 days. 39 banks from 22 countries <a href="#">Sustainability Linked</a></li> <li>■ <b>May'24:</b> US\$ 442,5 mln and € 454,5 mln, all-in cost at SOFR+ 2.50% and Euribor+ 2.25% for 367 days. 46 banks from 25 countries <a href="#">Sustainable</a></li> </ul>
	AT1	<p>US\$ 500 mln outstanding</p> <ul style="list-style-type: none"> <li>■ <b>Apr'24:</b> US\$ 500 mln market transaction, callable at 5.25 years and every interest payment date onwards, perpetual, 9.743% (coupon rate)</li> </ul>
	Subordinated Transactions	<p>US\$ 1.15 bln outstanding</p> <ul style="list-style-type: none"> <li>■ <b>Jan'21:</b> US\$ 500 mln market transaction, 10NC5, 7.875% (coupon rate)- Basel III Compliant</li> <li>■ <b>Jan'24:</b> US\$ 650 mln market transaction, 10NC5, 9.25% (coupon rate)- Basel III Compliant</li> </ul>
	Foreign and Local Currency Bonds / Bills	<p>US\$ 1.30 bln Eurobonds</p> <ul style="list-style-type: none"> <li>■ <b>Mar'19:</b> US\$ 500 mln, 8.25% (coupon rate), 5.5 years </li> <li>■ <b>Sep'23:</b> US\$ 500 mln, 9.25% (coupon rate), 5 years- <a href="#">Sustainable</a> <ul style="list-style-type: none"> <li>➢ <b>Nov'23:</b> US\$ 300 mln, 8.75% (yield rate), 5 years- <a href="#">Tap</a></li> </ul> </li> <li>■ <b>Sep'24:</b> US\$ 500 mln, 7.125% (coupon rate), 5 years </li> </ul>
	Covered Bond	<p>TL 400 mln outstanding</p> <ul style="list-style-type: none"> <li>■ <b>Dec'19:</b> Mortgage-backed with 5 years maturity</li> </ul>
	DPRs	<p>~ US\$ 2.78 bln</p> <ul style="list-style-type: none"> <li>■ <b>Sep'23:</b> US\$ 714.4 mln and € 100 mln with maturities varying between 5 and 8 years and with 6 different investors</li> <li>■ <b>Oct'23:</b> US\$ 175 mln with 5 years maturity and with 2 different investors</li> </ul>
Domestic	Local Currency Bonds / Bills	<p>TL 9.21 bln total</p> <ul style="list-style-type: none"> <li>■ <b>Feb'24:</b> TL 312 mln, 1-year maturity, TLREF index + 50 bps</li> <li>■ <b>Jul'24 :</b> TL 3.59 bln, 3-month maturity </li> <li>■ <b>Aug'24:</b> TL 2.13 bln, 3-month maturity </li> <li>■ <b>Sep'24:</b> TL 3.19 bln, 3-month maturity </li> </ul>
	Subordinated Bonds	<p>TL 800 mln total</p> <ul style="list-style-type: none"> <li>■ <b>Jul'19:</b> TL 500 mln, 10-year maturity, TLREF index + 193 bps</li> <li>■ <b>Oct'19:</b> TL 300 mln, 10-year maturity, TLREF index + 130 bps</li> </ul>

# 2024 Guidance

		2024	9M24	Potential/Risk
Volumes	Total Loan Growth <i>(ytd)</i>	~Inflation	35%	✓
	TL Loan Growth <i>(ytd)</i>	Real Loan Growth	28%	⬇️ Downside Risk
	FC Loan Growth <i>(ytd)</i>	Double-Digit Increase	30%	✓
Revenues	NIM <i>(bank-only)</i>	~2% (Exit: >4.5%)	0.31%	⬇️ Downside Risk
	Core Revenue Margin	~6%	4.6%	⬇️ Downside Risk
	Fee Growth	> 100%	132%	✓
Costs	Cost growth	< 65%	77%	✓
Asset Quality	Total CoR	< 75bps	23bps	✓

**RoTE: Mid-to-High Twenties**

*(Inf. Acc. 2024 RoTE: Positive)*

Downside risk ⬇️

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- Financial Performance
- **Sustainability Approach**
- Annex

## Net-Zero Banking & Sustainable Finance

- Obtained **SBTi verification** in July 2024 (highest lending portfolio target coverage among Turkish banks)
- Committed to **Net-Zero Banking Alliance (NBZA)** in July 2023
- Measuring **Scope-3 Category 15: Investments emissions** according to PCAF since 2021
- **No financing** for new thermal coal-related power & mining
- The goal of **10% increase in the percentage of women entrepreneur customers** with 2 or more active financial products from different categories by 2026 to support their financial resilience within the scope of UN PRB financial inclusion commitment
- Nature Friendly Mortgage & Auto loans
- Sustainability-Linked Loans
- ESG-Linked Investment Funds

## Indices & Initiatives

Founding Signatory of:



