Yapı Kredi Integrated Annual Report 2024





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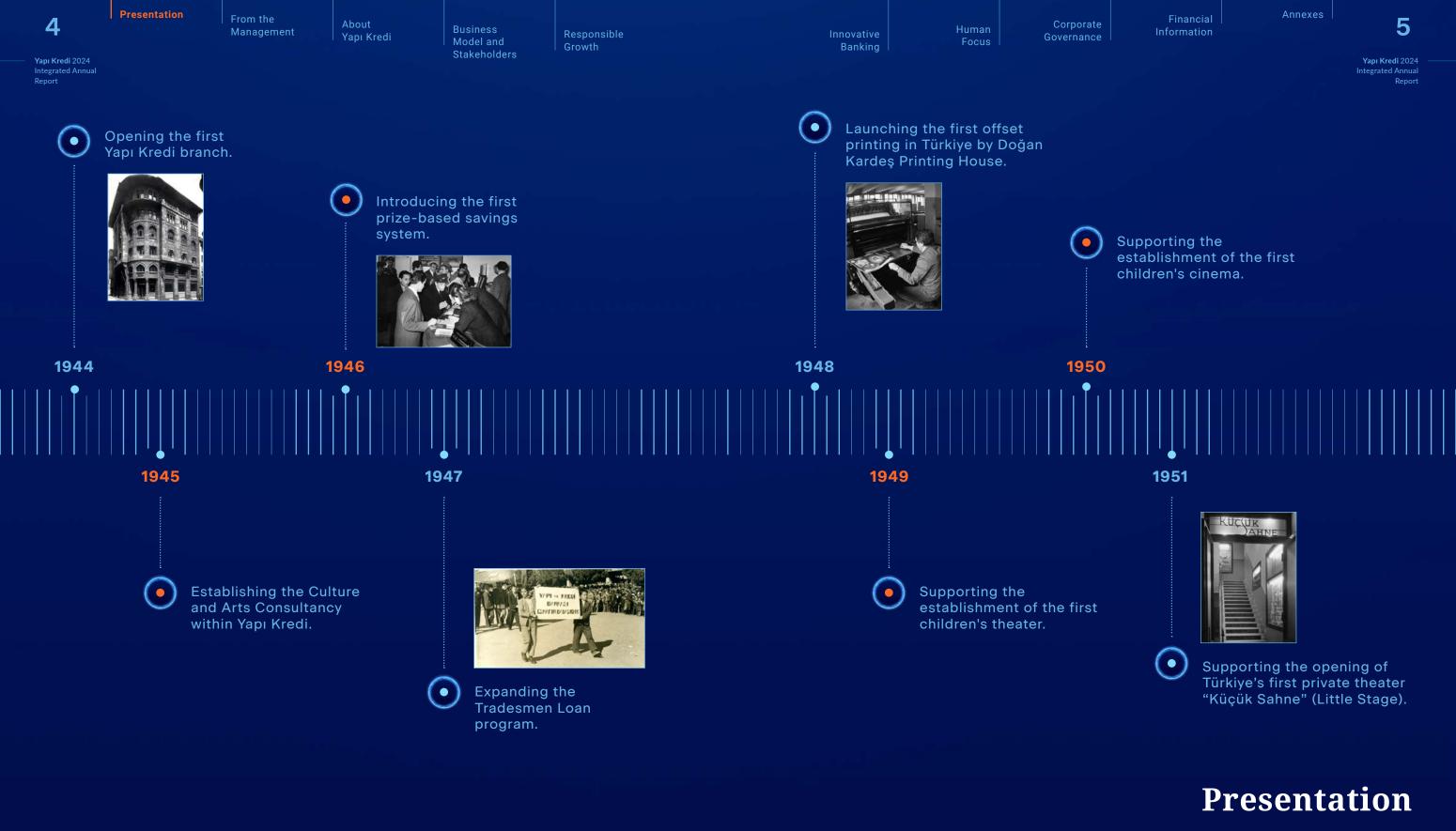
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About the Report

NATURE, PERIOD AND SCOPE

This report is the Integrated Annual Report of Yapı ve Kredi Bankası A.Ş. and its domestic and overseas affiliated subsidiaries ("Yapı Kredi" or "Bank"), covering 12-month activity period of Yapı Kredi starting on 1 January 2024 and ending on 31 December 2024.

The Report will be presented to the 2024 Ordinary General Meeting of Yapı Kredi as an Integrated Annual Report.

CONTENT AND REGULATORY FRAMEWORK

The Report covers the integrated business model of Yapı Kredi that creates long-term value for all of its stakeholders, risk and opportunity management practices, future strategies, stakeholder communication, and ESG performance indicators and objectives. The Report also provides detailed information on the Bank's material issues identified with the broad involvement of stakeholders, approach to governance based on sectoral and global trends.

The report has been prepared in accordance with the GRI Standards and the International <IR> Framework of the Value Reporting Foundation. The reporting practices has taken into account Borsa Istanbul Sustainability Index Banking Criteria as well as United Nations Global Compact, United Nations Sustainable Development Goals, and Women's Empowerment Principles, of which Yapı Kredi is a signatory. The Report provides the statement table for the Task Force on Climate-Related Financial Disclosures (TCFD), of which Yapı Kredi is a supporter.

Moreover, the reporting of the United Nations Principles for Responsible Banking, founded with the participation of Yapı Kredi as a founding signatory to guide the future of sustainable banking is presented for the stakeholders.

AUDIT APPROACH

The financial information included in the report has been audited by EY, an independent auditing company. The Independent Auditor's Statements are available on pages 268-269.

Moreover, the same independent auditor also granted a limited assurance statement in line with ISAE 3000 (Revised) and ISAE 3410 standards for the selected environmental, social and governance indicators included in the report. The list and scope of indicators assured are given in the Independent Assurance Statement on page 568 of the Report.

The data and explanations presented in this report within the scope of sustainability have not been prepared within the framework of the provisions of TSRS in accordance with KGK (Public Oversight Accounting and Auditing Standarts Authority) regulations and have not been subjected to the assurance audit required by KGK. Our company's report, which will be prepared in accordance with KGK regulations to include the necessary data and disclosures within the scope of TSRS 1 and TSRS 2 and will be subject to a sustainability assurance audit by an independent auditor, will also be disclosed to the public within the legal period.

Please send all your questions, comments, and suggestions related to the Report to yapikredi_investorrelations@yapikredi.com.tr and sustainability@yapikredi.com.tr

SUSTAINABILITY INDEXES LISTING YAPI KREDİ AND INITIATIVES SUPPORTED BY THE BANK









SÜRDÜRÜLEBİLİR AMAÇLARI

















Please scan the QR code for the full version of Yapı Kredi 2024 Integrated Annual Report.

The report has been prepared in accordance with the GRI Standards and the International <IR> Framework of the Value Reporting Foundation.

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Outlook

SECTORAL CHANGES

The year 2024 concluded with the economy continuing to grow under the influence of wars with global impact and significant general elections. In a period of increasing geopolitical uncertainty, global economic growth is expected to reach 3.2%, as optimistic revisions for the US offset declines in European countries. The Turkish economy, although affected by global fluctuations, continued to grow with strategies focused on domestic demand and exports, and closed the third quarter of 2024 with a growth rate of 2.1%. The growth rate is expected to reach 2.7% by the end of 2024. Steps taken to ensure financial stability provide a framework aiming to reduce inflationary pressures in the short term.

Actions to control inflation are expected to continue in 2025. Investments in technology and green transformation are emerging as new drivers of economic development, while the contribution of export sectors to the economy remains critical. At the same time, exchange rate hedging strategies are expected to remain on the agenda.

From a sectoral perspective, the construction was one of the growing sectors in Türkiye (closing Q3 2024 with a growth rate of 9.2%), driven by the reconstruction of the earthquake zone and the urban transformation initiated after the local elections. The retail sales volume index increased by 15% in October 2024 compared to the previous year (Source: TÜİK).

The finance sector continued its contribution to the economy in a challenging operating environment influenced by domestic and international dynamics, utilizing its strong financial structure and adaptation skills enabled by timely actions.



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CONSUMER BEHAVIORS

In 2024, there was a significant shift in consumer behaviors where trust became one of the most critical elements for brands. In an inflationary environment where consumers' purchasing power declined, spending behaviors became more conscious based on fundamental factors such as quality, functionality, and price. Additionally, sustainable products and solutions that offer tangible benefits have become more important in consumer preferences.

As technology touches every aspect of life, it makes consumers more aware of their relationship with brands, leading them to make strategic and planned spending decisions. Consumers now consider not only buying a product or service but also its impact on their environment, society, and personal lifestyle when they make purchasing decisions. Smart shopping tools and Al-based recommendation systems play a vital role in helping consumers to make informed decisions.

Sustainability-focused production and transparent communication have become essential for brands aiming to build long-term relationship with consumers, while digitalization and social media continue to be powerful tools that are reshaping consumer behaviors.

Social media platforms retain their effectiveness across a wide range from discovering new products to making purchasing decisions while security remains a top priority in this area. Brands need to take strong actions in terms of data security, personalized services and transparent communication to maintain their presence in the digital world and ensure consumer trust.

FINANCE SECTOR EXPECTATIONS IN 2025

With the effect of sustained economic stability, strategic transformations and changes within finance sector are expected in 2025. As a result of renewed investor confidence and accelerated dynamic market conditions; mergers & acquisitions (M&A) activities are expected to increase in more flexible, investment-friendly regulatory frameworks in financial markets. These trends may lead to the activation of large financial institutions and private equity funds. During this process, the development of innovative, digitally-focused solutions will become a critical success factor for financial service providers.

The banking sector will continue to transform this year through digitalization, artificial intelligence, and open banking practices. While banks are reducing their operational costs by using technology more efficiently, they are also focusing on increasing productivity by offering personalized customer experiences through physical and digital channels as well as non-banking platforms. With open banking applications, financial services will become more accessible and flexible, while financial health solutions that fully address customer need will come to the fore. In this period, data security and cyber risks will be on the critical agenda. On the other hand, focused financial services will increase the cooperation opportunities of banks and enable new revenue models while increasing the effectiveness of technology companies.



The banking sector will continue to transform in 2025 through digitalization, artificial intelligence, and open banking practices.

In the upcoming period, digital banking and financial inclusion are expected to be in the center of attention. Correspondingly, while digital channels will be strengthened, branch banking will keep its importance with more value-added services in some customer segments. While digital tools offer fast and efficient solutions, the human touch will continue to be one of the fundamental elements that build trust and loyalty. Customer representatives will play an important role in complex financial decisions, advisory services and in times of crisis.

As digital transformation continues, generative artificial intelligence, driven by advanced language models, increases the effectiveness of data analytics and ensures that customers are reached with the right offers at the right time with fast solutions. Developments in this area will offer a significant competitive advantage by personalizing the customer experience. Therefore, the integration of AI technologies into finance sector will continue to develop. However, the required energy and infrastructure for these technologies will result in important investments. It will be critical to evaluate these investments with the right economic plan.

On the other hand; while technology, especially Al solutions are improving the interactions between brands and consumers in a smart and effective manner, they lead to a change in required skills and competencies for financial institutions. Acquisition, training, attracting and retaining top talents will become even more important for the companies that are enabling their employees continuously improve themselves.

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The year 2025 will be shaped as a year in which brands will have to respond to consumer expectations both rationally and emotionally by establishing a strong balance between the digital and physical presence. In the upcoming period, trust, transparency and sustainable value creation will be among the most important keys for the brand success. With the combination of all these dynamics, the 2025 financial sector is expected to be shaped on the axis of digitalization, sustainable growth and strategic transformation.

YAPI KREDİ

At Yapı Kredi, we are continuously enhancing our existing capabilities to adapt instantly to rapidly changing economic and technological conditions, while maintaining our innovative investments and keeping our human-centric principle at the core of our strategy. As in every year, understanding the needs of both our customers and employees and delivering innovative solutions will remain as our top priority in 2025.

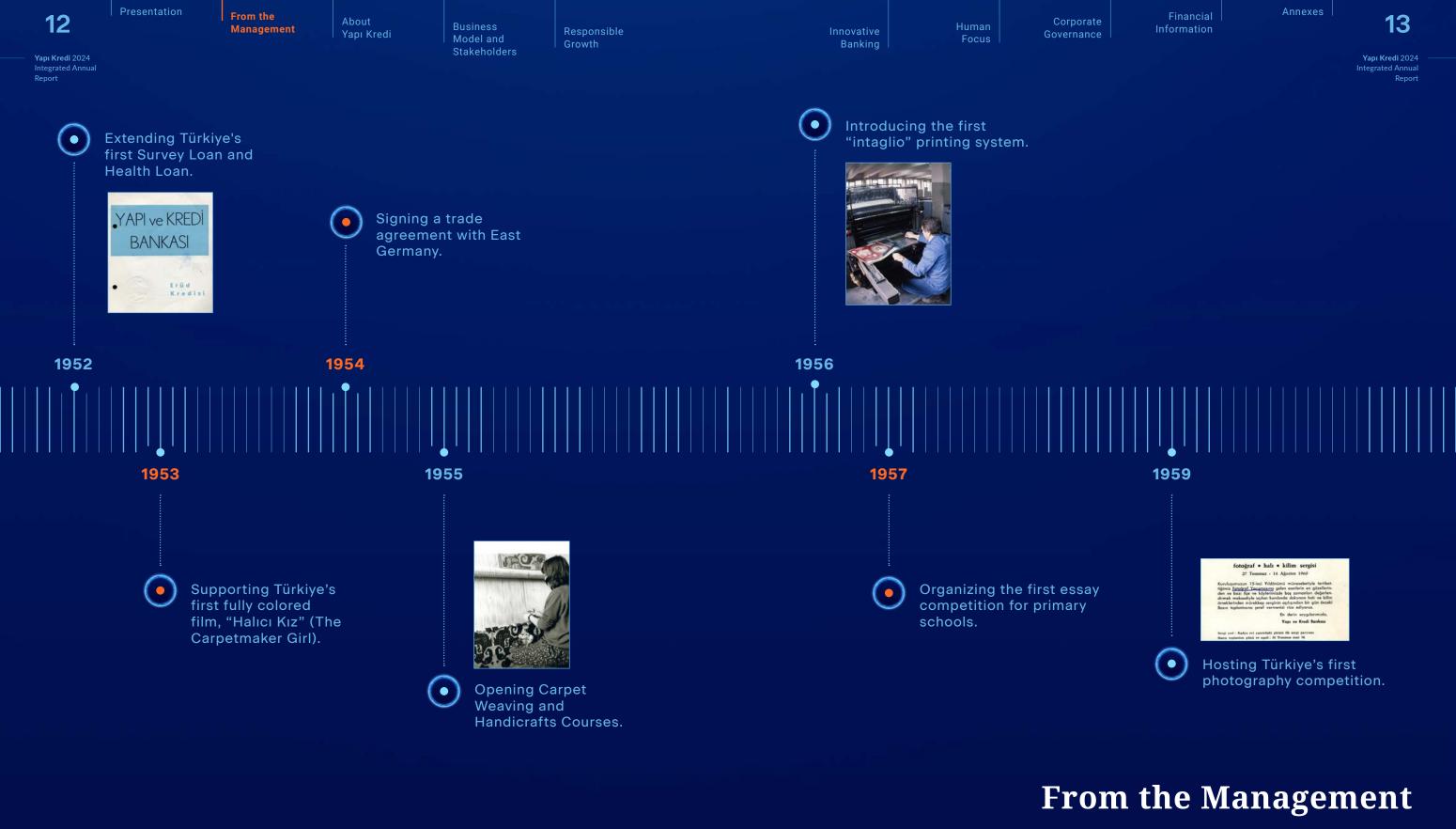
We aim to increase the value created through strategic partnerships besides transformations shaped around digitalization, artificial intelligence, and sustainability. We are committed to offer personalized experience and continue to deepen the relationship with our customers. The approach which combines the human touch with technological innovations will strengthen our trusted relationships with our stakeholders and bring us one step closer to our vision of the future of banking. As we define our strategic initiatives, we will continue to build a roadmap that always puts people first, in line with our core values such as customer focus, goal orientation, resilience, agility, and efficiency.



The year 2025 will be shaped as a year in which brands will have to respond to consumer expectations both rationally and emotionally by establishing a strong balance between the digital and physical presence.



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Chairman Message



Dear Stakeholders.

We have left behind 2024, the year in which we proudly celebrated the 80th anniversary of our bank.

Significant transformations in the economic and geopolitical arenas around the world have been observed this past year, whereas developments in terms of sustainability and digital transformation processes have become increasingly important and have increased their place on the world agenda.

Following the ongoing policies to fight with global inflation since 2022, a significant improvement in the inflation trend has been observed, however the improvement has fallen short of expectations.

During this process, in addition to the tight monetary policy stances, the low course of energy prices also played an important role. With inflation approaching the targeted levels, central banks of developed countries, especially the US Federal Reserve, started to cut interest rates in the second half of the year. According to the January 2025 "World Economic Outlook" report of the International Monetary Fund (IMF), global inflation in 2025 is expected to decline to 4.2% and then reach 3.5% in 2026. Thus, it is anticipated that global central banks will continue to cut interest rates in 2025, albeit at a slower pace.

In 2024, we witnessed important elections in many countries, increased geopolitical tensions, and unfortunately, ongoing humanitarian tragedies, especially in our nearby geography. It is obvious that the competition for global hegemony between China and the USA is the main dynamic behind most geopolitical developments. The negative effects of the Ukraine-Russia war on energy supply security and food prices continue. The human tragedy in the Middle East, on the other hand, has increased regional instability and caused fluctuations in global energy markets. However, the Brent oil price decreased in the second half of the year, while the natural gas price increased throughout the year. In addition, climate change and green transformation processes continue to be priority agenda items for both the business world and policy makers.

World economic growth is expected to be parallel to 2024 in 2025. According to expectations of IMF, the global growth rate is expected to be 3.3% in 2025, whereas growth in emerging markets is expected to be 4.2% and 1.9% in developed economies.

In our country, domestic demand fared strong and inflation was elevated in the beginning of the year. With the Central Bank tightening monetary policy in March, economic activity slowed down, and the economy shrank in the second and third quarters compared to the

previous quarters. While the inflation trend was improving, albeit slowly, it was also noted that the high course of services inflation continued. A significant improvement was achieved in the credit default swap (CDS) premium, which indicates the risk level of our country. In this context, thanks to controlled growth and stable economic policies, credit rating agencies updated their outlooks and ratings regarding Turkiye upwards.

Digital transformation continues to be a driving force for economies. Artificial intelligence, big data and blockchain technologies are fundamentally changing business models and creating new opportunities within the scope of efficiency and innovation. The digitalization process in Turkiye has gained momentum, especially in the areas of financial technologies (fintech) and e-commerce. While the utilization of digital banking services are increasing, innovative solutions such as mobile payment systems and crypto assets are shaping consumer behavior. In addition, digital infrastructure projects implemented in collaboration with the public and private sectors have made significant contributions to the country's digital transformation journey.

The Turkish banking sector continued to meet customer needs in an uninterrupted manner during this period. The total cash loan volume of the sector increased by 38% in 2024 on an annual basis, reaching 14,942 billion TL, while the deposit base increased by 27% to 16,919 billion TL in the same period.

Yapı Kredi, has continued to support our country's economy in an uninterrupted manner via increasing its cash and non-cash loans by 39% on an annual basis in 2024 to 1.813 billion TL, and its cash loans by 37% to 1.264 billion TL in the same period. While loan growth has been driven by both TL and FX loans, Yapı Kredi continued to support companies and exporters and stand by its individual customers. Customer deposit volume increased by 25% in 2024 on an annual basis to 1.348 billion TL.

Within the scope of diversification of funding sources; USD 8.4 billion was provided through products such as syndication, subordinated bonds, debt instruments that can be included in additional capital, bond issuance and bilateral loans.

The bank maintained its strong capital buffers during this period, and its consolidated capital adequacy ratio stood at 15.2% (without regulatory forbearances).

Our devoted efforts in the field of climate change and environment, which is also one of the main focuses of our strategy, turned into concrete successes in 2024. Yapı Kredi has become the first and only financial institution from Türkiye to be included in the Global A list for both of our CDP Climate Change and Water Security reports, where we disclose the impact and work we have accomplished on climate change and water issues. The Bank has become Türkiye's first largescale private bank crowning the science-based emission reduction targets, modeled with the project carried out within the scope of the "Carbon Conversion Program" implemented within Koç Holding since 2021, with SBTi verification. In addition, our Bank has continued to play a leading role in this field as the only bank from Türkiye to target SBTi for its entire compulsory loan portfolio for our financed emissions, where we, as the banking sector, create the biggest environmental impact. In order to achieve the targets it has set in this axis, Yapı Kredi has developed decarbonization strategies for carbon-intensive sectors in its portfolio whose transformation is critical. Our institution, which has taken important steps to manage the environmental impacts arising from its operations with its branch network spread across Türkiye, has implemented the Selfie project, which allows it to produce its own electricity from renewable sources. In addition to its market transactions, the Bank successfully completed the first sustainable syndicated loan transaction that will be used only for green and sustainable loans. In the coming period, Yapı Kredi will continue to position itself alongside its customers not only as a financier but also as a consultant and partner in their journey towards net zero by strengthening the transformation infrastructure.

Yapı Kredi will continue to support its customers in every field they need with its human-oriented service approach in the coming period. In this regard, our bank has introduced numerous innovations that have set the standards since the day it was founded, and will continue to undertake work that removes boundaries in every field of banking with its strong position in the sector and innovative spirit.

On this occasion, I would like to extend my gratitude to all our customers, our valued shareholders, and all our employees and their precious families who add value to our Bank with their devoted work.

Ali Y. Koç

Chairman

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CEO Message



Dear Stakeholders.

2024 has been a year of both recovery and new challenges for the world economy. The recovery process in the post-pandemic period was replaced by new economic dynamics and challenges such as inflation, whereas energy crisis and geopolitical uncertainties continued around the world. Central banks' monetary policies and efforts to decrease inflation continued to be at the center of the economic agenda in 2024. A significant improvement has been observed in the global inflation trend in 2024 as a result of the tight monetary policies implemented to fight with inflation and low energy prices were also a contributing factor to the decline in inflation. Along with the recovery in inflation, global central banks began to loosen their monetary policies in the second half of the year.

On the other hand, election periods, as well as tensions amongst countries were closely followed by the global arena in 2024. The continuation of the Ukraine-Russia war and developments in the Middle East increased regional instability and resulted in volatility in the energy markets. Technological competition and trade tensions between China and the United States also continued to impact global supply chains.

In addition to these developments, technological innovations, digital transformation and green energy transition trends continue to be important opportunities shaping the future of the global economy.

Türkiye's economy recorded a growth of 3.2% in 2024. The impact of the tight monetary policy implemented by the CBRT to control inflation on economic activity began to be felt, especially in the second quarter of the year. Inflation declined to 44% as a result of tight monetary policies in 2024. Thus, the CBRT has cut policy rates by 250bps in the MPC meeting in December 2024 and then continued with another 250bps cut in January 2025, bringing the policy rate to 45%, which has been kept at 50% since March 2024. The CBRT's gross and net foreign exchange reserves also increased significantly, while the foreign currency protected deposits continued to decrease steadily. As a reflection of steps taken in the right direction regarding macroeconomic policies, Fitch Ratings, S&P Global and Moody's have upgraded our country's ratings.

The Turkish banking sector continued to prove its resilience and support the Turkish economy during this period.

As Yapı Kredi, we continued to create value for our country's economy and our stakeholders thanks to many years of experience and know-how 2024 as well, as we proudly celebrated our 80th anniversary.

Our contribution to our country's economy through cash and non-cash loans has increased by 39% compared to last year, reaching 1,813 billion TL. The bank recorded an annual increase of 29% in TL cash loans and 31% annual increase in FX cash loans in 2024 via meeting the demand of its customers for both TL and FX loans. Our asset size increased to 2,554 billion TL with right steps taken at the right time, whereas our gross operating profit reached 40.8 billion TL and our net profit realized at 29 billion TL.

In addition to continuing our support to the economy, our priority was to maintaining the strength in key financial indicators. The Bank further strengthened its balance sheet with increased loan provisions. As a reflection of the proactive asset quality approach, the total loan coverage ratio was increased to 3.8% (based on unconsolidated financials). On the capital side, the consolidated capital adequacy ratio remained strong at 15.2% and whereas the Tier-1 ratio remained strong at 12.6% (without regulatory forbearances).

The Bank's funding sources continued to be diversified while customer deposits continued to make up majority of the funding sources. Customer deposits increased by 25% in 2024 on an annual basis, reaching 1,348 billion TL. In line with our strategic goals, the share of demand deposits in total deposits was further increased and continued to support our funding costs.

On the external funding front, the Bank secured two syndicated loans amounting to USD 936 million and USD 1.052 billion in 2024. These loans comply with sustainable features in line with our aim of creating long-term sustainable value for all our stakeholders. The transactions, which were also the bank's first sustainable syndicated loan signed in May and completed again in a sustainable format in November, will be utilized in accordance with Yapı Kredi's Sustainable Finance Framework. The issuance of our Bank's 650 million USD subordinated bonds (Tier II) in January attracted more than 2.4 billion USD of demand. In April, our USD 500 million Additional Tier 1 issuance from international markets was realized with more than twice the demand from investors. In September, our Bank issued Eurobonds amounting to US\$ 500 million in the international markets. The demand for this transaction was approximately four times that of the transaction. Thus, 29% of the 7.08 billion USD funding provided

from international markets in 2024 consisted of funding based on sustainability criteria. The total funding amount of our bank based on sustainability criteria reached approximately 37% of the total international funding.

Our bank also expanded its operations in its 80th year and launched Yapı Kredi Germany. Following Azerbaijan and the Netherlands, Yapı Kredi, our third subsidiary that goes beyond the borders of our country, has added Germany to its activities within the European Union.

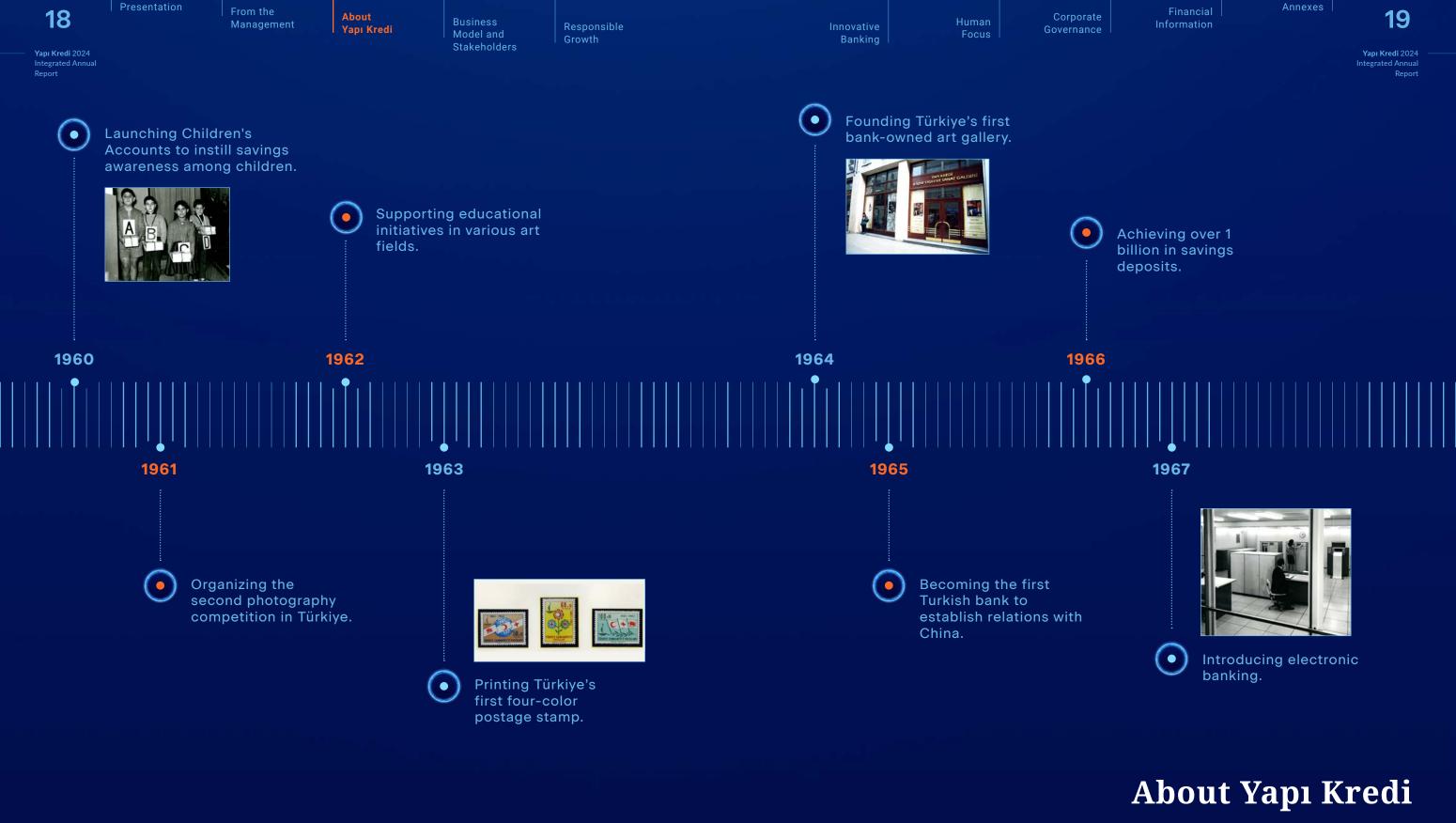
The Bank aims to maintain its solid capital base while also sustaining its leading position in the sector, strategic balance sheet structure, successful asset-liability management and strong liquidity position in 2025. The balance sheet structure, which is strongly positioned against the macro-prudential framework, will be supportive during the expected easing cycle in 2025. In line with its strategies, the Bank will continue to increase its strong customer base and strengthen its productive customer base while maintaining its target of widespread growth in both loan and deposits. In the medium term, it aims to continue to be the best in its class in value creation thanks to its strong balance sheet and customer-oriented service model.

In the 80th anniversary of our establishment, we continue to be the bank of firsts and achieve things beyond numbers, leaving our mark in history with our pioneering role in the sector. We are proud to be a well-established institution that enhances the sector with our pioneering technologies and innovative approach and always manages to stay one step ahead. In the second century of the Republic of Türkiye, we will continue to add value to our country and provide services beyond our borders.

As we are sharing our 2024 Integrated Report with you, I would like to take this opportunity to offer our gratitude to all our stakeholders, our customers who carry our Bank to the future, our shareholders for their trust and support, and our employees for their valuable efforts.

Gökhan Erün

CEO



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About Yapı Kredi

Established in 1944, Yapı Kredi has always played a pioneering role in the banking sector. In 2006, legal merger of Yapı Kredi and Koçbank (together with the two banks' core subsidiaries operating in the same sectors) was completed. In 2007, the segment based service model was completed and branch expansion started. In 2008, innovative product, service and distribution channels were developed and the branch network was rapidly expanded.

In 2013, capital base was strengthened and the Bank continued effective liquidity management via balanced growth in loans and deposits. In 2015, Yapı Kredi focused on digital banking. While fields and products creating added value gained the foreground in 2017, productivity increase was maintained.

With the strategy developed in 2018, priority was given to the areas of strengthening and optimizing the capital position, creating sustainable income by balancing the business volumes, a well-managed cost structure with efficiency gains, and optimizing the asset quality.

The Bank has been focusing on fragmented and broad-based growth in both loans and deposits, rebalancing the loan portfolio through diversification of product distribution with a risk-based return approach, and transaction banking for fee generation. Moreover, the Bank focuses on the development of advanced and differentiated customer experience, service channel optimization and integration and improvement of operational processes thanks to continuous investments in digital transformation.

Holding a strict human-focus, Yapı Kredi continued to implement extraordinary measures in 2022 for protecting the health and safety of its employees while offering uninterrupted service to its clients.

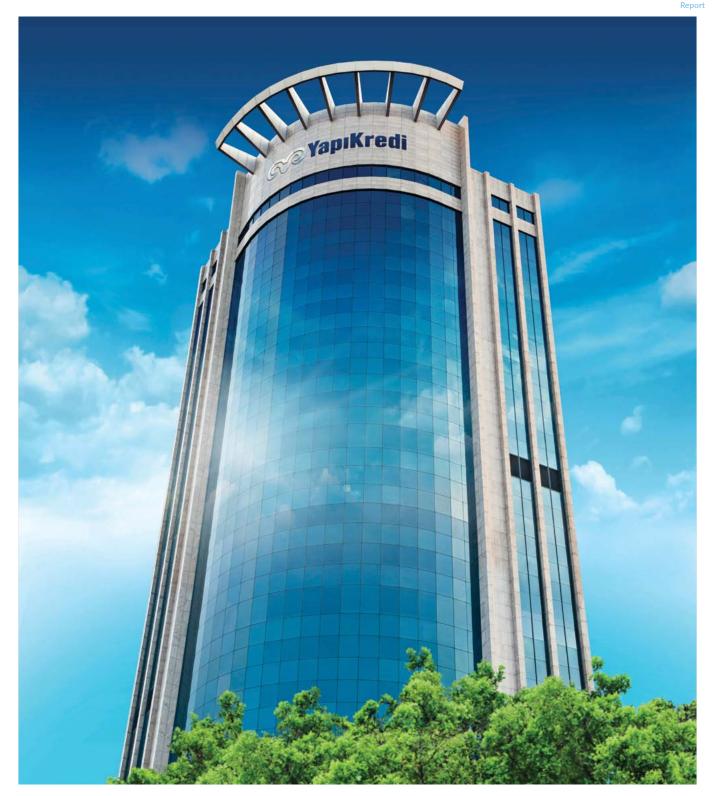
Yapı Kredi maintained its pioneering and leading position in the sector in 2023 and continued to manage its operating environment in the most effective way thanks to its proactive and dynamic asset and liability management.

In 2024, the Bank continued to expand its customer base and maintained its focus on fragmented transactions in loans and deposits. Additionally, a transaction banking centered approach led to a significant increase in the number of transactions. These developments not only enhanced the Bank's productivity but also made a substantial contribution to profitability growth.

Moreover, Yapı Kredi provides service to its customers with over 14 thousand employees and 772 branches covering all regions of Türkiye. Yapı Kredi delivers its products and services via its advanced alternative distribution channels including 5,468 ATMs, innovative internet banking, leading mobile banking, call center and approximately 1.4 million POS terminals.

On a consolidated basis, total cash and non-cash loans of the Bank recorded an annual growth of 39%, reaching TL 1.8 billion in 2024, while its total assets amounted to TL 2.6 trillion.

Yapı Kredi is active in retail banking (including payment systems, business banking, private banking and wealth management), as well as commercial and SME banking and corporate banking. The Bank's operations are supported by domestic subsidiaries engaged in asset management, brokerage, leasing and factoring as well as international banking subsidiaries in the Nederland, Germany and Azerbaijan.



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Vision, Mission, Strategy



VISION

To be the undisputed leader in the finance sector.



MISSION

To ensure long-term sustainable growth and value creation for all stakeholders, and become the first choice of customers and employees.



STRATEGY

A customer centric commercial bank driven by cutting edge technology and committed workforce, delivering responsible growth.

Best-in-class profitability, backed by a strong balance sheet, resulting in enhanced and sustainable shareholder returns.

Values

BEING A PIONEER

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We value innovative ideas; we create a working environment where extraordinary and creative ideas can be expressed freely. We are the leader of change and innovation. We lead the sector as the trendsetters and decision makers.

AGILITY

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We make the fast and right decisions against market changes, respond to our customers' needs at the same speed and flexibility. Without compromising on quality we manage change both outside and inside it in the most effective way.

GOAL ORIENTATION

We put high goals in all aspects, work with all our strength without losing our focus in order to accomplish them.

BEING ONE, TOGETHER, WE ARE ONE

As Yapı Kredi Family, we work as a team, as one body. Team spirit and common mind are among our strongest properties. Communication, collaboration and solidarity keep supporting this understanding.

CUSTOMER FOCUS

Our customers is at the heart of our unique service perception. We focus on win-win relationships, mutual development and value creation with our "Dedicated to Deliver" philosophy since the day of our foundation.

INNOVATION

Our ability to create innovation, it is the most important part of our competitive strength. We believe in continuous improvement. We implement new ideas use our resources efficiently, constantly revive and develop ourselves, our business, our business processes.

SUSTAINABILITY

We work to create long-term value to all our stakeholders. Seeing social development as the primary goal we continue our understanding of sustainability-oriented service. We focus on long-term effects of our decisions, harmonize sustainability in all processes of our business while adopting in all economic, social and environmental aspects.

EFFICIENCY

We believe not in limitless work, but in working to overcome the boundaries. What we chresih is the added value we have created for our customers. Technologies, operating systems and processes that will increase our productivity are what matters to us.

COMPETITIVENESS

We work while aiming at leadership in all fields of our business.

Foreseeing both the present and the future we always work for the best, challenge our goals with high energy and enthusiasm.

RESILIENCE

In uncertain and turbulent times, we focus on continuity and uninterrupted service, remain always prepared for the most difficult situations and strong even in the face of circumstances.

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Shareholding Structure

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Yapı Kredi has a solid shareholding structure supporting sustainable and profitable growth. Koç Holding A.Ş. owns 20.22% of Yapı Kredi shares while Koç Financial Services (KFS), fully owned by Koç Group, owns 40.95% of the shares.

The remaining 38.83% is publicly traded on Borsa Istanbul.

On 09 November 2021, Koç Holding made an announcement regarding the purchase of shares corresponding to 18% of Yapı Kredi's share capital, which are held by UniCredit. As Koç Holding's direct and indirect stake in Yapı Kredi will exceed the 50% threshold defined in the Capital Markets Board's (CMB) Communiqué on Takeover Bids, a mandatory tender offer was triggered for Koç Holding for the shares of other Yapı Kredi shareholders. Accordingly, Koç Holding applied to the CMB for conducting a mandatory tender offer.

UniCredit S.P.A. has notified the Bank that it has sold its Yapı Kredi shares which corresponds to 2% of the Bank's capital in Borsa Istanbul as of 19 November 2021.As a result of this disposal, the stake of UniCredit S.p.A. in the Bank decreased from 20% to 18%.The stake of "Others", on the other hand, increased from 30.03% to 32.03%

On 1 April 2022, the share transfer was finalized and Koç Holding's direct share in Yapı Kredi increased from 9.02% to 27.02%.UniCredit S.p.A. has no remaining shares in the Bank.

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.

Thus, Koç Holding A.Ş.'s direct stake in the Bank became 20.22%. The total stake of Koç Holding A.Ş. and Koç Financial Services A.Ş. in the Bank is 61.17%. Thus, Koç Group continues to be the main shareholder of the Bank

KOÇ GROUP

With roots dating back to 1926, Koç Group is the largest industrial and service company conglomerate in Türkiye, notable for its combined revenues, exports, share in Borsa Istanbul, and employment creation. The Group's combined revenues account for 7% of Türkiye's national income, while its exports constitute approximately 7% of the country's total exports. Koç Holding is the only Turkish company included in the Fortune Global 500 list.

KOÇ FİNANSAL
HİZMETLER A.S.

● ····· SHARE AMOUNT (TL)

3.459.065.642.23

OWNERSHIP (%)

40.95%

..... TITLE

FREE LOAT

• ···· SHARE AMOUNT (TL)

3.280.319.067.77

OWNERSHIP (%)

38.83%



KOÇ HOLDİNG A.Ş.

SHARE AMOUNT (TL)

1.707.666.574.00

OWNERSHIP (%)

20.22%

TOTAL

SHARE AMOUNT (TL)

8.447.051.284.00

OWNERSHIP (%)

100%



KOÇ GROUP*

61.17%

(*) Represents the total shares of Koç Holding A.Ş. and Koç Finansal Hizmetler A.Ş. in the Bank.

Yapı Kredi 2024

Presentation

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Yapı Kredi was acquired

1980

1975

Yapı Kredi has been the

first bank to receive

maintaining foreign

currency position in

Türkiye

authorization for

by Cukurova Holding

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INCREASED PUBLIC FLOATATION

UniCredit ended.

COVID-19

UniCredit's sale of shares

CHANGE IN SHAREHOLDING STRUCTURE
The shareholding agreement between Koç Holding and

The free float ratio of Yapı Kredi went up to 30% upon

During the Covid-19 pandemic, which affected the

whole world, uninterrupted service and support was

provided to customers while prioritizing the health of

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2020

al |

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Yapı Kredi 2024 ntegrated Annual

Milestones

CHILDREN'S BANKINGWith children's accounts, Yapı Kredi expanded the

coverage of deposit banking and introduced children to banking services

Tradesmen loan was extended followed by other sector-specific loans

1946

FIRST COMPUTER IN BANKING

Yapı Kredi introduced computers into the Turkish banking industry



1967

1960's 1964

FIRST COLLECTIVE

The first collective bargaining

agreement in banking was

AGREEMENT

1944

ESTABLISHMENT

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

signed
Strengthened Market

1950's

FOUNDATION OF CORPORATE BANKING

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

1985

CROSS-BORDER ONLINE CONNECTION

Cross-Border Online Connection **LISTING**Yapı Kredi stock was guoted



FIRST AUTO LOAN

Türkiye's first auto loan was extended



1989

1987

YAPI KREDI BONDS GO CROSS-BORDER

1986

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

FIRST ONLINE APPLICATION IN BANKING

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

1984

FOUNDATION OF INDIVIDUAL BANKING

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

All financial needs of customers began to be fulfilled by ATMs

TELECARD

Türkiye's first debit card was issued FIRST CONSUMER LOAN

Türkiye's first consumer loan was extended FIRST OVERDRAFT CREDIT CARD

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

WORLDCARD

WorldCard that is accepted worldwide was launched

TELEPHONE BANKING

First telephone banking service was initiated FIRST POS DEVICE

Türkiye's first POS device was put to use

t POS device was

1991

1990's

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Shopping point system

were commenced in

credit card products

and installment shopping

TELETEL

1992

OVERDRAFT ACCOUNT

revolutionary step in the Turkish

banking sector, was introduced

Overdraft Account, a

made available all over Türkiye

1998

2000

TELEWAP

banking branch

BIGGEST MERGER IN THE TURKISH BANKING SECTOR

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



2006

CAPITAL INCREASE

2009

TÜRKİYE'S FIRST

The first financial app in

Turkish developed for

iPhone was introduced

Türkiye's first mobile IPHONE APPLICATION

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



2018

2019

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%.



Celebrated 80th birthday



2022 2024

2022 <u>2</u> 2021 2023

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

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

INCREASED PUBLIC FLOATATION

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



THE FIRST ADDITIONAL TIER-1 ISSUANCE WITHIN TURKISH DEPOSIT BANKS

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

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.

Yapı Kredi 2024

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> Yapı Kredi's Banking Activities

HISTORIC LEADERSHIP IN THE SECTOR

Yapı Kredi has been the leader of the credit cards business line for 32 years in a row.

PAYMENT SYSTEMS

Worldcard, World Gold, World Platinum, Play, Taksitci, World Eko, Opet Worldcard, KoçAilem Worldcard, Adios, Adios Premium, Crystal, Crystal (Metal), Fenerbahce Worldcard, Fenerclusive credit card, Hepsiburada Premium Worldcard, World Business, World Business Eko, Trio Cards, Debit Cards (TLcard, Play TLcard, Platinum TLcard, KoçAilem TLcard, Fenerclusive TLcard, Business TLcard), Desktop POS, Mobil POS, Contactless POS, Cash Register POS. Virtual POS. Mail Order, World Mobil. Prepaid Cards (World Cash, Play Cash, World Cash Digital), Mobile Payment, Payment with QR Code, In-Car Payment, Payment from the Account, E-Commerce Payments, World Pay Shopping Loan



- A broad network of merchants enhanced by a diverse range of products, resulting from strong collaborations and innovative investments
- Bonus point, discount and installment possibilities at a wide network of merchants
- Monthly campaign offers in all sectors to all Worldcard customers thanks to partnerships with major brands
- License agreements with three banks boosting the awareness of the World brand
- Market leadership in QR and NFC payments thanks to the completed and ongoing infrastructure developments to adopt to digital payment (QR and NFC) options
- End-to-end digital and personalized shopping experience for cardholders via World Mobile, and fast, reliable mobile payment solutions integrated with World Mobile

CUSTOMER CENTERED SERVICE APPROACH

Yapı Kredi's retail banking products add value to people's lives and plays a role in building the financial future.

RETAIL

Deposits: Time Deposits, Demand Deposits, Flexible Time Deposits, Fund Deposits, Gold Deposits, 5D Deposits, FC-Conversion FC-Indexed TL Time Deposit, Limitless Account

Loans: Loans General Purpose Loans, Individual
Flexible Accounts, Mortgage Loan, Personal
Finance Mortgage Loan, Home Improvement Loans,
Workplace Loans, Auto Loans, FordFinans Auto Loans,
Installment Payment System for Schools, School
Payments, Nature Friendly Mortgage, Nature-Friendly
Auto Loan, Caravan Loan

Auto Loan, Caravan Loan
Individual Payments: Bill Payments, Regular
Payments, Rent Payments, Installment Payment
System for Schools (TEST), Credit Regular Payment
System (CRPS), My Rent in My Account
Insurance: Health Insurance, Life Insurance, Non-Life
Insurance, Private Pension Investment
Products: Funds, Stocks, Bills, Snowballs, My First
Money, Cumulative Products, Gold Saving, FX
Saving, Order Tracking, My Smart Broker, Investment

Packages, Safe Deposit Box, Gold Days (Scrap Gold).

Findeks Package, Product Bundles



- Expert and experienced workforce
- Priority services and privileges focused on customer satisfaction on all channels
- Remote service model based on a strong digital infrastructure for customers who prefer to carry out their transactions without visiting a branch
- Customer relationship management based on a long-term perspective
- A wide range of investment products tailored to customer profiles
- Strong position among private banks with 17.1% market share in individual general purpose loans



Offering various products and services, Yapı Kredi is an important member of the production and commercial cycle of a broad range of companies from major companies to SMEs operating in Türkiye.

OMMERCIAL AND SME BANKING

Working Capital Loans, Long-Term Loans, Letters of Guarantee, Money Transfers, Project Finance, Direct Debit System, BANKOTM-OHES, Payment Products, Collection Products, Supplier Financing, Inventory Financing, Commercial Credit Cards, POS, Public Payments, Derivatives, **Export and Import Payment Transactions (Letter** of Credit, Cash on Delivery, Cash in Advance. Cash against Goods) External Guarantee, Counter Guarantee, Policy/Bond Aval, Forfaiting, Country Loans, Import and Export Credits, T.Eximbank SÖİK and Letters of Guarantee, **CBRT** Export and Foreign Exchange Earning Services Rediscount Credits, Rediscount Credits Originated from CBRT Currency Swap Agreements, Corporate Finance Consulting, Financial Advisory, Mergers and Acquisitions Financing, Capital Management Consultancy

- Service model designed to offer high-quality service to commercial customers
- Service concept prioritizing digitalization in products, services, and processes
- Focus on cash flow needs of companies through cash management and foreign trade
- Supporting the Bank's overall performance through dealer and supply chain and private banking customer acquisition
- Strong and comprehensive finance support to SMEs through special loan agreements with foreign financial institutions as well as strategic collaborations established under the programs run by the Credit Guarantee Fund (CGF), and Small and Medium Industry Development Organization, and Export Development Programs, where Yapı Kredi plays a pioneering role among private sector banks.



Yapı Kredi offers high quality solutions to the assets under its management thanks to its competencies and experience.

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TREASURY

Tresury manages Yapı Kredi's liquidity needs, interest rate risk and foreign currency (FC) position, and controls the Bank's investment portfolio.



- Assets and liabilities management quickly adopting to the interest risk concerning the Bank's balance sheet and off-balance sheet liabilities, and to market developments
- Taking pioneering actions that make a difference by interpreting market developments
- Robust infrastructure and know-how
- New products tailored to client needs and market developments in an ever-expanding product range
- Uncompromising transaction continuity and diversity in treasury products offered through digital channels
- Effective management in parallel with the current market conditions.

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Subsidiaries of Yapı Kredi

DOMESTIC	PRODUCTS AND SERVICES	AREAS OF DIFFERENTIATION AND STRENGTH		
YapıKredi Leasing	Provides financial leasing solutions for machinery and equipment to a broad array of companies with a particular focus on construction, printing, automotive, tourism, agriculture, medical and real estate sectors.	 A leading institution with 17% market share. The sector's first mobile application, first online transactions, and second-hand sales module on mobile. World Lease product allowing leasing using a credit card. It has been awarded the "Best Equipment Leasing Company" by Global Banking & Finance Review magazine in 2024. 		
YapıKredi Faktoring	Offers sustainable quality in domestic and overseas factoring services, and produces unique strategic solutions for the customer portfolio.	 According to Kincentric Best Employers' research, it has been selected as "Türkiye's Best Workplace" for the fifth time in 2024. Solidly positioned in the sector with robust shareholding and financial structure coupled with a high market share. Yapı Kredi Factoring was recognized as Türkiye's Best Factoring Company by the Global Banking and Finance Review magazine in 2024. 		
YapıKredi Asset Management	Offers Private Pension Funds Management and Discretionary Portfolio Management, and Investment Advisory services.	Pioneering the sector with advanced product management expertise Broad range of deep-seated client management services and sales support functions Market leader in mutual funds. It has been awarded the "Best Portfolio Management Company Türkiye 2024" by Global Business and Finance Magazine Awards and Global Excellence Chronicle Magazine.		
YapıKredi Invest	Provides a wide range of services from domestic and overseas equity transactions to derivatives and advisory services	 Ranks first in terms of market share in equities and derivatives High quality sales and execution service to domestic and foreign institutional investors for different products It has been awarded the "Best Brokerage Firm 2024" in the Brokerage category of the Global Business Magazine Awards. 		

DOMESTIC	PRODUCTS AND SERVICES	AREAS OF DIFFERENTIATION AND STRENGTH		
YapıKredi Netherland	Offers a broad range of products, services and solutions in retail, corporate and private banking segments.	Deep-seated market knowledge and strong transaction capabilities in foreign trade and structured commodity finance Offering services to Yapı Kredi customers residing abroad		
YapıKredi Bank Azerbaijan	Offers a broad range of products and services in retail, corporate and commercial banking segments.	 Investments in digital products and channels High quality services in economic relations between Türkiy and Azerbaijan and in foreign trade 		
YapıKredi Deutschland	The company's main focus is corporate banking, providing trade finance, cash management, and treasury products to large and medium-sized Turkish enterprises and Germany-based multinational firms.	 Providing innovative solutions by serving companies that trade between Europe and Türkiye. Enhancing customer satisfaction through expertise in trade finance and corporate banking solutions. 		

YAPI KREDI LEASING

17.0%Market Share

ON THE BASIS OF LEASING RECEIVABLES

YAPI KREDI FACTORING

7.4% Market Share

ON THE BASIS OF TOTAL TRANSACTION VOLUME

YAPI KREDI INVEST

13.3%
Market Share

ON THE BASIS OF MARKET SHARE IN EQUITIES

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2024 Sector Positioning

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	SECT	OR	PRIVATE I	BANKS
TOTAL BANKS	MARKET SHARE	RANKING	MARKET SHARE	RANKING
Total Loans (Cash+Non-Cash)	8.5%	6	16.6%	3
Deposits	7.1%	7	13.6%	4
DISTRIBUTION NETWORK				
Number of Employees ⁽¹⁾	7.7%	6	12.2%	3
Number of Branches ⁽¹⁾	8.3%	6	14.2%	3
ATM	11.1%	5	17.8%	4
BANKING ACTIVITIES				
Credit Card Ourstanding	13.3%	3	17.8%	3
Credit Card Issuer	14.3%	3	19.6%	3
POS Acquiring Volume (incl. ATM)	15.3%	3	23.1%	5
Number of Credit Cards	15.3%	1	21.0%	1
Consumer Loans	10.8%	6	15.8%	4
General Purpose Loans	13.0%	4	17.1%	3
Leasing Receivables (2)	17.0%	1		
Factoring Turnover	7.4%	-		
Mutual Funds	8.6%	6		
Equity Transaction Volume	13.3%	1		

¹⁾Group employee number: 14.402; Group branch number: 772

Sectoral market shares are calculated based on BRSA monthly data as of December 2024 and BRSA weekly data as of 27 December 2024.

it has been calculated based on the comparison of financials disclosed by peer banks on the Public Disclosure Platform (KAP).

Summary Financials

GROWTH	2023	2024	CHANGE
Assets (billion TL)	1,863	2,554	37%
Cash + Non-Cash Loans (billion TL)	1,308	1,813	39%
Loans (billion TL)	920	1,264	37%
TL Loans (billion TL) (1)	646	836	29%
Customer Deposits (billion TL)	1,076	1,348	25%
TL Customer Deposits (billion TL)	617	786	27%
PROFITABILITY			
Revenues (million TL)	158,263	151,510	-4%
Operating Expenses (million TL)	48,857	81,323	66%
Net Income (million TL)	68,010	29,019	-57%
Return on Average Tangible Equity	45.1%	15.8%	-29.2%
Return on Assets	4.5%	1.3%	-3.1%
Cost/Income Ratio	30.8%	53.6%	22.7%
LIQUIDITY AND CAPITAL			
Capital Adequancy Ratio	16.9%	15.2%	-169 bp
Tier-1 Ratio	15.3%	12.6%	-273 bp
Bank Loans / (Deposits + TL Bills)	82.2%	91.3%	912 bp
ASSET QUALITY			
Non-Performing Loans Ratio	2.9%	3.0%	12 bp
Total Coverage ⁽²⁾	4.4%	3.8%	-64 bp
Cost of Risks (3)	14	58	44 bp

Notes

All data based on consolidated financials unless otherwise stated

⁽²⁾ The data of all companies is not shared by FIA or BRSA;

⁽¹⁾ Excluding FX-indexed loans

⁽²⁾ Based on unconsolidated financials

⁽³⁾ The ratio of total loan impairment provisions to total gross loans excluding collections. Adjusted for FX hedge on ECL.

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Board of Directors

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ALİ Y. KOÇ

CHAIRMAN OF THE BOARD OF DIRECTORS

Ali Y. Koç received his bachelor's degree at Management Faculty of Rice University. He earned an MBA from Harvard Business School. He started his career at American Express Bank as a Management Trainee and continued as an Investment Analyst at Morgan Stanley Investment Bank. Mr. Ali Y. Koç joined Koç Holding in 1997 and held senior-level positions until 2010 including new business development and information technologies. He was the President of Corporate Communications and IT Group. He served as a Board Member at Koç Holding for over 12 years. In addition, he was elected as Vice Chairman on February 2016. Mr. Ali Y. Koç serves as Chairman of the Board of Koc Financial Services and Yapı Kredi Bank since 1 April 2016. Currently, Ali Y. Koç is the Chairman of Bilkom, Digital Panorama, Ford Otosan, Koçtaş, Otokar, Setur. In addition to being Chairman and Vice Chairman at Türkiye's biggest companies and financial institutions, Ali Y. Koç also contributes to country's social and economic development and currently is the President of Fenerbahçe Sports Club and the Turkish Club Association. He is a Board Member at the National Competition Research Association (URAK), Board Member at ECA (European Club Association) and Endeavor Association, a member of the Global Advisory Council of Bank of America, Harvard University and Council on Foreign Relations. He is also a member of Panel of Senior Advisers at Chatham House and a member of Trade and Investment Council at the Confederation of British Industry.

LEVENT ÇAKIROĞLU

VICE CHAIRMAN OF THE BOARD OF DIRECTORS

Levent Çakıroğlu graduated from Ankara University - Faculty of Political Sciences, Business Administration Department and received his master's degree from University of Illinois. He started his professional career at the Ministry of Finance in 1988. Between 1997-1998, he taught as part time instructor at Bilkent University and served as Vice President of Financial Crimes Investigation Board at the Ministry of Finance. Çakıroğlu joined Koç Group in 1998 as Koç Holding Financial Group Coordinator. He was the General Manager of Koçtaş between 2002-2007, CEO of Migros between 2007-2008, CEO of Arçelik between 2008-2015 and the President of the Durable Goods Group of Koç Holding A.Ş. between 2010-2015. Çakıroğlu was appointed as the Deputy CEO of Koc Holding in February 2015 and he took over the CEO position in April 2015. As of April 2016, Çakıroğlu is also a Board Member at Koç Holding. Çakıroğlu became a Board Member at Yapı Kredi and Koç Financial Services in April 2015. In February 2020, he was appointed as Vice Chairman of Yapı Kredi Board. Çakıroğlu is also a Board Member in various Koç Group Companies.

GÖKHAN ERÜN

EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER (CEO)

After graduating from İstanbul High school (İstanbul Erkek Lisesi), Gökhan Erün earned his undergraduate degree from İstanbul Technical University - Department of Electronics and Communications and graduate degree from Yeditepe University - Business Administration. Erün began his career at Garanti Bank Treasury Department in 1994. Between 1999-2004, Erün served as the Senior Vice President of Commercial Marketing and Sales Department. After becoming the CEO of Garanti Pension and Life in 2004, he was appointed as Executive Vice President of Garanti Bank in September 2005. Erün began to serve as the Deputy CEO of Garanti Bank in September 2015, also in charge of Corporate Banking, Treasury, Treasury Marketing and Financial Solutions, Derivatives, Cash Management and Transaction Banking, and Financial Institutions. At the same time, he was Board Chairman and Board Member in various local and international subsidiaries of Garanti Bank. As of January 2018. Erün has continued his career in Yapı Kredi as Executive Director in Board of Directors and Chief Executive Officer (CEO). In addition, Erün is the CEO of Koç Financial Services and holds positions in the Boards of various Yapı Kredi Group subsidiaries, Koc Finansman A.Ş. and Allianz Yaşam ve Emeklilik A.Ş. Also as of April 2021, Erün became the President of Koç Holding's Banking Group.

AHMET F. ASHABOĞLU

MEMBER OF THE BOARD OF DIRECTORS

Ahmet F. Ashaboğlu holds a Bachelor of Science degree from Tufts University and a Master of Science degree from Massachusetts Institute of Technology (MIT) in Mechanical Engineering. In 1994, he began his career as a Research Assistant at MIT. Between 1996-1999, Ashaboğlu held various positions in capital markets within UBS Warburg, New York. Between 1999-2003, he worked as a Consultant at McKinsey & Company, New York. In 2003, Ashaboğlu joined Koç Holding as Finance Group Coordinator. He served as the CFO of Koç Holding from 2006 to April 2022. In addition to being a Board Member at Yapı Kredi and Koç Financial Services since September 2005, Ashaboğlu is also a Board Member at various other public and non-public companies.

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A. ÜMİT TAFTALI

MEMBER OF THE BOARD OF DIRECTORS

A. Ümit Taftalı earned his Bachelor of Science degree in Finance from Ball State University (Indiana) and his MBA degree from University of South Carolina. He also participated in senior executive programs at Harvard University. Taftalı is an investment banker and wealth manager with nearly 40 years of international experience. He has worked in executive positions in Atlanta, New York and London for Merrill Lynch & Company, Bankers Trust Company and Goldman Sachs International. Taftalı represented and advised Mrs. Suna (Koç) Kıraç between 2001-2020 was a Member of Koc Holding Executive Committee until April 2021. He currently manages the Koc family's private investment office and is Chairman of Kare Portföy. Taftalı is or has been Board/ Founding Member of various philanthropic and professional organizations such as Suna-İnan Kıraç Foundation, Educational Volunteers Foundation of Türkiye (TESEV), Turkish Industrialists and Businessmen Association (TÜSİAD), Saint Joseph Educational Foundation, Educational Volunteers Foundation of Türkiye (TEGV), Galatasaray Sport Club, American Finance Association (USA), Financial Management Association (USA), Museum of American Financial History (USA), Ball State University Foundation (USA), Turkish Bankers Association (UK), University of South Carolina Foundation (USA). Taftalı has been a Board Member of Yapı Kredi and Koc Financial Services since April 2016.

DR. AHMET ÇİMENOĞLU

MEMBER OF THE BOARD OF DIRECTORS (INDEPENDENT)(1)

Ahmet Çimenoğlu graduated from Department of Economics at Boğaziçi University in 1992. After completing his MA in Economics at Boğaziçi University, Çimenoğlu started his professional life as an economist at Yapı Kredi in 1995. He received his PhD degree in economics at Istanbul Technical University in 2002. He worked as the Chief Economist, and Head of Strategic Planning and Research at Yapı Kredi, respectively, between July 2004 and February 2009. In March 2009, he joined Koç Holding as the Head of Economic Research. He is currently the Chief Economist of the Koç Holding. Mr. Çimenoğlu has been serving as a Board member at Koç Financial Services and Yapı Kredi since March 2019.

VİRMA SÖKMEN

MEMBER OF THE BOARD OF DIRECTORS (INDEPENDENT)

Virma Sökmen has a Bachelor degree in Finance from LaSalle University. Sökmen began her professional career at research and investment banking departments of Körfezbank and Çarşı Menkul Degerler. Between 1993-2001, Sökmen worked at Midland Bank A.S. as a Credit Analyst. Between 2001-2010, she served as Corporate Banking Group President and an Executive Vice President of Corporate and Commercial Banking at HSBC. Sökmen managed corporate banking, commercial banking foreign trade and provision management, factoring, corporate and commercial insurance, corporate marketing and cash management units since 2010. Sökmen also served as the Assistant General Manager, responsible from Corporate and Commercial Banking, at HSBC. Sökmen is an Independent Board Member at Sarkuysan Elektrolikit Bakır Sanayi ve Ticaret A.Ş., Ecogreen Enerji Holding AŞ and Mogan Enerji Yatırım Holding AŞ. In addition, she is a Board Advisor for Hedef Araç Kiralama ve Servis AŞ. Virma Sökmen has been a Board Member of Yapı Kredi and Koç Financial Services since March 2019.

NEVIN IPEK

MEMBER OF THE BOARD OF DIRECTORS (INDEPENDENT)(1)

Nevin İpek graduated from Ankara University, Faculty of Political Sciences, Department of Business Administration in 1993. She received an MBA degree from the same university in 1997. İpek also earned a Master of Accounting degree from the University of Michigan in 2001. İpek began her career at the Capital Markets Board (CMB) of Türkiye. At the CMB, she worked as Assistant to Expert between 1994-1997, Expert between 1997-2005, Deputy Head of Corporate Finance Department between 2005-2006 and Head of Institutional Investors Department between 2006-2007. She joined Koç Group in 2007 and is still working as Finance Coordinator responsible from Compliance to Securities Regulation. She is also heading the Capital Markets Working Group in TÜSİAD from 2013. Nevin İpek has been a Board Member of Yapı Kredi, Yapı Kredi Yatırım and Koç Financial Services since February 2020.

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KEMAL UZUN

MEMBER OF THE BOARD OF DIRECTORS

Kemal Uzun received his bachelor degree in Business Administration from Ankara University and his Master's degree in Finance from the University of Illinois. In 1990, Uzun started his career as an Apprentice Public Account Inspector. He worked at the Ministry of Finance as Assistant Tax Auditor (1991-1994), Tax Auditor (1994-2002), Senior Tax Auditor (2002-2003) and Head of Department (2003-2005). Later, he functioned in Group Head (2005-2006) and Department Head (2006) positions at the Revenue Administration. Between 2006 and 2011, Uzun worked as Koç Holding's Audit Group Coordination and from 2011 until 2021 as Tax Management Director. Uzun has been serving as the President of Koç Holding's Audit Group since April 2021. He is also a member of the Boards of Directors of various Koc Group companies. In addition to these roles, he is a member of Turkish Industry and Business Association (TÜSİAD), Tax Council and TURMEPA. Kemal Uzun has been a Board Member of Yapı Kredi and Koc Financial Services since April 2022.

POLAT ŞEN

MEMBER OF THE BOARD OF DIRECTORS

Polat Şen received his bachelor's degree from Marmara University, Department of Economics (in English) in 1998 and his master's degree in international accounting and finance from the University of Bradford, School of Management in 1999. He completed the Harvard Business School Advanced Management Program in 2016. Having started his career in the Internal Audit Department of Koc Holding in 2000, he was appointed as Internal Audit Manager at Arcelik A.Ş. in 2005, and Group Director of Finance and Accounting at Grundig Electronics / Grundig Multimedia B.V. in 2008. He worked as Finance and Accounting Director at Arcelik A.S. / Grundig Multimedia B.V. in 2009 and 2010, and as Purchasing Director from 2010 until 2015. Polat Şen served as the CFO of Arçelik A.Ş. between 2015 and 2022, in tandem with which he held the position of Assistant General Manager responsible for Sub-Saharan Operations of Arçelik Group. Şen was appointed the CFO of Koc Holding at 2022. Polat Şen has been a Board Member of Yapı Kredi and Koç Financial Services since April 2022. Şen is also a board member in various Koc Group Companies.

(1) Based on Capital Markets Board's Item 6(3)a of the Communique Serial II-17.1 on Corporate Governance, Ahmet Çimenoğlu and Nevin İpek, Members of the Audit Committee are deemed as Independent Board Members. Board of Directors (yapikrediinvestorrelations.com).

The members of the Board of Directors each have a one-year term of duty. Appointments of members are set out annually at the Annual Shareholders' Meeting. Ali Y. Koç, Ahmet F. Ashaboğlu, Levent Çakıroğlu, and A. Ümit Taftalı, who are members of the Board of Directors, are also members of Board of Directors at other Koc Group companies due to their positions in Koc Holding.

Senior Management

GÖKHAN ERÜN

EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER (CEO)

After graduating from İstanbul High school (İstanbul Erkek Lisesi), Gökhan Erün earned his undergraduate degree from İstanbul Technical University - Department of Electronics and Communications and graduate degree from Yeditepe University - Business Administration. Erün began his career at Garanti Bank Treasury Department in 1994. Between 1999-2004, Erün served as the Senior Vice President of Commercial Marketing and Sales Department. After becoming the CEO of Garanti Pension and Life in 2004, he was appointed as Executive Vice President of Garanti Bank in September 2005. Erün began to serve as the Deputy CEO of Garanti Bank in September 2015, also in charge of Corporate Banking, Treasury, Treasury Marketing and Financial Solutions, Derivatives, Cash Management and Transaction Banking, and Financial Institutions. At the same time, he was Board Chairman and Board Member in various local and international subsidiaries of Garanti Bank. As of January 2018, Erün has continued his career in Yapı Kredi as Executive Director in Board of Directors and Chief Executive Officer (CEO). In addition. Erün is the CEO of Koc Financial Services and holds positions in the Boards of various Yapı Kredi Group subsidiaries, Koç Finansman A.Ş. and Allianz Yaşam ve Emeklilik A.Ş. Also as of April 2021, Erün became the President of Koc Holding's Banking Group.

MEHMET ERKAN AKBULUT

ASSISTANT GENERAL MANAGER - CORPORATE BANKING

Mehmet Erkan Akbulut graduated from Business Administration Department of Faculty of Political Science at Ankara University in 1989. He started his career in Yapı Kredi Bankası as an Assistant Internal Auditor, then worked as Department Manager in Credits Management, then as Directors in Corporate Banking Management and Commercial Banking Management. He had been expatriated to Yapı Kredi Azerbaijan and worked as Assistant General Manager, Credits and Risk Management between 2009 and 2013. Returning to Yapı Kredi, he worked as Director and then Group Director in Monitoring and Workout in Corporate and Commercial Credits between 2013 and 2018. Between 2018 and 2020 he worked as the Group Director of Corporate and Commercial Credits Underwriting. He worked as a Head of Collection and Workout Management between the dates of 2020 August - 2021 August. Between 2021 and 2024, he worked as Assistant General Manager - Credits, As of July 2024, he was appointed as Assistant General Manager - Corporate Banking. He has been Yapı Kredi Bank Executive Committee Member since 2021. Akbulut is also a member of the Board of Directors of Yapı Kredi Faktoring, Yapı Kredi Leasing, Yapı Kredi Deutschland and Turkish Credit Bureau.

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YAKUP DOĞAN

ASSISTANT GENERAL MANAGER - LIMITLESS BANKING

After graduating from the Faculty of Business Administration at Çukurova University, Yakup Doğan started his career at İşbank as an Assistant Specialist in 1992. Between 1996 and 2001. he worked at Ottoman Bank in Senior Management positions responsible for the development of Retail Banking, Credit Cards and Alternative Delivery Channels. In 2001, Doğan joined Koçbank as Alternative Delivery Channels Manager. With the merger of Yapı Kredi and Koçbank in 2006, Doğan held the position of Alternative Delivery Channels Executive Vice President in Yapı Kredi. Doğan has been Assistant General Manager in charge of Alternative Delivery Channels (Limitless Banking) at Yapı Kredi since May 2009. Doğan has been a Member of the Executive Board at Yapı Kredi since October 2020, and he is a Member of the Board of Directors at Yapı Kredi Teknoloji A.Ş., Yapı Kredi Finansal Teknolojiler A.Ş., Yapı ve Kredi Bankası A.Ş. Mensupları Yardım ve Emekli Sandığı Vakfı and Tanı Pazarlama ve İletişim Hizmetleri A.Ş.

CAHİT ERDOĞAN

ASSISTANT GENERAL MANAGER - COMMERCIAL AND SME BANKING MANAGEMENT

Following graduation from Istanbul Technical University / Faculty of Mechanical Engineering, Cahit Erdoğan completed his MBA degree from Rochester Institute of Technology. Erdoğan started his professional career at Xerox Corporation (Rochester, NY) as a Business Analyst. In 2000, Erdoğan started his Management Consultancy career by joining Accenture Türkiye. Until 2019, he worked in Accenture as Consultant, Manager and Senior Manager and in February 2008, he was appointed as Türkiye Country Lead of the Management Consulting. Erdoğan joined Yapı Kredi in 2009 as Chief Information Officer (CIO). Since July 2013, he assumed the position of Assistant General Manager in charge of Information Technologies and Operations at the Bank. Between May 2020 and August 2021, he was the Chief Operations Officer (COO), responsible of Information Technologies, Operations and Analytics. As of August 2021, he appointed as Assistant General Manager of Commercial and SME Banking in Yapı Kredi. Mr. Erdoğan is also a member of the Executive Committee in Yapı Kredi since July 2013, the Chairman of the Board of Directors in Yapı Kredi Technology A.Ş between May 2015- August 2021, he was the member of the Board in Yapı Kredi Investment & Securities A.Ş. between March 2020- September 2021, member of the Board in Yapı Kredi Factoring, Yapı Kredi Leasing, Yapı Kredi Bank Azerbaijan since August 2021, Yapı Kredi Bank Nederland since October 2021, Tanı Marketing and Communucation Services since December 2021, Yapı Kredi Financial Technologies since February 2022.

ABDULLAH GEÇER

ASSISTANT GENERAL MANAGER - INTERNAL AUDIT

After graduating from the Department of Economics at Middle East Technical University in 1996, Abdullah Geçer began his professional career at the Undersecretariat of Treasury as an Assistant Sworn Bank Auditor. Having served in this position between 1996 and 2000, Abdullah Geçer assumed Sworn Bank Auditor and Senior Sworn Bank Auditor positions in Banking Regulation and Supervision Agency of Türkiye between 2000 and 2007, and completed the MBA in Finance program at University of Nottingham in 2006. Serving as a coordinator in Koç Holding Audit Group in 2007 – 2020, Abdullah Geçer was appointed as the Assistant General Manager for Internal Audit in Yapı Kredi on 20 April 2020.

HAKAN KAYA

GENERAL COUNSEL

Hakan Kaya graduated from Istanbul University Faculty of Law in 2003, and completed his EMBA program at Koç University. Following the legal internship and starting his career in private law firms, Hakan Kaya advanced into Banking and Finance sector in 2008, as a lawyer in Turkland Bank. He joined Yapı Kredi in 2013, serving as a legal counsel until 2015, Criminal Law Affairs Manager until 2016, Head of Litigation until 2019 and Legal Follow-up Director until October 2023 respectively. He continues to serve as the Chief Legal Officer of Yapı Kredi since October 2023. Hakan Kaya also acts as the General Secretary of Yapı Kredi Sports Club and is also a member of the Disciplinary and Ethics Committees of Yapı Kredi.

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DEMİR KARAASLAN

ASSISTANT GENERAL MANAGER - FINANCIAL PLANNING AND ADMINISTRATION (CFO)

Mr Karaaslan graduated from Marmara University, Business Administration department in 1999. Between September 1999 and December 2004, he worked at PricewaterhouseCoopers (PwC) where he joined as an Assistant Auditor and promoted to Audit Manager. He continued his career at Koçbank between 2005 and 2006 as Head of Budget & Planning. In 2006, following the merger of Koçbank and Yapı Kredi Bank, he was appointed as Vice President responsible from Planning & Control. He has been the Head of Planning & Control since 2010 and promoted as Executive Vice President in 2011. Starting from January 2016, he was appointed as Assistant General Manager in charge of Retail Credits. Currently, he continues to serve as Chief Financial Officer (CFO) starting from March 2020. Mr Karaaslan also assumes the positions of member of Board in several subsidiaries of Yapı Kredi Bank. He was also a board member of Credit Bureau and a member of The Banks Association of Türkiye Risk Center.

E. KÜRŞAD KETECİ

ASSISTANT GENERAL MANAGER - STRATEGY (CSO)

Kürşad Keteci earned his undergraduate degree from Marmara University Business Administration. Keteci began his career at Andersen Audit and Consultancy in 2001. Between 2001 and 2003 he worked in audit work of several banks and financial institutions. Between 2003 and 2006 he worked in Transaction Services Department for M&A activities as well as consultancy projects in financial sector. He worked as Deputy CFO in Bankpozitif Investment Bank between 2006 and 2012. He joined Yapı Kredi in 2012 and served as Head of Financial Reporting, Head of Budget and Planning and Head of Corporate Strategy and Investor Relations. Between March 2020 to June 2024, Keteci was responsible for Strategic Planning, Investor Relations and Strategic Investments as Chief Strategy Officer (CSO). Since June 2024, he became a member of Executive Committee and appointed as Assistant General Manager of Strategy. He is currently responsible for Strategic Planning, Customer and Service Model Analytics, Capacity Planning, Strategic Investments as well as Investor Relations.

NURSEZİL KÜÇÜK KOÇAK

ASSISTANT GENERAL MANAGER - CREDITS

Nursezil Küçük Koçak graduated from Istanbul University,
Department of Economics in English in 2002 and completed the
Master of Business Administration program for executives at Koç
University. Nursezil Küçük Koçak started her professional career at
Yapı Kredi in 2003 and worked as Credit Underwriting Specialist
until 2012. Nursezil Küçük Koçak served as the Corporate Credit
Underwriting Manager and Commercial Credit Underwriting
Region Manager between 2012 and 2014, Following this
position, she served as Commercial Credit Region Underwriting
Vice President, Commercial Credit Underwriting Vice President,
Specialized Credits and Corporate Credits Underwriting Vice
President respectively. Nursezil Küçük Koçak, who has been
serving as the Corporate and Commercial Credit Underwriting
Executive Vice President since August 2020, was appointed as the
Credits Assistant General Manager on July 24, 2024.

ÖZDEN ÖNALDI

ASSISTANT GENERAL MANAGER - HUMAN RESOURCES ORGANIZATION AND INTERNAL SERVICES

Özden Önaldı graduated from Istanbul Technical University's Department of Management Engineering and earned her Executive MBA degree from Koç University. She began her professional career as a Project Consultant at SAP Company in 1999. Önaldı, later continued her banking career at Osmanlı Bank in the Alternative Distribution Channels department. In 2002, she started working at Garanti Bank, where she led several strategic projects in CRM & Marketing, Strategic Planning, IT, and Human Resources at various management levels. Özden Önaldı joined Koc Holding in 2016 and worked in Human Resources & Industrial Relations Group in digital transformation, agile transformation, and leadership programs areas. As of February 2022, Önaldı has been appointed as the Assistant General Manager of Human Resources Organization & Internal Services and a member of the Executive Committee in Yapı Kredi. She has joined the Board of Yapı Kredi Technology, Yapı Kredi Invest, Yapı Kredi Factoring and Yapı Kredi Leasing in March 2023.

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MEHMET ERKAN ÖZDEMİR

ASSISTANT GENERAL MANAGER - CORPORATE BANKING

Presentation

Mehmet Erkan Akbulut graduated from Business Administration Department of Faculty of Political Science at Ankara University in 1989. He started his career in Yapı Kredi Bankası as an Assistant Internal Auditor, then worked as Department Manager in Credits Management, then as Directors in Corporate Banking Management and Commercial Banking Management. He had been expatriated to Yapı Kredi Azerbaijan and worked as Assistant General Manager, Credits and Risk Management between 2009 and 2013. Returning to Yapı Kredi, he worked as Director and then Group Director in Monitoring and Workout in Corporate and Commercial Credits between 2013 and 2018. Between 2018 and 2020 he worked as the Group Director of Corporate and Commercial Credits Underwriting. He worked as a Head of Collection and Workout Management between the dates of 2020 August - 2021 August. Between 2021 and 2024, he worked as Assistant General Manager - Credits. As of July 2024, he was appointed as Assistant General Manager - Corporate Banking. He has been Yapı Kredi Bank Executive Committee Member since 2021. Akbulut is also a member of the Board of Directors of Yapı Kredi Faktoring, Yapı Kredi Leasing, Yapı Kredi Deutschland and Turkish Credit Bureau

GÖKHAN ÖZDİNÇ

ASSISTANT GENERAL MANAGER - COMPLIANCE, INTERNAL CONTROL AND RISK MANAGEMENT

Gökhan Özdinç earned a Bachelor of Science degree in Computer Engineering (1997), MBA (1999) and Ph.D. (in Management) (2006) degrees from Boğaziçi University. Özdinç started his career as a software engineer in Finansbank Information Technologies. He managed Card Payment Systems Applications Development, Software Architecture, Business Analysis, Project & Program Management, Digital Channels Applications Development, Datawarehouse & Business Intelligence teams till 2012. He worked as the member of the Management Board responsible from Digital Banking and Data Management teams in Finansbank's Information Technologies company, IBTECH, between 2012 and 2014. Özdinç was appointed as the COO, responsible from Information Technologies and Banking Operations departments in Aktifbank between 2014 and 2019. At the same time he also assumed the positions of the member of Board in E-kent, NKolay and Çalık Digital, the subsidiaries of Aktifbank.

Özdinç joined Yapı Kredi in 2020 and worked as the Subsidiaries' Application Development & IT Governance Director and the CIO of Yapı Kredi Invest. As of August 2021, he was appointed as the Assistant General Manager of Yapı Kredi in charge of Technology, Data & Analytics and Process Management, and a member of the Executive Committee. At the same time, Özdinç has been giving lectures in the Department of Management Information Systems and the Department of Management at Boğaziçi University since 2007.

SERKAN ÜLGEN

ASSISTANT GENERAL MANAGER - RETAIL BANKING

Serkan Ülgen received his B.S. degree in Industrial Engineering from Bilkent University, Ankara in 1998. Following his graduation, he started his professional career at BENKAR Consumer Financing and Credit Card Services within Boyner Group. In 2001, he joined Yapı Kredi Bank and since then, held different positions in Retail Banking and Card Payment Systems at Yapı Kredi. In this time period he got his MBA degree from Boğaziçi University, Istanbul in 2005.

Serkan Ülgen, has been working as Yapı Kredi's Assistant General Manager responsible for Retail Banking and a member of the Executive Committee since January 1, 2018. Ülgen is also a Member of the Board of Yapı Kredi Bank Azerbaijan, Yapı Kredi Invest and Yapı Kredi Financial Technologies and also Yapı Kredi Pension Fund Foundation.

In addition to his responsibilities in the Bank, Ülgen is also a board member of Interbank Card Center (BKM), Allianz Life and Pension, Tanı Marketing and Communication Services and UK-based 441 Trust Company companies. Also, Ülgen has been serving as the Head of the Supreme Council of Türkiye within Visa Türkiye and continuing his duty as the Advisory Board Member within MasterCard Europe.

SARUHAN YÜCEL

ASSISTANT GENERAL MANAGER - TREASURY AND FINANCIAL INSTITUTIONS

Saruhan Yücel earned his undergraduate degree from Istanbul University Department of Business Administration and his graduate degree from University of Illinois in Business Administration. Yücel started his career at Koçbank in fund Management Department in 2000. Following his role as Securities Portfolio Manager, between 2002 and 2003, in Yapı Kredi Portfolio in Investment Funds Management Fixed Income department, between 2003 and 2018, he worked as FX and Money Markets Senior Dealer, FX Markets Vice President, Fixed Income Securities Vice President and Balance Sheet Management and Fixed Income Securities Executive Vice President in Yapı Kredi Bank. Following June 2018, he continued his career as Treasury Management Assistant General Manager. He is also Member of the Executive Committee at Yapı Kredi Bank.

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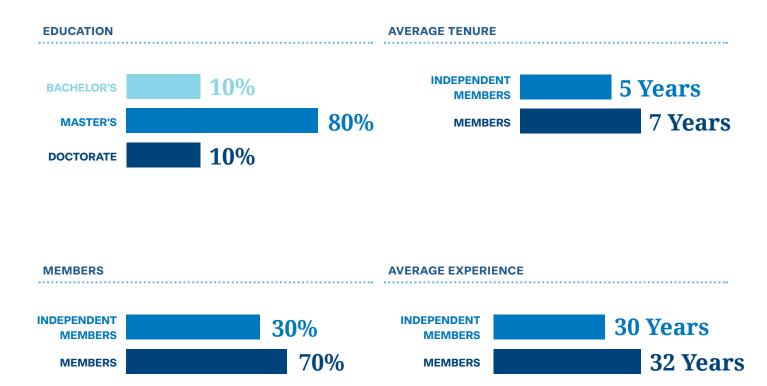
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Board of Directors

	2020	2021	2022	2023	2024
Number of Members	10	12	12	10	10
Average of Women Members (%)	20	20	17	20	20
Average of Independent Members (%)*	30	40	33	30	30
Average Age	51	52	53	55	56
Average Tenure	4	4	5	6	7
Education	10 member	12 member	12 member	10 member	10 member
Bachelor's (%)	10 member	12 member	12 member	10 member	10 member
Master's (%)	8 member	10 member	11 member	9 member	9 member
Doctorate (%)	1 member	1 member	1 member	1 member	1 member

^{*} Within the framework of Article 6, paragraph (3)a of the Capital Markets Board's Communiqué on Corporate Governance No. II-17.1, Ahmet Çimenoğlu and Nevin İpek, who have been appointed as Members of the Audit Committee, are considered independent Board Members.



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Board of Directors and Committees

BOARD OF DIRECTORS

The Board of Directors convenes upon the request of the Chairman when necessitated by the Bank's business. The Board of Directors reviews and decides on the corporate agenda, as authorised by the Articles of Association of the Bank, laws and regulations. In 2024, the Board of Directors convened 7 times with the required majority and quorum satisfied.

EXECUTIVE COMMITTEE

The Executive Committee is the decision making body of the Group, established to collectively decide upon priority topics, facilitate information sharing among senior management and support strong team spirit. The Committee holds regular weekly meetings or according to the needs of the bank (at least once a month). All decisions are taken unanimously by the members. In 2024, the Executive Committee convened 46 times with the required majority and quorum satisfied.

The Committee's major responsibilities include:

- Defining Group strategies and the Bank's structural risk management
- Managing asset-liability guidelines including pricing and interest rates
- Evaluating existing products and approving new products
- Assessing credit, operational, market and liquidity risks
- Ensuring coherence of the Bank's commercial policies and principles with budget objectives
- Improving customer satisfaction and marketing activities
- Internal and external communication plans
- Approving the Bank's annual project plan and major organisational changes
- Optimising market risk strategies within the guidelines set by the Board of Directors

Chair	Gökhan Erün	Executive Director and Chief Executive Officer (CEO)	
Member	Cahit Erdoğan	Assistant General Manager - Commercial and SME Banking Management	
Member	Serkan Ülgen	Assistant General Manager - Retail Banking	
Member	Saruhan Yücel	Assistant General Manager - Treasury and Financial Institutions	
Member	Demir Karaaslan	Assistant General Manager - Financial Planning and Administration (CFO)	
Member	Yakup Doğan	Assistant General Manager - Limitless Banking	
Member	Mehmet Erkan Akbulut	Assistant General Manager - Corporate Banking	
Member	Gökhan Özdinç	Assistant General Manager - Technology, Data and Process Management	
Member	Özden Önaldı	Assistant General Manager - Human Resources, Organization and Internal Services	
Member	Kürşad Keteci	Assistant General Manager - Strategy	
Member	Nursezil Küçük Koçak	Assistant General Manager - Credits	
ATTENDEES OF THE COMMITTEE WITHOUT VOTING RIGHTS			
Member	Mehmet Erkan Özdemir	Assistant General Manager - Compliance, Internal Control and Risk Management	

AUDIT COMMITTEE

The Audit Committee administers the Bank in terms of compliance with local laws and internal regulations. The Committee convenes quarterly or more, according to the needs of the Bank. In 2024, the Audit Committee convened 4 times with the required majority and quorum satisfied. The Committee reports at least once every six months to the Board of Directors.

The Committee's major responsibilities include:

- Monitoring the performance of Internal Audit as well as Internal Control, Compliance and Risk Management
- Fulfilling the relevant tasks as determined by Banking and Capital Market regulations
- Approving and monitoring the Annual Audit Plan and the charter of the internal audit function
- Verifying adequacy of internal control systems
- Monitoring audit projects and evaluating significant findings
- Appointing, compensating and overseeing external auditors, rating, valuation and support service institutions
- Monitoring the financial reporting process
- Reviewing procurement policies and practices

AUDIT CC	MMITTEE MEMBERS	RS			
 Chair	Ahmet Çimenoğlu	Member of the Board of Directors			
 Member	Nevin İpek	Member of the Board of Directors			

RISK COMMITTEE

Risk Committee is responsible for determining the risk management strategies and risk appetite of the Bank and to prepare the policies, to make the necessary changes in accordance with the economic conjuncture and submit them to the approval of the Board of Directors. In 2024, the Risk Committee convened 6 times with the required majority and quorum satisfied.

The Committee's major responsibilities include:

- Determining the risk strategy, policies and risk appetite of the Bank regarding the risks that may arise and to ensure that these are regularly monitored
- Evaluating issues raised by the Risk Management and ensuring that necessary measures are taken regarding these issues
- Making sure that there is necessary communication between the relevant departments throughout the Bank in order to ensure efficient risk management
- Ensuring timely and reliable reporting to the Committee regarding significant risks
- Monitoring the compliance of the Bank's strategy with determined risk management strategies and risk appetite and making suggestions to remedy in case of a contradiction
- Determining the limits on the risks that the Bank is exposed to/may remain and monitoring the determined limits, taking actions in case of exceeding the limits and making studies to eliminate them and make suggestions the Board of Directors
- Monitoring the accuracy and reliability of risk measurements, methods and results, evaluating the functionality and adequacy of the Bank's risk control systems, following that the Bank takes the necessary measures to find the necessary systems, employees and resources for risk management
- Observing the preparation processes of internal capital adequacy and prevention plan measures of the Bank and evaluating the results
- Ensuring the establishment and development of risk culture in the Bank and its subsidiaries
- Monitoring the regulatory requirements regarding risk management, encouraging the development of an advanced risk management model and risk management practices

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RISK COMMITTEE ME	RISK COMMITTEE MEMBERS			
Chair	Levent Çakıroğlu	Vice Chair of the Board of Directors		
Member	Gökhan Erün	Executive Director and Chief Executive Officer (CEO)		
Member	Ahmet Çimenoğlu	Member of the Board of Directors		
Member	Polat Şen	Member of the Board of Directors		
Member	Kemal Uzun	Member of the Board of Directors		

CREDIT MONITORING COMMITTEE

Within the scope of the Credit Risk Policy, Credit Monitoring Committee reviews and evaluates the commercial loan portfolio, especially the risk groups/companies under the authority of the Board of Directors and the Credit Committee and determines the issues to be taken into account in the following periods regarding the mentioned companies. The Committee once a year or more

according to the needs of the Bank. Documents to be submitted to the Committee are prepared by the Credits Management, when necessary, other relevant managements work on the requested subjects and submit them to the Committee. In 2024, the Credit Monitoring Committee convened 1 time with the required majority and quorum satisfied.

CREDIT MONITORING COMMITTEE MEMBERS				
Chair Levent Çakıroğlu		Vice Chair of the Board of Directors		
Member	Ahmet F. Ashaboğlu	Member of the Board of Directors		
Member	Ahmet Çimenoğlu	Member of the Board of Directors		
Member	Virma Sökmen	Member of the Board of Directors		
Member	Polat Şen	Member of the Board of Directors		

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee assists the Board of Directors on compliance to Corporate Governance Principles, investor relations activities and public disclosures. In 2024, the Corporate Governance Committee convened 2 times with the required majority and quorum satisfied.

The Committee's responsibilities include:

- Identifying and providing guidance for any conflicts of interest
- Confirming that proper flow of information is ensured by the Koç Financial Services, Subsidiaries and Shareholder Relations Unit to shareholders and investors
- Conducting studies in the scope of evaluating and determining independent candidates suitable for Board of Directors and presenting the nominated candidates to the Board of Directors for approval

CORPORATE GOVERNAM	ICE COMMİTTEE MEMBERS	
Chair	Virma Sökmen	Member of the Board of Directors
Member	Nevin İpek	Member of the Board of Directors
Member	M. Erkan Özdemir	Assistant General Manager – Compliance, Internal Control and Risk Management

REMUNERATION COMMITTEE

The Remuneration Committee monitors and audits compliance of the Bank's compensation principles and remuneration practices with its structure, strategies, long-term targets and risk approach on behalf of the Board of Directors. The Committee convenes at least twice a year or according to the needs of the Bank. In 2024, Remuneration Committee convened 2 times with the required majority and quorum satisfied.

REMUNERATION COMMITTEE MEMBERS		
Member	Y. Ali Koç	Chairman of the Board of Directors
Member	Levent Çakıroğlu	Vice Chairman of the Board of Directors

CREDIT COMMITTEE

The Credit Committee is an advisory and deliberative body whose purpose is to provide guidelines for the Bank's lending activity in coherence with the credit policy, economic objectives and the Bank's overall risk profile. As of 31.12.2024, the Credit Committee convened 70 times with the required majority and quorum

satisfied in 2024. The Committee reviews loan applications and restructuring requests within its authorised delegated limit or advises the Board of Directors for those that are not. The Credit Committee also outlines parameters for credit scoring, lending and monitoring systems.

COMMITTEE MEMBERS		
Chair	Gökhan Erün	Executive Director and Chief Executive Officer (CEO)
Member	Ahmet Çimenoğlu	Member of the Board of Directors
Member	Virma Sökmen	Member of the Board of Directors
ALTERNATE MEMBERS		
Alternate Member	A. Ümit Taftalı	Member of the Board of Directors
Alternate Member	Levent Çakıroğlu	Vice Chair of the Board of Directors

DISCIPLINARY COMMITTEE

The Disciplinary Committee has the purpose of determining the disciplinary actions/penalties according to the cases and to the Disciplinary Regulations. The Disciplinary Committee's duties,

authorities and responsibilities as well as working principles and procedures are set by the Board of Directors.

COMMITTEE MEMBERS		
Chair	Özden Önaldı	Assistant General Manager - Human Resources, Organization and Internal Services
Member	Hakan Kaya	Chief Legal Officer - Legal Department
Member	Mehmet Erkan Özdemir	Assistant General Manager - Compliance, Internal Control and Risk Management
Member	Demir Karaaslan	A represent from Bank Assistant General Managers with the Human Resources, Organization and Internal Services Department's advice and the approval of CEO for 1 calendar year

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COST MANAGEMENT AND EFFICIENCY COMMITTEE

The Cost Management and Efficiency Committee is responsible of central cost and purchase management. Within this scope, the Committee monitors monthly evolution of main cost items

compared with the budgeted targets, review status of planned cost saving actions and demands related with the projects, negotiate unbudgeted and high amount demands defines new cost saving / cost management initiatives.

COMMITTEE MEMI	BERS		
Chair	Demir Karaaslan	Assistant General Manager - Financial Planning and Administration	
Member	Cahit Erdoğan	Assistant General Manager - Commercial and SME Banking	
Member	Özden Önaldı	Özden Önaldı Assistant General Manager - Human Resources, Organization and Internal Services	
ATTENDEES OF TH	E COMMITTEE WITHOUT VOTING	GRIGHTS	
Member	Aytaç Yoloğlu	Purchasing Vice President	
Member	İbrahim Uç	Technology Purchasing Manager	
Member	Seçil Ayıntap	Cost Management Vice President	
Member	E. Kürşad Keteci Assistant General Manager - Strategy (CSO)		
Member	Ersoy Günman	Demand and Cost Assessment Manager	

CREDIT RISK STAGING AND PROVISIONING COMMITTEE

Credit Risk Staging and Provisioning Committee is formed to evaluate and make necessary decisions regarding credit staging, credit provisioning and credit rating activities in compliance with IFRS9 and reporting the results to top management and other committees. Credit Risk Staging and Provisioning Committee, conducts monitoring and evaluation of staging/provisioning risky

clients, makes decisions regarding stage overrides of necessary clients evaluates LLP impact of client rating upgrade or downgrade, evaluates for approval of parameter and methodology changes regarding LLP calculations, examines and approves the staging/provisioning effect of the realization of identified risks, examines year-end and month-end LLP forecasts.