PRINCIPLES FOR RESPONSIBLE BANKING



Included in 2023 Bloomberg Gender Equality Index



Global Compact Network Türkiye



Finance for Biodiversity Pledge

The first Turkish Bank to become a signatory



## Ratings

Leader in Türkiye, Best-in-Class Globally



AA Leader category

The only bank in leader category in Türkiye since 2021

CDP Climate Change and Water Security A Leadership Score



Above global sector average

The first and only bank in Türkiye having A Score in both Climate Change and Water Security

Included in Sustainalytics' ESG Top-Rated Companies List



Risk Rating Score: 14.5 Low Risk

Best Among the Top Tier-1 Turkish Banks



Score: 59 ESG Rating: 3

Sustainability Yearbook Member









S&P Global

Total ESG Score: 64

S&P Global Sustainability Yearbook Member 3rd time in a row

# ESG Presence and Supported Initiatives

## ESG Indices and Ratings

										
Sustainalytics	MSCI	S&P CSA	Sustainable Fitch	Moody's Vigeo EIRIS	ISS ESG Rating	CDP Climate Change	CDP Water Security	BİST Sustainability Index	FTSE4Good Index	Bloomberg GEI
14,5 <b>#1</b>	AA <b>#1</b>	69 <b>#2</b>	59 <b>#1</b>	41	C-	A <b>#1</b>	A <b>#1</b>	<b>+</b>	<b>+</b>	<b>+</b>
Best score among the Tier-I banks in Turkey	The only bank in Leader category in Turkey	Second best score among the Tier-I banks in Turkey	Best score among the Tier-I banks in Turkey			First and only financial institution to be included in the Global A List for both programmes in Turkey		Listed since 2014	Listed since 2017	Listed since 2021

## Supported Initiatives and Commitments





# Sustainability Milestones



# STEP: A new Program to trigger our customers' behaviors towards sustainability

## Reducing Paper Consumption

Digital on-boarding  
E-statement & E-receipt  
Digital contracts / documents



## Sustainable Products

Nature Friendly Mortgage  
Electric Vehicle Loan  
ESG Mutual Funds

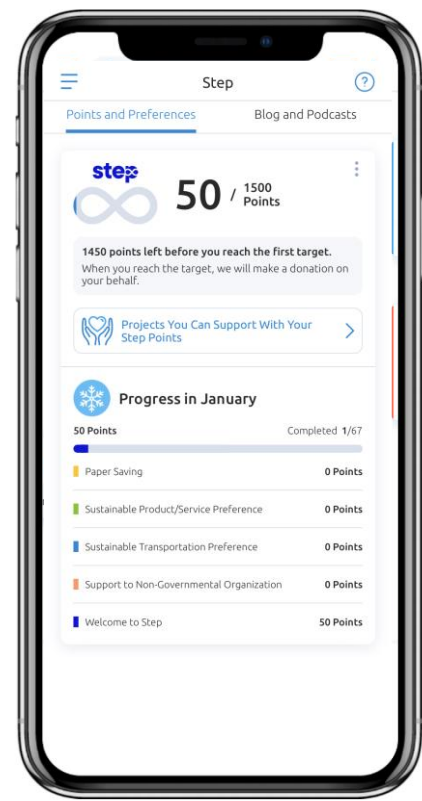
## Conscious Consumption

Sustainable Brand Preferences  
(Shopping from STEP Member Businesses)

## Sustainable Life Style

Transportation preferences  
Daily step tracking  
NGO donations

## + STEP Points



## Donation to NGOs



## Leading Sustainability Transformation

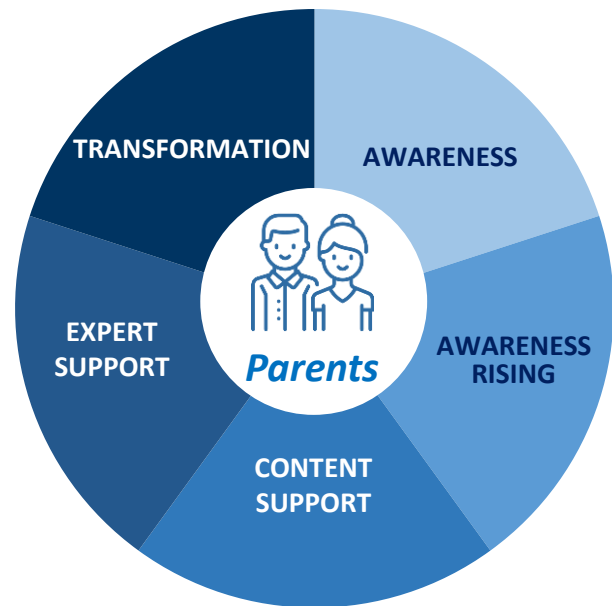
- Creating awareness
- Driving the demand for sustainable products

Contributing to environment, climate & education

Notes:  
STEP: Sustainable Preference Program  
NGO: Non-Governmental Organization

# Snowball for the Future: In honor of the «100<sup>th</sup> anniversary» of our Republic

## Pre-school Educational Development Programme



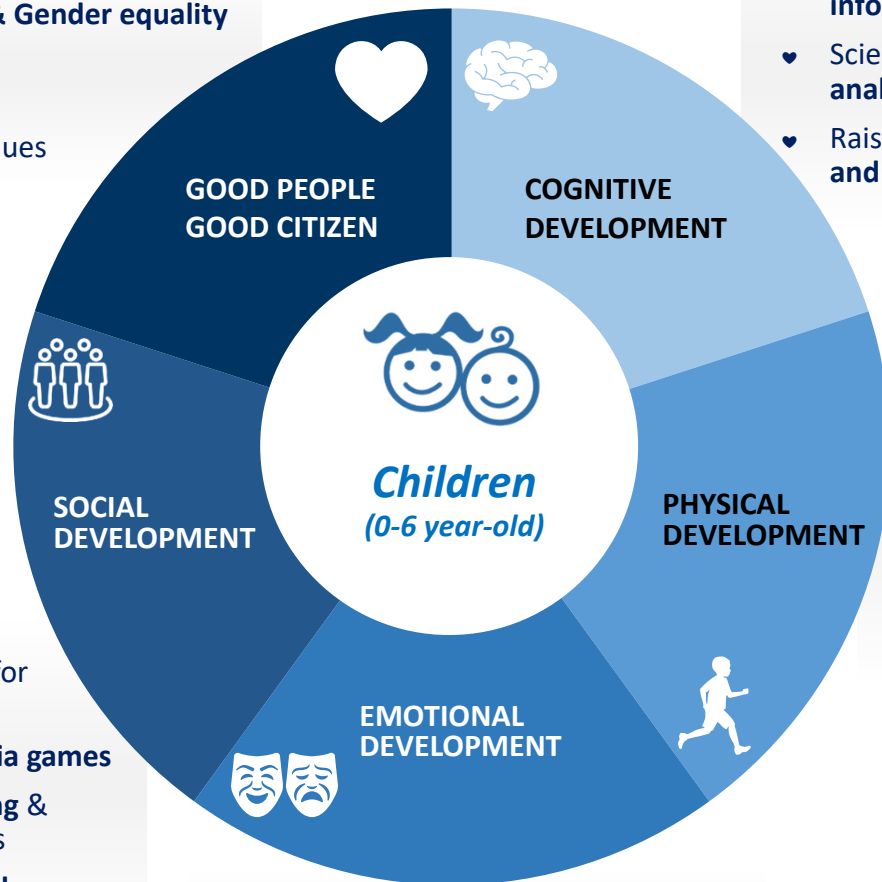
Please Click here to watch the launch movie

Web:

<https://yapikrediyarinarakartopu.com.tr>

- ♥ Sustainability & Gender equality awareness
- ♥ Non-violence
- ♥ Basic ethical values

- ♥ Support self-awareness for **better self expression**
- ♥ Interaction with peers via games
- ♥ Focus on **problem-solving & decision-making** abilities
- ♥ Strengthen **interpersonal communication skills**



- ♥ Increase ability to **use and produce information**
- ♥ Scientific support to **improve analytical intelligence**
- ♥ Raising awareness on **mathematics and digitalization**

- ♥ Strengthen **physical coordination**
- ♥ **Healthy and balanced nutrition** awareness
- ♥ Participation in **physical activities**
- ♥ **Language skills** and participation in oral activities

- ♥ Focus on comprehending their own and others' emotions
- ♥ Increase **ability to cope with family problems**

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# Ratings Turkey

Fitch Ratings	Rating	Outlook
Long Term Foreign Currency	BB-	Stable
Long Term Local Currency	BB-	Stable
Short Term Foreign Currency	B	
Short Term Local Currency	B	
Seniour Unsecured Debt Foreign	B+	
Country Ceiling	BB-	

## 7 September 2024:

International Rating Agency Fitch Ratings upgraded Turkiye Sovereign rating to "BB-" from "B+" while revising the outlook to «Stable» from «Positive».

Moody's	Rating	Outlook
Long Term Foreign Currency Deposit	B1	Positive
Long Term Foreign Local Deposit	B1	Positive
Seniour Unsecured Debt Foreign	B1	Positive

## 19 July 2024:

International Rating Agency Moody's oday upgraded Government of Turkiye's long-term foreign- and domestic-currency issuer and foreign-currency senior unsecured ratings to B1 from B3. The outlook remains positive.

Standard & Poor's	Rating	Outlook
Long Term Foreign Currency	BB-	Stable
Long Term Local Currency	BB-	Stable
Short Term Foreign Currency	B	
Short Term Local Currency	B	
National Long Term Local Currency	trAA+	
National Short Term Local Currency	trA-1+	

## 1 November 2024:

International Rating Agency S&P Global upgraded their long-term Turkiye rating to "BB-" from "B+" while revising the outlook to «Stable» from «Positive».