COMMITTEE MEMBERS		
Member	Mehmet Erkan Özdemir	Assistant General Manager - Compliance, Internal Control and Risk Management
Member	Demir Karaaslan	Assistant General Manager - Financial Planning and Administration
Member	Nursezil Küçük Koçak	Credits Assistant General Manager
Member	Cahit Erdoğan Assistant General Manager - Commercial and SME Banking Management	
Member	Mehmet Erkan Akbulut	Assistant General Manager - Corporate Banking
Member	Serdar Yerli	Collection and Workout Executive Vice President
Member	İrem Can Credit Risk Strategy, Modelling and Reporting Executive Vice President	

INFORMATION SYSTEMS STEERING COMMITTEE

To support IS Strategy Committee function and senior management in the Executive Board, To determine the priority order of IT investments and projects, to make the necessary guidance by evaluating the changes needed in the plan, Evaluate capacity distributions and review roadmap, To follow the status

of ongoing IT programs and projects, To resolve resource conflicts between projects, To make the necessary guidance to ensure IT architecture and IT projects comply with the legislation, It is responsible for monitoring service levels for IT services and reviewing improvements.

COMMITTEE MEME	BERS		
Chair	Gökhan Özdinç	Assistant General Manager - Technology, Data and Process Management	
Member	Demir Karaaslan	Assistant General Manager - Financial Planning and Administration	
Member	Özcan Yahşi	Yapı Kredi Technology Assistant General Manager	
Member	Erhan Çetin	Yapı Kredi Technology Assistant General Manager	
Member	Özkan Demir	Yapı Kredi Technology Assistant General Manager	
Member	Hakkı Erdoğan	Yapı Kredi Technology Assistant General Manager	
Member	Eylem Karaca	Yapı Kredi Technology Assistant General Manager	
Member	E. Kürşad Keteci	Assistant General Manager – Strategy (CSO)	
Member	Elif Küçükaltun	Project and Agile Management Vice President	
Member	İrem Özyurt	A representative from Human Resources, Organization & Internal Services Managemen	
Member	Kaan Dinç	A representative from Compliance, Internal Control and Risk Management	
Member	Özkan Aygül	A representative from Compliance, Internal Control and Risk Management	
Member	Güven Kahraman	Güven Kahraman A representative from Legal Department	
Member	Other relevant business	Other relevant business unit representatives	

INFORMATION SYSTEMS (IS) STRATEGY COMMITTEE

The IS Strategy Committee is responsible for, on behalf of the Board of Directors, overseeing the appropriate use of IS investments in line with the IS strategy plan and the alignment of the Bank's business objectives with IS objectives; reporting directly and regularly to the Board of Directors on these matters; reviewing the IS strategy plan at least once a year, revising the plan when necessary and submitting the revised plan to the approval of the Board of Directors; and overseeing the activities of the IS Steering Committee.

COMMITTEE MEME	BERS	
Chair	Gökhan Erün	Executive Director and Chief Executive Officer (CEO)
Vice Chair	Gökhan Özdinç	Assistant General Manager - Technology, Data and Process Management
Member	Demir Karaaslan	Assistant General Manager - Financial Planning and Administration
Member	Mehmet Erkan Akbulut	Assistant General Manager - Corporate Banking
Member	Cahit Erdoğan	Assistant General Manager - Commercial and SME Banking
Member	Serkan Ülgen	Assistant General Manager - Retail Banking
Member	Saruhan Yücel Assistant General Manager - Treasury and Financial Institutions	
Member	Özden Önaldı	Assistant General Manager - Human Resources Organization and Internal Service
Member	E. Kürşad Keteci Assistant General Manager - Strategy (CSO)	
Member	Nursezil Küçük Koçak	Assistant General Manager- Credits
Member	Yakup Doğan	Assistant General Manager - Limitless Banking
Member	Mehmet Erkan Özdemir	Assistant General Manager - Corporate Banking
Member	Korkut Okay	Banking Operations Executive Vice President
Member	Hakkı Erdoğan	Assistant General Manager- Yapı Kredi Technology
Member	Other relevant managers	

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INFORMATION SECURITY COMMITTEE

Presentation

On behalf of the Bank's Board of Directors; It carries out activities for creating, updating and implementing information security policies. Information security policy reviews procedures and processes at least once a year, and also reviews them after major security incidents, new vulnerabilities or significant changes in technical infrastructure. Ensures the establishment of an information security management system that is obliged to observe its implementation throughout the bank. Provides oversight of the compliance of the Information Security strategic plan and Information Security objectives with the business objectives of the

bank on behalf of the Board of Directors. Gives opinion and approval to the bank's information security policy before it is submitted for the approval of the board of directors. Approves the asset classification guide prepared for the classification of information assets. Approves the information security awareness training program. Is responsible for ensuring effective controls on information systems to ensure the confidentiality, integrity and accessibility of information assets and for conducting effective surveillance to manage security risks arising from the use of information systems. When necessary, it enables working groups to be created in different areas of information security.

COMMITTEE MEMBERS			
Chair	Gökhan Erün	Executive Director and Chief Executive Officer (CEO)	
Vice Chair	Gökhan Özdinç	Assistant General Manager - Technology, Data and Process Management	
Coordinator	Hakkı Erdoğan	Information Security Officer	
Member	Cahit Erdoğan	Assistant General Manager - Commercial and SME Banking Management	
Member	Mehmet Erkan Özdemir	Assistant General Manager - Compliance, Internal Control and Risk Management	
Member	Özden Önaldı	Assistant General Manager - Human Resources Organization and Internal Services	
Member	E. Kürşad Keteci	Assistant General Manager - Strategy (CSO)	
Member	Hakan Kaya	General Counsel	
Member	Korkut Okay	Banking Operations, EVP	

BUSINESS CONTINUITY COMMITTEE

Roles of the Business Continuity Committee are, to plan what needs to be done in case of any Emergency and Crisis in order to take effective measures in case of disaster, crisis or interruption, By giving opinions to Business Continuity and IS Continuity plans, Considering all the factors related to the events that occur, declaring that there is a crisis situation, Deciding on the implementation of plans to protect reputation, brand value, value-

creating activities and the interests of stakeholders, To propose actions to ensure the continuity of critical operations / ensure that they can be saved within the targeted timeframe and to return to the pre-crisis state, To fulfill the function of the IS Continuity Committee described in the regulations, Coordinating with other rescue, continuity and response teams, It is responsible for informing the Crisis Management Team.

Member	Gökhan Özdinç	Assistant General Manager - Technology, Data and Process Management
Member	Özden Önaldı	Assistant General Manager - Human Resources, Organization and Internal Services Management
Member	Yakup Doğan	Assistant General Manager - Limitless Banking
Member	Mehmet Erkan Özdemir	Assistant General Manager - Compliance, Internal Control and Risk Management
Member	Hakan Kaya	General Counsel - Legal Department
Member	İrem Can	Credit Risk Strategies, Modeling and Reporting Executive Vice President
Member	Can Daloğlu	Credit Risk Strategies and Operational Risk Vice President
Member	Yasemin Hatem	Operational, Reputational Risk and BCM Management Manager
Member	Arda Öztaşkın	Corporate Communications Vice President
Member	Korkut Okay	Banking Operations Executive Vice President
Member	Hakkı Erdoğan	Yapı Kredi Technology Infrastructure, Network and Operations Management Assistant General Manag
Member	Murat Çevikbaş	Construction Real Estate and Internal Services Management Vice President
Member	Nurten Bakan	Human Resources Business Partnership Director

SUSTAINABILITY COMMITTEE

Yapı Kredi Sustainability Committee was established to create Yapı Kredi's sustainability strategy and policies in economic, social and environmental areas, integrate this strategy and these policies into Bank operations, and monitor its sustainability performance. Representing various management units, the Committee is chaired by the Independent Board Member. Meeting at least twice a year to monitor and guide developments in sustainability, the Sustainability Committee periodically reports to the Executive Committee and to the Board of Directors every year.

Sustainability Working Groups were formed with the participation of relevant departments of the Bank in order to implement the strategy determined by the Sustainability Committee and coordinate relevant efforts.

Operating under Corporate Communications Management, the Sustainability and Corporate Social Responsibility Unit is responsible for; coordinating the Sustainability Working Groups, monitoring sustainability goals and performance, consolidating sustainability data, evaluating activities in line with sustainability targets, and managing Yapı Kredi's internal and external communication on sustainability matters.

COMMITTEE MEM	BERS		
Chair	Ahmet Çimenoğlu	Independent Board Member	
Member	Cahit Erdoğan	Assistant General Manager - Commercial and SME Banking	
Member	Demir Karaaslan	Assistant General Manager - Financial Planning and Administration	
Member	Serkan Ülgen	Assistant General Manager - Retail Banking	
Member	Mehmet Erkan Akbulut	Assistant General Manager - Corporate Banking	
Member	Mehmet Erkan Özdemir	Assistant General Manager – Compliance Internal Control and Risk Management	
Member	Nursezil Küçük Koçak	Assistant General Manager - Loans	
Member	Özden Önaldı	Assistant General Manager - Human Resources, Organization and Internal Services	
Member	E. Kürşad Keteci	Assistant General Manager - Strategy (CSO)	
Member	Gökhan Özdinç	Assistant General Manager - Technology, Data and Process Management	
Member	Korkut Okay	Executive Vice President - Banking Operations	
Member	Arda Öztaşkın	Vice President - Corporate Communications	

Presentation

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CUSTOMER AND SERVICE EXECUTION COMMITTEE

Customer and Service Execution Committee is responsible for

(i) deciding if a new development/improvement should be considered as a "change" or "new product", (ii) guiding Project teams in order to reduce compliance risk about subjects that might cause audit findings or reputational damages; (iii) monitoring and leading of preventive actions about possible defects or malfunctions, about quality assurance and compliance topics, in existing products/ services. Committee can also decide if it is necessary to follow up ongoing developments in committee level or circulate updates to executive committee or other related committees.

COMMITTEE MEM	BERS		
Member	Gökhan Özdinç	Assistant General Manager - Technology, Data and Process Management	
Member	Mehmet Erkan Özdemir	Assistant General Manager - Compliance, Internal Control and Risk Management	
Member	Hakan Kaya	Legal Counsel – Legal Department	
Member	Yakup Doğan	Assistant General Manager - Limitless Banking	
Member	Serkan Ülgen	Assistant General Manager - Retail Banking	
Member	Cahit Erdoğan	Assistant General Manager - Commercial and SME Banking Management	
Member	Mehmet Erkan Akbulut	Assistant General Manager - Corporate Banking	
Member	Demir Karaaslan	Assistant General Manager - Financial Planning and Administration	
Member	E. Kürşad Keteci	Assistant General Manager – Strategy (CSO)	
Member	Ahmet Ersoy	Yapı Kredi Technology - Process and Project Management Assistant General Manager	
Member	Korkut Okay	Executive Vice President - Banking Operations	
Member	Elif Küçükaltun	Project and Agile Management Director	
Member		Business unit/channel representative who has requested the development of product/service (to be invited in accordance with the agenda when necessary and not permanent)	
Member	Other relevant business unit representatives who will be possibly affected by the development (to be invited in accordance with the agenda when necessary and not permanent)		

INFORMATION TECHNOLOGIES RISK AND QUALITY MANAGEMENT STEERING COMMITTEE

The IT Risk and Quality Management Steering Committee is responsible for (i) providing support to senior management on IT risks; (ii) monitoring actions to reduce risks; (iii) examining

and approving the reasons for accepting the risk; (iv) evaluating problems experienced in system continuity, backup and recovery, root cause analysis and preventive activities, and determining and monitoring improvement actions.

COMMITTEE MEMBERS		
Chair	Gökhan Özdinç	Assistant General Manager - Technology, Data and Process Management
Vice Chair	Eylem Karaca	Yapı Kredi Technology Subsidiaries and Corporate Applications Development Assistant General Manage
Member	Ahmet Ersoy	Yapı Kredi Technology Assistant General Manager
Member	Hakkı Erdoğan	Yapı Kredi Technology Assistant General Manager
Member	Özkan Demir	Yapı Kredi Technology Assistant General Manager
Member	Özcan Yahşi	Yapı Kredi Technology Assistant General Manager
Member	Erhan Çetin	Yapı Kredi Technology Assistant General Manager
Member	Elif Küçükaltun	Yapı Kredi Technology Assistant General Manager

TECHNOLOGY AND ARCHITECTURE STEERING COMMITTEE

The Technology and Architecture Steering Committee is responsible for monitoring the Bank's five-year architectural

transformation program. To this end, the Committee decides on the use of new technologies, architectural structures or products, draws up the transformation road map, and makes and monitors decisions to terminate the use of old structures and products.

COMMITTEE MEMB	BERS				
Chairman	Gökhan Özdinç	Gökhan Özdinç Assistant General Manager - Technology, Data and Process Management			
Member	Özkan Demir	Özkan Demir Yapı Kredi Technology Assistant General Manager			
Member	Özcan Yahşi	, , , , , , , , , , , , , , , , , , , ,			
Member	Erhan Çetin				
Member	Eylem Karaca	Yapı Kredi Technology Assistant General Manager			
Member	Hakkı Erdoğan	Yapı Kredi Technology Assistant General Manager			
Member	Gülter Bedel	Yapı Kredi Technology Architectural Management Director			
Member	Ömer Kadir Sağlam	Yapı Kredi Technology Financial Technologies Assistant General Manager			

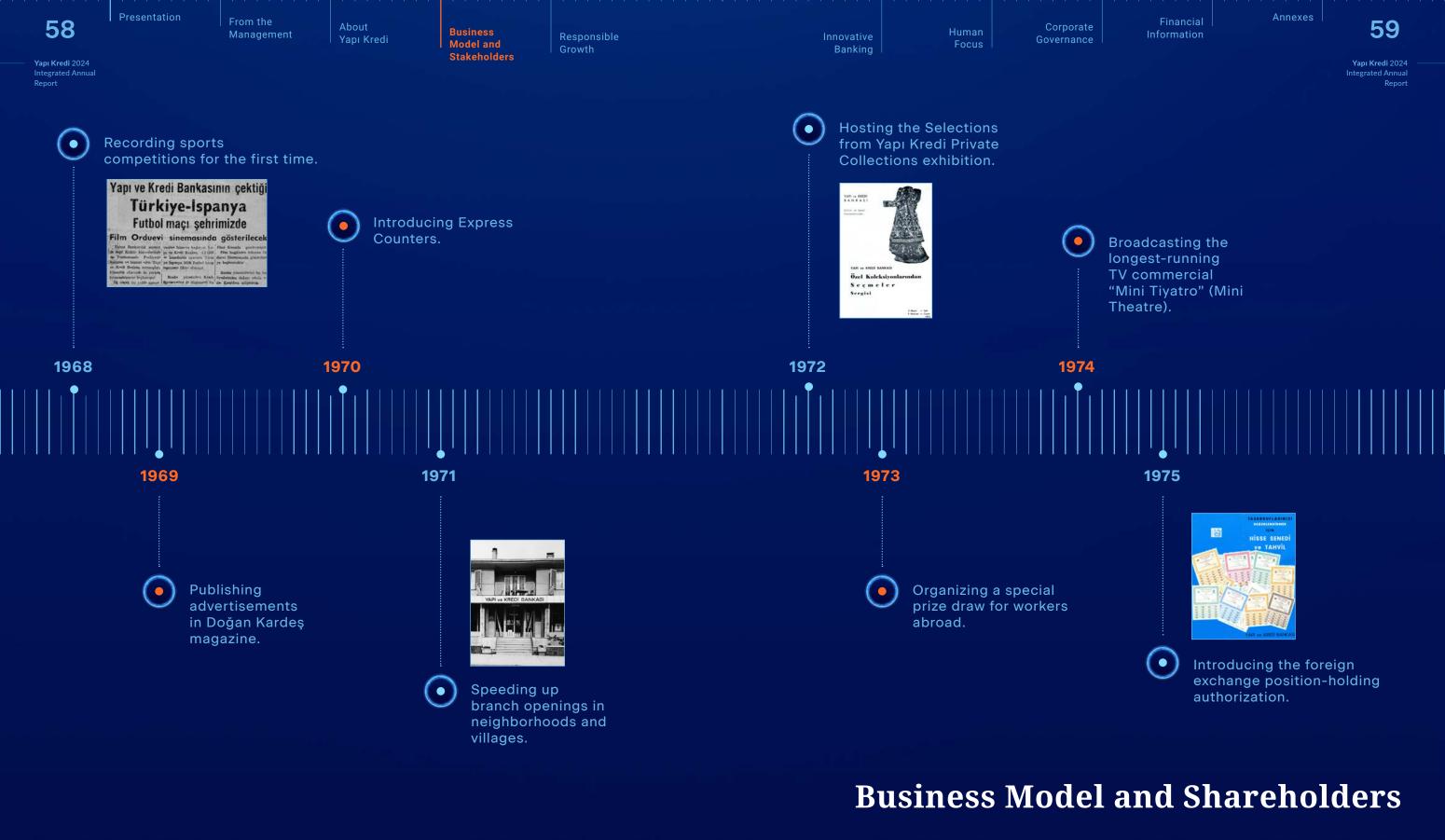
ETHICS COMMITTEE

The aim of the Ethics Committee is to develop Yapı Kredi's ethical practices and culture, and to evaluate, decide on, and make recommendations on reports containing practices/issues in violation with the Code of Ethics and Business Conduct to be submitted to the Committee.

To this end, the Committee (i) encourages and monitors efforts to create a common ethical culture, (ii) evaluates and decides on the reports submitted to the Ethics Committee and the recommendations/sanctions included in the report, and submits the relevant information to the Human Resources Organization

and Internal Services Management and/or its units to ensure that the necessary actions are taken, and follows up the results, (iii) in line with the findings on the issues evaluated in the Committee, makes the necessary guidance to update relevant documents such as policies, procedures, regulations, etc. and accordingly create structured actions in order to prevent the repetition of practices contrary to the Code of Ethics, (iv) refers the ethical issues deemed necessary to be evaluated to the Disciplinary Committee in accordance with the Disciplinary Regulation, and (v) prepares documents such as processes, procedures, etc. regarding the functioning of the Committee and updates the same as required.

COMMITTEE MEMBERS						
Chair	Mehmet Erkan Özdemir	Assistant General Manager - Compliance, Internal Control and Risk Management				
Member	Özden Önaldı	Assistant General Manager - Human Resources, Organization and Internal Services				
Member	Hakan Kaya	Legal Counsel - Legal Department				
KOMITE YEDEK ÜYELERI						
Member Demir Karaaslan		Assistant General Manager - Financial Planning and Administration				



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Sustainability Management

SUSTAINABILITY MANAGEMENT

The financial instruments and services offered by the banking sector have a direct and/or indirect impact on the lives of a large part of the society. Stakeholder groups, especially customers, investors, employees and non-governmental organizations demand from banks to create value in the fields of economic, social and environmental sustainability.

In its sustainability management, Yapı Kredi considers the expectations of all of its internal and external stakeholders. Yapı Kredi addresses its environmental, social and economic impacts on the entire value chain via an integrated management system. To this end, the Bank employs key performance indicators to regularly monitor the environmental, social and governance (ESG) factors, which enable the integrated monitoring of the Bank's sustainability performance. Yapı Kredi shares these indicators transparently in the integrated annual reports, receiving limited assurance statements for the indicators determined as material.

SUSTAINABILITY MANAGEMENT SYSTEM

Yapı Kredi established the "Sustainability Management System" project to carry out all its activities in line with the sustainability principles and to build its governance structure in accordance with these principles. Under this project, the Bank designed the sustainability strategy and policies, and determined the management style for sustainability issues targeted by Yapı Kredi. The Bank created the procedures required under this management system, while defining roles and responsibilities related to these procedures. Yapı Kredi developed distance and in-class trainings to raise the awareness of all employees in sustainability and to build capacity of the units planned to take part in the system.

Yapı Kredi addresses its environmental, social and economic impacts on the entire value chain via an integrated management system.

SUSTAINABILITY GOVERNANCE



SUSTAINABILITY COMMITTEE

Ahmet Cimenoğlu

Independent Board Member Chair

Cahit Erdoğan

Assistant General Manager
- Commercial and
SME Banking
Member

Mehmet Erkan Akbulut

Assistant General Manager
- Corporate Banking *Member*

Serkan Ülgen

Assistant General Manager
- Retail Banking
Member

Demir Karaaslan

Assistant General Manager
- Financial Planning and
Administration
Member

Mehmet Erkan Özdemir

Assistant General Manager – Compliance, Internal Control and Risk Management *Member*

Nursezil Küçük Koçak

Assistant General Manager

- Loans

Member

Özden Önaldı

Assistant General Manager
- Human Resources,
Organization and Internal
Services
Member

Gökhan Özdinç

Assistant General Manager -Technology, Data and Process Management *Member*

E. Kürşad Keteci

ger - Assistant General Manager ocess - Strategy (CSO)

Member

Korkut Okay

Assistant General Manager - Banking Operations

Member

Arda Öztaşkın

Vice President Corporate
Communications
Member

SUSTAINABILITY DEPARTMENT

● ------ SUSTAINABILITY WORKING GROUPS ------

CLIMATE RELATED RISK MANAGEMENT

HUMAN AND SOCIETY

NET ZERO SUSTAINABLE FINANCE SUSTAINABLE OPERATIONS

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SUSTAINABILITY COMMITTEE

The Sustainability Committee is responsible for integrating sustainability in business processes and monitoring sustainability performance. Founded in 2014, the Committee is chaired by a Board Member.

The Committee annually reports its activities to the Executive Committee and the Board of Directors. In addition, under the leadership of Committee members, working groups operating in various fields of sustainability are responsible for the management of sustainability projects within the Bank.

Reporting to the Corporate Communications Management, the Sustainability Unit ensures coordination across the Bank for the implementation of Yapı Kredi's sustainability strategies and policies. The Sustainability Unit is responsible for monitoring the Bank's sustainability goals and performances, coordinating the working groups under the Sustainability Committee, making suggestions to the Committee and working groups on sustainability trends and agenda, ensuring data consolidation in sustainability at the Bank, and managing sustainability communication. The Unit directly reports the progress and performance in sustainability as well as the current developments to the Sustainability Committee.

The responsibilities and work plans of the Human and Society, Climate-Related Risk Management, Net Zero, Sustainable Finance, and Sustainable Operations working groups were reviewed and improved in 2024. All updates were discussed and approved by the Sustainability Committee.

STRATEGIC PRIORITIES IN SUSTAINABILITY

In line with the sustainability strategy defined by the Yapı Kredi Sustainability Committee, Yapı Kredi addresses sustainability under four main pillars. The Bank determines its strategic priorities by taking into account the expectations of internal and external stakeholders, national and international initiatives and trends, and environmental, social and corporate governance (ESG) indexes and ratings.

- CLIMATE CRISIS AND ENVIRONMENT
- SUSTAINABLE FINANCE
- RISK MANAGEMENT AND CORPORATE GOVERNANCE
- HUMAN AND SOCIETY

SUSTAINABILITY INDICES AND RATINGS

Yapı Kredi works to be listed in national and international ESG indexes and ratings, to consolidate its position and to continuously improve its performance.

ESG INDICES and Ratings

SUSTAINALYTICS	MSCI ⊕	S&P Global	Sustainable ISS ESG ▶		CDP DISCLOSUME INSIGHT ACTION	BIST SURCHALERIUMEN ENGRESS	FTSE4Good	End of the secon
15.8	AA	67	60	C-	^			_
#2	#1	#2	#1	#Prime	Α	т	T	T
Best second score among Tier-I banks in Türkiye	Leader Category	Best second score among Tier-I banks in Türkiye	Best score among Tier-I banks in Türkiye	The highest "SDG Positive Impact" score	A list for the second consecutive year in the Climate Change programme	Since 2014	Since 2017	Since 2021

Supported Initiatives and Organizations

WE SUPPORT	In support of WOMEN'S EMPOWERMENT PRINCIPLES Fables and the Williams and the In Goden Cannear Office	UNEP PRINCIPLES FOR PRESENTING BANKING	TCFD Mile Figure 1 Mile Fi	SCIENCE BASED TARGETS	skd TURKIYE	UN (0) Indicate In	Finance for Biodiversity Peolgs	
2021	2016	2019	2021	2021	2023	2023	2023	

Yapı Kredi has been listed in Borsa Istanbul (BIST) Sustainability Index since its launch in 2014, and in BIST Corporate Governance Index since 2008. In addition, the Bank has been selected for the FSTSE4Good Emerging Markets Index of the London Stock Exchange in 2017, and since then, has continued to carry its activities in the field of responsible banking to international platforms.

Yapı Kredi received a rating above the global, sectoral and Türkiye averages with its reporting within the scope of the Bloomberg Gender Equality Index, and was entitled to be included in the Bloomberg Gender Equality Index.

Yapı Kredi reports to the Carbon Disclosure Project (CDP) Climate Change Program, the largest environmental reporting platform in the world, since 2016, and to the Water Security Program since 2018. In 2024, Bank maintained its score in the CDP Climate Change Program and became the only large-scale private regulatory bank to be listed consecutively on the Global A List twice.

The Bank maintained its AA (Leader) rating in MSCI ESG rating in 2024. Yapı Kredi has been listed among the top performing companies in the international banking sector for the four times in the S&P Sustainability Yearbook, with its reporting within the scope of S&P Global's Corporate Sustainability Assessment since 2021. In the 2024 ESG Risk Rating report of Sustainalytics, the international sustainability rating company, the Bank was evaluated as having a "Strong" ESG risk management. With this performance, the Bank was entitled to be included in Sustainalytics' Top-Rated Companies 2024 List.

Yapı Kredi was listed above the global industry average in each of the environmental, social and governance headings in Moody's ESG rating with its reporting.

Yapı Kredi works to be listed in national and international ESG indexes and ratings, to consolidate its position and to continuously improve its performance.



In 2024, Bank maintained its score in the CDP Climate Change Program and to be listed consecutively on the Global A List twice.

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Business Model and Strategy



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Business Model and Strategy

APPROACH

Customer-Centric Banking Approach that Creates Value for All Stakeholders

Yapı Kredi is active in individual banking (including card payment systems, business banking, private banking and wealth management) as well as corporate, commercial and SME banking.

Responsible Growth

Yapı Kredi adopts a corporate governance approach based on transparency, responsibility and accountability in its banking activities. The Bank continues to operate with the vision of responsible growth that creates value for all segments by considering its impact on all its stakeholders.

The Bank manages the environmental and social impacts arising from the loans it finances and its operational activities, and continues to develop new initiatives in line with its sustainability policies. Yapı Kredi contributes to the sustainability of the economy by growing with effective risk management. Yapı Kredi closely monitored the trends affecting the sector and developments in legal regulations and determined six strategic priorities to take the Bank with more confident steps into the dynamic and rapidly changing world of the future.

People-Focused and Innovative Banking

Yapı Kredi designs its initiatives with a people-focused approach by considering its customers, employees and all stakeholders.

The Bank adopts and implements a customer-focused banking approach that is developed and improved based on their feedback. To this end, Yapı Kredi increases its investments to collect more customer feedback and to develop systems and processes to

analyze this information and convert it into improvement actions. On the other hand, the Bank develops innovative services by closely following trends and the developments in legal regulations.

Yapı Kredi launched projects to join various ecosystems to meet all the needs of customers and make their lives easier in all areas. In this context, the Bank aims to increase the experience offered through third party partnerships. Yapı Kredi has established a separate fintech company by obtaining a digital bank license to provide easier access to financial products and services for customers from all walks of life. Thus, the Bank aims to provide services to the masses who cannot reach banking services to establish long-term relationships with more customers and to continuously improve their experience and satisfaction.

Yapı Kredi attaches great importance to the satisfaction and loyalty of its employees, its most important asset for realizing all of its strategic goals. The Bank continuously invests in its talents to carry the Bank forward with the strength of its competent employees and experienced management.

Agility and Competitiveness

Yapı Kredi defines one of its strategic priorities as effectively responding to the rapid change in market conditions and consolidating its leading position in the competition. To this end, the Bank digitalizes the processes and products offered to all customer groups to meet the changing customer needs and behaviors in the best manner possible. The primary focus areas are digital customer acquisition, digitalization actions for corporate customers, and enabling existing customers to use digital channels more effectively.

Moreover, the Bank makes significant investments in its technical infrastructure to adopt a more flexible (cloud-based) structure. This structure is expected to shorten product development times and to provide a more efficient working environment.

Productivity and Target-Oriented Activities

Increasing competition environment and shrinking profit margins force banks to increase their efficiency and to employ a more efficient workforce. In order to minimize these pressures, Yapı Kredi focuses on increasing efficiency in all areas. The studies carried out in this context focus on three main areas:

- Introducing remote working models and shifting existing resources to more value-added works through the changes to be made in the sales and service model.
- Developing decision mechanisms with a leaner and more controlled organizational structure, and
- Taking actions to increase job creation productivity and collection efficiency.

In order to achieve the high targets set in all areas of operation, Yapı Kredi supports all channels with analytical systems, improves channels with a mentoring approach, and monitors them with a simple and plain financial tracking system.

Sustainability

In line with its vision of adding value to society, Yapı Kredi adopts as one of its strategic priorities maintaining its solid position among the banks that shape the sector in environmental, social and corporate governance areas. To this end, the Yapı Kredi Sustainability Committee, responsible for the integration of sustainability into business processes and monitoring its performance, and the working groups under this Committee, carry out studies in the following areas:

- Climate Crisis and Environment,
- Risk Management and Corporate Governance,
- Sustainable Finance, and
- Human and Society

Yapı Kredi monitors national and international initiatives and best practices supporting its Sustainability strategy that comprises four main components and achieves alignment therewith. Under the Sustainability Management System, launched to regularly monitor and improve its sustainability performance, the Bank handles all its activities holistically and monitors them within the framework of relevant policies and procedures.

Yapı Kredi embraces the United Nations Sustainability
Development Goals (SDGs) and the Paris Climate Agreement as
guidelines for its sustainability strategy. Yapı Kredi's sustainability
strategy is also guided by national development plans and
Intended Nationally Determined Contribution Statement within
the scope of Türkiye's sustainability priorities.

Aware of the importance of multistakeholder communication and cooperation, Yapı Kredi actively engages in sectoral initiatives and non-governmental organizations. The Bank aims to join and contribute to international standards and initiatives on sustainability.

In order to embrace a responsible and sustainable banking approach across the organization, Yapı Kredi organizes a training program for its employees covering all environmental, social and governance factors, including sustainability, environmental management system, environmental and social risk assessment, occupational health and safety, code of ethics and business conduct, anti-bribery and anti-corruption, and protection of personal data.

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Trends, Their Impact on the Sector and Yapı Kredi's Response



2024: A year of falling inflation, loosening monetary policies, ongoing geopolitical risks, and global election...

SIGNALS OF RELIEF UNDER THE SHADOW OF ONGOING RISKS IN THE GLOBAL ECONOMY

2024 was a year marked by more than seventy elections around the world, increasing geopolitical tensions and economic restructuring. The global economy continued its recovery after the pandemic. While the growth rate slowed down in developed economies in 2024, unbalanced recovery trends were observed in developing economies.

Politics implemented to reduce inflation on a global scale since 2022 began to have positive effects on inflation in 2024. Thus, central banks of developed countries started to relax their monetary policies. As expectations for global growth gradually improved with the interest rate cut cycle, fluctuations in energy, food prices and supply chains due to weak global demand and ongoing geopolitical risks continued to put pressure on economic growth. Considering these developments, the IMF estimates that the global economy will grow by 3.2% in 2024 and by 3.3% for 2025 due to fundamental structural problems, uncertainties caused by trade policies, global demand and geopolitical risks.

The interest rate cuts by central banks of developed countries throughout 2024 and uncertainties regarding future policy decisions caused fund flows to be directed mainly to developed countries, and an outflow was observed in stocks and bonds in



In 2025, geopolitical risks, inflation and monetary policies will be among important topics on the global agenda.

developing country markets. In 2025, especially geopolitical risks, inflation and monetary policies will be among important topics on the global agenda. It is expected that central banks of developed and developing countries will make monetary policy decisions that will ensure the continuation of the decline in inflation.

DECREASING INFLATION AND BALANCED GROWTH WITH TIGHT MONETARY POLICIES IN THE TURKISH ECONOMY

In 2024, Türkiye continued to tighten monetary and fiscal policies to control inflation, which continued with the support of macroprudential decisions taken by regulatory institutions. For the Turkish economy, 2024 became a transition year with the monetary policy decisions taken, and the positive effects of all these measures began to be observed after the second half of the year.

Thus, inflation, which peaked at 75% in May 2024, entered a downward trend as of July 2024. The main factor in the rate of decrease in inflation falling behind the desired levels was inflation observed in the services sector. Although the goods sector experienced improvement with the tight stance in monetary policy, the recovery in the services sector remained slower. With the effect of the gradual balancing in domestic demand, the decrease in the foreign trade deficit and the strong course in the

services sector balance led to an improvement in the current account balance. On the other hand, the labor market continued to follow a similar outlook to the previous year. Moreover, the new monetary policy paved the way for a strong recovery in the Central Bank reserves as well as moderate inflows in capital investments towards Türkiye. However, the slowdown in economic activities and the ongoing expenditures caused by the earthquake of February 6, 2023 negatively affected the budget balance.

In 2025, Yapı Kredi will closely monitor the change in the geopolitical and economic uncertainties originated in 2024. It is expected that disinflation will continue in 2025 thanks to the monetary stance of the Central Banks and energy and commodity prices.

ONGOING PRUDENTIAL MEASURES DESPITE THE LOOSENING IN POLICY RATE

The Central Bank of the Republic of Türkiye (CBRT) continued to implement tight monetary policies in 2024 to anchor inflation expectations and control the deterioration in pricing. The policy rate was increased by a total of 750bp from January to March, reaching 50%. The CBRT kept the rate constant at 50% in the following eight months, adopting a cautious strategy.

At its last meeting in December 2024, the Central Bank cut interest rates by 250bp and reduced the policy rate to 47.5% considering that the inflation was in a downward trend, there was a clear improvement in the services sector and domestic demand continued to slow down, supporting the decline in inflation. Moreover, the CBRT, at its first meeting in January 2025, made another 250bp cut and reduced the policy rate to 45%, stating that the indicators for the last quarter supported the decline in inflation in domestic demand. In the coming period, the stance regarding monetary policy will continue to be a determinant on financial market conditions, inflation and growth.

In 2024, the regulatory institutions continued to implement the measures and regulatory steps under the 'liraization' strategy, based on structuring the financial system on TL instruments. In order to complement the interest rate hikes, the CBRT took various macroprudential measures such as quantitative tightening. limiting the growth of Turkish Lira and foreign currency loans, increasing the share of TL deposits and gradually reducing the volume of exchange rate protected deposits in order to strengthen monetary transmission and prevent fluctuations in loan demand. Moreover, with the implementation of the simplification of the micro- and macroprudential framework, the CBRT changed or eliminated some of the targets. The CBRT announced its decision to continue quantitative tightening to support the monetary tightening. In 2025, Yapı Kredi will continue to monitor the steps to be taken by the CBRT regarding macroprudential regulations and quantitative tightening.

These measures taken under the liraization strategy increased the share of TL in the balance sheets of the banking sector. In 2024, the sector's TL loans increased by 29% while the growth was mainly boosted by TL consumer loans and credit cards. TL loans increased by 18% in public banks and 40% in private banks. Moreover, foreign currency loan demand increased by 28% in USD due to positive expectations regarding foreign currency loan interest rates and exchange rate movements. With the effect of the liraization strategy, the TL deposit base increased by 42%, and the foreign currency deposits contracted by 8%. The sector's nonperforming loan ratio deteriorated by 15 basis points compared to the end of 2023, reaching 1.8% in 2024, due to the tightening in financial conditions, the slowdown in economic activities and problems mainly in consumer loans and credit cards. Regulatory institutions provided the opportunity to restructure consumer credit cards and consumer loans in arrears to slow down the deterioration in asset quality. Moreover, monetary tightening is expected to increase asset quality risks in the coming period.

The banking sector's strong balance sheet position and high levels of liquidity and capital adequacy ratios were maintained. In 2024, the liquidity adequacy ratio and the capital adequacy ratio of the

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sector were realized as 150% and 19.2% (including regulatory forbearances), respectively. The net profit of the sector increased by 5% in 2024, reaching TL 596 billion, while the return on equity was 25%. Moreover, the profits of private banks decreased by 13% to TL 349 billion while public banks increased their profits by 25%



to TL 156 billion.

HOW WE MANAGE

Since its foundation, Yapı Kredi has been more than a financial institution, always aiming to create value for society.

In 2024, the Bank continued to support the Turkish economy, providing funds amounting to TL 1.8 trillion to the economy.

Yapı Kredi maintained its successful and strong performance in key indicators thanks to its solid balance sheet, strong capital structure, high liquidity levels, and prudent management approach capable of foreseeing developments.

In 2024, The Bank increased its total cash loans by 37% to TL 1.264 billion, and its total assets by 37% to TL 2.6 trillion. Yapı Kredi enjoyed an increase of 25% in total customer deposit volume, reaching TL 1.3 trillion while the return on equity realized as 15.8%.

Despite the challenging economic conditions, the Bank managed to maintain its capital adequacy ratios well above the legal level (without taking into account the temporary regulatory forbearances of the BRSA). Without taking into account the positive effects of legal regulations, the Bank's consolidated capital adequacy ratio stood at 15.2% 323 base points above the legal limits.



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In 2024, the Bank continued to strengthen its provisions through its prudent approach to asset quality. The Bank's total coverage level realized as 3.8%. Due to the economic slowdown, the collection rates of consumer loans and credit cards began to deteriorate, especially in the second half of the year. Despite this, the non-performing loans ratio was only 3% thanks to strong collections. The Bank's prudent provision strategy brought the cost of credit risk to 58 basis points, excluding the exchange rate effect.

The Bank achieved a net profit of TL 29 billion in 2024 with a 15.8% return on tangible equity. In addition, despite the challenging operating environment, Yapı Kredi enjoyed a cumulative net interest margin of 73 basis points thanks to an effective margin management.

In the future, Yapı Kredi will maintain its prudent balance sheet management and strategies without compromising its priorities. With its lean and agile organizational structure, the Bank will continue to adapt rapidly to developments in the market, take new measures when necessary, and retain its strong key indicators. The Bank will continue to focus on small-ticket transactions in 2025 and anticipates an increase in profitability, especially in light of macroeconomic developments.

AMENDMENTS IN THE REGULATORY FRAMEWORK

Being a critical component of the financial system and affecting a wider sphere beyond the financial system, the banking sector is strictly regulated, which keeps its activities under control. The activities of the banks that deliver a variety of services within the financial system are regulated, controlled and supervised by several public authorities: the Banking Regulation and Supervision Agency (BRSA), the Central Bank of the Republic of Türkiye (CBRT), the Capital Markets Board of Türkiye (CMB), and the Ministry of Trade.

Since the second half of 2018, but especially since 2020 Türkiye has experienced highly challenging socioeconomic conditions such as exchange rate volatility, the COVID-19 pandemic, earthquake disaster, elections and inflationary environment, etc. As a result, there was an intense regulatory environment in the banking sector, due to the aim of eliminating the effects of such conditions as well as factors such as technological developments and changing habits. This is an indication of how important the banking sector is in terms of macroeconomic conditions and social phenomena.

In recent years, public authorities carried out important projects particularly in relation to digitalization, open banking and fintechs while enforcing amendments to existing regulations as well as new regulations. It is expected that the works related to these topics continue and increase, as mentioned in the 2022-2025 strategic plan published by the Presidency of the Republic of Türkiye.

2024 was a year wherein the "Liraization Strategy" continued, some steps were taken with a focus on simplification. However, in essence, these were only "surrogate" regulations, and extremely challenging regulations were still in force. In the last months of the year, the repeal of certain regulations regarding credit risk weights, capital adequacy, etc. and the announcement of eliminating inflation accounting had a positive effect on banks in terms of regulations, but 2024 was marked by the policy of combating inflation by increasing the attractiveness of Turkish lira deposits, preventing dollarization and suppressing foreign exchange, especially to control expenditures and increase savings. The regulations put into practice in this regard were quite challenging and costly for banks.



2024 was a year wherein the "Liraization Strategy" continued some steps were taken with a focus on simplification. However, in essence, these were only "surrogate" regulations, and extremely challenging regulations were still in force.

The securities facility regulation, which entered into force in 2022, was gradually abolished starting from 2023 and was eventually completely repealed in 2024. On the other hand, the growth targets introduced especially for loans with the Communiqué on Required Reserves and the targets for increasing the currency protected deposit and Turkish lira deposit balance were the most important actors of the regulations for the banking sector in 2024 and were updated frequently throughout the year.

After the currency protected deposit products offered to combat cyclical conditions fulfilled their function and the application of opening "Currency Protected Time Deposit Accounts" with Turkish lira deposits/participation funds was terminated in 2023, a number of decisions were taken in 2024 to reduce the attractiveness of currency-conversion protected deposit products.

Since the payment power of individuals weakened due to high inflation, which led to a remarkable decline in the repayment performance of debts to banks, a partial restructuring regulation came come into effect in September 2024 to provide consumers with the ability to pay their debts regarding credit cards, consumer loans and overdraft accounts. Moreover, with the revision of the minimum payment rate on credit cards, relatively low interest rates were applied to credit cards with low full debt and relatively high interest rates were applied to those with high full debt, encouraging consumers to reduce their credit card debt balances.

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The existing credit transaction regulation was divided into two with some amendments and entered into force in 2024 as the Regulation on Banks' Loan Transactions and the Regulation on the Determination of Risk Groups and Credit Limits.

In the banking sector, fraud was also an important topic, and following the increase in fraud cases, an instruction requiring detailed actions to be taken was issued by the BRSA.



At Yapı Kredi, expert teams closely monitor the above-mentioned legislative changes that directly affect the banking products and services offered as well as business processes. These changes are evaluated and interpreted by legislation, law and other units, their effects are analyzed and communication is established with associations of organizations and legal authorities when necessary. As a result of the relevant planning processes, full compliance with the legislation is ensured.

Moreover, Yapı Kredi identifies the possibilities that may be brought by the changes in the regulations, and studies are carried out on these opportunities in new product and service development processes within the framework of fragmented business and transactions.

The banking sector has a very vibrant and volatile regulatory atmosphere. Although adaptation to this atmosphere is possible with an agile business model, it requires the existence of elements that complement each other. At Yapı Kredi, expert legal teams closely monitor the legal regulations, the relevant amendments and new regulatory plans as well as the amendments implemented and the new regulations entering into force.

Impact analysis is carried out as a result of close cooperations with the relevant business units, and the necessary decisions for the compliance of the processes and business models with the regulations are taken jointly and rapidly together with the relevant units. Compliance with legal regulations requires not only the

harmonization of processes and business models, but also the regular activities of audit and control units. To this end, the Internal Audit and Internal Control units regularly and continuously carry out audits and controls for the compliance of banking activities with legal regulations.

ENVIRONMENTAL AND SOCIAL DEVELOPMENTS

The year 2024 witnessed a growing concerns that threaten progress, such as political turmoil and moving away of companies from environmental and social targets, and a rise in sustainability reporting. These developments experienced as existential issues such as climate change, biodiversity loss and inequality gained importance indisputably made it more challenging to create a just world and a healthy planet. Moreover, the 2024 Global Risk Report by the World Economic Forum emphasized three critical risks caused by climate change as extreme weather events, critical global systemic changes and biodiversity loss.

The results of researches showed that 2024 was the hottest year ever in the world, while Türkiye experienced the highest temperatures in the last 53 years. This played an important role in further aggravating climate-related disasters. According to the first annual report on extreme climate impacts in 2024 prepared by the World Weather Attribution (WWA) initiative and the Climate Central Group, 26 weather events occurred in 2024, causing the death of at least three thousand people and the displacement of millions of people. The destruction of thousands of hectares of land due to forest fires in Canada, the floods in Spain and the heaviest rainfall in the United Arab Emirates (UAE) in the last 75 years are just a few of the climate-related disasters.

The green transformation of the economy also stood out among other important topics of the year. Although carbon emissions continued to increase in 2024, there were exciting developments regarding transition to a clean economy. Closing its last coal-fired power plant, the United Kingdom contributed to an 8% decrease in the EU's emissions from last year. On the other hand, despite



The financing needed to eliminate the permanent effects of climate change, nature destruction and pollution as well as the increasing social and economic inequalities and to ensure sustainable development was the hot topic of 2024.

the actions taken in the USA to slow down clean transportation, it is estimated that global investments in clean technology reached USD 2 trillion in 2024, twice the investment in fossil fuel, thanks to developments such as the increased adoption of electric vehicles in other countries such as China. The EU's adoption of the Net-Zero Industry Act (NZIA), which aims to increase Europe's production capacity for technologies that play an important role in achieving climate goals, was also a critical step in the green transformation of the economy. In the banking sector, which has an important role in the green transformation, financial institutions continued to develop science-based targets and sector-based decarbonization strategies for financed portfolios, while some major global banks abandoned their Net-Zero Banking Alliance (NZBA) commitments due to the impact of recent changes in the political arena.

Biodiversity, an issue of vital importance for living things and directly related to climate, continued to be a major debate with increasing momentum in 2024. According to the Living Planet Report published biennially by the World Wide Fund for Nature (WWF), the world's wildlife populations have shrunk by a "catastrophic" 73% in the last 50 years. One of the most striking examples of biodiversity loss, mainly caused by humans, was the destruction of a large part of agricultural lands during the war in Gaza, reaching the level of ecological destruction. Regarding biodiversity, the next five years are critical. Accordingly, held in Colombia from October 21 to November 1, 2024, the 16th Conference of the Parties (COP16) focused on biological diversity under the theme of "Peace with Nature". The summit was attended

by representatives from 190 countries, including 12 heads of state, as well as more than 15,000 thousand guests. The conference was an important platform for discussing topics such as biodiversity, environmental justice, protection of the Amazon forests, discussion of indigenous rights issues, maintenance of genetic diversity and vital ecosystems. Another important development in the field of biodiversity was the Task Force on Climate-Related Financial Disclosures (TCFD), published in 2024. Aiming to guide companies in assessing and reporting their impacts on nature, the initiative indicated that the extent of biodiversity within sustainable finance will increase and more comprehensive reporting will be needed. In Türkiye, dead fish washing up on the shores of the Gulf of Izmir due to the pollution in the water and the insufficient oxygen levels showed that Türkiye faces serious danger regarding biodiversity. To prevent biodiversity loss, the Gulf of Izmir Science Board was established on September 1, 2024 upon the instructions of the Ministry.

The financing needed to eliminate the permanent effects of climate change, nature destruction and pollution as well as the increasing social and economic inequalities and to ensure sustainable development was the hot topic of 2024. The 2024 Sustainable Development Report prepared by the United Nations Sustainable Development Solutions Network (SDSN) states that there has been progress in only 16% of the determined Sustainable Development Goals (SDGs), while there was limited or backwards progress in the remaining 84%. Drawing attention to the need to strengthen global cooperation and financing, the report emphasizes more clearly than ever the leading role of the financial sector in the transition to a low-carbon economy. Moreover, the report recommends various strategies for reforming the global financial architecture such as increasing official financing, improving the performance of national development banks, global taxation practices, reforming private capital markets and restructuring existing debts.

In parallel with the ever-increasing need for financing, the main topic of this year's Climate Change Summit has also been shaped as climate finance. The 29th Conference of the Parties (COP29) to the United Nations (UN) Framework Convention on Climate

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Change, hosted by Azerbaijan in the capital Baku under the theme of "In Solidarity for a Green World", became the second largest COP summit with more than 67,000 registered delegates from 169 countries. One of the main agenda items of the Conference was the determination of a new climate finance target known as the New Collective Quantified Goal (NCQG). As a result of longlasting negotiations, developed countries agreed to provide USD 300 billion in climate finance to developing countries per year by 2035. In addition to the USD 300 billion annual commitment by 2035, the parties also announced the target of reaching an annual transformation fund of USD 1.3 trillion using public and private sector resources. However, failing to present a clear roadmap regarding the nature of public and private sector sources providing the remaining annual financing by 2035 led to criticism and longterm discussions. Contrary to the inadequacy of the decisions taken on the amount and instruments of climate finance, the parties welcomed that the new financing target left the door open to "voluntary" inputs from developing countries such as China and Saudi Arabia, which did not previously provide official climate finance.

In the two-week marathon of talks leading to fierce discussions from time to time, other prominent topics were climate finance, adaptation and resilience, Loss and Damage Fund, emission reduction and Nationally Determined Contributions (NDCs) and Carbon Markets. In this regard, one of the topics discussed was to take one step further the decision to move away from fossil fuels, which was accepted at the COP28 last year. Since the countries could not reach an agreement on this issue, it was decided for the text to be discussed once again by the parties at the COP30 in Brazil. At the summit, the parties reached an agreement on the implementation of international carbon credit trading systems in accordance with Article 6 of the Paris Agreement, thus ending the negotiations ongoing for almost a decade on carbon trading. However, there were criticism regarding the directly acceptance of the implementation, which aims to provide robust and transparent carbon markets for countries cooperating to achieve their climate goals, without the negotiation process.



The financing needed to eliminate the permanent effects of climate change, nature destruction and pollution as well as the increasing social and economic inequalities and to ensure sustainable development was the hot topic of 2024.

In 2024, the effects of artificial intelligence on decarbonization were one of the hot topics. There is a view that the rapid advancement of AI will strain global electricity supply and cause an increase in emissions of technology giants, thus threatening decarbonization strategies in the short term. However, in the medium and long term, it is expected that AI can be used to increase the efficiency of buildings and transportation, manage clean power networks, reduce food waste, etc. At this year's Climate Summit, the Declaration on Green Digital Action was also announced, emphasizing the role of digital technologies in the fight against climate change and achieving the Sustainable Development Goals (SDGs). The Declaration discusses how digitalization can be used to support green solutions and reduce greenhouse gas emissions.

In Türkiye which hosted the 60th session of the Intergovernmental Panel on Climate Change (IPCC), the scientific assessment body of the United Nations (UN) on climate change, on January 16-19, Türkiye witnessed discussions on various environmental issues such as the preparation of the climate law, the announcement of the Climate Roadmap and the pollution in the Gulf of Izmir were the prominent issues in the field of environment. As the third country with the largest delegation (more than 1,800 representatives) at the COP29 Summit, Türkiye announced its Long-Term Climate Change Strategy roadmap during the Summit. The roadmap presents a target of 50% renewable energy and 30% nuclear energy in 2053. Moreover, the roadmap includes goals such as increasing the use of technology in agricultural irrigation, implementing organic farming in

at least 10% of agricultural lands, and increasing the waste recovery rate to 70%. During the summit, President Erdoğan stated that Türkiye was committed to an additional reduction of 100 million tons by 2030 and that the government would soon submit a new climate law to the parliament, including the carbon trading system. In addition, President Erdoğan also announced Türkiye's candidacy to host COP31 to be held in 2026.

In the agenda for 2024, companies particularly addressed issues such as legal regulations including legislation and agreements as well as the changes and developments in reporting evoked by the increasing demand for information by stakeholders. The EU's Corporate Sustainability Reporting Directive (CSRD) is one of the important acts in this regard, requiring companies to submit data on their impact on society and value chain emissions. a new concept for some companies. Companies required to report in 2025 worked intensively, including their finance and risk teams, in 2024 to establish a reporting infrastructure and design relevant processes. In Türkiye, the Turkish Sustainability Reporting Standards (TSRS 1 and 2), prepared by the Public Oversight Authority (KGK) in parallel with the IFRS S1 and S2 Global Sustainability Standards, entered into force on January 1, 2024. Companies that meet certain reporting criteria have started to evaluate their short, medium and long-term financial situations, performances and cash flows, governance and strategies in accordance with the framework of sustainability and climaterelated risks and opportunities.

In particular, with the double materiality analysis introduced by the CSRD reporting and the financial materiality issue in the TSRS reporting, the connection between environmental, social and governance (ESG) factors and financial indicators was further strengthened. The CSRD makes it obligatory for the Banks, which are highly sensitive to climate risks through their loan portfolios and operations, to effectively manage climate-related financial risks. Accordingly, the issue of incorporating climate-related risks and opportunities into loan and operational risk mechanisms became one of the most critical issues of the banking sector in 2024. In this regard, the draft "Communiqué on Green Asset Ratio" and the "Guide on Effective Management of Climate-Related



As the third country with the largest delegation (more than 1,800 representatives) at the COP29 Summit, Türkiye announced its Long-Term Climate Change Strategy roadmap during the Summit.

Financial Risks by Banks" documents, published by the BRSA in 2023, are expected to be finalized and published in the coming period. The guide states that banks are obliged to use various criteria or heat maps to determine the geographical regions and sectors where climate-related risks are concentrated. In this context, the Climate Risks Working Group consisting of bank representatives under the Banks Association of Türkiye prepared the "Guide on Preparing Heat Map Methodologies" and announced the guide to the public on November 6, 2024. Moreover, the online Climate Portal was introduced in 2024 with the aim of providing input for the banks and the real sector on this issue to be used as an important tool in Türkiye's fight against climate change. Through the portal, designed to present scientific data produced by the public, academia and civil society organizations in an upto-date manner, the Banks Association of Türkiye will also share the tools necessary for the preparation of nature-based solutions. cost-benefit analyses and greenhouse gas inventories. Thus, it is aimed to provide users with access data that are key importance in the fight against climate change, as well as resources such as training and workshops

Along with these developments and reports on sustainability have increased, it has continued to bring greenwashing accusations. In 2024, there were series discussions, especially in EU practices, on legal sanctions regarding greenwashing, referring to businesses making false or misleading claims about their performance regarding environmental issues. As another important development of 2024, the Ministry of Environment, Urbanization and Climate Change published the Draft Regulation

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on Green Taxonomy of Türkiye, encouraging the flow of finance to sustainable investments and preventing greenwashing by defining sustainable economic activities.

There were also important developments in the sustainable finance market. In December 2023, the European Green Bond Standard (EGBS) was launched to increase transparency and reliability in the green bond market and to ensure the using of the funds raised for truly sustainable projects. After months of discussion, the European Securities and Markets Authority (ESMA) finally published its final guidelines on August 21, 2024 regarding the use of ESG and sustainability-related terms in the names of financial products. The guidelines set out criteria regarding the use of certain ESG-related terminology in fund names. As of November 21, 2024, new funds are required to comply with the guidelines while existing funds should be made compliant with the new standards by May 21, 2025. In Türkiye, the Capital Markets Board (CMB) stated that the climate crisis, pandemics and the developments regarding the European Green Deal increased the importance of sustainable finance approaches and innovative financial instruments such as green bonds in global capital markets. In this regard, the CMB announced on September 6, 2024 the "Draft Guide on Green, Sustainable and Social Capital Market Instruments" and the "Draft Guide on Sustainability-Related Capital Market Instruments". Moreover, based on the responses to the "Sustainable Banking Question Set" sent to banks in 2023, the BRSA published in August 2024 the "Environmental and Social Sustainability Report in the Turkish Banking Sector". The report includes important information on banks' sustainability policies and commitments, approaches to climate-related financial risks, and sustainable financing volumes, and presents the banking sector's current projects on this issue.

The first phase of the Carbon Border Adjustment Mechanism (CBAM), developed under the European Union's Green Deal to be implemented as a transition period between 2023-2025 and be fully operational in 2026, relates to sectors such as cement, iron & steel, aluminum, fertilizer, hydrogen, and electricity. The "Regional Development National Strategy (2024-2028) and Regional Plans (2024-2028)" were published in the Official Gazette

dated December 17, 2024. The Decision states that the share of European Union (EU) countries (EU27) in Türkiye's 2022 exports under the CBAM realized as 40.5%. Moreover, it announced a table showing the top 10 provinces that stand out according to the export volumes to EU countries of the sectors to be primarily affected by the CBAM. In line with the action to develop sectoral roadmaps to reduce greenhouse gas emissions in priority manufacturing industry sectors that may be subject to the CBAM, the Ministry of Industry and Technology, in cooperation with the European Bank for Reconstruction and Development (EBRD), prepared low-carbon roadmaps for the steel, aluminum, cement and fertilizer sectors. In these roadmaps, the scenarios developed related to determining the necessary technologies, investment needs and policy steps for each sector in order to ensure the green transformation of Türkiye.

The year of 2024 was the seventh anniversary of the Zero Waste Movement, launched on September 27, 2017 under the auspices of President Recep Tayyip Erdoğan's wife Emine Erdoğan and coordinated by the Ministry of Environment, Urbanization and Climate Change. Under the project, a total of 59.9 million tons of recyclable waste has been added to the economy in seven years. The daily amount of waste separated and converted into products or energy in the solid waste facilities was 9,000 tons, while approximately 22 million people received trainings on zero waste. The "Zero Waste" Project was deemed worthy of the Parliamentary Assembly of the Mediterranean (PAM) Award, given to projects that contribute to the prosperity of the European-Mediterranean and Gulf regions.

The 16th Conference of the Parties (COP16) to the UN Convention to Combat Desertification (UNCCD) was held in Riyadh, the capital of Saudi Arabia, on December 2-13, 2024. The summit, organized under the theme of "Our Land, Our Future", addressed the issues of repairing drought-damaged lands and increasing resilience to drought. During the conference, Murat Kurum, the Minister of Environment, Urbanization and Climate Change, announced the "National Strategy and Action Plan on Combat Desertification". Minister Kurum stated that the resources allocated for combating desertification will be doubled and that

financial resources for the adaptation of new technologies in sustainable land management will be increased by 25 percent.

Along all these developments, due to the so-called anti-ESG movement, companies faced a new pressure regime and reached a new and harsh turning point in terms of corporate sustainability. In 2024, as more than half of the world's population went to the elections, the winning parties were against climate change or had a passive attitude on this issue, which indicates seismic changes regarding the climate regime. Moreover, the expectation that inequality in economic policies will increase has also brought with it the possibility that social sustainability may be damaged. Although what this will bring is not yet fully known, in one possible scenario, the business world will be required to shoulder most of the burden on its own in order to drive change.



HOW WE MANAGE

At Yapı Kredi, the management of environmental and social issues is carried out under the supervision of the Sustainability Committee, chaired by an independent member of the Board of Directors and composed of all relevant senior management of the Bank. The decisions taken and the work carried out by the Committee are regularly reported to the Executive Board and the Board of Directors. In 2024, the working groups operating under the Committee were reviewed in line with the Bank's strategic priorities and the working groups were reorganized as "Management of Climate-Related Risks, Net Zero, Sustainable Finance, Sustainable Operations and People & Society". Moreover, the roles and responsibilities of the working groups were determined and their functioning was improved. Acting with the mission of taking a leading role in the sector in combating climate change, Yapı Kredi received SBTi verification in 2024 for the targets determined for both its operations-related and financed emissions in 2023 in line with its SBTi commitment. The verification made the Bank the first private Tier-I bank to receive SBTi verification in Türkiye with the most comprehensive loan portfolio target in the Turkish banking sector. In addition, Yapı Kredi determined sector-specific emission reduction targets

in 2024 in accordance with the recommendations of the NZBA guidelines and published them publicly together with the net-zero roadmap developed on a sectoral basis to achieve these targets. The Bank works to implement sectoral action plans in line with the net-zero roadmap. Moreover, Yapı Kredi successfully completed the project launched in 2024 to improve the data quality and methodology regarding the calculation of financed emissions, which is of great importance for the implementation of net-zero plans. With all these works, Yapı Kredi aims to continue its determined efforts to reduce its financed emissions and guide its customers on their journey to net zero as a financier and also as an advisor and partner.

Starting to evaluate its impacts on the environment and the effect of environmental impacts on the business model, Yapı Kredi addresses climate-related risks and opportunities as physical and transition-related. Identification of physical and transition risks is important for reducing the carbon emission intensity of the credit portfolio, which is the biggest emission source for the banking sector. The Bank defines the physical and transition risk classification of different sectors by taking into consideration the Guide on Preparing Heat Map Methodologies published by the Banks Association of Türkiye. Accordingly, five different risk rating categories are determined for different sectors where Yapı Kredi has credit risk: low, medium low, medium, medium high and high. The impact of these risks and opportunities for Yapı Kredi and the agenda on combating climate change are determined by taking into account national and international regulations, initiatives and trends under the joint work of different units within the Bank. To this end, the Bank responds to the risks and opportunities every year within the scope of the CDP Climate Change Program. As a result of the evaluation of the responses Yapı Kredi provided to the program, the Bank entered the A list this year and achieved the success of being on the Global A list for two consecutive years. As corporate reporting standards gain importance, the Bank plans to publish, in 2025, the relevant reports in accordance with the Turkish Sustainability Reporting Standards (TSRS 1 and 2), which were issued in January 2024 by the KGK.

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The Bank works to implement sectoral action plans in line with the net-zero roadmap.

The Bank incorporates its strategic approaches to reducing emissions from its loan portfolio in its Reputational Risk Policy and Credit Policies approved by the Board of Directors. Issues related to risky areas and sensitive sectors (environmentally unfriendly establishments, nuclear energy, mining and thermal power plant industry, water infrastructure and dam industry, etc.) are defined in line with the general principles of reputation risk management. Based on its new policies updated in 2021, Yapı Kredi declared that the Bank will not finance greenfield coal-fired thermal power plants and new projects engaged in coal mining. Yapı Kredi manages climate-related risks arising from lending activities under the ESRA (Environmental and Social Risk Assessment) system, applied by the Bank to corporate and commercial loan requests. The Bank monitors the environmental and social impacts of high-risk projects and investments with Environmental and Social Action Plans. In 2021. Yapı Kredi carried out improvement works in the system based on national legislation, International Finance Corporation Performance Standards (IFC PSs) and Equator Principles practices.

Yapı Kredi has taken many important steps towards financing green investments in the real sector, which has an important place in its net-zero plan. Yapı Kredi offers financial solutions to sustainable development issues through numerous products and services such as sustainability-linked loans, renewable energy and energy efficiency loans and Nature-Friendly Mortgage. Planning to further expand its current product range in light of recent developments, the Bank updated its Sustainable Finance Framework in July 2024 in compliance with the ICMA principles. The Bank also completed its first Sustainable Syndication transaction, which will be extended in line with the Sustainable Finance Framework, Yapı Kredi started to work on the installation of necessary infrastructure to determine sustainable green loans in order to comply with the Draft Communiqué on Green Asset Ratio published by the BRSA for the identification of banks' green finance portfolios.

Moreover, the Bank continued its efforts to reduce electricity consumption with energy efficiency projects in its operational activities, while implementing renewable energy projects to reduce Scope 2 emissions. Another one of the most important projects launched during the reporting period was the Land SPP Project, which will meet approximately 59% of the Bank's energy consumption from renewable energy. After the legal permit process is completed, the plant will be put into operation and start electricity generation. In 2024, Yapı Kredi completed the Al-Assisted Sustainable Facility and Environmental Management Digital Platform project with the Apollo lota, one of the Fast FRWRD SME Solutions Acceleration Program initiatives. The project enabled the Bank to accurately and quickly track electricity, natural gas, water consumption and costs based on location in a digital environment. Yapı Kredi took another important step in its sustainability journey in 2024, and received the LEED (Leadership in Energy and Environmental Design) platinum certificate for its Banking Base building, becoming the first bank in Türkiye to achieve this success under Version 4.1 (Leed Platinum v4.1).

Yapı Kredi launched the Land SPP Project, which will meet approximately 59% of its energy consumption from renewable energy.

As increasing ecological destruction in the world pose an increasingly greater risk for the lives of living beings and the ecosystem, Yapı Kredi starts to attach great importance to the issue of biodiversity. To this end, the Bank signed the Finance for Biodiversity Pledge in 2023 as the only financial institution from Türkiye. As part of this commitment, the Bank plans to provide training on biodiversity to the Bank's senior management and all employees in 2025 and to increase their knowledge capacity on this issue.

Ethics and Compliance

YAPI KREDİ CODE OF ETHICS AND BUSINESS CONDUCT

In the banking sector, where a high level of competition prevails, it is important to address ethical values, combating bribery and corruption, and human rights within the framework of principles and policies. Yapı Kredi manages all its business processes in accordance with Code of Ethics and Business Conduct Principles.

The Code of Ethics and Business Conduct Principals, which cover all employees and managers, are reviewed at regular intervals to ensure they meet current legislation and institutional needs while being simple and understandable. Revisions to the policy are adapted for both the Bank's domestic and international subsidiaries. All employees and managers of Yapı Kredi and its subsidiaries are required to act in accordance with these Ethical Rules and Working Principles. In this context, employees and managers make an electronic declaration through the system indicating their compliance with the Code of Ethics and Business Conduct Principles.

Yapı Kredi conducts its activities in compliance with applicable legislation and contractual obligations while acting within the framework of "Code of Ethics and Business Conduct Principals." The senior management of Yapı Kredi leads all employees by embracing ethical values as part of Yapı Kredi's culture, reflecting them in employee attitudes and behaviors. At the same time, it aims to prevent unethical behavior by encouraging employees and business partners to act in accordance with a culture of compliance.

Yapı Kredi has a Whistleblowing Policy defining methods for reporting actions suspected to violate Ethical Rules, Business Conduct Principles, and other policies or legislation. These



All employees and managers of Yapı Kredi and its subsidiaries are required to act in accordance with these Ethical Rules and Working Principles.

reporting methods are open for internal and external use and are managed confidentially across five main areas: Ethics, Anti-Corruption, Conflict of Interest, Internal Audit, and Sanctions. Yapı Kredi respects the whistleblower's preference to remain anonymous and takes necessary measures to protect them. The policy clearly states that Yapı Kredi employees who report in good faith are protected from potential retaliation. In its international subsidiaries, whistleblowing methods are provided in local languages through channels specified in their respective Whistleblowing Policies.

To report concerns or violations of the Ethical Rules and Working Principles, legislation, and policies, several options are available: sending an email to etik@yapikredi.com.tr, mailing a letter, or calling +90 212 339 73 53. Reports can be submitted anonymously through these channels by keeping identity information confidential. Yapı Kredi also aims to offer whistleblowing methods that align with modern technological capabilities, continually updating its reporting methods as part of a technology transformation project.

In addition to the aforementioned reporting methods, employees and stakeholders can use the Koç Group Ethics Line managed by independent service providers as an alternative method for

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expressing their concerns. This Ethics Line offers live phone support in 19 countries including Türkiye and online reporting in 34 languages, available 24/7.

In 2024, the Ethics Lines received 503 reports, all of which were resolved. During the reporting period, investigations and evaluations conducted by expert teams found no actions related to discriminatory activities defined in the Ethical Rules and Working Principles.

To spread a culture of compliance and increase employee awareness within the framework of Ethical Rules and Working Principles, regular announcements are sent to all employees through various channels. Additionally, employee meetings are held for one-on-one communication on ethical issues. The Ethical Rules and Working Principles along with other relevant compliance policies are accessible on the company's intranet platform and Yapı Kredi's website for all employees.

Notifications submitted via whistleblowing channels concerning breaches of Ethical Rules and Working Principles are examined by the Ethics Department. Depending on the nature of the incident, reminders, warnings, or ethical notices may be given to employees exhibiting unethical behavior or actions; they may also be referred to the Disciplinary Committee depending on severity. Situations resulting in ethical warnings are considered as input in performance management and career progression. Periodic spot checks conducted by the Ethics Department can lead directly to referral to the Disciplinary Committee if violations also contravene provisions of disciplinary regulations or recurrently occur within validity periods. Consequences up to termination might arise from matters brought before this committee based on case specifics.

In 2023, with the approval of the Board of Directors, an Ethics Committee was established. The purpose of the Ethics Committee is to enhance Yapı Kredi's ethical practices and culture by evaluating reports that contain practices or issues contrary to Ethical Rules and Working Principles presented to the Committee, making decisions, and offering recommendations.



In 2024, the Ethics Lines received 503 reports, all of which were resolved.

Yapı Kredi is a member of the Ethics and Reputation Society (TEİD), which operates to assist and guide companies in creating and implementing Ethical Rules and Working Principles, Anti-Bribery and Corruption Policy, and related processes, ensuring that corporate ethical values are adopted across all administrative and commercial functions.

YAPI KREDİ CODE OF ETHICS AND BUSINESS CONDUCT

At Yapı Kredi, Ethical Rules and Working Principles training is assigned to all employees and managers, including temporary, part-time, half-time, and full-time staff as well as the Board of Directors. In line with the updated Ethical Rules and Working Principles, the existing online training content has been revised and reassigned to all employees, including domestic and international subsidiaries. Additionally, virtual classroom training through online platforms has been initiated alongside in-class training. In 2024, a total of 9,581 hours of training were provided to 2,042 employees to enhance awareness in the field of Code of Ethics and Business Conduct Principles.

Anti-Money Laundering, Combating the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction

The Anti-Financial Crimes department of Yapı Kredi Financial Group, that operates under Compliance, Internal Control and Risk Management and directly reporting to the Audit Committee, is conducting their activities to ensure full compliance with legal obligations within the scope of preventing money laundering, financing of terrorism and proliferation of weapons of mass destruction, and all applicable national and international regulations, including FATF (Financial Action Task Force) recommendations. In accordance with the legislations, all activities

are performed in line with the policies and procedures developed on Anti-Money Laundering, Combating the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction. To this end, practices regarding customer acceptance, customers' risk classification, monitoring and assessment and obligations on know-your-customer are successfully carried out to achieve full compliance and prevent possible risks. Robotic technologies are integrated in operational areas for customer acceptance and monitoring activities to ensure more efficient and analytical use of the human resource. Moreover, works to integrate artificial intelligence technology into relevant processes are still ongoing.

In case of suspicious transactions, Yapı Kredi reports these suspicious transactions to the Financial Crimes Investigation Board (MASAK) in line with the laws and regulations governing the Bank. In order to follow up international sanctions, the Bank performs all the controls regarding financial sanction regulations including but not limited to the restrictions imposed by the United Nations, the European Union, the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury, the Office of Financial Sanctions Implementation (OFSI) of UK HM Treasury etc

As the parent financial institution, the Bank conducts the activities for the adoption of necessary measures and coordination of compliance functions by the companies in the Financial Group in



In 2024, a total of 9,581 hours of training were provided to 2,042 employees to enhance awareness in the field of Code of Ethics and Business Conduct Principles.

accordance with the Financial Group Compliance Policy. All new employees of the Financial Group companies receive classroom/virtual classroom trainings as part of the orientation program while annual online trainings are offered to the entire workforce of the Financial Group. In this regard, all employees were subject to training program in 2024 to raise awareness on the Prevention of Laundering Proceeds of Crime, Financing of Terrorism and Proliferation of Weapons of Mass Destruction.

The Yapı Kredi Internal Audit Department periodically performs risk-based audits to verify the compliance of all these activities with the policies and procedures. The Department regularly reports activities regarding anti-money laundering and combating the financing of terrorism to the Audit Committee and the Board of Directors.

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Material Issues

Yapı Kredi's material issues form the basis of its business model and value creation approach, and guide the process of determining the Bank's corporate strategy. While determining its regularly-reviewed material issues, Yapı Kredi takes into account stakeholder expectations, sectoral and global trends, senior management views, the Bank's strategic plan and risks and opportunities based on the impact analysis carried out by the Bank. To this end, first, an issue universe was created, including issues potentially important for the banking and finance sector. While creating this universe, Yapı Kredi considered sector and competitor practices, global reports and important issues on the national and international agenda. In line with these issues, a stakeholder analysis and materiality study was carried out to identify Yapı Kredi's material issues.

The stakeholder analysis was completed with the participation of more than a hundred stakeholders, including shareholders and investors, customers, supervisory and regulatory bodies, financial institutions, chambers of commerce and unions, suppliers, NGOs, universities, and research institutions. The Bank prepared an online survey to collect opinions of external stakeholders and the Bank's employees, one of the internal stakeholder groups. In addition, one-on-one interviews were conducted with the senior management to take their opinions. At the last stage of the analysis, workshops were held with the members of the Sustainability Committee and the Bank's material issues were determined in line with Yapı Kredi's strategic plan. The material issues were classified in three categories as significantly material, highly material, and material. The material issues matrix was updated accordingly.



While determining its regularly reviewed material issues, Yapı Kredi takes into account stakeholder expectations, sectoral and global trends, senior management views, the Bank's strategic plan and risks and opportunities based on the impact analysis carried out by the Bank.

MATERIAL ISSUES MATRIX



Importance for Yapı Kredi

Biodiversity

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MATERIAL ISSUES RELATED CAPITAL ITEMS RELATED SDGS Financial Capital, **Business Continuity** Manufactured Capita 12 described at the state of th Intellectual Capital **Digital Transformation & Innovation** Manufactured Capital **Customer Satisfaction** Social and Relationship Capital Shirthwater 13 after 14 tree 15 fine **Climate Change** Natural Capital 17 8 DECENTIVERS A **Financial Performance** Financial Capital **Ethics & Compliance** Human Capital Financial Capital Human Capital **Corporate Governance** Intellectual Capital Social and Relationship Capital Financial Capital Corporate Risk Management Natural Capital Human Capital Human Capital **Customer Satisfaction and Engagement** Intellectual Capital Human Canital **Diversity & Inclusion** Social and Relationship Capital 6 PEACE JUSTI AND STRONG INSTITUTIONS Manufactured Capital Cyber Infrastructure and Data Security M Intellectual Capital **Human Rights** Human Capital 111 Financial Capital Manufactured Capital **Responsible Products and Services** Social and Relationship Capital Natural Capital Financial Capital **Financial Inclusion** Social and Relationship Capital Social and Relationship Capital **Community Investments** Intellectual Capital Natural Capital Financial Capital, **Brand Culture** 111 Manufactured Capital **Talent Management** Human Capital 9 INCOMPLIANCE IN 13 COMPT Resource and Waste Management Natural Capital Intellectual Capital Social and **Transparency** M Relationship Capital Natural Capital **Responsible Supply Chain** M Social and Relationship Capital 10 REQUESTS THE SECOND Generated Capital Financial Literacy 11 Social and Relationship Capital Manufactured Capital Intellectual **Open Banking** Capital Social and Relationship

Capital

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Stakeholder Relations





Analyzing the priorities and expectations of stakeholders for Yapı Kredi enables the Bank to better manage risks and opportunities.

While determining its business strategy and priorities, Yapı Kredi defines the expectations of its internal and external stakeholders and considers the short, medium and long term value that its activities create on its stakeholders.

Analyzing the priorities and expectations of stakeholders for Yapı Kredi enables the Bank to better manage risks and opportunities. The Bank embraces the concept of effective and two-way communication with its stakeholders, which are grouped as shareholders and investors, employees, customers, regulatory and supervisory institutions, financial institutions and creditors, international enterprises, chambers of commerce and unions, suppliers, non-governmental organizations (NGOs), universities and research institutions, and the media.

Customers are at the center of Yapı Kredi's business model as one of the most important stakeholder groups. The Bank considers its customers' feedback, and improves and enhances customer experience and the value proposition delivered to them. You can find detailed information about how customer opinions are integrated into all processes and about communication with customers in the Customer Experience section.

Human capital is the most important asset that serves as the foundation of Yapı Kredi's sustainability. In order to meet the expectations of its employees and to prepare for the business

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world of the future, Yapı Kredi regularly improves its working model, employee training and development programs, and the fringe benefits offered to its employees. You can find detailed information on communication methods with employees and Yapı Kredi's investments in human capital development in the Talented and Committed Employees section.

The Investor Relations Department is responsible for relations with shareholders. In 2024, within the scope of relations with shareholders, the Investor Relations Department organized 1 analyst day meetings and contacted nearly 450 investors. Moreover, the Department participated in 16 conferences and 7 roadshows to meet with current and potential investors while informing shareholders about current developments.

Aware of the importance of multistakeholder communication and cooperation, Yapı Kredi actively engages in sectoral initiatives and non-governmental organizations. To this end, the Bank joins and contributes to national and international initiatives on sustainability.

Since 2017, Yapı Kredi has been a member of the United Nations Environment Programme Finance Initiative (UNEP FI). and is a founding signatory of the United Nations Principles for Responsible Banking (UN PRB) established under the UNEP FI. Actively participating in UN PRB's working groups, the Bank cooperates and shares experience in the field of sustainability with other banks at the international level. Moreover, the Bank became a founding signatory to the new initiative of the United Nations Principles for Responsible Banking in the field of "Financial Health and Inclusion" in 2021. Under this working group, together with other national and international banks, Yapı Kredi took an active role in the creation of target and indicator sets to increase financial health and inclusion in the society. In the light of these indicators, the Bank carries out activities to increase the financial literacy of disadvantaged groups and increase their access to financial products. Yapı Kredi regularly and transparently reports developments in this area every year. You can find detailed information in the Yapı Kredi United Nations Principles for Responsible Banking Reporting Index section.



Since the 2019 reporting period, Yapı Kredi has been presentin its financial and non-financial data to its stakeholders in annual integrated reports based on the shared value creation model.

In 2023, the Bank became a signatory of the Net-Zero Banking Alliance (NZBA) established by the United Nations Environment Programme Finance Initiative (UNEP FI), committing to aligning its portfolio with net-zero emissions targets in accordance with the Paris Climate Agreement by 2050. In line with this commitment, in 2024, it set NZBA-compliant targets and published a roadmap to achieve these goals

Becaming a member of the Finance for Biodiversity Foundation in 2023, Yapı Kredi became the first finance company from Türkiye to become a member of this foundation and started to take an active part in its working groups.

As a member of the Banks Association of Türkiye (BAT), the Bank actively participates in all the activities of the association and is represented on the Board of Directors of the BAT. In addition, the Bank is a member of the "Sustainability Working Group", one of the continuous working groups of the BAT, and actively participates in all the studies carried out under this group.

Yapı Kredi is also an active member of the Turkish Industry and Business Association (TÜSİAD) Energy, Environment and Climate Change Working Group, and participates in the Energy, Environment and Net Zero Policies Sub-Working Groups of the relevant working group. Moreover, the Bank is an active member of the Gender Equality Sub-Working Group under Social Development Group. Through TÜSİAD working groups, Yapı Kredi enters into collaborations with various public institutions, non-governmental organizations and international organizations.

Yapı Kredi contributes to TÜSİAD opinion papers according to the agenda of the working groups, and supports reports and research related to its fields of activity.

As a signatory of the United Nations Global Compact, the world's largest corporate sustainability initiative, Yapı Kredi follows up the Sustainable Finance, Diversity and Inclusion, Gender Equality and Environment Working Groups operating under the Global Compact Türkiye. In 2017, within the scope of the activities of the Global Compact Türkiye Sustainable Finance Working Group, the Bank became the founding signatory of the Global Compact Türkiye's Declaration of Sustainable Finance in cooperation with the sector. The Bank contributes to updating the declaration in the light of sustainable finance developments.

Since the 2019 reporting period, Yapı Kredi has been presenting its financial and non-financial data to its stakeholders in annual integrated reports based on the shared value creation model. In this context, the Bank is a member of the Integrated Reporting Türkiye Network (ERTA) with the aim of contributing to the development of integrated reporting and integrated thinking system in Türkiye.

Yapı Kredi actively participates in seminars, panels, conferences and workshops organized by the Turkish Investor Relations Society (TÜYİD) to closely monitor the developments in investor relations in Türkiye and in the world.

Yapı Kredi is also a member of the Ethics and Reputation Society (TEID). The Bank attends the training and working group activities of TEID.

CORPORATE MEMBERSHIPS AND INITIATIVES

- Interbank Card Center (BKM)
- United Nations Environment Programme Finance Initiative (UNEP FI)
- United Nations Generation Equality Forum
- United Nations Principles for Responsible Banking (UN PRB)
- United Nations Net-Zero Banking Alliance (NZBA)
- Finance for Biodiversity Foundation (FfB Foundation)
- Turkish Marine Environment Protection Association (TURMEPA)
- Foreign Economic Relations Board (DEİK)
- Integrated Reporting Türkiye Network (ERTA)
- Ethics and Reputation Society (TEİD)
- Financial Literacy and Inclusion Association (FODER)
- Global Compact Türkiye
- Task Force on Climate-Related Financial Disclosures (TCFD)
- Business Council for Sustainable Development Türkiye (bcsdTürkiye)
- Economic Research Foundation (IAV)
- İstanbul Foundation for Culture and Arts (İKSV)
- Equality at Work Platform and Declaration
- İzmir Foundation for Culture Arts and Education (İKSEV)
- Women's Empowerment Principles (WEPs)
- Credit Reference Agency (KKB)
- Corporate Communication Professionals Association (KID)
- Corporate Volunteers Association (ÖSGD)
- Advertisers Association (RVD)
- Advertising and Marketing Communications Association (REPID)
- Foreign Trade Association of Türkiye (TURKTRADE)
- Turkish Family Health and Planning Foundation (TAPV)
- Banks Association of Türkiye (TBB)
- Learning and Development Association of Türkiye (TEGEP)
- Educational Volunteers Foundation of Türkiye (TEGV)
- Corporate Governance Association of Türkiye (TKYD)
- International Chamber of Commerce Türkiye (ICC)
- Turkish Industry and Business Association (TÜSİAD)
- Institute of International Finance (IIF)
- Turkish Capital Markets Association (TCMA)
- Turkish Investor Relations Society (TÜYİD)

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Risk Management

Risk management is essential to capitalize on opportunities by following up global trends, to stand out in the competitive environment, and to improve economic, social and governance performances. Aware of the role of risk management in long-term sustainable growth, Yapı Kredi takes steps to create an effective risk management structure and risk culture.

Risk management is carried out by 121 employees under the management of the Audit Committee to, on an individual and consolidated basis, measure, monitor, report and control the risks that the Bank may encounter, taking into account international legal regulations, and using methods in accordance with national legislation. The highest-ranked manager responsible for risk management is the Assistant General Manager for Compliance, Internal Control and Risk Management. Risk management consists of Credit Risk Strategy, Modeling and Reporting Group Directorate, Market Risk Directorates, and Risk Validation Directorate.

Yapı Kredi ensures accurate and healthy strategic risk management through corporate functions and management committees. In this process, the Board of Directors sets up and oversees all control mechanisms and processes necessary for successfully implementing targets and strategies.

EMERGING RISKS

Climate Risk

Climate change has become the biggest risk factor that that affects all areas globally and threatens our world. In this context, in line with the 2022 Global Risks Report published by the World Economic Forum, Yapı Kredi considers the risk of "climate action failure" as a long-term and increasingly important risk with effects expected to continue in the coming period. Therefore,



At Yapı Kredi, risk management is carried out by 121 employees under the management of the Audit Committe.

combating climate change is among Yapı Kredi's strategic focal points. The Bank guides the climate agenda under the leadership of the Sustainability Committee, chaired by an independent Board Member and includes senior management, and its subordinate working groups. Within the scope of combating climate change and in order to eliminate the risk that the measures taken will fail in the fight against climate risk, the Bank works to monitor and reduce the carbon footprint both in the operational areas of activity and in the lending processes of the Bank.

Yapı Kredi continues to support many international initiatives developed for the financial sector to manage and reduce its emissions from both its own operations and loans. To this end, Yapı Kredi launched a project for the Carbon Transformation Program, initiated under the leadership of Koç Holding, within the framework of the Scientific Based Targets Initiative (SBTi) and the "Business Ambition for 1.5°C". Under the project Yapı Kredi measured its emissions from its operational activities as well as its loans and investment portfolio for the first time in 2022 and published it in the Carbon Disclosure Project (CDP) Climate Change report. Within the framework of the SBTi commitment, the Bank continues its efforts to set out its medium and long-term science based emission reduction targets for both operational and lending activities.

Yapı Kredi addresses the risks it may face in the event that the net-zero target is not achieved, within the scope of physical and transition risks. Physical risks are considered as the risks that sea level rise and extreme weather events (heavy rain, flood, drought, hail, tornado, etc.) may impose on the Bank's operations. Accordingly, with a proactive approach, the Bank continues to implement targets, strategies and action plans aimed at reducing energy and resource consumption in all its operational activities.

These physical risks may also have devastating effects on the Bank's customers' operations and thus their financial resilience. Yapı Kredi's lending activities are located in Türkiye, located in the Mediterranean Basin, which will be greatly affected by rising average temperatures. It is anticipated that the potential capacity drops of the financed hydroelectric power plant projects may increase the credit risk of these projects and affect Yapı Kredi's corporate and commercial banking activities. Issues related to risky areas and sensitive sectors (environmentally unfriendly establishments, nuclear energy, mining and thermal power plant industry, water infrastructure and dam industry, etc.) are defined in line with the general principles of reputation risk management and are also evaluated under the Environmental and Social Risk Assessment (ESRA) system.

It is important for real sector companies to be aware of the physical risks that they may face and to be encouraged to use lower emission technologies and investments.

Increasing the resilience of customers against the physical risks they may be exposed to and encouraging them to comply with net zero require the banking sector to develop innovative loan products. To ensure the transformation of the sector, Yapı Kredi offers financial solutions to sustainable development issues through numerous products and services such as sustainability-linked loans, renewable energy and energy efficiency loans, Nature-Friendly Mortgage, and Nature-Friendly Auto Loans. Thus, by responding to the net-zero transformation of its customers with its financial services, the Bank takes steps to prevent the market and competition risks that the Bank may face in reaching net zero in its loan portfolio. The Bank also incorporates its strategic approaches to reducing emissions from its loan portfolio in its



Identification of transition risks is important for reducing the carbon emission intensity of the credit portfolio, which is the biggest emission source for the banking sector.

Reputational Risk Policy and Credit Policies approved by the Board of Directors. Based on its new policies updated in 2021, Yapı Kredi declared that the Bank will not finance greenfield coal-fired thermal power plants and new projects engaged in coal mining.

Identification of transition risks is important for reducing the carbon emission intensity of the credit portfolio, which is the biggest emission source for the banking sector. The Bank takes into account Guide on Creating Heat Map Methodologies published by the Turkish Banks Association when determining the transition and physical risks classification of different sectors. Accordingly, five different risk rating categories are determined for different sectors where Yapı Kredi has credit risk: low, moderately low, moderate, moderately high and high. Supporting the TCFD since 2021, the Bank carries out studies in line with TCFD recommendations, on evaluating climate change-related financial risks and opportunities, integrating climate change-related physical and transition risks into risk management processes, and reporting the same in a transparent manner.

In this context, in line with the compliance with TSRS 1 and 2 (Turkish Sustainability Reporting Standard) published by the Public Oversight Authority, works have been initiated to define risks and opportunities related to sustainability and climate change in 2024. Morever, in order to comply with the Green Asset Ratio Draft Communiqué, responsible units have been decided to determine sustainable green loans and infrastructure works and projects have been initiated on the relevant issues.

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Business Interruption Risk During Disasters

The Bank defines 'disaster' as situations that occur as a result of not being prepared for emergencies and not being able to respond in a timely manner, that generally affect the majority of the society, that cause social, physical and economic losses, and that are caused by nature or humans. The definition of disaster covers earthquakes, landslides, floods, rockfalls and avalanches. A disaster may damage the Bank's employees, facilities, assets, suppliers and service providers, may interrupt access to systems and may affect the supply chain. Bank services may be interrupted due to these effects. In particular, the earthquake risk is considered one of the most important risks for the Bank, and Yapı Kredi plans and implements various actions to reduce the impact of this risk on the Bank's resources.

The Business Continuity Committee is responsible for planning what needs to be done in an emergency and crisis to take effective actions in the event of a disaster, crisis or interruption; implementing plans to protect reputation, brand value, value-creating activities and stakeholder interests; and recommend actions for ensuring the continuity of critical operations and their recovery within the targeted time frame. The Committee meets at least four times a year, and the number of meetings is increased when necessary.

The Bank has a "Business Continuity Management Policy" covering the regulations to be implemented in Business Continuity Management as well as a "Business Continuity Management Plan" covering Emergency, Crisis Management, Business Recovery, Crisis Communication, IT Emergency and Continuity Plans. Under the business continuity activities, regular trainings are offered to employees depending on their tasks and responsibilities.

Under the Emergency Management, Emergency Teams are responsible for the coordination of emergency response teams after a disaster or emergency and these teams receive special training to fulfill their duties. In case of crisis, the Crisis Management Team makes critical decisions on issues such as stopping and restricting operations, crisis communication, managing systems from the Emergency Center, transferring employees to alternative locations, their possible needs, and



In order to ensure business continuity at Yapı Kredi, an Information Technologies business continuity plan is developed and launched in line with the needs of customers and other stakeholders.

returning to normal, etc. The Yapı Kredi Search and Rescue Team (YAKUT) is a team established with the aim of executing the search and rescue activities that the Bank's employees will need during and after a disaster. Yapı Kredi established a Yapı Kredi Disaster Line to enable the employees to reach YAKUT in case of disasters. If a live search and rescue operation is required in emergencies, YAKUT provides the necessary coordination according to the location, size and scope of the incident.

Technology and Cyber Security Risk

Today, technology risk and cyber security have become even more important due to security and regulation needs, increasing threats and expanding networks. Yapı Kredi may be exposed to accessibility, integrity and confidentiality risks arising from technology risks, since the Bank uses information technologies intensively as part of its operations.

Various factors such as malware, ransomware, data breaches, and use of outdated equipment are considered as technology risk.

With technology risk management and risk mitigation, the Bank's security gaps are eliminated and possible risks can be prevented.

The successful management of technology risks that may cause disruptions in the Bank's business processes enables improved business continuity by finding agile solutions to risk incidents, thus preventing financial and reputational losses.

With the Information Technologies Risk Management Process developed to analyze, reduce, monitor and report the information technology risk, Yapı Kredi tries to bring the technology risk to a tolerable level, taking into account the current security management and potential breaches. Risks are defined and risk is rated according to probability and impact value in the light of vulnerabilities and

control environment. Yapı Kredi has created metrics and risk indicators to measure whether the risk is within tolerance. These metrics and risk indicators are closely monitored, and additional actions are taken for risks when necessary. In addition, the Bank follows the compliance requirements of IT processes with legal regulations and relevant standards. Yapı Kredi is regularly audited every year in accordance with regulations and the Control Objectives for Information and Related Technologies (COBIT).

In order to ensure business continuity at Yapı Kredi, an Information Technologies business continuity plan is developed and launched in line with the needs of customers and other stakeholders. Yapı Kredi determines the impact of potential incidents, develop appropriate recovery strategies and plans to ensure the continuity of products and services, and take necessary precautions through training, implementation, maintenance and review. Under the Business Continuity Management Plan, the Bank prepares and annually reviews the necessary plans to make the critical processes interrupted in the event of an emergency operational again within the specified recovery time target period. The Bank's Disaster Recovery Center is located in a different city, away from the Head Office locations, in order not to be subject to the same risks geographically, and is designed to back up all critical systems and data. Disaster recovery tests (transition tests from live environment to Disaster Recovery Center) and crisis simulation are carried out at least once a year. After extraordinary situations, lessons learned during the operation of the plan and procedures are reviewed and necessary updates are made, if any.

Yapı Kredi manages information systems and data security under relevant policies and processes. Data are classified according to confidentiality, integrity and accessibility values and security measures are taken, if required. The Bank designs data leak detection and prevention controls. The Information Security Committee carries out the activities of establishing, updating and implementing the information security policies in the Bank on behalf of the Board of Directors. Data sharing with third-party companies at Yapı Kredi is also kept under control in line with regulations and internal bank policies. All employees receive trainings on information security awareness and Personal Data Protection Law, cyber security bulletins and information security announcements



Yapı Kredi manages the transformation in human resources with the vision defined in terms of acquiring the competent human resources that the Bank will need as soon as possible.

are published, and the awareness of employees is raised. The Bank carries out monitoring activities 24/7 to detect and prevent cyber attacks. Security trail logs collected from all products are subject to correlation rules, which makes the detection and prevention of cyber incidents possible.

Critical Human Resources Risk

Finding and retaining talent is considered one of the most important risks for the next decade. Therefore, talent management has become a strategic priority not only for the human resources department but also for risk management. Skill management also covers strategy, corporate culture, being a learning organization, technology, management philosophy and system. Yapı Kredi considers understanding the business expectations of Y and Z generations, developing value propositions for them, and adapting, training, retaining and backing up the same among the material issues of risk management.

Today's business challenges prove the necessity of having competent human resources, being able to act quickly and designing an "agile and adaptable model" focused on technology. In particular, the risk of having insufficient or incompetent human resources, loss of critical human resources and not backing up critical human resources leads to the risk of limiting success in operational targets. To this end, due to the increase in the use of technology and digitalization in human resources management processes (hiring, development, retention, etc.), a global human resources management approach should be adopted, and technology-oriented and data-supported decision mechanisms should be prioritized.

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Yapı Kredi manages the transformation in human resources with the vision defined in terms of acquiring the competent human resources that the Bank will need as soon as possible. The Bank's Human Resources started to implement new practices related to the transformation in human resources in all areas from employer branding to recruitment, from training-development practices to career management, from performance and leadership development to employee loyalty-motivation. Accordingly, the Bank designs risk reduction actions through training, workshops and coaching projects, which are implemented with broad participation. Moreover, the Bank periodically monitors the targets set for human resources and the realization of the targets.

Yapı Kredi places great importance to human resources in terms of operational risk, reputation risk and business continuity management. To this end, the Bank carefully examines the qualifications of employees, their educational status, satisfaction and loyalty levels, expectations, problems in the media and social media, employee turnover rates, gender balance, critical positions and backup situations, equipment needs and communication strategies. Moreover, Yapı Kredi attaches the utmost importance to employee safety and health in emergencies or unexpected situations. These studies are carried out by defining business impact analyses, business recovery, emergency strategies as well as key risk indicators, and by regularly monitoring these indicators.

In addition, possible complaints about employee rights violations, negative working conditions, intimidation, and faulty managerial attitudes that may occur in the working environment are forwarded to the Ethics Line under the Compliance, Internal Control and Risk Management, and actions are taken within the framework of the Code of Ethics and Business Conduct Policy.

RISK CULTURE AT YAPI KREDİ

The Bank's Risk Management Framework consists of the following components: risk governance, definition of scope and identification of risk, evaluation of the risk profile, determining the risk appetite, monitoring, and reporting.