# Ratings Yapı Kredi

Fitch Ratings	Rating	Outlook
Long Term Foreign Currency	BB-	Stable
Long Term Local Currency	BB-	Stable
Short Term Foreign Currency	B	
Short Term Local Currency	B	
Viability Rating	bb-	
Government Support	b-	
National Long Term	AA- (tur)	
Seniour Unsecured Debt	BB-	

## 17 September 2024:

On 6 September 2024, International Rating Agency Fitch Ratings upgraded Türkiye's Sovereign rating to "BB-" from "B+" while revising the outlook to "Stable" from "Positive". Following this upward revision, on 17 September 2024, the rating agency upgraded Yapı ve Kredi Bank's long-term foreign currency deposit rating by 2 notches to "BB-" from "B", long-term local currency deposit rating by 1 notch to "BB-" from "B+", while revising the outlook to "Stable" from "Positive". Fitch has also upgraded Yapı ve Kredi Bank's Government support rating to "b-" from "no support".

Moody's	Rating	Outlook
Long Term Foreign Currency Deposit	B1	Positive
Long Term Foreign Local Deposit	B1	Positive
Short Term Foreign Currency Deposit	Not Prime	
Short Term Foreign Local Deposit	Not Prime	
National Scale Rating	Aa1.tr	
Seniour Unsecured Debt	B1	Positive

## 23 July 2024:

On 19 July 2024, International Rating Agency Moody's upgraded the Government of Türkiye's sovereign rating to "B1" from "B3" and Türkiye's foreign-currency country ceiling to "Ba3" from "B2" and the local-currency country ceiling to "Ba1" from "Ba3" with a positive outlook. Following this change, on 23 July 2024, the rating agency upgraded Yapı ve Kredi Bank's Long Term Foreign currency deposit, long term local currency deposit and senior unsecured debt ratings by two notch to "B3" from "B1" with a positive outlook.

# Macro environment and banking sector

## Macro Environment

	2022	2023	9M24
<b>GDP Growth (y/y)<sup>1</sup></b>	5.5%	5.1%	3.8%
<b>CPI Inflation (y/y)</b>	64.3%	64.8%	49.4%
<b>CAD<sup>2</sup>/GDP<sup>3</sup></b>	-5.1%	-3.6%	-0.9%
<b>Budget Deficit/GDP<sup>3</sup></b>	-0.9%	-5.2%	-4.9%
<b>USD/TL (eop)</b>	18.70	29.44	34.12
<b>2Y Benchmark Bond Rate (eop)</b>	8.8%	39.7%	41.2%

## Banking Sector - Private Banks

	2022	2023	9M24
<b>Loan Growth (ytd)</b>	<b>52%</b>	<b>51%</b>	<b>34%</b>
TL	76%	52%	30%
FC (USD)	-15%	-7%	23%
<b>Cust. Deposit Growth (ytd)</b>	<b>59%</b>	<b>61%</b>	<b>23%</b>
TL	152%	83%	29%
FC (USD)	-20%	-13%	-1%
<b>NPL Ratio</b>	<b>2.7%</b>	<b>2.1%</b>	<b>2.1%</b>
<b>CAR<sup>4</sup></b>	<b>21.6%</b>	<b>20.3%</b>	<b>17.3%</b>
<b>RoTE</b>	<b>48.2%</b>	<b>39.2%</b>	<b>26.2%</b>

Notes:

All macro data as of September 2024 unless otherwise stated

Banking sector volumes based on BRSA weekly data as of 27 September 2024

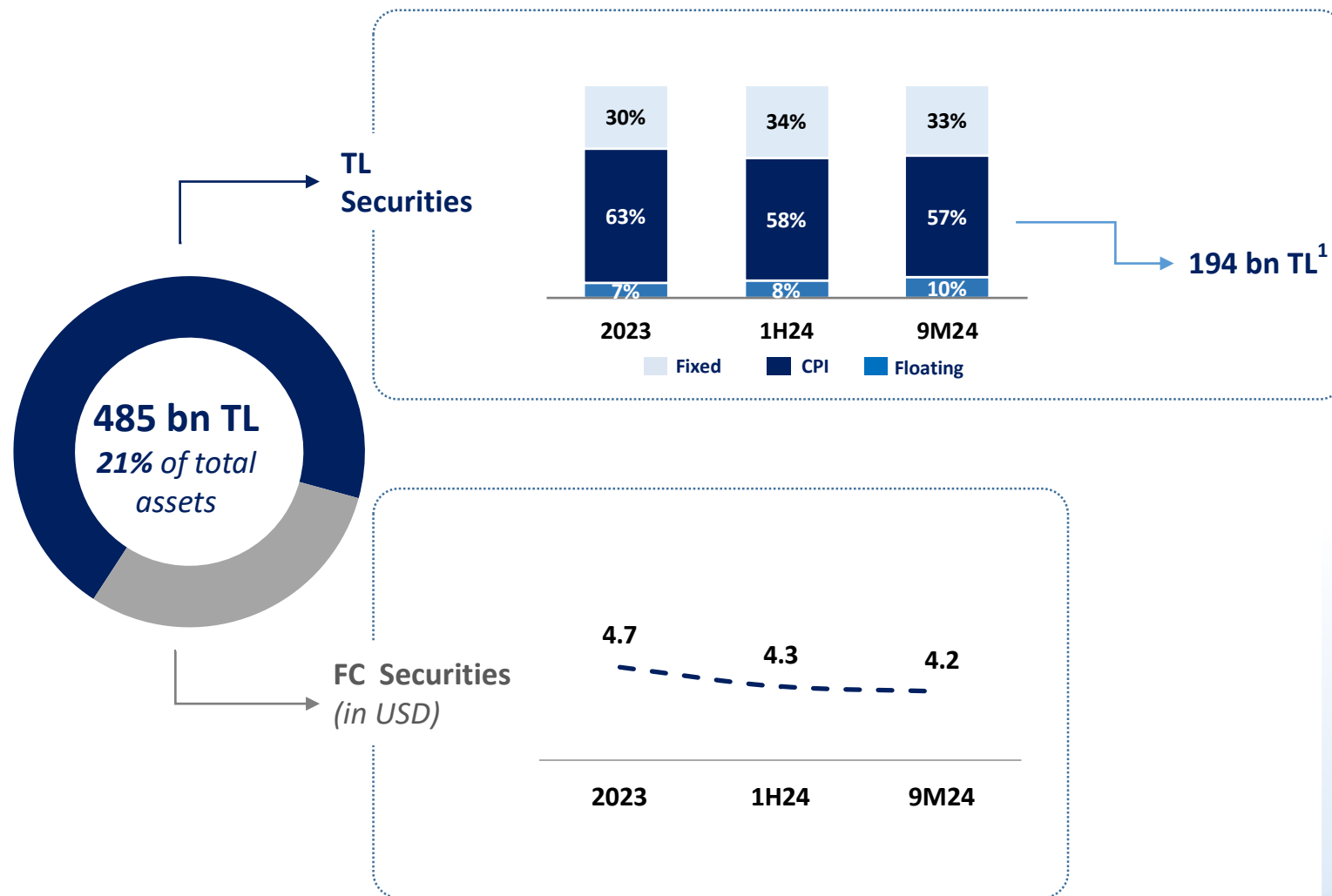
1. As of 1H24

2. CAD indicates Current Account Deficit as of August'24

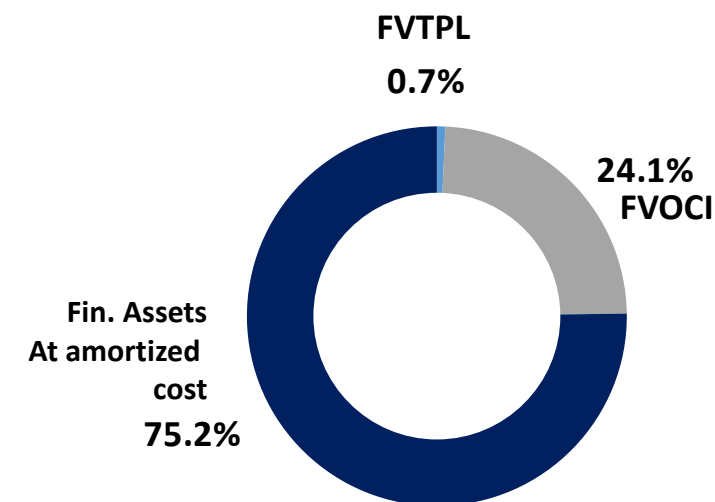
3. 3Q24 GDP Forecast

4. CAR includes regulatory forbearances and as of August'24

# Securities portfolio



## Securities Classification



## Net Interest Income from CPI linkers<sup>2</sup> (TL million)

Quarterly	1Q24	2Q24	3Q24
Interest Income	17,136	16,958	19,356
Interest Expense <sup>3</sup>	-8,426	-9,858	-9,792
<b>NII</b>	<b>8,710</b>	<b>7,101</b>	<b>9,564</b>

Cumulative	9M23	9M24
Interest Income	42,184	53,450
Interest Expense <sup>3</sup>	-4,824	-28,076
<b>NII</b>	<b>37,360</b>	<b>25,374</b>

CPI expectation for the valuation of linkers: 9M24: 47%; 1H24: 45%

Notes:

Based on BRSA Bank-Only financials

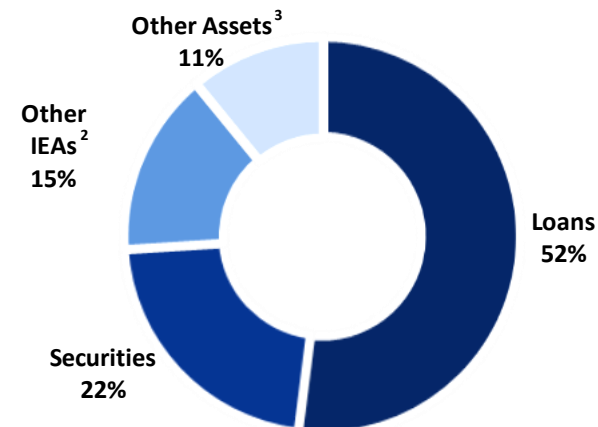
1. Including Accruals
2. Interest income from CPI linkers includes only inflation impact on principal amount and does not include the interest income from fixed coupon rate
3. Interest expense is based on compounded repo funding rate