For effective risk management, the Bank trains internal experts, and makes investments to establish risk system infrastructures.



For effective risk management, the Bank trains internal experts, and makes investments to establish risk system infrastructures.

The Bank carries out activities to create a risk management infrastructure that seeks not only to achieve regulatory compliance but also allows monitoring and measuring independently from executive functions, supports business and decision-making processes, and is integrated with day-to-day operations.

Automated reporting and validations are conducted for effective analysis, monitoring and control mechanisms. The employees are enabled to embrace the risk culture with the policies established, processes defined, targets, responsibilities and regular trainings. In order to establish a common risk culture across its subsidiaries, Yapı Kredi acts with the principle of maximum compliance in relation to risk management activities. The Bank provides the necessary coordination in line with the responsibility of ensuring effective risk management suitable for the structure, complexity and risks of the Bank and its subsidiaries.

The Risk management strategy of the Bank aims to ensure the optimized use of the capital by measuring risks with methods complying with international standards and local regulations and maintaining risk-return balance in line with the sustainable growth target, and to secure sustainable growth within this balance. The Bank's risk management approach, namely the Internal Capital Adequacy Assessment Process (ICAAP), is based on solid risk management methods, and prospective planning and capital assessment based on the risk profile.

The Bank adopts a forward-looking capital planning approach to enable the Bank to continue operations in case of losses due to contingencies or deteriorations in the market. The most advanced international practices are utilized to identify, measure, analyze and control risks. The process of defining the risk and determining the appropriate measurement method has a dynamic structure, where risk management

is improved based on advanced international practices and analyses used by the Bank are updated parallel to the business evolution. A risk appetite framework integrated with the budgeting process is designed to optimize the operations while achieving the budget targets set for the Bank, thus, taking the proper risk positions.

Yapı Kredi regularly and annually reviews the Lending Policies, which reflect the Bank, asset quality, effective risk management and regulatory compliance strategy. Lending Policies cover common standards, restrictions and principles applicable across the Bank, including all practices in relation to credits management.

In addition, the rating / scoring systems are also regularly updated and improved. The Bank adopts a forward-looking capital planning approach to enable the Bank to continue operations in case of losses due to contingencies or deteriorations in the market.

As part of the Bank's risk management activities, the Bank prepares the Liquidity Coverage Ratio Report and submits the report to the Banking Regulation and Supervision Agency (BRSA) pursuant to "Regulation on Calculation of Liquidity Coverage Ratio for Banks" published by the BRSA in accordance with Basel III guidelines. The Total Liquidity Coverage Ratio (LCR) of Yapı Kredi exceeds the regulatory and internal limit and triggering levels. This ratio is annually approved by the Board of Directors and closely monitored in terms of its conformity to threshold levels.

RISKS

To identify the Bank's risk exposure, the Bank takes into consideration its main fields of activity, competitive environment, regulatory framework, best practices by international banks, and cost-benefit analysis in relation to the measurement of the risk exposure.

Credit Risk

Credit risk refers to possible loss that the Bank may be exposed to due to the borrower's failure to timely fulfill its contractual obligations in part or in whole.

Under the credit risk management, Yapı Kredi aims to measure, mitigate and take necessary precautions against the credit risk

by using efficient and smooth rating / scoring models, strategies and processes. Internal rating models used for measuring credit risks are designed in accordance with the criteria set forth in the "Communiqué on Calculation of the Risk Weighted Exposure Amount for Credit Risk by Internal Ratings-Based Approaches" published by the Banking Regulation and Supervision Agency (BRSA). Following the approval of the BRSA, the Bank, as of June 30, 2021, started to calculate capital adequacy ratios with the Internal Ratings-Based (IRB) approach using these internal rating models. With this development, Yapı Kredi became the first bank in Türkiye to adopt the IRB approach.

Yapı Kredi uses the following primary strategies for Credit Risk:

- Effectively implementing the Credit Policies Guidelines to ensure the continuity of the common risk management approach adopted across the Bank
- Directing the credit portfolio to less risky sectors
- Avoiding excessive concentration in group risks and strictly adhering to the applicable legal limits
- Focusing on customers with better ratings
- Avoiding transactions that will cause high credit risk and reputational risk
- Managing the country risk in accordance with the defined strategy, policy and implementation procedures

In addition to financial credit risks, Yapı Kredi evaluates possible environmental and social risks of investments such as environmental, human rights, ethical and corruption risks.

New investments and projects to be financed are handled under the Environmental and Social Risk Assessment System.

You can find detailed information on the management of the loans extended with respect to environmental and social risks in the section titled Responsible and Sustainable Finance.

Counterparty Credit Risk (CCR)

Counterparty credit risk is the risk of the counterparty to a financial agreement to lapse into default before the due date specified in the agreement and its failure to fulfill its contractual payment obligations.

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Agreements subject to CCR are agreements concluded individually between the parties, such as over-the-counter derivatives agreements and margin trading.

Yapı Kredi daily calculates and monitors amounts involved in counterparty credit risk, using the most advanced methods provided for by international regulations. The calculations take into account the current market conditions and various stress scenarios.

Risks subject to counterparty credit risk is ultimately a credit risk and is a part of the Bank's general credit risk monitoring / follow-up processes.

Credit Concentration Risk

Credit concentration risk refers to exposure to potential losses at a magnitude that might hinder the Bank from carrying out its core activities in a healthy manner due to the concentration of risk in a certain loan or group.

Monthly reports prepared for analyzing and monitoring credit concentrations at the Bank with respect to sectors, currencies, countries, geographical distribution etc. and for taking action when necessary are regularly shared to be used by sales / marketing and credit allocation departments, as well as by compliance, internal control and risk management units. The reporting aims to analyze the Bank's credit portfolio to avoid the concentration risk by monitoring the performance of the credit portfolio, and to take necessary actions. Moreover, the Bank has introduced the group- based threshold value methodology, and credit concentrations at large groups are monitored and reported to the senior management regularly in line with the Group-Based Threshold Value methodology.

Residual Risk

Residual risk refers to risks that occur when the credit risk mitigation techniques used turn out to be less effective than projected. For residual risk management at Yapı Kredi, adequate liquidity and validation of collateral valuation is monitored regularly at least once a year, and monitoring and revaluation frequency is increased in case of major changes in market conditions. In addition, the Bank's units regularly update collaterals, and apply the rules on reviews in line with the regulations and communiqués published by the BRSA.



Yapı Kredi's Operational Risk Management Policy was updated in 2024.

Operational Risk

Operational risk is defined as the risk of loss arising from errors, violations, interruptions or damages caused by internal processes, employees and systems or external events.

Updated in 2024, Yapı Kredi's Operational Risk Management Policy covers groupwide principles and standards regarding operational risk management structure; strategies concerning operational risk control, measurement and management system practices as well as the frequency, content and addressees of operational risk reports.

The Business Continuity Management Policy aims to minimize the systemic risks that may be caused by suppliers, natural disasters, etc. that may threaten the continuity of the Bank's operations, and to ensure the operationalization of critical products and services under acceptable times in case of possible interruptions. The Business Continuity Management Policy is regularly updated and submitted for the approval of the Board of Directors.

Operational risks are quantified in accordance with Basel II's advanced measurement methods. To this end, the Bank's operational risk losses and key risk indicators are monitored, scenario analyses are performed, and risk-based insurance management activities are carried out. Operational risk limits are determined based on the risk appetite, approved by the Board of Directors, and monitored throughout the year. The Bank carries out the risk assessment of support services, outsourced services and new products and prepares a risk inventory of information technologies. Risk is mitigated by preparing action plans and business continuity plans for potential disasters such as the Istanbul earthquake, pandemic, etc.Risk culture and awareness are improved by means of the operational risk strategies and training programs developed by the Bank. Activities conducted in relation to operational risk and business continuity are periodically submitted to the Audit Committee, the Executive Board and the Board of Directors.

Yapı Kredi also takes into account environmental, social and climate change-related risks in addition to other risk factors under the operational risk and business continuity management. The Bank aims to detect, measure, mitigate through action, and report these risks.

Reputational Risk

The Reputational Risk Management Policy published in 2013 to define the fundamental principles and procedures for controlling, measuring and mitigating reputational risks is updated annually in view of legal and internal standards. The Policy was last updated in 2024. The Policy focuses on reputational risk control system for establishing and maintaining effective reputational risk management; measuring, monitoring and reporting activities involved in defining and preventing reputational risks and restoring the Bank's reputation; sensitive sectors and sectoral norms complying with lending policies; and relevant international standards.

Yapı Kredi also takes into account environmental and social risks in addition to other risk factors under the reputational risk management. Sectors with environmental and social risks such as mining, coal mining, coal-fired thermal power plants, nuclear energy industry, hydroelectric power plants, dam industry, water infrastructure and agricultural sector are evaluated in line with sectoral norms, international standards and best practices. In these sectors, Yapı Kredi adopts strategies such as reducing carbon footprint and supporting renewable energy as well as basic approaches to climate-related risks.

In addition, general principles of reputation risk management are also taken into account in these processes. Risks in these areas are identified, monitored and reported to senior management through risk and performance indicators.

Market Risk

Market Risk refers to the risk exposure of the Bank due to the fluctuations in the market, particularly in interest rates, exchange rates, credit spread, equity and commodity prices due to the positions followed up in the trading portfolio. The term 'position' refers to the positions the Bank takes in its own portfolio and the positions arising from the services offered to the customers or

from market-making activities. The trading portfolio covers the financial instruments exposed to short term price / interest rate fluctuations. Valid positions should comply with the standards and principles set forth in the Financial Markets Policy and its appendices, as well as in the Policy for Inclusion in Trading Accounts. The Financial Markets Policy and its appendices are updated at least once a year in line with the new legal and internal regulations, the needs of business units and the annual budget, providing guidance to market risk measurement, limiting and monitoring functions.

Guiding all treasury operations and market risk management functions of Yapı Kredi, the Financial Markets Policy and its appendices identify the competencies and procedures in the relevant area and also cover all detailed provisions governing these

The Policy is primarily implemented by the Treasury Management and Market Risk Management units, and also observed by all the other units to provide an integrated risk management system. It is ensured that all positions carried by Yapı Kredi comply with the limits set out in the Policy and its appendices.

The limit system regarding Treasury Management and Market Risk activities covers all factors associated with the market risk as well as the organizational structure, the list of approved treasury products and the list of approved intermediary agencies / platforms. The Market Risk Management Department is responsible for expanding and adapting the limit systems in line with their experiences, the needs of business units and the annual budget. The limits set are monitored in comparison with current limit utilizations through daily reports. The related reports also take into account the current market conditions, stress and scenario analyses. In cases of limit overruns, the actions set out in the Policy are taken. Regulatory and economic capital requirement is calculated and monitored regularly within the scope of market risk.

Financial Investment Risk

Financial investment risk stems from the subsidiaries included in the Bank's or the Group's balance sheet or from items arising from equity not included in the trading accounts. Financial investment risk

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is used to determine the risk specific to equity. Equity investment portfolio basically consists of listed and unlisted stock / subsidiaries, equity-backed derivatives, private equity, investment trusts, hedge funds and related private equity funds. Financial investment risk is quarterly monitored and reported to related units.

Property Risk

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Property risk is defined as potential losses arising from the fluctuations in the market value of the real estate portfolio of Yapı Kredi. Property risk is measured to determine the underlying risk of property prices and to be included in total economic capital calculation within holistic risk profile assessment. Basically, property risk is calculated for two purposes: Retrospective (for follow-up purposes) and Prospective (for capital planning purposes). Thus, the Bank takes property risk into consideration for risk management purposes and in relation to its capital planning goals. Property risk is quarterly monitored and reported to related units so as to incorporate unconsolidated and consolidated results.

Liquidity Risk

Liquidity risk refers to the Bank's inability to fulfill its repayment obligations timely and completely with the assets at its disposal. By nature, liquidity risk is a kind of risk that banks can face suddenly and that may create dramatic outcomes for financial institutions, and needs to be frequently monitored, for example daily, weekly or monthly, and closely monitored separately in relation to major currencies. Yapı Kredi measures liquidity risk as short-term and medium / long-term liquidity risk. Various stress tests are also performed on liquidity risk in the light of statistical and scientific analyses and assumptions based on historic experiences. Thus, Yapı Kredi closely monitors the status of the Bank's liquidity risk under current and extraordinary market conditions, submits necessary information to senior management, and ensures the continuity of the healthy structure of the Bank's balance sheet by taking timely and effective actions.

The scope of the liquidity risk is composed of both on- and off-balance sheet items. The magnitude and the highly dynamic nature of the scope of liquidity risk necessitates multifaceted measurements.

Yapı Kredi monitors liquidity risk by taking into consideration the latest local and international regulations (e.g. Basel, EBA) and best practices, and through the dedicated liquidity risk policy that is annually reviewed and revised. To this end, the Bank performs liquidity risk measurements, assigns a wide variety of limits ranging from risk appetite indicators to granular indicators, and regularly monitors the existing status of each metric as compared to its respective limits to take necessary actions.

Some of the actions taken include money swaps, coordination in deposit and credit movements, management of interbank transactions, repo and reverse repo transactions, and management of the Central Bank of the Republic of Türkiye (CBRT) reserves in harmony with liquidity risk management. At the same time, the Bank's profitability and risks are assessed together to ensure that the Bank's liquidity risk is managed conservatively.

Strategic Risk

Strategic risk refers to the risk of loss that the Bank may suffer due to faulty commercial choices, misimplementation of commercial choices, or failure to analyze or interpret the changes in the sector well.

Yapı Kredi ensures accurate and healthy strategic risk management through corporate functions and management committees. In this process, the Board of Directors sets up and oversees all control mechanisms and processes necessary for successfully implementing targets and strategies.

Interest Rate Risk

Interest rate risk is the risk of loss that may result in the Bank's capital or revenues due to the fluctuations in interest rates.

Changes in interest rates affect and change the underlying values of the Bank's assets, liabilities and off-balance sheet items and / or economic values of future cash flows (and in some cases, the cash flows themselves).

Interest rate risk management at Yapı Kredi aims to protect the financial strength of the balance sheet against the possible adverse effects of the changes in interest rates on net interest income and economic value. Interest rate risk is managed through an adequate

assets / liabilities composition that will comply with the Bank's Risk Appetite Framework (RAF), and measurement and close monitoring of revenues and economic value sensitivity. Designed in view of the latest local and international regulations and best practices, the Bank's interest rate risk policy is reviewed and revised at least once a year. Moreover, the Bank performs interest rate risk measurements periodically by means of metrics and limits determined by taking into account the current market conditions and stress scenarios, and reports there measurements to the senior management.

In order to mitigate interest rate risk, Yapı Kredi implements hedge accounting, which complies with the International Financial Reporting Standards (IFRS) and allows application of specific accounting procedures for derivative products.

Country and Transfer Risk

Country risk refers to the potential risk of loss for the Bank that may result from failure of, or avoidance by, the borrowers in a country to fulfill their external liabilities due to the volatilities in the economic, financial, social and / or political conditions.

The Bank addresses country risk management from two angles. The first one is the risk appetite limits and approval authorization levels involved in risk management assessment, and the second one is the country credit limits allocated to countries with the financial institutions perspective and associated workflows.

Country credit risk appetite refers to the maximum risk the Bank targets to assume, which is determined by the Board of Directors. These risk levels are determined based on the ratio, to the Bank's capital, of the total risk calculated on the basis of country of customer's residence and risk for countries classified according to their ratios. Actualizations of defined risk appetite limits are monitored and reported monthly.

Transfer risk refers to the potential risk of loss for the Bank that may result from the borrower's inability to convert the local currency into the foreign currency payable to the Bank and / or its failure to make the payment in the foreign currency. This risk usually occurs due to the foreign currency scarcity that may result



Yapı Kredi ensures accurate and healthy strategic risk management through corporate functions and management committees.

from the foreign currency restriction measures adopted by the government of the borrower's country. Loans in a foreign currency are followed up in the Bank's concentration reports, and sensitivity analyses are monthly shared with the senior management.

Bribery and Corruption Risk

Banks are institutions that operates based on the trust. Increased competitive environment and digitalization force banks to improve their efficiencies, to perform more profitable transactions at lower costs and use more productive workforce. These developments in the competitive environment and digitalization expose the banks to various risks including anti- bribery and anti-corruption.

Yapı Kredi evaluates business processes against bribery and corruption risks. Areas susceptible to corruption risk are identified and analyzed according to the risk assessment methodology. Giving / receiving gifts and entertainment offers made / received, sponsorships and donations, outsourced tasks, business offers, mergers, acquisitions, major investments and relations with civil servants are defined as activities susceptible to high corruption risk, and are reviewed with priority under the risk assessment methodology. The Bank periodically assesses operations, carries out activities to identify possible risks and updates business processes when necessary.

Assessment results are periodically reported to the Audit Committee. Disciplinary punishment up to and including termination of the employment contract is imposed in case of the violation of the Anti-Bribery and Anti-Corruption Policy.

In the reporting period, no confirmed bribery incidents were reported to the whistleblowing channels set up within the scope of the combat against bribery and corruption. No disciplinary

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punishments were imposed in the reporting period due to bribery or corruption

To ensure compliance with the Anti-Bribery and Anti-Corruption program, contents and images prepared by the Bank are periodically e-mailed as announcements to all employees throughout the year. In addition, relevant messages are posted under the tab Compliance on Bizler+, an internal platform accessible by all employees.

All employees of Yapı Kredi, including subcontractors, receive Anti-Bribery and Anti-Corruption trainings. In 2024, employees received 738 hours of training to raise awareness of employees on anti-bribery and anti-corruption. Trainings are periodically reported to the Audit Committee.

Under the anti-bribery and anti-corruption program, third parties are requested to comply with the relevant Yapı Kredi policies while their employees are requested to embrace the principles set forth in these policies, and to carry out their activities in accordance with those principles. By carrying out training and awareness activities, the Bank performs reviews to determine the preagreement status with the third parties, and incorporate related provisions in the agreements concluded with third parties. In 2024, no bribery and corruption incidents involving third parties occurred and there were no companies with their contracts being revoked on such grounds.

You can reach Yapı Kredi Anti-Bribery and Anti-Corruption Policy here.

Environmental Risks

Aware of the transformative power of financing on the real sector, Yapı Kredi manages all of its environmental impact including climate change and water risks stemming from its lending activities under the Environmental and Social Risk Assessment (ESRA) System. To this end, all new investment and project finance loan requests and project advisory services, covered by corporate and commercial banking and have an investment amount of USD 10 million and above, are subject to the ESRA System.



In 2024, employees received 738 hours of training to raise awareness of employees on anti-bribery and anti-corruption.

The combat against climate change and water management are addressed in the Bank's Reputational Risk Policy and Lending Policy. Reputational risk management concerning risky areas and sensitive sectors (companies and establishments with a high environmental impact, nuclear energy, mining and thermal power plant infrastructure etc.) are outlined in these policies.

Technology Risks

The banking sector, one of the sectors that invest the most in technology, is also among the sectors that are exposed to the risks brought by technology and digitalization, and that are best placed to seize the opportunities.

From the standpoint of banks, the opportunities internet and mobile banking offer to banks and customers can be defined as the capability to offer products at lower costs, to be accessible 24/7 independent from time and place, to reduce transaction costs in branches and to constantly reduce costs as the number of customers using internet / mobile banking increases. From the standpoint of customers, the opportunities include the relatively faster and easier accessibility of the system, the time and cost saving provided by the system, and increased financial access.

Information technology (IT) risks are among the most important risks for the Bank. By establishing IT risk management policies, the Bank measures, monitors and reports IT risks. Thus, Yapı Kredi can define the threats against the Bank's critical assets and processes, identify weaknesses and keep them under control, thus preventing unexpected threats against the Bank and mitigating losses.

Policies are annually reviewed, revised when necessary and submitted for the approval of the Board of Directors. In addition, the Bank creates an IT risk map and action plans to perform Information and Communication Technologies risk assessments. The Bank has

a Business Continuity Management Policy designed to ensure the continuity of operations and to mitigate associated risks. In addition to this policy, Yapı Kredi introduces necessary practices for business continuity through Contingency Action, Crisis Management and Business Recovery Plans.

Moreover, the related business unit and internal systems analyze in detail losses resulting from external fraud. To this end, the Bank completed a number of developments for monitoring and preventing fraud. As part of the activities to combat external fraud, customers' suspicious transactions are monitored 24/7. In order to prevent possible incidents of fraud, regular analyses are performed using attempted frauds and new fraud trends. Yapı Kredi monitors new products / services and updates the supervision systems to respond to current fraud trends.

Human Rights Risks

Addressing and most effectively managing risks related to all forms of modern slavery including but not limited to child labor, forced labor and human trafficking under the human rights risks, Yapı Kredi attends to human rights risks in line with its Human Rights Statement. The Yapı Kredi Human Rights Statement has been prepared based on the Universal Declaration of Human Rights, Fundamental Conventions of the International Labour Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights, as well as national legislation and internal policies.

The Yapı Kredi Human Rights Statement addresses gender equality, diversity, right to collective agreement, prevention of forced labor and child labor, work-life balance, protection of personal data, relations with suppliers, human rights awareness activities for employees, and measures against human rights violations.

The Yapı Kredi Human Rights Statement is regularly shared with all employees through internal communication announcements. The Statement can be accessed on the intranet and corporate website. In addition to the Turkish version, the Yapı Kredi Human Rights Statement has also been translated into English and local languages of the countries where Yapı Kredi is active to ensure access by subsidiaries. The Yapı Kredi Human Rights Statement



By establishing IT risk management policies, the Bank measures, monitors and reports IT risks.

is regularly reviewed and updated when necessary. Furthermore, Yapı Kredi is also a signatory to the UN Global Compact. Yapı Kredi annually reports on the 10 principles of UN Global Compact.

Sharing its sensitivity in relation to human rights with the entire value chain, the Bank incorporates in the agreements concluded with suppliers an article requiring compliance with the Universal Declaration of Human Rights, Fundamental Conventions of the ILO and Yapı Kredi Human Rights Statement. Moreover, suppliers are encouraged to operate responsibly in relation to environmental and social rights, including human rights in line with the Yapı Kredi Responsible Procurement Policy.

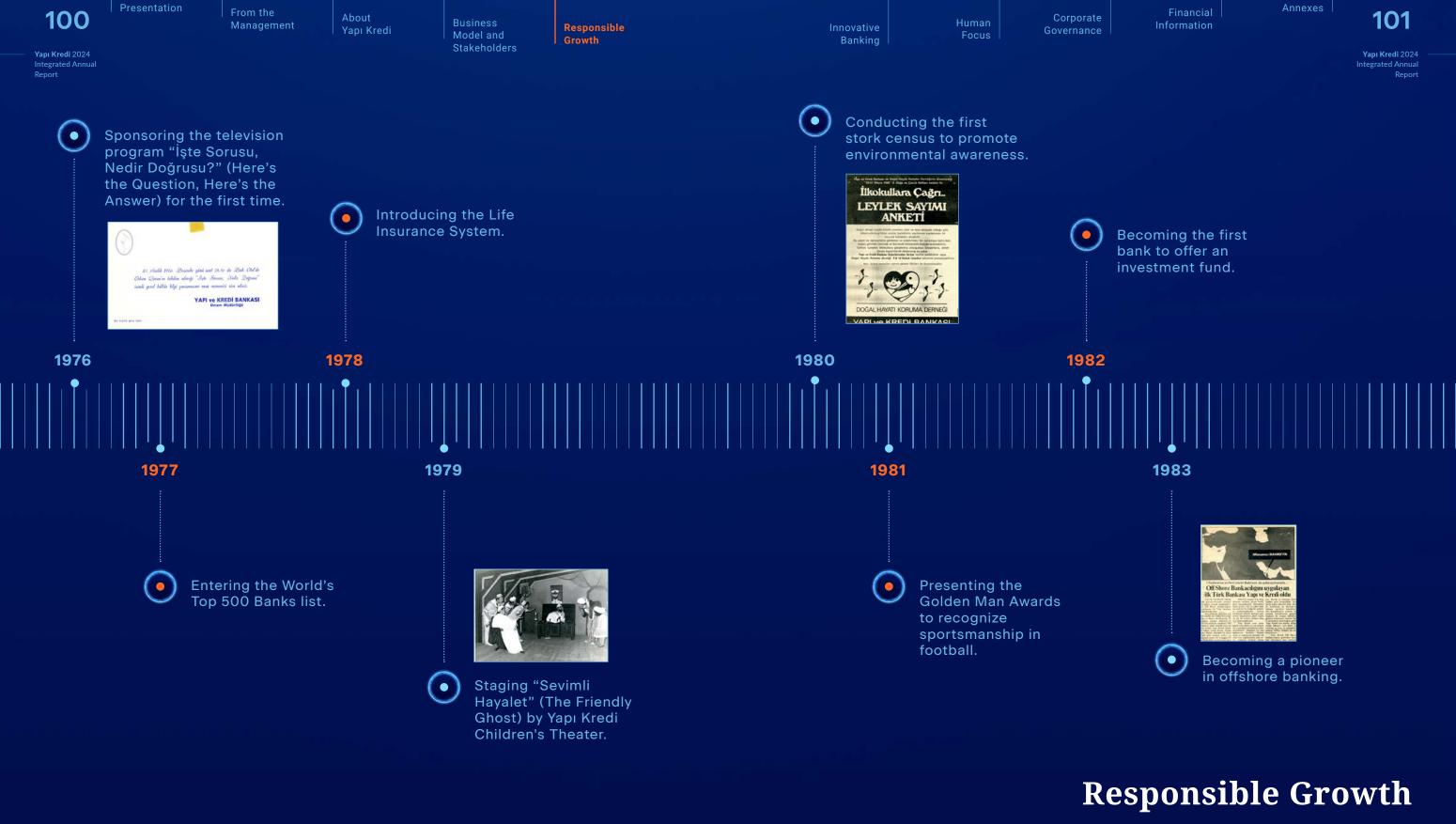
In the reporting period, the Bank continued to offer awareness trainings to employees regarding human rights. No cases of child labor, forced or compulsory labor, preventing of employees' right to organize or collective bargaining were detected in the reporting period.

You can reach the Yapı Kredi Human Rights Statement here.



You can reach Yapı Kredi Responsible Procurement Policy here.





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Responsible and Sustainable Finance

Aware of the wide sphere of influence of the sector, Yapı Kredi has adopted a responsible growth approach that will increase the positive impact on all its stakeholders and create value for all segments of its operations. Yapı Kredi's main approach to sustainability is based on creating long-term value for each area and stakeholder by adopting a sensitive attitude toward social and environmental issues while ensuring economic development and growth. Sustainability lies at the heart of the Bank's business culture and philosophy.

Given the huge responsibility that falls upon the finance sector for finding solutions for the global environmental and social issues, Yapı Kredi effectively manages the environmental and social impacts arising from its own operations and the projects and investments financed by the Bank.

Yapı Kredi has adopted a responsible finance approach to support the fight against environmental, social and governance (ESG) problems, including the climate crisis, and to increase its contribution to Türkiye's sustainable development. To this end, the Bank reviews its current business processes and redesigns these processes in line with current trends in ESG, the changing legal framework, its commitments to international sustainability initiatives and stakeholder expectations. In addition, Yapı Kredi carries out various activities on risk assessment processes, loan policies, reducing the environmental footprint of financing and developing new products. The Bank transparently shares these activities with all its stakeholders under international sustainability initiatives and reporting standards.



Yapı Kredi has adopted a responsible finance approach to support the fight against environmental, social and governance problems, including the climate crisis, and to increase its contribution to Türkiye's sustainable development.

In line with its responsible banking approach, Yapı Kredi will continue its transparent communication and pioneering work in sustainable finance. The Bank will follow its roadmap created to fulfill its commitments to the international sustainability initiatives. The Bank has set increasing the variety and volume of sustainable finance products one of its most important goals. In addition, Yapı Kredi places utmost importance to actions planned to achieve the targets of carbon emission reduction arising from both the operational activities and the loan portfolio.

Diversifying and expanding sustainable finance products is among the most important tools in the transition to a low carbon economy. In this context, Yapı Kredi works to increase the number of sustainable finance products for its customers in individual and corporate segments. The Bank sets strategic targets to increase the share of these products in the loan portfolio. Another aim of the Bank is to contribute to the capacity building of its customers on sustainable finance products, thus supporting the financing of transformation.

Cooperation with international financial institutions is also of great importance for the Bank for transferring its funding resources to sustainability-related fields. For foreign borrowing transactions, Yapı Kredi's goal is to increase the number and volume of sustainability-related transactions. In 2023, Yapı Kredi increased its support for green transformation with sustainability-related financing agreements provided in the international arena, earning the trust placed upon the Bank. You can find detailed information on sustainability-related foreign borrowing transactions carried out in 2023 in the Financial Institutions and International Debt and Capital Markets sections of the report.

ESRA SYSTEM

Yapı Kredi launched the Environmental and Social Risk Assessment (ESRA) System under the Sustainability Management System established in 2017.

The ESRA System continues to be implemented with updates in its scope and content throughout the process. To identify, prevent or minimize the environmental and social risks of investments to be financed by Yapı Kredi, the Bank implements the ESRA System, based on national legislation and International Finance Corporation (IFC) Environmental and Social Performance Standards. Under the ERSA, all loan requests submitted to the Bank are evaluated in line with the loan policies and the Exclusion List provided in the Yapı Kredi Environmental and Social Risk Management Policy. Activities that do not comply with these policies or are on the Exclusion List are not financed under any circumstances.

Yapı ve Kredi aims to carry out its banking activities in an environmentally and socially sensitive manner within the framework of its sustainable and responsible banking approach. In this context, Yapı Kredi aims to assess and manage nonfinancial risks such as environmental, social and governance risks in all lending processes in compliance with national legislation, international agreements to which Türkiye is a party and internationally recognized standards. You can reach the Yapı Kredi Environmental and Social Risk Management Policy and the Exclusion List here.

At Yapı Kredi, the ESRA System is carried out by an expert staff under the Loans Management. The Assistant General Manager of Loans, a member of the Sustainability Committee, is responsible for the management of the system. The effectiveness of the ESRA System is closely monitored through internal audits as well as regular trainings given to all teams responsible for the implementation of the model, especially portfolio managers. Yapı Kredi made improvements in the reporting steps of the ESRA System to the Credit and Sustainability Committees, increasing the control of the senior management over the system. The Bank expanded the scope of the ESRA System in 2019, which has been applied to investment and project finance loans with a loan amount of USD 20 million or more and a loan demand of at least three years since 2017. The ESRA system is used to evaluate all new investment and project finances with an investment amount of USD 10 million and more and provided with resources and services under the corporate and commercial business lines. Moreover, since 2019, environmental and social risk assessments have been performed for thermal power plant projects requesting the restructuring of existing loans.

In order to align the scope of the ESRA System with the Equator Principles, improvements were made in 2021 with reference to national legislation and the International Finance Corporation Performance Standards (IFC PSs) as well as Equator Principles practices. In 2022, system automations required for monitoring the ESRA System on the bid screens were completed and implemented.

Yapı Kredi works in line with its material issues, particularly the fight against climate change and responsible products and services, and aims to minimize environmental risks. To this end, the Bank updated its policies in 2021, and decided not to finance new coal-fired thermal power plants and new coal mining projects, and included these activities in the Exclusion List under its Environmental and Social Policy.

Investment and project finance loan requests with an investment amount of more than USD 10 million, which are not in the Exclusion List in line with the updated policies in 2024, were

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subjected to an environmental and social risk assessment in accordance with the Procedure for Assessment of Environmental and Social Risks of Credit Activities.

Presentation

With the ESRA System, investments are evaluated in line with the national Environmental and OHS legislation as well as within the scope of various international standards on issues such as key sensitive areas, cultural heritage, resettlement of affected people, natural resource use, stakeholder engagement, environmental management systems, community health and safety, media, and community objection. According to the results of the assessment performed with the question sets defined specifically for the sector, the relevant risk category of the investment in question is determined and action and monitoring plans suitable for this classification are created in cooperation with the investor. In case the investment is found to be high risk, these actions are monitored in cooperation with independent consultants. Yapı Kredi clearly defines the criteria and control definitions for the selection of independent consultants for investments, and includes these in the implementation processes of the ESRA System.

The investments assessed are classified into four categories according to their risk level: high (Category A), medium high (Category B+), medium low (Category B-) and low (Category C). The risk categories are briefly described below.

The investments assessed are classified into four categories according to their risk level: high (Category A), medium high (Category B+), medium low (Category B-) and low (Category C). The risk categories are briefly described below.

CATEGORY A

Business activities that may have various, irreversible or unprecedented serious adverse environmental or social risks and / or impacts

CATEGORY B+

Business activities that may have a large number of limited adverse environmental or social risks and / or impacts that are largely reversible, often specific to the project site, where mitigation measures are already being applied

CATEGORY B-

Business activities that may have a low number of few adverse environmental or social risks and / or impacts that are largely reversible, often specific to the project site, where mitigation measures are already being applied

CATEGORY C

Business activities with minimal or no environmental or social risk and / or impact.

Yapı Kredi reports the implementation results of the ESRA System every year and publishes the results as a part of this report after the relevant activity year is completed. The results are presented to the Sustainability Committee every year.

To this end, the Bank reports:

- the number of projects evaluated under the system, the total credit limit allocated and the number of projects with the first loan disbursement, and
- The risk assessment distribution of the projects evaluated under the system

In 2024, 38 investments were evaluated under the ESRA System, and a total of USD 1,871.3 million credit limit was allocated to these investments as of December 2024.

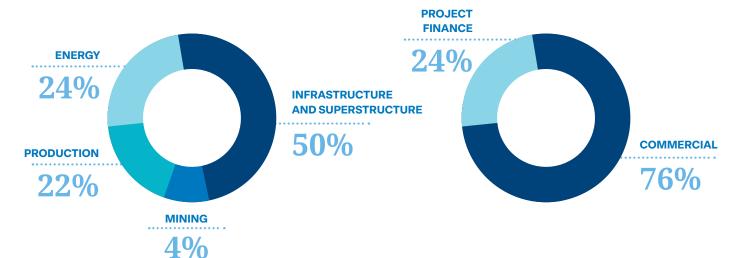
The distribution of the projects evaluated under the ESRA System in 2024by categories is as follows:

RISK CATEGORY	TOTAL INVESTMENTS ASSESSED
A	1
B+	1
B-	2
С	34

PROJECTS ASSESSED UNDER THE ESRA SYSTEM IN 2024			
Sectoral Breakdown	Assessed Investment (USD million)		
Infrastructure and Superstructure	946.1		
Mining	69		
Production	411.7		
Energy	444.5		
TOTAL	1,871.3		

SECTORAL BREAKDOWN OF PROJECTS ASSESSED UNDER THE ESRA SYSTEM BY INVESTMENT AMOUNT

SEGMENT BREAKDOWN OF PROJECTS ASSESSED UNDER THE ESRA SYSTEM BY NUMBER OF INVESTMENTS



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SUSTAINABLE PRODUCTS AND SERVICES

Presentation

Business activities that may have various, irreversible or unprecedented serious adverse environmental or social risks and / or impacts

When evaluated together with the indirect effects generated by the financing provided to the business world, the finance sector has a quite wide field of activity. Thanks to its transformative power, the responsibilities of the sector in sustainability are also extremely important. Aware of its responsibilities, Yapı Kredi transparently defines and reports its impacts and targets, and gives priority to financing green and sustainable projects that the real sector needs. While taking responsibility for green and sustainable transformation, the Bank supports its customers in their transition to sustainable business models.

Yapı Kredi offers financial solutions to sustainable development issues through numerous products and services such as sustainability-linked loans, renewable energy and energy efficiency loans, Nature-Friendly Mortgage, and Nature-Friendly Auto Loans. On the other hand, encouraging its customers to take action in sustainability, Yapı Kredi sets certain targets linked with the customers' sustainability performances independent of where the loan is planned to be used in sustainability-linked loans extended to corporate and commercial customers. Advantages are provided in loan conditions if these targets are achieved during the loan's term.

Yapı Kredi also participated in the equality mobilization in technology and innovation at the United Nations Women's Generation Equality Forum, where the Koç Group plays a transformative role. To this end, the Bank aims to reach a total of 20,000 women entrepreneurs in five years with an advantageous product and service package.

In addition to the products and services developed to support the sustainability journey of its customers, Yapı Kredi also assists its customers in their sustainability transformations with the communication activities carried out by the Bank. The Bank contributes to increasing the awareness and knowledge of its customers on sustainability through various communication channels, including live broadcast programs, webinars, podcast series, press interviews, news and publicly disclosed reports.

Nature-Friendly Mortgage

Nature-Friendly Mortgage Yapı Kredi launched the Nature-Friendly Mortgage product to raise awareness on energy savings. With Nature Friendly Mortgage, the Bank offers 50% exemption in the loan allocation fee just for residences with Class A and B Energy Identity Certificates.

Rooftop Solar Power Systems Leasing

Yapı Kredi Leasing leads the sector in facilitating its clients' transition to a green economy by providing financing across various segments of the renewable energy sector. In this context, rooftop solar energy investments aimed at self-consumption hold significant importance. These investments are crucial not only for supporting energy efficiency and zero-carbon policies but also for reducing companies' energy costs. Yapı Kredi Leasing supports customer demands for rooftop solar energy investments with its expert sales, credit, and operations teams, offering campaigns through its extensive and strong vendor network. Additionally, it provides advantageous domestic and international financing opportunities within the scope of sustainability. Yapı Kredi Leasing will continue to support its customers in rooftop solar system investments for a sustainable future.

Yapı Kredi Asset Management offers the following sustainability funds:

Clean Energy Variable Fund

Launching Yapı Kredi Asset Management Clean Energy Variable Fund as the first of the sustainability-themed funds, Yapı Kredi firmly maintains its support to energy efficiency, renewable energy and other low-carbon energy resources with its products and services. Yapı Kredi Asset Management Clean Energy Variable Fund invests in the domestic or overseas capital market instruments of companies engaged in sustainable and alternative energy

technologies as manufacturer, developer, distributor and founder. The Fund plans to gain returns by investing in companies with the potential to contribute to the transition process in the global energy industry.

BIST Sustainability Index Stock Fund

With the Yapı Kredi Asset Management BIST Sustainability Index Stock Fund launched in 2022, Yapı Kredi Asset Management invests on partnership shares selected by sampling among the partnership shares under the BIST Sustainability Index, which is an index where at least 80% of the total fund value is continuously taken as basis and also invests on the stock exchange mutual fund participation shares which constantly invest on only the assets under the BIST Sustainability Index.

Electric Vehicles Variable Fund

Yapı Kredi Asset Management Electric Vehicles Variable Fund was launched in 2022. With this Fund, Yapı Kredi invests in capital market instruments issued domestically and abroad to companies active in electric vehicle production and / or in fields supporting electric vehicle production (such as spare parts production, vehicle technology production, battery production, mining, etc.).

Climate Change Solutions Variable Fund

The aim of the Yapı Kredi Asset Management Climate Change Solutions Variable Fund is to invest in the capital market instruments issued domestically and abroad of companies that offer solutions to climate change with technology and production alternatives in various sectors. With this fund, Yapı Kredi Asset Management invests in companies active in fields that can participate in the transformation process that may take place in the global energy sector in the upcoming period (companies that provide solutions with technology and production alternatives in sectors such as agriculture, electricity, heating, transportation, recycling, reuse and construction, and companies that provide services to these companies). Thus, the Bank aims to provide a reasonable level of return to the holders of participation shares through the investments made within the scope of the fund.

CREATING SUSTAINABLE VALUE THROUGH TREASURY OPERATIONS

Yapı Kredi successfully executed its syndicated loan transactions in 2024 in a sustainable manner, aligned with its goal of creating long-term sustainable value for all stakeholders. The bank completed its first-ever syndicated loan in a sustainable credit format in May 2024 and repeated this format in November. The total funding amount for both transactions is approximately USD 2 billion, and these transactions will be utilized in accordance with Yapı Kredi's Sustainable Finance Framework.

In July 2024, Yapı Kredi updated its Sustainable Finance Framework to comply with ICMA principles.

You can find detailed information on Borrowing Transactions at the Treasury Management section.

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Environmental Impact Management

Environmental sustainability is one of the main responsibilities of banks in terms of sustainability. Yapı Kredi manages the environmental impact of its operational and lending activities as part of its Sustainability Management System and reports it annually.

APPROACH TO NET ZERO

Climate change poses a major threat to nature, society and the global economy. According to the Global Risks Report 2024, the greatest global risk over the next decade is the extreme weather events, including those exacerbated by climate change. To avoid the dire consequences of the climate crisis, global economy must act now to achieve net-zero emissions by 2050, with the collaboration of governments, policymakers and businesses. Given the economic impact of evolving climate-related risks across sectors, building resilience to climate risk requires companies to undertake ambitious mitigation efforts to ensure business continuity. In these efforts towards green transition, the financial sector plays an important role considering its role as a financier in scaling new technologies that will decarbonize other sectors.

Yapı Kredi one of the key players of the Turkish banking sector, ensures that its net-zero commitment drive the green transition and puts the positive impact creation centre of its sustainability strategy. With the aim of playing a leading role in this transition, Yapı Kredi continues to monitor climate-related indicators that are likely to affect the greening of its loan portfolio and its customers. In view of all these possible effects, Yapı Kredi has so far taken many important steps towards the financing of green investments in the real sector.



Yapı Kredi one of the key players of the Turkish banking sector, ensures that its net-zero commitment drive the green transition and puts the positive impact creation centre of its sustainability strategy.

To this end, the Bank participates in many leading international initiatives by it has shown its determination to a net-zero transition. As a first step, the Bank became one of the founding signatories of the UN PRB in 2019. Then, in line with the climate risk action plan set out in the Paris Climate Agreement, the Bank has committed to the SBTi in 2021 to reduce its emissions. Moreover, Yapı Kredi became the first institution in Türkiye to commit to setting emission reduction targets within the framework of the "Business Ambition for 1.5°C". To strengthen its role in the transition to a net-zero economy, the Bank took a further step by becoming a member of the NZBA in 2023. Yapı Kredi also became one of the supporters of the TCFD to disclose clear and consistent information about the risks and opportunities presented by climate change.

In order to meet its commitments, Yapı Kredi has launched a new project in 2021 as part of the Carbon Transition Programme initiated by its main shareholder Koç Holding. Within the scope of the project, the measurement and analysis of financed emissions, which constitutes almost all of the banking sector's greenhouse gas emissions, was completed by using PCAF

methodology for the first time in 2022. In 2023, a modelling study of the interim net-zero emission reduction targets was completed within the framework of SBTi guidance. In the same year, a financial and technical feasibility study was conducted to achieve the targets set. During this study, decarbonisation plans were developed for prioritized sectors and set of actions were determined to achieve those plans. The targets modelled on the said feasibility and decarbonisation study were submitted to the SBTi for verification and the Bank received verification in 2024. Thus, Yapı Kredi achieved to be the first private Tier-l bank in Türkiye to receive SBTi verification. Additionally, the Bank has become to have the most comprehensive coverage of loan portfolio targets in the Turkish banking sector and the only Turkish bank to set targets for its entire portfolio of mandatory targets.

Meanwhile, at the beginning of 2024, the work initiated to improve the data quality and methodology for calculating financed emissions, which is of paramount importance for the implementation of the decarbonisation plans, was successfully completed. In this regard, Yapı Kredi aims to continue its determined efforts to reduce its financed emissions and guide its customers on their journey to net zero, not only as a financier but also as an advisor and partner.

Measuring Emissions

Yapı Kredi had its carbon footprint resulting from its operational activities calculated and verified for the first time in its Headquarters and service buildings located in five different locations in 2011. Also in the year of 2019, The Bank expanded the scope of verification and implemented it in all locations. In 2021, Yapı Kredi verified Scope 1, 2&3 emissions in accordance with the ISO 14064 standard in all its locations, including domestic and international subsidiaries. Moreover, for the first time in 2022, the Bank calculated the 2021 emissions arising from the loan portfolio corresponding to Scope 3 Category 15, using the PCAF methodology. According to current calculations, all Scope 1, 2 and 3 emissions in 2021, including Scope 3 Category 15 financed emissions, were equivalent to ~18,586,400 tCO2e emissions, while

total emissions in 2022 corresponded to ~19,804,017 tCO_2 e and 15,607,506 tCO_2 e in 2023. About 99.9% of the carbon emissions in question, Scope 3 comes from category 15 - financed emissions.

When measuring emissions, the GHG (Greenhouse gas) Protocol for Scope 1&2&3, the PCAF guideline for Scope 3 category 15 – financed emissions were taken as basis. Corporate loans, business loans, project loans, housing loans and vehicle loans within the scope of PCAF for financed emissions were the segments included in the calculation; Yapı Kredi, Yapı Kredi Netherlands, Yapı Kredi Azerbaijan were the group companies included in the scope of consolidation in the emission measurement. Detailed data on emission calculations can be accessed from the environmental performance indicators section of this report. You can access our ISO 14064-1 certificates here.

NET-ZERO TARGET MODELLING

SBTi Aligned Reduction Targets

After measuring its emissions, Yapı Kredi, following SBTi's guidelines for the financial sector, set interim emission reduction targets for its loan portfolio. For this purpose, the Bank took 2021 as the target baseline year and modelled the interim targets for 2026 and 2030 according to the selected target methodology. The targets set were submitted to the SBTi verification to confirm that the methodologies used are based on the latest scientific research. In July 2024, Yapı Kredi has received SBTi's verification for the targets in Figure 3. According to SBTi's assessment, Yapı Kredi's target portfolio covers 29% of its total lending by total assets as of 2021, and this target covers all the required activities that are required to be targeted under the SBTi. Thus, in the Turkish banking sector, Yapı Kredi achieved to set targets with the highest coverage ratio and became the first bank to cover the entire required lending portfolio in its target coverage.

SBTi defines three methods that financial institutions can use to set targets for their Scope 3 category 15. For Yapı Kredi, was used the SDA and Temperature Rating methods. To determine its net-zero pathways, Yapı Kredi used the IEA's net-zero scenario (NZE)

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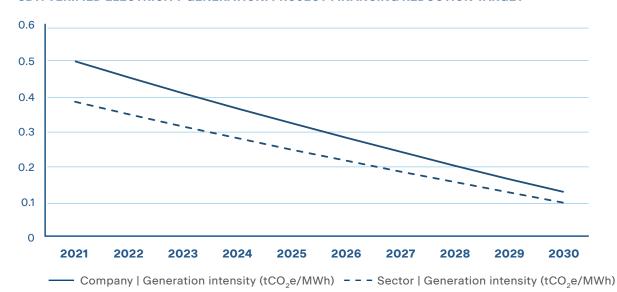
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as a benchmark to be consistent with the NZBA guidelines and the global goal of limiting global warming to no more than 1.5°C above pre-industrial levels by 2100. In line with the SBTi guidance for the SDA approach, the Bank set a target for physical intensity (emissions per economic output, e.g. $kgCO_2/MWh$) rather than

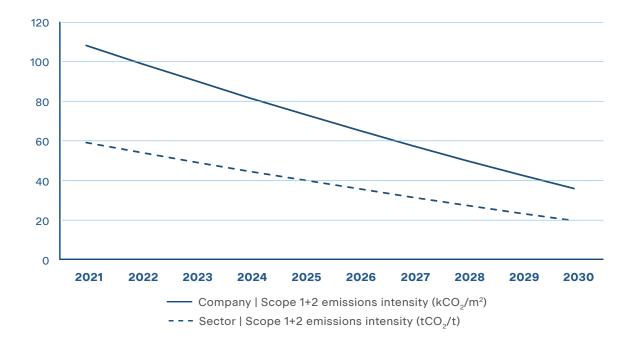
an absolute emissions metric. As this approach takes into account the different pace of decarbonisation of different sectors, the Bank aims to ensure homogeneity across sectors and focus on the impact on the real economy.

TARGET SEGMENT	MODELLING METHODOLOGY	SCOPE INCLUDED	TARGET BASE YEAR	TARGET YEAR	METRIC	BASE YEAR FIGURE	TARGET YEAR FIGURE	TARGET
Electricity Generation Project Finance	SDA	Kapsam 1	2021	2030	tCO ₂ e/MWh	0.500	0.131	73.7%
Corporate Loans: Real Estate	SDA	Kapsam 1&2	2021	2030	kgCO ₂ e/m²	109.78	35.77	67.4%
Corporate Loans: Electricity Generation	SDA	Kapsam 1	2021	2030	tCO ₂ e/MWh	0.001176	0.000685	41.7%
Corporate Loans: Other Long-term Lending	Temperature Rating	Kapsam 1&2	2021	2026	°C	3.05	2.64	2.64°C
Corporate Loans: Other Long-term Lending	Temperature Rating	Kapsam 1&2&3	2021	2026	°C	3.20	2.75	2.75°C
Operation Based Emissions	SBT tool	Kapsam 1&2	2021	2030	tCO ₂ e	54,787	31,776	42%

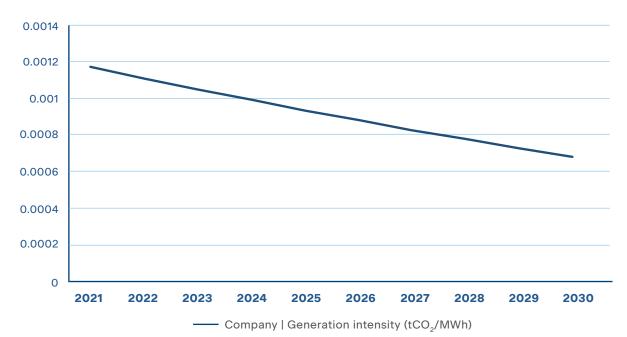
SBTi VERIFIED ELECTRICITY GENERATION: PROJECT FINANCING REDUCTION TARGET



SBTi VERIFIED REAL ESTATE: CORPORATE LOANS REDUCTION TARGET



SBTi VERIFIED ELECTRICITY GENERATION: CORPORATE LOANS REDUCTION TARGET



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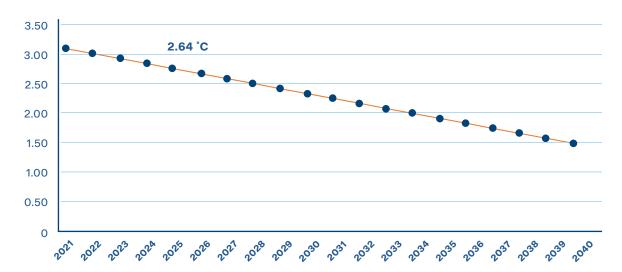
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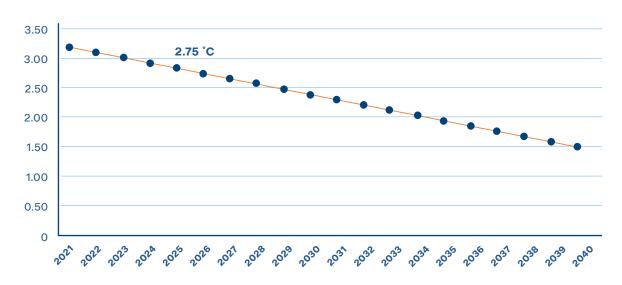
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SBTi VERIFIED 1.5°C ALIGNED: OTHER LONG-TERM BORROWING SCOPE1&2 REDUCTION TARGET



SBTi VERIFIED 1.5°C ALIGNED: OTHER LONG-TERM BORROWING SCOPE1&2&3 REDUCTION TARGET



NZBA Aligned Reduction Targets

In order to fulfil its commitment to NZBA, in addition to SBTialigned targets, Yapı Kredi also developed sector specific emission reduction targets based on the recommendations of NZBA guidelines. For the base year of the targets, in line with the SBTi verified targets of the Bank, the year 2021 was been used for NZBA aligned targets to track reduction targets with the same base year and to implement the same decarbonisation plan for both SBTi and NZBA targets.

Sector Selection

To prioritise sectors, the Bank used six basic criteria to identify priority sectors. While the first two criteria formed the first step of prioritisation, the remaining four criteria constituted the second step. Although there is no requirement to meet all the criteria in this process, Yapı Kredi showed ultimate attention to ensure that the prioritized sectors meet as many criteria as possible. Those criteria as follows:

1- To be within the sector requirements of international rule-making organizations: The sectors specified to be prioritised for banks are agriculture, aluminium, cement, coal, real estate, iron & steel, oil & gas, electricity generation and transportation.

- 2- To have high weight in the Bank's corporate cash loan portfolio and sectoral distribution of financed emissions
- 3- To be among the sector targets announced by international and local banks
- 4- To be among the sectors determined within the scope of CBAM: Iron & steel, aluminium, cement, fertilizer, electricity generation and hydrogen
- 5- Readiness of technologies for sectoral transition and financially profitable to implement
- 6- To have a high priority in terms of climate risk

Based on these six criteria, the lending portfolio of Yapı Kredi was analysed and priority sectors were determined as follows: iron & steel, electricity generation, real estate, oil & gas and road transportation.

Prioritised Sectors and Coverage

Prioritised sectors correspond to roughly 29% of loan book exposure and 65% of financed emissions. Financed emissions from prioritised industries covers 66% of all loan portfolio and 98% of NZBA sectors.

	LOAN	ВООК	NZBA SECTORS		
PRIORITISED SECTOR	RISKS	FINANCED EMISSONS	RISKS	FINANCED EMISSIONS	
Electricity Generation	13.4%	27.1%	34.9%	39.4%	
Oil & Gas	1.3%	27.8%	3.4%	30.6%	
Real Estate	10.3%	4.8%	26.9%	7.2%	
Iron & Steel	2.3%	12.2%	6.1%	18.3%	
Road Transportation	1.2%	1.7%	3.2%	2.5%	

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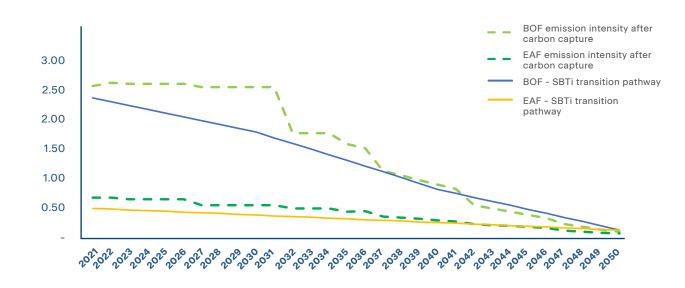
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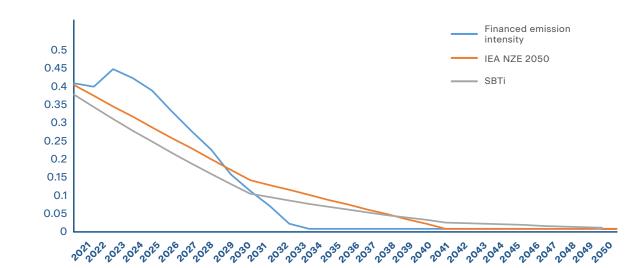
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EMISSION REDUCTION TARGETS FOR PRIORITISED SECTORS								
TARGET SEGMENT	MODELLING METHODOLOGY	SCOPE INCLUDED	METRIC	TARGET BASE YEAR	TARGET YEAR	BASE YEAR INTENSITY FIGURE	TARGETED INTENSITY FIGURE	REDUCTION TARGET
Iron & Steel	SDA	1+2	tCO ₂ e/ton steel	2021	2030	2.57 BOF 0.67 EAF	2.55 BOF 0.54 EAF	1% BOF 19% EAF
Electricity Generation	SDA	1	tCO ₂ e/MWh	2021	2030	0.413	0.109	74%
Real Estate	SDA	1+2	kgCO ₂ e/m²	2021	2030	50.4	10.9	78%
Oil & Gas (downstream)	SDA	1+2+3	gCO ₂ e/MJ	2021	2030	70.24	67.70	4%
Road Transportation	SDA	1+2	kgCO₂e/tkm kgCO₂e/pkm	2021	2030	0.143 Freight 0.094 Passenger	0.109 Freight 0.017 Passenger	24% Freight 81% Passenger

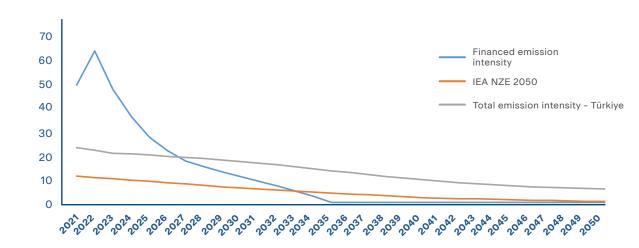
DECARBONISATION PATHWAY- IRON & STEEL (tCO₂e/ton steel)



DECARBONISATION PATHWAY - ELECTRICITY GENERATION (tCO₂e/MWh)



DECARBONISATION PATHWAY - REAL ESTATE (kgCO₂e/m²)



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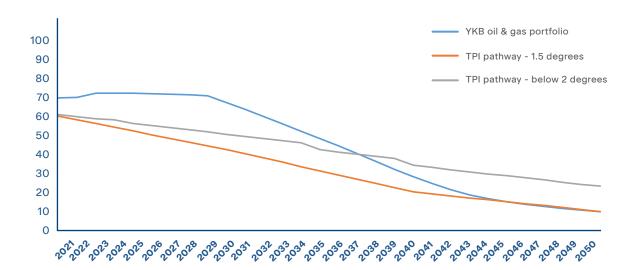
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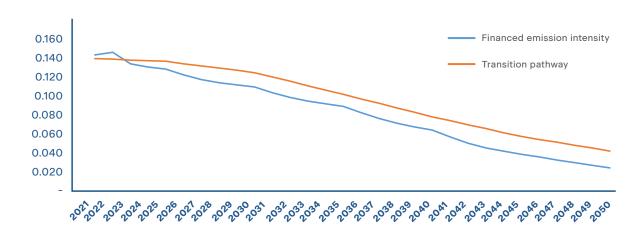
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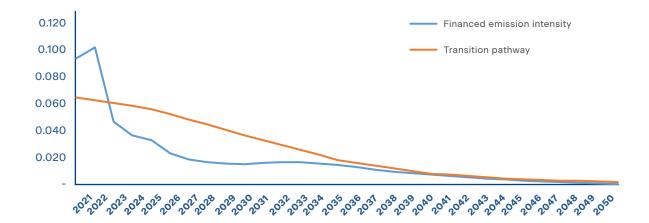
DECARBONISATION PATHWAY - OIL & GAS (gCO₂e/MJ)



DECARBONISATION PATHWAY - ROAD TRANSPORTATION, FREIGHT (kgCO₂e/tkm)



DECARBONISATION PATHWAY - ROAD TRANSPORTATION, PASSANGER (kgCO₂e/pkm)



DECARBONISATION PLAN

Yapı Kredi's decarbonisation plan is anchored in the aim of revealing the transformation potential of the real sector by using the power of finance for the transition to a low-carbon economy. In that vein, in 2023, Yapı Kredi developed decarbonisation plan in order to achieve its targets determined in line with the SBTi and NZBA guidelines. Under this plan, certain sectors have been prioritised, baselining & financial impact in those sectors were assessed, sectoral decarbonisation strategies and action sets were identified and net-zero roadmap of the Bank was defined. While developing the plan, an interactive process was carried out with the participation of the Steering Committee, consisting of senior management, and the Working Group members, which included relevant teams. All the works were carried out in line with the Bank's lending policies and strategies.

Decarbonisation Levers

Yapı Kredi wants to be a leading financial partner when it comes to helping its customers succeed in their green transition. The net-zero transition requires major amounts of financing for companies to invest in new technologies and solutions, transform business operations and achieve net-zero supply chains.

The basis of the decarbonisation strategy developed by Yapı Kredi for these sectors is to support the transformation needs of its customers. The financing needs that will arise for the most important transformation actions for the sector in investment loans form the basis of the sector lending strategy. With the increase in capacity utilization rates in response to increasing demand, extending loans for technologies that reduce emission intensities for capacity increase investments in companies is one of the most basic investment loan opportunities. The strategy also covers meeting the financing needs that will arise for the transformation of existing capacities in line with the commitments of companies to reducing their emission intensity. There are four distinct categories of portfolio levers for decarbonisation. Yapı Kredi's primary goal is to foster transition of customers.

1- Support transition of customers

- Financing investments in emissions reduction technology (i.e. energy efficiency improvements)
- Build ESG advisory arm

Relevant Sectors: Iron & Steel, Oil & Gas, Real Estate, Road Transport

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2- Shift portfolio to green

- Increase exposure in greener companies
- Finance new green investments

Relevant Sectors: Electricity Generation (Renewable), Iron & Steel, Oil & Gas, Real Estate, Road Transport

3- Avoid / exit brown assets

- Reject certain new lending categorically
- Exit from high emitting low profit customers
- Introduce carbon pricing: Detractive pricing for brown lending

Relevant Sectors: Electricity Generation (Thermic)

4- Offset where reduction is not possible

- Establish own carbon bank
- Procure / intermediate access to carbon for customers

Relevant Sectors: Not accepted by global standard setters as part of a portfolio strategy

OPERATIONAL ENVIRONMENTAL MANAGEMENT

Environmental Management System

To systematically manage its environmental impacts, Yapı Kredi received ISO 14001 certification for its Head Office buildings, Yapı Kredi Plaza Block D and Yapı Kredi Banking Base, and established the Environmental Management System (EMS) in 2016. Since 2018, the EMS has been expanded to the Bank's subsidiaries: Yapı Kredi Factoring, Yapı Kredi Leasing, Yapı Kredi Culture and Arts and Publishing (YKKSY), Yapı Kredi Asset Management, and Yapı Kredi Invest.

As part of the strategic five-year environmental goals, Yapı Kredi plans to expand the ISO 14001 EMS to all Bank locations by 2025. In line with this goal, in 2022, all regional and service buildings, branches in Istanbul, Yapı Kredi Technology, Yapı Kredi Azerbaijan, and Yapı Kredi Nederland received the ISO 14001 certificate. By 2024, the initiative was fully rolled out to all regional buildings and

branches, thus marking the successful completion of the process ahead of schedule. At Yapı Kredi, EMS efforts are coordinated under the leadership of the Director of Construction, Real Estate, and Internal Services Management, reporting directly to the Assistant General Manager for Human Resources, Organization, and Internal Services Management. The Budget Planning, Facility, and Environmental Management team is responsible for ensuring the implementation, improvement, and sustainability of EMS initiatives. Yapı Kredi aims to comply with EMS requirements at all stages of its banking activities, to inform its employees about the latest legal developments, and to raise awareness on energy efficiency, climate change, water management and waste management. To this end, the Bank regularly provides trainings every year to develop environmentally-friendly behavior models both inside and outside the Bank.

Yapı Kredi is committed to continuously improving its direct and indirect environmental performance. The Bank has defined strategic targets in three categories, annual, 5-year and 10-year, covering greenhouse gas (GHG) reduction, energy efficiency, water efficiency, and waste management. Relevant targets are included in the performance evaluation processes of the teams that implement, manage and monitor the projects.

Together with the results of internal audits conducted at least once a year, performance evaluations against the determined targets are examined and evaluated at periodic Management Review Meetings. The main purpose of the management review process is to evaluate the annual performance in line with the EMS objectives, to monitor the effectiveness of the system in practice and to ensure its continuous improvement. Review activities are supported by senior management.

Environmental and social responsibility lie at the heart of the Bank's business processes. In the reporting period, the Bank made investments, expenditures and donations amounting to approximately TL 249.2 million to protect the environment. This amount covers various initiatives undertaken during the reporting year, including fight against climate change, conservation of natural resources, waste management as well as consultancy, training and the Solar Power Plant (SPP) project.

In 2022, Yapı Kredi did not receive any administrative penalty due to non-compliance with the Environmental Law and regulations.

Energy Management

Yapı Kredi calculates Scope 1 and Scope 2 GHG emissions in line with the ISO 14064- 1 Greenhouse Gas Emissions Reporting Standard. These emissions are verified by independent accredited institutions. In the reporting year, the Bank calculated its greenhouse gas emissions across all locations, including domestic and international subsidiaries, and renewed its 2023 ISO 14064-1 certification. In 2024, location-based Scope 1 & 2 emissions decreased by approximately 5% compared to the previous year, thanks to improvements in energy efficiency and a reduction in refrigerant gas usage.

In 2024, Yapi Kredi received the ISO 50001 Energy Management System Certificate for the Head Office buildings (Plaza D Block and Banking Base), which were among the 2022 targets, and brought its energy management systems to the international standard. Moreover, the Bank successfully completed the third party audits in this scope and maintained the ISO 50001 Energy Management System Certificate. With ISO 50001 Energy Management System, based on the principle of determining energy policies, managing energy consumption and ensuring continuous improvements by evaluating energy management performance, Yapi Kredi will continue to work on various projects with the aim of reducing environmental impact, reducing costs and using resources effectively.

To this end, Yapı Kredi took another important step in its sustainability journey in 2024, and received the LEED (Leadership in Energy and Environmental Design) platinum certificate issued by the U.S. Green Building Council (USGBC) for its nearly 30-year old Banking Base buildings, becoming the first bank in Türkiye to achieve this success under Version 4.1 (Leed Platinum v4.1).

The Bank aims to reduce electricity consumption with energy efficiency projects in its operational activities, while implementing renewable energy projects to reduce Scope 2 emissions. As part of this target, a "Roof Solar Power Plant (SPP)" was installed on

the Banking Base Head Office buildings in 2022. Another one of the most important projects launched during the reporting period was the 25 MWe Land SPP Project, which will meet approximately 59% of the Bank's energy consumption from renewable energy. Yapı Kredi applied for the land SPP in 2024, and received the letter of approval for the grid connection. After the completion of the ongoing regulatory approval process, the SPP will become operational and start to generate electricity.

In 2024, Yapı Kredi completed the Al-Assisted Sustainable Facility and Environmental Management Digital Platform project with the Apollo IoT, one of the Fast FRWRD SME Solutions Acceleration Program graduate initiatives. The project enabled the Bank to accurately and quickly track electricity, natural gas, water consumption and costs based on location in a digital environment. The Al-assisted platform plays a crucial role in identifying billing anomalies, preventing potential fines through real-time compensation and demand tracking, analyzing energy consumption, conducting unit price evaluations, forecasting consumption and costs for the next year, and eliminating unnecessary energy consumption.

As part of its energy-saving initiatives, Yapı Kredi continued the Gradual LED Transition Project in 2024, achieving an electricity savings of 289.4 GJ. Moreover, with the Corridor Enclosure Project, launched in 2023 to reduce cooling energy consumption in the Banking Base Data Center system rooms, the Bank saved an additional 1,775 GJ of electricity in 2024. Regarding emissions that could not be reduced through projects, Yapı Kredi offset its Scope 1 emissions in 2024 by purchasing Gold Standard Carbon Neutral Certification. Furthermore, the Bank neutralized its Scope 2 emissions by acquiring I-REC (International Renewable Energy Certificate) for the electricity consumed after implementing renewable energy production and energy-saving projects.

With the Banking Base and Bodrum SPP projects, Yapı Kredi generated 4,554 GJ of electricity in 2024, achieving savings in electricity purchased from the mains.

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Water Management

Yapı Kredi closely monitors water consumption and implements various projects for its reduction. As the first financial institution in Türkiye, the Bank received the ISO 14046 Direct Water Footprint Certificate for its Head Office and service buildings in 2019. The scope of ISO 14046 was extended to regional directorate and branch buildings in Istanbul in 2022, and to regional-service buildings and bank branches in the Marmara Region, Ankara, Izmir, Eskişehir, Kırıkkale, Kütahya and Muğla provinces in 2023. In 2024, the standard was expanded to cover all locations across Türkiye. Thus, the Bank's effective management system for the efficient use of water resources and reduction of waste water was certified in line with international standards.

The Bank continued its efforts for efficient and effective management of water resources in 2024. In 2021, Yapı Kredi launched the project of using drinking water treatment units to supply ready-to-use and sufficient quality fresh water in the Head Office buildings. As a continuation of this project, purified water dispensers and under-the-counter water treatment systems provide drinking water in Plaza Block D, Yeniköy Koru facility, Plaza Block A cafeteria, Banking Base cafeteria, Yapı Kredi Invest, Yapı Kredi Asset Management and Yapı Kredi Culture and Arts. All water dispensers with purification systems and central water purification systems undergo regular microbiological analyses to ensure drinking water quality and its compliance to hygiene conditions.

Another water efficiency project continued in Darıca Administration and Archive facilities. Under the project, well water, rain water and building drainage water were collected to be used in landscape irrigation. The rainwater collection project was implemented in the Banking Base facility in 2022 and in the Yeniköy Koru facility in 2023. Thus, 6,193 m3 of water was used in garden irrigation in 2024. The projects enabled the use of rain water for landscape irrigation instead of well water.

Waste Management

Yapı Kredi attaches great importance to natural resource management and develops programs and projects to generate less waste and to recycle the waste generated. Yapı Kredi has been carrying out the recycling project since 2008 to ensure and support the sustainability of natural resources.

With the aim of minimizing wastes, the first principle is to prevent waste at its source, and the second principle is to reduce the amount of waste. To this end, packaging wastes are collected by sorting in the recycling boxes within the facility and sent for recycling. The Bank implements a sustainable management system for end-of-life electronic equipment. Usable electronic equipment is repurposed through donation or resale, extending its lifecycle while contributing to waste reduction. Equipment that can no longer be reused is classified as electronic waste and delivered to licensed recycling facilities. Thus, electronic wastes can be used as raw materials by recycling and are prevented from harming the environment.

In 2024, two projects were launched for reducing waste and indirect emissions:

The first project, in collaboration with İSTAÇ Biomethanization Facility, involves sending organic waste from the cafeterias of Plaza A Block and D Block to the Biomethanization Facility where landfill gas is converted into electricity. This project, a first in the Bank's collaboration with İSTAÇ, led to the recovery of 1.2 tons of organic waste in the reporting year, preventing 922 kg of CO₂e indirect emissions.

The second project focuses on recycling coffee grounds waste generated in the cafeterias of Plaza D Block and the Banking Base Head Office buildings into raw materials for bioplastic production as part of a collaboration between the Bank and Wastespresso. Thanks to the "Coffee Grounds Recycling for Bioplastic Production Project", Yapı Kredi converted 0.1 tons of coffee grounds into raw material, preventing the emission of 113.9 kg of CO_2 e and contributing to the circular economy. These two projects have significantly reduced household waste, reduced the amount of waste sent to landfill, and lowered emissions from organic waste.

Under the Zero Waste Project launched in 2021, waste sorting was ensured in the Head Office buildings in accordance with the Zero Waste Regulation. As of 2024, Yapı Kredi received the zero waste certificate for seven locations, including the Banking Base and Plaza Block D buildings. Moreover, the Zero Waste System, launched in 542 locations, was expanded by 49% to cover 810 locations in line with 2024 targets, ensuring greater recycling of waste. In addition, under the Business Plastics Initiative, signed by Koç Holding to prevent plastic pollution which poses a threat to human and environmental health, the use of single-use plastics was terminated at all locations of the Bank in 2023.

Yapı Kredi attaches great importance to the recycling of wastes arising from its operations with the right methods. To this end, a total of 1,026.4 tons of waste, including 90.1 tons of hazardous waste and approximately 936.3 tons of non-hazardous waste, was send to licensed facilities to be recovered and recycled in 2024.

The paper use during many transactions is eliminated thanks to innovative investments and digitalization efforts offered to both employees and customers at Yapı Kredi. In 2024, under the paperless transactions and digitalization initiatives, 12,000 tons of paper were saved, thus preserving approximately 204,000 trees.

Environmental Impact Management in the Supply Chain

In addition to the management of the environmental impact of its operational activities, Yapı Kredi monitors the environmental impact of its customers and suppliers, which make up its value chain, as part of its Sustainability Management System.

With the Responsible Procurement Policy launched in 2016, the Bank gives priority, in its procurement processes, to suppliers that prefer efficient production methods that reduce GHG emissions, support the transition to a low-carbon economy, and reduce the use of natural resources and waste generation. Yapı Kredi also encourages all its suppliers to comply with the Bank's environmental, social and human rights criteria. To this end, the Bank conducted an environmental and sustainability performance assessment by distributing the "Supplier Environmental and Sustainability Evaluation Survey" to subcontractor firms providing

full-time services at Head Office buildings as well as to 18 companies offering environmental management services.

Awareness and Training Projects

Yapı Kredi pays attention to the contributions of all employees and individuals to improving environmental performance. The Bank believes in the importance of raising awareness and behavioral change in this regard. To this end, in 2024, the Bank provided 8,189 hours of environmental training to 11,458 Yapı Kredi employees and 89 hours to 122 subcontractor employees, on various topics including ISO 14001 Environmental Management System, Climate Change, Energy Management System, and Water Footprint. Moreover, in 2023, awareness-raising materials and content on environment and sustainability were shared with employees and customers through the in-house portal, e-mail and social media. Yapı Kredi also offered training sessions for subcontractor employees on new projects, organic waste management and the specialized processing of organic waste in biomethanization facilities.

Since 2017, drills under the Environmental Emergency strategy have been held in the Head Office buildings, and employees have been informed about proactive methods that should be applied in case of possible environmental spills and environmental accidents. Activities continued in 2024.

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SHORT-TERM ENVIRONMENTAL TARGETS FOR 2024	COMPLETION STATUS
Completing the Land SPP installation and generating 12% of the electricity need of all Bank locations from renewable energy sources	The letter of approval for the Bank's SPP application, aimed at sourcing 12% of its electricity consumption from renewable energy, was obtained in 2024. However, due to regulatory revisions, only one-third of the requested capacity was approved. As a result, the initial SPP application was withdrawn, and in April 2024, a new application was submitted for a different site that will cover approximately 59% of the Bank's electricity consumption, which received approval.
Ensuring the continuity of the certification in accordance with the ISO 14064 1 Greenhouse Gas Emissions Reporting Standard at all locations of the Bank	ISO 14064 1 Greenhouse Gas Emissions Reporting Standard certificate was renewed at all locations of the Bank.
Ensuring the continuity of the ISO 14001 Environmental Management System certification of the Head Office buildings and locations in Istanbul, and expanding the certificate to all locations	The continuity of ISO 14001 Environmental Management System certification was ensured and the certificate was expanded to all locations in line with the 2024 expansion plan.
Ensuring the continuity of ISO 14046 Direct Water Footprint certification in the Head Office and service buildings and expanding the certificate to all locations	The verification process for the ISO 14046 Direct Water Footprint certificate was completed and in line with the 2024 expansion plan, the process was completed and the certificate was expanded to all locations.
Ensuring the continuity of the waste management system in the locations where the Zero Waste System is installed, and installing the Zero Waste System in all locations in 2024	The continuity of the waste management system in the locations where the Zero Waste System is installed is ensured, and in line with the 2024 expansion plan, the process was completed and the system was expanded to all locations.
Obtaining 100% of the Bank's electricity demand from renewable energy sources	100% of the Bank's electricity demand was obtained from renewable energy sources.
Neutralization of Scope 1 and Scope 2 emissions	Scope 1 and Scope 2 emissions are neutralized with IREC and Carbon Neutral certificates.
Obtaining ISO 50001 Energy Management System certificate for Head Office buildings	The ISO 50001 Energy Management System certification process of Plaza Block D and Banking Base buildings has been completed.
Monitoring the efficiency with the project of transferring electricity and water consumption data of the Bank to the digital monitoring platform	In 2024, Yapı Kredi completed the Al-Assisted Sustainable Facility and Environmental Management Digital Platform project with the Apollo IoT.

^{*} In 2022, ISO 14064-1 and ISO 14001 certifications were expanded to cover all subsidiaries, including Yapı Kredi Azerbaijan, Yapı Kredi Nederland and Yapı Kredi Technology, and the systems were recertified in 2024.

ENVIRONMENTAL TARGETS FOR 2025
Accelerating the progress of the legal permitting processes for Yapı Kredi 25 MWe SPP project in 2025
Ensuring the continuity of the certification in accordance with the ISO 14064-1 Greenhouse Gas Emissions Reporting Standard at all locations of the Bank
Ensuring the continuity of the ISO 14001 Environmental Management System certification of the Bank
Ensuring the continuity of the ISO 14046 Direct Water Footprint certification of the Bank
Ensuring the continuity of the ISO 50001 Energy Management System certificate for Head Office buildings
Ensuring the continuity of the waste management system in the locations where the Zero Waste System is installed
Obtaining 100% of the Bank's electricity demand for 2025 from renewable energy sources
Neutralizing of Scope 1 emissions for 2025
Reducing the Bank's electricity consumption by 1% through energy-efficient projects

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Contribution to the Society

Leaving lasting marks on the banking sector with its deep-rooted legacy, Yapı Kredi celebrated its 80th anniversary in 2024. With a legacy of 80 years filled with groundbreaking innovations, Yapı Kredi has not only set the standards of banking and finance, but also undertaken pioneering initiatives to contribute to society in various fields such as culture and arts, environment, and education. Driven by the responsibility of carrying its rich heritage into the future, Yapı Kredi continues to support economic and social developments in Türkiye.

CULTURE & ARTS PROJECTS

Just one year after its foundation, Yapı Kredi established the Cultural Consultancy, formalizing its commitment to supporting culture and the arts. The Bank celebrated its 80th anniversary in close connection with the arts and culture. With the year-long "Yapı Kredi 80th Anniversary Events," the Bank enriched the arts and culture scene and brought world-renowned artists to Türkiye.

As part of the Yapı Kredi 80th Anniversary Events, there were various live performances in Türkiye such as a concert tour by soul music icon Imany, known for her folk- and blues-inspired compositions; a dynamic show by Fuerza Bruta Wayra, that fuses acrobatics, theater, dance, music, and technology; a concert-tour by the world-famous Gipsy Kings, blending rumba, flamenco, and salsa; and the dance performance Peaky Blinders: The Redemption of Thomas Shelby, inspired by the popular TV series. Moreover, many prominent names in the Turkish music scene performed at the Yapı Kredi 80th Anniversary Stage at Yapı Kredi bomontiada.

Launched in 1997 and fully organized by the Bank, the Yapı Kredi Afife Theatre Awards have become an integral part of Turkish theater and one of the most prestigious award organizations in



With a legacy of 80 years filled with groundbreaking innovations, Yapı Kredi has not only set the standards of banking and finance, but also undertaken pioneering initiatives to contribute to society in various fields such as culture and arts, environment, and education.

Türkiye that supporting theater artists. Furthermore, under the Yapı Kredi Afife Theatre Awards Scholarship, a grant fund program initiated in cooperation with the Turkish Educational Foundation (TEV) in 2022 supported the theater education of 18 students in 2024, including 17 undergraduate students and 1 PhD candidate.

The Yapı Kredi Culture and Arts building has been one of the most important symbols of the Bank's commitment to the arts ever since its first exhibition opened in 1964. As Istanbul's cultural landscape evolved, the facilities of the building, which located on İstiklal Street for over 60 years, have also expanded. Renovated in 2017, the Yapı Kredi Culture and Arts building today houses a bookstore, museum, exhibition halls, a library, and event spaces. The Yapı Kredi Museum, home to the Bank's ever-growing collections since the early 1950s, welcomed a total of 97,596 visitors in 2024. One of the prominent publishing houses of Türkiye, Yapı Kredi Publications (YKY) published 959 titles in 2024, with 199 new titles, reaching a total printing volume of approximately 5 million (4,869,561) books.

In 2024, Yapı Kredi's support to cultural and artistic events, sponsorships and corporate social responsibility projects amounted to TL 97 million. The Bank also donated TL 136.5 million for various causes in the reporting period.

YAPI KREDİ SUSTAINABLE PREFERENCE PROGRAM (STEP)

Throughout its 80-year history, Yapı Kredi has worked not only within its own field of finance, but also across many areas to support the development of society. With the Sustainable Preference Program (Step), the Bank supports raising awareness of sustainability in Türkiye and fostering a strong, well-rooted sustainability ecosystem. Always prioritizing social benefit in every action, Yapı Kredi launched the Sustainable Preference Program (Step) with the motto "One choice changes a lot," guiding users through their sustainability transformation journeys. Launched to instill a culture of sustainability and leave a better world for future generations, Yapı Kredi's Step program surpassed 1 million members in 2024.

Yapı Kredi customers who join Step through the Yapı Kredi Mobile app, are free of charge and can earn points through their sustainable choices and donate these points to the projects of non-governmental organizations included in the Step program. Thus, Step goes beyond simply informing its members with enabling them to become part of a larger transformation through their everyday choices. Since the launch of the program at the beginning of 2023, Step members have contributed to saving over 170 million sheets of paper and rescuing 14,500 trees by switching to digital statements, choosing digital receipts for their purchases, and using e-receipts at ATMs. Moreover, members regularly supported sustainability-focused projects by NGOs by shopping from Step-partner brands, using public transport, and selecting sustainability-themed financial products to earn Step points.

INCREASING AWARENESS ON SUSTAINABILITY

Carrying out activities in the field of sustainability, Yapı Kredi actively and effectively uses all communication channels to create a common awareness regarding sustainability. Moreover, Yapı Kredi's podcast channel "Let's Talk Sustainability" shares

sustainability tips from daily life with a dynamic and easy-tounderstand style of narration. The Bank publishes various content on sustainability on all social media channels as well as on Yapı Kredi Blog.

The "Sustainability Talks" series, broadcast live on Yapı Kredi's YouTube channel and Facebook page, focus on the impact of sustainability on the business world, and share success stories and examples of good practice. The importance of sustainability and the transformation created by sustainable development are discussed with expert guests. These live-streamed programs are also accessible via the "Let's Talk Sustainability" podcast channel. The YouTube and podcast content produced by Yapı Kredi in the field of sustainability reached a total of 20,591 views by the end of 2024.

ACCESS TO FINANCE AND FINANCIAL INCLUSION

The UN Sustainable Development Goals (SDGs) emphasize under a number of its goals the importance of financial accessibility for society, especially for women, farmers, SMEs, startups and youth, for sustainable growth and development. Yapı Kredi believes that, alongside the development and transformation of the financial system, expanding the scope of financial services is of vital importance in promoting social welfare and reducing social inequalities. Through its financial solutions, the Bank operates with the aim of increasing access to finance for all segments of society and offering products and services tailored to their needs.

To this end, Yapı Kredi joined the Commitment to Financial Health and Inclusion established in 2021 by the United Nations Principles for Responsible Banking (PRB) as a founding signatory and pledged to set relevant targets within 18 months following its participation in the commitment. In 2022, Yapı Kredi started to actively participate and contribute to the Financial Health and Inclusion working group established by the United Nations Environment Program Finance Initiative (UNEP FI). Under this working group, together with other national and international banks, Yapı Kredi took an active role in the creation of target and indicator sets to increase financial health and inclusion among the society. In the light of these indicators, the Bank carries out activities to increase

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the financial literacy of disadvantaged groups and increase their access to financial products. Yapı Kredi regularly and transparently reports developments in this area every year. In 2023, the Bank set a target to increase the proportion of women entrepreneur customers with two or more active financial products from different categories by 10% by 2026, in an effort to support their financial resilience.

Yapı Kredi also participated in the equality mobilization in technology and innovation at the United Nations Women's Generation Equality Forum, where the Koç Group plays a transformative role. To this end, the Bank aims to reach a total of 20,000 women entrepreneurs in five years with an advantageous product and service package.

FINANCIAL LITERACY

Believing in the importance of social responsibility initiatives focused on young people, Yapı Kredi implements the Digipro Internship Program twice a year, in summer and winter, for university students who pursue innovative ideas that add value to the present and future and draw strength from one another. The program offers to the students various sectoral and personal development training programs and webinars. By providing education on topics such as basic financial analysis, general economy and market, money management, and fundamental financial concepts, the Bank supports young people in building a strong start in their careers.

In addition, as a member of the Financial Literacy and Inclusion Association (FODER), Yapı Kredi contributes to raising awareness among individuals on topics such as household budgeting, debt management, and assessing loan or investment products. The Bank also carries out various initiatives to ensure that individuals who receive financial literacy training are able to apply this knowledge effectively in their lives.

BARRIER-FREE BANKING

In line with its commitment to "Limitless Service," Yapı Kredi launched the Barrier-Free Banking Program in 2008, becoming the first bank in Türkiye to enable people with disabilities to

access banking services more easily and in a more contemporary manner. Continuously improved with new applications each year, the Barrier-Free Banking Program aims to ensure that people with disabilities can benefit from banking services with ease.

Yapı Kredi offers various innovative solutions to facilitate access to financial services for people with disabilities:

Barrier-free ATMs

ATMs for Visually-Impaired Persons: Designed for individuals who are blind or visually impaired, these ATMs offer an easy and independent transaction experience thanks to their voice guidance feature.

ATMs for the Orthopedically-Impaired Persons: These ATMs are developed to enable individuals with orthopedic disabilities to access banking services in a more ergonomic and modern way.

Text-to-Speech Technology

Thanks to innovative technologies, visually impaired customers can audibly follow real-time market developments and make more informed financial decisions.

Online Chat and Video Call Services

Online Chat: Without needing to visit a branch or call the Customer Communication Center, individuals with hearing impairments can easily carry out banking transactions such as reporting lost/stolen cards, checking credit card statements, requesting e-mail delivery of credit card statements, viewing account information, checking bills, transferring points between their own cards, tracking money transfers, checking HGS (Rapid Pass-through Label) balances, giving Smart Assistant instructions, and updating information.

Video Calls: During the remote customer onboarding process, sign language support is provided to individuals with hearing impairments, promoting a more inclusive service approach.

EDUCATIONAL SUPPORT

Snowball for the Future

Scientific research shows that cognitive development is especially crucial for children aged between 0–6. During this age range, a significant portion of cognitive development, such as perception, comprehension, memory, attention, language skills, recall, speech, thinking, and problem-solving is completed. Supporting children's education during this critical period is vital to achieving healthy brain development and positive outcomes in cognitive, social, and emotional areas.

In light of this, the Snowball for the Future education program was launched in the centennial year of the Republic of Türkiye to provide the right tools and educational support to children aged between 0-6, during their developmental phase, to help them for unlocking the keys to success later in life. Moreover, support is extended to everyone involved in a child's care, including parents, caregivers, siblings, through various resources on child development, with the goal of raising stronger individuals. Initially launched in earthquake-affected regions, the Snowball for the Future project was expanded nationwide in 2024, coinciding with the Bank's 80th anniversary celebrations. The project's website offers free educational content, providing implementers with a unique content library focused on children's cognitive, emotional, and social development. As of December 2024, the Snowball for the Future website has 144,035 active registered users. A total of 89,577 educational kits have been requested through the site.

Prof. Dr. Selçuk Şirin and his expert team are among the project's key collaborators. In 2024, a partnership was also established with the Community Volunteers Foundation (TOG) to enhance the project's impact and reach its goals more effectively. Yapı Kredi Volunteers actively involved in the project receive comprehensive training from the Mother Child Education Foundation (AÇEV) instructors in order to conduct field activities with children. Volunteers who complete the training programs developed by AÇEV's expert educators also contribute to the project in the field. Throughout 2024, in-person training sessions were held in 14 cities, reaching parents of children aged 0–6 in Türkiye. Three Snowball for the Future Workshops were conducted in the Hope Cities of Adıyaman, Kahramanmaraş, and Malatya.



Initially launched in earthquakeaffected regions, the Snowball for the Future project was expanded nationwide in 2024, coinciding with the Bank's 80th anniversary celebrations.

I Read, I Play

Since 2006, Yapı Kredi has been carrying out the "I Read, I Play" project in collaboration with the Educational Volunteers Foundation of Türkiye (TEGV) to support education. The project aims to provide extracurricular educational activities to primary school-aged children who do not have access to modern educational opportunities. Under the project, 13,340 volunteers carry out activities at TEGV's event points around Türkiye. As of the end of 2024, the project reached 366,596 children through inperson education. To adapt changing conditions brought on by the pandemic, the project's educational programs were transferred to digital platforms in 2020, and a digital version of the "I Read, I Play" program was developed. From July 2020 to the end of 2024, 5,531 children participated in the digital activities, and 697 volunteers actively contributed during this period.

Design and Skills Workshop

Launched in 2018 in cooperation with TEGV, the "Design Inventors Firefly" project aims to support children's personal, social, emotional, cognitive and academic skills. The project aims to raise individuals with strong learning skills who can adapt to a rapidly changing and evolving global world. Moreover, the project prioritizes helping children develop the ability to think outside the box. In the Design and Skills Workshop in TEGV (Educational Volunteers Foundation of Türkiye) Mersin Learning Unit, established with the support of Yapı Kredi, 46 children participated in the activities in 2024 with the support of 5 volunteers.

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Yapı Kredi Vocational and Technical Anatolian High School

Yapı Kredi Vocational and Technical Anatolian High School is one of the pioneering education projects Yapı Kredi supports. Established in the Çayırova district of Kocaeli in the 2008–2009 academic year, the high school offers education only to female students. The first class graduated in 2012. Today, 547 students study in Child Development and Education, Graphics and Photography, Information Technologies, Food and Beverage Services and Office Management departments. Moreover, an academic achievement scholarship program launched in 2012 supports the academic development of students. As of 2024, 22 students have benefited from this scholarship.

For My Country Fund

For My Country Fund (Yapı Kredi Asset Management Third Variable Fund) creates income opportunities for its investors thanks to its dynamic structure that adapts to changing market conditions. With this mutual fund, added by Yapı Kredi to its wide product range in parallel with the increasing awareness on social responsibility, investors' sensitivity in social responsibility issues can donate to social responsibility projects without making any additional payments by only making use of their savings.

Anatolian Scholars

Yapı Kredi continued to support students under the Anatolian Scholars Program launched in 2011 by Koç University. In 2024, this support continued with 15 scholarship recipients.

Yapı Kredi Economics Research Chair

Yapı Kredi founded the Yapı Kredi Economics Research Chair at Koç University to remove the barriers between the economy and finance sector and universities. The Chair aims to contribute to the sustainable development of Türkiye by creating a common working platform for academics in economics and finance and representatives of the private sector. The head of the chair is Prof. Dr. Selva Demiralp, Faculty Member at Koç University Faculty of Administrative Sciences and Economics.

Yapı Kredi Afife Theater Awards Scholarship

Yapı Kredi Afife Theater Awards support the efforts of young people with the aim of contributing to the development of Turkish theater. The scholarship fund established by Yapı Kredi under the Turkish Educational Foundation provides financial support to a total of 18 theater students, 17 undergraduates and 1 PhD student who are studying theater in various cities across Türkiye. The fund aims to contribute to the education of successful young people in need of financial assistance.

Yapı Kredi Private Banking Art Scholarship

Established in collaboration with the Turkish Education Foundation (TEV), Yapı Kredi Private Banking Art Scholarship Fund aims to make contributions to the "Superior Achievement Art Scholarship" and "Higher Education Art Scholarship" programs to support young talents studying in arts. At the start of each academic vear, students attending the conservatory and schools of fine arts of universities can apply for the scholarship. Students who successfully pass the assessment qualify for scholarship. Students studying at the piano, harp, guitar, strings, wind and percussion instruments, painting, sculpting, graphics, and calligraphy departments can apply for Yapı Kredi Private Banking Art Scholarship Fund, Launched in 2021, the Yapı Kredi Private Banking Art Scholarship Fund continues to support talented young artists pursuing art and education, successfully maintaining this collaboration. In addition, Yapı Kredi enables students to perform in concerts and events sponsored by the Bank, helping to increase their visibility.

GENDER EQUALITY

Women Removing Borders

Launched by Yapı Kredi in 2022 to support women entrepreneurs in e-export and help them access international markets, the "Women Removing Borders" program continued in 2024.

Through online courses women entrepreneurs participating in the program received training on topics such as sales on international marketplaces, establishing companies, online payment systems, product listing, and logistics processes.

At the end of the training held in the first half of 2024, 15 women entrepreneurs were selected by a jury and provided with free e-export consultancy by Coniwi to support their entry into exports via online channels. These entrepreneurs were also offered the opportunity to benefit from the Women Entrepreneur Package, which includes advantageous banking products and services. In the latest phase of the program that began in November, training was completed. The jury selection process for free consultancy is ongoing. Yapı Kredi plans to significantly increase the number of women entrepreneurs supported under the Women Removing Borders program in the upcoming period.

Equal Opportunities in Technology

Yapı Kredi launched the "Equal Opportunities in Technology" project in 2023 in partnership with the United Nations Institute for Training and Research (UNITAR). The project continued to be implemented in 2024 in cooperation with the International Training Centres for Authorities and Leaders (CIFAL Istanbul) and Bahçeşehir University (BAU). Under the project, training materials are prepared by experts on topics ranging from big data to Al, from cloud technologies to cyber security, from the Internet of Things to Industry 5.0. With the trainings to be offered by Yapı Kredi Academy and Bahçeşehir University, it is aimed to reach 80,000 women in three years until 2026 and raise knowledge and awareness in the field of technology.

Participants who complete the training and achieve a score of 70 or more in the exam at the end of the training are entitled to receive an E-Government approved "Equal Opportunities in Technology" certificate signed by Yapı Kredi, UNITAR and Bahçeşehir University. Moreover, participants who attend 75% of the training receive a UNITAR accredited certificate of achievement. Young people, regardless of gender, living in Umut Kentler (Cities of Hope) established by Koç Holding and earthquake zones can benefit from the trainings, offered as free of charge to all women regardless of age. In 2024, a total of 12,927 young women received training under Yapı Kredi's Equal Opportunities in Technology project.

Support to Friends with Paws

Yapı Kredi meets the food, drink, shelter and health needs of cats and dogs at two shelters established at the Banking Base. Veterinary support is provided for the health and care needs of friends with paws in shelters. Full-time employees work for the care of cats and dogs, and the needs of friends with paws are regularly shared with the Bank by the interested employees. During the last year, just like in 2023, excess food from the Yapı Kredi Banking Base cafeteria was also used to feed stray animals.