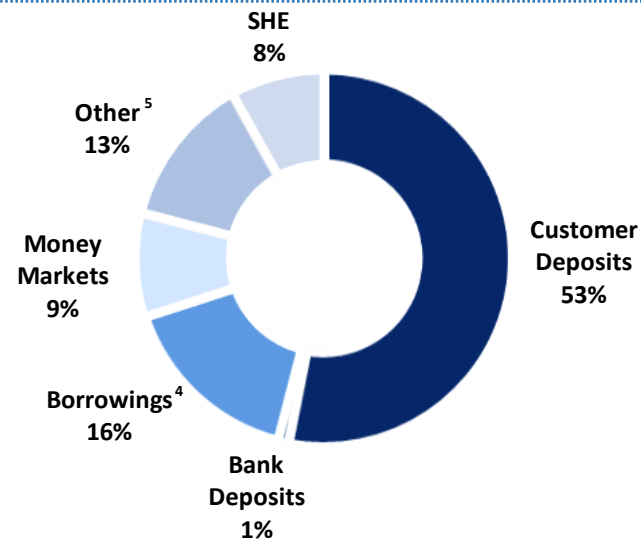
# Consolidated balance sheet

TL bln	9M23	2023	1H24	9M24	q/q	ytd	y/y
<b>Total Assets</b>	<b>1,678</b>	<b>1,863</b>	<b>2,320</b>	<b>2,490</b>	<b>7%</b>	<b>34%</b>	<b>48%</b>
<b>Loans<sup>1</sup></b>	<b>770</b>	<b>890</b>	<b>1,149</b>	<b>1,200</b>	<b>4%</b>	<b>35%</b>	<b>56%</b>
TL Loans	521	619	792	791	0%	28%	52%
FC Loans (\$)	9	9	11	12	10%	30%	31%
<b>Securities</b>	<b>386</b>	<b>417</b>	<b>496</b>	<b>505</b>	<b>2%</b>	<b>21%</b>	<b>31%</b>
TL Securities	248	266	338	342	1%	29%	38%
FC Securities (\$)	5	5	5	5	-2%	-7%	-5%
<b>Customer Deposits</b>	<b>984</b>	<b>1,076</b>	<b>1,264</b>	<b>1,347</b>	<b>7%</b>	<b>25%</b>	<b>37%</b>
TL Customer Deposits	562	617	774	790	2%	28%	41%
FC Customer Deposits (\$)	15	16	15	16	9%	5%	6%
<b>Borrowings</b>	<b>317</b>	<b>366</b>	<b>482</b>	<b>518</b>	<b>8%</b>	<b>42%</b>	<b>64%</b>
TL Borrowings	23	25	61	68	11%	173%	197%
FC Borrowings (\$)	11	12	13	13	3%	14%	23%
<b>Shareholders' Equity</b>	<b>162</b>	<b>179</b>	<b>183</b>	<b>191</b>	<b>4%</b>	<b>7%</b>	<b>18%</b>
<b>Assets Under Management</b>	<b>206</b>	<b>238</b>	<b>371</b>	<b>425</b>	<b>14%</b>	<b>79%</b>	<b>106%</b>