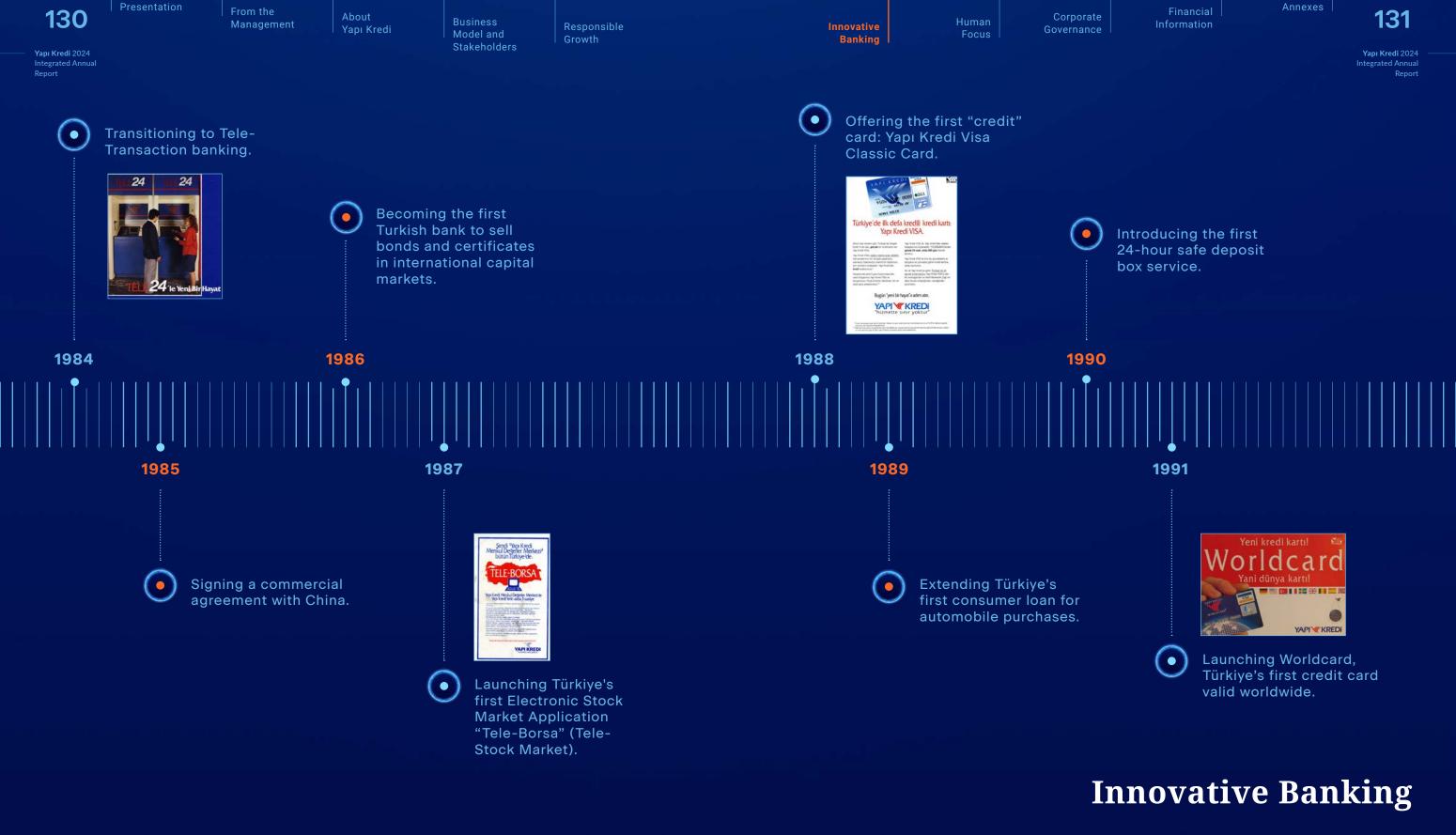
Customer Communication Center at the Cities of Hope

Yapı Kredi established Customer Communication Centers with 20 people each in Cities of Hope founded in Hatay, Kahramanmaraş and Adıyaman founded by Koç Holding and the Group companies after the earthquakes of February 6, 2023. Following the recruitment process, candidates received a 2-month banking training at Yapı Kredi Banking Academy. Moreover, 60 people returned to their locations in the earthquake zone and started to work and receive calls from all over Türkiye on behalf of Yapı Kredi Customer Communication Center.

Employees of Yapı Kredi working in these regions are also supported through internal career paths at the Bank. Successful Yapı Kredi employees are transferred to branches in the region. Thus, regional development is supported by providing employment for the qualified workforce in the region, helping to heal the wounds of the earthquake more quickly.

Yapı Kredi Volunteers

Yapı Kredi Volunteers initiative is established with the aim of creating an easy, transparent and secure way for employees to be informed about all projects carried out with NGOs, to participate in existing projects and to create their own projects. Founded by Yapı Kredi employees who aim to contribute to societyare sensitive to environmental issues, and focused on making a difference, Yapı Kredi Volunteers aim to make the world a better and more sustainable place by offering their expertise, skills, and passion wherever they go. In 2024, Yapı Kredi Volunteers implemented 34 meaningful projects for regions and people in the need of aid with the participation of 1,662 volunteers.



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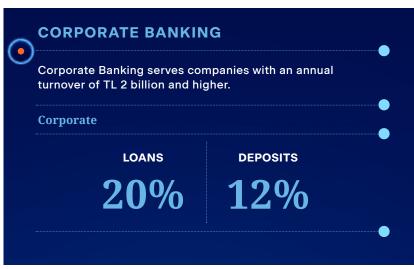
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Banking Activities

IMPACTFUL PRODUCTS AND SERVICES







Retail Banking

PROFILE NUMBER OF BRANCHES: 702

SECTOR POSITIONING	MARKET SHARE (SECTOR)	MARKET SHARE (PRIVATE BANKS)
Consumer Loans	10.83%	15.76%
General Purpose Loans – including overdraft account	12.96%	17.1%
Flexible Account	17.6%	26.2%
Mortgages	3.2%	6.7%
Auto Loans	19.89%	30.88%

Growth Strategy Focused on Digitalization

In 2024, the focus on profitable customer acquisition and seamless customer experience in Retail Banking has been maintained. While expanding its customer base, the bank has established mutually value-adding relationships with customers, deepening connections for both parties. Thus, the share of customers' wallets was increased, supporting volume growth in strategic products.

Investments have continued in digitizing product sales and postsales service processes within branch services and phone service processes, as well as in developing processes and functions to provide a seamless customer experience through digital banking channels.

RETAIL BANKING

In 2024, Yapı Kredi continued to grow in terms of revenue and active customers in the Retail Banking business line. The bank has continued to grow its number of Salary and Retirement Banking customers in 2024, which is one of its strategic goals. With these groups that have high potential for deepening in strategic products, both volume and income growth have been supported.

The Bank continued to make investments in line with its approach of providing high quality and unlimited service through all its channels, and also maintained its strong position in the sector by offering a wide range of products and services to its customers in the Retail Banking business line with its Individual, Individual Portfolio and Blue Class sub-segments. With developments in the digital infrastructure, the Bank continued to offer the remote service model for customers who prefer to fulfill their banking needs without visiting a branch.

In alignment with the service model crafted under the strategy of high-quality service, efficiency, and customer satisfaction, there has been a strong emphasis on portfolio management aimed at deepening relationships and retention, effective lobby management, and fostering increased loyalty and engagement across all customer bases. Priority has been given to investments in systemic infrastructure that will boost the effectiveness of both the service model and performance management.

The Bank continued to grow the number of Salaries and Pension Banking customers in 2024, one of its strategic targets. Both volume and revenue growth were supported with these segments, which have high potential for deepening in strategic products.

The service of becoming a customer from Yapı Kredi Mobile continues to be continuously developed in consideration of customer needs and customer experience, and 34% of the Bank's new customer acquisition is realized digitally.

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Individual Deposit Performance

Yapı Kredi maintained its steady growth in deposits in 2024. On the total deposit side, the growth in both TL and foreign currency deposit volumes continued. Among private banks, Yapı Kredi achieved a market share of 13.85% in TL deposits with an annual increase of 15 basis points, and 13.11% in foreign currency deposits with an increase of 11 basis points, thus making a positive contribution to funding costs. Yapı Kredi achieved a market share of 12.98% in TL time deposits with an annual increase of 31 basis points.

On the gold deposit side, Yapı Kredi Gold Days are now organized every day in 6 branches in Istanbul and 9 branches outside Istanbul. Moreover, the Bank continues to offer gold collection services by contracted jewelers. Thus, physical gold valued by contracted and authorized jewelers can be transferred to the Gold Demand Deposit Account in grams.

Recently, as one of the customer oriented innovative deposit product, Yapı Kredi started to offer "Sınırsız Hesap" to the customers. Sınırsız Hesap, which offers daily interest earnings, is designed to meet the expectations and needs of the customers. The customers can earn extra interest rates for their "Sınırsız Hesap" as they use the products provided by the bank. There is a rapid increase in demand for the product in a short period and this demand will continue to grow throughout 2025.

General Purpose Loans and Growth in Flexible Account Market Share

Yapı Kredi continued to focus on general purpose loans and flexible account products in 2024 to offer solutions for various cash needs of its individual customers.

With the increase in customers' income, leading to the improvement of customers' ability to pay, as well as the increase in prices and spending, the total volume of general purpose loans and flexible accounts increased by 36% in 2024 compared to the previous year and Yapı Kredi's market share among private banks was 17.1% by the end of 2024.



The total volume of general purpose loans and flexible accounts increased by 36% in 2024 compared to the previous year and Yapı Kredi's market share among private banks was 17.1% by the end of 2024.

Individual banking customers continued to prefer digital channels for their instant product needs. The extension rate of general purpose loans through digital channels reached 80%.

In 2024, 45% of the loans were extended to salary customers, thus maintaining the asset quality.

Another product that contributes to customer satisfaction is the online shopping loan, which proves that Yapı Kredi always stands by its customers. Shopping loan products are actively used in almost all of the major e-commerce sites operating in Türkiye, and periodic campaigns are designed in special collaborations with companies. The number of brands offering active shopping credit products in 2024 is 230.

Moreover, the Bank continued to offer the World PAY Shopping Loan in stores, launched in 2022. Especially in sectors where the number of credit card installment is restricted and/or the average spending amount is high, customers prefer shopping loans to avoid using their card limits and to easily benefit from the opportunity to pay in longer-term installments. Thus, customers can pay for their purchases at Yapı Kredi Merchants with the transaction initiated by the store employee via the POS device in installments via Yapı Kredi Mobile or World Mobile applications, without the need for a credit card or limit. With the World PAY Shopping Loan available at more than 400,000 Yapı Kredi Merchants, the world's most extensive "Buy Now, Pay Later" function is offered to customers, and periodic campaigns are designed in special collaborations with

companies. Moreover, this service, which can be offered to new customers, supports new customer acquisition from all stores in the extensive merchant network.

Focusing on overdraft account products with increased profitability in 2024, Yapı Kredi Flexible Account increased its market share by 25 bps, maintaining its leadership in receivables balance with a 26.20% market share among private banks. Limit increases for customers with limit increase orders, made through regular evaluations in parallel with customers' income increases, had a significant impact on this achievement.

In addition, Yapı Kredi concluded agreements with 81 new schools in 2024 for the Installment Payment System for Schools (TEST) product, which enables long-term relationships with customers, thus reaching a total of 376 schools. In 2024, the Bank enjoyed an increase of 72% in the TEST limit assigned.

The launch of the "Kiram Hesabımda" which supports the payment process between tenants and landlords in rental agreements, has been completed. The product assigns tenants a credit limit equal to their annual rental amount. The monthly rent is automatically transferred from the tenant's account to the landlord's account on the payment date, if there are insufficient funds in the account the rent amount is covered by the assigned credit limit.



Focusing on overdraft account products with increased profitability in 2024, Yapı Kredi Flexible Account increased its market share by 25 bps, maintaining its leadership in receivables balance with a 26.20% market share among private banks.

OUTLOOK

In order to stand by customers whenever and wherever they need and to offer them alternative payment methods, the product range will be expanded and the number of collaborations will be increased.

More flexible pricing and campaign structures will be developed, focusing on personalized campaigns.

Yapı Kredi focused on smart growth due to new legal regulations regarding lending rates that were implemented specifically for housing and housing-secured loans in 2024. Yapı Kredi's market share among private banks is 6.7%.

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Developments in Mortgages

2024 was a successful year for Yapı Kredi in mortgages with custom-tailored products offered via branches and corporate real estate firms and construction companies. The Bank continues to collaborate with corporate real estate firms and construction companies to offer mortgages for housing projects.

In order to increase the number of houses with high energy efficiency and raise environmental awareness in Türkiye, the Bank focuses on houses with Class A and B Energy Performance Certificates, offering a special Eco-Friendly Mortgage product for such houses. Yapı Kredi reduces Ioan allocation fee depending on the energy class of the house to be purchased. In 2024, the mortgage processes and infrastructure were redesigned. In the upcoming period, Yapı Kredi aims to focus on customer-oriented lending processes by offering wide range of products to customers instead of traditional Ioan processes.

Strong Performance in Auto Loans

Until the end of the 3rd quarter, Yapı Kredi continued to show high performance in vehicle loans in 2024 and maintained its market share leadership in the entire sector, including public banks.

The focus on providing quality service to individual and commercial customers from dealers and branches has continued with its wide and effective dealer network and campaigns with attractive payment terms that suit customer needs.

In 2023, supply-driven production problems in the automotive sector came to an end in 2024.

With the tightening monetary policies in 2024, there was a sectoral contraction in vehicle loans, and the growth trend was replaced by stricture.

The Ford Finance program, which was established as a result of the Ford and Yapı Kredi collaboration and has been operating since 2008, has successfully continued its activities in 2024. In 2023, effective campaigns continued to be organized with central agreements made with the important brands of the sector, Hyundai, Fiat Stellantis and Chery.

OUTLOOK

Our aim is to provide a more comfortable and effective credit experience for all our stakeholders with our screens that will be renewed and improved within the scope of NGBA.

On the path to digitalization, it is aimed to reduce the workload of our contracted dealers and branches and to provide an end-to-end digital experience to our customers with the integration of credit opening and usage entirely through the mobile channel.

In addition, it continued to expand its contracted dealer network by focusing on the second-hand markets.

The first dealer-free and branch-free usage process continues to be successfully implemented with the partnership with TESLA, the pioneer of the electric vehicle sector. In addition, the Bank is TESLA's only financial partner in Türkiye.

The Bank will also sign new partnerships and focus on digitalization in the coming period.

Installment Payment System for Schools (TEST)

Just like many other segments, Yapı Kredi is also a pioneer in the school payments segment. Customers can apply for the limited loan product, the Installment Payment System for Schools (TEST), facilitating the school payments of parents at Yapı Kredi Mobile and Customer Communication Center channels in addition to Yapı Kredi branches. The Bank offers TEST as a payment option to parents at 376 schools. In 2024, the Bank enjoyed an increase of 72% in the TEST limit assigned.

In 2025, Yapı Kredi will expand the number of contracted schools with the field staff focused on new school acquisition.

Bancassurance

Yapı Kredi maintained its leading and innovative position in bancassurance. 31.3% market share in health insurance with a 13.3% share in life insurance, 5.0% in elementary insurance and 5.0% in private pension. The Company has a 17.8% market share through the pension company whose sales it intermediates.

In 2024, channel diversity in Insurance and Private Pension products was increased, enabling customers to access solutions for their risks more easily. Products and functions offered through branches,

Yapı Kredi Mobile Application and the Customer Contact Center continued to increase, and the mobile phone insurance product was offered to customers for the first time. In order to optimize the customer experience, the Bank focuses on campaigns specifically tailored to digital channels, and prioritizes the fastest and easiest way to carry out all insurance and Private Pension System transactions after the sale of products.

OUTLOOK

In the coming period, Yapı Kredi Retail Banking aims to;

- The Bank will continue to focus on deepening its customer base through strategic practices that will support the increase in the total number of customers, as well as products and services offered in line with the changing and evolving scope of productive customers and their needs. In parallel, the Bank aims to increase profitability in Salaries and Pension Banking customers by growing with an efficient customer focus.
- In deposits, the Bank plans to continue to grow market share by increasing deposit volume with controlled costs. In deposit assets, the Bank will continue to offer products tailored to customers' needs. The "Unlimited Account" product will continue to meet the expectations and needs of customers.
- With the goal of becoming the leader in consumer loans, the Bank will continue to meet the needs of customers by adding innovative products to the portfolio.
- With an unlimited service perspective in banking, the Bank aims to provide customers with uninterrupted and easy

- access to services at any time and through any channel.
- The Bank will continue to increase customer satisfaction with a perfect customer experience approach at every point of contact with customers.
- The Bank will continue to invest in the development of the Open Banking Service, an important innovation in the banking sector, to facilitate customers' financial followup. In line with legal regulations, the Bank aims to offer appropriate products and services based on analyses of customers' needs and expectations.
- Digital-oriented projects will continue and efforts will be made to provide products and services that customers can access 24/7 for their daily banking needs, and the number of active digital and mobile users will be increased.

Yapı Kredi continues to evaluate products and services for Service Banking and holds discussions with strategic partners on potential collaborations.

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Business Banking

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HOLISTIC APPROACH TO INDIVIDUAL AND COMMERCIAL ACTIVITIES

Yapı Kredi Business Banking adopts an integrated approach while offering services for the individual and commercial needs of its customers. To this end, more than 700 asset managers provide services to customers to meet their financial needs.

With the launch of digital customer acquisition projects in 2024, customer acquisition processes were accelerated. Yapı Kredi continued to acquire corporate customers through the mobile banking channel while facilitating the digital customer acquisition processes through improvements. The Bank continued to provide digital solutions for all banking services and customers' demands and needs at full speed.

Yapı Kredi's Digital Channel Solutions

As part of the digital acquisition of corporate customers via the mobile banking channel, the Bank implemented two separate projects, specifically for partnerships and sole proprietorships. Thus, corporate customers can now become customers via the corporate page on Yapı Kredi Mobile without visiting a branch.

Moreover, customers with Joint Stock, Limited, Collective and Commandite partnerships were enabled to become Yapı Kredi customers via Yapı Kredi Mobile, as well as sole proprietorships, were enabled to become Yapı Kredi customers via Yapı Kredi Mobile, digitalizing and facilitating the customer onboarding process.

Under the digital customer acquisition projects, approximately 2,500 customers became customers through digital channels.



The deposit volume of Business Banking customers increased by 54% compared to the previous year, and the demand deposit volume by 29%.

Yapı Kredi spotlighted the Open Banking service offered to customers and carried out communication activities to popularize this service. With open banking, customers can monitor their current accounts at other institutions via Yapı Kredi Mobile and the Internet Branch and manage their payments from a single point.

The "Request Payment" application, developed in collaboration with the Central Bank of the Republic of Türkiye (CBRT) and banks, is a service that enables the recipient to request an amount from the sender by entering the required details during a money transfer transaction (FAST [Instant and Continuous Transfer of Funds]/ Remittance) and obtain the sender's approval for the transaction. Moreover, our customers can now submit money transfer requests via "Request Payment" and complete their payment transactions in response to incoming requests through Yapı Kredi's Retail and Corporate Mobile Banking, as well as Yapı Kredi's Retail and Corporate Internet Branch.

Profession-Specific Services for Business Banking Customers

Since its foundation, Yapı Kredi has stood by its customers in line with its customer-focused approach.

In 2024, the Bank continued to offer special campaigns tailored for tradespeople, businesses in the healthcare sector, women entrepreneurs, businesses in the restaurant industry, lawyers, housing estate and building management companies, and financial advisors. Moreover, new campaign packages were introduced, offering exclusive benefits for notaries and canteens.

To provide customers with customized support based on their needs, Yapı Kredi diversified special campaigns for professional groups, and expanded the scope of advantages provided to customers through collaborations with holding companies and various other companies. In this regard, the Bank entered into collaborations with Apsiyon, Dijiyon, Senyönet, Konsiyon, Akuvox, Watmobilite, Selfprof, Qapera, Beeasist, Aygaz, and ZerGO. In addition, the Bank entered into agreements with Bar Associations, Chambers of Tradespeople, Unions and Cooperatives to support mass customer acquisition.

The campaign package designed for pharmacy customers continued to be offered to businesses operating in the healthcare sector. Customers were also given the opportunity to benefit more from special advantages.

Within the scope of the "Women Entrepreneur Support Package", launched to support women entrepreneurs, Yapı Kredi continued to provide special opportunities for women entrepreneurs. The "Special Hepsiburada Advantage Package for Women Entrepreneurs" was also included in the campaign, supporting the initiatives of women entrepreneurs through e-commerce platforms with e-commerce advantages.

With the aim of increasing access to financial products for customers who are legal consultants, Yapı Kredi provided reward points and the advantage of having their Bar Association dues covered by the Bank to customers who receive their UYAP (National Judiciary Informatics System) payments through the Bank, as part of the benefit package that includes special advantages for lawyers.

Under the campaign package of special advantages to support customers who own restaurants and cafés, support was provided to restaurant customers as point advantage for meal card turnovers and automatic bill payment orders. Through the collaboration with Aygaz-KeyifliBahçe, Yapı Kredi offered

customers discounts on Aygaz products, while the partnership with Qapera provided restaurants with discounts to facilitate their inventory management processes.

In 2024, the Bank created an ecosystem consisting of housing estate residents, managements and employees by offering a gain package containing special advantages to apartment building and housing estate managements. Under this campaign, advantages are provided to customers who want to create value with their cash flows. In cooperation with Wat-Mobilite, electric charging stations that contribute to sustainability were offered to apartment building and housing estate managements. Moreover, a partnership with Apsiyon ensured exemption from Apsiyon service fees, while the cooperation with Akuvox enabled the provision of innovative intercom systems for housing estates and buildings at no cost. Thus, by offering solutions tailored to all the needs of housing estate and building managements, Yapı Kredi expanded the range of privileges available within the ecosystem.

Financial advisors and their referred clients were granted reward point benefits, enabling customer acquisition for the Bank through a referral system.

The Bank provided notary customers with exclusive advantages such as favorable POS pricing, commercial credit card benefits, discounted membership fees, salary promotions, and credit advantages.

Moreover, special POS pricing and benefits packages were introduced for canteen customers.

Yapı Kredi entered into agreements with Bar Associations, Chambers of Tradespeople, Chambers of Notaries, Cooperatives and Unions to support mass customer acquisition. By working specifically for each collaboration, different cash flow-oriented product gains were achieved.

Efficient Service for Yapı Kredi Mobile Business Banking

Yapı Kredi Mobile enables tradespeople and individual businesses to access both individual and commercial products on digital

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channels, allowing easy transition between individual and corporate users without the need for a password. With this system called Easy Transition, customers are provided with an effective service in digital channels.

Through the digitalization projects, the number of business banking customers using digital channels increased by 3%. Our teams continue to develop new features to help the customers doing business complete their transactions with mobile approval via Yapı Kredi Mobile without visiting a branch.

In 2025, Yapı Kredi will continue to develop processes such as digital/mobile approval that would further support customers in their digitalization journey while reducing contact.

Stronger Deposit Base

In 2024, Yapı Kredi offered campaign packages with a focus on strengthening the deposit base and reached customers with new packages. Thus, the Bank enjoyed a growth in deposits, especially with the Apartment Building and Housing Estate Management package and through the collaborations.

The deposit volume of Business Banking customers increased by 54% compared to the previous year, and the demand deposit volume by 29%. Business Banking will continue to expand the deposit base by focusing on the needs of customers, gaining new customers and offering a wide portfolio of products.

Solutions for Better Presence in the Digital World Every year, the presence of businesses in the digital world becomes more important and the value of e-commerce increases. In 2024, Yapı Kredi continued to offer solutions to help businesses increase their presence in the digital world through collaborations with companies active in e-commerce, e-document solutions and website installation services.

In 2025, Yapı Kredi Business Banking aims to: • Process customers with a corporate focus through new corporate customer acquisition and effective portfolio management, • Lead in profitability by deepening relations with more customers, • Maintain its Demand Deposit focus with acquisition packages and mass customer acquisition projects, • Continue to invest in digital banking channels to providing transaction-facilitating solutions to its customers, • Ensure healthy and sustainable growth in loans

through effective risk management,

• Contribute effectively to sustainability policies,

• Increase profitability by selling multiple products

of in terms of cash flow and product diversity, and

• Provide special services to the entrepreneurial

instead of single products to become the favorite bank

AGRICULTURAL BANKING

ecosystem.

Agricultural Banking offers products and services to support the crop and animal production of producers. Yapı Kredi offers agricultural loan products and the Productive Card, which can be used by producers in purchasing agricultural inputs.

Thanks to the Agricultural Value Chain, the payments of the parent companies and producers can be made through the Bank, thus allowing the producers to manage their cash flows with a wide range of products. Under the Agricultural Value Chain, Yapı Kredi continued to offer preapproved productive cards to producers who received their payments from the Bank.

Payment Systems

PROFILE	DECEMBER 2024
Number of Credit Cards, including Virtual Cards	19.8 million
Number of Debit Cards	20.2 million
Number of Merchants	1,176 million

SECTOR POSITIONING	MARKET SHARE (SECTOR)	MARKET SHARE (PRIVATE BANKS)
Credit Card Outstanding*	13.3 %	17.8 %
Credit Card Issuer	14.3 %	19.6 %
Commercial Credit Card Outstanding*	6.5 %	11.1 %
POS Acquirer**	15.3 %	23.1 %
Number of Credit Cards	15.3 %	21.0 %
Debit Card Issuer***	13.7 %	22.4 %

^{*} Sector and private bank market shares are calculated based on BRSA weekly sector data as of 27 December 2024. Sectoral data consists of deposit and development and investment banks, while private banks data are compiled from deposit/domestic private and deposit/foreign bank data.

THE UNDISPUTED LEADER SINCE 1991: WORLD

Yapı Kredi, with its main credit card brand World, has been the pioneer in the sector since 1991. The Bank owes this strong position over the past 33 years to its focus on innovation, going beyond customer expectations and always pioneering the payment systems sector.

Over the past 33 years, the Bank owes its strong position to its innovative work that goes beyond customer expectations and always leads the payment systems sector.

With World, Yapı Kredi is the architect of the credit card market in Türkiye while continuing to open new horizons for the world credit card industry.

In 2024, Yapı Kredi maintained its pioneering approach in Payment Systems, consolidating its leadership in the sector with 19.8 million credit cards.

According to the 2023 Nilson Report published November 2024, Yapı Kredi has an outstanding performance in credit card outstanding volume.

^{**} Includes credit card acquirer POS and ATM transactions.

^{***} Includes debit card (except prepaid) issuer POS transactions.

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Despite intense competition, challenging market conditions and the adverse effects of the legislation in 2024, Yapı Kredi achieved a growth in credit card total outstanding volume.

Throughout the year, the Bank focused on acquiring new customers, deepening customer relations and increasing cross-selling. Yapı Kredi also maintained its disciplined approach to installment payments and credit card loyalty points.

Repeating its success, Yapı Kredi enjoyed the highest growth rate among private banks in terms of active debit cards in 2024.

OFFERING INNOVATIVE SOLUTIONS IS YAPI KREDI'S CONSTANT GOAL IN THE FIELD OF PAYMENT SYSTEMS

Yapı Kredi developed various innovative, customer-focused projects in addition to its current efforts to strengthen its position in the sector and to further improve customer satisfaction.

New approaches to data analysis continued to be implemented to better define the card usage habits of cardholders and to design personalized and more effective offers.

Leading the digital transformation of card payment systems, Yapı Kredi continues to offer all digital payment solutions under the roof of World Pay through various functions such as Payment with QR Code at POS and on the Internet, E-Commerce Payments, NFC Mobile Payment, In-Car Payment, E-Campus Payments and World Pay Shopping Loan while providing its customers with the option to make contactless payment with their mobile devices.

World Pay now offers diverse payment options such as credit card, debit card, prepaid card and account as well as through a shopping loan.

With World Pay Shopping Loan, Yapı Kredi customers can use a paperless and unsigned shopping loan while shopping, without visiting a branch, just by scanning the QR code generated on Yapı Kredi POS via Yapı Kredi Mobile or World Mobil applications. Users who are not yet Yapı Kredi customers, can instantly become Yapı Kredi customers and benefit from this service by scanning a QR

code via POS in the merchant. With the World PAY Shopping Loan available at more than 400,000 points, Türkiye's most extensive "Buy Now, Pay Later" function is offered to customers.

Offering convenient and fast customer experience on credit card purchases, Yapı Kredi increased the number of contactless card transactions in 2024 thanks to the contactless payment feature that decreases the time spent at payment and increases shopping circulation at merchants. Almost all World credit cards and most bank cards in the world are contactless. According to December 2024 data, the number of contactless transactions has increased by 1.2 times compared to December of the previous year, and the transaction volume has increased by approximately 2.1 times due to the increase in card limits.

Yapı Kredi continued to organize communication activities and campaigns in 2024 to promote the use of contactless cards in transportation. As a result of expansion activities, contactless cards can now be used in 29 provinces of Türkiye for transportation. Customers can also use Yapı Kredi Mobile to top up their Istanbulkart, used for transportation in Istanbul, and to give an automatic top-up order.

Focusing on improving its customers' online shopping experience in 2024, Yapı Kredi increased the share of online shopping in total shopping compared to 2023.

In 2024, the Bank focused on growth from a profitability perspective regarding commercial card holder customers, and carried out improvements to make it easier for customers to complete their transactions through digital channels. For commercial cards, the commercial card contract can be concluded remotely via Corporate Internet and Corporate Mobile Branch. Moreover, the digital card created with the card application can be used for shopping without the need for physical delivery of the card. In 2024, the corporate card holders started to use World Pay E-Commerce Payments and QR Code Payment as well.

Customers made four out of every five physical purchases contactless in 2024.

Payment with QR Code at POS, E-Commerce Payments, Mobile Payment and In-Car Payment solutions offered by World Pay were preferred more by customers in 2024, number of World Pay active customers and total number of transactions with World Pay doubled compared to 2023.

As of the end of 2024, the share of Yapı Kredi e-commerce turnover in shopping turnover stood at 27.6%, while the sector average was 31.3%. Compared to the same period last year, the Bank's e-commerce turnover in 2024 grew by 60%.

In the 3rd quarter of 2024, Fenerclusive credit card and Fenerclusive debit card were offered to Fenerbahce member of congress under the cooperation with Fenerbahce Sports Club. This card enables customers to benefit from all the advantages of the World, as well as campaigns valid for many brands offered exclusively for this card.

Yapı Kredi customers are offered important advantages with the option to apply for credit cards via World Mobile, Yapı Kredi Mobile, Internet Branch and Customer Communication Center, to conclude distance contracts and to perform similar transactions via connections with video transaction assistants through Yapı Kredi Mobile.

LARGEST MERCHANT NETWORK OF TURKIYE

In 2024, Yapı Kredi consolidated its pioneering position in merchant networks thanks to the contribution of its wide product range boosted by its strong collaborations and innovative investments. In line with its customer-centric approach, the Bank offered more than 100 campaigns a month via 1.176 million merchants in 2024.

Yapı Kredi offers TR QR Code and FAST services at more than 500,000 locations, enabling card or account payments from the applications of all participating banks, thus creating alternatives for merchants to easily and digitally secure payments from their customers.

Yapı Kredi offers contactless payment options not only for single payments but also for installment transactions. Yapı Kredi customers can now complete their installment payments quickly, easily, and securely without inserting their cards into a POS terminal.

OUTLOOK

In 2025, Yapı Kredi's goals for card payment systems are:

- Providing instant card offers for lost/stolen renewal and product conversion requests from the customer communication center and branch.
- Expanding the acceptance of contactless card transactions in vending machine payments,
- Increasing the digital channel usage rate of both card and POS customers with customer experience improvements in digital channels,
- Enriching and improving the function set in channels to offer cards to business customers through digital channels and increase channel usage by all commercial card holder customers.
- Adding new products to new generation digital payment solutions offered under the umbrella of World Pay, enabling customers to have a faster and easier payment experience,
- Expanding the customer base of World Cash, Play Cash and World Cash Digital prepaid cards developed for customer needs, allowing cash withdrawals and spending as much as the amount deposited into these cards, without the need for a loan limit or bank account.
- Adding new functions to World Mobile to offer a hassle-free shopping experience for customers and launching new projects to increase customer satisfaction.
- Being a pioneer in payment systems by following and implementing the global and local developments related to fintechs, and
- Realizing a gradual transition to the use of recycled materials in card plastics in the following years.

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Private Banking and Wealth Management



The Private Banking and Wealth Management offers services to high net-worth individual customers.

In addition to the entire range of banking products and services for all financial needs of its customers, Yapı Kredi Private Banking also provides integrated wealth management through the Bank's subsidiaries, Yapı Kredi Invest and Yapı Kredi Asset Management.

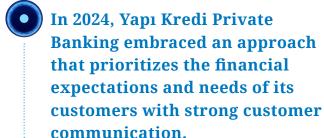
SUSTAINABLE ACHIEVEMENTS

Yapı Kredi Private Banking and Wealth Management maintains its successful performance in the sector, thanks to a wide range of products that meet the expectations and risk perceptions of its customers.

Yapı Kredi Private Banking improved its already-strong performance in 2024, embracing an approach that prioritizes the financial expectations and needs of its customers with strong customer communication.

Yapı Kredi Private Banking manages more than TL 400 billion in assets through 15 Private Banking Centers with 5 centers located outside Istanbul. In 2024, the Private Banking deposits grew by 26%, mutual funds by 77%, assets under custody by 15%, stocks by 18%, and pension funds by 39%.

Yapı Kredi Private Banking offers asset allocation recommendations to improve its customers' experience with investment products and to enable customers to choose investment products compatible with their investment profiles both at branches and through digital channels. In 2024, the recommendations were updated in line with market conditions to improve customer satisfaction.



NEW MUTUAL FUNDS

In 2024 Yapı Kredi created new mutual funds in line with the market developments to meet the investment needs of customers and enable them to diversify their portfolios.





- Yapi Kredi Portfolio Tarabya Hedge (FX)
- -Euro) Fund

 Yapı Kredi Portfolio Participation Equity
- Fund (Equity Intensive Fund)
 Yapı Kredi Portfolio First Variable Fund
- Yapi Kredi Portfolio First Variable Fun
 Yapi Kredi Portfoy Uskudar Dividend
 Paying Hedge FX Fund
- Yapı Kredi Portföy Third Money Market (TL) Fund
- Yapi Kredi Portfolio Dividend Paying Hedge FX Fund
 Yapı Kredi Portföy Third Equity Fund
- (Equity Intensive Fund)Yapı Kredi Portfolio October 2025 Hedge
- Yapı Kredi Portfolio Entertech First
 Venture Capital Investment Fund

are available.

A new way of investment at Yapı Kredi Mobile

Many transactions in Yapı Kredi Mobile's renewed investment menu have become more user-friendly and can be easily performed on a single screen, such as "Quick Transaction Cards", "New Navigation Menu", "News" and "What's TL 1,000 Worth?" on the "Markets" screen, "My Watch List" and "Investment Transaction Movements", and the "Reports" section including "Periodical Investment Returns", "Asset Change Report" and "Capital Market Statement".

ALWAYS BETTER DIGITAL CUSTOMER EXPERIENCE

In the Private Banking customer base, where the average age is high, Yapı Kredi achieved 80% increase in the use of digital channels among customers thanks to the new digitalization steps taken. With the digitalization of the processes carried out at branches and the mobile approval function, the Bank's customers were enabled to perform all their transactions without visiting a branch. The development of enabling branch teams to conduct online video meetings with customers has continued in support of customer engagement. In line with the continuous improvement approach, Yapı Kredi continues development works on online video calls. In 2024, the Bank's specialist teams closely monitored global uncertainties and market fluctuations, and developed

projections to assist customers in their investment decisions. The teams shared the daily projections with the customer while also offering recommendations on investment products suited to market conditions.

In addition to these efforts, a "Let's Meet Now" menu has been implemented on the "www.yapikrediozelbankacilik.com.tr" website to enable potential customers who wish to receive services from Yapı Kredi Private Banking to quickly and easily make contact.

PROJECTS FOCUSING ON CUSTOMER SATISFACTION

As part of its holistic asset management approach offered to its Private Banking customers, Yapı Kredi creates solutions by focusing all the expectations of the customers, not just their financial needs.

In 2024, Yapı Kredi organized online economy events, to enable customers to ask questions to Yapı Kredi Yatırım & Portföy economists.

The Bank provides tax, inheritance, real estate, education, art and philanthropy consultancy services for Yapı Kredi Private Banking customers through the best contracted firms. Customer demands

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are received both at branches and via internet banking. To this end, articles and news about these topics are posted on digital channels, and various events are organized.

With the Yapı Kredi Private Banking Art Scholarship Fund launched in and 2021 in cooperation with the Turkish Education Foundation, Yapı Kredi support arts and talented young artists who continue their education. The Bank extended the scope of this successful cooperation in 2024, increasing the number of students receiving scholarships.

2024 CUSTOMER SATISFACTION SURVEY

Always giving priority to the opinions of its customers, Yapı Kredi Private Banking conducted a general customer satisfaction survey in 2024 as well. The survey shows that customers are satisfied with the service they receive and consider Yapı Kredi as their main bank.

In February, the "Art Show: Galeriler Buluşması," conducted under the corporate sponsorship of Yapı Kredi Private Banking and uniting representatives from Türkiye's leading contemporary art galleries, served as a platform for contemporary art and offered many customers the chance to view artworks during the event.

PERFORMANCE RECOGNIZED WITH AWARDS

Yapı Kredi Private Banking received various awards in 2024 as well. Yapı Kredi Private Banking was recognized with "Türkiye's Best Private Banking Award" in 2024 in the International Finance Awards organized by the International Finance magazine, one of the UK's leading finance and business analysis publications. Moreover, Yapı Kredi Private Banking was the recipient of an award in the "Best private bank for digitally empowering RMs in Central and Eastern Europe" category at PWM (Professional Wealth Management) WEALTH TECH AWARDS 2024 as well as the "Türkiye's Best Private Banking" award at GLOBAL BANKING & FINANCE AWARDS 2024, one of the leading finance magazines in the field of banking.



Limitless Banking



LIMITLESS BANKING

Yapı Kredi's Targets in Limitless Banking

- Expanding My World with new functions and partnerships while focusing on hyper-personalization to enable customers to meet both their financial and non-financial needs through integrated solutions
- Expand the Bank's customer base by gaining new customers via digital channels and deepen relations with digital customers
- Eliminate interbank inconveniences with Open Banking to offer an integrated experience to customers
- Offer new experiences through Service Model Banking to make financial solutions accessible to all users
- Provide services beyond banking by developing new business models
- Continue to support the entrepreneurial ecosystem to create global opportunities for start-ups
- Meet the corporate and banking needs of legal customers with end-to-end digital services
- Create value both for the Bank and the customers by enhancing customer satisfaction
- Be the best bank in ATM experience by supporting customeroriented banking approach with the widespread, fast and user-friendly ATM network.

DIGITAL BANKING

Yapı Kredi always aims to make its customers' lives easier and offer them the best experience with its digital services. In 2023, the Bank became a pioneer in the finance world with the "My World" initiative, which provides solutions via Yapı Kredi Mobile that will meet both the banking and daily needs of customers. In 2024, My World was expanded to understand customer needs and provide comprehensive solutions that simplify every aspect of their lives.

Moreover, the Bank offers unique applications the fintech work to shape the banking world of the future. While expanding its active customer pool with digital channels and technologies, the Bank also increased financial depth and customer lifetime value. Moreover, Yapı Kredi enriches the functions offered on its digital platforms while increasing its sales competencies and offering its customers hyper-personalized products and offers with deep analysis.

In keeping with its vision of delivering a perfect customer experience that will provide the direct solution for customers' needs, Yapı Kredi focused on perfecting customer experience, optimizing customer interaction and delivering standard-setting solutions in the sector in 80.To this end, the Bank offered several new services on digital channels to its customers while improving the banking ecosystem. The Bank's innovative applications improved the number of digital active and mobile active customers, customer acquisition, customer interaction, number of transactions, and digital penetration.

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With 4.8 points out of 5, Yapı Kredi Mobile continued to be the highest-rated finance application in Turkish application markets. Moreover, based on the app store reviews, Yapı Kredi Mobile received the highest percentage of positive feedback among banks.

Presentation

In 2024, Yapı Kredi acquired more than 2 million digital banking active customers, reaching a total of 14.5 million customers. Moreover, 9 out of 10 active customers preferred digital banking channels. Customer interaction on digital channels exceeded 6 billion in 2022.

Expanding the Bank's Customer Base through Digital Channels

Designing the experience of becoming a customer via the Video Transaction Assistant at Yapı Kredi Mobile for real persons, a first in Türkiye in 2018 and as of 2023, for the first time in Türkiye, launching the practice of becoming a remote customer for legal customers on the day the relevant legal regulation came into force, Yapı Kredi maintained its leadership in this field in 2024. Thus, thanks to the remote acquisition of partner companies, the Bank contributed to the acceleration of the digitalization of legal customers.

In 2024, Yapı Kredi supported profit-oriented customer acquisition with a data-based marketing strategy and a content perspective that differs from the competition, and the monthly revenue generated by users who became customers via Yapı Kredi Mobile increased 7 times compared to the previous year.

All Vehicle Needs Solved with My Car+ on Yapı Kredi Mobile

Yapı Kredi aims to offer various services to customers in addition to banking products within the scope of ecosystem banking. In line with this goal, the My Car+ platform, launched in 2021, offers a structure where vehicle owners can meet their needs and manage their vehicle ownership processes.

With its rapidly increasing number of users and vehicles, the My Car+ platform continues to offer services to make the lives of more than 2 million registered users easier.



In 2024, Yapı Kredi acquired more than 2 million digital banking active customers, reaching a total of 14.5 million customers. Moreover, 9 out of 10 active customers preferred digital banking channels.

In order to make the lives of owners of automobiles, motorcycles and light trucks easier, My Car+ offers various functions including MTV (motor vehicle tax) payments and reminders, HGS (Rapid Passthrough Label) applications and transactions, traffic fine payments and proactive notification of fines issued to vehicle plates for vehicle owners, auto loan calculation and tracking, in-car payment when buying gas, proactive automobile insurance quotations at the end of policy term and motor insurance policy purchase, vehicle inspection appointment, and vehicle buying / selling through secure payment system. In addition, customers are provided with reminder notifications by adding the vehicle inspection date, and automobile insurance renewal offers are displayed in the reminders area. Through third-party partnerships, the Bank continues to offer Avis car rental services via Yapı Kredi Mobile. Moreover, the Avis Filo collaboration enables customers to benefit from discounted long-term car rental services. As part of a partnership established with Ziebart in 2024, My Car+ users can now purchase vehicle protection packages with exclusive platform discounts. With these new collaborations, comprehensive solutions for the automotive ecosystem are offered to My Car+ users.

Moreover, in 2024, a ChatGPT-based Car Assistant was integrated into the My Car+ platform. Customers can ask the Al-powered assistant various questions related to the automotive world, such as what to consider when buying an electric vehicle or what to do in case of a flat tire, while receiving personalized assistant services

In the coming period, Yapı Kredi aims to strengthen cooperations and expand the transaction set to stand by customers for all their vehicle-related needs.

All Housing Needs Solved with My Home+ on Yapı Kredi Mobile

In line with its vision of ecosystem banking, Yapı Kredi further enhanced the My Home+ platform, launched in 2023, with new services and partnerships in 2024, continuing to simplify the lives of millions of users. The platform is designed to meet the housing-related needs of all customers, whether homeowners or tenants. Now, it is better than ever with the newly introduced innovative solutions in 2024.

The My Home+ platform offers its users various services and products such as easy tracking for invoices related to their registered homes, automatic invoice order creation, home insurance and DASK (Turkish Catastrophe Insurance Pool), mortgage and general purpose loan. Moreover, with e-government integration, users can receive a residence certificate, perform DASK transactions and use address-related services. Yapı Kredi continues to work in collaboration with third parties to offer end-to-end solutions to customers' house-related needs from Yapı Kredi Mobile.

One of the standout innovations added to the platform this year is the Kiralarsın partnership, which allows customers to rent technological products and purchase them after experiencing them. Moreover, the integration of EGaranti enabled users to digitally store and manage their warranty documents, and to easily handle all processes related to product warranties.

Yapı Kredi developed new functions specifically for tenants to manage their rental transactions. As of 2024, tenants can set up regular rent payment instructions via My Home+ and define a special limit for their rent payments with the "My Rent in My Account" feature. Additionally, customers can set reminders and receive notifications for rent due dates for the properties added.

The rent management function also introduces innovations for homeowners. With the "Request Rent Payment" feature, homeowners can easily request rent payments on the app.

Another innovation added to the My Home+ platform this year is the Al-powered Home Assistant. Users can consult the Home Assistant on various topics, such as how to prepare their homes for natural disasters or take energy-saving measures, and receive personalized guidance.

All Travel Needs Solved with My Travel+ on Yapı Kredi Mobile

In line with its ecosystem banking vision, Yapı Kredi not only offers banking services but also provides a range of digital solutions to simplify daily lives of customers. Launched in 2023, the My Travel+platform continues to streamline travel planning, payments, and all related requirements in a single hub, offering significant convenience to customers in 2024.

As of 2024, the My Travel+ platform, in collaboration with Setur, allows users to redeem their credit card points for flight tickets and hotel reservations directly via the Yapı Kredi mobile app. Flight, hotel, tour, and cruise bookings made via the Yapı Kredi Travel Line are now available under Yapı Kredi Travels and the My Travel+ platform.

My Travel+ also enables users to access services such as Avis car rentals, travel health insurance, passport appointment scheduling, paying passport fees and international departure taxes, and foreign exchange transactions. Moreover, via the platform, customers can easily complete various financial transactions such as applying for a credit card, requesting a credit card limit increase, or applying for a general purpose loan for travel expenses.

In 2024, a ChatGPT-based Travel Assistant was integrated into the My Travel+ platform. With these new features, users planning a trip can receive personalized travel recommendations, budget their trips, and benefit from tools that further simplify travel-related transactions. Furthermore, Yapı Kredi Mobile's innovative services, such as setting up foreign currency account statements, enhanced the efficiency of foreign exchange transactions for international travelers.

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My Travel+ will continue to offer more features based on user needs and introduce more innovative solutions to simplify every stage of travel planning.

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Gelecek dönemde Seyahatim+ platformunun sunduğu hizmetler, kullanıcıların ihtiyaçlarına göre daha da çeşitlendirilecek ve seyahat planlamasında her aşamayı daha da kolaylaştıracak yenilikçi çözümler sunulacaktır.

My Salary+ Meets All Needs of Salary and Pension Customers, Offering Exclusive Benefits for Salary Customers

As part of its ecosystem banking vision, Yapı Kredi continues to develop platforms that simplify customers' lives. One of these innovations is My Salary+, a platform added to the My World menu in the Yapı Kredi Mobile app in 2024.

My Salary+ provides a comprehensive structure that addresses all salary-related needs for salary and pension customers. The platform offers users the ability to view their salary amounts through a graphical interface, explore exclusive benefits to salary customers, and participate in special campaigns as well as quick access to payments, investments, private pension, complementary health insurance, my paying family insurance, and various useful e-Government services. Thus, with My Salary+, customers can conveniently manage all salary-related transactions from a single platform.

The core functions of the My Salary+ platform are: the salary graph which allows users to view their last 12 months' salary payments; My Benefits screen which enables salary customers to explore exclusive privileges, such as credit card fee exemptions, special interest rates, etc.; Payments section which provides fast access to post-salary transactions, including bill payments, automatic payment orders, regular rent payments, etc.; Investments Tab which helps customers easily plan their investments after receiving their salaries; and Useful Transactions which grants access to private pension and insurance services such as private pension system (BES), complementary health insurance, my paying family insurance, etc. as well as quick-access buttons for various Social Security Institution (SGK) and e-Government services.



Yapı Kredi continues to play a leading role in supporting transformation in the financial world. In addition to being one of the first banks to offer open banking services to customers, Yapı Kredi made a difference in the sector, and introduced customers to open banking.

Salary and pension customers can conveniently access their exclusive benefits and promotional offers through the My Benefits screen. On this screen, customers can display various benefits such as special interest rate loans, annual credit card fee exemption, money transfer fee exemption, etc. as well as their savings from these benefits.

The My Salary+ platform aims to further expand its range of services in the future, enhancing convenience for salary customers. By offering a comprehensive ecosystem that meets all the needs of salary and pension customers, the platform will continue to improve customer satisfaction.

Open Banking

Yapı Kredi continues to play a leading role in supporting transformation in the financial world. In addition to being one of the first banks to offer open banking services to customers, Yapı Kredi made a difference in the sector, and introduced customers to open banking. Yapı Kredi has worked towards the goal of becoming the main bank of customers in the open banking world and has taken a big step towards becoming the only application of customers by combining functions with its super app strategy.

As part of this strategy, Yapı Kredi launched My Bank+, a first-of-its-kind platform in Türkiye, enabling customers to track their account information from all banks in one place.

In addition to the core services of open banking, Yapı Kredi introduced the "Bring Money" function for the first time in Türkiye, integrating features such as "Bring Time Deposit", "Loan Installment Payment", and "Credit Card Debt Payment", offering customers new value propositions.

In 2024, Yapı Kredi took steps toward developing products and services that prioritize customer benefit as well as the fundamental services of open banking. By adapting to the new functions of Interbank Card Center (BKM), the Bank introduced features such as real-time notifications for transactions in customers' accounts at other banks. In corporate banking, value propositions were created for corporate customers by integrating other bank account transactions into Cash Flow Platform and Internet Branch Dashboard.

Innovative Solutions Meeting Customer Expectations

Yapı Kredi further improved the digital experience of its General Purpose Loans, Card Payment Solutions and Flexible Account products while launching new services. To this end, the Bank introduced the Installment Flexible Account product on mobile, enabling customers to use their Flexible Account limits in installments. Moreover, the range of credit card products available on mobile was expanded to meet diverse customer needs.

Yapı Kredi continued to enhance the customer experience on Yapı Kredi Mobile by offering real-time online proposals tailored to their needs. In addition, adjustments were made to create new proposal opportunities.

In addition to new services, Yapı Kredi increases its market power with its pioneering experiences. The Bank launched the QR code withdrawal/deposit feature for the first time in Türkiye and made it an industry standard. Moreover, the Bank enriched the transactions made with QR codes by adding mobile payment solutions and increased its market share to dominate the sector.

Collaborations for Easier Experiences

Yapı Kredi launched co-branded cards offering advantages tailored to customer needs under third-party partnerships, which include Hepsiburada Premium Worldcard in collaboration with Hepsiburada and Fenerclusive cards in partnership with Fenerbahçe Sports Club.

New Investment Products Aligned with Preferred Risk Levels of Our Investors!

In 2024, Yapı Kredi added International Stocks to the Investments menu at Yapı Kredi Mobile, expanding the Bank's digital product portfolio. This allows customers to buy and sell shares of leading global companies without a minimum investment requirement or the need for an investment advisor. The new menu also enables customers to track details such as profits/losses from their international investments and their stock portfolio distribution. Additionally, Research Reports available in the same section provide investors with insights into international markets, helping guide their investment decisions.

For investors seeking lower risk, the Unlimited Account was made available on digital channels. With the Unlimited Account, customers can earn daily interest without worrying about breaking term deposits. Moreover, by performing banking transactions such as stock, credit card, etc.., they can increase their daily interest earnings. Customers with an Unlimited Account can easily monitor interest rates, product balances, and banking transactions on a single screen.

Enriched Digital Insurance Products

In 2024, Yapı Kredi continued to expand its insurance offerings at Yapı Kredi Mobile in response to evolving customer needs.

The Bank introduced Mobile Phone Insurance via Yapı Kredi Mobile and enhanced the Installment Cash Advance and Installment Flexible Account products by incorporating life insurance options.

Furthermore, Yapı Kredi improved the infrastructure of its insurance products, ensuring that renewal offers are displayed to customers through an online proposal system at the moment of need.

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Enhancing Payment Services!

In 2024, Yapı Kredi further enriched the payment options available via the Internet Branch and Yapı Kredi Mobile. With a seamless customer experience in mind, the Bank aims to facilitate all types of payments.

As part of this initiative, Municipal Tax Payments under the Payments menu were extended with the integration of 19 new municipalities, including Konya Metropolitan Municipality, Istanbul Metropolitan Municipality, Çankırı Municipality, Nazilli Municipality, Isparta Municipality, Gümüşhane Municipality, Dikili Municipality, Bala Municipality, Silivri Municipality, Selçuklu Municipality, Piraziz Municipality, Bulancak Municipality, Nevşehir Municipality, Karasu Municipality, Denizli Metropolitan Municipality, Samsun Metropolitan Municipality, Karabağlar Municipality, Balçova Municipality, and Seferihisar Municipality. This expansion increased Yapı Kredi's reach, allowing more customers to complete municipal payments.

Additionally, four new organizations, Hipodrom A.Ş., Atyarışı. com, 4 Nala, AltılıGanyan.com, were integrated into the Games of Chance payments menu, enabling customers of these organizations to easily make their payments via Yapı Kredi.

In January 2024, Yapı Kredi became one of the first ten banks in Türkiye to implement the Request Payment service, a feature under the Central Bank of the Republic of Türkiye's FAST Layered Services. Accessible under the Money Transfers and Payments menus, this feature enables payments between two customers based on a payment request.

Furthermore, the Bank launched the Secure Payment System, mandated by regulations for second-hand vehicle transactions. In 2024, Yapı Kredi expanded the scope of a product at Yapı Kredi Mobile, previously limited to internal bank transactions, to support interbank transactions. Moreover, the Bank started to offer services to users, who are not Yapı Kredi customers, via the Secure Vehicle Purchase and Sale page under the Application Center on the Yapı Kredi Corporate Website.



In 2024, Yapı Kredi continued to develop innovative, inclusive and model-specific services in the field of service model banking.

In 2024, Yapı Kredi introduced new functions under the Authorization and Limit Settings menu on Yapı Kredi Mobile, allowing customers to enable or disable specific authorizations, adjust their daily transaction limits, and specify their preferred channels for limit changes.

Service Model Banking

In 2024, Yapı Kredi continued to develop innovative, inclusive and model-specific services in the field of service model banking. In this regard, the Bank aims to contribute to the financial ecosystem and provide users with faster and more effective access to the financial services they need.

In order to respond quickly to customer needs in the field of service banking, Yapı Kredi designed new business models through discussions with various business partners. These strategic collaborations were developed to offer customers a wider range of services and gain competitive advantage.

With its service model banking, Yapı Kredi aims to go beyond the limits of banking with new business partners and products in accordance with legal regulations in the future. Yapı Kredi aims to maintain its leading position in the industry by offering more comprehensive and customized financial solutions.

Supporting Sustainability with Step

Step is a platform via Yapı Kredi Mobile that rewards users for their sustainable preferences and enables them to contribute to social projects using these rewards. With Step, users can earn personal benefits while supporting a sustainable future by making ecofriendly and socially responsible purchases.

Launched in 2022, the Step platform became even more comprehensive in 2024, continuing to raise awareness of sustainability. Users earn Step Points by purchasing eco-friendly products and services. These points can be converted into monetary donations to support leading NGOs such as TEGV (Educational Volunteers Foundation of Türkiye), Koruncuk Foundation, ÇEKÜL Foundation (Foundation for the Protection and Promotion of the Environment and Cultural Heritage), and TEV (Turkish Education Foundation). Thus, users benefit from their sustainable preferences and contribute to social projects.

Brands included in the platform are carefully selected based on sustainability standards. Merchants participating in the Step program encourage sustainable shopping by offering eco-friendly production processes, social responsibility projects and green products. These brands were positioned under STEP Brands and customers began to earn step points from purchases of these brands.

As of 2024, Yapı Kredi added an investment option in Sustainability-Themed Stocks to the Sustainable Product and Service Preference mission card under the Step platform. Thus, users can invest in companies that prioritize environmental and social responsibility, benefiting from financial returns while strengthening their contributions to sustainability. This new feature provides Step users with an opportunity to engage in sustainable investments, blending economic and environmental impact.

Under the Step platform, Yapı Kredi Mobile enables users to shop and invest sustainably while supporting social responsibility projects. Yapı Kredi will further expand the functions under the Step platform, introducing new partnerships and eco-friendly solutions to enhance sustainability awareness.

Loyalty application Chippin now on Yapı Kredi Mobile

In collaboration with Tanı, Chippin is now featured in the Yapı Kredi Mobile My World section. Within the scope of strategic cooperation with Chippin and innovative projects, Yapı Kredi started to offer Chippin & World Mobile joint campaigns to customers with a special design. Yapı Kredi enabled customers to

participate in campaigns through this platform to be redirected to the Chippin app. Through Yapı Kredi Mobile, users can easily sign up for Chippin using their registered information and start earning points easily.

yapikredi.com.tr: The Corporate Website with the Highest Traffic Growth from Search Engines

Yapı Kredi's corporate website yapikredi.com.tr continued to stand out with industry-leading SEO strategies. In 2024, a new pioneering SEO-focused blog strategy was implemented, resulting in a 400% increase in blog traffic and significantly expanding audience reach. Moreover, with a new approach to the SEO strategy, Yapı Kredi started to get backlinks from partner brands, boosting domain authority.

As a result, Yapı Kredi became the corporate bank website with the highest non-paid traffic increase among banks in 2024. Moreover, Yapı Kredi became the leading bank in content production, publishing the highest number of blog articles in the industry.

Through the seamless end-to-end integration structures developed for the Corporate Website, users coming from organic traffic were enabled to access more information about products and be redirected to Internet Banking and Yapı Kredi Mobile for product access. This transformed free traffic into product usage, resulting in an additional 2,635 customer acquisitions, 82,630 foreign exchange transactions, 6,680 flexible account usages, 8,924 bill payment transactions, 21,415 e-Deposit openings, and 9,600 consumer loan utilizations.

By analyzing hundreds of thousands of user conversations and adding new response packages, the chatbot channel's comprehension rate was improved by 25%. In the comprehension enhancement efforts, the number of intents offered to users increased by 21%, while the number of sentences grew by 22.5%.

Regulatory Compliance and Security Practices

Prioritizing customers' financial security, Yapı Kredi continued to implement regulatory adjustments in its applications and services. In 2024, the Bank was once again the first in the sector to develop and implement solutions, both in response to directives from

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the Banking Regulation and Supervision Agency (BRSA) and in combating the increasing number of fraud cases.

Innovation and Entrepreneurship Management

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In 2024, under the Yapı Kredi FRWRD umbrella, innovation and ecosystem initiatives within and outside the Bank were implemented under a single platform with high efficiency and agility. FRWRD continues to create innovative solutions, collaborations, proof-of-concept (POC) projects, and investment opportunities that generate tangible benefits, aligning with the Bank's strategic focuses on Super App and Artificial Intelligence. By integrating all management units with innovative solutions, FRWRD acts as a catalyst for sustainability, savings, profitability, and high customer satisfaction, while also enabling strategic investments through FRWRD venture capital investment fund.

At the beginning of 2024, Yapı Kredi launched the FRWRD Collaboration Program with the goal of shaping the sector and transforming pioneering innovative partnerships into concrete benefits while focusing on critical innovation areas and themes to provide competitive advantage, savings, revenue, efficiency, and superior customer and employee experiences.

Under the program, high-potential and innovative startups were given access to the Bank's customer base and enabled to have meetings with relevant management units to develop strategic collaborations. As of 2024, Yapı Kredi successfully completed 17 startup collaborations and pilot projects.

In 2024, the Bank got into contact with more than 500 startups. The Bank continues to perform and increase startup screenings with the contribution of partners and ecosystem partners. In 2024, the FRWRD team carried out TÜBİTAK BIGG studies together with KWORKS and other consortium partners.

Yapı Kredi FRWRD also established an office at JUSTWork, a hub actively hosting the entrepreneurship ecosystem. Throughout the year, in-person meetings with startups were conducted, and events were organized to connect startups with relevant bank management units to evaluate collaboration potential.



The FRWRD Global Program was launched to strengthen partnerships within the ecosystem, foster mutual growth, expand the bank's local and global network, and bring the success and impact gained from Türkiye's startup ecosystem to an international scale.

The FRWRD Global Program was launched to strengthen partnerships within the ecosystem, foster mutual growth, expand the bank's local and global network, and bring the success and impact gained from Türkiye's startup ecosystem to an international scale.

The second edition of the FRWRD Global Acceleration Program, first held in 2023 in collaboration with Tehnopol accelerator center of Tallinn University in Estonia, and supported by KOSGEB, took place in Portugal in partnership with Boğaziçi Teknopark and Unicorn Factory Lisboa, one of Europe's leading startup hubs.

As part of the program, five selected startups were taken to Portugal, enabling them to present their products and services on an international stage, interact with global ecosystem stakeholders, and meet with foreign investors and industry expert mentors. The program included an ecosystem tour in Portugal and participation in Web Summit, one of the world's leading technology events, providing startups with a platform to showcase their solutions to international markets.

As part of Experimental Innovation Projects, three projects were identified for implementation in 2024 as PoC (Proof of Concept) studies: ChatCCX project and Meetgate and Ingosa startups. Under the umbrella of Experimental Innovation Projects, activities were carried out to collect and support innovative projects from different departments of the Bank that will make a difference in the sector, and to implement them in an agile and simple manner. Activities will continue in 2025 to increase the number of applications and projects implemented.

In the fourth Yapı Kredi FRWRD Innovation Week, 11 events, trainings and webinars were organized between December 2-6, 2024 with the aim of finalizing the works done throughout the year and explaining them inside and outside the Bank in the best way possible. Throughout the week, a total of 1,200+ participants attended both physical and online events.

Innovative ideas continued to be collected within the Bank through Bring Your Idea initiative. Moreover, Yapı Kredi conducted a Priority Topic Study, focusing on Corporate Digitalization, to gather innovative ideas that could enhance customer satisfaction and accelerate digital transformation. Tests were carried out on ChatGPT-supported bots integrated into the My World applications, identifying areas for improvement.

In cooperation with Private Banking, the second "Latest Developments from the World of Technology and Innovation" bulletin was published for Private Banking customers in 2024.

Digital

The number of fintechs, which emerged as a result of the developing technology, changing customer behaviors and new regulations around the world, rapidly increases. Banks diversify added value and products / services by offering innovative financial solutions and customer-oriented applications for users. Banks step up the development and digital transformation of the market, especially thanks to the new generation banking service models they offer through their own digital platforms.

Parallel to these developments, the fintech ecosystem is rapidly expanding in Türkiye. This sector grows faster with the new regulations. This growing ecosystem creates an environment for catching opportunities especially in global finance and technology, and ensuring the sustainability of the financial system as well as the inclusion of people who have not been involved in the financial system before. Constantly developing its digital ecosystem, Yapı Kredi will provide better tailored solutions to meet the needs of users, while determining solutions based on customer needs and ensuring that these solutions are quickly included in the system in order to remain competitive.

Yapı Kredi established a fintech company that can offer next-generation banking services and provide a wider range of services by creating added value to users. Fintech aims to introduce the financial products and innovative business models created by using digital technologies to users while providing added value. Yapı Kredi's main goals in establishing a Fintech company are to enable people who have not yet been included in the financial system or who have been outside of this system, to enter the financial ecosystem. Thus, by creating equal opportunity in access to financial services, the Bank will contribute to the generation of wider social benefits.

The services offered by the Bank enable customers to access many different products from a single point and perform their transactions more easily and quickly. These services cover many products and solutions from payment services to investment services.

Supporting financial innovation with Yapı Kredi's agile working methodologies, the fintech company will create a new generation banking system, provide equal opportunities for all users, and increase access to financial services and inclusiveness.

"My World" Honored by the Industry's Most Prestigious Competitions Worldwide"

Being a pioneer in the sector in Türkiye, My World continued to incorporate many new functions in 2024, maintaining its status as a first in Türkiye. With these innovations, My World was honored with numerous awards from prestigious organizations both domestically and internationally.

"My World" received the Gold Award in the "Customer Experience" category at the Qorus Reinvention Awards. Moreover, it won the "Best in Innovation" award at Global Finance's World's Best Digital Bank Awards, one of the world's leading financial magazines. Additionally, it was recognized with the "Award of Excellence" from the Communicator Awards.

Innovations for Corporate Customers

Letter of Guarantee via Digital Channels

Yapı Kredi introduced a new feature to enable legal customers to easily and quickly apply for certain letters of guarantee via the "Yapı Kredi Mobile Corporate", without visiting a branch.

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Payment with Link

Moreover, the Bank offered the "Payment with Yapı Kredi Link" application to its customers via Yapı Kredi Mobile Corporate, continuing to facilitate banking transactions and enabling Merchants to create a payment link specifically for their products or services via the "Corporate Internet Branch", to share the link with their customers, and to receive payment via the secure payment page with the payment link.

Check and Promissory Note Wallet

By offering the Check and Promissory Note Wallet service, Yapı

Kredi enabled customers to upload photos of their checks and promissory notes via the Corporate Internet Branch and Yapı Kredi Mobile Corporate platforms while tracking collection and collateral transactions, making the management of their check and promissory note processes more convenient.

Withholding Tax Report

To simplify the lives of Yapı Kredi customers, the Bank introduced a new feature to obtain officially signed withholding tax reports via the Corporate Internet Branch and Yapı Kredi Mobile Corporate platforms. Moreover, customers can set up an automatic report delivery order.

OUTLOOK

In 2025, Yapı Kredi Digital Banking will

- continue to meet customers' needs digitally and end-to-end by expanding its customer base via digital channels,
- increase strategic collaborations in digital banking as the pioneer of the sector, and offer more diverse services to customers and continue to grow the ecosystem via Yapı Kredi Mobile, which has been transformed from a digital banking mobile app into a financial super app in line with the ecosystem approach.
- develop innovative, inclusive and accessible banking products and services with service model banking, offer them on third-party platforms with APIs, expand the customer base, and contribute to the growth of the fintech ecosystem,
- lead the sector by completing integrations for scheduled payments, future-dated payment instructions, and the sharing of other bank card information, to be included in BKM's open banking scope.
- introduce innovative approaches to the sector with new products, providing high-quality services to customers.
- facilitate customers' financial journey with hyperpersonalization in digital products and services,
- offer complex digital solutions by focusing on the

customer and developing core banking products to meet their real needs,

- create investment opportunities through innovative solutions, collaborations and FRWRD Ventures that will provide tangible benefits parallel to FRWRD and strategic focuses such as Super App and Artificial Intelligence and the Bank's holistic strategies,
- continue to strengthen its position as the leading bank with the activities carried out in the Innovation and Entrepreneurship ecosystem,
- carry out activities aimed at enhancing the innovative perspective and tangible innovation outputs for employees.
- develop new values, products, and services with the Experimental Innovation process and the maturing innovation culture within the Bank.
- continue to increase awareness in the ecosystem as an entrepreneur-friendly bank with the products, services and supports offered to startups,
- create new and constantly accessible channels in order to establish mutually beneficial relationships, including investment and cooperation opportunities through initiatives, and
- continue to expand and develop Artificial Intelligence, and especially Generative Artificial Intelligence, in internal processes and at customer contact points.

ATM NETWORK AND SELF-SERVICE BANKING

With 5,768 ATMs, Yapı Kredi is one of the top five banks with the most extensive ATM network in Türkiye. The Bank continued to expand and renew its ATM network in 2024. Yapı Kredi continued to invest in its off-branch ATM network as part of its strategy to enhance accessibility by positioning itself where customers need cash the most, maintaining its leadership among private banks with the highest number of ATMs. Moreover, the Bank upgraded over 1,000 ATMs, primarily branch ATMs, with high-banknote capacity and state-of-the-art technology.

The Bank expands its ATM network at points most suitable for customer needs by utilizing analytical decision support models and constantly improves the existing network composition.

All of the Bank's ATMs are recycling ATMs, which allow deposited cash to be withdrawn by other customers when needed, making Yapı Kredi a pioneer in the sector with this feature.

The annual transaction volume at Yapı Kredi ATMs stood at TL 1 trillion. In 2024, nine out of ten cash transactions were conducted through ATMs, which continued to be the primary channel for cash transactions. Providing the opportunity to make transactions without touching the ATM, the QR Code was welcomed by customers and its usage continued to grow in 2024. In addition, Yapı Kredi is one of the first banks to offer the QR code withdrawal service (TR QR Code) to other bank customers under the Shared ATM initiative. As part of Barrier-Free Banking, the entire ATM network was made accessible for visually impaired customers, and the number of ATMs adapted for individuals with physical disabilities was increased.

Moreover, Hayat Finans Katılım A.Ş. was added to the bilateral agreements started with Türkiye Finans Katılım Bankası A.Ş. and continued with Kuveyt Türk Katılım Bankası A.Ş., Albaraka Türk Katılım Bankası A.Ş., and Alternatif Bank A.Ş. to enable other bank customers to benefit more from Yapı Kredi ATMs. With the contributions of all these efforts, the use of Yapı Kredi ATMs by other bank customers continued to increase. In addition to its existing agreements, Yapı Kredi continues to work on new

collaborations with other banks and institutions in the financial ecosystem. Thus, the Bank aims to be the cash solution partner of organizations within the financial ecosystem with its widespread ATM network.

In order to increase the use of Yapı Kredi ATMs by cardholders of foreign banks, Yapı Kredi continued to expand its penetration in regions that are centers of attraction for culture, faith, border, health and holiday tourism. Yapı Kredi offers the DCC (Dynamic Currency Conversion) option for cash withdrawals made with foreign bank cards from Yapı Kredi ATMs. With the newly added language options, the customer base eligible for services and the transaction experience were improved. Physical and digital communication efforts were carried out at ATMs, and actions taken in terms of awareness, accessibility, and functionality led to an increase in the preference of Yapı Kredi ATMs by foreign bank customers.

One out of every ten tourists who withdraw cash across Türkiye preferred Yapı Kredi ATMs for their transactions. To meet customer expectations parallel to the rapidly digitalizing world, the Bank plans to expand the set of transactions performed with QR code, as well as diversify ATM access with alternative technologies such as NFC (Near Field Communication).

Yapı Kredi continued to support the customer-oriented banking approach with its widespread, fast and user-friendly ATM network, while renewing its ATM cabinets with a modern design to increase brand awareness.

In order to meet the increasing need for cash transactions in line with the growing number of customers and to continue to grow ATM revenues, the Bank will continue its investments and increase its contact points in line with the strategy of expanding its ATM network both at branch and non-branch locations.

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Commercial and SME Banking

COMMERCIAL AND SME BANKING

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SME BANKING MANAGEMENT

Supporting the economy with the philosophy of "Limitless Service" since its foundation, Yapı Kredi combined its Commercial Banking and SME Banking activities under one roof, continuing to stand by its customers in 2024 with its wide range of banking products services.



SUPPORTING SMES VIA AN EXTENSIVE SERVICE NETWORK

In 2024, the SME Banking activities covered companies with an annual turnover between TL 5 million and TL 100 million, and 629 branches offered services in the SME Banking segment.

Adopting a customer-oriented service approach, Yapı Kredi continued to provide financial support to SMEs, which are the lifeblood of the economy, as well as to support their sustainable growth and facilitate their business.

Continuing its support for the sectors, the Bank maintained its collaborations in e-commerce and e-export to facilitate its customers' access to new markets and to increase their competitiveness while offering advantageous services with product and service packages tailored for its customers engaged in e-commerce.

HIGHLIGHTS OF FINANCING SUPPORT TO SMES

Yapı Kredi continued to remove the limits faced by its customers with a financial support amounting to TL 108 billion in 2024.

In addition to its own resources, the Bank increased the financing resources provided to SMEs in collaboration with various organizations.

Launched in April 2022 in cooperation with the European Bank for Reconstruction and Development (EBRD), the TURWIB Program continued in 2024, providing financing of TL 200 million to businesses with female managers under the guarantee of the CGF in 2024.

In 2024, 7.3 billion TL of credit was provided to support SMEs from KGF equity capital and treasury programs..

With the guarantee of İhracatı Geliştirme A.Ş. (İGE), it is aimed to provide financing to exporters and customers with export potential. In this context, 1.55 billion TL of credit was provided from the credit resource created in 2024.

In addition to the financing programs carried out with İGE, the Export Finance Meetings organized by İGE and sponsored by Yapı Kredi brought together exporter SMEs to discuss solutions for finding new markets and increasing exports.

Cooperations with International Funds

Yapı Kredi grants thematic resources to its commercial customers as part of its strong cooperation with international funding sources. Brief information about the thematic funds in use and about ongoing negotiations are as follows:

Under the EBRD - Disaster Response Program Loan, an agreement was signed with EBRD for a resource of USD 65 million for companies operating in provinces affected by the February 6 earthquakes or having a fixed workplace in this region in 2023. An agreement was made for an additional limit of 43 million USD in

2024. As of December 2024, TL 2.6 billion worth of loans were disbursed

EBRD - TURWIB Program is a financing program designed to support women entrepreneurs / inclusive firms. The EBRD provided USD 50 million in funding in this context and the loan disbursements, which started in April 2022, continued in 2024. The loans are also provided with KGF collateral. As of December 2024, 1.2 billion TL financing was provided.

With the EBRD - Green Economy Program, Renewable Energy, Energy Efficiency projects, Electric Vehicle and Charging Station Purchases and operating expenditures of companies producing machinery and equipment suitable for Green Transformation are financed. USD 52.7 million in funding was provided under the program. As of December 2024, 232 million TL was disbursed.

TKYB - Within the scope of the World Bank Emergency Company Support Project, women entrepreneur / inclusive, young, non-metropolitan companies that have lost turnover in the pandemic are financed. An agreement was signed with the World Bank for USD 50 million funding through the TKYB. The disbursement of the first tranche of USD 20 million continued in 2024.

With the IFC-Earthquake Facility, an 80 million USD funding agreement was signed with IFC in December 2023 to support individuals and companies in the earthquake-affected region. As of December 2024, TL 1.3 billion was disbursed.

Disbursements of the USD 125 million received in 2023 for financing IFC-DPR Climate projects, women entrepreneurs and SMEs continued.

Enriched Digital Function Set for SMEs

In 2024, we continued to expand the digital solutions we offer on Yapı Kredi Internet Branch and Yapı Kredi Mobile applications in order to meet the banking needs of our customers more effectively. With the special integrated platforms we have developed, we enable companies to carry out their financial transactions faster and more efficiently.

Our remote customerization process enabled us to significantly increase the digital contribution to customer acquisition this year. In order to offer a holistic digital experience, we designed processes that aim to be with our customers at every stage in line with their preferences.

Companies that can receive end-to-end digital services from the step of becoming a customer to the approval of banking transactions can perform over 800 transactions through the bank's corporate digital channels. Yapı Kredi Internet Branch and Yapı Kredi Mobile have been enriched with an open banking integration with the 'Cash Flow' module, which enables legal and sole proprietorship customers to easily monitor their cash flows. In this way, our customers have a more comprehensive financial management experience by viewing account information and transactions of financial institutions through this module. This innovation contributes to businesses to manage their financial processes more effectively

Prioritizing customer satisfaction, Yapı Kredi started accepting letter of guarantee applications via Yapı Kredi Mobile in addition to Yapı Kredi Corporate Internet Branch in 2024. Yapı Kredi offers more options to its customers by enriching the range of letters of guarantee offered on digital platforms. In order to improve the customer experience, it is now possible to use letters of guarantee through digital channels with attractive commission rates determined with contracted counterparties. These innovations allow our customers to meet their financial needs quickly and easily

In 2024, with the understanding of facilitating the operational work of companies, customers were able to quickly create their withholding tax report requests from the Corporate Internet Branch and Yapı Kredi Mobile without the need to visit a branch. Within the scope of efforts to digitalize foreign trade transactions, within the framework of the provisions of the legislation, our customers were enabled to benefit from 2% foreign currency conversion support in export price sales made to the CBRT during the issuance of export price acceptance document (İBKB).

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Contribution to SMEs in Non-Financial Areas

Having introduced many innovations for its SME customers, Yapı Kredi continued to focus on e-commerce and exports in 2024. The Bank continued to realize collaborations that will enable SMEs to move their businesses to the digital world and increase their competitiveness in exports.

Within the scope of cooperation agreements with Türkiye's leading companies, Yapı Kredi offers its customers

- opening a discounted virtual store on the online marketplace and making advantageous collections,
- Identifying the target market with special prices,
- marketplace integration,
- search engine optimization,
- Benefit from discounted prices at virtual POS
- digital media advertising management,
- social media management,
- company formation and
- olutions that provide advantageous prices for international transportation and storage processes were offered.

In 2024, end-to-end e-export trainings and webinars continued for women entrepreneurs who want to start e-export within the scope of the "Sınırları Kaldıran Kadınlar Program" (Women Lifting Borders Program) launched in 2022 in cooperation with the European Bank for Reconstruction and Development (EBRD). Among those who participated in the training, 15 women entrepreneurs who met the necessary criteria were provided with free e-export consultancy in 2024, and they were enabled to start sales in at least one overseas marketplace. The selection process for 25 women entrepreneurs to provide consultancy within the scope of the program, which started its third term during the year, is ongoing. In addition to the consultancy service, support is provided to entrepreneurs who request it in overseas company establishment, logistics and marketing. Sınıları Kaldıran Kadınlar Program (The Women Lifting Borders Program) will continue with new participants in 2025.

Supports Offered to SMEs Engaged in E-commerce and E-export

Yapı Kredi continued to cooperate with e-commerce brands in 2024, enhancing the added value offered to vendors and supporting their sustainable growth.

In this context, the Bank continued to offer EFT remittance exemption, free checkbooks, Business Card commission advantages, Worldpoints campaigns, salary promotions and loan packages with grace periods and favorable interest rates to meet the needs of suppliers. Membership packages specially designed for Yapı Kredi SMEs with export-oriented activities through B2B collaborations in e-export are offered at a discount. In addition to collaborations that enable importers and exporters in international markets to view their shipments and access new customers and markets, companies were provided with end-to-end e-export management at advantageous prices.

In the field of B2C e-export, the Bank cooperated with online sales through its website and overseas online sales consultancy service providers with special prices for the Bank's customers.

"Export Talks" events organized with leading e-export stakeholders in the B2B and B2C sectors continued in 2024.

In 2024, collaborations were launched to support companies in the field of sustainability. The first project targeting the green transformation of companies in Anatolia was launched in Denizli. Within the scope of the project, 20 companies in Denizli will receive technical consultancy support for energy efficiency in 2025.

In addition to marketplaces, SMEs also cooperated with e-commerce website software companies and were provided with many advantages for selling in the digital environment, from e-commerce website setup to marketplace integration, from search engine optimization to cargo management. At the same time, companies that will become merchant customers for the first time were offered advantageous Virtual POS pricing.

OUTLOOK

In SME Banking, Yapı Kredi aims to

- To increase the variety of products offered to our SME customers through digital channels, to expand the use of digital channels and to improve their digital experience,
- Focusing on providing value-added services to customers, Yapı Kredi plans to expand the scope of its collaborations with e-commerce and e-export platforms in 2025.
- With the aim of taking its collaborations with Türkiye's leading e-commerce marketplaces one step further, Yapı Kredi aims to provide online marketplaces with integrations that will enable e-commerce companies to apply for commercial credit limits and utilize loans with customer-specific price advantages in order to meet their financing needs,
- Establish integrated structures with public institutions to optimize business processes and increase operational efficiency using digital technologies,
- Increase the range of loans extended through corporate internet banking and Yapı Kredi mobile

aims.

COMMERCIAL BANKING MANAGEMENT



SUPPORT COMPANIES WITH A WIDE RANGE OF SERVICES

Yapı Kredi is one of the leading banks in the Commercial Banking segment with its privileged products and services. In 2024, Yapı Kredi Commercial Banking business line provided services to companies with an annual turnover between TL 100 million and TL 2 billion.

Commercial Banking provides services in 23 regions with 45 Commercial Branches and Commercial segment representatives in 87 branches. In addition to basic banking products, Yapı Kredi provides services in specialized areas such as project finance, cash management, foreign trade finance and investment banking to domestic and foreign companies that meet the Commercial Banking segment criteria.

Additionally, the Public Banking Management continues to expand its customer base and deliver its services with the aim of providing Yapı Kredi's products and services to public institutions and organizations, thereby creating a value chain. Organized Industrial Zones, Municipalities, Chambers of Commerce and Industry/ Commodity Exchanges are included in the focus group.

In the macroeconomic conditions and high inflation environment of 2024, Yapı Kredi continued to support its Commercial Banking customers by complying with legal regulations. Yapı Kredi prioritizes providing fast and high quality service to its Commercial Banking customers through various channels, simplified business processes and digital solutions, and continuously invests in its technology and human resources to make its products and services sustainable.

CASH MANAGEMENT & FOREIGN TRADE FINANCE

Cash Management

Yapı Kredi has a strong position in the sector with the cash management solutions it offers to its customers through different channels. For many years, Yapı Kredi has been recognized

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as the country's Best Cash Management Bank for the 10th consecutive year in a Euromoney survey as a bank that provides solutions and the best service not only to its customers but also to all stakeholders in the supply chain of its customers with an understanding of adding value.

The Bank's cash management services are supported by expert teams at the Head Office, Corporate Banking Centers and commercial and retail locations.

The cash management services offered by Yapı Kredi across
Türkiye cover a wide range of products and services, including
collection and payment financing, cash transfer services, digital
banking and operational solutions. In addition to cash management
services, customers are also provided with data integration and
reconciliation solutions for these products.

In 2024, Yapı Kredi strengthened its leading position in the banking sector by demonstrating high performance with its Direct Debit System (DBS) product. It reinforced its industry-leading status in terms of the total limit established for buyers and the overall DBS volume within this scope.

With products such as Automobile Stock Financing and DBS Discount, the Bank offered digital solutions for both financing and cash management needs of its customers. The Bank continued to increase the prevalence of its Supplier Financing product in 2024, enabling its customers to manage their procurement processes more efficiently and access alternative financing opportunities by offering the products both through its own unlimited banking channels and by cooperating with different platforms.

Digital payment and collection solutions such as the bulk payment system BANKO, Supplier Finance and DBS facilitated the operations of companies and increased their access to financing in 2024.

In 2024, Yapı Kredi continued to support its customers with new products and applications that will enable them to manage their collection and payment systems end-to-end and access financing, both through its own solutions and by collaborating with potential business partners in the areas of Service Banking and Platform Banking.



Yapı Kredi, facilitating foreign trade transactions for approximately 20,000 customers, has achieved a market share of around 13% in Türkiye's foreign trade volume.

In addition to the Bank's resources, the Bank develops alternative solutions to its customers' foreign trade financing needs through Türk Eximbank credit programs, CBRT Rediscount Credits, export credit agencies and Eximbanks in other countries, as well as long-term and convenient financing products from correspondent banks to meet customers' investment needs.

Trade Finance

Yapı Kredi Foreign Trade Finance Department, under the Commercial and SME Banking management, serves its customers with sales, product development and structured foreign trade finance teams. Foreign trade finance sales teams are based at the Head Office and regional directorates in order to respond faster to the demands of companies.

In addition to traditional foreign trade products, offering innovative financing products and digital solutions was among the Bank's priorities in 2024. Pioneering the digitalization of the issuance of Export Price Acceptance Certificates (EPC), Yapı Kredi enabled the issuance of EPCs through internet banking within the framework of the provisions of the legislation and within the scope of foreign currency conversion support if requested by companies.

Our foreign trade companies using Corporate Internet Banking benefited from many digital solutions such as the message tracking feature that allows tracking of the incoming amount from the moment it leaves the sender's bank, and the sending of export documents to the foreign buyer without visiting our branches.

In addition to the Bank's resources, Türk Eximbank credit programs, the CBRT Export and Foreign Exchange Earning Services Rediscount Credits products, and the CBRT Rediscount Credits based on Currency Swap Agreements product provided financing support to exporter companies, while the CBRT Rediscount Credits based on Currency Swap Agreements product provided financing support to companies importing from China and the United Arab Emirates in the financing of foreign trade transactions.

Through its Structured Foreign Trade Finance unit, the Bank provided long-term and cost-effective financing opportunities for its customers' foreign trade financing needs and investment financing needs through export credit agencies and Eximbanks in Taiwan, South Korea, Germany, the United States, Italy and many other countries.

Through the HDI Export Finance Meetings organized in various cities throughout the year, meetings were held to discuss the demands of exporter companies and the Bank's solutions for these demands.

For the 10th consecutive year, Yapı Kredi won the "Sector Leader Local Bank" award organized by Euromoney and voted by foreign trade companies. It was also named "Best Service Provider Bank" for the second consecutive year.

With the launch of Yapı Kredi Germany in 2024, Yapı Kredi Netherlands continued to provide cost-effective resources to our companies that trade primarily with Europe. Yapı Kredi Azerbaijan also contributed to regional trade activities.

In addition to foreign trade financing solutions, Yapı Kredi continues to be the preferred bank for products such as bank guarantees and letters of credit in order to minimize the risks of our companies in their foreign trade activities with its expert staff.

Yapı Kredi's Cheque Collections and Share in Foreign Trade Volume

By the end of 2024, Yapı Kredi had a market share of 14% in cashier's checks and 22.6% in payment checks, and intermediated foreign trade transactions for approximately 20,000 customers. Yapı Kredi's share of Türkiye's foreign trade volume was approximately 13%.

OUTLOOK

Yapı Kredi in Commercial Banking in 2025;

- A wide range of services from basic banking transactions to financial advisory
- Reinforce its position as a business partner with customers by providing services,
- Cash flow-centered, active and widespread customer acquisition and a nationwide network of legal customers
- to expand
- To produce solutions with the understanding of adding value not only to its customers but also to all stakeholders in the supply chain of its customers with its inclusive and innovative cash management solutions and to reinforce its position as the leading Bank in the sector by providing the best service to all companies in the ecosystem,
- To facilitate the operational processes of companies by expanding the range of products offered through digital channels,
- To continue to make a difference in customer experience by designing processes with smart systems,
- Develop new products to support customers' transition to a sustainable economy and increase the share of these products in the portfolio,
- Bringing foreign trade companies together with innovative financing and digital products and providing solutions that will contribute to the processes of exporters through various collaborations,
- It aims to continue to take part in important projects that require expertise and provide added value to the country.

aims.

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Corporate Banking

Yapı Kredi Corporate Banking serves large-scale domestic companies and multinationals, e-commerce companies, payment and electronic money institutions, and financial institutions with specially tailored products and services at four corporate banking centers, three in Istanbul and one in Ankara.

In addition to the Corporate Banking HQ, under Corporate Banking, the Bank also provides various other services to its customers such as project and structured finance including sustainable finance; corporate finance advisory, capital management advisory, financial advisory, and merger & acquisition financing under investment banking; cross-border banking and services to the dealers and suppliers of the Koç Group.

Yapı Kredi Corporate Banking's specialized team aims to deepen relations with customers based on long-term cooperations, swiftly present products and services best suited to the ever-changing



Corporate Banking continues its operations with a specialized team, aiming to maximize service quality and customer satisfaction.

needs of customers and market conditions while acting as the financial business partner and advisor, and maximize service quality and customer satisfaction.

OUTLOOK

In 2025 Yapı Kredi Corporate Banking aims to:

- Strengthen its business partner position by meeting the needs of customers with a service model offering a wide range of banking products and financial advisory,
- Continue to participate in important projects that require expertise while adding value for Türkiye,
- Contribute to market share with Cash Management and Foreign Trade Finance products,
- Continue to offer a unique customer experience

through processes designed with smart systems and alternative digital solutions,

- Focus on value chain management to enable customers to establish stronger relations with their subsidiaries and suppliers, and
- Increase the rate of sustainable finance in total loans with a focus on sustainability.

CROSS-BORDER BANKING

Yapı Kredi Cross-Border Banking, the first point of contact for investors from abroad, provides advisory services on Türkiye and the Turkish banking system. Presenting the Bank at consulates and channels related to foreign capital investments (domestic fairs, attaché offices, etc.), information about Yapı Kredi and the banking sector is shared with interested parties. The Bank also carries out sales and marketing activities to attract foreign investors to the Bank. Yapı Kredi gives support to companies with foreign partners in account opening processes at any branch or subsidiary of Yapı Kredi while promoting the products in all product groups offered by various units in the Bank in collaboration with the units.

In 2024, the Bank assisted Turkish companies abroad regarding foreign account opening transactions and their investments abroad. In Türkiye, Yapı Kredi acquired customers by completing the account openings of many foreign-capital companies at Yapı Kredi branches.

PROJECT AND STRUCTURED FINANCE

Yapı Kredi stands among the leading banks in the field of longterm project and structured finance, providing financial support for large-scale projects with its strong balance sheet.

The Bank benefits from its unique service model and wellestablished experience in this business line, offering to its customers a wide range of services such as project finance, sustainable finance, financial advisory, structuring, and refinancing.

Yapı Kredi's project finance portfolio consists of projects in infrastructure, energy (mainly renewable), commercial real estate, and acquisition finance.

In 2024, steps were taken to control high inflation through policies. High interest rates and, consequently, the high cost of loans persisted, particularly during the first half of the year. This directly impacted credit demand, keeping it limited. Inflationary pressures also led our customers to adopt a cautious approach to investment decisions.



Drawing power from its strong balance sheet, Yapı Kredi provides financing support to large scale projects.

During the third and fourth quarters of the year, major publicsupported infrastructure projects and renewable energy investments began to return to the agenda.

SUPPORTING RENEWABLE ENERGY PROJECTS

In line with its responsible finance approach, Yapı Kredi also focuses on sustainable products and services.

It is important for the banking sector to effectively manage the risks caused by climate change and to capitalize on opportunities. Yapı Kredi supports the increase of renewable energy capacity of Türkiye to contribute to the transition to a low-carbon economy.

Yapı Kredi aims to support renewable energy and energy efficiency investments in order to protect the environment and minimize the effects of climate change, contribute to the development of Türkiye through long-term business partnerships with customers, and lead the banking sector by increasing its market share.



Yapı Kredi supports the increase of renewable energy capacity of Türkiye to contribute to the transition to a low-carbon economy.

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RENEWABLE ENERGY PROJECTS FINANCED AS OF THE END OF 2024 INSTALLED CAPACITY¹ TYPE OF PROJECT/ **ELECTRICITY GENERATION² (kWh)** AVOIDED GHG EMISSIONS³ (tCO₂e) INVESTMENT **HEPP** 3.208.560.136 914.685 2,162 WPP 564 1,612,485,360 693,046 **GPP** 27 59,893,800 25,742 SPP 272 391,428,532 164,602 **BPP** 129 667,462,727 136,099

1) Installed Capacity: As of the end of 2024, it represents the installed capacity of the renewable energy portfolio.

3.154

- 2) Electricity Generation: This is the 2024 electricity generation data from renewable energy plants within the renewable energy portfolio, considering the following points:
- Real-time production figures of renewable energy projects have been obtained from Energy Exchange Istanbul (EXIST) (seffaflik.epias.com.tr),
- Customer declarations have been used as the basis for production figures in unlicensed solar power projects,
- For projects with a total installed capacity of 272.6 MW (112.6 MW SPP and 160 MW Biomass), the actual production figures for 11 months of 2024 have been obtained, and a proportional estimation based on 2023 production figures has been made for the remaining month.

5.939.830.555

3) Calculation of Avoided GHG Emissions: Avoided GHG Emissions (tCO₂e) = Annual electricity production of the renewable energy plant (kWh) * IEA Statistics Data Service Emissions Factors Türkiye emission factor * Yapı Kredi Financing Share Ratio (%).

SUSTAINABLE FINANCE

Yapı Kredi continues its efforts to provide financing in the field of sustainability and to diversify its portfolio in this field.

To this end, the Bank designs financing structures in line with its customers' sustainability goals and strategies, and creates sustainable

In this context, the bank designs financing structures aligned with the sustainability goals and strategies of its clients and develops credit products related to sustainability, green, and social themes. In addition to traditional financing instruments, the bank raises awareness among its clients about sustainable financing tools and offers alternatives in this domain.

1.934.174



In project finance transactions, appetite in investments started to increase alongside the disinflationary process. While the high cost of borrowing in Turkish Lira continued to slow down investments, declining interest rates on foreign currency loans led to a rise in credit demand. It is anticipated that the expected decline in TL interest rates as part of the disinflationary process will further boost investment appetite. In 2025, although the increasing loan demand is expected to be limited by legal regulations, the exclusion of investment loans from the scope provides an advantage.

In the long term, the growing energy demand in Türkiye is expected to drive an increase in new investments. Renewable energy presents a significant opportunity to reduce the country's dependence on foreign sources and enhance energy security. According to the Presidential Annual Program for 2025, Türkiye aims to increase the

share of renewable energy in its total installed capacity in line with its sustainability goals. In this context, new YEKA (Renewable Energy Resource Zones) auctions, supported by government incentives focused on wind and solar energy, are expected to be announced in the near future.

Yapı Kredi aims to take part in financing renewable energy projects, particularly wind and solar power plants, as well as acquisitions and selective treasury-guaranteed highway projects. Investments in new technologies, such as solar and wind power plants with storage systems, are expected to increase. Yapı Kredi aims to be a leader in financing these emerging investment trends. Furthermore, the bank continues to work on increasing the share of sustainable finance loans in its total portfolio, utilizing both its own resources and foreign funding sources.

INVESTMENT BANKING

Investment Banking manages Yapı Kredi's corporate finance advisory and capital management advisory services.

Corporate Finance Advisory

The Corporate Finance Advisory team develops strategic dialogues with Yapı Kredi customers active in energy, infrastructure, consumer products, retail, finance, telecommunications, media, technology and general industry, and provides comprehensive merger and acquisition advisory services to companies both in Türkiye and abroad.

In 2024, Yapı Kredi provided advisory services mainly in the energy sector and advised the sector's leading players. Yapı Kredi aims to continue to play an active role in the market in 2025.

Capital Structure Advisory

Capital Structure Advisory (CSA) provides advisory services to customers on creating a healthy balance sheet structure specific to the sectors in which they operate, ensuring the most appropriate debt-equity balance, and meeting their financing needs with the right products while offering the most suitable banking products and financing options. Moreover, CSA also mediates all kinds of balance sheet-based structured finance services (syndications, club loans, refinancing, etc.) required that companies need as well as make newly established green field projects (factory investments, infrastructure projects such as airports, ports, bridges, tunnels, highways, and hospitals) suitable for financing.

In 2024, refinancing and acquisition financing consultancy services were provided to companies operating mainly in the mining and construction sectors. In 2025, we plan to maintain our market effectiveness in the field of debt consultancy and serve companies operating in various sectors with solutions specific to their needs.

KOÇ GROUP DEALER AND SUPPLIER NETWORK BUSINESS DEVELOPMENT

Koç Holding is Türkiye's oldest and largest conglomerate.

Koç Holding carries out its activities, investments, and expansions under its global growth vision with the largest and most effective ecosystem in Türkiye of companies, dealers, suppliers, employees, and other stakeholders.

The Koç Group Dealer and Supplier Network Business Development unit was launched in 2018 under Yapı Kredi Corporate Banking Management to meet the financial needs of the dealers and suppliers in the ecosystem with fast solutions, to support their development by providing financial advisory when necessary, and to achieve sustainable quality standards in the services provided. Koç Group Synergy Workshops were held in 2022 with the participation of Group companies to increase the synergy within the Group and to create new cooperation opportunities. During the Workshops, more than 120 new ideas were generated to increase benefits to the entire ecosystem consisting of Group companies, dealers and suppliers, and internal and external customers.

By the end of 2024, implementation of 28 of the new ideas was completed.

In order to meet the financial needs of the dealers and suppliers and to benefit their investments by alternative products, collaborations have been made with Group companies and affiliates when access to finance is difficult (real charge, assignment of receivables; etc. alternative collateral, sell and lease back opportunities, private investment funds).

In 2025, Koç Group Dealer and Supplier Network Business Development Unit aims to

- Ensuring the sustainability of offering alternative products and services together with Group companies and affiliates while meeting the financing needs of Koç Group dealers and suppliers
- To support all stakeholders in their sustainability activities by benefiting from processes and products in bank and group companies (Sustainable Financing Loan, installations of Solar Energy System and Electric Vehicle Charging Station, etc.)
- To mediate cooperation that will benefit all stakeholders within the scope of the Bank and Group companies initiative support programs,
- Create more benefits for the entire ecosystem within the Group through new workshops to be held on various topics,

Yapı Kredi products and services make Koç Group dealers and suppliers stronger, and develop new opportunities for them to make great contributions to the economy.

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Yapı Kredi Asset Management



Founded in 2002, Yapı Kredi Asset Management is one of Türkiye's leading asset management companies, serving both individual and institutional investors with a wide range of products and services. The Company has continuously reinforced its strong position in the sector with solutions in mutual and pension funds, private asset management and investment advisory.

With its expertise and customer-oriented approach in investment management, the Company has increased its credibility in the sector by providing services in compliance with both local and international standards. Since its establishment, Yapı Kredi Asset Management has focused on providing financial solutions with innovative investment strategies and a client-oriented approach.

With the primary goal of adding innovative products to its portfolio, Yapı Kredi Asset Management offered eight funds to investors in 2024. Four of them were established to invest in USD or EUR-denominated foreign debt instruments with different maturities, while one variable fund was established with multi-asset strategy as well as a money market fund and an equity fund.

On the other hand, in 2024, the company established 4 private funds for a specific person or group. These carefully designed funds aim to offer opportunities to investors in both local and global markets through innovative investment strategies.



As of 2024, Yapı Kredi Asset Management was recognized as the "Best Asset Management Company Türkiye 2024" by Global Business and Finance Magazine Awards and Global Excellence Chronicle Magazine.

Reinforcing its innovation in the sector with its newly publicly offered funds, Yapı Kredi Portföy offered investors the opportunity to diversify their portfolios and create long-term value under different market conditions. Deep market research, analysis and customer-oriented service approach of our expert staff is the main reason of this success.

In 2024, Yapı Kredi Asset Management renewed its website, aiming to enhance user experience and service quality. The new website stands out with its modern design and user-friendly interface as part of the digitalization strategy. The content structure has been optimized to provide investors with faster and easier access to the information they need, such as market analysis and investment instruments.

Venture Capital Investment Fund

In 2024, the Company increased its total size to TL 362 billion with a market share of 8.56% in mutual funds and TL 137 billion in pension funds with a market share of 11.18%. On the other hand, excluding money market funds and hedge funds, also referred to as qualified funds, it has been in the leading position for years. Total assets under management exceeded TL 500 billion.

In 2025, the company aims to enhance operational efficiency by integrating digitalization and artificial intelligence into its business processes and marketing strategies. Additionally, it seeks to expand its reach across different customer segments, attract more investors, and provide more comprehensive and value-added solutions by diversifying its product offerings with enriched fund strategies.

Yapı Kredi FRWRD First Venture Capital Investment Fund, established by Yapı Kredi to support innovative digital technology-themed projects, contribute to the growth of the entrepreneurship ecosystem and facilitate the access to financing problems of startups, started its investment activities in 2024. As of the end of 2024, the fund size is TL 367 million (\$10.4 million) and aims to invest in startups operating in Financial Technologies, IT (Cyber Security, Artificial Intelligence - Advanced Analytical Solutions), Gaming, Energy Technologies and Health Technologies.

Growing its contribution to the entrepreneurship ecosystem day by day, Yapı Kredi organized the launch of Yapı Kredi FRWRD First Venture Capital Investment Fund in September with the valuable stakeholders of the ecosystem. With the launch, which brought together individual and institutional investors and startups in the ecosystem, Yapı Kredi demonstrates the unifying role it undertakes in the entrepreneurship ecosystem.

In 2024, FRWRD GSYF-I conducted interviews with more than 200 startups and funds, conducted detailed due diligence on 120 of these startups and funds, and included 23 of them in its investment evaluation. In 2025, the Fund will continue its investments and contribute to sustainable growth in the ecosystem by supporting the entrepreneurship ecosystem and innovation culture.

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Yapı Kredi Invest



Yapı Kredi Invest, one of Türkiye's leading investment companies, aims to offer one-stop solutions to meet all needs of its customers, providing a wide range of services from domestic and foreign stock transactions to advanced derivative products and consultancy services.

Yapı Kredi Invest is the sector leader in terms of transaction volume and market share in the Equity Market and VIOP market, the two most important markets of Borsa Istanbul. Despite the challenging conditions brought by the intensifying competition in 2024, the Company maintained its leadership in the sector with 13.3% and 21.5% shares, respectively, in stock and VIOP transactions, thus leading the sector for seven years in a row since 2018. Thanks to its wide range of products, expert staff and efficient transaction channels, Yapı Kredi Invest offers the best service to more than 2.9 million customers while expanding the customer base.

The Company engaged in active marketing and communication campaigns, thus further increasing brand awareness and receiving various awards this year as it celebrated its 35th anniversary. In 2024 Yapı Kredi Invest was listed again in the "Brokerage Company" category in the "Most Admired Companies" survey conducted by Zenna Research and Consultancy and led by Capital Magazine. In the 9th TSPB Golden Bull Awards, Yapı Kredi Invest received three Golden Bull awards for "Highest Trading Volume" in Borsa Istanbul Equity Market and Borsa Istanbul Futures and Options Market as well as "Highest Issuance" leadership in Equity Issuance and Sales, which it received for the first time this



Despite the challenging conditions brought by the intensifying competition in 2024, the Company maintained its leadership in the sector with 13.3% and 21.5% shares, respectively, in stock and VIOP transactions, thus leading the sector for seven years.

year. Moreover, Yapı Kredi Invest was the recipient of the "Best Brokerage House" award of 2024 in the Brokerage category of the Global Business Magazine Awards, which reward the best companies in different sectors. Yapı Kredi Invest also won the "Local Markets Bond House of the Year" and "Local Equity Capital Markets House of the Year" awards at the Global Banking & Markets CEE, CIS & Türkiye Awards 2024 and the "Silver Stevie" at the Stevie International Awards in the company of the year category in the financial sector.

In 2024, Yapı Kredi Invest played a significant role in IPOs, acting as the advisor for Lila Kağıt's public offering, which had the largest offering size in terms of US Dollars, facilitating a deal size of 4.5 billion TL. Additionally, as a consortium member, Yapı Kredi Invest participated in issuances totaling 36.9 billion TL across 16 public offerings.

Yapı Kredi Invest won the 2023 "Leader in Equity Issuance and Sales" award in the "Corporate Finance Transactions" category

at the 9th TSPB Golden Bull Awards given by the Turkish Capital Markets Association (TSPB).

Additionally, Yapı Kredi Invest received the "Local Markets Bond House of the Year" and "Local Equity Capital Markets House of the Year" accolades at the Global Banking & Markets CEE, CIS & Türkiye Awards in 2024, with TAB Gıda's IPO being recognized as "Local IPO Deal of the Year."

In debt instruments, Yapı Kredi Invest facilitated issuances totaling 66.1 billion TL across 97 transactions, providing funding to 19 different issuers in bond markets. Furthermore, Yapı Kredi Invest completed YEO Teknoloji's debut green private sector debt instrument issuance.

Aiming to offer continuous services to its customers throughout Türkiye, Yapı Kredi Invest has a total of 24 branches in Türkiye, with the recent addition of one new branch. The Company which has increased its number of employees to better serve its customers continues to grow with 274 personnel in line with it goals.

Yapı Kredi Invest will continue to maintain its market leadership in 2025, continuing its activities towards sustainable growth and development. The project to offer international transactions transactions to individual customers through digital channels was completed at the beginning of 2024. Due to increasing volatility in the market, risk management issues will be monitored more closely. The company will continue to expand its customer base with new branch openings and technological investments.



Additionally, as a consortium member, Yapı Kredi Invest participated in issuances totaling 36.9 billion TL across 16 public offerings.

Providing privileged services to its customers in the capital markets thanks to its experienced investment advisors, who monitor technological opportunities day by day and evaluate and interpret developments instantly, Yapı Kredi Invest aims to diversify its services in digital channels always focusing on the needs and expectations of its customers in volatile market conditions. The Company will, as always, respond quickly to changing customer needs and offer premium products.

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Yapı Kredi Leasing was founded in 1987. Yapı Kredi owns 99.99% of Yapı Kredi Leasing. Yapı Kredi Leasing has a 17% market share in terms of leasing receivables. Thanks to its infrastructure supported by technology investments, rational solutions, expert staff and market experience, Yapı Kredi Leasing is an important player in the leasing sector, always supporting and standing by its customers.

In 2024, Yapı Kredi Leasing performed beyond the expected figures and amounts with its new products, its collaborations with solution partners, and its cutting-edge applications. Maintaining its strong position in the market, the Company provided financing for machinery investments in the real sector, particularly in the manufacturing, textile and construction equipment sectors.

As Yapı Kredi Leasing; we work with great sensitivity towards our world, our natural resources and their protection. We use all our energy in this direction in order to leave a more livable world for future generations. In this context, the Company intermediates the financing of sustainable products such as wind power plants, rooftop solar power systems, and charging stations for electric vehicles.

Yapı Kredi Leasing extended approximately 60% of USD 540 million of resources obtained from abroad for renewable energy, energy efficiency, water efficiency and sustainable soil management investments. The loan of USD 120 million provided by the International Finance Corporation (IFC) is the first blue loan in Türkiye. With this loan, Yapı Kredi Leasing finances sustainable water and energy projects in various fields such as clean water, water efficiency and wastewater as well as green energy, energy



According to the Kincentric Best Employers research, Yapı Kredi Leasing has been recognized as one of the "Best Workplaces in Türkiye" for the 5th time in 2024.

efficient equipment, electric vehicle and charging infrastructure, energy efficiency improvements in buildings and facilities, and renewable energy solutions. As the first leasing company to receive a share from the Green Economy Financing Facility (GEFF) of European Bank for Reconstruction and Development (EBRD), Yapı Kredi Leasing will continue to finance green investments. The loan, totalling EUR 50 million and granted in 2024 from Proparco, a privately owned subsidiary of the French Development Agency (AFD), represents the highest amount of loan granted to a leasing company in the world.

Yapı Kredi Leasing's excellent performance was recognized in Türkiye and abroad, receiving the "Best Equipment Leasing Company" award in 2024, as in 2023, organized by the Global Banking & Finance Review magazine.

According to the Kincentric Best Employers research, conducted globally by Kincentric for over 20 years, the company has been recognized as one of the "Best Workplaces in Türkiye" for the 5th time in 2024.

In 2024, Yapı Kredi Leasing was ranked first in Capital magazine's 'Most Admired Leasing Company' survey.

In 2025 Yapı Kredi Leasing aims to maintain its leadership in the sector, expand its customer network and further consolidate its position in the market.

Yapı Kredi Faktoring



Founded in 1999, Yapı Kredi Factoring stands out among its competitors thanks to its strong capital structure and performance, vast experience and expert human resources embracing a high quality service approach.

As of the end of 2024, the Company reached a transaction volume of xxx billion TL, consisting of 82% domestic transactions and 18% international transactions.

Yapı Kredi Factoring provides factoring services with its Istanbul Head Office and its branches throughout Türkiye in Adana, Ankara, Antalya, Beyoğlu, Bursa, Gaziantep; Güneşli, İzmir, Kadıköy, Kartal, Kocaeli and Trakya. In 2024 Yapı Kredi Factoring continued to provide cost-effective financing to its customers by diversifying its funding sources.

Yapı Kredi's close relationship with its national sales and service organization and the organization-wide synergy are among Yapı Kredi Factoring's most important service and competitive advantages.

Yapı Kredi Factoring was recognized as Türkiye's Best Factoring Company by the Global Banking and Finance Review magazine in 2024.

For two decades since 2002, Yapı Kredi Factoring has been one of the leading companies in the Best Export Factoring Companies list published by Factors Chain International (FCI), headquartered in



In 2024 Yapı Kredi Factoring continued to provide costeffective financing to its customers by diversifying its funding sources.

Amsterdam. In the 2024 list, the Company ranked fourth among 158 members in the category of correspondent service quality and transaction volume.

Yapı Kredi Factoring is a member of the Association of Financial Institutions, as well as of FCI.

In 2025, Yapı Kredi Factoring aims to expand the number of customers and penetration in each segment and to further its relations with existing customers.

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Yapı Kredi Bank Nederland



Yapı Kredi Bank Nederland provides a comprehensive range of products and services in retail, corporate, and private banking. Operating as a stand-alone entity under a banking license issued by the Dutch Central Bank, the Bank also supports Yapı Kredi customers conducting business internationally. With its headquarters in Amsterdam and through digital channels, Yapı Kredi Bank Nederland delivers high-quality services, leveraging the strength of its parent company, Yapı Kredi.

Throughout 2024, Yapı Kredi Bank Nederland maintained its solid financial standing despite challenging market dynamics, including volatile market conditions, stabilizing inflation rates, and declining monetary policy rates, all while ensuring compliance with increasingly stringent legal and regulatory requirements. The Bank achieved an 18% growth in total assets and a 13% increase in net profit, culminating in a return on equity of 13%, reflecting another year of strong performance.

In retail banking, the Bank continues to offer savings and deposit products tailored to customer needs. Within corporate banking, the Bank actively engages in project and trade finance while adapting to evolving market conditions. It also provides working capital finance, ship finance, cash management, and Islamic banking products to its corporate clients. In addition, the Bank remains an active participant in correspondent banking and strategically leverages money and capital markets to optimize its balance sheet. All these activities are further enhanced by the synergies within the Yapı Kredi Group.



The Bank achieved an 18% growth in total assets and a 13% increase in net profit, culminating in a return on equity of 13%, reflecting another year of strong performance.

Looking ahead to 2025, Yapı Kredi Bank Nederland aims to strengthen its customer-centric approach through targeted investments in technology and innovation. By integrating risk management and ensuring full regulatory compliance, the Bank seeks to achieve efficient and sustainable growth, delivering robust profitability and long-term customer satisfaction. Alongside these efforts, the Bank is preparing to advance its sustainability initiatives while continuing its commitment to enhancing customer satisfaction.

Yapı Kredi Bank Azerbaijan



Established in 1998, Yapı Kredi Bank Azerbaijan is 99.80% owned by Yapı ve Kredi Bankası A.Ş. The bank provides a comprehensive range of products and services, including retail banking (card payment systems and personal banking) as well as corporate and commercial banking, through its network of 9 branches.

Despite global geopolitical and economic challenges, Azerbaijan's economy demonstrated positive growth dynamics in 2024. The country recorded a 4.1% real GDP growth, driven by a surplus in the foreign trade balance and a significant contribution from the non-oil and gas sector.

The Central Bank of Azerbaijan's effective monetary policy measures helped reduce average annual inflation to 2,2%. Additionally, the country's foreign exchange reserves rose by 4% compared to the end of 2023, reaching a record-high of \$71 billion

Azerbaijan's banking sector continued to expand in 2024. The sector's total assets grew by 7.8% during the year, while the credit portfolio increased by 18.5%.

Yapı Kredi Bank Azerbaijan successfully closed 2024 with robust balance sheet management, achieving a net profit of \$7.7 million—a 36% annual increase. The bank's revenues rose by 24% to \$28.4 million, while its loan portfolio grew by 5%, reaching \$195 million.



Yapı Kredi Bank Azerbaijan successfully closed 2024 with robust balance sheet management, achieving a net profit of \$7.7 million—a 36% annual increase.

Yapı Kredi Bank Azerbaijan remains committed to growth and continues to contribute to the Azerbaijani economy by meeting the evolving banking needs of its customers. The bank is dedicated to adding value to Azerbaijan's dynamic financial market and supporting the country's economic development in the years ahead.

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Yapı Kredi Bank Deutschland



Yapı Kredi Bank Deutschland commenced its operations in Frankfurt in 2024, becoming an important part of Yapı Kredi Group's European expansion strategy. Bank aims to provide innovative solutions to meet the financial needs of companies engaged in trade between Europe and Türkiye.

The core focus of the activities is corporate banking, offering trade finance, cash management, and treasury products to large and medium-sized Turkish enterprises as well as Germany-based multinational companies. Additionally, it is aimed to expand our client network by providing strategic support to selected large-sized companies across Europe.

In 2025, we aim to enhance customer satisfaction through our expertise in trade finance and corporate banking solutions, complete Bank's digital infrastructure to deliver a broader range of services, and position ourselves as a reliable player in the German financial market. Throughout this process, the Bank will continue to expand its operations with a sustainable growth approach, fully aligned with regulatory compliance.

Yapı Kredi Bank Deutschland aims to create a structure built on solid foundations by utilizing the synergies of the Yapı Kredi Group and to provide effective and value-creating services to its customers in line with their needs.



Yapı Kredi Bank Deutschland aims to build a structure based on solid foundations by leveraging the synergies of the Yapı Kredi Group.

With a growth strategy focused on sustainable profitability, we are committed to advancing our operations in line with regulatory compliance and operational excellence. As a newly established bank, we aspire to become a trusted actor in the European financial sector and to create long-term value with our strong financial infrastructure and customer-centric approach.

Treasury Management

GLOBAL AND LOCAL ECONOMIC DEVELOPMENTS IN 2024

In 2024, Yapı Kredi Treasury Management closely followed the impact of domestic and international developments on the economy. Global political and economic uncertainties, geopolitical tensions and policy steps by central banks were on the agenda of the global economy.

In the US presidential elections held on November 5, 2024, Donald Trump was elected president for the second time, while the Republican Party gained the majority in both the Senate and the House of Representatives. This shaped expectations about the future policies of the USA. The Federal Reserve (FED) reduced interest rates by a total of 100 basis points in three meetings since September, making the first interest rate cut since 2020.

In Europe, the economic slowdown caused the Manufacturing, Services and Composite PMI indices to remain below the threshold value. These developments accelerated the interest rate reduction process initiated by the European Central Bank (ECB) in June, resulting in a reduction of 135 basis points throughout the year. In politics, the fall of the Barnier government in France and the decision of the Scholz government in Germany to hold snap elections in February 2025 after failing to receive a vote of confidence escalated political uncertainties in Europe. As a result, the EUR/USD parity decreased from its value of 1.10 at the beginning of the year to 1.04 by the end of 2024.

GEOPOLITICAL DEVELOPMENTS AND ENERGY MARKETS

2024 was a year marked by deep impact of geopolitical tensions on the global economy. In addition to the ongoing Russia-Ukraine War, the Israeli-Palestinian conflict in the Middle East spread to



2024 was a year marked by deep impact of geopolitical tensions on the global economy.

Lebanon and Iran, deteriorating regional instability. The collapse of the 61-year-old Ba'ath regime in Syria tipped the balances in the region, while geopolitical risks caused fluctuations in gold and commodity prices. The USD 1.4 trillion economic package announced by China in November to stimulate the economy affected both the domestic and global economy.

TURKISH ECONOMY IN 2024

Regarding domestic economy, the government stepped up tight monetary policies in the fight against inflation, increasing the policy rate to 50%. Following the increase in funding costs, there were gradual simplification steps in macroprudential policies in light of liquidity conditions. These policies resulted in the Turkish Lira gaining value in real terms, which led to plans of making the TL attractive again. While the house price index decreased in real terms to a value below annual inflation, the downward trend in CDS (Credit Default Swap) levels contributed to the decrease in foreign funding costs. In parallel with the liralization strategy, the decrease in the volumes of the currency protected deposit (KKM) and the convertible deposit (DDM) continued. The Central Bank of the Republic of Türkiye (CBRT) initiated the gradual interest rate reduction in its last meeting of 2024 or its first meeting in January 2025 and determined the number of Monetary Policy Committee (PPK) meetings as 8. Interest rate cuts are expected to continue throughout 2025 and to reduce funding costs as well as inflation.

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EXPECTATIONS FOR 2025

In 2025, Yapı Kredi will closely monitor the interest rate reduction decisions of central banks, the possible protectionist policies of Donald Trump in the USA, the strong dollar index, political uncertainties in Europe, and the effects of geopolitical conflicts in the Middle East and Ukraine. In Türkiye, macroeconomic steps to be taken in parallel with the rate of decline in inflation and the interest of foreign investors in Türkiye will be among the hot topics.

AN APPROACH OF ENSURING EFFECTIVE LIQUIDITY MANAGEMENT AND MAINTAINING A DIVERSIFIED FUNDING BASE

Throughout 2024, Yapı Kredi further diversified its funding by effectively managing its liquidity with its experience in interest and exchange rate risk management, and successfully completed transactions to close its balance sheet interest position. Moreover, the Bank took quick steps to comply with the new regulations. On the other hand, the Bank continued to meet the financing needs of the real sector with its product and maturity variety offered within the framework of asset-liability management.

Yapı Kredi Treasury Management carries out its activities through the Treasury and Financial Institutions groups.

TREASURY MANAGEMENT

The Treasury Management is responsible for managing Yapı Kredi's liquidity needs, interest rate risk, foreign currency position and asset-liability structure, and controls the Bank's investment portfolio. The Treasury Management is also responsible for closely monitoring the markets, investor needs, risk and return expectations, and relevant legal regulations, and developing and managing investment products.

Fixed Income Securities

Yapı Kredi is one of the 11 market makers designated by the Ministry of Treasury and Finance in the Borsa Istanbul Debt Securities Market. Actively involved in the securities market in 2024, the Bank's market share in the BIST Debt Securities Market Outright Purchases and Sales Market stood at 3.33% as of the end of December 2024.

Yapı Kredi also borrowed TL 34.31 billion from the domestic market with a total of 40 issuances in 2024.

Money Markets and Balance Sheet Management

The Money Markets and Balance Sheet Management Department manages the interest rate risk of Yapı Kredi's balance sheet and off-balance sheet liabilities in an approach that adapts quickly to market developments and in accordance with the Bank's Risk Policy. To this end, the Department built a flexible balance sheet structure by taking into account the effective management of loan and investment portfolios and liquidity positions as well as risk-return balance and customer needs.

Although 2024 was a year where geopolitical tensions increased and inflation uncertainties continued to fluctuate in financial markets, Yapı Kredi continued to provide cost-effective resources with various debt instruments in international financial markets thanks to its reputation and reliability.

Foreign Exchange and Derivatives

The Foreign Exchange and Derivatives Department carries out the pricing of spot and forward foreign exchange as well as all kinds of commodities, derivatives and structured products in international markets. The Department develops various derivative products in the over-the-counter derivative markets, taking into account the customer's needs, while providing effective pricing in accordance with the Bank's position and market conditions.

Treasury Marketing

Blending its technological infrastructure and know-how, the Treasury Marketing Group offers products to hedge current and future financial risks to its customers in all segments of the Bank. These products are designed according to customer-specific needs in a wide range from spot foreign currency transactions to foreign currency, to interest and commodity derivatives. In line with the Bank's policies prioritizing digitalization, the Treasury Marketing Group aims to take customer experience and satisfaction to new heights thanks to its constantly-improved digital infrastructure.

Balance Sheet Planning and Financial Monitoring

The Balance Sheet Planning and Financial Monitoring Department is responsible for the effective management of Yapı Kredi's balance sheet and income statement in line with risk management principles and the practices of the legal authority. The Department analyzes the effects of changes in market conditions on the Bank's profitability and operations, and provides support to other business units in the Treasury Management.

Treasury and Investment Products Management

The Treasury and Investment Products Management closely monitors the markets, investor needs, risk and return expectations, and relevant legal regulations, and offers investment products to customers in line with Yapı Kredi's digitalization strategy. Three departments under the Management offers investment products for investors through various channels.

Mutual Funds and Savings Products Management Department

The Department is responsible for the management of mutual funds and savings products. It also handles the coordination between Yapı Kredi Asset Management and the Bank. Embracing an approach that quickly adapts to market developments and customer needs, the Department offered 11 new funds to customers in 2024, in addition to the existing 84 mutual funds with different strategies. With Tarabya Hedge (FX-Euro) Fund, Participation Stock Fund (Stock Intensive Fund) and Third Money Market (TL) Fund, three of the new funds, the Bank closely followed new trends and offered its customers the opportunity to invest in alternative sectors. Moreover, new dividend-paying funds were added to the product range in 2024, and a new venture capital investment fund was offered to the market.

In addition, the Department continued to create mutual funds tailored for a single institution or individual in 2024.

In 2025, Yapı Kredi aims to develop existing products with new functions and to launch new products in line with the Bank's digitalization strategy.

Foreign Currency, Derivatives and Fixed Income Securities Product Management Department

In line with Yapı Kredi's product policies, the Department is responsible for the design, operation and effectiveness of products as well as implementation of changes. The Department is responsible for government bonds, treasury bills, private sector bonds, Eurobonds, repurchase agreements and foreign exchange/gold transactions as well as derivative products.

Yapı Kredi customers can access foreign exchange transactions at branches and via all digital channels. Under the Bank's digitalization strategy, foreign exchange pages of digital channels were redesigned for the convenience of customers.

As part of the improvements, frontend and functions of branch foreign exchange transaction screens were renewed.

Within the scope of the Bank's activities on compliance with intensive amendments in legislation in recent years and on new product and service development, the Department monitors Currency Conversion Protected TL Time Deposits, Currency Protected TL Time Deposits, and YUVAM accounts.

In 2025, Yapı Kredi will continue to work to implement new products and services and to deliver them to customers through all channels with an uninterrupted experience.

Stock, Derivatives Market Order Transmission and Product Management Department

With its function of intermediating order transmissions, the Department is responsible for uninterrupted execution of the intermediation activities at all branches and other sales outlets for stock, public offering, Derivatives Market (VIOP) and Tradebox products, which fall under the scope of Yapı Kredi Invest's transaction intermediation activities. The Department is also responsible for resolving technical issues and client disputes, and fulfilling the regulatory responsibility of Yapı Kredi as defined by the Capital Markets Board for the intermediation function in its entirety.

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The Product Management function is responsible for all kinds of operation, efficiency, productivity and revision requirements, except for pricing, of the stock, public offering, Derivatives Market and Tradebox products to ensure their delivery to the customers in accordance with the Capital Market Law and the Order Execution Policy (transaction and portfolio intermediation), Company Policy on Order Transmission Intermediation, Compatibility Test Company Policy and Customer Classification Policy.

In 2024, the Department introduced the Overseas Stock project to give the opportunity to customers of trading in international markets.

In 2025, Yapı Kredi aims to improve existing products and to launch new products in line with the Bank's digitalization strategy.

FINANCIAL INSTITUTIONS

Correspondent Banking

Yapı Kredi continued its successful performance in correspondent banking in 2024 despite the volatile and uncertain conditions in both global and local markets.

Throughout the year, the Bank fulfilled customers' foreign trade financing needs with the support of a network of around 1,600 international banks. During this transition period marked with an increasing global risk appetite, the success of correspondent banking activities and the solid foundations of correspondent relations contributed to the renewal of syndication transactions, the increase in the volume of other short-term loans, and the preservation of foreign trade finance market share.

The Bank continued to work actively on the introduction of new technologies by closely monitoring the developments in the world in the field of foreign trade finance and cash management while aiming to provide faster, more transparent and less costly services to its customers by maintaining its cooperations with technology companies in the field of payment solutions and foreign trade.



Yapı Kredi successfully completed its first sustainability-linked syndicated loan in May 2024.

Yapı Kredi successfully completed the social syndication loan of USD 920 million in May 2024 with the participation of 46 banks from 25 countries, and the sustainability-linked syndicated loan of USD 1 billion dollars in November 2024 with the participation of 45 banks from 24 countries. The syndicated loan, with a maturity of 367 days, consists of two tranches, in USD and Euro.

Syndicated Loans

Yapı Kredi successfully completed its first sustainability-linked syndicated loan in May 2024. The syndicated loan, with a maturity of 367 days, consists of two tranches, in USD and Euro. The Bank aims to extend the total loan of USD 442 million and EUR 454 million in line with the sustainable finance framework. The transaction was secured with the participation of 46 banks from 25 countries. The total cost of the syndicated loan was SOFR+2.50% and Euribor+ 2.25% for a maturity of 367 days.

Yapı Kredi rolled over its second syndication loan in November, with a maturity of 367 days, in two tranches, in USD and EUR, amounting to a total of USD 605 million and EUR 372.5 million in line with the sustainability finance framework. The loan was secured in two different currencies with the participation of 45 banks from 24 countries. The total cost of the loan was SOFR+ 1.75% and Euribor+ 1.50% for 367 days.

In addition to syndicated loans, Yapı Kredi increased and continued its activities throughout the year in funding related to foreign trade

INTERNATIONAL DEBT AND CAPITAL MARKETS

In 2024, Yapı Kredi continued to diversify its funding sources in international markets and to raise funds from foreign markets through products such as syndication, Additional Tier 1 instruments, subordinated bonds and Eurobond issuance. In 2024, Yapı Kredi secured funds worth more than USD 7 billion, including syndications, from overseas markets thanks to its strong international relationships and respected shareholding structure.

Following the first syndicated loan secured in May 2024, the Bank completed the second one in November. The total funding amount in the two transactions is approximately USD 2 billion, which will be used in line with Yapı Kredi's Sustainable Finance Framework.

In January, Yapı Kredi issued a 10-year subordinated bond with an early redemption option in the 5th year for USD 650 million from international markets. The transaction with a coupon rate of 9.25% and semi-annual coupon payment term received over USD 2.4 billion in demand.

In April, the Bank issued an Additional Tier 1 (AT1) instrument with an initial early redemption option from April 4, 2029 to July 4, 2029, corresponding to the 5th year of the transaction, with an untermed maturity. The demand for the transaction with a coupon rate of 9.743% and semi-annual coupon payment term was more than double its value.

Yapı Kredi issued a 5-year, 1-month Eurobond in September for USD 500 million from international markets. The transaction had a coupon rate of 7.125% and semi-annual coupon payment term, and the demand was approximately four times higher.

Yapı Kredi updated its Sustainable Finance Framework in July 2024 to comply with the ICMA principles.

OUTLOOK

In 2025 the Yapı Kredi Treasury Management aims to:

- meet the financing needs of the real sector,
- maintain its leading position in its relations with correspondent banks and contribute to the foreign trade activities of Türkiye by expanding its correspondent network.
- increase the share of Sustainable Finance in 2025,
- maintain the diversity of funds,
- maintain cooperation with international finance institutions,
- implement new products and services and to deliver them to customers through all channels with an uninterrupted experience.
- continue its disciplined approach to maintain its solid liquidity and funding position, and
- adapt quickly to new regulations.

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Technology, Data and Process Management

In 2024, Yapı Kredi Technology, Data and Process Management continued its activities without slowing down to offer the best experience to customers in line with Yapı Kredi's digital business model. To this end, the Bank introduced innovative applications to its customers.

WHAT'S NEW IN 2024

As a result of the improvements made in all channels with the aim of providing customers with the highest level of digital customer experience through advanced innovative technologies and projects, an average of 98% of financial transactions were carried out digitally or automatically in 2024.

OUR PRIORITY: SUSTAINABILITY

In line with the focus on sustainability and the remote service model, Yapı Kredi expanded its work on paperless transactions with digital approval. In 2024, the rate of digital approval for the documents received from customers in product sales and transaction processes exceeded 90%. As a result of the investments in branch digitalization, the digitalization rate of documents received in branch processes increased by 4 points compared to the previous year, reaching 79%. Thus, more than 12,000 tons of paper was saved, contributing to the protection of environment.

Moreover, the investments made for the digitalization of corporate customer processes ensured that the number of product sales and other banking transactions completed with mobile approval by customers of "Limited" company type increased by 40% compared to the previous year, amounting to an average of 35,000 per month.

Yapı Kredi started to work to include "Joint-Stock" companies in the application that allows the completion of product sales and banking transactions remotely with mobile approval. The Bank plans to complete the necessary improvements in the first half of 2025. In 2023, Yapı Kredi introduced a new feature to enable loan customers

to easily and quickly apply for certain letters of guarantee via the "Corporate Internet Branch", without visiting a branch, provided that the credit limit is sufficient for the use of letter of guarantee. In the last year, the Bank offered new types of letters to customers such as letters of guarantee from the Public Procurement Agency, letters from Tax Offices, letters from Customs Directorates and letters of guarantee addressed to some special addressee companies. Moreover, customers were enabled to apply for letters of guarantee via the Corporate Mobile Branch and complete transactions quickly and easily with special pricing offered to customers.

Income tax letters (withholding tax) such as asset statements and audit letters were made available to receive with printed signatures via Corporate Internet and Mobile Banking.

Yapı Kredi completed works on compliance with the regulations published by the BRSA regarding identity verification and transaction security in establishing distance contracts in the electronic environment. Afterwards, the Bank made the preliminary preparations in the working group of the Banks Association of Türkiye to ensure that documents requiring wet signatures as stipulated by legal regulations can be obtained with digital approval in accordance with the regulations for establishing distance contracts. The proposal for amendments will be shared with regulatory bodies in the first half of 2025.

Moreover, under the Carbon Conversion Program launched as part of Koç Holding's transition journey to combat the climate crisis, Yapı Kredi prevented 217 tons of CO2 in 2024 with the Gebze data center cold air corridor project. In addition, the Bank decreased data center energy use by 550,000 kWh and provided savings amounting to TL 1.9 million.

Powered by technology to increase customers' awareness of sustainability and guide them to a sustainable life, Yapı Kredi launched the STEP platform in January 2023, which can be accessed via mobile banking. Thanks to the project, reaching more than 1 million members by the end of 2024, the Bank saved approximately 413,000 trees. Donations earned by members were used to support NGOs.

Yapı Kredi signed a DPR agreement of USD 125 million with IFC for SME customers with the aim of reducing climate risk, and a loan agreement of USD 80 million to support the region affected by the earthquakes of February 6, 2023. As part of the commitments made to IFC, the Bank evaluated environmental and social risks of customers in the SME segment at the loan extension stage.

Artificial Intelligence and Smart Automation Solutions

Yapı Kredi accelerated infrastructure and development work in the field of artificial intelligence and intelligent Automation Solutions. Moreover, the Bank expanded the scope of works with the implementation of smart automation solutions in domestic and foreign subsidiaries. The number of processes supported by artificial intelligence and smart automation in the Bank and its subsidiaries increased by 127 compared to 2023, reaching 367. Thus, the number of transactions completed with smart automation support increased by more than twice and reached 70 million.

Smart automation solutions enabled Yapı Kredi to monitor banking transactions and services as well as control scenarios for Responsible Banking much more effectively and quickly. As a result, a daily banking transaction volume of 550,000 transactions was realized in 292 scenarios.

As an important step in the field of Turkish natural language processing, Yapı Kredi entirely the Turkish Large Language Model (LLM), which is not dependent on external sources. The model was designed to be used in all processes requiring a productive artificial intelligence solution. Moreover, feasibility studies were conducted for generating images from text content and editing existing images using the Multimodal LLM. In addition to the use of this technology in processes, Yapı Kredi also aims to provide creative solutions for customer relations, marketing and design units. The LLM model is first used to enable employees to quickly access any information needed. To this end, a GenAl-assisted corporate

search engine (KUVARS) was developed for the Corporate Portal Transformation project to ensure fast and effective access to more than 20,000 information materials and documents within the Bank. All disorganized corporate portal applications will be combined under a single platform with the new content management infrastructure in light of the information architecture and employee experience.

The Smart Document Recognition project increased the speed of automatic recognition and interpretation of physical documents submitted by customers. Additionally, Yapı Kredi used artificial intelligence to control the accuracy of legally-required handwritten phrases and signatures.

The Bank also started to read court documents transmitted from the National Electronic Notification System with artificial intelligence, allowing automatic completion of the blocking removal specified in the text.

In order to convert written texts into sound in a natural and fluent manner, a Text to Speech (TTS) model was developed and integrated into ATMs to assist visually-impaired persons.

Yapı Kredi continues to increase the use of artificial intelligence in corporate digitalization. To this end, the Bank developed an artificial intelligence product to support operational business processes and to determine the most suitable guarantee letter text for the customer request from existing or free texts in the Bank's standards according to the content of the sample letter submitted to the Bank by corporate customers to apply for a letter of guarantee. Thus, it is aimed to significantly reduce the time spent by users while searching letters manually. In addition to artificial intelligence solutions already used in corporate loan allocation processes, nine more complex documents were started to be read and interpreted with artificial intelligence solutions and used in the processes in 2024.

Automating the performance tests of the legal and administrative risk models of the Risk Validation team within the Bank and provides parameter optimization of machine learning algorithms, the SWAN application can now be used in 11 risk models. As a result, operational efficiency was improved while manual workload was significantly reduced.

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In 2023, Yapı Kredi developed a new technology based on image processing and deep learning algorithms to perform signature control in customer documents with the support of AI. The technology is used to control the signatures on physical documents and checks received from customers. In order to enhance this technology, the Bank developed an algorithm that can detect copied signatures in 2024 to prevent risks that may arise from signatures copied with various methods.

Moreover, an artificial intelligence product was launched, which generates a risk score according to the information declared by the customer and directs customer transactions with high risk scores to the manual evaluation step while opening retail customer accounts in branches.

Digital Turkish Lira and Digital ID Infrastructure Project

The CBRT continued preparatory activities for the Digital Turkish Lira project in 2024. Yapı Kredi completed the installation of the necessary technological infrastructure to reserve in the Bank infrastructure the Digital Turkish Lira, which has the potential to radically change the financial world such as the digitalization of cash, the programming of payments and the purchase and sale of tokenized assets.

The Digital ID infrastructure, the authentication method to be used in accessing Digital Turkish Lira assets, is in the development phase at TÜBİTAK. Yapı Kredi became the first institution other than TÜBİTAK to verify transactions and keep records in the Digital ID network developed on the blockchain infrastructure. In 2025, the Bank will design projects to develop a digital identity wallet application to complete authentication in internal applications and to store a copy of the identity data stored in the wallet application in the Bank infrastructure.

In collaboration with TÜBİTAK, Yapı Kredi continues to develop an HSM (Hardware Security Module) to be used in Digital Turkish Lira and Digital ID. To this end, Yapı Kredi plans to use the product (HSM DIRAK) developed by TÜBİTAK for financial transactions. As a result of this collaboration, the Bank aims to use the product for storing Digital TL and other digital assets.

In 2024, the technology teams continued to work on necessary developments for the use of HSM DIRAK in payment systems. In 2025, test studies will be carried out for the use of HSM

in payment systems. Moreover, this product will ensure the completion of e-signature transactions in a live environment.

New Generation Banking Architecture Transformation Program to be Completed in 2025

With the aim of strengthening the Bank's technological infrastructure under the New Generation Banking Architecture transformation, a pioneer in the banking sector, Yapı Kredi completed a large part of the transition to a flexible and expandable modular architecture that allows applications to operate independently of each other while designing a structure compatible with the cloud infrastructure. With the transformation, the Bank increased the diversity of the platform to ensure technology redundancy in the cloud infrastructure and strengthen competition.

Moreover, Yapı Kredi made investments in hardware regarding Big Data and Artificial Intelligence, and launched a cloud platform to increase the performance of working models. This innovative approach significantly accelerates data processing and allows more efficient management of analytical processes. On the other hand, the cloud platform increases the computing power and enables complex algorithms to work faster. The Bank aims to reduce operational costs and ensure energy efficiency thanks to the effective use of system resources.

Yapı Kredi started to transfer the traditional data center network architecture to a software-based managed infrastructure in 2024. As of the end of 2024, the transition rate in the Non-Production environment realized as 90% and in the Production environment as 50%. The Bank plans to complete the developments by the summer of 2025.

The database, which is the core of banking systems, was enabled to run simultaneously on multiple database management systems. Thus, the performance of the systems was increased to higher levels while achieving a transition to a flexible infrastructure.

The Bank branch network was moved to a new software-based central network management platform called SDWAN. Thanks to this structure, network device management and operation in the branch network was made safer and manageable with less effort by minimizing the human error factor.

The Bank should resume its operations within twenty-four hours at the latest, even in the worst scenarios where primary systems are completely disabled. To this end, tests are carried out to simulate a disaster scenario at least once a year. The emergency test carried out in September 2024 was the most comprehensive test carried out in the Bank so far and was carried out in a single day. In 2024, DRC switch tests of 17 platforms were completed with robots.

In 2024, Yapı Kredi continued to invest in necessary technologies on fraud, abuse and transaction security and use systems compliant with legislation and able to respond to current and new fraud trends in order to use cloud-compatible security solutions to effectively combat new generation cyber threats, introduce new generation security technologies to the Bank and ensure the safety of customers.

In a rapidly developing world, the security of the Bank and its customers is the priority. In line with international standards and local legal regulations, the Bank regularly conducts internal and external audits and security tests. As part of Technological Solutions and Services Offered to Customers in Banks and Subsidiaries, nearly 400 projects were implemented under the Innovative Approaches to Customer Needs.

In order to manage websites more easily and flexibly, Yapı Kredi started to conduct website design and maintenance processes with internal resources, and the internal management of websites strengthened the Bank's technological infrastructure and provided flexibility, thus improving the Bank's ability to quickly adapt to changing market conditions and increasing customer satisfaction levels.

The "My World" product, pioneered by Yapı Kredi in the sector, was further developed with applications such as "My Travel+", "My Home+", "My Vehicle+" and "My Salary+".In 2024, the Bank launched the "Plan Your Trip with Setur" application to make flight and hotel reservations using Worldpoint & Advanced Point, and the ChatGPT-assisted "Travel Assistant" application to enable customers to create travel programs and get answers to their questions about visa processes. With the aim of meeting the needs of customers outside of banking services, a new module was designed to easily manage cooperations while offering the services of Kiralarsın via "MyHome+" and "MyVehicle+" applications and the services of EGaranti, Dijital Üyelikler and Ziebart via "My World".

Yapı Kredi redesigned and implemented the corporate customer commercial card application process to offer customers an end-to-end seamless digital experience. Moreover, with this transformation, various digital solutions facilitating daily life were offered, such as campaigns, completing payments with World Pay QR and spending deferral/installment transactions.

Yapı Kredi added new products and functions to its portfolio in 2024, especially Life Insurance and Mobile Phone Insurance in Installment Cash Advance usage under the Insurance Program launched with the aim of making a difference in the sector with digital investments in bancassurance products and increasing product diversity. Moreover, the Supplementary Health Insurance package was enriched with a new package. The channel diversity was increased with the addition of the Supplementary Health Insurance proposal function to the Customer Communication Center channel. Yapı Kredi continues to prioritize digital actions to deliver bancassurance products and services to customers in the fastest and easiest way.

Via the mobile channel, the Bank introduced, together with Life Insurance, the Installment Overdraft Account, which enables customers in need of cash for urgent or planned expenses to use in connection with the Overdraft Account that allows them to meet their needs instantly.

As part of the developments planned to further advance the services offered to Salary and Retirement customers, Yapı Kredi launched, in September 2024, the MySalary+ platform, which can be accessed by Salary and Retirement Banking customers to check their salary flows and to view and benefit from the privileges and campaigns granted to them as a salary customer, and quickly access various transactions such as Payments, Products Special to You, Investments, Private Pension, Supplementary Health Insurance, My Paying Family and E-government transactions. To enrich digital channels, Yapı Kredi continues to design salary customer acquisition and renewal processes with an end-to-end experience on the mobile banking channel.

The Bank diversified the deposit product portfolio with the "Unlimited Account" deposit account, which enables customers to withdraw and deposit money as per their preference, earn daily interest and increase the interest rate with additional interest opportunities.

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The service offered to customers was expanded with products including new features in debit and credit cards.

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Thanks to the Instant Card Issuance in Customer Proactive Renewals, customers were provided with an option to instantly receive their cards from any branch in bank and credit card renewals made through Branch and Call Center channels. With Life Insurance Sales in Installment Cash Advance Usage, life insurance was offered to customers using installment cash advance through mobile and ATM channels, thus providing an interest rate advantage. The Debit Card Acceptance in Mail Order Transactions ensured that automatic bill payment instructions of corporate companies are received with TROY cards while achieving an increase in the turnover of transactions made with TROY cards. Yapı Kredi also continued to carry out developments regarding sustainability. With the improvements in the card letter process, physical letters sent for all processes related to cards were integrated into the document production infrastructure. Moreover, the Bank worked on eliminating not-required letters and sending mandatory letters as SMS/E-mail, thus providing savings.

The use of the Payment with Link product was made possible via Corporate Mobile. In addition, it became possible to make payments with World Pay Shopping Credit and Joker Vadaa via this product. The channels were diversified by ensuring the performance of the Virtual POS product sales currently made from branch screens through Corporate Internet Banking, Corporate Mobile Branch and Call Center channels. As response to Cash Register POS Development Requests, Yapı Kredi completed online integration with four Cash Register (OKC) manufacturing companies, and the sale of cash register POS-enabled terminals was made available to branch and customer communication channels. A total of more than 11,000 cash register POS sales were made in 2024.

Subsidies

Yapı Kredi expanded the use of common modules, smart automation solutions and artificial intelligence products used in the Bank to subsidiaries in order to enable subsidiaries to maintain their leadership in the competitive environments of different sectors and countries in which they operate, to increase productivity and to achieve their profitability targets.

The main banking and digital channels of Yapı Kredi Bank Deutschland, the new subsidiary opened in Germany in 2024, were launched, and products and services were made ready for customers. The entire infrastructure of Yapı Kredi Bank Deutschland was established on the Azure Cloud Platform. All the information technology infrastructure needed by the subsidiary was developed quickly and effectively.

The process for extracting information from e-Archive invoice documents used in Yapı Kredi Factoring flows was improved, and for the first time, a subsidy was enabled to benefit from the document reading automation used by Yapı Kredi for more than 10 years.

Yapı Kredi launched the infrastructure that will enable the approval of documents with mobile approval, a pioneering project in the countries and sectors where domestic and foreign subsidiaries are located, thus allowing the remote and digital completion of product sales and service processes.

In 2024, Yapı Kredi Invest successfully completed the works on the operation of systems from the secondary data center during disaster scenarios. The relevant platforms and applications were transferred to the Ankara data center of Yapı Kredi Invest. By updating the database version, Yapı Kredi Invest achieved performance gains, scalability and continuity while carrying out developments in software, hardware and network infrastructure to ensure system continuity at 99.99%. With infrastructure investments, system capacity was increased, and performance was improved in all screens and processes.

Yapı Kredi Yatırım bağlı ortaklığının felaket senaryosunda sistemlerin ikincil veri merkezinden çalıştırılmasına yönelik çalışmalar 2024 yılı içerisinde başarı ile tamamlanmıştır. Yapı Kredi Yatırım Ankara veri merkezi içerisinde ilgili platform ve uygulamalar Ankara'ya aktarılarak çalışma sağlanmıştır. Veritabanı versiyon güncellemesi yapılarak performans kazanımları, ölçeklenebilirlik ve süreklilik sağlanmış olup, sistem sürekliliğinin %99,99 seviyesinde gerçekleşmesini sağlayan yazılım, donanım ve network alt yapı çalışmaları yapılmıştır. Alt yapı yatırımları ile birlikte sistemsel kapasite artırılmış, tüm ekran ve süreçlerde performans artışları sağlanmıştır.

Banking Operations Management

Although 2024 was a year affected by ongoing retirement-related departures, the balance of risk, efficiency and service quality was maintained without any interruption thanks to the early measures taken for Yapı Kredi Banking Operations. Moreover, the Bank achieved significant improvements in service quality compared to the previous year.

SERVICE QUALITY

Despite retirement-related departures in 2024, Yapı Kredi reached a compliance rate of 95% with the customer service level regarding the transactions carried out by the Banking Operations team, thus gaining 8% increase compared to 2023.

The Bank monitors the Semi-Business Indicator to reduce the ebb and flow experienced due to the forwarding of customer transaction requests to the central teams by the branches. The indicator decreased by 9% compared to 2023 and reached 5.2%.

Yapı Kredi launched a new application to meet the instant cash needs that may arise in ATMs provided by suppliers. The Bank expects CIT budget savings with the third phase of the project developed with the aim of improving ATM service stability and customer satisfaction. Today, the project is implemented in 110 pilot branches.

In 2024, card delivery rates within two days increased from 51.2% to 55.4% for credit cards and from 50.5% to 55.9% for debit cards.

The project implemented as of June 2024 ensured the automatic resolution of 15,800 ATM-related customer cash jam problems without a complaint record.

Thanks to the improvements in letter of guarantee disbursement via internet banking, the number of disbursements tripled compared to the previous year.



Despite retirement-related departures in 2024, Yapı Kredi reached a compliance rate of 95% with the customer service level regarding the transactions carried out by the Banking Operations team, thus gaining 8% increase compared to 2023.

Moreover, Yapı Kredi made improvements in guarantee process automation. Together with the online integration with official institutions, transactions can be verified at the time of entry, user errors are prevented and service quality is increased.

Yapı Kredi became the first private bank to issue letters of interest electronically with the digital transfer of the Performance Guarantee issued for public institutions under the E-Tender, the letter of guarantee on VAT refund issued for Tax Offices and the letters of guarantee (KOSGEB Supports (Fixed Term), KOSGEB Supports (Non-Term)) issued for KOSGEB (Small and Medium Industry Development Organization).

As of July 2024, the Bank started to issue export value acceptance certificate (IBKB) with 2% foreign exchange conversion support premium via internet banking.

In 2024, Yapı Kredi launched the project to obtain the necessary permits to provide crypto asset custody service. The work on the project will continue in 2025.

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PRODUCTIVITY

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The Operation Sharing Model, implemented recently to maximize the pool management and support structure of central operation teams in terms of efficiency, started to be used for task sharing between branches and head office. In all Retail and Mixed branches, 41 types of transaction, constituting 88% of the transactions, are included in the model.

Enabling each employee to see their individual performance and their place within their team/department, the Performance Dashboard is now available for both the Head Office and Branch teams, which ensures transparent performance evaluation and fair management.

The "Leave Support Model" implemented to support absences in branches enables branches with suitable workloads to support each other instead of supporting absences physically or from central teams. Thus, all leave requests are met while significantly contributing to efficiency.

Under the Remote Operation Service Model, Yapı Kredi started to provide operational transactions with remote support in 86 branches. The process and responsibilities were clarified, thus ensuring the stability of internal branch operations and minimizing operational risks.

Approximately 10,000 check transactions per year were transferred to a robot and automated.

By ensuring that refund requests for promissory note without transactions are entered into the system as file uploads, automation was achieved in approximately 40,000 transactions per year.

The integration with POS Field companies enabled the automation of monitoring and management of POS stocks and entering the fees/refunds of lost POS devices to merchant accounts.

Yapı Kredi started the robot-assisted implementation of cash withdrawal transactions made via the CBRT. Thus, 6,600 cash withdrawal transactions per year are enabled to be carried out by the system.

Moreover, robotic support is provided to manual tracking and control of stuck customer cards which are required to be destroyed.

OPERATIONAL RISK

Yapı Kredi completed the phase 1 work on the integration of the Main Vault Automation Program, banking system and supplier company. Thus, branch request/transfer transactions are automatically transferred to the main vault automation system while the records from the ATM supply suggestion system started to be transferred to the main vault automation system and supplier company ERP systems as work orders. The Bank aims to complete the second phase of the integration in 2025 to reduce operational risk by providing automatic accounting of ATM reconciliation processes.

In 2024, card payment rule governance processes were redesigned to prevent risks arising from possible rule incompatibilities and irregularities regarding payment technologies.

Moreover, Yapı Kredi continued to outsource foreclosure and official institution transactions, positively affecting the number of jobs generated, SLA and overtime. The Bank won the first place among 10 projects in the 2024 Hackhaton with a project on the automation of currently-outsourced transactions thanks to system developments.

In credit operations, it is ensured that in special collateralized credit extensions (CGF-IGE etc.), the collateral amount and term approved by the relevant institution are automatically filled on bank screens so as to prevent user errors.

ECO-FRIENDLY OPERATIONS

In 2024, cloth bags were used instead of 580,000 plastic bags in branch request/transfer transactions and 960,000 plastic bags in ATM replenishment/pulling transactions, thus making a positive contribution to sustainability.

Moreover, as of May 2024, the changes in processes and developments in the system infrastructure related to the delivery of cards to cardholders with an additional card delivery form provided savings of approximately 120,000 sheets of paper and courier expenses in the delivery of approximately 100,000 cards.

With the aim of reducing notary expenses and preventing paper waste in Legal Proceedings, the notification sending limits arising from merchant receivables were increased to eliminate the printing of 42,000 papers per year.

OUTLOOK

In 2025, Yapı Kredi Banking Operations Management aims to

- carry out backups for future absences caused by EYT ("Victims of Delayed Pension Age") without any business interruption.
- quickly complete the training and adaptation of new branch and central teams with changes in plans and content for experienced and inexperienced candidates,
- ensure the digitalization of all operational processes, and
- expand the scope of the services provided with new business models (offering services to foreign subsidiaries with the "Overseas Operations" team, etc.).

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Technological Risks and Cyber Security

Digital transformation and technological developments have led the banking industry to develop risk management tools to ensure the security and privacy of customer information and personal data, and to manage increasing cyber threats.

The Information Security Committee is responsible for the oversight of the information security management system at Yapı Kredi. The Committee carries out the activities of establishing, updating and implementing the information security policies in the Bank on behalf of the Board of Directors, and reports annually to the Board of Directors on cyber security.

You can find more information about the Information Security Committee here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here. here.

CYBER SECURITY INVESTMENTS COME FIRST

Yapı Kredi manages data security under relevant policies and processes. Data are classified depending on their confidentiality, integrity and accessibility. In this context, security measures are taken to ensure the integrity and confidentiality of data.

The Bank designs and implements controls to detect and prevent data leakage, while prioritizing cyber security investments. Yapı Kredi carries out monitoring activities 24/7 to detect and prevent cyber attacks, to realize immediate interventions if necessary. Security trail logs collected from all related software and hardware products are subject to correlation rules, making the detection and prevention of cyber incidents possible. In line with international standards and local legal regulations, the Bank regularly conducts internal and external audits, application security tests on applications as well as vulnerability analysis and penetration tests on information assets.



In 2024, 4,720 hours of informatio security training was provided to 4,637 Bank employees.

Yapı Kredi aims to constantly review and improve its banking processes, and to enrich digital channels with innovative products and services. The Bank further aims to expand the use of Al, advanced analytics and machine learning technologies to different channels and applications to improve the agility and scalability of the technology infrastructure and to increase the success and efficiency of fraud detection systems. In this context, analytical behavior fraud prevention processes are supported with detection applications and artificial intelligence-based models.

GOING BEYOND FULL COMPLIANCE WITH LEGISTATIONS

Yapı Kredi implements practices that go beyond the requirements of the Banking Law and other legislation, with in-house policies such as the Code of Ethics and Business Conduct, Corporate Policy on Protection and Processing of Personal Data, and Information Security Policy. The Bank constantly informs its customers about the internal policies in this area and the measures the customers can take for cyber security. In addition, the Bank informs all its employees about the changes and amendments in the applicable legislation and/or rules, and observes the obligation of the employees to comply with the internal policies and rules.

Yapı Kredi is subject to the regulations of the Banking Regulation and Supervision Agency (BRSA), the regulatory authority of the banking sector in Türkiye. The BRSA published a regulation on Information Systems and Electronic Banking Services. This regulation requires an information security management system mechanism equivalent to ISO 27001 Information Security Management System. Yapı Kredi is regularly audited by the BRSA every year. In addition, audit activities are carried out every year under the SWIFT framework, which defines money transactions in foreign currency to bank accounts located in Türkiye or abroad.

In cases where it is necessary for Yapı Kredi to share data with third-party companies, contracts with companies comply with Yapı Kredi policies and standards, and include commitments to ensure the data security required from banks under Foreign and Support Service procurement section of the BRSA Information Systems and Electronic Banking Regulation. Evaluating and scoring the security levels of the suppliers the Bank works with continued in 2024.

A comprehensive information security awareness program is carried out for all employees at Yapı Kredi. The program covers trainings, tests, announcements, and bulletins related to information security. The Information Security Awareness Days event, which was first held in 2021 within the scope of the information security awareness program, continued this year. In 2023, the third Information Security Awareness Days were held for the employees. In this event held in October, which is recognized as Cyber Security Month in the world; Banking executives and speakers from the security industry Information was provided to employees on various issues related to information security, and competitions, announcements and guides prepared on different subjects were presented to employees. Information Security Awareness Days events are planned to continue in 2025.

Moreover, phishing tests are conducted throughout the year to raise awareness of all employees against phishing attacks, one of the biggest threats to cyber security. Data security and privacy issues are included in various trainings on information security awareness to improve the awareness of employees on these issues. In addition to information security trainings, awareness is also raised through trainings for employees on the Law on the Protection of Personal Data. Within the scope of the information security awareness program; In 2024, 4,720 hours of information security training was provided to 4,637 Bank employees.



Yapı Kredi plans to continue and expand studies and projects on cyber security in 2025. To this end, the Bank continued to apply the program called Secure 360, covering the years 2023- 2025, developed to maximize the security of both the bank and its customers.

Always focusing on the security of customers and employees, Yapı Kredi Studies continued cyber security awareness activities in 2024. In line with the principle of quality, responsible and compliant banking, the Bank gives priority to compliance with banking laws and regulations. The Bank regularly monitors developments in information technologies, new business models, security solutions, cyber security-related attacks and threats as well as security regulations.

In 2024, projects were carried out to improve our security visibility and proactive approach. Within the scope of these projects, studies have been carried out to improve our cloud security posture, and the currently operated processes have been expanded to combine both attack and defense techniques (purple team activities). As a result of the studies carried out, 33 new rules were written specifically for cloud security in 2024 and 6 reports were created based on the purple team studies.

In addition, new studies have been planned to follow new technologies and trends and to increase our forensic capabilities, and research has continued in this direction. Yapı Kredi plans to continue and expand studies and projects on cyber security in 2025. To this end, the Bank continued to apply the program called Secure 360, covering the years 2023- 2025, developed to maximize the security of both the bank and its customers. The Secure 360 corporate security program aims to effectively combat

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new generation cyber threats, introduce new generation security technologies, and work on fraud, abuse and transaction security in order to ensure the security of customers.

The Bank aims to design new projects in line with the Zero Trust principles that became prominent in cyber security in recent years. Critical data discovery and Hardware Security Module in structured and unstructured environments With the HSM) transformation projects, important projects in the field of data security were implemented last year. In addition, the DDOS protection infrastructure was renewed in 2024 and it is planned to establish a new infrastructure that will improve the existing email security infrastructure in the coming year.

PRECAUTIONS FOR CUSTOMER SECURITY

At Yapı Kredi, customer security is considered a top priority, and for this purpose, suspicious transaction monitoring and prevention activities are carried out 24/7. In order to ensure the continuity of these monitoring activities, legislation-compliant systems that are supported by the necessary technological investments and capable of responding to current and new fraud trends are used. Both domestic and international sectoral developments are followed and future improvement and development steps are taken.

Although customer security efforts are not limited to our monitoring activities, regular information is provided to customers to increase their security awareness against possible external fraud cases. In security information provided through different channels such as SMS, MMS, e-mail and social media, current fraud methods and how customers can ensure the security of their information against attempts they may be exposed to are explained. Proactive information activities continued in 2024.

To protect the information entrusted by customers, Yapı Kredi will constantly review, improve and implement cyber security measures in accordance with national and international security standards.



Regular information is provided to customers to increase their security awareness against possible external fraud cases continued in 2024.

INFORMATION SECURITY AUDITS

Units reporting to the head of the Corporate Security

Management take action and measures against risks related to
information security. Units reporting to the Corporate Security

Management and other Yapı Kredi Technology teams are subject to
security audits by the Information Security Audit and Information
Technologies (IT) Audit units.

Other Subsidiaries

BANQUE DE COMMERCE ET DE PLACEMENTS

Yapı Kredi holds 31% of the capital of Banque de Commerce et de Placements (BCP), established in 1963 in Switzerland, active in structured commodity trade finance, wealth management, treasury, and capital markets. Celebrating its 61st anniversary, BCP has been offering custom-tailored services and solutions to its commercial, private and corporate customers. The Bank provides high level of service quality and innovative products and services with high added value in its segments, enjoying a reputable position with its ever-growing customer and correspondent bank portfolio around the world. Established in accordance with Swiss Banking Laws and Regulations, BCP is subject to the supervision of the Swiss Financial Market Supervisory Authority (FINMA). BCP is headquartered in Geneva. The Bank also operates through its branch in Luxembourg and its representative office in Dubai.

In 2024, major central banks continued their restrictive monetary policies until the second half of the year in order to continue their combat with the high level of inflation which started during the COVID pandemic in 2020-21. The efforts were successful in taming the inflation, albeit slightly above the long-term targets of 2%. However, lasting longer than anticipated, high interest rates reduced global economic growth, lowered the demand and prices for essential commodities (energy, food, metals) and negatively impacted the Bank's commercial activity and business turnover. Moreover, the two ongoing wars between Russia and Ukraine and in the Middle East, rising political polarization and elections held in many countries (40% of the world's population went to the polls) have profoundly increased economic and political uncertainties, further adversely affecting the Bank's operating environment. Alongside negative investor sentiment, there has been significant turmoil in financial markets, stagnation in commodity demand except precious metals and continued caution among private customers. As a result, the Bank's transaction volume in all business segments decreased, reaching



As a result of the new markets, products and customers added to the Bank's portfolio, the Bank achieved a net economic profit of 66.5 million Swiss Francs, representing a 4% increase over 2023.

its lowest level of credit leverage since the beginning of the COVID pandemic. The contracting global economic growth and heightened uncertainty in the operating environment have necessitated close and meticulous monitoring of credit, compliance and market risks as well as strict cost management in order to deliver a sustainable returns to the shareholders. However, as a result of the new markets, products and customers (both commercial and private) added to the Bank's portfolio, the Bank achieved a net economic profit of 66.5 million Swiss Francs, representing a 4% increase over 2023 and realized Average Return on Tangible Equity (AROTE) of 9.8% compared to 10.3% in the previous year.

In 2024, BCP's cost-to-income ratio stood at 46% and Tier 1 capital ratio at 19% which were 43% and 18.5%, respectively, in 2023. BCP's international commodity finance transaction volume was realized as 30 billion Swiss Francs in 2024, down by 7% from 2023. The Bank's consistency in its customer-focused business policy and in its service to its long-established and broad customer base in its sector further increased BCP's recognition in the commodity finance market.

Focusing on product and geographical-oriented diversification as a strategic goal in its main fields of activity, BCP commits to maintaining a healthy level of asset quality with effective risk control while expanding its customer portfolio both in commodity trade finance and wealth management segments.

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YAPI KREDİ TECHNOLOGY

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Founded in 2015 at İTÜ ARI Teknokent as a 100% subsidiary of Yapı Kredi, Yapı Kredi Technology along with the R&D Center established in 2019 at Yapı Kredi Banking Base pursues its innovative research and development activities in the banking and finance sector with nearly 500 research staff.

In 2024, value-added efforts in open banking and generative artificial intelligence, as well as developments in the pioneering Benim Dünyam (My World) mobile application, came to the forefront.

Products and services such as Sınırsız Hesap (Limitless Account), Taksitli Esnek Hesap (Flexible Installment Account), and Mobil'den Link ile Ödeme (Payment via Link from Mobile) were introduced to bank customers through Yapı Kredi Mobile. Additionally, the Taksitli Esnek Hesap (Flexible Installment Account) and Taksitli Nakit Avans (Installment Cash Advance) products were offered with insurance options.

Moreover, corporate internet banking and mobile banking applications remained enriched by adding open banking data to the cash flow platform, which allows customers to monitor their cash flows based on their income and expenses, aiming to enhance the overall service experience.

As part of the Açık Bankacılık v1.1 (Open Banking v1.1) initiative, improvements compliant with separate strong customer authentication (SCA) and event notification infrastructures were completed while enhancing the customer experience.

In 2024, the bank established its generative artificial intelligence team with the vision of leading innovative technologies. The team aims to develop innovative and cutting-edge solutions in the field of generative artificial intelligence to provide added value to various departments of the bank and its customers.

A significant step forward was made in the field of Turkish natural language processing with the development of the Turkish Large Language Model (LLM), which operates independently of external sources. This model is planned to be utilized in all generative artificial intelligence projects.



In 2024, the bank established its generative artificial intelligence team with the vision of leading innovative technologies.

Through the KUVARS project, a generative AI-supported corporate search engine was developed to enable fast and efficient access to information and documents within the bank's knowledge portal. Trained language model by own means, which is proficient in financial terms such as overdraft accounts and bank statements, operates on this platform and enhances employee productivity while supporting data-driven decision-making processes.

Feasibility studies were conducted using open-source, multimodal language models to generate visuals from text and edit existing images. This technology aims to provide creative visual solutions for the bank's customer relations, marketing, and design teams. Technologies utilizing image processing algorithms, a subset of generative AI, were developed to verify handwritten text required by law on documents and to ensure the accuracy of signatures on those documents. This technology was integrated into document control processes.

Additionally, a Text-to-Speech (TTS) model that can convert written text into natural and fluent speech was developed. This technology has been deployed in ATMs and is planned for future use in areas such as automated response systems in call centers and accessibility solutions.

A Speech-to-Text model, which converts speech into text, was also developed. This model is intended for use in areas such as analyzing customer conversations and facilitating voice-based interactions within call centers and banking systems.

By utilizing artificial intelligence to read court letters transmitted via the National Electronic Notification System, it became possible to automatically complete unblocking processes mentioned in the correspondence.

An Al-based product was launched to support the operational business processes of corporate customers seeking to use letters of guarantee. Based on the sample letters provided by customers, this solution determines the most appropriate content of a letter of guarantee by aligning with either the bank's existing standards or free-text templates. This aims to significantly reduce the time that users dedicate to manually search for the letter templates.

The SmarTravel and NextConAl projects, supported by Celtic Next, Eureka, and TÜBİTAK, have been completed during which an expertise in Al-powered speech-to-text, sentiment analysis, and speech synthesis technologies was developed.

Our innovative Quantum-based project, which analyzes potential payment issues with commercial customers and predicts the risk of "Non-Performing Loans (NPL)," was qualified to be showcased at the Davos Economic Summit and earned a spot on the World Economic Forum's Quantum Applications Hub platform. This project holds significance in representing the bank's vision for advanced technology on a global scale.

Our FOCA application, which has been used within the bank since 2018 to digitize trial balances and support the decision-making processes of the sales and financial analysis units, was commercialized in 2024 and sold to Koçfinans. FOCA is Yapı Kredi Technology's first project to be converted into a commercial success.

The SWAN application, developed for our Risk Validation team to automate performance tests of regulatory and managerial risk models and optimize the parameters of machine learning algorithms, is now in use across 11 different risk models. This application has resulted in increased operational efficiency and significantly reduced the manual workload.

In 2024, as the R&D Directorate, four academic papers have been published at national and international peer-reviewed conferences. This achievement once again demonstrated our leadership in developing innovative technologies.



In 2024, as the R&D Directorate, four academic papers have been published at national and international peer-reviewed conferences.

A technology within the bank to verify customer signatures on documents using Al-powered image processing and deep learning algorithms had been implemented in 2023. These algorithms, designed to control signatures on documents and checks provided by customers, have been further enhanced in 2024. A new algorithm was developed to detect forged signatures to mitigate the risks posed by signature replication through different methods. As part of the Digital ID efforts, a prerequisite for Digital TL (Turkish Lira), Yapı Kredi Technology became the first institution to validate and record transactions on the SSI Türkiye Blockchain Publicnet Network after TÜBİTAK servers. Work has begun on incorporating the Digital ID step into login mechanisms of our own applications.

Our preparations for Digital Turkish Lira project of the Turkish Central Bank continued in 2024. The necessary technological infrastructure was established to store the Digital Turkish Lira in the bank's systems, a currency that has the potential to revolutionize the financial world through the digitization of cash, programmable payments, and the trade of tokenized assets. Alongside these initiatives, Yapı Kredi Technology also utilized the European Union's Horizon Europe program calls to ensure the recognition of our R&D activities on an international scale and to benefit from international collaborations.

In collaboration with Koç University, we became the national stakeholder in a funded Horizon Europe project, which aims to develop a Quantum Center of Excellence in Europe.

We also participated in the Horizon Europe application for the TRUMAN project, which aims to develop cross-sector explainable and resilient AI models, involving 12 international partners.

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Additionally, we secured the right to use Mexulina, a highperformance computer located in Luxembourg, free of charge through an initiative with the EUROHPC agency of the EU. This will support the development of a virtual assistant in the mobile banking app using a Turkish language model for financial services.

ALLIANZ YAŞAM VE EMEKLİLİK

Allianz, the parent company of Allianz Yaşam ve Emeklilik A.Ş., is one of the largest insurance and asset management groups in the world, serving to over 122 million customers with more than 159,000 employees in more than 70 countries.

Acting with the vision of pioneering a new generation insurance business focused on customer satisfaction and technology and being a social brand that increases the life quality of the society, Allianz Yaşam ve Emeklilik, under the roof of Allianz Türkiye, provides services in private pension and life insurance with products for individual and corporate needs.

Together with its subsidiaries, Yapı Kredi Bank holds 20% shares of Allianz Yaşam ve Emeklilik A.Ş. The long-term strategic cooperation between the Bank and Allianz is regulated by a 15-year exclusive bancassurance partnership agreement concluded in 2013. Allianz's insurance and private pension products are offered to customers through Yapı Kredi's extensive branch network and innovative alternative distribution channels.

Allianz Türkiye, that incorporates Allianz Yaşam ve Emeklilik, is one of the leading companies in the insurance and pension sector, with a premium and contribution production of TL 117 billion as of the end of November 2024 and an Individual Pension fund size of TL 190 billion, according to consolidated data. The company aims to grow in real terms in both insurance and pension branches in 2025 and beyond. Leading the sector in areas such as customer experience, employee loyalty, agility, digitalization, sustainability and innovation, Allianz Türkiye was the first institution to publish an integrated report in the insurance and pension sector and among non-public companies.



Allianz's insurance and private pension products are offered to customers through Yapı Kredi's extensive branch network and innovativ alternative distribution channels.

TANI

Tanı has been serving its customers with loyalty programs, campaign management, data analytics and business intelligence solutions since 2002. In addition to data and CRM services, Tanı offers end consumers payment and loyalty experiences for various brands on a single platform with its mobile payment and loyalty application "Chippin".

In 2024, Tanı aims to enrich the CRM customer portfolio by continuing infrastructure investments, to position Chippin as a "loyalty program aggregator" through collaborations with leading retailers from different sectors, and to create an eco-system that responds to the shopping needs of the consumer's daily life, including different payment solutions.

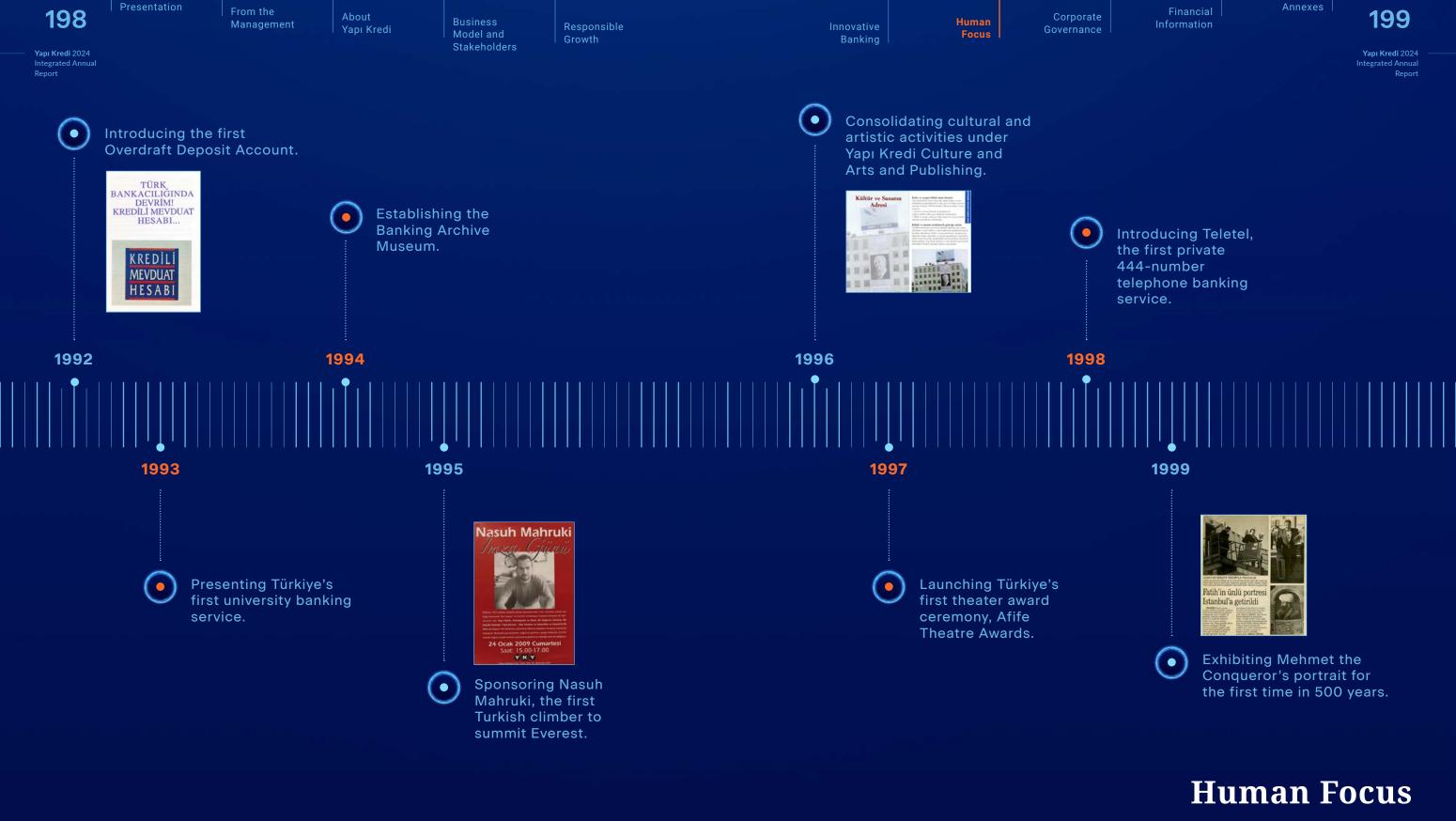
YAPI KREDİ CULTURE AND ARTS AND PUBLISHING

Established in 1984 and wholly owned by Yapı Kredi, Yapı Kredi Culture and Arts and Publishing (YKKSY) is one of the most oldest culture and arts institutions in Türkiye. YKKSY publishes important works and organizes cultural events and exhibitions, thus making valuable contributions to social development and cultural life.

You can find detailed information on Yapı Kredi Culture and Arts and Publishing's activities in 2023 in the Contribution to the Society section.



In 2024, Tanı aims to enrich the CRM customer portfolio by continuing infrastructure investments, to expand Chippin eco-system.



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Customer Experience

BEING THE BANK THAT PROVIDES THE BEST EXPERIENCE TO ITS CUSTOMERS

In 2024, Yapı Kredi focused on understanding the needs and expectations of its customers with the goal of being "The Bank That Provides the Best Experience to Customers." The bank has worked on strengthening its relationship with customers by offering products and services that build trust and make customers feel that the bank is by their side. To understand the financial needs of customers and to gather feedback from every touchpoint, the solutions provided by the bank's leading position in technological and digital infrastructure have been used, and efforts have been made to perfect the experience offered to customers.

WE TURN OUR CUSTOMERS' FEEDBACK INTO IMMEDIATE ACTION

Yapı Kredi has implemented the Experience+ platform, which is accessible to all employees, in order to collect real-time feedback from all touchpoints, transparently communicate the results to all stakeholders, and design ad-hoc research studies. The Experience+ platform tracks experience research and its outcomes. To turn the development areas identified through the Experience+ platform into actionable steps, 8 Central Cycles and over 40 Channel Cycles were conducted throughout the year with the participation of all teams, and 23 branch and regional visits were made. As a result of these efforts, more than 25 development projects have been launched. Thanks to the Experience+ platform and the joint efforts of all teams, a space has been created that keeps customer needs and expectations at the center, while also providing employees with the opportunity to take immediate action.

Thanks to the Experience+ platform and the collaborative efforts of all teams, a space has been created that keeps customer needs and expectations at the center while also providing employees with the opportunity to take immediate action. With Experience+,



In 2024, feedback was collected from over 3 million customers.

not only has real-time insight been collected, but customer journeys have also become fully measurable. Additionally, both quantitative and qualitative research have been used to identify pain points along the journeys, and more targeted actions have been implemented.

The Customer Experience Research Laboratory team has continued its work with a central approach, adopting a proactive perspective in addressing the demands, needs, and issues of both external and internal customers. Approximately 100 research studies have been completed using the bank's internal resources.

In 2024, feedback was collected from over 3 million customers. Additionally, with the analytical models that were completed and developed last year, the attitudes of all customers towards the bank are now predicted on a daily basis. These prediction models have provided valuable input to the sales and deepening activities carried out by the Customer Relationship Management (CRM) team. As a result, actions have been identified to turn disengaged customers into loyal supporters.

Through the Loyalty Economy Calculation, not only has the lifetime value of loyal customers and disengaged customers been calculated, but the estimated return of each planned development has also begun to be calculated. This approach has enabled the prioritization of projects that will both increase customer satisfaction and create more value.

In 2024, Yapı Kredi maintained its position in second place in the Net Promoter Score (NPS) research. Through the implementation of analytical projects, Yapı Kredi won the Gold Award in the "Best Use of Customer Insight" category at the Stevie Awards, and reached the finals in the "Supporting Employee Engagement and

Experience Excellence" category at the Gartner Marketing and Communications Awards. Furthermore, following audits, the ISO 10002 Customer Satisfaction Quality Management Certification has been successfully renewed in 2024.

CUSTOMER EXPERIENCE PERFORMANCE METRICS	2024
Net Promoter Score Ranking	#2 (Position maintained.)
Number of Customer Complaint	%18 below the industry average
Customer Complaint Resolution Time	Aligned with the industry
Experience Surveys Sent to Customers	Surveys were sent to over 12 million customers through approximately 100 different research studies.
Customer Feedback	3 million feedback and 800K open-ended customer comments were collected.
Services Developed Based on Customer Feedback	Over 25 experience improvement projects were carried out with a ~%25 increase.
Customer Experience Committee	Conducted 4 times
Number of Off-Branch ATMs	With 4,200 Off-Branch ATMs, leader among private banks
Number of Accessible ATMs	5,769
Contracts Translated into Sign Language	37 contracts and information forms were translated into sign language.
Customer Information Score	#1 (Same score maintained as the previous year)
Number of Communications with Customer Contact Center	57.9 M
Customer Contact Center Service Level	80.32
Customer Contact Center Call Handling Rate	95.3
Number of Products Offered by Customer Contact Center	75

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In addition to the research conducted for our bank's customers, the Internal Customer Satisfaction Survey, which has been regularly conducted for the last 20 years, was also carried out by the Research Laboratory in 2024. This allowed teams within the bank to provide feedback on the services they receive from each other, helping to identify both strengths and potential areas for development. Based on the research results, action areas were determined for each team. As a continuation of the Internal Customer Satisfaction Survey, the Mirroring Study was conducted to measure the mutual perception of customers and employees, and to simultaneously compare processes from both the internal and external customer perspectives. As a result, improvement areas were identified in more than 20 processes.

CUSTOMER CENTRICITY HAS BECOME A WORK CULTURE

In 2024, Yapı Kredi continued to place its value of "Our Customer is Our Focus" at the heart of all efforts aimed at perfecting the experience which is provided to its customers. Through the Experience+ platform, which was established to listen to customers' voices across all channels and allows all Yapı Kredi employees to track customer feedback in real-time, the needs, expectations, and emotions of customers were closely monitored, and actions were taken based on the feedback received from customers.

Based on customer insights gathered from both research and complaints, journey mapping studies have been conducted, and projects aimed at improving the customer experience have been initiated using design thinking methods. Experience projects are evaluated in regular meetings with all relevant stakeholders within the bank, and decisions are made collectively to implement them. In 2024, more than 25 projects were completed to improve customer experience. Additionally, approximately 13,000 pieces of informational content were reviewed to establish clear and understandable communication with customers.

To provide customers with a flawless experience, communication efforts and training programs aimed at increasing employee

awareness and developing their competencies continued in 2024. Training sessions were implemented to support employees in delivering excellent service during the most critical experience moments, such as greeting and farewell customers at branches. In addition to the training, the "Blue Book" content, which includes the standards for the experience offered at branches and serves as a guide for all branches, was updated and supported by communication efforts aimed at increasing its usage. The "Blue Book" will continue to be a living resource in the coming years, regularly updated to meet the needs of both customers and employees.

It is crucial to keep customer centricity on the agenda of employees to ensure that it continues to live as an inseparable part of the corporate culture. Throughout the year, Yapı Kredi has implemented communication efforts, such as newsletters, podcasts, and knowledge competitions that both engage and support employees by focusing on trends in customer experience and tips to perfect the experience.

All initiatives are regularly shared at the Customer Experience Committee and are closely monitored by the Senior Management

%9 DECREASE IN COMPLAINTS PER ACTIVE CUSTOMER

In 2024, the bank maintained its focus on complaint resolution processes and continued to offer proactive solutions for the issues faced by customers. Problems were systematically identified and resolved, while customers were regularly informed throughout the process. Through First Contact Resolution (FCR), issues are resolved at the first point of contact with the bank. Additionally, by analyzing customer complaints, pain points in customer journeys across our products and services were identified, and comprehensive experience projects were implemented in these areas. By addressing the root causes of complaints, systemic improvements were made, ensuring that not only immediate issues were resolved but also preventing the recurrence of the same problems.



In 2024, our active customer base increased by 13% compared to the previous year, while the number of complaints per active customer decreased by 9%.

With the goal of perfecting the customer experience, new technologies such as big data, machine learning, and artificial intelligence have been leveraged, significantly improving both customer experience and operational efficiency. In 2024, our active customer base increased by 13% compared to the previous year, while the number of complaints per active customer decreased by 9%.

In 2024, one of the biggest expectations of customers from banks, privacy and security, came to the forefront. Yapı Kredi approached this issue with greater sensitivity than ever, taking proactive measures and addressing all customer complaints related to privacy and data loss with great care, resolving them effectively.

Yapı Kredi evaluates the performance of its complaint resolution teams using scorecards that include parameters such as efficiency, number of resolutions, resolution times, and survey results. The primary focus of these scorecards is on efficiency, while customercentric metrics such as solution quality and resolution time are closely monitored. In the upcoming period, Yapı Kredi will continue to implement both individual and systemic improvements in the complaint resolution processes, ensuring sensitivity and care in this area that directly impacts customers' daily lives.

OUTLOOK

2025 GOAL: THE BANK THAT PROVIDES THE BEST EXPERIENCE

- To create personalized solutions through journeybased neuroscience research, alongside traditional research, to better understand our customers and meet their financial needs.
- To analyze feedback collected from all touchpoints using generative artificial intelligence, predict customer experience scores through modeling studies, and take proactive actions accordingly.
- To further expand the use of technological resources in complaint management to improve both customer experience and operational efficiency.
- To deepen our understanding of customer insights and continue designing end-to-end journeys based on customer needs and expectations.
- To continuously implement change management and training efforts necessary to strengthen the customercentric corporate culture as one of the pillars of the organization.

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Customer Relations Center

Yapı Kredi Customer Relations Center meets the banking needs of its customers 24/7 in Turkish and English, embracing the philosophy "Limitless Service". The Customer Relations Center offers services with more than 1,100 employees in a total of seven locations: Kocaeli, Samsun, Izmir, Hatay, Kahramanmaraş and Adıyaman, as well as the new center in Ankara. Moreover, the Center's operations are supported by nearly 800 employees working for its business partners.

The Customer Relations Center completed more than 108 million customer contacts, providing its customers with nonstop service through voice assistant and various channels such as self-service transactions, incoming calls, outbound calls, Video Banking, written media, and IVN.

In 2024, regarding operations, the Bank focused on improvements related to efficiency, offering much faster and easier access to customer services. The Customer Relations Center provides service 10 seconds faster than the sector with the self-service usage rate exceeding the sector average.

The Customer Relations Center ranked as the most recommended communication center among banks of similar size with 59 points, scoring 5 points above the sector average.

The Customer Relations Center continued to be a strong sales channel for Yapı Kredi. In 2024, the Center achieved a 7% increase in sales compared to the previous year, exceeding 3 million strategic product sales.

As a pioneer in deploying innovative technologies within the sector, the Customer Relations Center received two prestigious European awards for its Speech Analytics tool and Gamification application.



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AI-ASSISTED AGENT SUPPORT

To deliver faster service, reduce call durations, and enhance service quality through the Customer Relations Center, the Bank began integrating its current support tools, such as probable call reason detection, communication history, and sales assistant, with more advanced, Al-based applications. The new Al model, ChatCCX, will analyze customer needs in real time and provide agents with relevant responses and suggestions, thus simplifying operations and significantly improving productivity.

Combining technologies like natural language processing and machine learning, the new Al model will play a key role in delivering personalized customer experiences and boosting sales.

ChatCCX, capable of analyzing customer speech and emotions in real time, will gather relevant information from multiple screens and archive systems within seconds, offering the agent the most suitable responses and solutions for a quick service to customers. The Al assistant will also analyze the conversation to identify sales opportunities and recommend the most relevant products to customers. By shortening customer interactions and increasing satisfaction, ChatCCX will enhance both customer profitability and operational efficiency.

AWARD-WINNING TECHNOLOGIES AT THE CUSTOMER RELATIONS CENTER

In 2024, the Customer Relations Center's achievements were acknowledged with two international awards. At the European Contact Centre & Customer Service Awards, one of Europe's most prestigious events, the Center received the "Best Use of Data & Insights" award for a project that uses speech analytics to identify potential customers during calls and increases sales through smart scenarios.

Launched in early 2024, the gamification platform BizPlay earned a silver award in the "Future Workforce Management" category at QORUS. By gamifying sales targets and offering campaign management with various reward mechanisms, BizPlay boosted both goal orientation and motivation among employees at the Customer Relations Center. Moreover, the platform incorporated training and information modules, thus contributing positively to key goals such as sales performance, motivation, learning, and development at the Center.

These international awards further strengthened the Customer Relations Center's position in the industry across areas such as technological innovation and human resources management.

GROWING SALES PERFORMANCE

The Customer Relations Center, one of Yapı Kredi's main sales channels, achieved an outstanding success in 2024 with a total of 3 million sales of strategic products such as General Purpose Loan, Credit Card, Flexible Account, Installment Cash Advance, Automatic Invoice Orders and Insurance. In addition to inbound and outbound call channels, products and services are also offered for sale to customers through the outsourcing business model. Despite rising interest rates, the Bank increased the volume of General Purpose Loans by 40% compared to the previous year, reaching a total volume of TL 24 billion. Moreover, by focusing on insurance and PPS products, the Bank achieved 96,000 sales in 2024, increasing its performance fivefold compared to 19,000 sales in 2023.

Using data analytics in all business processes, the Customer Relations Center offers products by creating smart scenarios and ensuring pinpoint customer-product matching. Yapı Kredi constantly reviews and updates Smart Sales scenarios to increase sales efficiency. The sales gain obtained with Smart Sales scenarios realized as 80% of all sales.

EASY BANKING WITH VOICE ASSISTANT

The Voice Assistant welcomes customers to the Customer Relations Center. To establish natural dialogue, the Assistant is designed in line with cutting-edge technology and the needs of the users.

The natural dialogue technology of the Voice Assistant ensured 93% accuracy in responding to customers' voice commands. Thanks to the technology capable of more than 170 self-service transactions, a total of 36 million transactions were carried out in 2024 without the need for customer representatives, providing fast and secure access to extensive banking services.

Maximizing its smart sales capabilities, the Voice Assistant can direct customers with high sales potential to special agent groups by analyzing the customer commands. In addition to presenting 18 products to customers, the Voice Assistant's smart features also provide proactive notifications and smart directions to customers, meeting customer needs. Positioning IVN as a strong sales channel, the number of sales through this channel increased from 1.6 million in 2023 to 2.3 million in 2024.

IMPROVING EFFICIENCY AT THE CUSTOMER RELATIONS CENTER

In 2024, efficiency became one of the main focus areas of the Customer Relations Center. To reduce the workload of the Customer Relations Center by increasing self-service transactions and providing faster service, the Bank made several improvements, thus ensuring that out of 65 million incoming calls in 2024, 35 million (54%) were resolved through intelligent voice response systems without the need for a customer representative.

Moreover, thanks to the improvements made in 2024, the Center handled 1.1 million more calls via self-service channels, increasing sales opportunities and profitability. In addition to efficiency improvements, enhancing customer satisfaction and loyalty was also among the key goals. To this end, in 2024, the Center started

experience.

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to offer priority and privileged services to salary customers. To resolve customer requests in a single call and enhance their loyalty through improved experience, the Center served 456,000 customers directly without being referred to a branch in 2024. For credit withdrawal requests, 120,000 customers were assisted without being directed to a branch. As part of improvements to reduce costs by shortening call durations and shifting services to digital channels, Yapı Kredi added 12 new functions to the mobile approval transaction set in 2024, increasing the total number of functions to 33. In 2024, a total of 1.4 million transactions were completed via mobile approval without the need for reading a script, enabling faster service and improving the customer

YOUR PORTFOLIO MANAGER AT THE CUSTOMER RELATIONS CENTER

The Central Portfolio Management provides asset management services focusing on customer demands and expectations thanks to its experts licensed by the Capital Markets Board, PPS and SEGEM with their extensive knowledge on market, investment products and deposits. At Yapı Kredi, 67 portfolio managers have served 111,000 customers, reaching an asset size of TL 60 billion.

The Central Portfolio Management aims to increase the customers wallet share in the Bank by diversifying investment products in their portfolios, and to expand relations with potential customers beyond loan sales, thus ensuring efficient customer acquisition.

In 2024, the Central Portfolio Management increased its operating size by 30%. The asset management service provided to customers ensured customer efficiency, offered value-added investment products to customers, and achieved high customer satisfaction with a score of 73.5.

SUPPORT FOR BRANCHES WITH VIDEO BANKING'S EXPANDING TRANSACTION SET

The Video Banking is designed to eliminate the functional difference between the branch and the Customer Relations Center to enable customers to perform banking transactions easily wherever they are. The channel aims to acquire new customers and to reengage existing passive customers.

Transactions that require a signature and visit to a branch are performed through video calls. The Video Banking channel offers services and eliminates the need for visiting branches for eight transactions, focusing on sales activities in addition to its current functions in 2024.

In 2024, the channel offered services to hearing-impaired customers at three locations with 100 Video Call Agents proficient in sign language.

CUSTOMER RELATIONS CENTER: A DEVELOPMENT PLATFORM FOR SKILLED BANKERS

With its young, dynamic, and successful employees, the Customer Relations Center serves as a training institution for the Bank's other departments and branches. The high product and service knowledge of customer representatives, their goal-oriented approach, and efficient work discipline increase their likelihood of being prioritized for career opportunities within the Bank. In 2024, due to EYT ("Victims of Delayed Pension Age"), the Bank's human resource needs increased, and during this period, employees were transferred from the Customer Relations Center to other departments to meet the Bank's needs in various areas. A total of 60 employees made career transitions to work in different departments of the Bank across 12 regions. Adopting a mission of creating a skilled workforce for the Bank, the Customer Relations Center provided 13,000 hours of training through four different training programs in 2024.