## Assets – Bank Only



## Liabilities – Bank Only



### Notes:

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

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

# Consolidated income statement

TL million	3Q23	2Q24	3Q24	q/q	9M23	9M24	y/y
<b>Net Interest Income including swap costs</b>	<b>29,189</b>	<b>613</b>	<b>5,043</b>	<b>723%</b>	<b>55,304</b>	<b>13,838</b>	<b>-75%</b>
<i>o/w NII</i>	29,554	20,117	17,708	-12%	53,457	63,180	18%
<i>o/w Swap costs</i>	-365	-19,504	-12,665	-35%	1,847	-49,343	n.m.
<b>Fees &amp; Commissions</b>	<b>11,037</b>	<b>19,201</b>	<b>20,199</b>	<b>5%</b>	<b>24,226</b>	<b>56,157</b>	<b>132%</b>
<b>Core Revenues</b>	<b>40,226</b>	<b>19,813</b>	<b>25,242</b>	<b>27%</b>	<b>79,530</b>	<b>69,994</b>	<b>-12%</b>
<b>Operating Costs</b>	<b>12,073</b>	<b>18,548</b>	<b>21,206</b>	<b>14%</b>	<b>32,197</b>	<b>57,096</b>	<b>77%</b>
<b>Core Operating Income</b>	<b>28,153</b>	<b>1,266</b>	<b>4,036</b>	<b>219%</b>	<b>47,333</b>	<b>12,898</b>	<b>-73%</b>
<b>Other Revenues</b>	<b>6,004</b>	<b>4,401</b>	<b>3,429</b>	<b>-22%</b>	<b>19,080</b>	<b>14,329</b>	<b>-25%</b>
Trading excl. ECL hedge	5,403	3,345	2,707	-19%	16,997	12,075	-29%
Other income	600	1,056	722	-32%	2,083	2,254	8%
<i>o/w income from subs</i>	370	416	412	-1%	880	1,153	31%
<b>Pre-provision Profit</b>	<b>34,156</b>	<b>5,666</b>	<b>7,465</b>	<b>32%</b>	<b>66,413</b>	<b>27,227</b>	<b>-59%</b>
<b>ECL (excl. currency impact)</b>	<b>573</b>	<b>-2,391</b>	<b>2,176</b>	<b>n.m</b>	<b>1,776</b>	<b>1,992</b>	<b>12%</b>
<i>o/w Collections/Provision Reversals (-)</i>	2,480	7,847	5,870	-25%	11,737	22,617	93%
<i>o/w Currency Impact (-)</i>	884	198	743	275%	5,741	2,072	-64%
<b>Provisions for Risks and Charges &amp; Other</b>	<b>33</b>	<b>-51</b>	<b>30</b>	<b>-159%</b>	<b>113</b>	<b>67</b>	<b>-41%</b>
<b>Pre-tax Income</b>	<b>33,550</b>	<b>8,108</b>	<b>5,259</b>	<b>-35%</b>	<b>64,523</b>	<b>25,169</b>	<b>-61%</b>
Tax	8,964	1,005	258	-74%	15,820	2,762	-83%
<b>Net Income</b>	<b>24,586</b>	<b>7,103</b>	<b>5,001</b>	<b>-30%</b>	<b>48,703</b>	<b>22,407</b>	<b>-54%</b>