Personal Data Protection and Processing

Personal data rights are among the fundamental rights and freedoms protected by the Constitution of the Republic of Türkiye (Article 20). Yapı Kredi places the utmost care to ensure full compliance with the Law on the Protection of Personal Data No. 6698 ("Law"), adopted on March 24, 2016 and entered into force after being published in the Official Gazette dated April 7, 2016, as well as with other regulations regarding the implementation of this law.

Yapı Kredi respects the rights and freedoms of its customers, and carries out its activities without any compromise in this regard to ensure the best customer experience and satisfaction. All personal data relating to real persons associated with the Bank, including people who benefit from the financial products and services offered by the Bank, are processed in accordance with the Law on the Protection of Personal Data (KVKK), and utmost care is taken to ensure the confidentiality and security of the relevant data.

The Bank assigned the Assistant General Manager for Compliance, Internal Control and Risk Management reporting to the Audit Committee was as the Personal Data Protection Compliance Officer. To this end, the Personal Data Protection Law Compliance Department was established.

The Bank's compliance with the obligations set forth by the regulations on the protection of personal data is ensured through the "Yapı ve Kredi Bankası Anonim Şirketi Corporate Policy on Protection and Processing of Personal Data" and the "Yapı ve Kredi Bankası Anonim Şirketi Corporate Policy on Employee Personal Data Protection and Processing". Yapı Kredi adopts a risk-based approach to evaluate issues related to the processing of information obtained within the scope of the Bank's activities and to the protection of its confidentiality while the Bank's strategy, internal controls and Measures, operating rules and responsibilities are determined accordingly. In addition, the Bank carries out awareness-raising activities for personal data owners and its employees.



Annual trainings are provided to all employees, including the employees of Yapı Kredi subsidiaries.

During the 2024 reporting period, employees received 14,677 hours of trainings on the Personal Data Protection Law.

The Bank's Personal Data Protection Policies ensure the protection and processing of personal data of:

- Existing and potential customers
- Executives and shareholders of customers
- Real person guarantors
- Employee and intern candidates,
- Prospective business partners
- Employees of business partners
- Shareholders and executives of the Bank
- Prospective contractors/suppliers/support service providers
- Shareholders/executives/employees of contractors/ suppliers/support service providers
- Participants of campaigns/competitions
- Visitors
- Press members
- Family members and relatives of data subjects, and
- Other third parties.

Personal data are disclosed to the following third parties for the purposes stipulated in the Law, applicable legislation and related policies: authorized institutions and organizations; business partners; suppliers; financial group companies; shareholders; affiliates; subsidiaries and organizations whose transactions are mediated; domestic and foreign banks; payment service providers

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and international or domestic payment systems institutions and organizations; asset management companies; persons related to the sale of bank receivables and possible buyers; and institutions and organizations that are parties to Yapı Kredi's products/ services and whose payments we mediate. Yapı Kredi ensures that contracts with third parties include provisions for meeting obligations required by the Law. Moreover, the Bank complies with the legal obligations set out in the legal arrangements published by the Banking Regulation and Supervision Agency (BRSA) regarding data sharing in outsourced services.

For the Yapı ve Kredi Bankası Anonim Şirketi Corporate Policy on Protection and Processing of Personal Data, which sets forth the principles and rules regarding the personal data processing activities carried out in accordance with the provisions of the Law and the applicable regulations as well as regarding the rights of the persons concerned, please visit here.

As required by the Law, Yapı Kredi Factoring, Yapı Kredi Leasing, Yapı Kredi Asset Management and Yapı Kredi Investment have a separate corporate policy on protection and processing of personal data. These policies are available on the corporate websites of Yapı Kredi subsidiaries.

Personal data subjects may contact Yapı Kredi in writing or through registered email (KEP), secure e-signature, mobile signature, or the data subject's e-mail address shared with Yapı Kredi and registered in the Bank's systems and/or any channel allowing verification of the data subject's identity to exercise their rights below:

- To inquire about whether or not their personal data is being processed,
- To request information on personal data if the personal data has been processed,
- To receive information about the purpose of processing personal data and whether the personal data is used in line with the purpose,
- To request information about the domestic and foreign third parties to whom the personal data have been disclosed,
- To request rectification of the processed personal data in case

of incomplete or incorrect processing and to notify the third parties, to whom the personal data has been disclosed, about the actions taken,

- To request erasure or destruction of personal data that is lawfully processed under the Law and other applicable legislation in the event that the reason for processing is no longer present, and to notify the third parties, to whom the personal data has been disclosed, about the actions taken,
- To object to any result that is to the detriment of the data subject as a result of an exclusively automated analysis of their personal data, and
- To claim compensation for the damages that the data subject may suffer / might have suffered in case of unlawful processing of their personal data.

Obligations regarding data security play a crucial role among the obligations of the Bank regarding the personal data processed by the Bank. To this end, the Bank takes the necessary technical and administrative measures to ensure the appropriate level of security in order to prevent the unlawful processing of data, to prevent illegal access to personal data and to protect personal data.

Moreover, via an effective and fast solution mechanism against data breaches in its internal plans and procedures, the Bank takes necessary and sufficient action to eliminate any breach. In case of policy changes and updates, the updated policies are made available to the public on the corporate websites.

In 2020, Yapı ve Kredi Bankası A.Ş. and its subsidiaries were registered at the Data Controllers Registry (VERBIS), which is a legal obligation under the Personal Data Protection Law.

TRAININGS ON PERSONAL DATA PROTECTION LAW

Under the Personal Data Protection Law, the Bank, as the data controller, is required to provide training to all its employees on the protection of personal data. To ensure compliance with the Law and to raise awareness about personal data, annual trainings are provided to all employees, including the employees of Yapı Kredi subsidiaries. During the 2024 reporting period, employees received 14,677 hours of trainings on the Personal Data Protection Law.

Being Here

Yapı Kredi places its founding mission of "creating value for all stakeholders" at the core of its human resources perspective. The Bank adopts a people-centric approach in all its practices, offering its employees a fair and supportive working environment rooted in equality of opportunity and diversity. With a flexible and innovative structure, Yapı Kredi carries its 80 years of strong sectoral experience into the future, rapidly adapting to changing global and industry dynamics. The Bank invests in human capital and contributes to a sustainable economy through its competent workforce. Yapı Kredi designs development programs focused on digitalization, innovation, and efficiency to equip its employees with the skills necessary for the future of the business world.

Operating with a focus on equality, diversity, and inclusion, the Bank aims to elevate the employee experience to the highest level through its HR strategies, service models, and working conditions that support work-life balance. To this end, in 2024, Yapı Kredi renewed its employer brand by placing the expectations of its employees and candidates at the center. With its new employer brand "It's in our nature", the Bank established a dynamic and innovative communication platform, further strengthening its employer brand reputation and representation among both employees and stakeholders.

In this special year marking its 80th anniversary, the Bank was selected as Türkiye's top employer in the banking and finance sector on the annual list of the "World's Best Employers" announced by Forbes, one of the world's most prestigious business and economic publications. With this achievement, the Bank once again reaffirmed its leading position in the sector with its policies regarding economic value creation, talent management, learning and development opportunities, work-life balance, and gender equality.



In 2024, Yapı Kredi renewed its employer brand by placing the expectations of its employees and candidates at the center. With its new employer brand "It's in our nature" the Bank established a dynamic and innovative communication platform.

In line with its human resources vision, Yapı Kredi aims to attract highly qualified talent that will carry the Bank into the future, while also empowering its current employees to fully realize their potential. In 2024, the Bank launched a wide range of new projects regarding various topics from employer branding to recruitment processes, from development programs to career and talent management, from leadership development to initiatives designed to enhance employee engagement and motivation.

TALENT ACQUISITION

Yapı Kredi carries out various initiatives to attract high-potential talent and reinforce its position as the most preferred employer of the banking sector. To this end, in 2024, Yapı Kredi improved its hiring processes and enriched on-campus and social media communications in line with the needs of young talents.

As part of these efforts, the Bank reached more than 7,000 university students through campus events in 2024.

Moreover, Yapı Kredi introduced special young talent programs for the Technology and Head Office teams: From the Management

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Digipro Internship Program: The Digipro Internship Program offers third- and fourth-year university students the opportunity to meet with Yapı Kredi's Head Office teams and gain firsthand experience in the banking sector. In addition to gaining real-world experience during their internships, students strengthen their skills in various areas through development programs designed specifically for Digipros. The program enables talented young people to take the first step toward becoming future professionals, gaining a head start on their career journey.

Sales Trainee: With Yapı Kredi's Sales Trainee Program, recent university graduates have the opportunity to explore the dynamics of branch banking and develop their potential in sales. Thanks to the comprehensive development programs specially designed for Sales Trainees, participants can improve their skills in a wide range of areas from finance and banking to personal development and cash management.

Future Squad: Yapı Kredi Technology brings together innovative technologies with young innovators through its Future Squad program. University students take a solid first step in their technology careers through the Future Squad long- and short-term internship opportunities. Among the interns, those selected for the Future Squad New Graduate Program continue their career journey without missing a beat, contributing to the future of both the sector and Yapı Kredi Technology.

TALENT DEVELOPMENT AND A GROWTH-FOCUSED APPROACH

At Yapı Kredi, talent management begins with the discovery of employees' potential through comprehensive assessment tools, and continues with the development of new skills needed in a rapidly evolving business world shaped by AI and technological advancements. The Bank prepares its employees for the future through enriched development programs and rotation opportunities that offer diverse experiences. Moreover, to strengthen a sustainable leadership pipeline, employees with leadership potential are included in development programs aligned with Yapı Kredi's leadership principles and corporate values. In addition to supporting the development of its employees, the Bank focuses on discovering



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and nurturing potential talent through its employer brand and internship programs. This approach provides an end-to-end career journey, enabling talents to access development opportunities in the most relevant fields. These efforts increase employee engagement, enhance the Bank's competitive edge in the sector, and contribute to long-term success.

Throughout 2024, Yapı Kredi employees actively participated in both synchronous and asynchronous training programs designed in line with the Bank's core competencies. With the contribution of 291 volunteer in-house trainers, leading industry consultants, and academicians, the Bank designed comprehensive development programs not only for employees, but also for university students and customers. Through certificate programs tailored for employees, both professional and personal development was supported, resulting in an annual average of 33 hours of training per employee.

Under the Development Catalogue, total of 36,976 training requests were fulfilled and 182 group trainings were held across 160 different training topics, including Leadership, Personal Development, Technology, Finance, Specialization, and Innovation.

The Bank offers its employees access to rich content not only through classroom training but also via digital platforms. Internal platforms such as BizTube, BizRead, and BizCast allow employees to share knowledge and focus on their personal growth.

In addition, the e-Academy online learning platform provides employees with a wide range of remote training content covering professional, legal, and personal development topics. The platform is structured to contribute to the development needs of the employees in various areas, where they register in line with their preferences and wishes, and are entitled to a certificate by completing the training and exams. The platform also offers opportunities to participate in online certificate programs.

Trainings for Head Office Employees:

The Bank designs customized technical and personal development training programs for Head Office employees based on departmental and function needs.

Personalized Development Coaching

Based on their strengths and areas for improvement identified through assessment center practices, managers and managerial candidates at all levels are included in personalized development programs aligned with Yapı Kredi's leadership principles and corporate values.

Koç Holding Development Programs

Koç Group development programs support employee development in areas such as networking, personal branding, agile leadership, understanding different industry dynamics, artificial intelligence, innovation, and gaining a global perspective. In 2024, 19 Yapı Kredi employees participated in the Koç University MBA and Executive MBA programs, and 5 employees joined the Finance Master's and Cyber Security programs.

Additionally, under the umbrella of Koç Academy, collaborations continue with the world's most prestigious business schools, including Harvard Business School, INSEAD, MIT, Oxford, and Columbia Business School. In 2024, 683 employees participated in international training programs, benefiting from a total of 789 online and overseas development programs.

Graduate Development Programs

Assistant Auditor Program: As part of the Internal Control graduate recruitment program, 15 new employees joined the "Assistant Auditor Development Program" in 2024.



Under the Development Catalogue, a total of 36,976 training requests were fulfilled and 182 group trainings were held across 160 different training topics.

IT Trainee Program: Designed for technology teams, the program enabled 19 newly hired graduates to complete 2.5 weeks of technical and personal development training in 2024.

Sales Trainee (ST) Program: In 2024, 103 newly graduated employees starting at Commercial and Corporate Banking branches were supported through technical, competency-based, and on-the-job training as well as mentoring processes.

Training Programs For Interns

Digipro Internship Program: As part of the 2024 Digipro Internship Program, a comprehensive development program was designed for 70 students who started their internships in Head Office teams.

Yapi Kredi Technology Online Internship Program: Through programs held in February and June 2024, technical training was provided to 177 interns.

Trainings for Branch Employees:

For branch employees, Yapı Kredi offers technical trainings such as customer focus, sales, products, risks, service model and credits, as well as personal development trainings focusing on the development of behavioral competencies under the main topics of effective communication, agility, endurance and innovation.

My Career Journey Program

Under the program, which was launched in 2019, branch employees can design their career paths from their first day at the Bank. In 2024, 1,641 employees participated in inter-segment transition training programs, while 1,253 employees completed transitions between segments.

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In 2024, training programs were redesigned for all segments in line with current needs and development trends. The new structure of the program includes the following training stages:

- Preparatory Trainings (Remote Learning)
- Appointment Trainings (Classroom Sessions)
- On-screen Trainings
- On-the-Job Trainings
- Specialization Trainings (Classroom Sessions)

Segment-Based Specialization Trainings

Designed in alignment with the Bank's strategies and sector trends, the following in-depth programs were attended by a total of 2,052 employees:

- Blue Class Investment Products Development Journey
- Small and Medium Enterprise Specialization Trainings
- Commercial Banking Development Journey
- Corporate Banking Development Journey
- Foreign Trade Specialization Trainings

Inflation Accounting Training

In response to changing market conditions, a training program was developed for regional and branch employees to help them understand inflation accounting and the effects of inflation on company financial statements and apply this knowledge to daily processes. A total of 967 employees, including Small and Medium Enterprise, and Commercial Asset Managers, participated in this training.

On-The-Job Development Program For Experienced Relationship Managers

Based on the needs of the Bank, a specialized program was developed for experienced employees at Yapı Kredi, including Regional Sales, Loan Allocation, and Branch On-the-Job Trainings. The Bank launched the "Loan Allocation Process" training for new employees in the corporate segment, focusing on the Smile and Inca processes.



In addition to supporting the development of its employees, the Bank focuses on discovering and nurturing potential talent through its employer brand and internship programs.

Candidate Branch Manager Development Process

As part of their journey toward becoming Branch Managers, 244 candidates participated in the technical competency development camp, and 238 of them took part in the Assessment Center application.

Leadership Empowerment Workshop

Designed to strengthen leadership capability, the workshop was held with the participation of 249 Branch Managers. This workshop aimed to help participants develop leadership skills in areas such as emotional resilience and well-being, while enhancing their employee experience strategies.

Development of Newly Appointed Branch Managers

First 90 Days Mentorship:

Launched in 2024, the "First 90 Days Mentorship" program was designed to support newly appointed Branch Managers in adapting to their roles swiftly and effectively. As part of the program, 39 mentors were trained among experienced Branch Managers.

The mentors offer guidance to newly appointed Branch Managers by sharing their knowledge and experience. This experiencesharing process not only accelerates the adaptation of newly appointed managers to their roles but also contributes significantly to the development of their leadership skills.

New Branch Manager Orientation Program:

As part of the "First 90 Days Mentorship", a one-year development program was designed for newly appointed Branch Managers. The

program aims to enhance all competencies of Branch Managers through training sessions covering a wide range of topics from leadership to branch balance sheet management.

Full-Time Academy Instructors

In 2024, Yapı Kredi Academy successfully completed the evaluation process for the newly launched "Full-Time Academy Instructor" position. 10 experienced Academy Instructors, selected from various teams across the Bank, will deliver technical training to regional and branch employees, transferring their knowledge and experience in the field.

Equal Opportunities in Technology: "Women Will Code The Future"

Launched in collaboration with Yapı Kredi, Bahçeşehir University, the United Nations Institute for Training and Research (UNITAR), and CIFAL Istanbul, the "Equal Opportunities in Technology" project aims to increase female participation in technology and innovation.

In line with Koç Holding's commitment to gender equality in technology and innovation, one of the key goals of the United Nations Sustainable Development Agenda 2030, the project aims to raise awareness in the technology field by reaching 80,000 women aged 15–30 by the end of 2026.

Under the project, together with experts, training materials are prepared on topics ranging from big data to AI, from cloud technologies to cyber security, from the Internet of Things to Industry 5.0. Developed with the involvement of professors and associate professors who are experts in their fields, the program began in December 2023.

LIFE AT YAPI KREDİ

Yapı Kredi continues to implement innovative, employee-focused practices with the goal of continually advancing the employee experience. Thanks to insights and regular feedback from employees, tailored solutions are developed in areas such as career paths, performance management, and physical and social working conditions. The Bank conducts analyses across a wide range of areas, such is anthropological assessments of workspaces



Yapı Kredi continues to improve employee satisfaction through nextgeneration employee experience practices that quickly respond to employee needs.

to services such as meals, transportation, healthcare, and well-being. Through regular field visits by the Human Resources team and interactive communication channels, employee opinions and suggestions are directly reflected in ongoing processes.

Yapı Kredi continues to improve employee satisfaction through next-generation employee experience practices that understand and quickly respond to employee needs.

Social Life

Office Free

As of 2024, Yapı Kredi employees began using all Office Free shared workspaces across Türkiye that are accessible to Koç Group employees.

BizClub

Yapı Kredi's in-house social club, BizClub, provides employees with opportunities to socialize and supports their work-life balance. Through BizClub, employees can participate in a wide range of cultural, artistic, and sports events and workshops at discounted rates. In 2024, a total of 19,930 employees and their family members participated in 348 BizClub events.

Special Day Experiences

Yapı Kredi values being there for its employees on their special days, sends gift kits and implements special leave practices.

Employees are entitled to take a day off on any day of their birthday month. In addition, the Bank makes donations to NGOs selected by employees to make their birthdays more meaningful.

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The Bank also shares in the happiness of its employees by sending gift kits on special occasions such as onboarding, weddings, and births. Moreover, as of appreciation retiring employees receive a retirement certificate for their contribution from the Bank.

Brand Ambassador Program

Launched in 2024 at Yapı Kredi Technology, the "Brand Ambassador Program" enables employees to represent the employer brand. Divided into two groups as Campus Ambassadors and Communication Ambassadors, participants take on active roles in a wide range of activities, from university and career events to creating social media content. Campus Ambassadors introduce the company culture and technical roles to young talents through direct interaction while Communication Ambassadors support internal and external communication efforts, strengthen the employer brand by creating technical blog content, and act as speakers at events.

Employee Volunteering

Yapı Kredi carries out numerous social responsibility projects to support sustainable development goals across society.

The Bank boosts the reach of its projects in areas such as education, the environment, culture, and the arts through the support of its volunteer workforce.

In 2019, Yapı Kredi launched the Yapı Kredi Volunteers platform. This platform enables volunteers to stay informed about NGO projects, communicate with one another, apply for ongoing initiatives, and create their own projects.

The Yapı Kredi Volunteers program is coordinated across more than 40 departments, promoting awareness of volunteering and team spirit among employees. The Bank established the Yapı Kredi Search and Rescue Team (YAKUT), consisting of volunteers working at Yapı Kredi, with the mission of informing the Bank's employees about all emergencies and disasters, raising awareness about what to do especially before, during and after earthquakes, and participating in the search and rescue activities needed after the disaster.



The Bank boosts the reach of its projects in areas such as education, the environment, culture, and the arts through the support of its volunteer workforce.

Launched as an initiative after the Marmara Earthquake in 1999, YAKUT has been active in 6 regions (Istanbul, Izmir, Adana, Ankara, Antalya, Samsun), including the surrounding provinces, since 2009. With 102 active members, YAKUT continues its efforts by taking the necessary steps to integrate its volunteers with professional response teams and to ensure that the entire team is accredited by the Disaster and Emergency Management Authority (AFAD).

HEALTH AND WELL-BEING

Health and Well-Being Practices

Yapı Kredi offers a wide range of health and well-being services in collaboration with various organizations to support the physical and mental well-being of its employees. In addition to core services such as dietitian consultations, psychological support, and 24/7 emergency medical assistance, employees can also access counseling in diverse areas including legal and financial guidance, office ergonomics, technology consulting, and even home and garden plant care.

"Güvendeyim" (I Am Safe) Application

Developed in 2024, the "Güvendeyim" (I Am Safe) application is designed to help locate employees and manage support efforts during disasters. The app enables the Bank to receive real-time updates from employees in affected areas and aims to ensure that aid is delivered swiftly and effectively.

Yapi Kredi Sports Club

Established in 2007, the Yapı Kredi Sports Club has been promoting physical and mental well-being by supporting

employees' participation in sports competitions and tournaments, and by assisting them in preparation and training activities.

Operating actively in 7 regions across Türkiye, the club engaged in 19 different sports branches as of 2024. With a total of 85 licensed athletes in the federated branches of sailing, tennis and swimming, and a total of 692 athletes across all branches, Yapı Kredi teams competed in Koç Group Sports Club joint tournaments and Türkiye's leading corporate leagues, winning medals in a large number of branches. Through bank teams and internal tournaments organized under the Yapı Kredi Sports Club, employee motivation is boosted, while nature hikes, skiing events, and sports festivals help strengthen social bonds among employees.

RECOGNITION AND PERFORMANCE

Remuneration and Side Benefits

Yapı Kredi's remuneration policy is shaped by a performanceoriented approach aligned with market dynamics. Market trends and sector practices are regularly monitored to ensure a fair remuneration system in line with the Bank's strategies. In accordance with the collective bargaining agreement signed with the Basisen Union in April 2023, salary increases for 2024 were implemented in January and July.

As of December 31, 2024, total payments made to senior management amounted to TL 640,349,000, compared to TL 496,116,000 in the same period of the previous year.

Recognition and Reward Program

Launched in 2023, the "Our Achievements Recognition and Reward Program"," which celebrates employees' outstanding achievements, was expanded across the entire Bank and its subsidiaries in 2024. The program aims to promptly recognize and reward employees for achievements and value-creating contributions, thereby strengthening a culture of recognition.

Yapı Kredi also aims to increase employee satisfaction through a comprehensive side benefits package tailored to employee needs and expectations. Yapı Kredi offers various side benefits to its



The "Our Achievements
Recognition and Reward
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across the entire Bank and its
subsidiaries in 2024.

employees, such as health insurance, life insurance, employee support program, contributory private pension, distant working allowance and Koç Ailem Card (Family Loyalty Card) that provides advantages in a variety of services. In addition, through the Pension Fund Foundation, additional allowances are provided for dental and vision care, enabling a more comprehensive approach to meeting employees' health needs.

As of the fourth quarter of 2024, the Bank designed alternative transportation support models to facilitate employee commuting. Considering high traffic congestion, optimization initiatives were developed to promote public transportation options and encourage more efficient use of shuttle services. Starting in 2025, this program will offer employees transportation allowances and loop shuttle services as alternatives to existing shuttles, aiming to enhance commuting comfort and support work-life balance.

Performance Management

The Performance Management is carried out with a focus on development, not just evaluation. The system is designed to enhance individual performance and thereby strengthen organizational performance. For employees at the Head Office and subsidiaries, performance is monitored through the OKR (Objectives and Key Results) methodology. The inspiring objectives and measurable key results defined through this approach enable employees to work in an agile and goal-oriented manner. The performance of branch employees continues to be measured based on quantitative targets. In performance management, the results as well as the behaviors exhibited while achieving those goals are taken into account.

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A key part of this process is the "Dialogue" sessions, which allow employees and managers to meet five times a year for structured feedback discussions. These conversations cover not only past performance but also future development areas, offering a holistic evaluation. Performance results serve as a foundation for various HR processes such as promotions, training, talent management, and internal mobility, while also promoting a culture of continuous feedback across the Bank.

Employee Engagement

Yapı Kredi considers its human capital as the cornerstone of corporate success, and takes comprehensive, sustainable steps to strengthen employee engagement. Through regular employee engagement surveys, the needs and expectations of the workforce are thoroughly analyzed. The insights gathered are shared across all levels of management, starting with senior management. These surveys closely examine employees' levels of commitment to the organization and their evaluations in 14 focus areas, leading to the development of action plans that align with the HR vision. In the 2024 survey, the employee engagement rate was measured at 59%, providing a solid foundation for developing future strategies.

To enhance the employee experience, Yapı Kredi launched the "Employee Experience Coach" initiative in 2024.

A total of 57 coaches, serving both at Head Office and in the field, contributed to improving the speed and effectiveness of employee experience processes. This initiative helped streamline the tracking of team-level actions and ensured that centrally developed practices reached all employees. In 2025, Yapı Kredi will continue its efforts to launch new projects that support employee wellbeing and welfare.

OCCUPATIONAL HEALTH AND SAFETY (OHS)

Yapı Kredi adopts occupational health and safety (OHS) as a top priority and manages its efforts in this field through a comprehensive approach. Various strategies are implemented to ensure a safe work environment for all Yapı Kredi employees and to prevent occupational accidents, losses, and diseases.



🚺 In 2024, Yapı Kredi provided a total of 83,376 hours of OHS training to its employees. marking a significant step forward in this area.

The core elements of the OHS Policy are defined through standards that employees must follow, with proactive measures taken against potential accident scenarios. Additionally, employees receive continuous awareness training through programs and events organized with the participation of workplace physicians and safety experts. In 2024, Yapı Kredi provided a total of 83.376 hours of OHS training to its employees, marking a significant step forward in this area.

The OHS management at Yapı Kredi is carried out with the active participation of senior management and employees. Matters related to OHS and potential risks are regularly reported to the senior management every year. To prevent accidents, all employees using company vehicles also receive safe driving training. The digitalization of OHS processes and attainment of ISO 45001 certification are among the Bank's key priorities. Yapı Kredi regularly monitors all key OHS indicators to ensure ongoing safety performance.

LABOR UNION RELATIONS

Yapı Kredi fully complies with legal regulations regarding Labor Union Relations, and respects its employees' union rights. Employees are completely free to join a union, and they make their decisions independently. The Bank transparently communicates all rights and responsibilities covered by the collective bargaining agreement to employees and provides information about union rights during orientation training.

As of the end of 2024, 58% of the Bank's employees are union members and collective labor agreement is signed biannually with the Banking, Finance and Insurance Workers Union (BASISEN). The most recent agreement covers the period between April 1, 2023, and December 31, 2024.

To strengthen communication and cooperation between the Bank and union members, Yapı Kredi established the Employee Relations Advisory Board (CİDAK) to maintain labor peace between the Bank and union members, resolve any problems swiftly, and thus increase efficiency. By respecting employee rights, Yapı Kredi continues to foster a sustainable and harmonious working environment.

DIVERSITY AND INCLUSION

Yapı Kredi believes that sustainable success can only be achieved in a workplace where differences are embraced as a strength. Accordingly, all employees are protected against all forms of discrimination. Concerns can be reported anonymously through ethics hotline. During the reporting period, no incidents of discrimination were identified within the Bank.

A strong advocate for gender equality in all areas, Yapı Kredi is listed in the Bloomberg Gender Equality Index.

To ensure balanced representation of women at all levels, the Bank implements support programs and takes actions to promote work-life balance. The Bank signed the Declaration on Equality at Work, established under the leadership of the Republic of Türkiye Ministry of Family and Social Policies in collaboration with the World Economic Forum (WEF) to reduce gender inequality. In addition, the Bank earned the Equal Opportunities Certificate (FEM), developed by the Women Entrepreneurs Association of Türkiye (KAGİDER) with technical support from the World Bank.

As part of its commitment to women's empowerment, Yapı Kredi is also a signatory of the Women's Empowerment Principles (WEPs), jointly implemented with UN Women, and submits annual WEPs reporting. In 2024, women's workforce



In 2024, female labor force participation rate was 61.8% at Yapı Kredi. The Bank aims to maintain this rate above 50%.

participation at Yapı Kredi stood at 61.8%. The Bank aims to maintain this rate above 50%. In addition, the Bank is committed to increase the number of female members of the Board of Directors to reach 30% by 2026.

Moreover, Yapı Kredi has pledged to raise the ratio of women in STEM positions to 40%. The Bank continues to advocate for gender equality across the financial sector, supporting women's economic participation and representation in decision-making roles.

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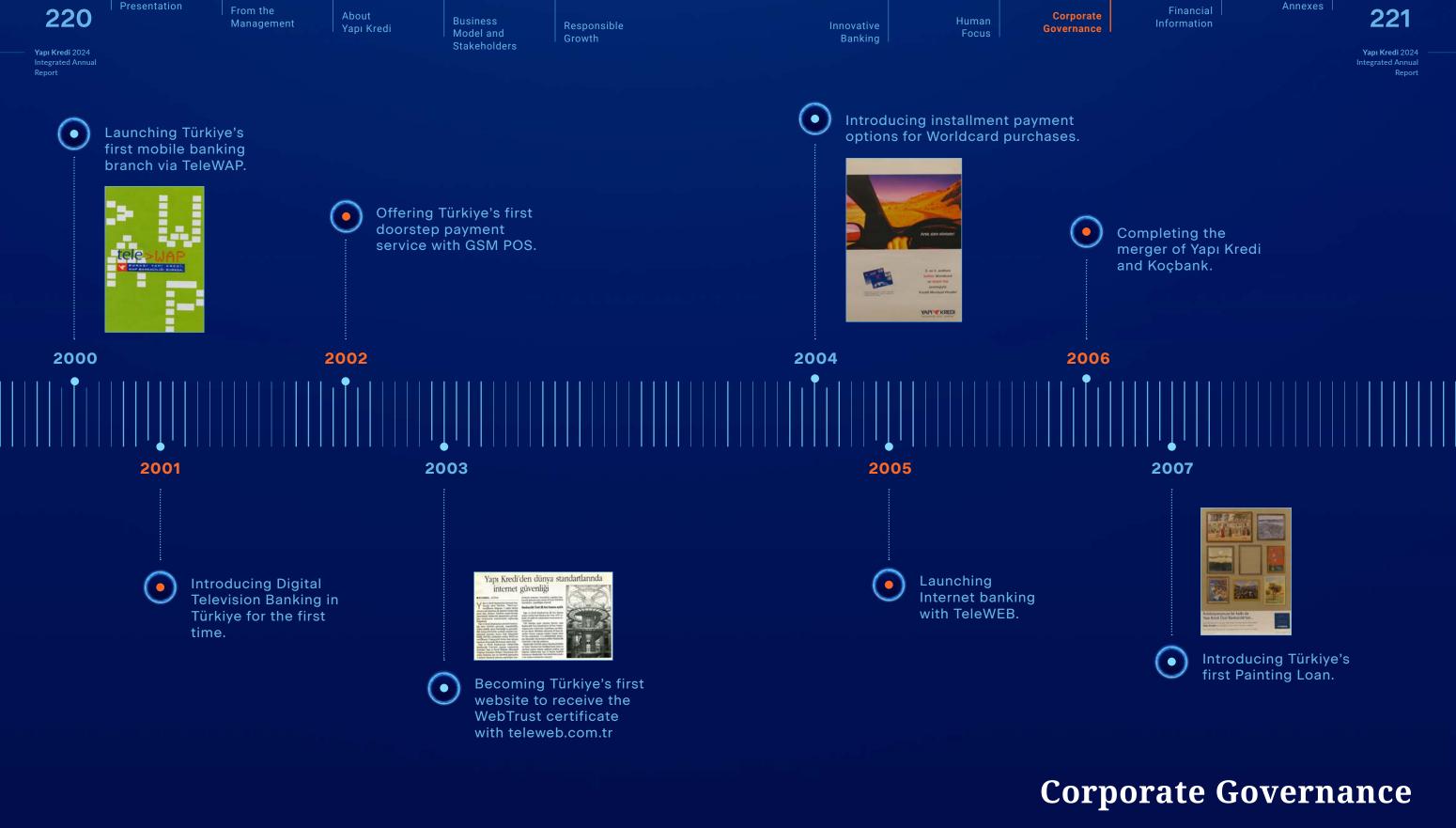
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	YAPI KREDİ LEASING - BEST EMPLOYER	Kincentric Best Employers	YAPI KREDİ FACTORING - BEST FACTORING COMPANY IN TÜRKİYE	Global Banking Finance Awards
<u>.</u>	YAPI KREDİ - IMPROVING THE CUSTOMER SPENDING EXPERIENCE	Kincentric Best Employers	YAPI KREDİ - BEST USE OF CUSTOMER INSIGHT - GOLD AWARD	Stevie Awards
•)	YAPI KREDİ - INTERNAL CUSTOMER IN FOCUS THROUGH INTERNAL CUSTOMER SATISFACTION AND MIRRORING SURVEYS	CX Awards Türkiye	YAPI KREDİ AZERBAIJAN - CORPORATE SOCIAL RESPONSIBILITY	Azerbaijan Bank Association
)	YAPI KREDİ CUSTOMER COMMUNICATION CENTER - SUSTAINABILITY	CX Awards Türkiye	YAPI KREDİ AZERBAIJAN - SUPPORT FOR EMPLOYMENT	Azerbaijan Banl Association
) `	YAPI KREDİ - A LIST	CDP Climate Change	YAPI KREDİ AZERBAIJAN - SUSTAINABLE BANKING	Azerbaijan Ban Association
	YAPI KREDI - 2024 BEST ESG COMPANIES LIST	Sustainalytics	YAPI KREDİ PRIVATE BANKING - BEST PRIVATE BANK EMPOWERING RELATIONSHIP MANAGERS DIGITALLY IN THE MIDDLE EAST AND EUROPE	PWM Wealth Tech Awards 2024'te
)	YAPI KREDİ - THE SUSTAINABILITY YEARBOOK	S&P Global	YAPI KREDİ - BEST PRIVATE BANK IN TÜRKİYE	International Finance Awards 2024
)	YAPI KREDİ - AA RATING	MSCI ESG	YAPI KREDİ MOBILE - BEST USER INTERFACE – AWARD OF DISTINCTION	The Communicator Awards
)	YAPI KREDİ - FOREIGN TRADE FINANCE SECTOR LEADER	Euromoney	YAPI KREDİ MOBILE - BEST INTEGRATED MOBILE EXPERIENCE - AWARD OF DISTINCTION	The Communicator Awards
•	YAPI KREDİ - LOCAL BANK SECTOR LEADER IN THE CENTRAL & EASTERN EUROPE REGION	Euromoney	YAPI KREDİ MOBILE - EXPERIMENTAL & INNOVATIVE - AWARD OF DISTINCTION	The Communicator Awards
)	YAPI KREDİ PRIVATE BANKING - BEST PRIVATE BANK IN TÜRKİYE	Global Banking & Finance Awards 2024	YAPI KREDİ INTERNET BRANCH - BEST USER EXPERIENCE – AWARD OF DISTINCTION	The Communicator Awards
)		• (YAPI KREDİ MOBILE - FINANCE - AWARD OF EXCELLENCE	The Communicator Awards

•	YAPI KREDİ - WORLD'S BEST EMPLOYERS LIST	Forbes	<u></u>
0	YAPI KREDİ CULTURE AND ARTS AND PUBLISHING - MINISTRY OF CULTURE AND TOURISM SPECIAL	Ministry of Culture and Tourism of the Republic of	-
(AWARD	Türkiye	•
<u> </u>	YAPI KREDİ LEASING - BEST FINANCE AND LEASING COMPANY OF TÜRKİYE	Global Banking Outlook	
•	YAPI KREDİ STEP -		(
	SUSTAINABILITY CAMPAIGNS (GOLD)	Mixx Awards	0
O			•
	YAPI KREDİ STEP - NON-PROFIT CAMPAIGN (SILVER)	Mixx Awards	<u>•</u>
•	YAPI KREDİ STEP - COMBATING		
	CLIMATE CHANGE – SOCIAL RESPONSIBILITY AND	Brandverse Awards	•
	SUSTAINABILITY (GOLD)		
_	YAPI KREDİ STEP - ENVIRONMENTAL AND SOCIAL BENEFIT (GOLD)	Effie	
•	DENETH (GGED)	•	
	YAPI KREDİ STEP - ENVIRONMENT & SUSTAINABILITY (GOLD)	Communicator Awards Awards	
	& 3031AINADIEITT (GOLD)	Awaius Awaius	•
0	YAPI KREDİ STEP - CORPORATE	Martach	
0	SOCIAL RESPONSIBILITY (GOLD)	Martech	(•)
0	VARILYDERİ CTER, CUCTAINARILITY	Sustainable	
	YAPI KREDİ STEP - SUSTAINABILITY COMMUNICATION (GOLD)	Business Awards	
O	VADI KOEDI STED. TWO AWARDS		(•)
	YAPI KREDİ STEP - TWO AWARDS • PURSUERS OF GOLAS - BENEFIT		
	(GOLD) • PURSUERS OF GOLAS -	Curious Felis	(•)
	ENVIRONMENTAL BENEFIT (BRONZE)		

YAPI KREDI - WORLD'S BEST EMPLOYERS LIST	Forbes	YAPI KREDİ STEP - POSTER DESIGN	Gigi Awards
YAPI KREDİ CULTURE AND ARTS AND PUBLISHING - MINISTRY OF CULTURE AND TOURISM SPECIAL AWARD	Ministry of Culture and Tourism of the Republic of	YAPI KREDİ - SNOWBALL FOR THE FUTURE WEBSITE - EDUCATION/ CAREER - HONORABLE MENTION	Kentico Site of the Year
YAPI KREDİ LEASING - BEST FINANCE AND LEASING COMPANY OF TÜRKİYE	Global Banking Outlook	YAPI KREDİ - FINANCE / INDOOR & OUTDOOR CATEGORY YAPI KREDİ - SUSTAINABILITY / SUSTAINABILITY COMMUNICATION CATEGORY	İstanbul Marketing Awards
YAPI KREDİ STEP - SUSTAINABILITY CAMPAIGNS (GOLD)	Mixx Awards	YAPI KREDİ ASSET MANAGEMENT - BEST PENSION FUND	World Finance
YAPI KREDİ STEP - NON-PROFIT CAMPAIGN (SILVER)	Mixx Awards	YAPI KREDİ ASSET MANAGEMENT - BEST PORTFOLIO MANAGER	Global Finance & Finance Magazine
YAPI KREDİ STEP - COMBATING CLIMATE CHANGE - SOCIAL RESPONSIBILITY AND SUSTAINABILITY (GOLD)	Brandverse Awards	YAPI KREDI ASSET MANAGEMENT - BEST PORTFOLIO MANAGER	Global Excellence Chronicle Magazine
YAPI KREDİ STEP - ENVIRONMENTAL AND SOCIAL BENEFIT (GOLD)	Effie	YAPI KREDİ INVEST - 9TH TSPB GOLDEN BULL AWARDS - THREE AWARDS • BORSA ISTANBUL MARKET - HIGHEST TRADING VOLUME • BORSA ISTANBUL FUTURES AND OPTIONS MARKET - HIGHEST TRADING	Turkish Capital Markets
YAPI KREDİ STEP - ENVIRONMENT & SUSTAINABILITY (GOLD)	Communicator Awards Awards	VOLUME • EQUITY ISSUANCE AND SALE - HIGHEST VOLUME ISSUANCE	Association
YAPI KREDİ STEP - CORPORATE SOCIAL RESPONSIBILITY (GOLD)	Martech	YAPI KREDİ INVEST - FINANCIAL SERVICES: COMPANY OF THE YEAR (SILVER)	Stevie International Business Awards
YAPI KREDİ STEP - SUSTAINABILITY COMMUNICATION (GOLD)	Sustainable Business Awards	YAPI KREDİ INVEST - TWO AWARDS LOCAL MARKETS - BOND OF THE YEAR LOCAL EQUITY CAPITAL MARKETS INSTITUTION OF THE YEAR	Global Banking & Markets
YAPI KREDİ STEP - TWO AWARDS • PURSUERS OF GOLAS - BENEFIT (GOLD)	Curious	YAPI KREDİ INVEST- BEST INTERMEDIARY INSTITUTION	Global Business Magazine
• PURSUERS OF GOLAS - ENVIRONMENTAL BENEFIT (BRONZE)	Felis	YAPI KREDİ INVEST - INTERMEDIARY INSTITUTIONS: MOST ADMIRED COMPANIES	Capital Magazine



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Support Services

Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş. provides printing services for 47 million credit cards and customer account statements per year. In 2025, the services previously provided by Koç Sistem in 2024 will be procured from Postkom.

Tepe Savunma ve Güvenlik Sistemleri San. A.Ş. is responsible for physical security services with a total of 837 security guards:

729 armed security guards in branches, 91 armed security guards at the Head Office and Regional premises, and 17 unarmed security guards at Darıca Archive, Yeniköy Koru facilities, Samsun Communication Center, and Adıyaman, Hatay and Kahramanmaraş Call Center.

There are Burglar Alarm Systems and CCTV systems in 3,334 ATMs, only CCTV systems in 683 ATMs, and Burglar Alarm Systems and CCTV systems in 772 branches.

Securitas Güvenlik A.Ş. is commissioned to provide control and maintenance services for all technical and electronic security systems, including monitoring of the theft alarm system, CCTV and branch fire alarm systems. Control and maintenance of fire detection and extinguishing systems installed in the Head Office premises and the Main Vaults are rendered by Protek Mühendislik Ltd. Şti and EEC Entegre Bina Kontrol Sistemleri Sti.

Filling, Maintenance and Malfunctions of Mobile Fire Extinguishers located in the Head Office and Branches are carried out by TPŞ Yangın Söndürme Cihazları A.S.

Moreover, Maintenance, Service/Malfunction and Repairs of X-Ray and Walk-Through Metal Detectors installed in the Head Office and Regional premises are carried out by Teknik Döküm Kaplama Malzemeleri ve San. Tic. A.Ş. And Agop Havucıyan X-Ray Güvenlik Sistemleri Merkezi San. Tic. Ltd. Şti

Card entry systems and card monitoring and controls are outsourced to Dijit Teknoloji ve Güvenlik Sistemleri Ticaret Limited Sirketi

Cash-in-transit support services and first line maintenance services for ATMs inside and outside branches are provided by Bantaş Nakit

ve Kıymetli Mal Taşıma ve Güvenlik Hizmetleri A.Ş. (Bantaş), Loomis Güvenlik Hizmetleri Ticaret A.Ş. (Loomis), and Desmer Güvenlik Hizmetleri Ticaret A.Ş. (Desmer).

Diebold Nixdorf Teknoloji A.Ş. and NCR Bilişim Sistemleri Ltd. Şti. provide second line maintenance services for ATMs installed inside and outside the branches.

2024 OVERVIEW

Physical and off-site technical security processes of GM/Regional buildings, facilities and branches have been ensured by taking the necessary controls and precautions. The appointment of security guards has been adequately planned and monitored. 84 security guards who had been working in the same branch for 5 years or more were rotated. All security incidents were immediately intervened and necessary information and reporting was provided. In emergency and extraordinary situations (fire, earthquake, theft, social events, etc.), security services were provided effectively at the locations by assigning security guards and working on electronic-physical security.

Plaza D Block building fire detection and extinguishing system has been renewed

2025 GOALS

Physical and Technical Security Services:

Yapı Kredi aims to ensure the physical and technical security of the Bank's premises, facilities, branches and ATMs, and to optimally manage the services by working in coordination with all teams.

Vehicle, Archive, Transportation and Correspondence Printing Services:

- Minimizing the targeted printing costs if the statements sent to our customers are shared digitally
- If the statements we send to our customers via mail are not received, the complaints received by our management are examined and action is taken to resolve them as soon as possible without causing customer dissatisfaction.
- To ensure that necessary actions are taken immediately in case of possible disruptions in the printing processes.

Ordinary General Meeting Agenda

YAPI VE KREDİ BANKASI ANONİM ŞİRKETİ 26 MARCH 2025 ORDINARY GENERAL MEETING AGENDA

- 1. Opening and election of the Chairman of the Meeting,
- Presentation of the Annual Activity Report of the Board of Directors,
 Financial Statements and Summary of Report of External Auditors related to 2024 and consideration and approval of Annual Activity Report and Financial Statements for 2024,
- **3.** Clearing of members of the Board of Directors of liability related to activities of the Bank during 2024,
- **4.** Approval of transactions regarding liquidation by sale of some Bank receivables that are being followed up on Non-Performing Loan accounts and to clear Board members regarding these transactions,
- 5. Determining the number and the term of office of Board members, electing members of the Board of Directors and independent member of the Board of Directors,
- **6.** Submitting according to Corporate Governance Principles the Remuneration Policy for the Members of Board of Directors and Senior Managers, and the payments made within the scope of the Policy to the shareholders' knowledge and approval of the same,
- **7.** Determining the gross attendance fees for the Members of the Board of Directors,
- **8.** Approval, approval with amendments or rejection of the proposal of the Board of Directors regarding the profit distribution date and Profit

Distribution for 2024 created as per the Bank's dividend distribution policy,

- 9. Approval of the Independent Audit Institution selected by the Board of Directors with the requirement of the Regulation issued by the Banking Regulation and Supervision Agency, the Turkish Commercial Code and regulations of the Public Oversight Accounting and Auditing Standarts Authority,
- 10. The donations and charities made by the Bank within the scope of the Donation and Sponsorship Policy in 2024 with the aim of social relief to the shareholders' knowledge and determining a ceiling amount for the donations to be made in 2025 in line with the Banking legislation and the regulations of the Capital Markets Board,
- **11.** Informing the shareholders about the studies in 2024 within the scope of the Bank's transition plan to a low carbon economy,
- 12. Granting permission to the shareholders holding the management control, the members of the Board of Directors, the senior managers and their spouses and blood relatives and relatives by virtue of marriage up to second degree in accordance with Articles 395 and 396 of the Turkish Commercial Code and submitting the transactions carried out in this context during 2024 to the shareholders' knowledge in line with the Capital Markets Board Corporate Governance Communique,
- 13. Wishes and comments

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Board of Directors Report

Esteemed Shareholders.

We have left behind 2024, the year in which we proudly celebrated the 80th anniversary of our bank.

In 2024, Yapı Kredi, one of the most well-established and robust institutions in the banking sector, maintained its pioneering position and continued to gain customers with its people-oriented approach while increasing customer penetration on a product basis. Thus, the Bank successfully completed the year by maintaining its strong balance sheet structure, effective assetliability management and prudent stance. Increasing its asset size by 37% to TL 2.554 trillion, Yapı Kredi successfully maintained its customer-oriented and innovative banking approach that ensures responsible growth in 2024.

2024 was a transitional year in which the fight against inflation continued, supported by tight monetary policies and the tightening effects of legal regulations. Despite this challenging environment, Yapı Kredi's total revenues decreased by a limited 10%. Operational expenses, on the other hand, rose 66% year-on-year, reflecting the impact of last year's rising general price level and the continuation of a human-capital approach. The Bank's gross operating profit was realized at TL 40.8 billion. The Bank maintained its prudent stance in asset quality. The Bank increased its gross provisions due to the deterioration observed in retail and credit card loans. On the other hand, thanks to strong collections, the net credit risk cost (adjusted for FX hedging effect) was realized at 58 bps and the total provision ratio was realized at 3.8%. As a result, net profit for 2024 stands at TL 29.0 billion and return on tangible equity at 15.8%.

Yapı Kredi continued to support the economy while maintaining its fundamentals at a strong level. The Bank's consolidated capital adequacy ratio (without taking into account the contribution of the temporary regulatory forbearances introduced by the Banking Regulation and Supervision Agency in 2020) remained strongly above the regulatory limits at 15.2%, while the Tier-1 ratio was realized at 12.6%. These ratios are 323 basis points and 301 basis points above the regulatory requirements, respectively. The Bank's total coverage ratio was 3.8%. Thus, Yapı Kredi continued to maintain its position in the sector with its solid fundamentals in 2024

On the external funding side, the Bank continued to diversify its funding sources and raised approximately USD 8.6 billion through products such as syndication, subordinated bonds, debt instruments that can be included in additional core capital, bond issuances and bilateral loans. Yapı Kredi signed two sustainable syndicated loan agreements in 2024. Both transactions will be utilized within the scope of Yapı Kredi's Sustainable Finance Framework. In the first half of the year, the Bank secured a sustainable syndicated loan of USD 936 million with the participation of 46 banks from 25 countries. In the second half of the year, Yapı Kredi secured a sustainable syndicated loan of USD 1.052 billion with the participation of 45 banks from 24 countries.

As a key player in the Turkish banking sector, Yapı Kredi places pioneering the green transformation of the economy and society and increasing its positive impact on this transformation day by day at the center of its sustainability strategy.

Integrating the sustainability banking approach into all business processes, Yapı Kredi took important steps in 2024 to combat the climate crisis, one of the priorities of the global agenda. In

this sense, Yapı Kredi became the first large-scale private bank in Türkiye to receive SBTi verification for its science-based emission reduction targets within the scope of the Carbon Transformation Program implemented under Koç Holding since 2021. Developing decarbonization roadmaps for carbon-intensive sectors in its loan portfolio whose transformation is critical for achieving these targets, Yapı Kredi aims to position itself alongside its customers not only as a financier but also as a consultant and partner in their journey to net zero by strengthening its transformation infrastructure.

At the same time, Yapı Kredi has also taken important steps to manage the environmental impact of its operations through its branch network, which extends to every corner of Türkiye. In this context, the Bank launched the Selfie project, which allows it to generate its own electricity from renewable sources. In addition, the Banking Base building in Gebze was awarded LEED Platinum certification. In line with its mission of leading the sector with responsible financing products and thus contributing to the UN Sustainable Development Goals, Yapı Kredi added a new one to its transactions in the market this year and successfully realized the first sustainable syndicated loan transaction, which will be extended only to green and sustainable loans. As a result of all these efforts, the Bank was awarded a place on the A List in the Climate Change program of the Carbon Disclosure Project (CDP), the world's largest environmental reporting platform.

Thanks to the great importance it attaches to corporate governance, Yapı Kredi's corporate governance rating of 9.72 out of 10 in 2023 was confirmed as 9.72 in 2024, in line with the principles set by the Capital Markets Board.

Esteemed Shareholders,

While presenting our 2024 integrated annual report and financial statements for your opinion and approval, we, as the Board of Directors, would like to extend our thanks to you, our esteemed shareholders, for your belief in and support to Yapı Kredi.

On behalf of the Board of Directors,

Chairman

Ali Y. Koç

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Audit Committee's Assessment on Internal Audit, Internal Control and Risk Management Systems

INTERNAL AUDIT

The Internal Audit Department is responsible for performing Internal Audit activities of Yapı Kredi with a team of 122 people (112 in the Bank and the remaining 10 in the subsidiaries). The Department directly reports to the Board of Directors via the Audit Committee. In addition to the training programs for current employees, trainings via digital resources and field expertise trainings were offered to support the professional and personal development of the staff.

Yapı Kredi's internal audit function is performed with branch audits, process audits, investigations, and follow-up audits. Audit reports are prepared for the risks identified during the audits. The reports are then submitted to the Senior Management. Moreover, the effectiveness and adequacy of management procedures and business processes are evaluated in view of risks.

At Yapı Kredi, an Annual Audit Plan is prepared for branch and process audits, and is submitted to the Board of Directors for their approval. The Annual Audit Plan is based on the meetings with the senior management organized to evaluate the risk priorities of each unit and to follow up the measures related to the previously-identified risks. Moreover, the internal audit reports are submitted by the Audit Committee to the Board of Directors at least four times a year. In 2024, the Internal Audit Department continued the Management Assertion works requested by the Banking Regulation and Supervision Agency (BRSA). In this context,



The 2024 Audit Plan prepared by the Internal Audit Department includes a total of 307 audits: 65 process and subsidiary audits and 194 audits performed by the Branch Audit teams.

the Department audited the outsourced services companies in addition to banking processes and general information technology controls within the scope of the Management Assertion. The relevant results are submitted to the Board of Directors.

The 2024 Audit Plan prepared by the Internal Audit Department includes a total of 307 audits: 65 process and subsidiary audits and 194 audits performed by the Branch Audit teams. In addition, audit teams in subsidiaries carried out 47 on-site audits at subsidiaries. In addition, there were 47 bank investigations or inquiries.

The 2025 Audit Plan also covers unplanned audit needs and investigations, audit projects on continuous improvement of practices, professional training, finding monitoring, reporting, methodology and administrative tasks.

INTERNAL CONTROL

At Yapı Kredi, internal control activities are carried out by a team of 101 people, including subsidiaries, with 83 people working at the Bank. The internal control team reports to the Audit Committee. At Yapı Kredi branches, Head Office and financial subsidiaries, the team conducts regular control activities in line with the control standards and practices set forth by the BRSA and international institutions as well as with the internal risk assessments. The findings obtained from the activities are reported to the relevant units to ensure the performance of necessary improvements. The entire process is followed up until its completion.

Periodic reports on the internal control activities and the related results are submitted to the Audit Committee and Senior Management.

The "Internal Control Certificate Program" for the professional development of the auditors continues as planned, along with the training programs provided by the Bank for existing employees.

In 2024, controls were carried out both remotely and on-site. Also, on-site audits were conducted in 300 branches by the Branches On-Site Internal Control during this year. 280-300 branch on-site audit activities are planned in 2025. As part of the internal control activities, 7 subsidiaries of the Bank were audited in 2024. It is planned to audit 7 subsidiaries in 2025.

In Internal Control management, processes and regulations are monitored with a risk-based approach methodology, and their effects on control activities are evaluated. The work of the digital transformation of internal control practices continues.

In 2025, controls will continue on issues that generally cause customer complaints and legal risks and that are related to information security and "Environmental Management System and Sustainability", which is gaining importance throughout the world.

RISK MANAGEMENT

Risk management is carried out by 98 employees under the management of the Audit Committee to, on an individual and consolidated basis, measure, monitor, report and control the risks that the Bank may encounter, taking into account international legal regulations, and using methods in accordance with national legislation. The highest-ranked manager responsible for risk management is the Executive Vice Presedent for Compliance, Internal Control and Risk Management. Risk management consists of Credit Risk Strategy, Modeling and Reporting Group Directorate, Market Risk Directorate and Risk Validation Directorate.

Yapı Kredi ensures accurate and healthy strategic risk management through corporate functions and management committees. In this process, the Board of Directors establishes and monitors all necessary control mechanisms and processes in order to successfully implement targets and strategies.

Credit Risk

Credit risk refers to possible loss that the Bank may be exposed to due to the borrower's failure to timely fulfill its contractual obligations in part or in whole.

Under the credit risk management, Yapı Kredi aims to measure, mitigate and take necessary precautions against the credit risk by using efficient and smooth rating / scoring models, strategies and processes.

Internal rating models used for measuring credit risks are designed in accordance with the criteria set forth in the "Communiqué on Calculation of the Risk Weighted Exposure Amount for Credit Risk by Internal Ratings-Based Approaches" published by the Banking Regulation and Supervision Agency (BRSA). Following the approval of the BRSA, the Bank, as of June 30, 2021, started to calculate capital adequacy ratios with the Internal Ratings-Based (IRB) approach using these internal rating models. With this development, Yapı Kredi became the first bank in Türkiye to adopt the IRB approach.

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Yapı Kredi uses the following primary strategies for Credit Risk:

- Effectively implement Lending Policies Guidelines toensure the continuity of the existing common risk managementunderstanding in place across the organization;
- Steer the credit portfolio to less risky sectors;
- Avoid excessive concentration in group risks;
- Strictly comply with existing regulatory restrictions focuson customers with better ratings;
- Avoid transaction that would lead to high credit risk andreputational risk,
- Manage country risk in line with the strategies, policiesand implementation procedures established.

The Bank assesses investments in terms of their potentia environmental and social risks such as environmental, human rights, ethical, corruption, and similar risks in addition to the financial credit risks they entail. New investments and projects that will be financed are addressed within the scope of the Environmental and Social Risk Assessment System.

Operational Risk and Reputational Risk

Operational risk is defined as the risk of loss arising from errors, violations, interruptions or damages caused by internal processes, employees and systems or external events.

Updated in 2024, Yapı Kredi's Operational Risk Management Policy covers group-wide principles and standards regarding operational risk management structure; strategies concerning operational risk control, measurement and management system practices as well as the frequency, content and addressees of operational risk reports. The Reputational Risk Management Policy published in 2013 to define the fundamental principles and procedures for controlling, measuring and mitigating reputational risks is updated annually in view of legal and internal standards. The Policy was last updated in 2024. The Policy focuses on reputational risk control system for establishing and maintaining effective reputational risk management; measuring, monitoring and reporting activities involved in defining and preventing reputational risks and restoring the Bank's reputation sensitive sectors and sectoral norms complying with lending policies; and relevant international standards.

TRANSACTIONS CARRIED OUT WITH THE RISK GROUP

Transactions with the risk group are carried out at arms length and under market conditions in compliance with the Banking Law.

In 2024, all related party transactions were undertaken within regulatory limits. Necessary explanations regarding transactions made by Yapı Kredi with related parties can be found in Section 5 Note 7 of the publicly announced Consolidated Financial Report as of 31 December 2024.

2024 Financial Review

Based on the consolidated financial results dated 31 December 2024 drawn up according to the regulations by the Banking Regulation and Supervision Agency (BRSA), Yapı Kredi achieved a net income of TL 29,019 million and a return on average tangible equity of 15.8% (among private banks) in 2024. The Bank recorded an increase of 37% in total assets amounting to TL 2.554 trillion, maintaining the fourth place among private banks. Throughout 2024, Yapı Kredi continued to improve its contribution to the financing of the Turkish economy. The Bank increased its total cash and non cash loans by 39% to TL 1.813 trillion.

In 2024, total cash loans grew by 37%, reaching TL 1.264 trillion. As a result, Yapı Kredi achieved a market share of 15% in total cash loans among private banks. While loan growth was driven by both TL and FX loans, Yapı Kredi continued to support companies and exporters and stood by its retail customers.

In 2024, customer deposits expanded by 25%, the deposit base amounting to TL 1.348 trillion. The Bank acquired 13.5% market share in customer deposits among private banks. In line with strategic targets, Yapı Kredi's TL demand deposits increased by 64% in 2024 and the share of TL demand deposits in total TL deposits rose to 27%, thanks to the contribution of Yapı Kredi's small-ticket focus in deposits and efficient customer acquisitions.

Yapı Kredi continued to diversify its funding sources in international markets in 2024, and to raise funds from international markets through products such as syndication, additional Tier-1, subordinated bonds and Eurobond issuances. In 2024, with its strong international relations and reputable shareholding structure, the Bank raised approximately USD 8.6 billion in 2024 from international markets, including syndication. The Bank signed two sustainable syndicated loan agreements in 2024. The total amount of funding in the two

transactions is approximately USD 2 billion and will be utilized in line with Yapı Kredi's Sustainable Finance Framework.

In terms of revenue generation, Yapı Kredi's net interest margin, adjusted for swap costs, declined by 466 basis points to 0.73% due to the high interest rate environment, the continued limitations on loan growth imposed by macroprudential measures and the increase in deposit costs arising from legal obligations.

Fees and commissions income rose 104% year on year to TL 77,698 million, while the Bank's operating expenses rose 66% year on year to TL 81,323 million, driven by the business growth and the strategy focusing on human capital as well as the increase in inflation. With the contribution of strong fee growth, the ratio of fee to opex was realized at 96%.

In 2024, the Bank maintained its prudent approach to asset quality and the total provisioning ratio was realized as 3.8%. On a consolidated basis, non-performing loans ratio increased by 12 basis points to 3.0%. Thanks to the strong collection performance, the cost of risk was realized at 58 basis points, adjusted for the exchange rate. Yapı Kredi's strong capital buffers were maintained, and the consolidated capital adequacy ratio (excluding temporary regulatory forbearances) was realized at 15.2% at the end of 2024.

In 2024, the Bank paid TL 384.9 million in total administrative fines ruled by regulatory and supervisory authorities.

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Five-Year Summary Financials

	2020	2021	2022	2023	2024
Total Assets	486,490	780,821	1,184,267	1,863,373	2,553,881
Cash + Non-Cash Loans	382,698	564,066	850,314	1,308,136	1,813,255
Loans	281,822	403,149	606,523	919,508	1,263,846
Deposits	264,410	419,928	705,495	1,108,886	1,374,257
Shareholder's Equity	47,568	63,489	126,262	178,881	192,814
Net Income / (Loss)	5,080	10,490	52,745	68,010	29,019
Capital Adequancy Ratio (Group) (1,2)	16.7%	15.0%	18.1%	16.9%	15.2%
Capital Adequancy Ratio (Bank) (1,2)	17.6%	16.0%	19.5%	18.1%	16.4%
Number of Branches (Group)	867	835	832	812	805
Number of Branches (Bank)	835	804	801	780	772

⁽¹⁾ The contribution of the temporary legal regulation has been taken into account.

⁽²⁾ It has been provided according to the Internal Ratings-Based (IRB) calculation method after 2020.

DIRECT ECONOMIC VALUE GENERATED (TL THOUSAND)	2020	2021	2022	2023	2024
Direct Economic Value Generated					
Income	24,046,928	32,250,489	110,134,489	144,686,607	131,101,203
Economic Value Distributed					
Operating Expenses	4,848,220	5,853,634	13,319,808	29,703,386	49,855,150
Employee Salaries and Fringe Benefits	3,576,234	4,433,204	9,097,079	16,777,259	27,530,139
Payments to Capital Providers (Dividend) 1	500,000	1,000,000	7,911,000	10,201,000	-
Payments to the Government (Current Tax Provision)	3,111,457	3,257,106	20,149,630	9,370,801	115,614
Community Investments	45,500	51,100	178,378	1,047,930	233,500

⁽¹⁾ The authorized body of the Bank for profit distribution is the General Assembly, and the annual ordinary General Assembly meeting has not yet been held as of the date these financial statements were prepared.

Credit Ratings

FITCH RATINGS	RATING	OUTLOOK	
Long Term Foreign Currency	BB-	Stable	
Long Term Local Currency	BB-	Stable	
Short Term Foreign Currency	В		
Short Term Local Currency	В		
Viability Rating	bb-		
Govern Support	b-		
National Long Term	AA- (tur)		
Senior Unsecured Debt	BB-		

MOODY'S	RATING	OUTLOOK
Long Term Foreign Currency Deposit	B1	Positive
Long Term Local Currency Deposit	B1	Positive
Short Term Foreign Currency Deposit	Not Prime	
Short Term Local Currency Deposit	Not Prime	
National Scale Rating	Aa1.tr	
Senior Unsecured Debt	B1	Positive

As of 4 March 2025.

Since the profit distribution proposal for 2024 has not been prepared by the Board of Directors yet, it has been left blank in the profit distribution table.

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Declaration of Compliance with Corporate Governance Principles

Yapı Kredi strives to comply with the Corporate Governance Principles published by the Capital Markets Board (CMB) and focuses on continuous development in this area while carrying out its operations.

The mandatory principles within the scope of the Communique on Corporate Governance numbered II-17.1 which is currently in effect have been fully complied with and the non-mandatory principles have been mostly complied with. Despite full compliance with the non-mandatory Corporate Governance Principles is targeted, such full compliance has not been achieved yet due to reasons such as the practical challenges with some of the principles, the ongoing discussions both in our country and on the international platform in relation to compliance with some of the principles and the fact that some principles do not completely overlap with the existing structure of the market and the Bank. The principles that have not yet been implemented is worked on and it is planned that their practice will start after the completion of the administrative, legal and technical infrastructure work in a way to contribute to the efficient management of the Bank. Below in the relevant chapters are the explanations for Yapı Kredi's extensive efforts conducted within the framework of the Corporate Governance Principles and the principles that have not yet been complied with and the conflicts of interest, if any, arising from these.

Efforts for compliance with the Capital Markets Law which covered the regulations of the CMB on the Corporate Governance Principles and with the communiques issued on the basis of this law were among the main efforts in the field of Corporate Governance in 2024. The Board of Directors and the Committees of the Board of Directors of the Bank were formed in line with the regulations in the Communique on Corporate Governance. The Committees of the Board of Directors that are formed, continue with their activities efficiently. A remuneration policy was set for the Board of Directors

and the senior management and employees and was submitted to the information of the shareholders at the Annual Shareholders' Meeting. Annual Shareholders' Meeting Disclosure Document containing the Annual Shareholders' Meeting information such as the shareholding structure, total number of shares and voting rights, the biographies of the candidates standing for membership to the Board of Directors and the Remuneration Policy was submitted to the information of the investors 3 weeks before the Annual Shareholders' Meeting. Furthermore, the Bank's corporate website and annual report were reviewed and the revisions required for full compliance with the principles were made. Work required for compliance with the principles will be carried out in the upcoming period by taking into consideration both the developments in the legislation and practice.

In clause 3 of article 6 of the Communique on Corporate Governance in relation to exemptions, it is stated that the number of independent Board members may be determined by the banks themselves on the condition that this number is not less than three and that the Board members who are appointed as an audit committee member within the bank's organization for the Board of Directors shall be considered as independent Board members within the framework of this communique. The communique also states that the qualifications set forth in the Corporate Governance principle numbered 4.3.6 shall not be sought in audit committee members of banks and that the principles numbered 4.3.7 and 4.3.8 in relation to the election of these members shall not be applied. The same communique also provides that the qualifications set forth in the principle numbered 4.3.6 shall be required in any case in respect of the independent board members who will not be appointed in the audit committee, and for only one member in cases where all of the independent members of the board of directors are appointed in the audit committee and that the principles numbered 4.3.7 and 4.3.8 shall apply with regard to the election of this independent member or these independent members. In this framework, in 2024, Virma Sökmen was elected as

an independent Board Member by the General Assembly having the qualifications set forth in principles numbered 4.3.7 and 4.3.8. Ahmet Çimenoğlu and Nevin İpek members of the Bank's Audit Committee are deemed independent members within the framework of this communiqué.

Among the Corporate Governance Principles, following main principles which have not been compiled and not mandatory in accordance to communique have been specified below detailed information on this respect is provided in the relevant chapters below. There is no conflict of interest arising from non-compliance with the said principles.

In relation to principle numbered 1.3.10, a separate agenda item was included in the general assembly agenda for donations and the details of the high donations are explained in the general assembly information form. The remaining amount not detailed in the information form consists of various donations to various institutions and organizations, each less than 5 Million TL, which are not considered important information for investors. Donations below this amount are not followed by our investors, and it is planned to continue making public disclosures with the significance limit to be determined according to the current conditions in the following years. In relation to principle numbered 1.5.2, minority rights are not vested by the Articles of Association in shareholders holding less than one twentieth of the capital and rights are vested within the framework of the general regulations in the legislation and in line with general practices. No change is foreseen in the near future.

In relation to principle numbered 4.2.8, although Yapı Kredi Bank has Directors and Officers liability insurance, the amount is below the mentioned rate. Considering the high capitalof the bank, the current insurance amount is considered sufficient in terms of foreseeable risks and insurance limits are regularly reviewed. In the following periods, the amount of umbrella insurance may be increased if needed.

In relation to principle numbered 4.4.7, no limits are introduced for the Members of the Board of Directors preventing them from assuming duties outside the company due to the fact that their sectoral and business experience makes a significant contribution to the Board of Directors. CV of our board members are included in our annual report. Considering the effective work of the Board of Directors, no change is foreseen in the short term and current

practice, which is considered not to create any negative situation in terms of corporate governance.

In relation to principle numbered 4.5.5, the appointment of the Members of the Board of Directors in committees is performed by taking into consideration their knowledge and experience and in line with the relevant legislation and some Members of the Board of Directors are appointed to more than one committee. However, those members who assume duties in more than one committee ensure communication and increase cooperation opportunities among committees that work in related matters. Considering the efficient work of the members of the Board of Directors with their knowledge and experience, the existing committees is evaulated effectively and there is no need for changes is foreseen in the near future.

In relation to principle numbered 4.6.5, remunerations made to the Members of the Board of Directors and to the executives with administrative responsibilities are collectively and publicly disclosed in the footnotes of the financial statements in line with the general practice. Market executions are closely monitored on an issue that is considered important for the privacy of personal information, it is foreseen to act in parallel with the common practice.

Yapı Kredi's corporate governance rating in the BIST Corporate Governance Index which the Bank joined back in 2008, started with 8.02 (over 10) was increased to 9.72 through the Corporate Governance Rating Report issued by SAHA Corporate Governance and Credit Rating Services Inc. and publicly disclosed by the Bank on December 27, 2024. The ratings in terms of main sections were set as 9.60 for Shareholders, 9.87 for Public Disclosure and Transparency, 9.95 for Stakeholders and 9.59 for the Board of Directors.

The 2024 Corporate Governance Compliance Report and Corporate Governance Information Form are included in the annual report (page 234-251) prepared in accordance with CMB's decision dated 10.01.2019 and numbered 2/49 and approved by the Board of Directors of our Bank and the relevant documents can also be accessed from our Bank's corporate management page on the Public Disclosure Platform. https://www.kap.org.tr/tr/cgif/4028e4a240f2ef4c01412ae6d6630538)

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COMPLIANCE REPORT											
	Yes	Partial	No	Exempted	Not Applicable	Explanation					
1.1. FACILITATING THE EXERCISE OF SHAREHOLI	DER RIG	HTS									
1.1.2 - Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X										
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATI	ON										
1.2.1- Management did not enter into any transaction that would complicate the conduct of special audit.	Х										
1.3. GENERAL ASSEMBLY											
1.3.2 -The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	Х										
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					Х	No notification was made regarding such a transaction.					
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	×										
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.		×				A separate agenda item was included in the general assembly agenda for donations and the details of the high donations are explained in the general assembly information form. The remaining amount not detailed in the information form consist of various donations to various institutions and organizations, each less than 5 Million TL, which are not considered importar information for investors. Donations below this amount are not followed by our investors, and it is planned to continue making public disclosures with the significance limit to be determined according to the current conditions in the following years.					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without naving the right to speak.	X										

COMPLIANCE REPORT										
	Yes	Partial	No	Exempted	Not Applicable	Explanation				
1.4. VOTING RIGHTS										
1.4.1-There is no restriction preventing shareholders from exercising their shareholder rights.	Х									
1.4.2-The company does not have shares that carry privileged voting rights.	Х									
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					Х	There is no cross-ownership that provides a management control.				
1.5. MINORITY RIGHTS										
1.5.1- The company pays maximum diligence to the exercise of minority rights.	Х									
1.5.2-The Articles of Association extend the use of minority rights to those who own less than one twenthieth of the outstanding shares, and expand the scope of the minority rights.			х			Minority rights are not vested by the Articles of Association in shareholders holding less than one twentieth of the capital and rights are vested within the framework of the general regulations in the legislation and in line with general practices. No change is foreseen in the near future.				
1.6. DIVIDEND RIGHT					ı					
1.6.1 -The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	Х									
1.6.2-The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	Х									
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					Х					
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	Х									

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COMPLIANCE REPORT									
	Yes	Partial	No	Exempted App	lot licable	Explanation			
1.7. TRANSFER OF SHARES									
1.7.1 - There are no restrictions preventing shares from being transferred.	Х								
2.1. CORPORATE WEBSITE									
2.1.1The company website includes all elements listed in Corporate Governance Principle 2.1.1.	Х								
2.1.2-The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	Х								
2.1.4 -The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X								
2.2. ANNUAL REPORT									
2.2.1-The board of directors ensures that the annual report represents a true and complete view of the company's activities.	Х								
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	Х								
3.1. CORPORATION'S POLICY ON STAKEHOLDER	S								
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	Х								
3.1.3-Policies or procedures addressing stakeholders' rights are published on the company's website.	Х								
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X								
3.1.5-The company addresses conflicts of interest among stakeholders in a balanced manner.	X								

COMPLIANCE REPORT											
	Yes	Partial	No	Exempted	Not Applicable	Explanation					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT											
3.2.1-The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.	X										
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X										
3.3. HUMAN RESOURCES POLICY											
3.3.1- The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	Х										
3.3.2-Recruitment criteria are documented.	Х										
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	Х										
3.3.4-Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	Х										
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	Х										
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	Х										
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	×										
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	Х										
3.3.9 - A safe working environment for employees is maintained.	Х										

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	Yes	Partial	No	Exempted	Not pplicable	Explanation					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIE	ERS										
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	Х										
3.4.2-Customers are notified of any delays in handling their requests.	X										
3.4.3 - The company complied with the quality standards with respect to its products and services.	Х										
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	Х										
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILIT	Υ				<u>'</u>						
3.5.1-The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X										
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	Х										
4.1. ROLE OF THE BOARD OF DIRECTORS											
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X										
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	Х										

COMPLIANCE REPORT						
	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2-Duties and authorities of the members of the board of directors are disclosed in the annual report.	Х					
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	Х					
4.2.4-Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	Х					
4.2.7 - The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	Х					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.		×				Although Yapı Kredi Bank has Directors and Officers liability insurance, the amount is below the mentioned rate. Considering the high capitalof the bank, the current insurance amount is considered sufficient in terms of foreseeable risks and insurance limits are regularly reviewed. In the following periods, the amount of umbrella insurance may be increased if needed.
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9-The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	X					
4.3.10-At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	Х					

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COMPLIANCE REPORT							
	Yes	Partial	No	Exempted Appli	ot cable	Explanation	
4.4. BOARD MEETING PROCEDURES							
4.4.1-Each board member attended the majority of the board meetings in person.	Х						
4.4.2-The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	Х						
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.				>	(Although there is a possibility to present an opinion, there has been no notification made by the board members who could not attend the meeting.	
4.4.4-Each member of the board has one vote.	Х						
4.4.5-The board has a charter/written internal rules defining the meeting procedures of the board.	Х						
4.4.6-Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	Х						
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		Х				No limits are introduced for the Members of the Board of Directors preventing them from assuming duties outside the company due to the fact that their sectoral and business experience makes a significant contribution to the Board of Directors. CV of our board members are included in our annual report. Considering the effective work of the Board of Directors, no change is foreseen in the short term and current practice, which is considered not to create any negative situation in terms of corporate governance.	
4.5. BOARD COMMITTEES							
4.5.5-Board members serve in only one of the Board's committees.			Х			The appointment of the Members of the Board of Directors in committees is performed by taking into consideration their knowledge and experience and in line with the relevant legislation and some Members of the Board of Directors are appointed to more than one committee. However, those members who assume duties in more than one committee ensure communication and increase cooperation opportunities among committees that work in related matters. Considering the efficient work of the members of the Board of Directors with their knowledge and experience, the existing committees is evaulated effectively and there is no need for changes is foreseen in the near future.	

COMPLIANCE REPORT						
	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7-If external consultancy services are used, the independence of the provider is stated in the annual report.					Х	In accordance with the working principles of the committees, the committees may make use of the opinions of the independent experts/professionals, if needed. During the past year, no such request was brought up by the committees.
4.5.8-Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5-The individual remuneration of board members and executives is disclosed in the annual report.			Х			Remunerations made to the Members of the Board of Directors and to the executives with administrative responsibilities are collectively and publicly disclosed in the footnotes of the financial statements and Ordinary General Assembly in line with the general practice. Market executions are closely monitored on an issue that is considered important for the privacy of personal information, it is foreseen to act in parallel with the common practice

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1. SHAREHOLDERS						
1.1. Facilitating the Exercise of Shareholders Rights						
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	Conferences: 16 (attended), Roadshow: 7 (attended), Webcasts: 4 (organized) Analyst Days: 1 (organized), Investor Meetings via teleconferences: around 450.					
1.2. Right to Obtain and Examine Information						
The number of special audit request(s)	0					
The number of special audit requests that were accepted at the General Shareholders' Meeting	-					
1.3. General Assembly						
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/tr/Bildirim/1254015					
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	It is presented.					
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There is no such transaction.					
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	There is no such transaction.					
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	There is no such transaction.					
The name of the section on the corporate website that demonstrates the donation policy of the company	Investor Relations/Corporate Governance/ Code of Ethics and Policies					
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/920592					
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 16					
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	The General Assembly was held open to the public, including stakeholders and the media without the right to speak. In addition to shareholders, some bank employee and some university students attended the General Assembly meeting held in 2024					

1. SHAREHOLDERS					
L.4. Voting Rights					
Whether the shares of the company have differential voting rights	No				
n case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	None				
The percentage of ownership of the largest shareholder	40,95%				
1.5. Minority Rights					
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No				
f yes, specify the relevant provision of the articles of association	None				
1.6. Dividend Right					
The name of the section on the corporate website that describes the dividend distribution policy	Investor Relations / Corporate Governance / Shareholders' Meeting				
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend	Dividend has been distributed.				
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	-				

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and rating and the measures taken by the corporation in order to avoid from these conflicts of interest

f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct

g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the

employees and activities of corporate social responsibility in respect of the corporate

contribution to the capital exceeds 5%

activities that arises social and environmental results

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	of the corporation of the Corpor	ify the name e page of the crate website contains seneral cholders' ting minutes, also indicates ach resolution oting levels for ainst	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
29.03.2024	0	79,93%	0,001%	79,93%	Corp	tor Relations / orate Governance reholders' ng	Investor Relations / Corporate Governance / Shareholders' Meeting	None	0	https://www. kap.org.tr/tr/ Bildirim/1264524
2. DISCLO	SURE AND TRAN	SPARENCY								
2.1. Corpo	orate Website									
Specify the by the Prin		ions of the website	e providing the i	information requ	uested	Investor Relations, About Yapı Kredi, Corporate Governance, Shareholders' Meeting, We Are Here For You.				
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.					Shareholding Structure: Investor Relations/ About Yapı Kredi/ Shareholding Structure					
List of languages for which the website is available					Turkish and English					
2.2. Annu	al Report									
The page	numbers and/o	r name of the se	ctions in the A	Annual Report	that d	emonstrate the i	nformation requ	ested by principl	e 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members					Board of Directors, Senior management, Independence Declarations					
		name of the section			e	Board of Directors and Committees				
demonstrate the information on committees formed within the board structure c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings					Board of Directors and Committees					
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation					Legal Disclosures					
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof					Legal Disclosures					
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken but the corporation in order to avoid from those					Legal Disclosur	es				

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3. STAKEHOLDERS	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Investor Relations/ Corporate Governance/Code of Ethics and Policies
The number of definitive convictions the company was subject to in relation to breach of employee rights	180
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Ethics, Anti-Corruption and Conflict of Interest Manager
The contact detail of the company alert mechanism.	0 212 339 7353 / 0 212 339 7330 / 0 212 339 6039 Etik@yapikredi.com.tr, CikarCatismasi@yapikredi.com.tr, YolsuzluklaMucadele@yapikredi.com.tr
3.2. Supporting the Participation of the Stakeholders in the Corporation's M	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies.	Internal regulations are not publicly available or accessible.
Corporate bodies where employees are actually represented	There is an "Employee Relations Advisory Board" formed of representatives assigned by the Employer and the Union, which work to preserve labor peace and contribute to increasing productivity.
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	The backup plan in our Bank is made for all our top management, and appointments of General Manager and Assistant General Manager are carried out with the resolution of the Board of Directors.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	The Bank's Human Resources and Organization Management carries out its operations in line with the principle of non-discrimination on the basis of race, gender, nationality, age, religion, political affiliation and physical disability and being respectful of privacy and civil rights. Job descriptions, performance and rewarding criteria are announced to all employees. Also, the document regarding the code of conduct applied in the Bank is available on the corporate website.
Whether the company provides an employee stock ownership programme	(There isn't an employee stock ownership programme)
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	The Bank's Human Rights Statement on the corporate website guarantees employees in areas such as diversity, freedom of expression. Furthermore, all Bank employees are able to share any discomfort and complaints with regard to these matters, orally or in writing, to the code of conduct within the Compliance, Internal Control, Risk and to the Ethics, Fight Against Corruption and Conflict of Interest section.
The number of definitive convictions the company is subject to in relation to health and safety measures	0

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3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Investor Relations/ Corporate Governance/Code of Ethics and Policies
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	Investor Relations/ Corporate Governance, Sustainability
Any measures combating any kind of corruption including embezzlement and bribery	The Bank's "Anti-Bribery and Anti-Corruption Policy" is included in the Investor Relations/Corporate Governance/Code of Ethics and Policies section of our website.
4. BOARD OF DIRECTORS-I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	04.03.2025
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Yıldırım Ali Koç /Chairman, Levent Çakıroğlu / Vice Chairman, Gökhan Erün / Executive Director and CEO
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	12
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Audit Committee's Assessment on Internal Audit, Internal Control and Risk Managemen Systems
Name of the Chairman	Yıldırım Ali Koç
Name of the CEO	Gökhan Erün
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	-
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	-
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	Investor Relations/ Corporate Governance/Code of Ethics and Policies
The number and ratio of female directors within the Board of Directors	2 (%20)

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COMPOSITION OF BOARD OF DIRECTORS								
Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/ Or Finance Or Not	
YILDIRIM ALİ KOÇ	Non-executive	Not independent director	31.03.2016					
LEVENT ÇAKIROĞLU	Non-executive	Not independent director	25.03.2015					
GÖKHAN ERÜN	Executive	Not independent director	15.01.2018					
AHMET FADIL ASHABOĞLU	Non-executive	Not independent director	28.09.2005					
AYKUT ÜMİT TAFTALI	Non-executive	Not independent director	31.03.2016					
AHMET ÇİMENOĞLU	Non-executive	Independent director	18.03.2019	Within the frame of article 6(3)a of the CMB's Corporate Governance Communiqué; As a member of the Audit Committee, he is considered an Independent Board Member.			Yes	
NEVÎN ÎPEK	Non-executive	Independent director	05.02.2020	Within the frame of article 6(3)a of the CMB's Corporate Governance Communiqué; As a member of the Audit Committee, she is considered an Independent Board Member.			Yes	
VİRMA SÖKMEN	Non-executive	Independent director	18.03.2019	https://www.kap.org.tr/tr/ Bildirim/1254015	Considered	No	Yes	
POLAT ŞEN	Non-executive	Not independent director	23.03.2022					
KEMAL UZUN	Non-executive	Not independent director	23.03.2022					

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4. BOARD OF DIRECTORS-II						
4.4. Meeting Procedures of the Board of Directors						
Number of physical or electronic board meetings in the reporting period	7					
Director average attendance rate at board meetings	97%					
Whether the board uses an electronic portal to support its work or not	No					
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	Principally a week ago.					
The name of the section on the corporate website that demonstrates information about the board charter	Although there is an internal regulation on the subject (Yapı Kredi Board of Directors Working Principles), it is not a public document.					
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	No limits are introduced for the Members of the Board of Directors preventing them from assuming duties outside the company due to the fact that their sectoral and business experience makes a significant contribution to the Board of Directors.					
4.5. Board Committees						
Page numbers or section names of the annual report where information about the board committees are presented.	Board of Directors and Committees					
Link(s) to the PDP announcement(s) with the board committee charters	Information on the working principles of the Board committees is available on the Bank's website.					

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COMPOSITION OF BOARD CO	DMMITTEES-I			
Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Audit Committee		Ahmet Çimenoğlu	Yes	Board member
Audit Committee		Nevin İmamoğlu İpek	No	Board member
Corporate Governance Committee		Virma Sökmen	Yes	Board member
Corporate Governance Committee		Nevin İmamoğlu İpek	No	Board member
Corporate Governance Committee		M. Erkan Özdemir	No	Not board member
Remuneration Committee		Y.Ali Koç	No	Board member
Remuneration Committee		Levent Çakıroğlu	No	Board member
Other	Credit Committee	Gökhan Erün	Yes	Board member
Other	Credit Committee	Ahmet Çimenoğlu	No	Board member
Other	Credit Committee	Virma Sökmen	No	Board member
Other	Credit Monitoring Committee	Levent Çakıroğlu	Yes	Board member
Other	Credit Monitoring Committee	Ahmet F. Ashaboğlu	No	Board member
Other	Credit Monitoring Committee	Ahmet Çimenoğlu	No	Board member
Other	Credit Monitoring Committee	Virma Sökmen	No	Board member
Other	Credit Monitoring Committee	Polat Şen	No	Board member
Other	Risk Committee	Levent Çakıroğlu	Yes	Board member
Other	Risk Committee	Gökhan Erün	No	Board member
Other	Risk Committee	Ahmet Çimenoğlu	No	Board member
Other	Risk Committee	Polat Şen	No	Board member
Other	Risk Committee	Kemal Uzun	No	Board member
Other	Executive Committee	Gökhan Erün	Yes	Board member
Other	Executive Committee	Demir Karaaslan	No	Not board member
Other	Executive Committee	M. Erkan Özdemir	No	Not board member
Other	Executive Committee	Serkan Ülgen	No	Not board member
Other	Executive Committee	Yakup Doğan	No	Not board member
Other	Executive Committee	A. Cahit Erdoğan	No	Not board member
Other	Executive Committee	Saruhan Yücel	No	Not board member
Other	Executive Committee	M. Erkan Akbulut	No	Not board member
Other	Executive Committee	Uğur Gökhan Özdinç	No	Not board member
Other	Executive Committee	Özden Önaldı	No	Not board member
Other	Executive Committee	Mehmed Erendiz Kürşad Keteci	No	Not board member
Other	Executive Committee	Nursezil Küçük Koçak	No	Not board member

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4. BOARD OF DIRECTORS-III

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4.5. Board Committees-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Board of Directors; Audit Committee
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Board of Directors; Corporate Governance Committee
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	There is no Nomination Committee. The tasks related to this committee are provided by the Corporate Governance Committee. Annual Report: Board of Directors; Corporate Governance Committee
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Board of Directors; Risk CommitteeCommittee Members
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	Board of Directors; Remuneration Committee
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Message from the Chairman, Message from the CEO, Report of the Board of Directors
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Investor Relations/ Corporate Governance/Code of Ethics and Policies
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual	Being Part of Yapı Kredi

COMPOSITION OF BOARD COMMITTEES-II									
Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non- executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board				
Audit Committee		100%	100%	4	2				
Corporate Governance Committee		67%	67%	2	1				
Remuneration Committee		100%	0%	2	1				
Other	Credit Committee	67%	67%	26	4				
Other	Credit Monitoring Committee	100%	40%	1	-				
Other	Risk Committee	80%	20%	6	-				

CMB Sustainability Principles Compliance Statement

Yapı Kredi closely follows the best practices in the field of sustainability, including those specified in the Capital Markets Board (CMB) Sustainability Principles Compliance Framework, and carries out its activities with the aim of adapting to the generally accepted best practices in this field. The subjects managed by Yapı Kredi within the scope of its sustainability activities are consistent with the principles set out in the "Sustainability Compliance Framework" put into effect by CMB in 2020. Within this framework, Yapı Kredi has complied with all the principles specified in the non-mandatory "Sustainability Principles Compliance Framework" preapared by the CMB with the "comply or explain" approach.

The CMB Sustainability Principles Compliance Report, prepared in accordance with the formats determined by the CMB's Decision No. 34/977 dated 23.06.2022 and approved by our Company's Board of Directors, is included in the annex of the Integrated Annual Report (pages 252-261), and the documents can also be accessed from our Bank page on the Public Disclosure Platform.

https://www.kap.org.tr/en/sirket-bilgileri/ozet/2429-yapi-ve-kredi-bankasi-a-s

In accordance with the Decision of the Public Oversight, Accounting and Audit Standards Authority dated 29.12.2023, the report to be prepared in accordance with Turkish Sustainability Reporting Standards will also be disclosed to the public within the legal period.

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Sustainability Principles Compliance Framework

	PRINCIPLES		СОМ	PLIAN	CE STATUS		EXPLANATION	RELATED REPORT/LINKS	
	PRINCIPLES	Yes	Partial	No	Not Applicable	Irrelevant		RELATED REL ONI/EINING	
	A. GENERAL PRINCIPLES								
	A1. Strategies, Policies and Targets								
A1.1	Material environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the partnership's board of directors.	X					Yapı Kredi identified material ESG issues and related risks and opportunities through stakeholder analysis.	2024 Integrated Annual Report: Vision, Mission, Strategy, Values Sustainability Management Material Issues Risk Management Trends, Their Implication for the Sector an Yapı Kredi's Response	
	ESG policies (e.g. Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Board of Directors of the corporation.	X					ESG policies approved by the Board of Directors have been shared with the public on the corporate website.	Yapı Kredi Code of Ethics and Business Conduct: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/2021/YKB_Code of_Ethics_and_Business_Conduct.pdf	
A1.2	Short- and long-term targets set within the scope of ESG policies were disclosed to the public.	Х					The targets determined within the scope of ESG policies approved by the Board of Directors have been shared with the public on the corporate website.	2024 Integrated Annual Report: Responsible and Sustainable Finance Environmental Impact Management Contribution to the Society United Nations Principles of Responsible Banking Reporting Index Corporate Website - Net-Zero: https://www.yapikrediinvestorrelations. com/en/sustainability/detail/The-Net-Zero-Approach/852/2535/0	
	A2. Implementation/ Monitoring								
A2.1	The committees and/or units responsible for the implementation of ESG policies and the highest level officials in the partnership related to ESG issues and their duties have been identified and disclosed to the public.	×					The duties of the Yapı Kredi Sustainability Committee, Sustainability Unit and sustainability working groups responsible for the execution of ESG policies are disclosed to the public through the integrated annual report and corporate website.	2024 Integrated Annual Report: Board of Directors and Committees Sustainability Committee Sustainability Management Corporate Website - Management Structure: https://www.yapikrediinvestorrelations. com/en/sustainability/detail/Management Structure/840/2526/0	
AZ.I	Activities carried out within the scope of policies by the responsible committee and/or unit were reported to the board of directors at least once a year.	×					The Sustainability Committee, which meets four times a year to monitor and direct the developments in the field of sustainability, presents its activities to the Executive Committee and the Board of Directors on a regular basis every year.	2024 Integrated Annual Report: Board of Directors and Committees Sustainability Committee	

			СОМР	LIANCI	E STATUS			
	PRINCIPLES	Yes	Partial	No	Not Applicable	Irrelevant	EXPLANATION	RELATED REPORT/LINKS
	A. GENERAL PRINCIPLES							
	A2. Implementation/ Monitoring							
A2.2	In line with the ESG targets, implementation and action plans were created and disclosed to the public.	Х					Yapı Kredi aims to realize its short- and long-term goals in line with the action plans it has created, and shares these action plans with the public through its integrated annual report and corporate website.	2024 Integrated Annual Report: Sustainability Management Environmental Impact Management Trends, Their Implication for the Sector and Yapı Kredi's Response United Nations Principles of Responsible Banking Reporting Index Corporate Website - The Net Zero Approach: https://www.yapikrediinvestorrelations. com/en/sustainability/detail/The-Net- Zero-Approach/852/2535/0
A2.3	The ESG Key Performance Indicators (KPI) and the level of reaching these indicators on a yearly basis were publicly disclosed.	×					Yapı Kredi publicly discloses the level of achievement of Key Performance Indicators, determined in line with its ESG targets every year through its integrated annual report.	2024 Integrated Annual Report: Environmental Impact Management, United Nations Principles of Responsible Banking Reporting Index
A2.4	Activities to improve the sustainability performance of business processes or products and services have been disclosed to the public.	Х					Yapı Kredi carries out many activities that improve its sustainability performance, both with the sustainability approach it integrates into its own business processes and with the sustainable products and services it offers, and explains these through its integrated annual report and corporate website.	2024 Integrated Annual Report: Sustainability Management Responsible and Sustainable Finance Environmental Impact Management Corporate Website - Yapı Kredi Sustainable Finance Framework: https://www.yapikrediinvestorrelations. com/en/images/pdf/sustainablebonds/ Yapi-Kredi-Sustainable-Finance- Framework-2024.pdf
	A3. Reporting							
A3.1	In the annual reports, information regarding the sustainability performance, targets and actions of the partnership is given in an understandable, accurate and sufficient manner.	Х					Since 2019, Yapı Kredi has been publishing information on its sustainability performance, targets and actions in an understandable and transparent manner in its integrated annual reports.	2024 Integrated Annual Report: Sustainability Management Responsible and Sustainable Finance Environmental Impact Management
A3.2	Information on which of its activities are related to the United Nations (UN) 2030 Sustainable Development Goals has been disclosed to the public by the partnership.	×					Within the scope of its sustainability strategy, Yapı Kredi takes the Sustainable Development Goals (SDGs) as a guide and associates those goals with its material issues.	2024 Integrated Annual Report: Material Issues Corporate Website - Yapı Kredi Sustainable Finance Framework: https://www.yapikrediinvestorrelations. com/en/images/pdf/sustainablebonds/ Yapi-Kredi-Sustainable-Finance- Framework-2024.pdf
A3.3	Lawsuits filed and/or concluded against ESG issues, which are important in terms of ESG policies and/or will significantly affect activities, have been disclosed to the public.	X					There are no lawsuits filed against Yapı Kredi regarding ESG issues.	2024 Integrated Annual Report: Legal Explanations

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			СОМІ	PLIAN	CE STATUS			
	PRINCIPLES	Yes	Partial	No	Not Applicable	Irrelevant	EXPLANATION	RELATED REPORT/LINKS
	A. GENERAL PRINCIPLES							
	A4. Verification							
A4.1	The Partnership's ESG Key Performance metrics have been verified and publicly disclosed by an independent third party.	X						2024 Integrated Annual Report: Independent Assurance Statement
	B. Environmental Principles							
B1	The partnership has made public its policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs in the field of environmental management.	X					In order to systematically manage its environmental impacts, Yapı Kredi established the Environmental Management System (EMS) by certifying its headquarters buildings with ISO 14001 certification and continues to implement this system by extending it to its all regional directorates and branches in 2024.	2024 Integrated Annual Report: Environmental Impact Management Corporate Website - ISO 14001 Certificate: https://www.yapikrediinvestorrelations. com/tr/images/pdf/yapi-ve-kredi-bankasi-ISO14001-CYS-sertifikasi-2023.pdf
B2	The scope of the report, the reporting period, the reporting date, and the limitations regarding the reporting conditions were disclosed to the public regarding the environmental reports prepared in providing information on environmental management.	х						2024 Integrated Annual Report: About the Report Reporting Guidance
В4	Environmental targets included in the rewarding criteria within the scope of performance incentive systems on the basis of stakeholders (such as members of the Board of Directors, managers and employees) have been disclosed to the public.	X					Environmental sustainability targets are included in the performance targets of Yapı Kredi's General Manager, Executive Vice Presidents and relevant sustainability employees were publicly disclosed in the 2024 CDP Corporate Questionnaire.	2024 CDP Corporate Questionnaire: https://www.yapikrediinvestorrelations. com/en/images/pdf/sustainability- reports/2024/ykb-cdp-response-2024.pd
B5	Integration of material environmental issues into business objectives and strategies has been publicly disclosed.	×					Yapı Kredi integrates the environmental issues, identified as material into its business targets and strategy that is declared through integrated annual report and corporate website.	2024 Integrated Annual Report: Responsible and Sustainable Finance Corporate Website - Sustainability: https://www.yapikrediinvestorrelations. com/en/sustainability/default/ Overview/59/0/0

	powers re		СОМР	LIANC	E STATUS			
	PRINCIPLES	Yes	Partial	No	Not Applicable	Irrelevant	EXPLANATION	RELATED REPORT/LINKS
	B. Environmental Principles							
В7	It has been publicly disclosed how environmental issues are managed and integrated into business objectives and strategies throughout the partnership value chain, including the operational process, including suppliers and customers.	Х						2024 Integrated Annual Report: Responsible and Sustainable Finance Environmental Impact Management Yapı Kredi Responsible Procurement Policy: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/2020/yk_ responsible_procurement_policy.pdf
B8	Whether relevant organizations and non-governmental organizations on the environment are involved in the policymaking processes and the collaborations with these institutions and organizations were disclosed to the public.	Х					Yapı Kredi disclosed its collaborations with relevant national and international organizations on the environment in its integrated annual report.	2024 Integrated Annual Report: Stakeholder Relations
В9	Environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts) Information about the impacts of the company is disclosed to the public on a comparable basis periodically.	Х					Yapı Kredi disclosed its environmental performance indicators to the public in the performance tables section of its integrated annual report, comparable to the previous four years.	2024 Integrated Annual Report: Performance Tables
B10	Details of the standard, protocol, methodology, and base year used to collect and calculate data have been made public.	Х						2024 Integrated Annual Report: Environmental Impact Management Reporting Guidance
B11	Compared to previous years, the increase or decrease of environmental indicators for the report year has been disclosed to the public.	Х					Yapı Kredi disclosed its environmental performance indicators to the public in the performance tables section of its integrated annual report, comparable to the previous four years.	2024 Integrated Annual Report: Performance Tables
B12	Short- and long-term targets have been determined to reduce their environmental impacts, and the progress of these targets and the targets determined in previous years has been disclosed to the public.	Х					Yapı Kredi shared its short- and long-term targets and the progress of these targets with the public in its integrated annual report in order to reduce its environmental impacts within the scope of both operational and lending activities.	2024 Integrated Annual Report: Responsible and Sustainable Finance Environmental Impact Management

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	PRINCIPLES	Yes	Partial	No	Not Applicable	Irrelevant	EXPLANATION	RELATED REPORT/LINKS
	B. Environmental Principles							
B13	A strategy to combat the climate crisis has been created and the planned actions have been publicly announced.	x					With a responsible and sustainable finance approach, Yapi Kredi has established its strategy in combating the climate crisis and accordingly announced the actions plans to the public through the integrated annual report, CDP Corporate Questionnaire and corporate website. In addition, Bank's reduction targets for greenhouse gas emissions originating from its credit portfolio and operations were verified by the Science Based Targets Initiative (SBTi) in 2024. A net-zero roadmap including sector-focused reduction strategies was developed to achieve these targets through studies conducted across the Bank. Studies on the implementation of this roadmap in lending processes are ongoing.	2024 Integrated Annual Report: Trends, Their Implication for the Sector and Yapı Kredi's Response – Climate Change Responsible and Sustainable Finance Environmental Impact Management 2024 CDP Corporate Questionnaire: https://www.yapikrediinvestorrelations.com/en/images/pdf/sustainability-reports/2024/ykb-cdp-response-2024.pdf Corporate Website - The Net Zero Approach: https://www.yapikrediinvestorrelations.com/en/sustainability/detail/The-Net-Zero-Approach/852/2535/0
B14	Programs or procedures have been established and disclosed to the public in order to prevent or minimize the potential negative impact of products and/or services on the environment.	×					In order to identify, prevent or minimize the environmental and social risks of projects and investments to be financed by Yapı Kredi, the ESRA (Environmental and Social Risk Assessment) System has been implemented based on national legislation and International Finance Corporation (IFC) Environmental and Social Performance Standards since 2017. Details regarding the ESRA System are disclosed to the public in the integrated annual report and Yapı Kredi Environmental and Social Policy.	2024 Integrated Annual Report: Responsible and Sustainable Finance Environmental Impact Management Innovative Banking United Nations Principles of Responsible Banking Reporting Index Yapı Kredi Environmental and Social Risk Management Policy: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/2020/yk_ environmental_and_social_policy.pdf?v2
	Actions have been taken to reduce greenhouse gas emissions of third parties (e.g. suppliers, subcontractors, dealers, etc.) and these actions have been disclosed to the public.	×					Yapı Kredi aims to act responsibly in purchasing processes and to extend the principle of creating sustainable value throughout the entire supply chain. In this context, it has been implementing the Responsible Procurement Policy since 2016.	Yapı Kredi Responsible Procurement Policy: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/2020/yk_ responsible_procurement_policy.pdf

			СОМЕ	LIANC	E STATUS			
	PRINCIPLES	Yes	Partial	No	Not Applicable	Irrelevant	EXPLANATION	RELATED REPORT/LINKS
	B. Environmental Principles							
B15	The environmental benefits/benefits and cost savings of initiatives and projects aimed at reducing environmental impacts have been disclosed to the public.	Х						2024 Integrated Annual Report: Environmental Impact Management
B16	Energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) data are publicly disclosed as Scope-1 and Scope-2.	X						2024 Integrated Annual Report: Performance Tables
B17	Public disclosure was made about the electricity, heat, steam and cooling produced in the reporting year.	Х						2024 Integrated Annual Report: Environmental Impact Management Performance Tables
B18	Studies on increasing the use of renewable energy and the transition to zero or low carbon electricity have been made and publicly announced.	Х					Yapı Kredi achieved its target of using 100% renewable energy in 2024 and provided 100% of its electricity consumption from renewable energy sources.	2024 Integrated Annual Report: Environmental Impact Management
B19	Renewable energy production and usage data is publicly disclosed.	Х						2024 Integrated Annual Report: Environmental Impact Management Performance Tables
B20	Energy efficiency projects have been carried out and the amount of energy consumption and emission reduction achieved through energy efficiency projects has been disclosed to the public.	X					Yapı Kredi has achieved energy savings with projects such as Gradual LED Transformation and Corridor Closure. In addition, it has been awarded the LEED (Leadership in Energy and Environmental Design) platinum certificate for the Banking Base Buildings.	2024 Integrated Annual Report: Environmental Impact Management Performance Tables
B21	Water consumption, if any, amounts of water drawn, recycled and discharged from underground or above ground, its sources and procedures have been disclosed to the public.	X						2024 Integrated Annual Report: Performance Tables
B22	It has been publicly disclosed whether its operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).	X					Although Yapı Kredi's operational activities are not included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax), the Bank started to implement shadow carbon pricing in 2021.	
B23	Information on carbon credits accumulated or purchased during the reporting period has been disclosed to the public.	Х						2024 Integrated Annual Report: Environmental Impact Management

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	PRINCIPLES	Yes	Partial	No	Not Applicable	Irrelevant	EXPLANATION	RELATED REPORT/LINKS
	B. Environmental Principles							
B24	If carbon pricing is applied within the partnership, the details are disclosed to the public.	X					Although Yapı Kredi's operational activities are not included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax), the Bank started to implement shadow carbon pricing in 2021.	2024 CDP Corporate Questionnaire: https://www.yapikrediinvestorrelations. com/en/images/pdf/sustainability- reports/2024/ykb-cdp-response-2024.pdf
B25	The platforms where the partnership discloses its environmental information are publicly disclosed.	×						2024 Integrated Annual Report: Responsible and Sustainable Finance Environmental Impact Management Performance Tables 2024 CDP Corporate Questionnaire: https://www.yapikrediinvestorrelations. com/en/images/pdf/sustainability- reports/2024/ykb-cdp-response-2024.pdf
	C. Social Principles							
	C1. Human Rights and Employee Rights							
C1.1	The Corporate Human Rights and Employee Rights Policy has been established in a way to cover the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye and other relevant legislation, those responsible for the implementation of the policy have been determined and the policy and those responsible have been disclosed to the public.	X					Yapı Kredi Human Rights Statement has been implemented since 2016 and is shared publicly on the corporate website. In 2023, the Bank reviewed the statement and updated it after evaluations.	2024 Integrated Annual Report: Risk Management, - Human Rights Risks Independent Assurance Statement Yapı Kredi Human Rights Statement: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/yk_human_rights_ statement.pdf
C1.2	Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	X						2024 Integrated Annual Report: Being Here Yapı Kredi Human Rights Statement: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/yk_human_rights_ statement.pdf

			СОМР	PLIANC	E STATUS			
	PRINCIPLES	Yes	Partial	No	Not Applicable	Irrelevant	EXPLANATION	RELATED REPORT/LINKS
	C. Social Principles							
	C1. Human Rights and Employee Rights							
C1.3	Measures taken along the value chain regarding the observance of certain economic, environmental, social factors (low-income groups, women, etc.) or minority rights/equality of opportunity have been publicly disclosed.	X						2024 Integrated Annual Report: Risk Management - Human Rights Risks Yapı Kredi Human Rights Statement: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/yk_human_rights_ statement.pdf Yapı Kredi Responsible Procurement Policy: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/2020/yk_ responsible_procurement_policy.pdf
C1.4	Developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor were disclosed to the public.	X						2024 Integrated Annual Report: Risk Management - Human Rights Risks Yapı Kredi Human Rights Statement: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/yk_human_rights_ statement.pdf Yapı Kredi Code of Ethics and Business Conduct: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/2021/YKB_Code_ of_Ethics_and_Business_Conduct.pdf
	Investment in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	X						2024 Integrated Annual Report: Being Here Yapı Kredi Human Rights Statement: https://www.yapikrediinvestorrelations.com/ en/images/pdf/codeofethicsandpolicies/ yk_human_rights_statement.pdf
C1.5	Dispute resolution processes have been determined by establishing mechanisms for employee complaints and resolution of disputes.	×						2024 Integrated Annual Report: Ethics and Compliance Yapı Kredi Human Rights Statement: https://www.yapikrediinvestorrelations.com/ en/images/pdf/codeofethicsandpolicies/ yk_human_rights_statement.pdf Yapı Kredi Code of Ethics and Business Conduct: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/2021/YKB_Code_ of_Ethics_and_Business_Conduct.pdf) Yapı Kredi Whistleblowing Policy: https://www.yapikrediinvestorrelations.com/ en/images/pdf/codeofethicsandpolicies/ Yapi_Kredi_Whistleblowing_Policy.pdf
	Activities carried out within the reported period to ensure employee satisfaction were disclosed to the public.	Х						2024 Integrated Annual Report: Being Here Performance Tables

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	PRINCIPLES	Yes	Partial	No	Not Applicable	Irrelevant	EXPLANATION	RELATED REPORT/LINKS
	C. Social Principles							
	C1. Human Rights and Employee Rights							
C1.6	Occupational health and safety policies have been established and disclosed to the public.	Х						Yapı Kredi Occupational Health And Safety Policy: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/2020/yk_ occupational_health_and_safety_policy.pdf
C1.0	Measures taken to prevent occupational accidents and protect health and accident statistics have been disclosed to the public.	X						2024 Integrated Annual Report: Occupational Health And Safety Performance Tables
C1 7	Personal data protection and data security policies have been established and disclosed	V						2024 Integrated Annual Report: Protection And Processing of Personal Data Yapı Kredi Corporate Policy On Protection
C1.7	to the public.	X						And Processing of Personal Data: https://www.yapikredlinvestorrelations. com/en/images/pdf/ethical-principles-and- policies/Personal_Data_Protection_and_ Processing_Policy-Corporate.pdf?v2
C1.8	Ethics policy is established and disclosed to the public.	X						2024 Integrated Annual Report: Ethics and Compliance Yapı Kredi Code of Ethics and Business Conduct: https://www.yapikrediinvestorrelations. com/en/images/pdf/ codeofethicsandpolicies/2021/YKB_Code_
								of_Ethics_and_Business_Conduct.pdf
C1.9	Explains its work on social investment, social responsibility, financial inclusion and access to finance.	X						2024 Integrated Annual Report: Contribution to the Society United Nations Principles of Responsible Banking Reporting Index
C1.10	Information meetings and training programs were organized for employees on ESG policies and practices.	X						2024 Integrated Annual Report: Sustainability Management Ethics and Compliance Risk Management Responsible and Sustainable Finance Environmental Impact Management Performance Tables

	PRINCIPLES		СОМЕ	LIANC	E STATUS		EVELANATION	DELATED BEDODT/LINKS
	PRINCIPLES	Yes	Partial	No	Not Applicable	Irrelevant	EXPLANATION	RELATED REPORT/LINKS
	C. Social Principles							
	C2. Stakeholders, International Standard	s and	nitiative	es				
C2.1	The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed to the public.	Х						2024 Integrated Annual Report: Customer Experience Yapı Kredi Customer Satisfaction Policy: https://www.yapikredi.com.tr/en/we-are-here-for-you/customer-satisfaction-approach
C2.2	Information about the communication with stakeholders (which stakeholder, subject and frequency) is publicly disclosed.	Х						2024 Integrated Annual Report: Stakeholders Relations
C2.3	International reporting standards adopted in reporting are explained.	Х					Yapı Kredi is adopted international reporting standards such as, Carbon Disclosure Project (CDP), Global Reporting Initiative (GRI), International Integrated Reporting Council (IIRC), Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD).	2024 Integrated Annual Report: About the Report Sustainability Management GRI Content Index
C2.4	Principles adopted, signatory or member international organizations, committees and principles regarding sustainability have been disclosed to the public.	×					Yapı Kredi has been a signatory and supporter of principles related to sustainability, such as United Nations Environment Program Finance Initiative (UNEP-FI), United Nations Global Compact (UNGC), United Nations Responsible Banking Principles (UNPRB), International Capital Markets Association (ICMA) Green/Sustainable Bond Principles, Task Force on Climate-related Financial Disclosures (TCFD), Finance for Biodiversity Pledge, Net-Zero Banking Alliance (NZBA).	2024 Integrated Annual Report: Sustainability Management Stakeholder Relations Treasury Management United Nations Principles of Responsible Banking Reporting Index UN Global Compact and WEPs Reporting Index
C2.5	Improvements have been made and studies have been carried out in order to be included in the BIST Sustainability Indices and/or international index providers.	Х					Yapı Kredi is included in the indices, such as BIST Sustainability Index, FTSE4Good, MSCI ESG Index, Bloomberg Gender Equality Index.	2024 Integrated Annual Report: Sustainability Management
	D. Corporate Governance Principles							
D1	Opinions of stakeholders were sought in the determination of measures and strategies in the field of sustainability.	Х						2024 Integrated Annual Report: Corporate Governance Compliance Report Corporate Governance Information Form
D2	Social responsibility projects, awareness activities and trainings have been carried out to raise awareness about the issue of sustainability and its importance.	Х						2024 Integrated Annual Report: Sustainability Management Contribution to the Society

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Legal Disclosures

Affiliated Company Report:

According to Article 199 of the Turkish Commercial Code No.6102, which came into effect in July 2012, Yapı Kredi's Board of Directors are liable to prepare a report regarding relations with the controlling company and its affiliated companies and to indicate the conclusion part of mentioned report in its annual report. Necessary explanations regarding transactions made by Yapı Kredi with related parties can be found in Section five Note 7 of the publicly announced Consolidated Financial Report.

In the report prepared by Yapı Kredi's Board of Directors on 4 March 2025, it states; "It is concluded that in all transactions made by Yapı Kredi with the controlling company and the companies affiliated to the controlling company in 2023, according to situations and conditions known to us and prevailing at the time the related transaction was made or related measure were taken or refrained from being taken, an appropriate consideration for each transaction has been provided and there is no measure taken or refrained from being taken, which may cause the company to suffer losses and that in this context, there is no transaction or measure which may require balancing.

The information on amendments in the legislation which may significantly affect the activities of the corporation:

The Bank continues its activities within the framework of the Banking Law and the Banking Regulation and Supervision Agency regulations, and there were some changes in these regulations, but there were no legislative changes that significantly affected the activities.

The information on significant lawsuits filed against the corporation and the possible results thereof:

There is no significant lawsuits filed against the Bank.

The information on conflicts of interest with organizations with whom the Company obtains investment consultancy and rating services and measures taken by the Company to prevent such conflicts of interest:

There were no incidents that may cause any conflicts of interest with organizations with whom the Bank obtains investment consultancy and rating services.

Information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5% if any:

There is no cross-ownership.

Information about changes to the articles of association during the reporting period:

The article 6 of the Articles of Association (titled "Capital") was amended related to extend the authorization period for the Registered Capital Ceiling of the Bank which will expire at the end of 2024, until the end of 2028 and Bank's Head Office address information has been updated by the decision of Municipality in the Trade Registry records as "Levent Mah, Çamlık Cad, Yapı Kredi Genel Müdürlüğü, Blok No:1/1 İç Kapı No:1 Beşiktaş-İstanbul", due to the amendment to Article 4 captioned "Head Office and Branches of the Bank" of the Articles of Association on the Ordinary General Assembly of Yapı Kredi dated 29 March 2024.

Extraordinary General Assembly Meeting held during the year, if any:

An Extraordinary General Assembly meeting was not held during the year.

Independence Declaration

I hereby declare that I am candidate to serve as an "independent member" at the Board of Directors of Yapı ve Kredi Bankası
A.Ş. (Company) in accordance with the criteria set forth in the legislation, articles of association and Corporate Governance
Communiqué of the Capital Markets Board, and in this framework;

- a) There is no employment relationship with respect to any executive position that covers important duties and responsibilities, no more than 5% of the capital or voting rights or preferential shares are held jointly or individually, or no significant commercial relationship has been established in the last five years between the Company, or partnerships over which the Company has management control or exercises substantial influence, or shareholders who hold the management control of, or who exercise significant influence on, the Company and the legal entities which hold the management control of such shareholders, and me, my spouse, my relatives by blood and marriage up to the second degree;
- b) I have not been a shareholder (5% and above), worked in an executive position that included important duties and responsibilities, or served as a member of the board of directors in any company from which the Company has purchased or to which the Company has sold services or products to a significant extent during such periods when such services or products were purchased or sold in the framework of agreements regarding company audit (including tax audit, legal audit, internal audit), rating and consulting, within the last five years;
- c) I have the professional education, knowledge and experience to carry out properly the duties that I shall undertake as an independent member of the board of directors;

- ç) I shall not work on a full-time basis in any public entity and institution except as a lecturer after I am elected a member in accordance with the legislation;
- d) I am considered to be a resident of Türkiye in accordance with the Income Tax Code (ITC) dated 31/12/1960 and number 193;
- e) I possess strong ethic standards, professional reputation and experience to make positive contributions to the Company's activities, to preserve my impartiality in any conflict of interest between the company and its shareholders, and to decide independently taking into account the interests of the beneficiaries:
- f) I can spare time for the Company's affairs to such extent that I can follow up the operation of the Company activities and meet my obligations properly;
- g) I have not served as a board member at the Company's board of directors for more than six years in the last ten years;
- ğ) I have not been serving as an independent board member in more than three companies in which the Company or shareholders possessing the management control of the Company have the management control, and in total, in more than five companies that are traded on the stock exchange;
- h) I have not been registered and announced in the name of a legal entity that has been elected as a member of the board of directors.

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Statement of Responsibility

STATEMENT OF RESPONSIBILITY SUBMITTED AS PER ARTICLE 9 OF COMMUNIQUE NO. II-14.1. ON PRINCIPLES REGARDING FINANCIAL REPORTING IN CAPITAL MARKETS BY CAPITAL MARKETS BOARD

The Integrated activity report with for 2024 issued by the our Bank in accordance with the Turkish Commercial Code and "Communique No. II-14.1 on Principles regarding Financial Reporting in Capital Markets" of the Capital Markets Board ("Communique") and made subject to the independent audit by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., has been herein attached.

We hereby declare that, as per the CMB regulations, the Integrated activity report including Corporate Governance Compliance Report, Corporate Governance Information Form and CMB Sustainability Principles Compliance Report of the our Bank has been:

- reviewed by us,
- based on our knowledge within the scope of our duties and responsibilities in the our Bank, does not contain any misleading statements with regards to important matters or does not contain any missing information that would be interpreted as misleading as
- based on our knowledge within the scope of our duties and responsibilities in the our Bank, it fairly reflects the development and performance of the business and along with those within the scope of consolidation, the financial status as well as the significant risks and uncertainties faced with

and we assume liability for this statement. (March 4, 2025)

Yours sincerelev.

GÖKHAN ERÜN

Executive Director and CEO

AHMET ÇİMENOĞLU

Chairperson of the Audit Committee

NEVIN IPEK

Audit Committee Member

DEMİR KARAASLAN Chief Financial Officer

Dividend Distribution Policy

The Dividend Distribution Policy of the Bank, approved at the Ordinary General Assembly meeting held on March 20, 2018, is as follows: "Principles regarding the Bank's dividend distribution are set out in detail in the Bank's Articles of Association. In this respect, taking into consideration the Bank's growth targets as well as its financing requirements and the opinion of the Banking Regulation and Supervision Agency, the General Assembly is authorized to pass resolutions on whether the dividend distribution shall be in cash or in the form of capital increase, whereupon bonus shares will be issued to shareholders or if part of the distribution shall be in cash and part in the form of capital increase. As per the Articles of Association, the General Assembly may decide to transfer a portion or all of the distributable profit to retained earnings or extraordinary reserves. It is expected to distribute dividend within a month following the General Assembly Meeting at the latest, and the General Assembly decides on the date of the dividend distribution.

In accordance with the Articles of Association of the Bank, the General Assembly may resolve to pay advances on profit share to shareholders as per the regulations of the Banking Regulation and Supervision Agency and the Capital Market Board and related laws and regulations. In case of interest and dividend payments are canceled for the debt securities which included in the calculation of equity issued in accordance with the Banking Regulation and Supervision Agency on the Equity of Banks, dividend payments may not be made to the shareholders in relation to the relevant year. It is envisaged that the Dividend Distribution Policy of the Bank will be set out in a way to ensure the realization of long-term growth plans. This Policy is subject to revision by the Board of Directors to be submitted for the approval of General Assembly whenever necessary, taking into consideration the domestic and international economic conditions and the projects and financial condition on the agenda.

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Note on 2024 Net Profit

The proposal of the Board of Directors on how to evaluate the net period profit of the parent company amounting to TL 29,016,822,553.42 in the unconsolidated financial statements of the Bank prepared in accordance with the BRSA Regulations, and the Dividend Distribution Table for 2024 was decided by our Board of Directors by the evaluation made by the BRSA, and disclosures required by the Public Disclosure Platform were made. Innovative Banking Human Focus

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	e Kredi Bankası A.Ş. 2024 Profit Distribution Table (TL) d-in Capital	8.447.051.284,00
······	al Reserves (per Legal Book)	3.473.904.487,54
······	eation on whether Articles of Association has any privilege regarding profit distribution	None
•		Per legal book
3	Gross Profit	29.727.082.769,42
1	Reserve for Taxes (-)	710.260.216,00
5	Net Profit (=)	29.016.822.553,42
5	Prior Years' Losses (-)	C
7	Legal Reserves (-)	C
3	NET DISTRIBUTABLE PROFIT (=)	29.016.822.553,42
)	Donations made during the year (+)	
.0	Net distributable profit including donations	
	1st dividend to shareholders	C
	- Cash	(
1	- Bonus shares	C
•	- Total	C
2	Dividend to shareholders which possess preferred shares	(
L3	Dividend to Members of Board of Directors and employees etc.	C
4	Dividend to shareholders which possess redeemed shares	C
.5	2nd dividend to shareholders	C
.6	Legal Reserves	(
.7	Statutory Reserves	(
.8	Special Reserves	52.307.633,05
.9	EXTRAORDINARY RESERVES	28.964.514.920,37
20	Other sources which are accepted as distributable	0

DIVIDEND RATIO TABLE									
	CDOUD	TOTAL DIVIDE	END AMOUNT	TOTAL DIVIDEND AMOUNT/NET DISTRIBUTABLE PROFIT	DIVIDEND TO 1 VALUE S				
	GROUP	CASH (TL)	BONUS (TL)	RATIO (%)	AMOUNT (TL)	RATIO (%)			
GROSS*	-	-	-	-	-	-			

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Independent Auditor's Report on the Annual Report of the Board of Directors

INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT OF THE BOARD OF DIRECTORS

To the General Assembly of Yapı ve Kredi Bankası A.Ş

1) Opinior

We have audited the annual report of Yapı ve Kredi Bankası A.Ş. ("the Bank") and its subsidiaries (collectively referred as "the Group") for the period of January 1, 2024 – December 31, 2024.

In our opinion, the consolidated and unconsolidated financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Group are presented fairly and consistent, in all material respects, with the audited full set consolidated and unconsolidated financial statements and the information we obtained during the audit.

2) Basis for Opinion

We conducted our audit in accordance with "Regulation on independent audit of the Banks" published in the Official Gazette no.29314 dated April 2, 2015, published by Banking Regulation and Supervision Agency ("BRSA Independent Audit Regulation") and Independent Auditing Standards ("InAS") which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Türkiye ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Report section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Our Auditor's Opinion on the Full Set Consolidated and Unconsolidated Financial Statements

We have expressed unqualified opinions in our auditor's reports dated January 31, 2025 on the full set unconsolidated and consolidated financial statements of the Bank and the Group for the period of January 1, 2024 – December 31, 2024.

4) The Responsibility of the Board of Directors on the Annual Report

In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 ("TCC") and communique on 'Principles and procedures set out by the regulations on preparation and issuance of annual reports of Banks', the management of the Group is responsible for the following items:

a) Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.

- b) Preparation and fair presentation of the annual report; reflecting the operations of the Group for the year, along with its financial position in a correct, complete, straightforward, true and honest manner. In this report, the financial position is assessed according to the consolidated and unconsolidated financial statements. The development of the Group and the potential risks to be encountered are also noted in the report. The evaluation of the Board of Directors is also included in this report.
- c) The annual report also includes the matters below:
- Subsequent events occurred after the end of the fiscal year which have significance,
- The research and development activities of the Group,
- Financial benefits such as salaries and bonuses paid to the Board members and to those charged governance, allowances, travel, accommodation and representation expenses, financial aids and aids in kind, insurances and similar deposits.
- Other matters prescribed in the communique on 'Principles and procedures set out by the regulations on preparation and issuance of annual reports of Banks' published in official gazette no.26333 dated November 1, 2006.

When preparing the annual report, the Board of Directors takes into account the secondary legislative arrangements published by the Ministry of Trade and related institutions.

5) Auditor's Responsibilities for the Audit of the Annual Report

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code and the Communique on 'Principles and procedures set out by the regulations on preparation and issuance of annual reports of Banks' published in official gazette no.26333 dated November 1, 2006, "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated November 1, 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency ("BRSA"), circulars, interpretations published by BRSA and "BRSA Accounting and Financial Reporting Legislation" which includes the provisions of Turkish Financial Reporting Standards ("TFRS") for the matters which are not regulated by these regulations, on whether the consolidated and unconsolidated financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Group's and the Bank's audited consolidated and unconsolidated financial statements and to prepare a report including our opinion.

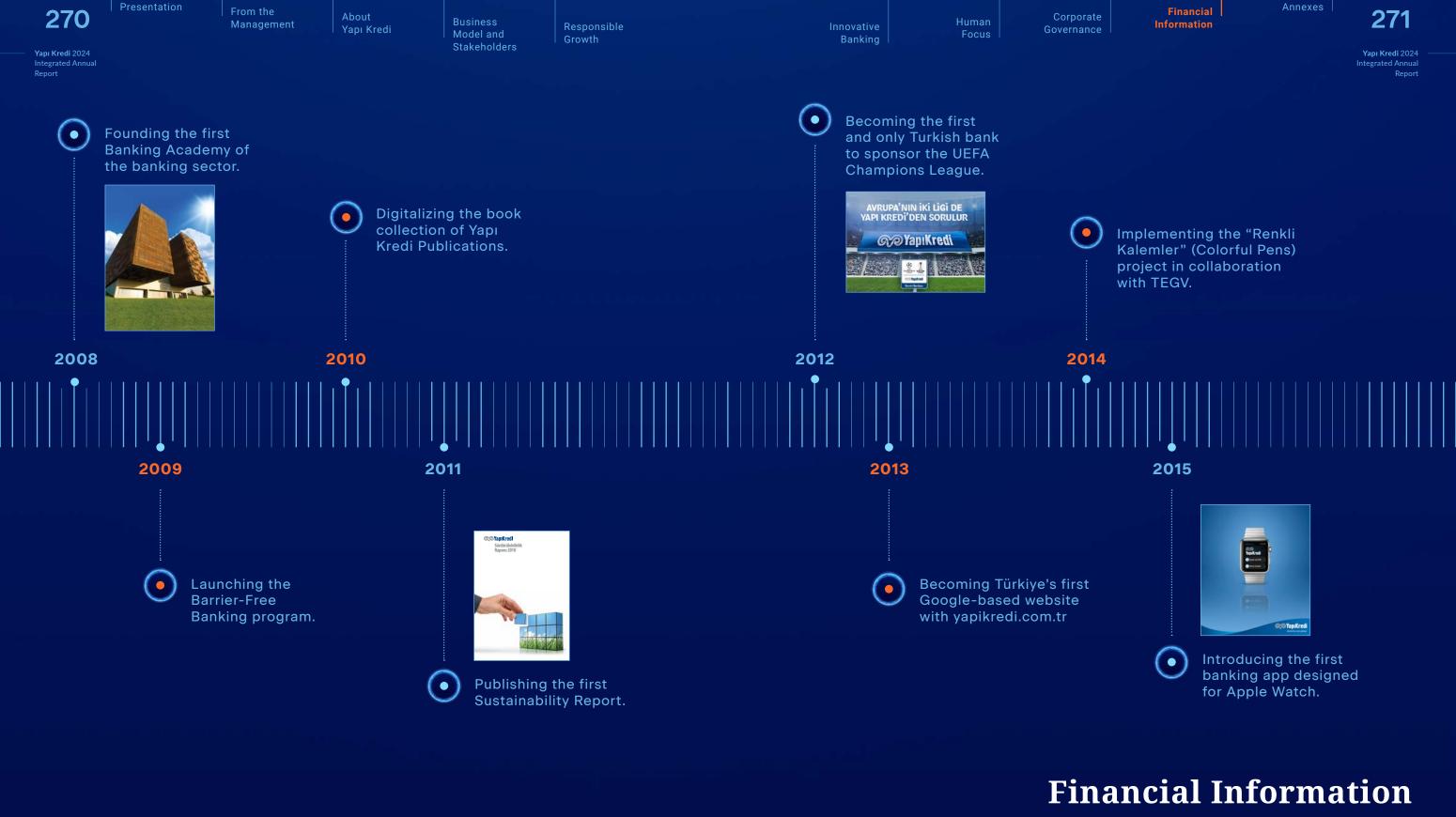
The independent audit we have performed is conducted in accordance with InAS and BRSA Independent Audit Regulation. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the consolidated and unconsolidated financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the consolidated and unconsolidated financial statements.

The name of the engagement partner who supervised and concluded this audit is Emre Çelik.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi A member firm of Ernst & Young Global Limited

Emre Çelik, SMMM Partner

March 4, 2025 İstanbul, Türkiye



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Yapı ve Kredi Bankası A.Ş.

Publicly announced unconsolidated financial statements and related disclosures at December 31, 2024 together with independent auditor's report

(Convenience translation of publicly announced unconsolidated financial statements and independent auditor's report originally issued in Turkish)

Convenience Translation of the Auditor's Audit Report Originally Issued in Turkish

Independent Auditors' Report on Audit of Unconsolidated Financial Statements

To the General Assembly of Yapı ve Kredi Bankası A.Ş.

Opinion

We have audited the unconsolidated statement of financial position of Yapı ve Kredi Bankası A.Ş. ("the Bank") as of December 31, 2024, and the related unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the unconsolidated financial statements.

In our opinion the accompanying unconsolidated financial statements present fairly, in all material respects, the unconsolidated financial position of the Yapı ve Kredi Bankası A.Ş. as of December 31, 2024 and unconsolidated financial performance and unconsolidated cash flows for the year then ended in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated November 1, 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Financial Reporting Standards ("TFRS") for those matters not regulated by the aforementioned regulations.

Basis for Opinion

Our audit was conducted in accordance with "Regulation on independent audit of the Banks" published in the Official Gazette no.29314 dated April 2, 2015, by BRSA (BRSA Independent Audit Regulation) and Independent Auditing Standards ("ISA") which are the part of Turkish Auditing Standards issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with of Code of Ethics for Independent Auditors (Code of Ethics) published by POA and have fulfilled our other responsibilities in accordance with the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

As of December 31, 2023, the unconsolidated financial statements of the Bank, prepared in accordance with the "BRSA Accounting and Financial Reporting Legislation", were audited by another audit firm. The independent audit firm expressed an unqualified opinion in its independent audit report dated February 2, 2024.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the unconsolidated financial statements of the current period. Key audit matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the Key Audit Matter is addressed in our audit
Financial impact of TFRS 9 "Financial Instruments" standard and recognition of classification, measurement and impairment on financial assets and related important disclosures	
	Our audit procedures included among others include: Evaluating the appropriateness of accounting policies as to the requirements of TFRS 9, Bank's past experience, local and global practices Reviewing and testing of processes which are used to calculate expected credit losses by involving our Information technology and process audit specialists Evaluation of the reasonableness and appropriateness of key judgments and estimates determined by management and the methods, judgments and data sources used in calculating expected loss, taking into account standard requirements, industry and global practices Reviewing the appropriateness of criteria in order to identify the financial assets having solely payments of principal and interest and checking the compliance to the Bank's classification and measurement models of the financial instruments and comparing with TFRS 9 requirements Evaluating the alignment of the significant increase in credit risk determined during the calculation of expected credit losses, default definition, restructuring definition, probability of default, loss given default, exposure at default and macro-economic variables that are determined by the financial risk management experts with the Bank's past performance, regulations, and other processes that has forward looking estimations Assessing the completeness and the accuracy of the data used for expected credit loss calculation. Testing the mathematical accuracy of expected credit loss calculation on sample basis Evaluating the judgments and estimates used for post-model adjustment process Evaluating the necessity and accuracy of the
	updates made or required updates after the modeling process - Auditing of TFRS 9 disclosures.
	ruding of 11 Kg / disclusures.

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How the Key Audit Matter is addressed in our audit

The Bank's defined benefit pension plan (the "Plan") is Social Security Law No. 506 and the Bank's employees Fund provides retirement and post-retirement benefits to all eligible employees.

As disclosed in Section 3, disclosure 16.2 to the unconsolidated financial statements, the Plan is Furthermore, the accuracy and adequacy of the composed of benefits which are subject to transfer to Social Security Foundation ("SSF") as per the Social Security Law No. 5510 provisional article 20, and other social rights and pension benefits provided by the Bank that are not transferable to SSF. The Council of Ministers has been authorized to determine the transfer

Following the transfer, the non-transferable social rights and pension benefits provided under the Plan will be covered by the funds and the institutions that employ the funds' members.

As of December 31, 2024, the Bank's transferrable liabilities are calculated by an independent actuary using the actuarial assumptions regulated by Law, and in accordance with the Decision of the Council of Ministers announced in the Official Gazette dated 15 December 2006 and No.26377.

As of December 31, 2024, the Bank's non-transferrable liabilities are also calculated by independent actuary. The valuation of the Pension Fund liabilities requires judgement in determining appropriate assumptions such as defining the transferrable social benefits, discount rates, salary increases, inflation levels, demographic assumptions, and the impact of changes in Pension Plan.

Management uses independent actuaries to assist in assessing the uncertainty around these assumptions.

Considering the subjectivity of key judgements and assumptions, plus the uncertainty around the transfer date and basis of the transfer calculation given the fact that the technical interest rate is prescribed under the law, we considered this to be a key audit matter.

It has been addressed whether there have been any managed by "Yapı ve Kredi Bankası Anonim Şirketi significant changes in regulations governing pension Mensupları Yardım ve Emekli Sandığı" (the "Fund") liabilities, employee benefits plans during the period, established as per the provisional article 20 of the that could lead to adjust the valuation of employee benefits. Support from actuarial auditor of another are the members of this Fund. As a legal entity, the entity who is in the same audit network within our firm, has been taken to assess the appropriateness of the actuarial assumptions and calculations performed by the external actuary.

> footnotes in the unconsolidated financial statements of the Bank have been evaluated.

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Responsibilities of Management and Directors for the Unconsolidated Financial Statements

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

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

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

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

In an independent audit, the responsibilities of us as independent auditors are:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with BRSA Independent Audit Regulation and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with BRSA Independent Audit Regulation and ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion(The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control).
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our

auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

 Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) In accordance with Article 402 paragraph 4 of the Turkish Commercial Code ("TCC") no 6102; no significant matter has come to our attention that causes us to believe that the Bank's bookkeeping activities and financial statements for the period January 1 December 31, 2024, are not in compliance with the TCC and provisions of the Bank's articles of association in relation to financial reporting.
- 2) In accordance with Article 402 paragraph 4 of the TCC; the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The engagement partner who supervised and concluded this independent auditor's report is Emre Celik,

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi A member firm of Ernst & Young Global Limited

Emre Çelik, SMMM Partner

January 31, 2025 Istanbul, Türkiye

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Yapı Kredi 2024 Integrated Annual

Convenience translation of publicly announced unconsolidated financial statements and audit report originally issued in Turkish

THE UNCONSOLIDATED YEAR END FINANCIAL REPORT OF YAPI VE KREDI BANKASI A.Ş. AS OF DECEMBER 31, 2024

Address :Yapı Kredi Plaza D Blok

Levent 34330 İstanbul

 Telephone
 :0212 339 70 00

 Fax
 :0212 339 60 00

 Website
 :www.yapikredi.com.tr

E-mail :financialreports@yapikredi.com.tr

The unconsolidated financial report for the year end which is prepared in accordance with the "Communiqué Related to Publicly Announced Financial Statements of Banks and Explanations and Notes Related to these Financial Statements" as regulated by the Banking Regulation and Supervision Agency includes the following sections.

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK
- EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS
- OTHER EXPLANATIONS
- INDEPENDENT AUDITOR'S REPORT

The accompanying unconsolidated financial statements for the year end and notes to these financial statements which are expressed, in **thousands of Turkish Lira** (unless otherwise stated), have been presented based on the accounting books of the Bank prepared in accordance with the Regulation on the Principles and Procedures Regarding Banks' Accounting Applications and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and related appendices and interpretations of these, and have been independently audited and are presented enclosed.

Y. Ali KOÇ Gökhan ERÜN Demir KARAASLAN Chairman of the Board of Directors CEO Demir KARAASLAN Chief Financial Officer Financial Officer Financial Officer Accounting Executive Vice President

Dr. Ahmet ÇİMENOĞLU Nevin İPEK
Chairman of the Audit
Committee Member of the Audit
Committee

Contact information of the personnel in charge of the addressing of questions about this financial report: Name-Surname / Title: Cengiz TİMUROĞLU / Balance Sheet Management and Financial Analysis Manager

Telephone : 0212 339 77 67 **Fax** : 0212 339 61 05

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Yapı ve Kredi Bankası A.Ş.

Notes to unconsolidated financial statements as of December 31, 2024

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section one

General Information

 History of the Bank including its incorporation date, initial legal status and amendments to legal status, if any:

Yapı ve Kredi Bankası A.Ş. ("the Bank" or "Yapı Kredi"), was established and started operations on September 9, 1944 with the permission of the Council of Ministers No. 3/6710 as a private capital commercial bank authorised to perform all banking, economic, financial and commercial activities which are allowed by the laws of the Turkish Republic. The statute of the Bank has not changed since its incorporation.

Explanations about the Bank's capital structure, shareholders holding directly or indirectly, collectively or individually, the management and controlling power and changes in current year, if any and explanations on the controlling group of the Bank:

Bank's publicly traded shares are traded on the Borsa Istanbul ("BIST") since 1987. As of December 31, 2024, 38,83% of the shares of the Bank are publicly traded (December 31, 2023 - 38,83%). 40,95% of the shares out of the remaining 61,17% is owned by Koç Finansal Hizmetler A.Ş. ("KFS") which is owned by Koç Group, 20,22% is owned by Koç Holding A.Ş.

KFS was established on March 16, 2001 to combine Koç Group finance companies under one organisation and it became the main shareholder of Koçbank in 2002. On October 22, 2002, Koç Group established a strategic partnership with UniCredit Group ("UCG") over KFS.

In 2005, the Bank's shares that were owned by Çukurova Group Companies and the Saving Deposits Insurance Fund ("SDIF") were purchased by Koçbank. In 2006, Koçbank purchased additional shares of the Bank from BIST and an investment fund and, during the same year, all rights, receivables, debts and liabilities of Koçbank were transferred to the Bank pursuant the merger of the two banks. As a result of the merger and the share transfer procedures in 2007 and of a capital increase by TL 920 million in 2008, KFS shares in the Bank increased to 81,80%. KFS shares increased to 81,90% with the capital increase by TL 4,1 billion in 2018.

As of November 30, 2019, Koc Group and UCG have reached a deal to exchange their shares in the Bank and KFS.

Accordingly all the shares of KFS, which was a joint venture, were transferred to Koç Group. Besides, after the shares were transferred, KFS held 40,95%, UCG held 31,93% directly and Koç Group held a total of 49.99% directly and indirectly of the Bank shares and became controlling shareholder.

In addition, as of February 6, 2020, UniCredit also announced the placement of an 11,93% shares in Bank to institutional investors. The transaction has been completed on February 13, 2020. As a result UCG held directly 20,00% of the Bank shares.

In year 2021, UCG completed the sale of 2,00% shares in stock market and for the sale of remaining 18,00% shares UCG came to an agreement with Koç Group as per the Share Sale and Purchase Agreement relating to the sale of the Bank publicly disclosed as of November 30, 2019. Accordingly, it has been announced that Koç Group used its right of first offer for the sale of the Bank shares which were planned to be sold by UCG on November 9, 2021. The sale of the relevant shares was completed on April 1, 2022, and Koç Holding A.Ş.'s share ratio increased from 9,02% to 27,02%

As of July 28, 2023, Koç Holding A.Ş sold its 6,81% share in the Bank to institutional investors through off-exchange sale. After the sale, shareholding of Koç Holding A.Ş in the Bank decreased to 20,22%.

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Yapı ve Kredi Bankası A.S.

Notes to unconsolidated financial statements as of December 31, 2024

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3. Explanations regarding the board of directors, members of the audit committee, Chief Executive Officer and executive vice presidents, and their areas of responsibility and shares if any:

As of December 31, 2024, the Bank's Board of Directors, Members of the Audit Committee, General Manager and Assistant General Managers are as follows.

Board of Directors Members:

Name	Responsibility	
Y. Ali KOÇ	Chairman	
Levent ÇAKIROĞLU	Vice Chairman	
Gökhan ERÜN	Executive Director and CEO	
A. Ümit TAFTALI	Member	
Ahmet ÇİMENOĞLU	Independent Member	
Ahmet Fadıl ASHABOĞLU	Member	
Kemal UZUN	Member	
Nevin İPEK	Independent Member	
Polat ŞEN	Member	
Virma SÖKMEN	Independent Member	

Audit Committee Members:

Name	Responsibility	
Ahmet ÇİMENOĞLU	Chairman	
Nevin İPEK	Member	

General Manager:

Name	Responsibility
Gökhan ERÜN	Executive Director and CEO

Assistant General Managers:

Name	Responsibility
Abdullah GEÇER	Internal Audit
Akif Cahit ERDOĞAN	Commercial and SME Banking Management
Demir KARAASLAN	Financial Planning and Administration
Hakan KAYA	Chief Legal Officer
Mehmed Erendiz Kürşad KETECİ	Strategy Management
Mehmet Erkan AKBULUT	Corporate Banking
Mehmet Erkan ÖZDEMİR	Compliance, Internal Control and Risk Management / Consumer Relations Coordination Officer
Nursezil KÜÇÜK KOÇAK	Credits
Özden ÖNALDI	Human Resources, Organization and Internal Services
Saruhan YÜCEL	Treasury Management
Serkan ÜLGEN	Retail Banking
Uğur Gökhan ÖZDİNÇ	Technology, Data and Process Management
Yakup DOĞAN	Limitless Banking

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Notes to unconsolidated financial statements as of December 31, 2024 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL")

Information on the individual and corporate shareholders having control shares of the Bank:

Name/Commercial title	Share amounts (nominal)	Share percentage (%)	Paid-in capital (nominal)	Unpaid portion
Koç Finansal Hizmetler A.Ş.	3.459.065.642,23	40,95	3.459.065.642,23	-
Koç Holding A.Ş.	1.707.666.574,00	20,22	1.707.666.574,00	-

Koç Finansal Hizmetler A.Ş. is managed of Koç Group, and Temel Ticaret ve Yatırım A.Ş.

Summary information on the Bank's activities and service types:

The Bank's activities summarized from the section 3 of the articles of association are as follows.

The Bank's purpose and subject matter, in accordance with the Banking Law, regulations and existing laws, include;

- The execution of all banking activities,
- The execution of all economic and financial activities which are allowed by the regulation,
- The execution of the representation, attorney and agency activities related to the subjects written above,
- The purchase and sale of share certificates, bonds and all the capital market instruments, in accordance with Capital Market Law and regulations.

In case of necessity for performing activities which are useful and required but that are not specified in the articles of association, a Board of Directors' proposal is to be presented to the General Assembly. With the approval of the General Assembly the proposal becomes applicable, subject to the approvals required by law.

As of December 31, 2024, the Bank has 771 branches operating in Türkiye and 1 branch in overseas (December 31, 2023 - 779 branches operating in Türkiye, 1 branch in overseas).

As of December 31, 2024, the Bank has 14.402 employees (December 31, 2023 - 15.009 employees).

Differences between the Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards and short explanation about the entities subject to full consolidation or proportional consolidation and entities which are deducted from equity or entities which are not included in these three methods:

According to Communiqué on Preparation of Consolidated Financial Statements of Banks and Turkish Accounting Standards, Banque de Commerce et de Placements SA, one of the associates of the Bank is consolidated through "Equity Method" in the consolidated financial statements of the Group. Allianz Yaşam ve Emeklilik A.Ş., on which the Bank has indirect participation, is also consolidated through "Equity Method" in the consolidated financial statements of the Group.

Yapı Kredi Kültür Sanat Yayıncılık Tic. ve San. A.Ş., Enternasyonal Turizm Yatırım A.Ş., Yapı Kredi Teknoloji A.Ş. and Yapı Kredi Finansal Teknolojiler A.Ş., which are subsidiaries, and Tanı Pazarlama ve İletişim Hizmetleri A.Ş., which is an associate of the Bank are not consolidated into the Bank's consolidated financial statements in accordance with Communiqué on Preparation of Consolidated Financial Statements since these entities are not financial institutions.

All other subsidiaries are fully consolidated.

The existing or potential, actual or legal obstacles on the immediate transfer of shareholder's equity between the Bank and its subsidiaries or reimbursement of liabilities:

None.

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Yapı ve Kredi Bankası A.S.

Unconsolidated financial statements as of December 31, 2024 and 2023

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section two - Unconsolidated financial statements

Balance sheet (Statement of Financial Position)

					(31/12/2024)			Prior Perio (31/12/2023
		Note			(31/12/2024)			(31/12/2023
		(Section						
	ASSET	Five)	TL	FC	Total	TL	FC	Tot
I.	FINANCIAL ASSETS (Net)		321.007.800	241.235.488	562.243.288	179,150,720	230,802,592	409,953,3
1.1	Cash and Cash Equivalents	1.1	210.258,463	200,787,984	411.046.447	101.805.495	188,356,490	290,161,9
1.1.1	Cash and Balances with Central Bank	•••	210.221.223	177.642.256	387.863.479	102.042.410	161.231.559	263.273.9
1.1.2	Banks	1.4.1	83.265	23.239.898	23.323.163	1.121	27.600.861	27.601.9
1.1.3	Money Markets Receivables	1.4.3	03.203	25.257.070	25.525.105		27.000.001	27.001.7
1.1.4	Expected Credit Losses (-)	1.4.5	46.025	94.170	140.195	238.036	475.930	713.9
1.2	Financial Assets Measured at Fair Value Through Profit Or Loss	1.2	303,506	3,421,276	3,724,782	54,376	3.039.269	3.093.6
1.2.1	Government debt securities	1.2	303.300	292.948	292.948	34.370	718.268	718.2
1.2.2	Share certificates			272.740	272.740		710.200	710.2
1.2.3	Other financial assets		303.506	3.128.328	3.431.834	54.376	2.321.001	2.375.3
1.3	Financial Assets Measured at Fair Value Through Other Comprehensive		303.300	3.120.320	3.431.034	34.370	2.321.001	2.373.3
	Income	1.5,1.6	104.269.273	26.886.074	131.155.347	66.006.617	29.386.540	95.393.1
1.3.1	Government debt securities	,	104.125.343	26.869.235	130.994.578	65.889.312	29.376.349	95.265.6
1.3.2	Share certificates		138.305	16.839	155.144	115.685	10.191	125.8
1.3.3	Other financial assets		5.625	-	5.625	1.620	-	1.6
1.4	Derivative Financial Assets	1.3	6.176.558	10.140.154	16.316.712	11.284.232	10.020.293	21,304,5
1.4.1	Derivative financial assets measured at fair value through profit or loss	1.0	5.677.426	8.298.640	13.976.066	9.426.325	6.557.377	15.983.7
1.4.2	Derivative financial assets measured at fair value through other comprehensive		3.077.120	0.290.010	13.770.000	7.120.525	0.557.577	13.703.7
	income		499.132	1.841.514	2.340.646	1.857.907	3.462.916	5.320.8
II.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		1.086.934.266	483.781.675	1,570,715,941	845.540.310	323.819.480	1.169.359.7
2.1	Loans	1.7	870.334.720	375,025,054	1.245.359.774	676,038,221	227,547,471	903.585.6
2.2	Receivables From Leasing Transactions (Net)	1.12	-	-	-	-		
2.3	Factoring Receivables		1.176.371	8.837	1.185.208	961.469	13.062	974.5
2.4	Financial Assets Measured at Amortised Cost	1.8	250,223,533	121.049.444	371.272.977	199,363,011	105,971,483	305.334.4
2.4.1	Government debt securities		241.778.828	121.049.444	362.828.272	195.162.658	105.971.483	301.134.1
2.4.2	Other financial assets		8.444.705	_	8.444.705	4.200.353	-	4.200.3
2.5	Expected Credit Losses (-)		34,800,358	12.301.660	47,102,018	30.822.391	9.712.536	40,534,9
III.	ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED							
	OPERATIONS (Net)	1.17	560.098	-	560.098	1.026.089	-	1.026.0
3.1	Held for Sale Purposes		560.098	-	560.098	1.026.089	-	1.026.0
3.2	Related to Discontinued Operations		=	-	-	-	-	
IV.	INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT							
	VENTURES		20.606.431	34.718.930	55.325.361	12.521.850	25.245.077	37.766.9
4.1	Investments in Associates (Net)	1.9	38.446	7.820.018	7.858.464	38.446	6.170.284	6.208.7
4.1.1	Consolidated based on Equity Method		-	-	-	-	-	
4.1.2	Unconsolidated		38.446	7.820.018	7.858.464	38.446	6.170.284	6.208.7
4.2	Subsidiaries (Net)	1.10	20.567.985	26.898.912	47.466.897	12.483.404	19.074.793	31.558.1
4.2.1	Unconsolidated Financial Subsidiaries		20.535.669	26.898.912	47.434.581	12.451.088	19.074.793	31.525.8
4.2.2	Unconsolidated Non-Financial Subsidiaries		32.316	-	32.316	32.316	-	32.3
4.3	Joint Ventures (Net)	1.11	-	-	-	-	-	
4.3.1	Consolidated based on Equity Method		-	-	-	-	-	
4.3.2	Unconsolidated		-	-	-	-	-	
v.	PROPERTY AND EQUIPMENT (Net)	1.13	30.310.339	-	30.310.339	18.440.991	-	18.440.9
VI.	INTANGIBLE ASSETS (Net)	1.14	2.938.383	-	2.938.383	1.795.385	-	1.795.3
6.1	Goodwill		-	-	-	-	-	
6.2	Other		2.938.383	-	2.938.383	1.795.385	-	1.795.3
VII.	INVESTMENT PROPERTY (Net)	1.15	-	-	-	-	-	
VIII.	CURRENT TAX ASSETS		4.228.487	-	4.228.487	-	-	
IX.	DEFERRED TAX ASSETS	1.16	12.814.574	-	12.814.574	8.665.381	-	8.665.3
X.	OTHER ASSETS (Net)	1.18	91.343.139	50.106.189	141.449.328	56.419.500	35.223.760	91.643.2

The accompanying explanations and notes form an integral part of these financial statements.

Yapı Kredi 2024 Integrated Annual

Report

From the Management

About Yapı Kredi

Business Model and Stakeholders

Responsible Growth

 $(Convenience\ translation\ of\ publicly\ announced\ unconsolidated\ financial\ statements\ originally\ issued\ in\ Turkish)$

Yapı ve Kredi Bankası A.Ş.

Presentation

Unconsolidated financial statements as of December 31, 2024 and 2023 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Balance sheet (Statement of Financial Position)

		•			Current Period (31/12/2024)	•		Prior Period (31/12/2023)
	LIABILITIES	Note (Section Five)	TL	FC	Total	TL	FC	Total
	LIABILITIES	rivej	11.	re	Total	- 11	re	Total
I.	DEPOSITS	2.1	811.695.215	456.213.214	1.267.908.429	640.797.971	395.671.962	1.036.469.933
II.	BORROWINGS	2.3.1	75.319.886	195.046.079	270.365.965	1.821.423	138.485.710	140.307.133
III.	MONEY MARKETS PAYABLES		171.343.982	16.431.455	187.775.437	20.822.586	37.150.431	57.973.017
IV.	MARKETABLE SECURITIES ISSUED (Net)	2.3.4	6.402.272	122.908.487	129.310.759	7.458.755	70.242.909	77.701.664
4.1	Bills		6.073.651	51.438.572	57.512.223	7.055.826	10.933.847	17.989.673
4.2	Asset backed Securities							
4.3	Bonds		328.621	71.469.915	71.798.536	402.929	59.309.062	59.711.991
V.	FUNDS		-	-	-	-	-	-
5.1	Borrower Funds Other		-	-	-	-	-	-
	FINANCIAL LIABILITIES MEASURED AT FAIR VALUE THROUGH		-	-	-	-	-	-
VI.	PROFIT OR LOSS	2.3.3.2	_	76,955,388	76,955,388	453,424	72,101,024	72,554,448
VII.	DERIVATIVE FINANCIAL LIABILITIES	2.2	13.582.129	5.476.137	19.058.266	4.768.014	6.756.192	11.524.206
7.1	Derivative liabilities measured at fair value through profit or loss		13.582.129	5.476.137	19.058.266	4.735.680	6.756.192	11.491.872
7.2	Derivative liabilities measured at fair value through other comprehensive income		15.502.127	5.170.157	19.050.200	32.334	0.750.172	32.334
VIII.	FACTORING PAYABLES				_	32.334	-	32.334
IX.	LEASE PAYABLES (Net)	2.5	5.000.496	75.461	5.075.957	3.149.425	38.526	3.187.951
X.	PROVISIONS	2.6	20,087,100	460,323	20,547,423	19.051.252	2.013.397	21.064.649
10.1	Provisions for Restructuring							
10.2	Provisions for Employee Benefits	2.6.1	3.800.684	_	3.800.684	3.893.879	_	3.893.879
10.3	Insurance Technical Provisions (Net)		-	_	-	-	_	-
10.4	Other Provisions	2.6.3	16.286.416	460.323	16.746.739	15.157.373	2.013.397	17.170.770
XI.	CURRENT TAX LIABILITIES	2.7	8.630.281	_	8.630.281	7.168.597	-	7.168.597
XII.	DEFERRED TAX LIABILITIES		-	_	-	-	_	-
	LIABILITIES FOR PROPERTY AND EQUIPMENT HELD FOR SALE							
XIII.	AND RELATED TO DISCONTINUED OPERATIONS (Net)	2.8	-	-	-	-	-	-
13.1	Held for Sale		-	-	-	-	-	-
13.2	Related to Discontinued Operations		-	-	-	-	-	-
XIV.	SUBORDINATED DEBT	2.9	1.301.664	60.629.934	61.931.598	1.260.412	35.585.727	36.846.139
14.1	Loans		-	-	-	-	-	-
14.2	Other Facilities		1.301.664	60.629.934	61.931.598	1.260.412	35.585.727	36.846.139
XV.	OTHER LIABILITIES	2.4	129.196.382	11.025.866	140.222.248	78.017.044	16.984.813	95.001.857
XVI.	SHAREHOLDERS' EQUITY	2.10	167.262.741	25.541.307	192.804.048	154.715.703	24.135.838	178.851.541
16.1	Paid in Capital		8.447.051	-	8.447.051	8.447.051	-	8.447.051
16.2	Capital Reserves		2.279.190	-	2.279.190	2.227.873	-	2.227.873
16.2.1	Share Premium		556.937	-	556.937	556.937	-	556.937
16.2.2	Share Cancellation Profits			-			-	
16.2.3	Other Capital Reserves		1.722.253	-	1.722.253	1.670.936	-	1.670.936
16.0	Other accumulated comprehensive income that will not be reclassified in profit or		# 255 coo	515 500	E 0E1 100	2.250.000	550 500	3.929.548
16.3 16.4	loss		7.355.680	515.728 25.025.579	7.871.408 1.482.122	3.370.866	558.682 23.577.156	3.929.548 10.309.918
16.4	Other accumulated comprehensive income that will be reclassified in profit or loss Profit Reserves		(23.543.457) 143.707.454	25.025.579	143.707.454	(13.267.238) 85.928.315	23.377.130	85.928.315
16.5.1	Legal Reserves		3.473.904	-	3.473.904	2.496.040	-	2.496.040
16.5.2	Statutory reserves		3.4/3.704	-	3.473.704	2.490.040	-	2.490.040
16.5.3	Extraordinary Reserves		140.205.035	-	140.205.035	83.431.233	-	83.431.233
16.5.4	Other Profit Reserves		28.515		28.515	1.042	-	1.042
16.6	Profit or loss		29.016.823		29.016.823	68.008.836	-	68.008.836
16.6.1	Prior years' profits or losses		25.510.025	_	25.510.025	00.000.000	_	00.000.050
16.6.2	Current period net profit or loss		29.016.823	-	29.016.823	68.008.836	-	68.008.836
10.0.2	Current period net profit of 1030		27.010.023	-	27.010.023	00.000.030	-	00.000.030
	TOTAL LIABILITIES		1,409,822,148	970,763,651	2.380.585.799	939,484,606	799,166,529	1.738.651.135

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(Convenience translation of publicly announced unconsolidated financial statements originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Unconsolidated financial statements as of December 31, 2024 and 2023 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Human

Off-balance sheet commitments

		Note			(31/12/2024)			(31/12/20
	Off-balance sheet commitments	(Section Five)	TL	FC	Total	TL	FC	To
A.	Off-balance sheet commitments (I+II+III)		2.068.785.322	1.679.608.643	3.748.393.965	1.376.140.425	1.250.960.942	2.627.101.3
I.	Guarantees and warranties	3.1.2.1,2	280.167.247	263.873.150	544.040.397	178.712.756	207.759.902	386.472.0
l.l. l.l.l	Letters of guarantee	3.1.2.2	261.058.918	176.484.576	437.543.494	168.195.708	136.116.824 2.060.608	304.312.5
1.1.1.	Guarantees subject to state tender law		2.740.324 92.074.311	1./3/.545	4.477.869 266.821.342	61.431.962	2.060.608 134.056.216	3.393.1 195.488.1
1.1.3.	Guarantees given for foreign trade operations Other letters of guarantee		166.244.283	174.747.031	166.244.283	105.431.038	134.030.210	105.431.0
1.2.	Bank acceptances		100.244.265	3.164.183	3.164.183	105.451.058	2.178.212	2.178.
1.2.1.	Import letter of acceptance			3.164.183	3.164.183	_	2.178.212	2.178.
.2.2.	Other bank acceptances		-	-	-	-	-	
1.3.	Letters of credit		45.163	60.510.916	60.556.079	1.257.810	50.540.695	51.798.
1.3.1.	Documentary letters of credit		45.163	60.510.916	60.556.079	1.257.810	50.540.695	51.798.
1.3.2.	Other letters of credit		-	-	-	-	-	
.4.	Prefinancing given as guarantee		-	-	-	-	-	
1.5.	Endorsements		-	-	-	-	-	
.5.1.	Endorsements to the Central Bank of the Republic of Türkiye		-	-	-	-	-	
	Other endorsements		-	-	-	-	-	
.6.	Purchase guarantees for Securities issued Factoring guarantees		-	-	-	-	-	
.8.	Other guarantees		19.063.166	15.796.931	34.860.097	9.259.238	14.616.454	23.875
.9.	Other warranties		19.003.100	7.916.544	7.916.544	9.239.236	4.307.717	4.307
L.	Commitments		1.424.646.503	135.681.698	1.560.328.201	769,222,726	94.092.928	863,315
1	Irrevocable commitments	3.1.1	1 408 265 714	94 870 707	1.503.136.421	745 298 795	50 977 243	796.276
.1.1.	Asset purchase and sale commitments	*****	11.334.397	92.109.874	103.444.271	24.291.833	48.351.915	72.643
.1.2.	Deposit purchase and sales commitments				-		-	12.043
1.3.	Share capital commitments to associates and subsidiaries		_	_	-	_	_	
.1.4.	Loan granting commitments		162.430.150	589.329	163.019.479	95.342.486	1.364.146	96.706
.1.5.	Securities issue brokerage commitments		-	-	-	-	-	
.1.6.	Commitments for reserve requirements		-	-	-	-	-	
.1.7.	Commitments for checks payments		10.835.555	-	10.835.555	8.435.319	-	8.435
.1.8.	Tax and fund liabilities from export commitments		4.749	-	4.749	600	-	
.1.9.	Commitments for credit card expenditure limits		968.083.268	-	968.083.268	512.438.126	-	512.438
.1.10.	Commitments for credit cards and banking services promotions		76.560	-	76.560	75.249	-	75
.1.11.	Receivables from short sale commitments of marketable securities		-	-	-	-	-	
.1.12.	Payables for short sale commitments of marketable securities						.	
.1.13.	Other irrevocable commitments		255.501.035	2.171.504	257.672.539	104.715.182	1.261.182	105.976
.2. .2.1.	Revocable commitments		16.380.789 16.380.789	40.810.991 40.810.991	57.191.780 57.191.780	23.923.931 23.923.931	43.115.685 43.115.685	67.039 67.039
2.1.	Revocable loan granting commitments		16.580.789	40.810.991	57.191.780	23.923.931	43.115.685	67.039
.2.2. II.	Other revocable commitments		363.971.572	1.280.053.795	1.644.025.367	428.204.943	949.108.112	1.377.313
.1	DERIVATIVE FINANCIAL INSTRUMENTS Derivative financial instruments held for hedging		5.150.000	32.076.415	37.226.415	16.250.000	65.331.421	81.581
.1.1	Fair value hedges		3.130.000	32.070.413	37.220.413	10.230.000	03.331.421	01.301
.1.2	Cash flow hedges		5.150.000	32.076.415	37.226.415	16.250.000	65.331.421	81.581
1.1.2	Hedges for investments made in foreign countries		3.130.000	32.070.413	37.220.413	10.230.000	05.551.421	01.301
1.2	Trading transactions		358.821.572	1 247 977 380	1 606 798 952	411 954 943	883 776 691	1.295.731
.2.1	Forward foreign currency purchase and sale transactions		74.667.774	73.188.610	147.856.384	19.883.186	22.919.861	42.803
.2.1.1	Forward foreign currency purchase transactions		12.337.757	58.084.322	70.422.079	17.296.886	4.941.853	22.238
.2.1.2	Forward foreign currency sale transactions		62.330.017	15.104.288	77.434.305	2.586.300	17.978.008	20.564
.2.2	Currency and interest rate swaps		256.563.339	854.971.980	1.111.535.319	364.284.475	639.246.460	1.003.530
.2.2.1	Currency swap purchase transactions		296.085	172.325.532	172.621.617	534.079	245.002.419	245.536
.2.2.2	Currency swap sale transactions		94.186.254	90.184.074	184.370.328	205.686.396	51.342.693	257.029
.2.2.3	Interest rate swap purchase transactions		81.040.500	296.231.187	377.271.687	79.032.000	171.450.674	250.482
.2.2.4	Interest rate swap sale transactions		81.040.500	296.231.187	377.271.687	79.032.000	171.450.674	250.482
.2.3	Currency, interest rate and securities options		15.752.451	36.608.527	52.360.978	11.839.558	16.047.066	27.886
2.3.1	Currency purchase options		4.887.351	18.318.819 13.988.297	23.206.170	8.616.333 3.223.225	3.264.989 8.548.016	11.881
.2.3.2	Currency sale options		10.865.100	4.301.411	24.853.397 4.301.411	3.223.225	8.548.016 4.234.061	4.234
.2.3.4	Interest rate purchase options		-	4.301.411	4.301.411	-	4.234.061	4.234
.2.3.4	Interest rate sale options Securities purchase options		-	-	-	-	-	
.2.3.6	Securities purchase options Securities sale options		-	-	-	-	-	
.2.3.0	Currency futures		11.037.994	9.557.292	20.595.286	3.911.219	3.564.171	7.475
.2.4.1	Currency purchase futures		19.620	9.542.510	9.562.130	1.600.319	2.207.453	3.807
.2.4.2	Currency sale futures		11.018.374	14.782	11.033.156	2.310.900	1.356.718	3.667
.2.5	Interest rate futures		-		-	-	-	2.207
.2.5.1	Interest rate purchase futures		-	-	-	-	-	
.2.5.2	Interest rate sale futures		-	-	-	-	-	
.2.6	Other		800.014	273.650.971	274.450.985	12.036.505	201.999.133	214.035
	CUSTODY AND PLEDGED SECURITIES (IV+V+VI)		2.297.078.386	768.521.174	3.065.599.560	2.402.641.885	506.497.562	2.909.139
v.	ITEMS HELD IN CUSTODY		349.355.766	120.098.823	469.454.589	767.685.458	102.656.632	870.342
.1.	Assets under management		161.814.516	73.077.971	234.892.487	639.837.516	50.839.161	690.676
.2.	Securities held in custody		2.193.374	44.758.265	46.951.639	3.304.905	49.925.740	53.230
.3.	Checks received for collection		149.653.612	58.772	149.712.384	101.100.334	62.311	101.162
.4. .5.	Commercial notes received for collection		35.636.120	1.703.127	37.339.247	23.384.559	1.390.993	24.775
.5. .6.	Other assets received for collection Securities received for public offering		-	397.747	397.747	-	349.289	349
.6. .7.	Securities received for public offering Other items under custody		58.144	102.941	161.085	58.144	89.138	147
.8.	Custodians		36.144	102.941	101.085	36.144	69.138	147
.8.	PLEDGED ITEMS		1.900.352.335	562.599.735	2.462.952.070	1.594.272.909	326.415.763	1.920.688
1.	Marketable securities		1.900.352.335	562.599.735 992.899	134.960.834	133.979.206	326.415.763 832.813	1.920.688
.2.	Guarantee notes		22.849.215	3.694.378	26.543.593	22.539.349	2.964.301	25.503
.2.	Commodity		22.849.215 8.270	3.094.376	26.543.593 8.270	5.864	2.704.301	25.50:
.4.	Warrant		6.270	-	0.270	3.004	-	
	Immovables		993.881.069	552.496	994.433.565	756.332.461	484.579	756.817
			749.645.846	557 297 224	1.306.943.070	681.416.029	322.081.426	1 003 497
.5.								
5. 6.	Other pledged items		/49.043.840			001.410.027		
5.	Other pledged items Depositories receiving pledged items ACCEPTED GUARANTEES AND WARRANTEES		47.370.285	62.738 85.822.616	62.738 133.192.901	40.683.518	52.644 77.425.167	52 118,108

The accompanying explanations and notes form an integral part of these financial statements.

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Statements of Profit or Loss

	Towns and are seen them.	Note (Section	Current Period (01/01/2024 -	Prior Period (01/01/2023 -
I.	Income and expense items INTEREST INCOME	Five) 4.1	31/12/2024)	31/12/2023)
			453.007.546	219.022.382
1.1 1.2	Interest on Loans Interest Received from Reserve Deposits	4.1.1	295.338.843 28.208.251	130.708.507 56.141
1.3	Interest Received from Banks	4.1.2	8.557.895	3.274.302
1.3	Interest Received from Money Market Transactions	4.1.2	45.160	441.109
1.5	Interest Received from Marketable Securities Portfolio	4.1.3	119.973.152	84.105.821
1.5.1	Financial Assets Measured at Fair Value Through Profit or Loss	4.1.5	178.325	126.273
1.5.2	Financial Assets Measured at Fair Value Through Other Comprehensive Income		36.497.947	22.992.022
1.5.3	Financial Assets Measured at Amortised Cost		83.296.880	60.987.526
1.6	Financial Lease Income		-	-
1.7	Other Interest Income		884.245	436.502
II.	INTEREST EXPENSE (-)	4.2	377.093.989	146.120.390
2.1	Interest on Deposits	4.2.6	259.126.784	117.992.713
2.2	Interest on Funds Borrowed	4.2.1	32.469.211	12.283.766
2.3	Interest expense on money market transactions	4.2.4	66.395.008	4.314.980
2.4	Interest on Securities Issued	4.2.3	16.583.204	9.673.713
2.5	Interest on Lease Payables		596.139	338.878
2.6	Other Interest Expense	4.2.5	1.923.643	1.516.340
III.	NET INTEREST INCOME/EXPENSE (I - II)		75.913.557	72.901.992
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		73.097.483	34.481.986
4.1	Fees and Commissions Received		111.227.166	48.429.694
4.1.1	Non-cash Loans		4.919.438	3.383.272
4.1.2	Other	4.11	106.307.728	45.046.422
4.2	Fees and Commissions Paid		38.129.683	13.947.708
4.2.1	Non-cash Loans		2.086	799
4.2.2	Other	4.11	38.127.597	13.946.909
V	DIVIDEND INCOME	4.3	15.055	9.429
VI.	TRADING PROFIT/LOSS (Net)	4.4	(46.430.572)	19.911.361
6.1	Trading Gains/Losses on Securities		3.403.476	3.507.446
6.2	Derivative Financial Transactions Gains/Losses		(22.417.103) (27.416.945)	33.666.702 (17.262.787)
VII.	Foreign Exchange Gains/Losses OTHER OPERATING INCOME	4.6	28.505.680	17.381.839
VIII.	GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)	4.0	131.101.203	144.686.607
IX.	ALLOWANCE FOR EXPECTED CREDIT LOSSES (-)	4.5	35.695.075	23.771.750
X.	OTHER PROVISION EXPENSES (-)	4.5	58.609	98.106
XI.	PERSONNEL EXPENSES (-)	4.0	27.530.139	16.777.259
XII.	OTHER OPERATING EXPENSES (-)	4.7	49.855.150	29.703.386
XIII.	NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)	•••	17.962.230	74.336.106
XIV.	SURPLUS WRITTEN AS GAIN AFTER MERGER		-	-
XV.	PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES		11.764.853	8.215.171
XVI.	NET MONETARY POSITION GAIN/LOSS)		-	-
	PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS			
XVII.	(XIII+XIV+XV+XVI)	4.8	29.727.083	82.551.277
XVIII.	PROVISION FOR TAXES ON INCOME FROM CONTINUING			
	OPERATIONS (±)	4.9	710.260	14.542.441
18.1	Current Tax Provision		115.614	9.370.801
18.2	Expense effect of deferred tax (+)		594.646	5.171.640
18.3	Income effect of deferred tax (-)		-	-
XIX.	NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)		29.016.823	68.008.836
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1	Income from assets held for sale		-	-
20.2	Profit from sale of associates, subsidiaries and joint ventures		-	-
20.3	Other income from discontinued operations		-	-
XXI.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-
21.1	Expenses on assets held for sale		-	-
21.2	Losses from sale of associates, subsidiaries and joint ventures		-	-
21.3	Other expenses from discontinued operations		-	-
XXII.	PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS			
	(XX - XXI)		-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-
23.1	Current tax provision		-	-
23.2	Expense effect of deferred tax (+)		-	-
23.3	Income effect of deferred tax (-)		-	-
XXIV.	NET PROFIT/ LOSS FROM DISCONTINUED OPERATIONS			
XXV.	(XXII±XXIII)	4.10	20.016.922	CO 000 027
AAV.	NET PROFIT/LOSS (XIX+XXIV)	4.10	29.016.823 0,0344	68.008.836 0,0805
	Earnings/(loss) per share (full TL)		0,0344	0,0803

The accompanying explanations and notes form an integral part of these financial statements.

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Statement of Profit or Loss and Other Comprehensive Income

		Current Period	Prior Period
		(31/12/2024)	(31/12/2023)
I.	PROFIT /(LOSS)	29.016.823	68.008.836
II.	OTHER COMPREHENSIVE INCOME	(4.885.936)	(7.518.232)
2.1	Other comprehensive income that will not be reclassified to profit or loss	3.941.860	755.232
2.1.1	Gains (losses) on Revaluation of Property, Plant and Equipment	8.377.677	6.066.155
2.1.2	Gains (losses) on Revaluation of Intangible Assets	-	-
2.1.3	Gains (losses) on Remeasurements of Defined Benefit Plans	(3.730.359)	(7.830.387)
2.1.4	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	(41.355)	42.270
2.1.5	Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	(664.103)	2.477.194
2.2	Other Comprehensive Income That Will Be Reclassified to Profit or Loss	(8.827.796)	(8.273.464)
2.2.1	Exchange Differences on Translation	3.804.780	9.026.107
2.2.2	Valuation and/or Reclassification Profit or Loss from Financial Assets Measured at Fair value through other		
	comprehensive income	(14.099.867)	(14.553.504)
2.2.3	Income (loss) Related with Cash Flow Hedges	(1.573.001)	(2.561.933)
2.2.4	Income (loss) Related with Hedges of Net Investments in Foreign Operations	(2.352.798)	(6.343.565)
2.2.5	Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss	(14.852)	-
2.2.6	Taxes Relating To Components Of Other Comprehensive Income That Will Be Reclassified To Profit Or Loss	5.407.942	6.159.431
III.	TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	24.130.887	60.490.604

The accompanying explanations and notes form an integral part of these financial statements.

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Current Period					Other Accu	Other Accumulated Comprehensive	ehensive	Other Accu	Other Accumulated Comprehensive	rehensive				
(31/12/2024)						Income			Income					
			Share		That Will No	That Will Not Be Reclassified In Profit	d In Profit						Current	
VITTO STATE OF THE PERIOD PREDICE FOR THE			certificate	Other		or Loss		That Will Be F	That Will Be Reclassified In Profit or Loss	rofit or Loss		Prior period	period	Total
CHANGES IN SHAKEHOLDER'S EQUILI	Paid-in	Share	cancellation	capital							Profit	net	net	share holders'
	capital	premium	profits	reserves	_	7	3	4	ĸ	9	reserves	profit/(loss)	profit/(loss)	equity
I. Balance at the beginning of the period	8.447.051	556.937		1.670.936	10.891.228	(8.202.660) 1.240.980		19.754.241	(2.910.152)	(6.534.171)	85.928.315		68.008.836	178.851.541
II. Adjustment in accordance with TAS 8	•	•	•	'	•		1	•			•		•	,
2.1 Effect of adjustment	•	•	•	1	•	•	1			•	•		•	•
 2.2. Effect of changes in accounting policies 	•	•	•	'	•	•	•	•	•	•	•			•
III. New balance (I+II)	8.447.051	556.937	•	1.670.936	10.891.228	(8.202.660)	1.240.980	19.754.241	(2.910.152)	(6.534.171)	85.928.315		68.008.836	178.851.541
IV. Total comprehensive income (loss)	•	•	•	•	6.594.466	(2.611.251)	(41.355)	3.804.780	(9.869.663)	(2.762.913)	•		29.016.823	24.130.887
V. Capital increase in cash	•	•	•	•	•						•			•
VI. Capital increase through internal reserves	•	•	•	'	•	•	•	•	•	•	•			•
VII. Issued capital inflation adjustment difference	•	•	•	1	•	•	,	٠		•	•		•	•
VIII. Convertible bonds	•	•	•	'	•	•	1	٠	•	•	•		•	•
IX. Subordinated debt	•	•	•	'	•	•	1	•	•	•	•		•	,
X. Increase (decrease) through other changes	•	•	•	22.620	•	•	1			•	•		•	22.620
XI. Profit distribution	•	•	•	28.697	•	•	1	•	•	•	57.779.139		(68.008.836)	(10.201.000)
11.1. Dividends distributed	•	•	•	•	•	•	•			•	•		(10.201.000)	(10.201.000)
11.2. Transfers to legal reserves	•	•	•	28.697	•	•	,	•	•	•	57.779.139	•	(57.807.836)	
11.3. Other	•		•	•	•	•	•							
Period end balance (III+IV+,,+X+XI)	8.447.051	556.937		1.722.253	17.485.694	(10.813.911)	1.199.625	23.559.021	(12,779,815)	17.485.694 (10.813.911) 1.199.625 23.559.021 (12.779.815) (9.297.084) 143.707.454	143.707.454		29.016.823	192.804.048

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Statement of changes in shareholders' equity

-10.728.134 9.026.107 1.198.710 42.270 (2.915.774) (5.286.886) -4.891.380 5.999.848 15.547 36.295 36.295 CHANGES IN SHAREHOLDER'S EQUITY

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Statement of cash flows

Presentation

		Note (Section Five)	Current Period (31/12/2024)	Prior Period (31/12/2023)
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating profit before changes in operating assets and liabilities		12.388.561	54.000.200
1.1.1	Interest received		378.632.539	147.556.633
1.1.2	Interest paid		(376.624.740)	(123.769.654)
1.1.3	Dividend received		436.110	374.507
1.1.4	Fees and commissions received		111.227.166	48.429.694
1.1.5	Other income		3.234.158	30.035.381
1.1.6	Collections from previously written-off loans and other receivables		11.241.415	9.067.507
1.1.7	Cash Payments to personnel and service suppliers		(72.780.688)	(42.376.439)
1.1.8	Taxes paid Other	6.3	(4.426.660) (38.550.739)	(9.219.814) (6.097.615)
		0.5		96.319.291
1.2	Changes in operating assets and liabilities subject to banking operations		14.902.295	96.319.291
1.2.1	Net (increase) decrease in financial assets measured at fair value through profit or loss		(631.137)	(1.528.188)
1.2.2	Net (increase) decrease in due from banks		(79.741.945)	(75.562.016)
1.2.3	Net (increase) decrease in loans		(362.727.014)	(303.931.303)
1.2.4	Net (increase) decrease in other assets		(57.902.604)	(27.280.765)
1.2.5	Net increase (decrease) in bank deposits		(6.792.609)	21.765.373
1.2.6	Net increase (decrease) in other deposits		241.747.831	326.159.053
1.2.7	Net increase (decrease) in financial liabilities measured at fair value through profit or loss		6.595.169	31.837.620
1.2.8	Net increase (decrease) in funds borrowed		247.616.038	149.142.712
1.2.9 1.2.10	Net increase (decrease) in matured payables Net increase (decrease) in other liabilities	6.3	26.738.566	(24.283.195)
I.	Net cash provided from banking operations		27.290.856	150.319.491
В.	CASH FLOWS FROM INVESTING ACTIVITIES			
			(40.070.021)	(01 207 045)
II.	Net cash provided from investing activities		(48.879.021)	(81.387.945)
2.1	Cash paid for the purchase of associates, subsidiaries and joint ventures		(2.466.063)	-
2.2	Cash obtained from the sale of associates, subsidiaries and joint ventures		-	-
2.3	Cash paid for the purchase of tangible and intangible asset		(4.447.056)	(2.635.032)
2.4	Cash obtained from the sale of tangible and intangible asset		1.126.774	133.246
2.5	Cash paid for the purchase of financial assets measured at fair value through other comprehensive income		(76.225.823)	(25.075.483)
2.6	Cash obtained from the sale of financial assets measured at fair value through other comprehensive income		39.810.207	8.177.148
2.7	Cash paid for the purchase of financial assets at amortised cost		(24.919.653)	(66.445.598)
2.8 2.9	Cash obtained from sale of financial assets at amortised cost Other		18.242.593	4.457.774
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
			46,952,996	(2(201 205)
III.	Net cash flows from financing activities		46.853.896	(26.381.307)
3.1	Cash obtained from funds borrowed and securities issued		231.646.326	102.208.544
3.2	Cash outflow from funds borrowed and securities issued		(172.818.385)	(119.620.749)
3.3	Equity instruments issued		-	-
3.4	Dividends paid		(10.201.000)	(7.911.000)
3.5	Payments for finance lease liabilities		(1.773.045)	(1.058.102)
3.6	Other		-	-
IV.	Effect of change in foreign exchange rate on cash and cash equivalents	6.3	17.766.477	39.947.582
v.	Net increase (decrease) in cash and cash equivalents		43.032.208	82.497.821
VI.	Cash and cash equivalents at beginning of the period	6.1	195.788.604	113.290.783
VII.	Cash and cash equivalents at end of the period	6.1	238.820.812	195.788.604

The accompanying explanations and notes form an integral part of these financial statements.

 $(Convenience\ translation\ of\ publicly\ announced\ unconsolidated\ financial\ statements\ originally\ issued\ in\ Turkish)$

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Profit Distribution(1)

		Current Period (31/12/2024)	Prior Period (31/12/2023)
I.	Distribution of current year income		
1.1	Current year income	29.727.083	82.551.27
1.2	Taxes and duties payable (-)	710.260	14.542.4
1.2.1	Corporate tax (income tax)	115.614	9.370.8
.2.2	Income withholding tax	=	, 10 , 010
.2.3	Other taxes and duties	594.646	5.171.64
١.	Net income for the year (1.1-1.2)	29.016.823	68.008.83
.3	Prior year losses (-)	=	
.4	First legal reserves (-)	-	
.5	Other statutory reserves (-)	=	
3.	Net income available for distribution [(a-(1.3+1.4+1.5)]	29.016.823	68.008.8
.6	First dividend to shareholders (-)	-	422.3
.6.1	To owners of ordinary shares	-	422.3
.6.2	To owners of privileged shares	-	
.6.3	To owners of preferred shares	-	
.6.4	To profit sharing bonds	-	
.6.5	To holders of profit and loss sharing certificates	-	
.7	Dividends to personnel (-)	-	
.8	Dividends to board of directors (-)	-	
.9	Second dividend to shareholders (-)	-	9.778.6
.9.1	To owners of ordinary shares	-	9.778.6
.9.2	To owners of privileged shares	-	
.9.3	To owners of preferred shares	-	
.9.4 .9.5	To profit sharing bonds To holders of profit and loss sharing certificates	-	
.10	Second legal reserves (-)	-	977.8
.11	Statutory reserves (-)	-	9//.8
.12	Extraordinary reserves	-	56.773.8
1.12	Other reserves		30.773.8
1.14	Special funds	-	56.1
I.	Distribution of reserves		
2.1	Appropriated reserves	_	
2.2	Second legal reserves (-)	-	
2.3	Dividends to shareholders (-)	-	
2.3.1	To owners of ordinary shares	-	
2.3.2	To owners of privileged shares	-	
2.3.3	To owners of preferred shares	-	
2.3.4	To profit sharing bonds	-	
.3.5	To holders of profit and loss sharing certificates	-	
2.4	Dividends to personnel (-)	-	
2.5	Dividends to board of directors (-)	-	
II.	Earnings per share		
.1	To owners of ordinary shares (full TL)	0,0344	0,08
3.2	To owners of ordinary shares (%)	-	
3.3	To owners of privileged shares	-	
3.4	To owners of privileged shares (%)	-	
v.	Dividend per share		
4.1	To owners of ordinary shares (full TL)	-	0,01
1.2	To owners of ordinary shares (%)	-	120,76
1.3	To owners of privileged shares	-	
1.4	To owners of privileged shares (%)	-	

⁽¹⁾ Regarding profit distribution, the authorized body of the Bank is the General Assembly and the annual general assembly meeting has not been held as of the date of preparation of these financial statements. Since the dividend distribution proposal for 2024 has not yet been prepared by the Board of Directors, only the distributable profit is stated in the profit distribution table.

The accompanying explanations and notes form an integral part of these financial statements.

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Notes to unconsolidated financial statements as of December 31, 2024 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL")

Section Three

Presentation

Accounting policies

Explanations on basis of presentation:

The Bank keeps its books of accounts in Turkish Lira in accordance with the Banking Act No. 5411 ("Banking Act"), which is effective from November 1, 2005, the Turkish Commercial Code ("TCC"), and Turkish Tax Legislation.

The unconsolidated financial statements prepared in accordance with the "Regulation on the Principles and Procedures Regarding Banks Accounting Applications and Safeguarding of Documents" published in the Official Gazette No. 26333 dated November 1, 2006 and other communiqués, interpretations and legislations published by the Banking Regulation and Supervision Agency ("BRSA") and Turkish Financial Reporting Standards ("TFRS") published by the Public Oversight Accounting and Auditing Standards Authority ("POA") for the matters not regulated by the aforementioned legislations published by BRSA. The format and the details of the publicly announced financial statements and related disclosures to these statements have been prepared in accordance with the "Communiqué Related to Publicly Announced Financial Statements of Banks and Explanations and Notes Related to these Financial Statements" and changes and notes to this communiqué published in the Official Gazette No. 28337 dated June 28, 2012.

The accompanying unconsolidated financial statements and notes to these financial statements are expressed in thousands of Turkish Lira (TL), unless otherwise stated

The accompanying unconsolidated financial statements are prepared in accordance with the historical cost basis (restated for the changes in the general purchasing power of TL until December 31, 2004), except for financial assets and liabilities measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, derivative financial assets/liabilities buildings and art objects and paintings in tangible assets. Besides, the carrying values of assets carried at amortized cost but subject to fair value hedge are adjusted to reflect the fair value changes related to the hedged risks.

The preparation of unconsolidated financial statements in conformity with TFRS requires the use of certain accounting estimates by the Bank management to exercise its judgment on the assets and liabilities on the balance sheet and contingent assets and liabilities as of the balance sheet date. These estimates are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are explained in the related notes and reflected to the income statement.

The accounting policies and valuation principles employed for the preparation the financial statements are in compliance with "Accounting and Reporting Legislation" published in the regulation, communique, interpretations and circular of BRSA. If there is no specific regulation of BRSA, it has been determined and applied

On November 23, 2023, POA announced that, entities reporting under the TFRS should begin implementing "TAS 29 - Financial Reporting in Hyperinflationary Economies" standard in their financial statements, from periods ending on and after December 31, 2023. Besides, regulatory and auditing bodies that are authorized in their respective areas have flexibility to determine alternative transition dates for the application of TAS 29.

Within the scope of decisions dated December 12, 2023 numbered 10744 and December 5, 2024 numbered 11021 respectively by the BRSA, banks, financial leasing, factoring, financing, savings financing, and asset management companies are not subject to inflation adjustments in their financial statements required under TAS 29 in 2023, 2024 and 2025.

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Explanations on strategy of using financial instruments and foreign currency transactions:

The general strategy of the Bank in using financial instruments is to sustain an optimal balance between the yield of the instruments and their risks. The most important funding source of the Bank is deposits. For non-deposit items, the Bank maintains longer-term funding structure especially through long-term foreign borrowings. Funds from deposits and other funding sources are invested in high quality financial assets in order to keep currency. interest rate and liquidity risks within the limits determined by the asset-liability strategy. The currency, interest and liquidity risks of on-balance sheet and off-balance sheet assets and liabilities are managed in accordance with the risk limits approved in the Bank and the related legal limits. Derivative instruments are mainly utilized for liquidity needs and for mitigating currency and interest rate risks. The position of the Bank as a result of foreign currency activities is being held at minimum levels and the currency risk exposure is monitored within the limits determined by the Board of Directors under the context of Banking Act.

Foreign currency denominated monetary assets and liabilities are translated with the exchange rates prevailing at the balance sheet date. Gains and losses arising from such valuations are recognized in the income statement under the account of "Foreign exchange gains or losses", except for valuation differences arising from foreign currency participations, subsidiaries and foreign currency non-performing loans.

The Bank hedges foreign currency exposure arising from carrying its foreign subsidiaries at equity method, with foreign currency financial liabilities and applies net investment hedge accounting. The effective portions of the change in fair value in financial liabilities in foreign currency are recorded under "Other accumulated comprehensive income that will be reclassified in other profit or loss" in equity.

In order to eliminate the inconsistency in the recognition, the Bank might classify its financial liabilities as financial liabilities at fair value through profit / loss upon the initial recognition.

Explanations on investments in associates, subsidiaries and joint ventures:

Associates, subsidiaries and joint ventures are being carried at equity method as defined in "TAS 28 - Investments in Associates and Joint Ventures" in the unconsolidated financial statements of the Bank started from June 30, 2015. Any valuation differences arising from prior years, before January 1, 2015, are booked as "Other accumulated comprehensive income that will not be reclassified in profit or loss" under equity. In the following periods, any valuation differences arising from the current period income and other comprehensive income are recognised in profit or loss and "Other accumulated comprehensive income that will not be reclassified in profit or loss" under the equity, respectively. This accounting policy change is performed through an early adaption before the effective date of January 1, 2016 in accordance with the change of "TAS 27 – Turkish Accounting Standards for Individual Financial Statements" numbered 29321 on April 9, 2015 and confirmation by BRSA's letter numbered 10686 on July 14, 2015.

Explanations on forward and option contracts and derivative instruments:

The Bank's derivative transactions mainly consist of money and interest rate swaps, forward foreign exchange purchase and sale transactions and options.

Derivative instruments are measured at fair value on initial recognition and subsequently remeasured at their fair values. As a result, the fair value of derivatives is reflected as net liability or net asset on a contract by contract basis. The accounting method applied to the income or loss arising from derivative instruments depends on whether the derivative is being used for hedging purposes or not and depends on the type of item being hedged.

At the transaction date, the Bank documents the relationship between hedging instruments and hedged items, together with the risk management policies and the strategies on hedging transactions. Besides, the Bank regularly documents the effectiveness of the hedging instruments in offsetting the changes in the fair value of the hedged

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Changes in the fair value of derivative instruments subject to fair value hedges are recognized under profit or loss accounts together with the variation in the fair value of hedged items. The changes of fair value of derivative transactions for fair value hedge are classified in "Derivative Financial Transactions Gains/Losses" account. In the balance sheet, changes in the fair value of hedged assets and liabilities, during the period in which the hedge is effective, are shown with the related assets and liabilities. The ineffective portion of the mentioned hedging transaction is reflected to the income statement. If the underlying hedge does not conform to the hedge accounting requirements, according to the adjustments made to the carrying value (amortized cost) of the hedged item, for which the risk is hedged by a portfolio hedge, are amortized with the straight line method within the time to maturity and recognized in profit or loss accounts. Fair value adjustments are recognized directly in the income statement in an event of repayment and/or unwinding and/or derecognition of the hedged item.

The Bank hedges its cash flow risk arising from foreign currency and Turkish Lira floating interest rate liabilities by using currency and interest rate swaps. The effective portion of the fair value changes of the hedging instruments are recorded in "Other accumulated comprehensive income that will be reclassified in profit or loss" under shareholders' equity. These funds are transferred to profit or loss from equity when the cash flows of the hedged items (interest expense) impact the income statement.

In case the cash flow hedge accounting is discontinued due to the expiry, realization for sale of the hedging instrument, or due to the results of the effectiveness test the amounts accounted under shareholders' equity are transferred to the profit or loss accounts as these cash flows of the hedged item are realized (considering the original maturity of the hedging instrument).

Some of the trading purpose derivative transactions, even though they provide effective economic hedges under the Bank's risk management policy, do not qualify for hedge accounting under the specific rules in "TFRS 9 -Financial Instruments" and are therefore treated as "Derivative financial assets measured at fair value through profit or loss".

"Derivative financial assets measured at fair value through profit or loss" are measured at fair value. If the fair value of derivative financial instruments is positive, it is disclosed under the main account "Derivative financial assets measured at fair value through profit or loss"; and if the fair value difference is negative, it is disclosed under "Derivative financial liabilities measured at fair value through profit or loss". Fair value changes are recorded under "Derivative Financial Transactions Gains/(Losses)" in the income statement.

The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

Parameters used for the valuation of the option portfolio are determined by market risk management and the confirmation of the accuracy of fair value calculations are monitored periodically by market risk management.