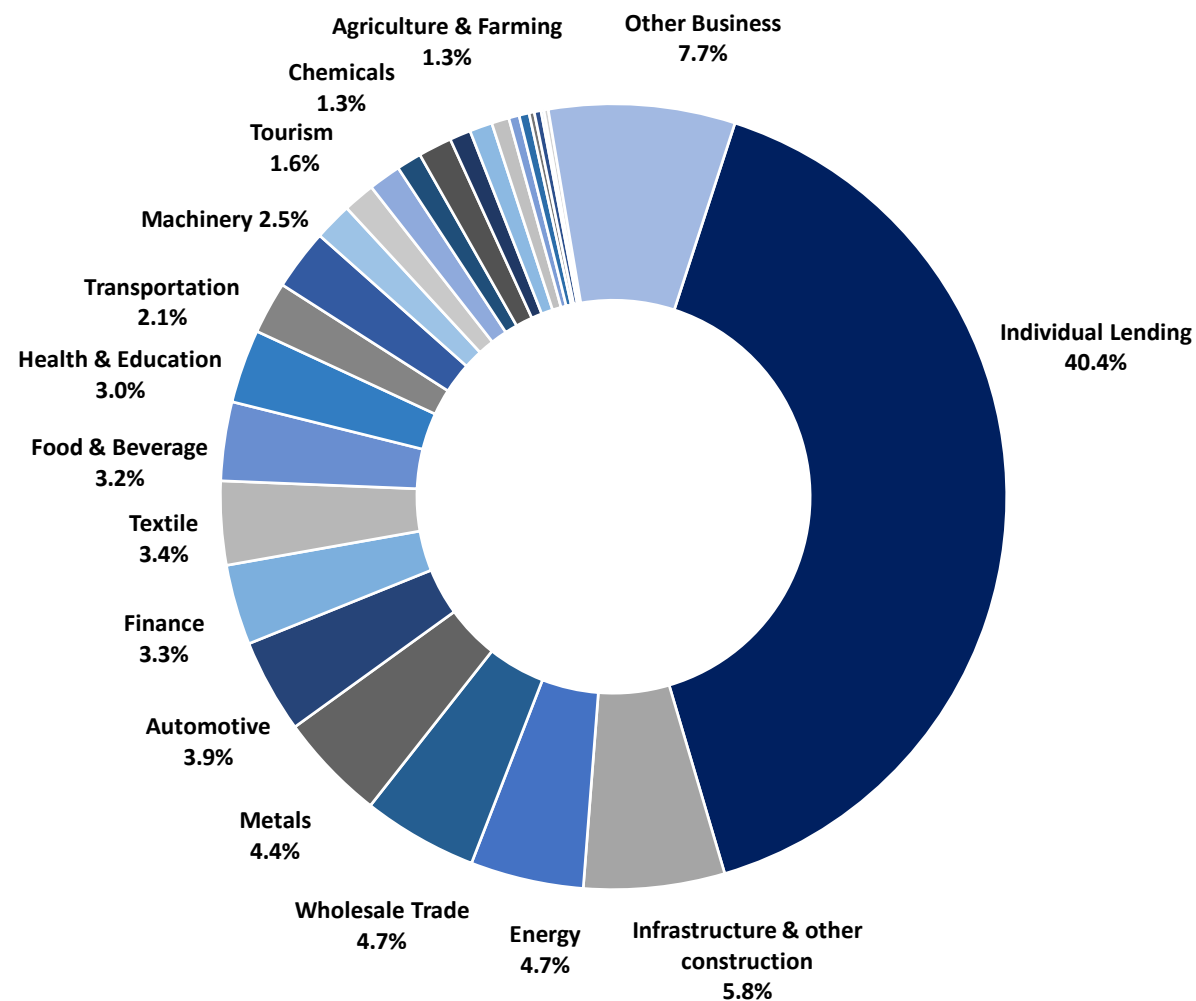
Notes:  
n.m.: not meaningful

# Bank-only income statement

TL million	3Q23	2Q24	3Q24	q/q	9M23	9M24	y/y
<b>Net Interest Income including swap costs</b>	<b>27,288</b>	<b>-2,509</b>	<b>1,376</b>	<b>n.m</b>	<b>50,780</b>	<b>4,301</b>	<b>-92%</b>
<i>o/w NII</i>	27,703	17,026	14,158	-17%	49,132	53,812	10%
<i>o/w Swap costs</i>	-415	-19,534	-12,782	-35%	1,648	-49,511	n.m.
<b>Fees &amp; Commissions</b>	<b>9,765</b>	<b>18,141</b>	<b>18,942</b>	<b>4%</b>	<b>21,493</b>	<b>52,641</b>	<b>145%</b>
<b>Core Revenues</b>	<b>37,053</b>	<b>15,633</b>	<b>20,318</b>	<b>30%</b>	<b>72,272</b>	<b>56,941</b>	<b>-21%</b>
<b>Operating Costs</b>	<b>11,454</b>	<b>17,535</b>	<b>20,197</b>	<b>15%</b>	<b>30,702</b>	<b>54,116</b>	<b>76%</b>
<b>Core Operating Income</b>	<b>25,599</b>	<b>-1,902</b>	<b>121</b>	<b>n.m</b>	<b>41,570</b>	<b>2,825</b>	<b>-93%</b>
<b>Other Revenues</b>	<b>7,765</b>	<b>6,731</b>	<b>6,309</b>	<b>-6%</b>	<b>23,117</b>	<b>21,672</b>	<b>-6%</b>
Trading excl. ECL hedge	5,199	3,242	2,590	-20%	16,121	11,645	-28%
Other income	2,566	3,490	3,720	7%	6,996	10,028	43%
<i>o/w income from subs</i>	2,357	2,934	3,371	15%	5,786	8,902	54%
<b>Pre-provision Profit</b>	<b>33,364</b>	<b>4,829</b>	<b>6,430</b>	<b>33%</b>	<b>64,687</b>	<b>24,497</b>	<b>-62%</b>
<b>ECL (excl. currency impact)</b>	<b>701</b>	<b>-2,270</b>	<b>2,317</b>	<b>n.m</b>	<b>1,958</b>	<b>2,293</b>	<b>17%</b>
<i>o/w Collections/Provision Reversals (-)</i>	2,338	7,689	5,694	-26%	11,305	22,029	95%
<i>o/w Currency Impact (-)</i>	884	198	743	275%	5,741	2,072	-64%
<b>Provisions for Risks and Charges &amp; Other</b>	<b>25</b>	<b>-55</b>	<b>23</b>	<b>n.m</b>	<b>71</b>	<b>41</b>	<b>-42%</b>
<b>Pre-tax Income</b>	<b>32,638</b>	<b>7,154</b>	<b>4,091</b>	<b>-43%</b>	<b>62,659</b>	<b>22,163</b>	<b>-65%</b>
Tax	8,052	52	-910	n.m	13,956	-243	n.m
<b>Net Income</b>	<b>24,586</b>	<b>7,103</b>	<b>5,001</b>	<b>-30%</b>	<b>48,702</b>	<b>22,405</b>	<b>-54%</b>

Notes:  
n.m.: not meaningful

# Sectoral breakdown of loans



- *Well-diversified loan portfolio*
- *The Share of Energy Loans in total down by 8 pp since 2018*
- *The Share of Infrastructure and Other Construction in total down by 5 pp since 2018*
- *8% share of **SMEs** in cash loans*

# ECL details

TL million	2Q24	3Q24	9M24
<b>Provisions</b>	<b>5,655</b>	<b>8,789</b>	<b>26,681</b>
<i>Stage-1</i>	<i>-1,965</i>	<i>-954</i>	<i>631</i>
<i>Stage-2</i>	<i>2,318</i>	<i>3,330</i>	<i>10,437</i>
<i>Stage-3</i>	<i>5,302</i>	<i>6,413</i>	<i>15,613</i>
Currency Impact	-198	-743	-2,072
Provision Reversals	-3,865	-4,076	-14,112
Collections	-3,982	-1,794	-8,505
<b>ECL</b>	<b>-2,391</b>	<b>2,176</b>	<b>1,992</b>

Notes:  
Based on consolidated financials.

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