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts as their contractual values. Embedded derivatives are separated from the host contract and accounted as derivative instruments according to "TFRS – 9 Financial Instruments" in case (i) the related embedded derivative's economic features and risks are not closely related to the host contract, (ii) another instrument that has the same contract conditions with the embedded derivative satisfies the definition of a derivative instrument and (iii) the hybrid instrument is not carried at fair value through profit or loss.

Credit derivatives are capital market tools designed to transfer credit risk from one party to another.

As of December 31, 2024, the Bank's credit derivatives portfolio included total return swaps.

Credit linked notes are bonds that have repayments depending on a credit event or the credit risk evaluation of a reference asset or asset pool. Depending on whether the reference assets are included in the balance sheet of the issuer or the owner of the assets, these transactions can be accounted by the party assuming the credit risk as insurance or as an embedded derivative. As per the Bank's management evaluation, the embedded derivatives included in the credit linked notes are separated from the host contracts in accordance with "TFRS - 9 Financial Instruments" and recorded and evaluated as credit default swaps. The bond itself (host contract) is valued in accordance with the valuation principles of the category it is classified.

Total return swaps are contracts, in which the seller commits to pay the contract value for all cash flows of the reference assets of the seller and the changes of the market values of these reference assets to the buyer during the contract maturity and bear all the decreases in the market value of these reference assets. The Bank uses the total return swaps to generate long term funding.

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Market risks of these products are monitored using the Bank's internal modeling system for the Value-at-Risk and basis points sensitivity analysis; the liquidity risks are monitored using the short term liquidity report on daily and the long term liquidity report on monthly basis.

According to the regulations of BRSA, currency exchange transactions, which are realized at value date in the initial phase of currency swaps, are recorded and followed as irrevocable commitments in off-balance sheet accounts until the value date

A Credit Valuation Adjustment (CVA) is applied to the Bank's over-the-counter derivative exposures to take into account the counterparty's risk of default when measuring the fair value of the derivative. CVA is the mark-tomarket cost of protection required to hedge credit risk from counterparties in the Bank's over-the-counter derivatives portfolio. The Bank calculates CVA based on collective provisioning methodology calculated in accordance with Turkish Financial Reporting Standards, "TFRS - 9 Financial Instruments", comprising the product of Exposure, Probability of Default (PD) and Loss Given Default (LGD). CVA is calculated based on the exposure of each counterparty.

Within the scope of TFRS 13 Fair Value Measurement standard; (i) if there is a significant decrease in the volume or level of activity for that asset or liability in relation to normal market activity for the asset or liability (or similar assets or liabilities); (ii) when the transaction or quoted price does not represent fair value; and / or (iii) when a price for a similar asset requires significant adjustment to make it comparable to the asset being measured, or (iv) when the price is stale, the Bank makes an adjustment to the transactions or quoted prices and reflects this adjustment to the fair value measurement. In this context, the Bank determines the point within the range that is most representative of fair value under current market conditions.

Explanations on interest income and expense:

Interest income and expenses are recognized in the income statement on an accrual basis by using the effective interest method periodically

Retrospective rediscount calculation and foreign exchange evaluation is performed for non performing loans, and accrued interest and rediscounts as of transfer to non performing loan accounts are accounted under loan accrual/rediscount accounts as per Uniform Chart of Accounts ("UCA"). The Bank ceases accruing interest after non-performing loan classification. In place of that, interest amount representing the time value of future collections is recognized under interest income instead of provision expense.

Explanations on fee and commission income and expenses:

Fees and commissions received as a result of the service agreements or arising from negotiating or participating in the negotiation of a transaction on behalf of a third party are recognized either in the period when the transaction is realized or deferred based on the type of the underlying transaction. Other commission income and fees from various banking services are recorded as income at the time of realization.

Except for fees and commissions that are integral part of the effective interest rates of financial instruments measured at amortized costs, the fees and commissions are accounted for in accordance with TFRS 15 "Revenue from Contract with Customers".

Explanations on financial assets:

As of January 1, 2018, the Bank has applied TFRS 9 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL)
- Fair value through other comprehensive income (FVOCI)
- > Financial assets measured at amortised cost

According to TFRS 9, classification of financial assets is based on two criterias; business model under which the financial asset is being managed and contractual cash flows representing solely payments of principal and interest of the financial asset. This evaluation incorporates whether there is any clause that may change timing or amount of contractual cash flows of the financial asset.

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Classification of financial assets reflects the business model of how the Bank manages the assets in order to generate cash flows. Bank's business model may be to collect the contractual cash flows from the assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Bank in determining the business model for a bank of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

The Bank owns Consumer Price Indexed (CPI) Government Bonds which are classified under "Fair value through other comprehensive income" and "measured at amortised cost" securities portfolio. Related securities and reference indices used in calculating the actual coupon payment amounts of these assets are based on the Consumer Price Index (CPI) of prior two months.

Assessment of the business model

The Bank determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The business model does not depend on management's intentions for an individual instrument. Accordingly, this condition is not a single-instrument basis approach for classification and should be determined on a higher level of aggregation.

During the assessment of the business model for management of financial assets, all relevant evidences available at the assessment date have taken into consideration. Such relevant evidence includes below:

- ➤ How the performance of the portfolio is evaluated and reported to the Bank's management;
- > the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- > how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- > the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- > the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

If cash flows are realised in a way that is different from the expectations on the date of the assessment of the business model, that does not give rise to a prior period error in the financial statements nor does it change the classification of the remaining financial assets held in that business model as long as all relevant information that was available at the time of business model assessment were. However, when the business model is assessed for newly originated or newly purchased financial assets, it must be considered information about how cash flows were realised in the past, along with all other relevant information.

The business models are divided into three categories. These categories are defined below:

> Business model whose objective is to hold assets in order to collect contractual cash flows

Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows are managed to realise cash flows by collecting contractual payments over the life of the instrument. That is, the Bank manages the assets held within the portfolio to collect those particular contractual cash flows.

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Although the objective of Bank's business model may be to hold financial assets in order to collect contractual cash flows, the Bank does not need to hold all of those instruments until the maturity. Thus Bank's business model can be to hold financial assets to collect contractual cash flows even when sales of financial assets occur or are expected to occur in the future.

The business model may be to hold assets to collect contractual cash flows even if the Bank sells financial assets when there is an increase in the assets' credit risk. The Bank considers reasonable and supportable information, including forward looking information, in order to determine whether there has been an increase in the assets' credit risk. Regardless of their frequency and value, sales due to an increase in the assets' credit risk are not inconsistent with a business model whose objective is to hold financial assets to collect contractual cash flows because the credit quality of financial assets is relevant to the Bank's ability to collect contractual cash flows.

A business model whose objective is achieved by both collecting contractual cash flows and selling financial assets

The Bank may hold financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In this type of business model, the Bank's management have made a decision on both collecting contractual cash flows and selling financial assets is necessary for achieving the objective of the business model. There are various objectives that may be consistent with this type of business model. For example, the objective of the business model may be to manage liquidity needs on a daily basis, to maintain a particular interest yield profile or to match the duration of the financial assets to the duration of the liabilities funding those assets. To achieve such an objective, the Bank will both collect contractual cash flows and sell financial assets

Compared to a business model whose objective is to hold financial assets to collect contractual cash flows, this business model will typically involve greater frequency and value of sales. This is because selling financial assets is integral to achieving the business model's objective instead of being only incidental to it.

➤ Other business models

Financial assets are measured at fair value through profit or loss if they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets

A portfolio of financial assets that is managed and whose performance is evaluated on a fair value basis is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Bank is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs. In assessing whether the contractual cash flows are SPPI, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

When making such assessment, the Bank:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- > Terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse loans); and
- Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

When the contractual conditions are exposed to the risks which are not consistent with the basic lending arrangement or variability of cash flows, the relevant financial asset is measured at fair value through profit or loss

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7.1. Financial assets measured at fair value through profit or loss

Financial assets, which are classified as "Financial assets measured at fair value through profit or loss", are trading financial assets and are either acquired for generating profit from short-term fluctuations in the price or dealer's margin, or are financial assets included in a portfolio in which a pattern of short-term profit making exists independent from the acquisition purpose.

Trading financial assets are initially recognized at fair value and are subsequently re-measured at their fair value. However, if fair values cannot be obtained from active market transactions, it is assumed that the fair value cannot be observed reliably and fair values are calculated by alternative models. All gains and losses arising from these valuations are recognized in the income statement. Interest earned while holding financial assets is reported as interest income and dividends received are included separately in dividend income.

The principles regarding the accounting of derivative financial instruments are explained in detail in Note 4 of this section.

7.2. Financial assets measured at amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, are measured at amortised cost. These financial assets are initially recognized at total of acquisition and transaction cost. After their initial recognition they are carried at "Amortized cost" using the "Effective interest method".

7.3. Loans:

Loans are financial assets raised through lending without having the intention to trade in the short term. Loans are non derivative financial assets with fixed or determinable payments and fixed maturities that are not quoted on active market. Loans are recognized initially at cost including transaction costs (which reflect fair values) and subsequently carried at the amortized cost using the "effective interest method". The expenses incurred for the assets received as collateral are not considered as transaction costs and are recognized in the expense accounts.

Retail, commercial and corporate loans included in cash loans are accounted for with their original maturities in accounts which are mentioned in the UCA. Foreign currency indexed loans are initially measured at local currency accounts with the foreign exchange rate prevailing at date of the initial recognition and re-valued with the relevant foreign currency rates prevailing at the date of the financial statements. Increase or decrease in the value of the principal amount of the loan due to changes in foreign exchange rates is accounted in the related income and expense accounts. Repayment amounts are translated with the foreign exchange rates prevailing at the repayment dates and the valuation differences are accounted for in "foreign exchange gain/loss" accounts.

The Bank provides provision for expected credit losses based on the assessments and estimates of the management, by considering "TFRS 9 - Financial Instruments" and the "Communiqué Related to Principles and Procedures on Determining the Qualifications of Banks' Loans and Other Receivables and the Provision for These Loans and Other Receivables" ("Provisioning Regulation") published in the Official Gazette No. 29750 dated June 22, 2016. In this context, the management estimates are determined on the basis of the prudence principle and Bank credit risk policies, considering the general structure of the loan portfolio, the financial conditions of the customers, non-financial information and the economic conjuncture.

As of December 31, 2024, the Bank has made its classifications in accordance with the TFRS 9 standard and reflected them in its financial statements. In this context; the Bank has evaluated many reasonable and supportable qualitative and quantitative data in assessing whether there is a significant increase in credit risk in the classification of loans according to stages and determining the moment when the default situation occurs. It has classified the loans according to their stages according to its best judgment under the current conditions.

Expected Credit Losses are accounted for as an expense in the accounting period they are incurred. If there is a subsequent collection from a receivable that was already provisioned in previous years, the recovery amount is classified under "Other operating income". The write off policy is described in the explanations and notes related to assets, fifth section.

7.4. Financial assets measured at fair value through other comprehensive income:

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI).

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Financial assets measured at fair value through other comprehensive income are subsequently re-measured at fair value. When fair values based on market prices cannot be observed reliably, the financial assets at fair value through other comprehensive income are carried at fair values determined by using alternative models. "Unrealized gains and losses" arising from changes in the fair value of financial assets classified as financial assets at fair value through other comprehensive income are recognized in the shareholders' equity as "Other accumulated comprehensive income that will be reclassified in profit or loss", until the related assets are impaired or disposed. When these financial assets are disposed or impaired, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement. Interest and dividends received from financial assets at fair value through other comprehensive income are recorded in interest income and dividend income as appropriate.

Interest income on financial assets at fair value through other comprehensive income are calculated by effective interest rate method and are accounted for in interest income account. At the time of sale of a financial assets at fair value through other comprehensive income before the maturity, the difference between the profit, which is the difference between the cost and sales price of the financial assets, and the interest income accrual are accounted under "Profit/losses from capital market transactions".

7.5. Equity instruments measured at fair value through other comprehensive income:

At initial recognition, an irrevocable election can be made to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument within the scope of TFRS 9. Such election is made on an instrument basis.

Fair value differences recognized in other comprehensive income are not transferred to profit or loss in the following periods and transferred to prior years' profit / loss. The equity instruments measured at fair value through other comprehensive income, are not subject to impairment calculation.

8. Explanations on impairment of financial assets:

The Bank assesses the expected credit losses ("ECL") related with its debt instrument assets carried at amortised cost and at fair value through other comprehensive income, with the exposure arising from loan commitments and financial guarantee contracts on a forward-looking basis. The Bank recognises a loss allowance for such losses at each reporting date. The measurement of expected credit losses reflects:

- > An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- > The time value of money;
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the expected credit loss allowance:

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and at fair value through other comprehensive income is an area that requires the use of advanced models and significant assumptions about future economic conditions and credit behaviour.

These financial assets will be divided into three categories depending on the gradual increase in credit risk observed since their initial recognition. Impairment shall be recognized on outstanding amounts in each category, as follows:

Stage

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition. Impairment for credit risk will be recorded in the amount of 12-month expected credit losses.

Stage 2

In the event of a significant increase in credit risk since initial recognition, the financial asset will be transferred to this stage. Impairment for credit risk will be determined on the basis of the instrument's lifetime expected credit losses

Stage 3:

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL are recognized and interest revenue is calculated on the net carrying amount.

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Life-time expected credit loss is calculated on an individual or collective basis for the financial assets in stage 2 and stage 3.

General provisions represent ECLs for the first stage and the second stage, specific provisions represent ECLs for the third stage.

The Bank has developed specific models for calculating the expected loss; such models are based on the parameters of PD, LGD and EAD and on the effective interest rate. In particular:

- > The PD (Probability of Default), represents the customer's probability of more than 90 days delay, within 12-months;
- The LGD (Loss Given Default), represents the percentage of the estimated loss, and thus the expected rate of recovery, at the date of occurrence of the default event of the credit exposure;
- The EAD (Exposure at Default), represents the measure of the exposure at the time of the event of default of the credit exposure;
- The Effective interest rate is the discount rate that expresses of the time value of money.

Such parameters are calculated starting from the corresponding parameters used for IRB preparation purposes, with specific adjustments in order to ensure consistency between accounting and regulatory treatment despite different regulatory requirements.

The main adjustments aimed at:

- Removal of prudency principal used for IRB phase;
- Introducing "point-in-time" adjustments to replace "through-the-cycle" adjustments required for IRB phase (TFRS 9 parameters developed over these parameters.);
- > With reference to lifetime PD, through-the-cycle PD curves obtained by adjusting observed cumulated default rates were calibrated in order to reflect point-in-time on portfolio default rates.

Recovery rate incorporated into through-the-cycle LGD was adjusted in order to remove prudency principle and to reflect the most updated trend of recovery rates discounted at effective interest rate or at its best approximation.

The lifetime EAD has been obtained by converting the 1 year regulatory or managerial model to life-time, removing margin of prudency and including the expected discounted cash flow.

The stage allocation model is a key aspect of the accounting model required to calculate expected credit losses which is aimed at transferring credit exposures from Stage 1 to Stage 2.

With reference to the quantitative component of the model for stage allocation, the Bank has adopted a statistical approach based on a quantiles regression whose objective is to define a threshold in terms of maximum variation acceptable between the PD at the time of origination and the PD assessed at the reporting date.

The stage allocation model was based on a combination of relative and absolute elements. The main elements were:

- > Comparison, for each transaction, between the PD measured at the time of recognition and PD as at the reporting date, both calculated according to internal models, through thresholds set in a way considering all key variables of each transaction that can affect the Bank's expectation of PD changes over time;
- Absolute elements such as the backstops required by law;
- Additional internal evidence

Significant increase in credit risk

In the assessment of significant increase in credit risk quantitative and qualitative assessments are made;

Quantitative Assessment:

As a result of quantitative assessment, related financial asset is classified as stage 2 (Significant Increase in Credit Risk) when any of the following criterias are satisfied.

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As of reporting date:

- Lifetime expected credit losses shall be recognized on a transaction base, when more than 30 days past due status is passed. The Bank can abandon this estimation when it has reasonable and supportable information about customers contractual repayments.
- > In case a loan has been restructured, it will be followed up under Stage 2 during the follow-up period mentioned in the related regulations. The loan can be transferred back to Stage 1 at end of the follow-up period if there is no significant deterioration.
- > Provisions on non-funded non cash loans are evaluated as significant increase in credit risk.

Oualitative Assessment

The probability of significant increase in credit risk under qualitative assessment is based on the comparison of probability of default of a loan in the origination and as of reporting date.

The Bank uses distribution regression on segment basis in order to calculate the thresholds used in defining the significant increase in credit risk.

Low credit risk

Financial instruments defined as low risk for TFRS 9 are;

- > Receivables from Central Bank of the Republic of Türkiye ("CBRT");
- Loans with counterparty of Treasury of the Republic of Türkiye
- > The issued securities or guaranteed marketable securities from central banks of the countries where Bank's subsidiaries, associates are resident;
- Bank placements;
- Other money market transactions;
- Transactions of Bank's associates and subsidiaries

Forward Looking Macroeconomic Information

Forward-looking macroeconomic information is incorporated into credit risk parameters during assessment of significant increase in credit risk and expected credit loss calculation. For the calculation of expected credit loss, Bank uses macroeconomic estimation method which is developed during creation of various scenarios. Macroeconomic variables prevailing during these estimates are gross domestic product (GDP) and unemployment rate.

When expected credit losses are estimated in accordance with the forward looking macroeconomic information, the Bank evaluates three scenarios (base, pessimistic and optimistic) with various weights based. The Bank has reviewed the macroeconomic model used in the process and has been the subject of provision calculations using the data considered to reflect the current situation in the best way.

In the light of macroeconomic expectations, the Bank reflected the calculations made to its financial statements considering the probability of default values and the possible changes in the exposure at default. In this context, the Bank has measured the effect of the change in macroeconomic data used in the calculation of expected credit loss such as gross domestic product and unemployment rate, on the non performing loans under different scenarios and reflected the coefficient increase, which was considered to be the most accurate, to its provision calculations by projecting it on the loan parameters within the range of NPL ratio obtained throughout the calculations.

9. Explanations on offsetting financial assets:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Bank has a legally enforceable right to offset the recognised amounts and there is an intention to collect/pay related financial assets and liabilities on a net basis, or to realise the asset and settle the liability simultaneously.

10. Explanations on sales and repurchase agreements and securities lending transactions:

Securities subject to repurchase agreements ("Repo") are classified as "Financial assets at fair value through profit or loss", "Financial assets measured at fair value through other comprehensive income" and "Financial assets measured at amortised cost" according to the investment purposes of the Bank and measured according to the portfolio to which they belong. Funds obtained from repurchase agreements are accounted under "Money market funds" in liabilities and the difference between the sale and repurchase price is accrued over the life of the repurchase agreements using the "Effective interest method". Interest expense on repo transactions are recorded under "Interest expense on money market transactions" in the income statement.

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Funds given against securities purchased under agreements to resell ("Reverse repo") are accounted under "Receivables from money markets" on the balance sheet. The difference between the purchase and determined resell price is accrued over the life of repurchase agreements using the effective interest method.

The Bank has no securities lending transactions.

Information on assets held for sale and related to discontinued operations and explanations on liabilities related with these assets:

According to the "TFRS - 5 Non-current Assets Held for Sale and Discontinued Operations", a tangible asset (or a bank of assets to be disposed) classified as "Asset held for sale" is measured at lower of carrying value and fair value less costs to sell. An asset (or a bank of assets to be disposed) is regarded as "Asset held for sale" only when the sale is highly probable and the asset (or a bank of assets to be disposed) is available for immediate sale in its present condition. For a highly probable sale, there must be a valid plan prepared by the management for the sale of asset including identification of possible buyers and completion of sale process. Furthermore, the asset should be actively in the market at a price consistent with its fair value.

A discontinued operation is a part of the Bank's business classified as sold or held for sale. The operating results of the discontinued operations are disclosed separately in the income statement.

12. Explanations on goodwill and other intangible assets:

12.1. Goodwill:

The excess of the cost of an acquisition over the fair value of the Bank's share of the identifiable assets, liabilities or contingent liabilities of the acquired subsidiary at the date of acquisition of the control is recorded as goodwill and represents a payment made by the acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognized. The acquirer also recognizes assets that are capable of being individually identified and separately recognized, intangible assets (e.g. credit card brand value, deposit base and customer portfolio) and contingent liabilities at fair value, irrespective of whether the asset had been recognized by the acquire before the business combination, if it can be distinguished from the goodwill and if the asset's fair value can be measured reliably.

As of December 31, 2024 the Bank has no goodwill (December 31, 2023 – None).

12.2. Other intangible assets:

Intangible assets are measured at cost on initial recognition and any directly attributable costs of setting the asset to work for its intended use are included in the initial measurement. Subsequently, intangible assets are carried at historical costs after the deduction of accumulated amortization and the provision for impairment.

The Bank evaluates the possibility of existence of impairment of intangible assets at the end of each reporting period. If there is an evidence of impairment, the Bank estimates a recoverable amount in accordance with the "TAS 36 - Impairment of Assets". The recoverable amount is the higher of net sales price or the value in use. When the book value of another intangible asset exceeds the recoverable amount, the related asset is considered to be impaired. If there is no evidence of impairment, there is no need to estimate the recoverable amount.

Intangibles are amortized over their estimated useful lives using the straight-line method. The useful life of the asset is determined by assessing the expected useful life of the asset, technical, technological and other kinds of obsolescence and all required maintenance expenses necessary to utilize the economic benefit from the asset.

13. Explanations on property and equipment:

Property and equipment is measured at its cost when initially recognized and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement in accordance with "TAS 16 – Property, Plant and Equipment". Subsequently, properties and equipment, except art objects, paintings and buildings are carried at cost less accumulated depreciation and provision for impairment

The Bank adopted a fair value accounting method for its buildings as of March 31, 2015 in tangible assets in accordance with "TAS 16 - Property, Plant and Equipment".

The depreciation rate for buildings is 2-4%, for movables and movables acquired under financial leasing depreciation is calculated over estimated useful life by using the straight-line method

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The depreciation charge for items remaining in property and equipment for less than a full accounting period at the balance sheet date is calculated in proportion to the period the item remained in property and equipment.

In accordance with "TAS 36 - Impairment of Assets", where the carrying amount of an asset is greater than its estimated "recoverable amount", it is written down to its "recoverable amount" and the provision for impairment is charged to the income statement.

Gains and losses on the disposal of property and equipment are determined by deducting the net book value of the property and equipment from its sales proceeds.

Expenditures for the repair and maintenance of property and equipment are recognized as expense. The capital expenditures made in order to increase the capacity of the tangible asset or to increase its future benefits are capitalized on the cost of the tangible asset. The capital expenditures include the cost components which are used either to increase the useful life or the capacity of the asset or the quality of the product or to decrease the costs.

14. Explanations on leasing transactions:

The Bank performs leasing transactions in the capacity of the lessee and lessor

14.1 Accounting of leasing operations according to lessee:

The Bank has adopted "TFRS 16: Leases" approach in the accounting of leasing transactions.

In accordance with TFRS 16, the Bank calculates "right-of-use" amount using the present value of the lease payments of fixed asset at the beginning of the leasing period and recognizes under "property and equipment". Unpaid leasing payments are calculated at their net present value and recognized under "lease payables" in liabilities. Lease payments are discounted using related borrowing rates.

Fixed assets that are subject to leasing is amortised on the basis of leasing period. Interest expense related to lease payables is classified under "interest on lease payables" under "interest expense" and exchange rate changes are classified under "foreign exchange gains/losses". Leasing payments are deducted from lease payables.

14.2 Accounting of the leasing transactions in terms of the lessor:

The major risks and benefits of the property carried by the lessor are classified as operational leasing. The payments that are received as operational leasing are accounted as income via the linear method throughout the leasing term.

15. Explanations on provisions, contingent assets and liabilities:

Provisions and contingent liabilities, except for the expected credit loss recognized for financial instruments within the scope of TFRS 9 standards, are accounted in accordance with "TAS 37 - Provisions, Contingent Liabilities and Contingent Assets".

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions for contingent liabilities arisen from past events are recognized in the period of occurrence in accordance with the "Matching principle". A provision is recognized when it is probable that the contingent event will occur and a reliable estimate can be made. When a reliable estimate of the amount of obligation cannot be made or it is not probable that an outflow of resources will be required to settle the obligation, it is considered that a "contingent" liability exists and it is disclosed in the related notes to the financial statements.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs.

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Explanations on obligations related to employee benefits:

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16.1. Employee benefits

Obligations related to employee termination and vacation rights are accounted for in accordance with "TAS 19 – Employee Benefits" and are classified under "Provisions for employee benefits" account in the balance sheet.

Under the Turkish Labour Law, the Bank is required to pay a specific amount to the employees who have retired or whose employment is terminated other than for the reasons specified in the Turkish Labour Law. The reserve for employment termination benefits represents the present value of the estimated total liability for the future probable obligation of the Bank determined by using certain actuarial assumptions. Actuarial gains and losses are accounted for under equity in accordance with the "TAS 19 – Employee Benefits" standard.

16.2. Pension rights

The Bank's personnel are members of the Yapı ve Kredi Bankası Anonim Şirketi Mensupları Yardım ve Emekli Sandığı Vakfı ("the Fund") which was established in accordance with the 20th temporary article of the Social Security Law No.506. As of December, 31, 2024, the defined benefit obligations of the Fund have calculated in the actuarial valuation report prepared by the registered actuary.

Temporary article 23 paragraph 1 of the Banking Act published in the Official Gazette No. 25983 dated November 1, 2005 stated that foundations like the Fund are to be transferred to the Social Security Institution ("SSI") within three years beginning from the publication date of the article.

The article of the Law related to the transfer was cancelled (pursuant to the application by the President on November 2, 2005) by the decision of Constitutional Court (decision no: E.2005/39, K. 2007/33 dated March 22, 2007) published in the Official Gazette No. 26479 dated March 31, 2007, and the effect of the law article was suspended from the date of the publication of the decision.

The reasoning of the Constitutional Court regarding the abrogation of the corresponding article was published in the Official Gazette dated December 15, 2007, No 26731. With the publication of the reasoning of the decision, the Grand National Assembly of Türkiye ("GNAT") started to work on new legal arrangements regarding the transfer of the fund members to SSI and the related articles of the "Law Regarding the Changes in Social Insurance and General Health Insurance Law and Other Related Laws and Regulations" No 5754 ("the New Law") regulating the transfer of the funds were approved by the GNAT on April 17, 2008. The New Law was published in the Official Gazette No. 26870 dated May 8, 2008. With the new law, the banks' pension funds will be transferred to SSI within three years from the date of publication of the decree and this period can be extended for a maximum of two years with the decision of the Council of Ministers. The transfer period was extended for another two years with the decision of the Council of Ministers No. 2011/1559 published in the Official Gazette dated April 9, 2011. According to the "Amendment of Social Insurance and General Health Insurance Law No. 6283" published in the Official Gazette dated March 8, 2012, Council of Ministers was authorized to increase the two-year extension period mentioned above to four years. According to the decision of The Council of Ministers dated February 24, 2014, the transfer date is set as May 2015. The Council of Ministers was authorized to determine the transfer date of pension funds in accordance with the last amendment in the first paragraph of the 20th provisional article of Law No.5510 implemented by the Law No. 6645 on Amendment of the Occupational Health and Safety Law and Other Laws and Decree Laws published in the Official Gazette dated April 23, 2015 and numbered 29335. The president was authorized to determine the transfer date of pension funds in accordance with the last amendment by the Law No. 30473 published in the Official Gazette dated July 9, 2018.

A commission (whose members are the representatives of the SSI, Ministry of Treasury and Finance of the Republic of Türkiye, State Planning Organization, BRSA, Saving Deposit Insurance Fund ("SDIF"), one member representing the Fund and one member representing the Fund members) is in charge of the calculation of the value of the payment that would need to be made to SSI to settle the obligation using a technical interest rate of 9,8% by law taking into consideration income and expenses by insurance branches of the funds and the excess of salaries and income paid by the funds over the salaries and income to be paid in accordance with the SSI arrangements which should not be less than SSI arrangements, related to the members of the Fund as of the date of the transfer including the members who have left the scheme.

In accordance with the New Law, after the transfer to SSI, any social rights and payments to Fund members and their beneficiaries which are not provided although they are included in the Fund Title Deed will continue to be provided by the Fund and the employers of the Fund members.

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The Bank accounts for a provision for the technical deficit based on the report prepared by a registered actuary in accordance with the rates determined by the New Law and in accordance with TAS 19.

16.3. Short term benefits of employee:

Within the scope of "TAS 19 – Employee Benefits", the Bank measures the expected costs of accumulated paid leaves as expected payments it will make due to unused leave rights as at the end of the reporting date.

17. Explanations on taxation:

17.1. Current tax:

The corporate tax rate is 20% in accordance with the article number 32 of the New Corporate Tax Law no.5520 which is published in the official Gazette dated June 21, 2006 and numbered 26205. In accordance with the 11 and 14th articles of the Law numbered 7316 on "Amendment of Law on Collection Procedure of Public Receivables and Certain Laws" published in the Official Gazette dated April 22, 2021 and numbered 31462, corporate tax rate will be applied as 25% for enterprises' corporate income belonging to the taxation periods of 2021 and 23% for enterprises' corporate income belonging to the taxation periods of 2022.

Standard corporate tax rate for financial sector is increased to 25% starting from the declarations as of July 1, 2022 and to be valid for the taxation periods of 2022 according to the Law numbered 7394 published in the Official Gazette No. 31810 dated April 15, 2022. In accordance with the Law numbered 7456 which is published in Official Gazette dated July 15, 2023 and numbered 32249, corporate tax rate is increased to 30% for banks starting from the declarations of October 1, 2023 and to be valid for the taxation periods from January 1, 2023.

Corporate tax rate business income tax in accordance with the laws of the institutions to be added as unacceptable the reduction of costs in the tax laws, exemptions and reductions to the tax base found as a result of the reduction that will be applied.

Under the additional articles added to the Corporate Tax Law by Law No. 7524 dated August 2, 2024, the earnings of affiliates of multinational enterprise groups are subject to a global minimum corporate tax rate of at least 15%.

Dividends paid to non-resident corporations, which have a place of business in Türkiye or to resident corporations are not subject to withholding tax. Dividends paid to individuals and institutions other than those listed above are subject to a withholding tax of 10% until December 22, 2024, and 15% thereafter. An increase in capital via issuing bonus shares is not considered as profit distribution and no withholding tax incurs in such a case.

In accordance with the Corporate Tax Law, three quarterly temporary corporate tax statements are submitted in total in the first nine months of reporting year. Advance tax is declared and paid by the 17th day of the second month following each calendar quarter end. Advance tax paid by corporations for the current period is credited against the annual corporation tax calculated on the annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be refunded or used to offset any other financial liabilities to the government.

75% of the profits arising from the sale of equity shares that are held for at least 2 years, before November 27, 2024 and 50% thereafter are exempt from tax if they are added to the capital as defined in the Corporate Tax Law or kept in equity for 5 years. In accordance with the Law numbered 7456 which is published in the Official Gazette dated July 15, 2023 and numbered 32249, the tax exemption on profits from the sales of immovables has been terminated as of July 15, 2023. For immovables that were a part of company's assets before the date of July 15, 2023, the exemption rate on profits arising from their sales has been set as 25%.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods.

Tax returns are required to be filled and delivered to the related tax office until the last evening of the fourth month following the balance sheet date and the accrued tax is paid same day. Tax returns are open for 5 years from the beginning of the year following the balance sheet date and during this period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Non-monetary items on the financial statements must have been restated for inflation according to the repeated article 298/A of Tax Procedure Law. In law numbered 7352 published on January 29, 2022 in the Official Gazette numbered 31734, 2021 and 2022 accounting periods including advance tax periods are deemed as the periods in which the requirements for inflation adjustment are not met. In the fiscal year of 2023, quarterly advance tax

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periods were not subject to inflation adjustment, but the financial statements prepared in accordance with Tax Procedure Law are subject to inflation adjustment regardless of whether the conditions for inflation adjustment are met. Profit/loss difference arising from inflation adjustment is recognized in retained earnings but has no effect on the corporate tax base. The profit/loss differences arising from the inflation adjustment for the accounting periods in 2024 and 2025, including the temporary tax periods, will not be taken into account in the determination of taxable income. The President is authorized to extend the determined tax periods by one accounting period.

Amendments to Tax Procedure Law was published with the Law numbered 7338 published in the Official Gazette dated October 26, 2021. These amendments provide the opportunity to revalue the real estates and depreciable assets. With the change in the communiqué published in the Official Gazette on January 14, 2023, conditions have been clarified for the taxpayers, who are subject to different accounting and financial reporting standards rules than those determined by the General Communiqué on Accounting System Implementation, is able to benefit from the revaluation specified in paragraph (C) of the duplicate article 298 and temporary article 32 in Law Numbered 213.

Within the scope of the temporary article 32 of the Tax Procedure Law Numbered 213, depreciable assets were revalued and additional tax amount of 2% is levied over the revaluation difference. Assets that are included in the scope pursuant to paragraph (C) of the duplicate article 298 are valued with the revaluation rate announced in the relevant year and no tax is levied over this revaluation increase.

17.2. Deferred tax:

The Bank calculates and accounts for deferred income taxes for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "TAS 12 - Income Taxes" and in accordance with BRSA's explanations and circulars and the tax legislation. The Bank calculates deferred tax on deductible temporary differences, to the extent that future taxable income is estimated to be available. In the deferred tax calculation, the enacted tax rate is used as of the balance sheet date by estimating when the temporary differences will be taxable / deductible in accordance with the current tax legislation.

Deferred tax liabilities are recognized for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that future taxable profit will be available against which the deferred tax asset can be utilized.

The calculated deferred tax asset and deferred tax liability are presented as net in these financial statements

Tax effects of the transactions that are directly accounted under equity are also reflected to equity

17.3. Transfer pricing:

The article no.13 of the Corporate Tax Law No.5520 describes the issue of transfer pricing under the title of "disguised profit distribution" by way of transfer pricing (previously included as "Disguised profit" in the Corporate Tax Law No.5422). "The General Communiqué on Disguised Profit Distribution by Way of Transfer Pricing" published at November 18, 2007/26704, explains the application related issues on this topic effective from January 1, 2007, also taking into account the regulations in Article 41 of the Income Tax Law.

"Arm's length principle", which is the basis for the transfer pricing rule, is the pricing system to be followed for purchase or sale activities between related parties for any product or service transactions as if the transaction is realized with any other third party. According to this communiqué, if the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm's length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes.

As discussed in the relevant section of this communiqué, the taxpayers are required to fill out the "Transfer Pricing, Controlled Foreign Entities and Thin Capitalization" form for the purchase and sale of goods or services conducted with their related parties in a taxation period, attach these forms to their corporate tax returns and submit to the tax offices.

Explanations on borrowings:

The financial liabilities classified at fair value through profit/loss, trading and derivative financial liabilities are valued with their fair values and the other financial liabilities are carried at "amortized cost" including costs of transactions using the "effective interest method".

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The Bank classifies some of its financial liabilities as the financial liabilities classified at fair value through profit/loss in order to eliminate the accounting mismatch at the initial recognition

For the related liabilities until the maturity, the Bank presents interest expenses paid and the difference between amortized cost and acquisition cost in the interest expense, the difference between the fair value of the financial liabilities and amortized cost presents under the trading gain/(loss) in the income statement.

The Bank utilises various hedging techniques to minimise the currency, interest rate and liquidity risks of its financial liabilities. No convertible bonds have been issued by the Bank.

Also, the Bank obtains funds by issuing bonds and bills

19. Explanations on issuance of share certificates:

When shares are issued above their nominal value, the excess over the nominal value is accounted under shareholders' equity as "Share premium".

20. Explanations on confirmed bills of exchange and letter of acceptances:

Confirmed bills of exchange and acceptances are included in the "Off-balance sheet commitments".

21. Explanations on government grants:

None (December 31, 2023 - None)

22. Profit reserves and profit distribution:

Retained earnings as per the statutory financial statements other than legal reserves are available for distribution, subject to the legal reserve requirement referred to below. Legal reserves consist of first and second reserves as foreseen in the TCC. The TCC specifies that the first legal reserve is appropriated at the rate of 5% until the total reserve is equal to 20% of paid-in capital and that the second legal reserve is appropriated at the rate of 10% of distributions in excess of 5% of paid-in capital; however holding companies are not subject to this application. According to the Turkish Commercial Code, legal reserves can only be used to compensate for accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

No dividend payments were announced after the balance sheet date.

23. Earnings per share:

Earnings per share disclosed in the income statement are calculated by dividing net profit/(loss) for the year to the weighted average number of shares outstanding during the period concerned.

	Current Period	Prior Period
Net income/(loss) to be appropriated to ordinary shareholders	29.016.823	68.008.836
Weighted average number of issued ordinary shares(thousand)	844.705.128	844.705.128
Earnings per share (full TL)	0,0344	0,0805

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. These bonus shares are treated as issued shares in earnings per share computations. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year is adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect. In case bonus shares are distributed after the balance sheet date but before the preparation of the financial statements, earnings per share is calculated considering the new number of shares

No bonus shares were issued during 2024 (2023 – None).

24. Related parties:

For the purpose of these financial statements, shareholders having control shares of the Bank, key management personnel and board members together with their families and companies controlled by/affiliated with them, associated companies and joint ventures and the Fund providing post employment benefits are considered and

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referred to as related parties in accordance with "TAS 24 - Related Parties". The transactions with related parties are disclosed in detail in Note 7 of Section Five.

Explanations on operating segments:

Information about operating segments which are determined in line with "TFRS 8 - Operating Segments" together with organizational and internal reporting structure of the Bank, are disclosed in Note 12 of Section Four.

Explanations on other matters:

None.

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Section Four - Information related to financial position and risk management of the Bank

Explanations on equity:

The calculation of the own funds and the capital adequacy standard ratio are performed in accordance with the communiqués such as "Regulation Regarding the Measurement and Evaluation of Banks' Capital Adequacy Ratio", "Regulation Credit Risk Mitigation Techniques", "Regulation on calculation of Risk-Weighted Amounts of Securitizations" and "Regulation Regarding Banks' Shareholders' Equity". The capital adequacy ratio of the Bank is 18,55% (December 31, 2023 - 20,28%).

1.1. Information on equity:

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL		
Paid-in Capital	8.447.051	8.447.05
Share premiums	556.937	556.93
Retained earnings	145.364.795	87.556.95
Other comprehensive income and other disclosed reserves which defined in the Turkish Accounting Standards	44.355.945	35.114.00
Profit	29.016.823	68.008.83
Net profit of the period	29.016.823	68.008.83
Profit of the previous years	-	
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled subsidiaries and cannot be recognised within profit for the period	64.912	42.29
Common Equity Tier 1 capital before regulatory deductions	227.806.463	199.726.07
Common Equity Tier 1 capital: regulatory deductions		
Valuation adjustments	-	
The sum of the net loss for the current period and the previous years which could not be absorbed by the retained earnings and losses recognised in equity in accordance with TAS	24.029.733	20.874.53
Leasehold improvements for operating leasing	857.793	516.52
Goodwill (net of related tax liability)	-	
Other intangibles other than mortgage-servicing rights (net of related tax liability)	2.612.693	1.567.51
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2.012.073	1.507.51
Cash-flow hedge reserve	1.521.776	2.888.94
Total expected losses calculated according to the Internal Ratings Based Approach that exceed total provision	5.723.487	2.000.7
Securitization gain on sale	-	
Gains and losses due to changes in own credit risk on fair valued liabilities	_	
Defined-benefit pension fund net assets	_	
Investments in own capital	_	
Credits extended contrary to the fourth paragraph of Articles 56 of the Banking Law	_	
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	_	
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank owns more than 10% of the issued share capital (amount above 10% threshold)	_	
Mortgage servicing rights (amount above 10% threshold)	_	
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	_	
Amount exceeding the 15% threshold (-) of the common equity Tier 1 in accordance with the second paragraph of the provisional article 2 in the regulation regarding the Banks' Shareholders' Equity	_	
free amount above threshold for the investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank owns more than 10% of the issued share capital	_	
The amount above threshold for mortgage servicing rights	_	
The amount above threshold for deferred tax assets arising from temporary differences	_	
National specific regulatory adjustments which shall be determined by the BRSA	_	
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
Total regulatory deductions to Common equity Tier 1	34.745.482	25.847.51
Common Equity Tier 1 capital (CET1)	193,060,981	173.878.56

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ADDITIONAL TIER 1 CAPITAL	Current Period	Prior Period
Preferred shares that are not included in Common Equity Tier 1 capital and related shares issue premiums	-	-
Eligible debt instruments and relevant share issue premiums that are approved by the BRSA	17.640.150	19.134.830
Eligible debt instruments and relevant share issue premiums that are approved by the BRSA (For the purposes of the Provisional		
Article 4 of the Regulation on Banks' Own Funds)	17 (40 170	10 12 4 020
Additional Tier 1 capital before regulatory deductions	17.640.150	19.134.830
Additional Tier 1 capital: regulatory deductions		
Investments in own Additional Tier 1 instruments Reciprocal cross-holdings in Additional Tier 1 instruments		
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of		_
eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory		
consolidation (net of eligible short positions) National specific regulatory adjustments which shall be determined by the BRSA	-	-
Regulatory Adjustments which will be deducted from Tier 1 capital during the transition period	-	-
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital		
for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of		
the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
Total regulatory adjustments to Additional Tier 1 capital Total Additional Tier 1 capital	17.640.150	19.134.830
Total Tier 1 capital (Tier 1 capital = Common Equity Tier 1 capital + Additional Tier 1 capital)	210.701.131	193.013.396
TIER 2 CAPITAL	210./01.131	193.013.390
Eligible debt instruments and relevant share issue premiums that are approved by the Agency	41.212.345	15.519.100
Eligible debt instruments and relevant share issue premiums that are approved by the Agency (For the purposes of the Provisional	41.212.343	15.519.100
Article 4 of the Regulation on Banks' Own Funds)	_	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	674.371	4.091.862
Tier 2 capital before regulatory adjustments	41.886.716	19.610.962
Tier 2 capital: regulatory adjustments		
Direct and indirect investments of the Bank on its own Tier 2 Capital (-)	-	-
Investments of the Bank to banks that invest on the Bank's Tier 2 and components of equity issued by financial institutions with the		
conditions declared in Article 8 Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of	-	-
eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount		
above the 10% threshold) (-)	-	-
Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions) (-)		
National specific regulatory adjustments which shall be determined by the BRSA		-
Total regulatory adjustments to Tier 2 capital		_
Total Tier 2 capital	41.886.716	19.610.962
Total Capital (The sum of Tier 1 capital and Tier 2 capital)	252.398.800	212.481.589
The Sum of Tier 1 Capital and Tier 2 Capital (Total Capital)		
Credits extended contrary to the provisions of Articles 50 and 51 of the Banking Law	24.375	19.261
Portion of the sum of the banks' real estate net book values, which is in excess of fifty per cent of their own funds and net book values of those of merchandise and real estate which have to be acquired due to their receivables and disposed of pursuant to		
Article 57 of the Banking Law, which cannot be disposed of despite the lapse of a period of five years since the date of such acquisition ⁽¹⁾	_	_
National specific regulatory adjustments which shall be determined by the BRSA	164.672	123.508
Regulatory Adjustments which will be deducted from Total Capital during the transition period		
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of		
eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold) which will not deducted from Common Equity Tier I capital, Additional Tier I capital, Tier 2 capital		
for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-) Significant investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside	-	-
the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold) which will not deducted from		
Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory		
consolidation, net of eligible short positions(amount above 10% threshold), mortgage servicing rights (amount above 10% threshold), deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		
which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article		
2 of the Regulation on Banks' Own Funds (-)	-	-

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OWN FUNDS	Current Period	Prior Period
Total Capital (The sum of Tier 1 capital and Tier 2 capital) (2)	252.398.800	212.481.589
Total Risk Weighted Assets (3)	1.360.573.404	1.047.513.175
CAPITAL ADEQUACY RATIOS		
Common Equity Tier 1 Capital Adequacy Ratio (%)	14,19	16,60
Tier 1 Capital Adequacy Ratio (%)	15,49	18,43
Capital Adequacy Ratio (%)	18,55	20,28
BUFFERS		
Institution specific buffer requirement of the Bank (a+b+c)	2,516	2,518
a) Capital conservation buffer requirement (%)	2,500	2,500
b) Bank's specific countercyclical buffer requirement (%)	0,016	0,018
c) Systemically important Bank buffer (%)	-	-
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4		
of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	9,486	12,099
Amounts below the thresholds for deduction (before risk weighting)		
Non-significant investments in the capital of other financials	1.449.439	972.927
Significant investments in the common stock of financials	7.820.018	6.170.284
Mortgage servicing rights (net of related tax liability)	-	-
Deferred tax assets arising from temporary differences (net of related tax liability)	12.814.574	16.323.491
Applicable caps on the inclusion of provisions in Tier 2 capital		
General provisions for standard based receivables (before ten thousand twenty five limitation)	963.387	4.206.442
Up to 1.25% of total risk-weighted amount of general provisions for receivables where the standard approach used	674.371	1.475.489
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	3.737.676
Excess amount of total provision amount to 0.6% of risk weighted receivables of credit risk Amount of the Internal		
Ratings Based Approach in accordance with the Communiqué on the Calculation	-	2.616.373

- (1) According to the "Regulation Regarding to changes on Regulation on Banks' Shareholders' Equity" published in Official Gazette No.30121 on July 11, 2017, related article has been abolished.
 (2) In the calculation of Capital Adequacy Ratios, the negative valuation differences on securities acquired before January 1, 2024 classified under "securities at
- fair value through other comprehensive income" are not taken into consideration in the calculation of own funds according to BRSA numbered 10747 dated
- (3) In the calculation of credit risk, foreign exchange rate is the rate that used in the preparation of financial statements as of June 26, 2023, according to BRSA numbered 10747 dated December 12, 2023.

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Details on Subordinated Liabilities:

	1	2	3	4	\$
	Yeszoczoczon (Tricos de La Contraction Con	Yapi ve Kredi Bankasi A.Ş.	r apı ve Kredi Bankası A.Ş.	Tapi ve Kredi Bankasi A.Ş.	Tapi ve Kredi Bankası A.Ş.
Unique toemitter (eg CUSIF, 13th of broomberg toemitter for private placement)	ASZ/90491081 / US964846ASU9	ASZ/41009996/ US964646AK20	XS2286436451 / US984848ANI2	1 K21 KBK029 14	11676NGN 1811
boveming taw(s) of the instrument	English Law / Lurkish Law	English Law/Turkish Law	English Law / Turkish Law	BKSA /CMB / TurkIsh Law	BKSA /CMB / TURISh Law
Pencitional Bacal III rulae	ź	Negariatory resument	SN	SZ	32
Hallstudiki basel in tures	Otton of alone Council detail	Otton of one Consolidated	Stond alone Consolidated	ONI ONI O Description of the Control	OMI OMI
į,	Stational Ole —Collsolidated	Statin-arolic — Collsolidated	Staint-arolle - Collsolidated	Stand-atone -Consolidated	Static-arone - Collso idated
	Bond	Bond	Bond	Bond	Bond
Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	17.640	22.932	17.640	400	240
ar value of instrument	17.640	22.932	17.640	500	300
	Liability -	Liability –	Liability –	Liability –	Liability –
Accounting classification	Subordinated Loans-	Subordinated Loans-	Subordinated Loans-	Subordinated Loans-	Subordinated Loans-
Original date of issuance	April 4 2024	Innian 17 2024	Iomiary 22, 2021	Tuly 3, 2019	October 3 2019
Original date of issuance	Pomerana	Dated	Dated	Deted	G102 'G 1900'90
Pelpetual of unico	Leibertei	Dated	Dated 10 sages	Dated	Datest (I)
Congular manually waits	Vac	Vac	Ves	Voc	emaf at
sater can subject to pirot supervisory approva	In case of not calling within the	100	631	8	8
Orional call date, contingent call dates and redemotion amount	period of April 4, 2029 - July 4,2029, call option is available every six	S vears	5 years	After 5th year	After 5th year
	months following the coupon payment dates				
Subsequent call dates, if applicable				After 5th year	After 5th year
		Coupons / dividends			
Fixed or floating divi dend/coupon	Fixed	Fixed	Fixed	Floating	Floating
Coupon rate and any related index	First 5 years 9,743% fixed, second 5 years U.S. five year treasury bond rate +549,90 basis points	First 5 years 9,25% fixed, second 5 years U.S. five year treasury bond rate +527,80 basis points	First 5 years 7,875% fixed, second 5 years U.S. five year treasury bond rate +741,50 basis points	TLREF index change +1,93%	TLREF index change + 1,30%
Existence of a dividend stopper	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accine after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount
Fully discretionary, partially discretionary or mandatory	Discretionary	Mandatory	Mandatory	Mandatory	Mandatory
istence of step up or other incentive to redeem					
Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
		Convertible or non-convertible			
If convertible, conversion trigger (s)	-				
If convertible, fully or partially					
If convertible, conversion rate					
If convertible, mandatory or optional conversion					
If convertible, specify instrument type convertible into					
If convertible, specify issuer of instrument it converts into		Waite down feeture			
ffwrite-down, write-down trigger(s)	In case of default/ Common Equity Tier I capital adequacy ratio of the	In case of default	In case of default	In case there is a possibility that the official authorization of the Bank is	In case there is a possibility that the official authorization of the Bank is cancelled or the Bank
	bank falls below 5,125%			cancelled or the Bank shares are transferred to SDIF	shares are transferred to SDIF
If write-down, full or partial	Partial and complete	Partial and complete	Partial and complete	Partial and complete	Partial and complete
write-down, permanent or temporary	Temporary	Permanent	Permanent	Permanent	Permanent
lf temporary write-down, description of write-up mechanism	In case of cancellation of default/ Common Equity Tier I capital adequacy ratio of the bank is higher than 5,125%				
Position in subordination hierarchy in liquidation (specify instrument type immed at ely senior to instrument)	After the senior creditors, and the TIER 2	After the seni or creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2
In compliance with article number 7 and 8 of "Own fund regulation"	No.	No	No	No	No.
Details of incompliances with article number 7 and 8 of "Own fund regulation"					

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1.3. There are differences between the figures in the own funds and their corresponding amounts in the balance sheet. Within this context; gains that are related to cash flow hedge transactions are not considered in the own funds. The subordinated liabilities are considered after the adjustments made in accordance with the ninth paragraph of the eighth article of the "Regulation Regarding Banks' Shareholders' Equity". In addition, the negative valuation differences on securities acquired before January 1, 2024 classified under "securities at fair value through other comprehensive income" are not taken into consideration in the calculation of own funds according to BRSA numbered 10747 dated December 12, 2023.

1.4. Exposures subject to countercyclical capital buffer

The exposures subject to countercyclical capital buffer table prepared in accordance with the communiqué "Regulation on Capital Conservation and Countercyclical Capital buffers of Banks" published in the Official Gazette no. 28812 dated November 5, 2013 is presented below:

Private sector receivables:

Country	RWAs of Banking Book for Private Sector Lending	RWAs of Trading Book	Total
Türkiye	978.525.064	-	978.525.064
Netherland	3.170.016	-	3.170.016
Malta	3.126.471	-	3.126.471
Marshall Islands	1.570.216	-	1.570.216
Germany	628.077	-	628.077
England	537.110	-	537.110
Italy	453.180	-	453.180
Kazakhistan	348.780	-	348.780
France	285.677	-	285.677
Liberia	205.121	-	205.121
Other	1.402.239	-	1.402.239
Total	990.251.951	-	990.251.951

2. Explanations on Credit Risk:

As of June 30, 2021, the Bank has started to calculate its credit risk, which is subject to the regulatory capital adequacy ratio reporting, with the Internal Rating-Based (IRB) approach. Foundation IRB approach is used for the corporate exposure class and advanced IRB approach is used for the retail exposure class as determined by "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks".

2.1. Credit risk is the loss or the risk of the Bank in case counterparty cannot fulfill its obligations stated in agreements where the Bank is at a side. The Bank identifies loan limits for each customer considering statutory regulations, the internal scoring system, financial analysis reports geographical and industry concentration and considering credit policies determined by Board of the Directors each year. The limits defined by the Bank's Board of Directors for each correspondent bank are followed-up daily by Treasury Management for the transactions related with placements with domestic and correspondent banks or treasury operations such as forward buy and sell transactions. Moreover, daily positions and limit controls of each dealer at Treasury department who is authorized for transactions in the market are performed by the system. During the loan granting process, liquid collaterals are preferred to the greatest extent possible. Collaterals and guarantees must be obtained during credit underwriting based on credit worthiness, customers' financial status, and credit type. While granting of long term project finance loans, long term projections of the companies are analyzed both by financial analysis specialists and head office. Also the pricing of these commitments are decided by coordination with Treasury Management.

The Bank also monitors limitations on single borrower and group of borrowers in accordance with the regulations.

Rating system used for Medium Sized Entities (ME), Small and Medium Sized Entities (SME) and Corporate/Commercial customers is also used for defining the authorization level for loan granting. Thus, customers with a low rating are assigned to higher authority levels, whereas customers with a high rating are assigned to lower authority levels. By using this methodology it is aimed to establish risk based optimization in the loan processes.

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Probability of default of a customer is calculated through this internally developed rating system. The rating concentration of Corporate, Commercial, ME and SME customers of the Bank is as follows:

	Current Period	Prior Period
Strong	57,6%	46,2%
Standard	24,3%	41,3%
Below Standard	18,1%	12,6%

The Bank takes following criterias into consideration for the identification of default:

- The loan is overdue more than 90 days.
- The borrower is not able to pay at least one of the loans he received from the Bank (cross default)
- Having a negative intelligence and bad-record for the borrower in the market.
- Deterioration of the creditworthiness of the borrower

The Bank sets aside expected credit loss provisions in accordance with the Provisioning Regulation within the scope of "provisions" and "value adjustments".

Total amount of exposures after offsetting transactions but before applying credit risk mitigations and the average exposure amounts that are classified in different risk groups and types, are disclosed below for the relevant period:

Risk Classifications:	Current Period risk amount ⁽¹⁾	Average risk amount (1)
Exposures to central governments or central banks	799.319.485	726.325.799
Exposures to banks and financial institutions	339.011.800	297.508.849
Corporate exposures - Other	513.779.907	447.429.603
Specialised Lending	106.704.669	114.364.817
Corporate exposures - SME	163.385.530	183.733.134
Retail Exposures - Other	489.304.028	399.440.628
Retail exposures - Qualifying revolving	633.779.280	547.378.708
Retail exposures - SME	257.050.502	200.646.533
Investments in equities	48.098.495	41.889.067
Other Items	124.541.154	115.006.246
Total	3.474.974.850	3.073.723.384

- (1) Includes credit risk amounts of total exposure before applying credit risk mitigations
- 2.2 The Bank has control limits over the positions of forwards, options and similar agreements. These positions are measured and managed by following their market values and by taking potential risk into considerations throughout their maturities, in accordance with Counterparty Credit Risk management. Limits are also calculated and dynamically managed by taking these potential risks into considerations. Daily market value calculations, limit controls, collateral assessments are performed and reported to the relevant departments within the Bank.

The Bank may use its rights, as stated in the derivative agreements based on which the Bank realizes derivative transactions, in order to eliminate the risks that may arise due to being exposed to severe risk levels arising from

In line with the Provisioning Regulation, if the cash risk of a customer is classified as nonperforming, the noncash risk is also classified as nonperforming under the same group where the cash risks were already followed and specific provision is reserved.

Restructured loans are also classified and followed up according to the regulation on provisions considering the Bank's credit risk policies. Accordingly, the financial position and commercial operations of related customers are monitored, their principal and interest payments are followed up with the restructured repayment schedule and the necessary precautions are taken.

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Banking activities in foreign countries and credit transactions are subject to periodical follow-up in terms of the economic conditions of the related country and the evaluation of the creditworthiness of the customers and financial institutions. No material credit risk have been observed in scope of these operations.

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- 2.5 Regarding credit risk;
 - > The proportion of the Bank's top 100 and 200 cash loan balances in total cash loans is 21% and 25% (December 31, 2023 - 23% and 27%).
 - > The proportion of the Bank's top 100 and 200 non-cash loan balances in total non-cash loans is 34% and 45% (December 31, 2023 - 37% and 47%).
 - > The proportion of the Bank's cash and non-cash loan balances with the first 100 and 200 customers comprises of 25% and 31% of total cash loans and non-cash loans (December 31, 2023 - 27% and 33%).
- The Bank provided a general loan loss provision amounting to TL 22.536.032 (December 31, 2023 TL 25.023.251).

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Risk profile according to the geographical concentration:

1.030.085 7.031.814 9.368 2.393 3.442 3.485 632.830.133 569.685 41.380 1.982 111.630 224.470 1.526.812 420.486 27.576 1.952 95.795 231.407 158.958.435 3.512.361 29.665 1.037 884.032 105.112.423 8.766.346 1.308.588 344.520 1.468.834 904.113 987.506 263.331.994 59.531.983 879.092 -13.937.199 1.331.532 797.881.930 1.305.841 131.714

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> 122.965 .616.823 4.210 1.738 4.5 1.548 1.548 1.783

1.521.423 431.876 35.412 2.296 92.121 228.777 .865.815 157.194 10.968 628 44.421 103.868 3.458.016 3.458.016 46.715 29.660 122.851 448.992 90.885.105 1.346.242

91.844.394 483.187 96.070 1.047.258 1.354 72.838

65.158.284 57.257.530 695.385 14.467.319 4.755.943

38.332

553.377.915 1.047.080

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Risk profile according to sectors and counterparties:

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Total 799.288.449 324.092.927 513.332.481 106.704.669 162.240.701 473.782.099 577.640.385 244.406.530

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8.080.089 4.576.481 1.418.988 2.085.175 212.138.988 4.61.431 146.578.482 60.949.075 46.206.832 16.660.686 19.301.393 339.307.617 6.833.535 12.751.347 11.604.751 1032.585 11.02.585 11.14.684.81 466.418 11.27.227 12.72.277 18.93.119 25.241.209 11.27.74.131 35.188.364 11.627.095 12.666.207 3.516.964 4.277.142 19.517 - 7.454 12.063 28 28 799.298.896 34.733 Wholesale and retail trade Hotel, food and beverage s Transportation and telecon Financial institutions Real estate and renting ser Self-employment services

31.790.415
25.373.869
4.106.042
23.12.044
575.260.184
58.45.481
88.05.603
108.02.06.038
88.75.6871
88.75.6871
88.75.6871
40.298.475.888

799.319.485

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Risk profile according to remaining

	I IIIOIII I	SILTHOUR C-1	S-C IIIOIIIIS	o-12 months	0-12 months 1 year and over	
Exposures to central governments or central banks	267.236.827	99.106.023	10.452.855	3.557.375	418.935.369	
Exposures to banks and financial institutions	255.532.241	28.850.736	14.277.876	11.410.116	14.021.958	
Corporate exposures - Other	37.131.123	56.450.349	69.285.229	131.586.184	218.879.596	
Specialised Lending	765.887	1.216.982	540.039	5.086.734	99.095.027	
Corporate exposures - SME	7.814.916	12.979.244	17.662.524	42.114.799	81.669.218	
Retail Exposures - Other	2.405.953	286.954.997	22.020.251	66.510.823	95.890.075	4
Retail exposures - Qualifying revolving	10.503	414.266.936	2.326	50	163.360.570	٠,
Retail exposures - SME	7.093.903	109.332.074	15.614.155	39.723.044	72.643.354	•
Investments in equities						
Other Items	325.689					
Total	578.317.042	1.009.157.341	149.855.255	299.989.125	1.164.495.167	3.

2.10

accordance with the Appendix-Risk balances according to risk weights:

Total exposure amount before and after applying risk mitigation techniques and total amounts deducted from the capital which are calci

1 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" are presented below:

	Risk Weights										from the
		0%-20%	20%-35%	35%-50%	50%-75%	75%-100%	1%-20% 20%-35% 35%-50% 50%-75% 75%-100% 100%-250%	250%	1250% Total	Total	equity
_	Total exposure before credit risk mitigation	1.757.693.827	505.061.845	201.371.658	363.732.339	222.544.917	757.693.827 505.061.845 201.371.658 363.732.339 222.544.917 418.158.337 6.411.927	6.411.927	- 3.	- 3.474.974.850	3.659.533
7	Total exposure after credit risk mitigation	1.595.809.327	487.012.628	201.495.590	362.444.573	221.638.214	.595.809.327 487.012.628 201.495.590 362.444.573 221.638.214 416.656.069 6.411.927	6.411.927	- 3.	3.291.468.328	3.659.533

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Information according to sectors and counterparties:

For loans which are classified as impaired loans due to delay of collection of principal or interest by 90 days and above and/or negative risk assessments of creditworthiness of the debtor; "Specific Provision" is set aside in the accompanying financial statements as of December 31, 2024.

For loans which are classified as past due but not impaired loans due to delay of collection of principal or interest up to 90 days; "General Provision" is set aside in the accompanying financial statements as of December 31, 2024.

Sectors and Counterparties	Lo	oans	Provisions
-	Impaired (TF	RS 9)	
	Significant increase in		
	credit risk (stage 2)	Credit Impaired (stage 3)	Expected Credit Losses
Agricultural	534.337	335.636	238.426
Farming and raising livestock	491.207	290.217	205.124
Forestry	33.167	39.065	27.105
Fishing	9.963	6.354	6.197
Manufacturing	56.003.376	9.891.710	13.546.721
Mining	5.384	6.501	6.007
Production	11.473.237	6.246.833	4.877.691
Electric, gas and water	44.524.755	3.638.376	8.663.023
Construction	13.360.201	7.434.750	5.722.166
Manufacturing	33.309.896	5.525.186	5.233.399
Wholesale and retail trade	1.665.429	1.210.976	886.147
Hotel, food and beverage services	3.748.911	703.943	496.831
Transportation and telecommunication	5.450.668	502.219	736.133
Financial institutions	146.652	308.024	28.689
Real estate and renting services	8.374.777	1.966.147	1.464.427
Education services	26.630	9.944	9.523
Health and social services	13.896.829	823.933	1.611.649
Other	48.989.795	22.104.750	18.414.410
Total	152,197,605	45.292.032	43,155,122

Information about value adjustments and changes in the loan impairment:

		Opening balance	Provision amounts set aside during the period	Reversal of provisions	Other adjustments	Closing balance
1	Specific provisions	20.436.034	22.534.652	(10.764.535)	(5.667.321)	26.538.830
2	General provisions (Value adjustments)	25.023.251	13.160.423	(15.647.642)	-	22.536.032

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3. Explanations on Risk Management:

3.1. General Information on Risk Management and Risk Weighted Amount

3.1.1. Risk Management Approach of The Bank

Risk management strategy of the Bank ensures using the capital at an optimum level and provide sustainable growth in this framework through measurement of risks in accordance with international standards and local regulations and taking risk-return balance into consideration in the framework of sustainable growth. Risk management approach of the Bank is based on strong risk management techniques of ISEDES (Evaluation Process of Internal Capital Adequacy) and prospective planning and capital evaluation depending upon risk profile.

A prospective capital planning approach is adopted for the Bank to carry out its operations if certain losses are incurred as a result of unexpected events or deteriorations in markets. The best international practices are utilized for the determination, measurement, analysis and control of risks. The process regarding identification of risks and determination of appropriate measurement method has a dynamic structure in which the risk management is improved through inspiring from advanced international practices and analyses updated in line with its business evolution. A risk appetite framework integrated to budget process, has been developed in order to carry out related activities at an optimum level while reaching predefined budget target of the Bank and therefore an appropriated risk positions are ensured to be taken.

Risk appetite, as an integral part of the main pillar and a crucial instrument of the Bank Management, is implemented in order to ensure the execution of Bank's activities in an ideal manner through taking appropriate risk positions at an acceptable level of risk. Risk appetite, is integrated to management and budget processes of the Bank with performance indicators which are sensitive to risk.

Risk appetite indicators, targets, limits and critical thresholds are determined by the Executive Committee with the joint recommendation of Compliance, Internal Control and Risk Management and Financial Planning and Administration Management. Possible changes which may occur in economic conditions are taken into consideration during the determination of aforementioned limits and thresholds.

Determined risk appetite indicators consists of capital adequacy, liquidity, assets quality, financial risk and operational risk ratios of the Bank and senior management ensures the Bank to carry out its activities in the range of such targets and critical thresholds. Senior management should be informed to take emergency precautions if the critical thresholds are exceeded. Monitoring and periodical reporting to senior management is performed by the related units in order to implement risk appetite framework.

The Bank implements internal policies and procedures that are audited and approved at least once a year by the Board of Directors in order to manage market risks arising from on-balance sheet and off-balance sheet liabilities. Based on the principles mentioned in Regulatory Authority's directives and best practice guidelines, internal policies determine responsibilities and practitioners for identification, measurement, monitoring and reporting of the risks in line with the risk appetite and needs of the Bank; lay the groundwork for granting limits in the Bank; and guide the actions to be taken in case of risk appetite is exceeded.

The Credit Policy Directive, which reflects the general framework of Bank's credit allocation activities, is updated minimum annually and implemented with the approval of the Board of Directors. Credit Policy Directive is based on improving asset quality, supporting effective risk management and compliance with legal practices. In addition, it includes management of lending activities according to the Bank's common standards, limitations and principles.

The main purpose of the credit risk management is to identify, measure and mitigate credit risk, react in a timely manner and take necessary actions with the help of efficient and well-functioning rating/scoring models, strategies and processes. The main strategies include topics like effective implementation of the Credit Policy Directive to reinforce the sustainability of common risk management approach, steering of the loan portfolio toward less risky sectors, avoidance of excessive concentration in Group exposures while strictly obeying statutory limits, focus on customers with better credit ratings, avoidance of transactions bearing high credit and reputational risk, managing country risk in line with established strategy, policy and rules, timely updates to senior management about all developments in credit risk area to ensure effective credit risk management, performing credit stress tests and participating in credit risk regulatory processes.

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⁽¹⁾ The figure represents write-off's and also includes NPL sales amounts

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Risk Management reports to Board of Directors in organisation structure via Audit Committee. Risk Management organisation is divided into "Market Risk Management", "Credit Risk Strategy, Modelling and Reporting Management" and "Risk Validation" units.

In the process of market risk management, related business and risk units perform their activities within the scope of the principles determined by internal policies such as the Financial Markets Policy, Liquidity Policy, Liquidity Risk Limit Management Policy, Liquidity Emergency Policy, Interest Rate Risk Policy, Interest Rate Risk Limit Management Policy, Hedge Policy, Financial Investment Risk Policy, Immovables Risk Policy, Derivatives Policy, Independent Price Verification Policy, Policy due to inclusion on Financial assets where fair value change is reflected to income statement. Market Risk Stres Test Policy.

Value at Risk, Basis Point Value (interest rate sensitivity), and Credit Basis Point Value (credit spread sensitivity) are risk metrics calculated via internal models and used in measurement of market risks. Risk measures are monitored at product, portfolio and account (Financial assets where fair value change is reflected to income statement and Financial assets where fair value change is reflected to other comprehensive income statement) basis. Performance of internal models is measured by backtesting of the model's outputs. In addition, transaction limits are used at specific products.

Liquidity Risk measurement methods; consists of both short term risk metrics such as Liquidity Coverage Ratio, Short Term Liquidity, Intraday Liquidity, and Early Warning Indicators and long-term risk metrics such as the Net Stable Funding Ratio and the funding concentration structure. With various scenario analyzes aimed at stressing the liquidity, it is examined how the possible deterioration scenarios that can be observed in the parameters of the market or institution-specific or both cases affect the liquidity position of the Bank.

Measurements performed via internal models in the context of market risk management are reported to the Bank's Top Management, Treasury, Financial Reporting and Credit Monitoring Units (for the Counterparty Credit Risk process) on a daily basis and to the Board of Directors and Executive Committee on a monthly basis.

Stress tests, provide a prospective point of view during risk management, budget and capital planning processes through reviewing the impact of events or changes in markets, which have a low possibility to occur under normal conditions but may result in losses to Bank in case they occur. The Bank performs stress tests to measure impacts of temporary or continuous deteriorations in market risk factors on income statement and to make capital plans. Scenarios, having basis, medium and high stress levels, aim to measure impacts of adverse conditions across the country on the economic value of the Bank through risk factors. Other important risk elements such as Fixed Assets held by the Bank and financial investment risks faced through its subsidiaries, as well as price movements, are reviewed during stress test processes as well.

Stress test studies are made with the active participation of senior management and impact of the stress test to the general risk profile of the Bank is reported. Senior management participates in establishing of stress test's scenario, analyzing of its results, through determination of the scope and approach of the scenario, guidance of required directions and review of results and recommendation of action plans. Stress scenarios, up-to-date estimations and crisis scenarios are prepared by Research and Analytics Department.

The Bank reduces market risk exposure within scope of its commercial activities through derivative instruments and makes an effort to control impacts of the risks on capital through hedge accounting implementation. It holds foreign exchange positions to manage residual positions as a result of banking activities through performing a conservative approach to exchange risk and manages its end of day positions at a minimum level.

For the detection and mitigation of risks, Operational and Reputational Risk Management defines policies and strategies and determines, reports and monitors actions to reduce potential operational and reputational risks via loss data, key risk indicators, scenario analysis and risk assessments. Operational Risk Management Policy and Reputational Risk Policy is updated every year and approved by the Board of Directors.

Business Continuity Management Policy aims at reducing the risks that may endanger the continuity of Banks operations to a minimum level and ensuring critical product and services in case of unexpected events in an acceptable period. Bank's resilience against unexpected events is increased through the Crisis Communication Plan, Emergency Response Plan, Business Recovery Plan and Crisis Communication Plan. Business Continuity Policy and Plans are regularly updated and approved by the Board of Directors.

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Risk validation management is an independent team that reports directly to the Assistant General Manager of Compliance, Internal Control and Risk Management, and is responsible for the controls of all models, data and processes carried out within the framework of risk management. Validation studies include not only statistical practices, but also compliance with the legal regulations and in-bank policies. The risk validation team consists of three units. These units are regulatory risk validation, strategic risk validation and rating models validation teams. Within the scope of legal risk validation, mainly IRB models, TFRS 9 and credit risk validation in the second structural pilliar are performed. In the frame of strategic risk validation, strategy validation, managerial models, market risk and other risk types as part of the second structural pillar are validated. Validation of rating models inclueds validation activities of marketing models, macroeconomic forecasting models, project financing models and operational risk models.

3.1.2. Overview of Risk Weighted Assets

		Risk Wei	ghted Assets	Minimun Capita Requirement
		Current Period	Prior Period	Current Period
1	Credit risk (excluding counterparty credit risk) (CCR)	1.161.841.165	922.134.039	92.947.292
2	Of which standardised approach (SA)	114.730.309	71.032.254	9.178.424
3	Of which internal rating-based (IRB) approach	1.047.110.856	851.101.785	83.768.868
4	Counterparty credit risk	9.963.015	14.120.862	797.041
5	Of which standardised approach for counterparty credit risk			
3	(SA-CCR)	9.963.015	14.120.862	797.041
6	Of which internal model method (IMM)	-	-	
7	Equity positions in banking book under market-based			
/	approach	-	-	
8	Equity investments in funds – look-through approach	306.034	40.504	24.48
9	Equity investments in funds – mandate-based approach	-	-	
10	Equity investments in funds – fall-back approach	-	-	
11	Settlement risk	_	-	
12	Securitisation exposures in banking book	-	-	
13	Of which IRB ratings-based approach (RBA)	-	-	
14	Of which IRB Supervisory Formula Approach (SFA)	-	-	
15	Of which SA/simplified supervisory formula approach (SSFA)	-	-	
16	Market risk	16.658.697	9.101.414	1.332.690
17	Of which standardised approach (SA)	16.658.697	9.101.414	1.332.690
18	Of which internal model approaches (IMM)	-	-	
19	Operational risk	157.343.032	93.204.174	12.587.443
20	Of which Basic Indicator Approach	157.343.032	93.204.174	12.587.443
21	Of which Standardised Approach	-	-	
22	Of which Advanced Measurement Approach	-	-	
23	Amounts below the thresholds for deduction (subject to			
23	250% risk weight)	14.461.461	8.912.182	1.156.91
24	Floor adjustment	-	-	
	TOTAL (1+4+7+8+9+10+11+12+16+19+23+24)	1.360.573.404	1.047.513.175	108.845.872

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Linkages between financial statements and risk amounts

			Carrying	values of items in ac	Carrying values of items in accordance with TAS	
Current Period	Carrying values in financial statements prepared as per TAS	Subject to credit risk	Subject to counterparty credit risk	Subject to the Securitisation framework	Subject to market risk	Not subject to capital requirements or subject to deduction from capital
Assets						
Financial Assets (Net)	562.243.288	545.773.824	78.216.744		6.094.818	
Financial Assets Measured at Amortised Cost (Net)	1.570.715.941	1.617.125.881	178.287.340		•	189.047
Assets Held For Resale and Related To Discontinued Operations (Net)	860.098	860.098	•			1
Investment in Subsidiaries, Associates, Joint Ventures	55.325.361	55.325.361	•			1
Property and Equipment (Net)	30.310.339	29.452.546	•		•	857.793
Intangible Assets (Net)	2.938.383	325.690	•			2.612.693
Tax Asset	17.043.061	17.043.061	•			
Other Assets	141.449.328	142.181.038	•		•	1
TOTAL ASSETS	2.380.585.799	2.407.787.499	256.504.084		6.094.818	3.659.533
Liabilities						
Deposits	1.267.908.429		•		•	1.267.908.429
Borrowings	270.365.965		•		•	270.365.965
Money Markets	187.775.437		187.538.791	•		236.646
Marketable Securities Issued (Net)	129.310.759		•		•	129.310.759
Financial Liabilities Measured at Fair Value Through Profit or Loss	76.955.388		•		•	76.955.388
Derivative Financial Liabilities	19.058.266		•		9.378.376	19.058.266
Lease Payables (Net)	5.075.957				•	5.075.957
Provisions	20.547.423				•	20.547.423
Tax Liability	8.630.281				•	8.630.281
Subordinated Debts	61.931.598					61.931.598
Other Liabilities	140.222.248	•	•	•	•	140.222.248
Shareholder's Equity	192.804.048		•		•	192.804.048
TOTAL LIABILITIES	2.380.585.799		187.538.791		9.378.376	2.193.047.008

			Carrying v	alues of items in a	Carrying values of items in accordance with TAS	
Prior Period	Carrying values in financial statements prepared as per TAS	Subject to credit risk	Subject to counterparty credit risk	Subject to the Securitisation framework	Subject to market risk	Not subject to capital requirements or subject to deduction from capita
Assets						-
Financial Assets (Net)	409.953.312	388.644.438	46.617.530	•	7.495.230	
Financial Assets Measured at Amortised Cost (Net)	1.169.359.790	1.209.323.682	54.309.640			142.769
Assets Held For Resale and Related To Discontinued Operations (Net)	1.026.089	1.026.089	•			
Investment in Subsidiaries, Associates, Joint Ventures	37.766.927	37.766.927	•	•	•	
Property and Equipment (Net)	18.440.991	17.924.470	•	•		516.521
Intangible Assets (Net)	1.795.385	227.871	•	•		1.567.514
Fax Asset	8.665.381	8.665.381	•	•	•	
Other Assets	91.643.260	92.533.527	•	•	•	
FOTAL ASSETS	1.738.651.135	1.756.112.385	100.927.170		7.495.230	2.226.804
Liabilities						
Deposits	1.036.469.933		•			1.036.469.933
Borrowings	140.307.133	•	•	•	•	140.307.133
Money Markets	57.973.017		46.966.613	i		11.006.404
Marketable Securities Issued (Net)	77.701.664					77.701.66
Financial Liabilities Measured at Fair Value Through Profit or Loss	72.554.448		•			72.554.448
Derivative Financial Liabilities	11.524.206		•	•	5.641.760	11.524.206
Lease Payables (Net)	3.187.951		•	•	•	3.187.951
Provisions	21.064.649		•	•		21.064.649
Tax Liability	7.168.597	•	•	•	•	7.168.597
Subordinated Debts	36.846.139		•	•	•	36.846.139
Other Liabilities	95.001.857		•	•	•	95.001.857
Shareholder's Equity	178.851.541		•	•		178.851.541
TOTALLIABILITIES	1 738 651 135	•	46 966 613	,	5 641 760	1 691 684 522

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3.2.2. Main sources of differences between regulatory exposure amounts and carrying values in financial statements

	Current Period	Total	Subject To Subject to the Credit Risk Securitisation	Subject To Counterparty Credit Risk	Subject To Market Risk
1	Asset carrying value amount under scope of regulatory Consolidation (As note 3.2.1 of Section 4)	2.670.386.401	2.407.787.499	- 256.504.084	6.094.818
2	Liabilities carrying value amount under regulatory scope of consolidation (As note 3.2.1 of Section 4)	196.917.167	-	- 187.538.791	9.378.376
3	Total net amount under regulatory scope of consolidation	2.473.469.234	2.407.787.499	- 68.965.293	(3.283.558)
4	Off-Balance Sheet Amounts	2.054.389.156	1.073.947.664	-	-
5	Differences in valuations		-		-
6	Differences due to different netting rules, other than those already included in row 2		-		_
7	Differences due to consideration of provisions		-		_
8	Differences Resulted from the BRSA's Applications		(249.308.945)	- (8.094.991)	19.942.255
9	Differences due to risk reduction		(1.828.192)		-
	Risk Amounts		3.230.598.026	- 60.870.302	16.658.697

	Prior Period	Total	Subject To Subject to the Credit Risk Securitisation	Subject To Counterparty Credit Risk	Subject To Market Risk
1	Asset carrying value amount under scope of regulatory Consolidation (As note 3.2.1 of Section 4)	1.864.534.833	1.756.112.385	- 100.927.170	7.495.230
2	Liabilities carrying value amount under regulatory scope of consolidation (As note 3.2.1 of Section 4)	52.608.373	-	- 46.966.613	5.641.760
3	Total net amount under regulatory scope of consolidation	1.811.926.460	1.756.112.385	- 53.960.557	1.853.470
4	Off-Balance Sheet Amounts	1.195.216.750	598.788.168		-
5	Differences in valuations		-		-
6	Differences due to different netting rules, other than those already included in row 2		_		_
7	Differences due to consideration of provisions		_		_
8	Differences Resulted from the BRSA's Applications		(267.893.836)	- (15.516.542)	7.247.944
9	Differences due to risk reduction		(180.863)		-
	Risk Amounts		2.086.825.854	- 38.444.015	9.101.414

3.2.3. Explanations of differences between accounting and regulatory exposure amounts

There is no difference between amounts reported in the financial statements and valuated in accordance with TAS and amounts valuated in accordance with TAS in scope of legal consolidation.

Bank's financial instruments subject to fair value measurement are valued using Mark-to-Market or Mark-to-Model approach based on their product types. Implementation of valuation methodologies is carried out in accordance with the "Fair Value Measurement" policies in line with the prudent valuation principles set out in the annex of the Directive on Measurement and Assessment of Banks' Capital Adequacy. The Bank uses market prices for bonds and futures contracts traded in organized markets, while it often uses platforms generating Mark-to-Model value for derivative transactions traded in OTC markets. Mark-to-Market or Mark-to-Model valuations are made on a daily basis so that changes in the market can be reflected in the Bank's financials with the same frequency.

The Independent Price Control process (IPV) is designed to draw the errors or deviations that may occur in the valuations to the minimum level, to calculate the correct profit / loss and risk, through verification, comparison and approval of market prices and model inputs regularly with independent and different sources. The purpose of the IPV is to ensure that the data used for bank valuations are generated on a daily basis from a highly representative, adequately liquid and accurate instruments. All these processes have a clear, integrated and complementary approach that is in line with the objectives of the Bank.

The fair value of an instrument is recognized through the utilization of quotations for securities and derivatives in active markets. In instances where quotations are not available, the price is determined by using generally accepted pricing models for market operations.

Credit valuation adjustments (CVA) are also made by taking into account the possible changes in the credit value of the counterparties of the transactions made within the scope of counterparty credit risk (CCR).

Credit valuation adjustments represent the current market value of the Bank's credit risk arising from the failure to fulfil any of the obligations specified in the contract with the counterparty.

Changes in the credit risk of all counterparties arising from derivative transactions due to market conditions are also included in regulatory capital adequacy calculations.

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3.3. Explanations on Credit Risk

3.3.1. General information on credit risk

3.3.1.1. General qualitative information on credit risk

Credit Policy is prepared to be well-structured in line with the BRSA loan management guidebook.

Credit policy is revised at least once a year, approved by Board of Directors, announced within the bank and implemented in accordance with the appropriate procedures in banks. During the review of credit policies, economic conjuncture, the bank's capital adequacy ratio and amendments in related regulation are taken into consideration. Key elements such as target markets, portfolio structure and concentration, large exposures, credit limit applications, approval authorities are determined in the credit policies. In the policies, key messages are provided based on principles of prudence, continuity about the customer's credit worthiness, specific sectors, segments and products for growth in accordance with the defined credit strategies.

Credit Risk Management Section is established to manage the credit risk of the Bank by determining, measuring, monitoring, evaluating and reporting the risks. In order to improve the asset quality of the Bank, the main roles and responsibilities of the section are composed of performing periodical analyses on credit portfolio trend, calculating credit risk cost based on segments and executing compliance activities between risk management practices with Basel requirements.

Credit risk management consists of two sub-units: credit risk strategies and operational risk management and credit risk planning, modeling and reporting management.

Credit risk strategies and operational risk management is responsible for developing underwriting, monitoring, collection and workout strategies and following the actions taken in accordance with the Bank's risk appetite in terms of credit risk. The unit takes an active role in the development of these strategies by conducting risk analysis, determining the rules to be used in decision trees, putting them into practice through decision support systems, and running the flow smoothly. The unit is also responsible for definition of the operational and reputational risk policies, implementation of measurement, monitoring and reporting systems, identification of the key risk indicators, and performance of scenario analyses. The unit carries out the activities regarding Basel compliance, operational risk models setting and development, operational risk weighted asset calculation and risk based insurance activities. The unit is responsible for the studies on Information Systems risk inventory, coordination of the Support Services Risk Management Program and setting up the relevant monitoring systems and management, as well as development of the Business Continuity Management Policy and Plans and continuous updating of these policy and plans. The unit also ensures the actions taken under business contiunity and the coordination and control of Business Continuity Management projects and budget.

Credit Risk Planning, Modeling and Reporting Management is responsible for preparation of credit risk budgeting and credit risk reporting activities of the Bank, calculation of loan loss provisions; identification of the Credit Policy according to risk appetite of the Bank, implementation of the policy throughout the Banks and its subsidiaries, support to all units in the Bank for the related topics. The units establishes a common risk culture on group basis and performs process analyses of credit and risk management functions in subsidiaries to ensure standard risk management practices and establishes action plans for the standardization of all gaps within the group. The unit prepares reports for assessment of credit risk and for the preparation of various and comprehensive concentrations and forecasts on asset quality trends for the Bank, performs necessary calculations to measure the risk profile of the bank and ensures that the country risk is identified. The unit is also responsible for taking part in the model development processes of PD. EAD, LGD models which are in the scope of IRB communique (issued by BRSA using internal rating based approach for credit risk calculations) and giving opinions as the ultimate authority, supervising the rating systems, monitoring the performance, analysing the results regularly, ensuring the proper functioning of the rating systems, leading the studies for the areas that need improvement and the deficiencies identified, informing the BRSA about the changes made in the rating systems and the relevant units within the Bank, evaluating model use test, ensuring dissemination of the models in the bank internal processes within the scope requested by the BRSA and monitoring the projects carried out in the Bank within the scope of Basel for commercial customers. This business unit is also responsible for taking part in the development processes of operational models used in underwriting, monitoring, collection, etc. processes and monitoring their performance.

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ISEDES report is prepared in accordance with the related guide of BRSA and submitted to the approval of the Board of Directors. The report mainly includes the Bank's approach for the review of risks and capital in order to preserve capital adequacy of the Bank with respect to its current and future activities and information on management structure and applied approaches.

Regular supervision and controls are performed to ensure that credit process is carried out in compliance with the Bank credit policies and procedures, loans are extended in accordance with principles and procedures determined by the Board of Directors and loans are reported properly with the information of maturity, quantity and qualification to top management.

Activities carried out by units within scope of internal systems are employed as a tool to define weak points regarding the credit risk management process, policy and procedures and to determine the transactions that are not compliant with limits, policy and procedures.

Issues that are observed during the examinations is being regularly reported to top management and Audit Committee considering importance level.

Summary of the activities of units within the scope of internal systems are effectively utilized by the management and actions are taken in order to prevent repetition of weaknesses and conflicts regarding credit management.

3.3.1.2. Credit quality of assets

		Gross car	rying values of as per TAS		
	Current Period	Defaulted exposures	Non-defaulted exposures	Allowances/ impairment	Net values
1	Loans	38.804.395	1.207.740.587	46.959.362	1.199.585.620
2	Debt Securities	-	506.037.239	181.933	505.855.306
3	Off-balance sheet exposures	6.487.637	2.040.689.181	1.549.341	2.045.627.477
	Total	45.292.032	3.754.467.007	48.690.636	3.751.068.403

		Gross car	rying values of as per TAS		
	Prior Period	Defaulted exposures	Non-defaulted exposures	Allowances/ impairment	Net values
1	Loans	26.829.719	877.730.504	39.819.927	864.740.296
2	Debt Securities	-	403.927.044	946.624	402.980.420
3	Off-balance sheet exposures	2.028.872	1.180.719.824	3.290.315	1.179.458.381
	Total	28.858.591	2.462.377.372	44.056.866	2.447.179.097

3.3.1.3. Changes in stock of defaulted loans and debt securities

		Current	Prior
		Period	Period
1	Defaulted loans and debt securities at the end of the previous reporting period	28.858.591	22.164.577
2	Loans and debt securities that have defaulted since the last reporting period	39.636.450	18.896.980
3	Returned to non-defaulted status (-)	5.929.621	78.940
4	Amounts written off (-)	5.667.321	3.119.459
5	Other changes	(11.606.067)	(9.004.567)
6	Defaulted loans and debt securities at the end of the reporting period (1+2-3-4±5)	45.292.032	28.858.591

3.3.1.4. Additional disclosure related to the credit quality of assets

According to the BRSA Regulation "Regulation on the procedures and principles for the determination of qualification of loans and other receivables by Banks and provision to be set aside" in the cases:

- For which recovery of principal or interest or both delays for more than ninety days from their terms or due dates or;
- Which have limited means for total recovery because debtors' equity or guarantees extended by them are found inadequate to cover payment of debts on respective terms and are likely to lead to losses in case any such problems observed are not solved or;
- For which debtors have suffered deterioration in their creditworthiness and credits have suffered weakness consequently or;
- For which it is believed that recovery by banks of principal or interest or both would delay for more than ninety days from their terms or due dates due to reasons such as problems encountered by debtors over operating capital financing or additional liquidity creation,

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loans and receivables are classified as 'non performing loans' and are transferred to non performing loan accounts. Within the scope of the same regulation, these loans are set aside for the expected credit loss according to the internal models developed by the Bank.

In accordance with the regulation; in the event that failure to meet payment obligations towards banks stems from temporary liquidity difficulties related to the loans and other receivables as part of the principles of classification, loans and other receivables including any overdue interest may be restructured or subject to a new redemption plan for the purpose of providing debtors with liquidity capability and ensuring recovery of receivables by bank.

3.3.1.4.1. Exposures provisioned against by major regions⁽¹⁾

	Current Period	Prior Period
Domestic	1.712.397.225	1.225.659.426
USA,Canada	690.541	1.330.023
European Union (EU) Countries	18.803.937	12.988.374
OECD Countries	2.748.686	1.668.125
Off-Shore Banking Regions	1.098	1.297
Other Countries	7.907.555	6.670.017
Total	1.742.549.042	1.248.317.262

⁽¹⁾ Breakdown of cash, non-cash and non-performing loans with respect to geographical regions are provided

3.3.1.4.2. Exposures provisioned against by major sectors⁽¹⁾

	Current Period	Prior Period
Agricultural	32.755.222	22.369.385
Farming and raising livestock	26.064.497	16.502.230
Forestry	3.756.683	4.001.247
Fishing	2.934.042	1.865.908
Manufacturing	671.395.669	472.316.536
Mining and Quarrying	9.165.064	2.106.868
Production	543.767.734	370.889.933
Electricity, Gas, Water	118.462.871	99.319.735
Construction	176.840.572	128.555.253
Services	389.324.587	288.750.910
Wholesale and retail trade	90.156.199	73.444.642
Hotel, food and beverage services	39.719.094	26.335.302
Transportation and telecommunication	54.741.199	45.001.219
Financial institutions	85.318.523	67.138.156
Real estate and leasing services	26.617.902	17.653.191
Education services	1.641.205	1.855.035
Health and social services	91.130.465	57.323.365
Other	472.232.992	336.325.178
Total	1.742.549.042	1.248.317.262

⁽¹⁾ Breakdown of cash loans, non-cash loans and non-performing loans by sectors

3.3.1.4.3. Receivables according to remaining maturities:

Receivables according to remaining maturities are explained Note 7 of Section 4.

3.3.1.4.4. Exposures provisioned against by major sectors:

Information on the amount of receivables and provisions provided for on the sector basis are disclosed in Note 2 of Section 4.

3.3.1.4.5. Exposures provisioned against by major regions :

The distribution of the specific provisions is predominantly domestic and a provision amounting to TL 25.515.260 (December 31, 2023- TL 18.855.734) has been set aside for the risk at an amount of TL 38.708.024 (December 31, 2023- TL 26.766.510)

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3.3.1.4.6. Aging analysis for overdue receivables (1)

Overdue days count	Current Period	Prior Period
1-30 days	12.952.693	4.799.873
31-60 days	9.974.972	3.680.334
61-90 days	6.266.912	2.118.377
Total	29.194.577	10.598.584

(1) Overdue receivables under close monitoring represent overdue of cash loans.

Loans under close monitoring amounting to TL 116.322.792 (December 31, 2023 – TL 92.427.228) are not

3.3.1.4.7. Breakdown of restructured receivables based on whether or not provisions are allocated:

Provisions are recognized for all non-performing loans in accordance with Provisioning Regulation.

Credit Class	Current Period	Prior Period
Loans restructured from Loans and other receivables under close monitoring	92.663.796	48.230.529
Loans restructured from Loans under legal follow-up	8.534.055	7.220.471
Total	101.197.851	55.451.000

3.3.1.4.8. Informations related to expected credit losses for loans:

Current Period	Stage 1	Stage 2	Stage 3	Total
Beginning of the period	5.672.509	15.243.845	18.903.573	39.819.927
Additions	2.793.969	14.721.042	22.108.277	39.623.288
Disposals (-)	7.361.737	9.631.567	12.007.301	29.000.605
Sold (-)	-	-	5.667.321	5.667.321
Write offs (-)	-	-	-	_
Transfer to stage 1	3.509.073	(3.506.805)	(2.268)	-
Transfer to stage 2	(59.969)	425.454	(365.485)	-
Transfer to stage 3	(106)	(2.619.884)	2.619.990	-
Foreign currency differences	285.629	1.898.444	-	2.184.073
End of the period	4.839.368	16.530.529	25.589.465	46.959.362

Prior Period	Stage 1	Stage 2	Stage 3	Total
Beginning of the period	4.530.314	15.354.526	15.782.316	35.667.156
Additions	3.990.387	7.253.203	11.043.988	22.287.578
Disposals (-)	6.123.301	10.065.547	6.013.313	22.202.161
Sold (-)	-	-	3.047.039	3.047.039
Write offs (-)	-	-	72.420	72.420
Transfer to stage 1	2.957.022	(2.956.430)	(592)	-
Transfer to stage 2	(933.971)	1.062.990	(129.019)	-
Transfer to stage 3	(47)	(1.339.605)	1.339.652	-
Foreign currency differences	1.252.105	5.934.708	-	7.186.813
End of the period	5.672.509	15.243.845	18.903.573	39.819.927

3.3.2. Credit risk mitigation

3.3.2.1. Qualitative disclosure on credit risk mitigation techniques

The Bank employs on-balance sheet netting and/or general netting agreements for specific capital market transactions for credit risk mitigation, with the condition of meeting the requirements of having implemented corresponding system supported methods and processes and clear documentation of the required documents.

The Bank may use assets and liabilities as an on balance sheet netting instrument considering them as cash collateral.

The capital requirements may be determined on the base of net exposure of assets and liabilities, if the following conditions are met:

- > The agreement should provide the Bank the authorization to monitor the receivable of the payee over a single value after netting all payables and receivables even though there is no such indicator for the counterparty showing bankruptcy or financial difficulty in accordance with the regulations of governments.
- > The Bank is provided the authority of netting and monitoring the risk over a single value even the counterparty is not in bankruptcy case of a bankruptcy of one counterparty, the other counterparty should have the authority to terminate all contracts under the agreement
- > The agreement should provide the facility to monitor the receivable of the payee over a single value after netting all payables and receivables in case of the termination of all contracts

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In the policies and procedures regarding the assessment and management of the collaterals as part of collateralized lending, Credit risk mitigation techniques aims at:

- > Determination of general and specific requirements for the improvement and optimization of collateral systems, processes, strategies and procedures;
- ➤ Valuation of collateral taking into consideration the local regulations and procedures;
- > Provision of the soundness, legal enforceability and maintenance of ratable collateral based on a legal framework;
- > Determination of the level of the collateral haircut taking the local conditions and the process of risk management into consideration;
- Regular monitoring of the collateral value;
- > Differentiation between counterparty (economic) and country (political) risk aspects,
- > Mitigation of concentration risks, correlation risks and residual risks through recognition of collateral;
- > Improvement in the quality of strategic business and overall Bank management
- Clear definition of roles and responsibilities
- > Determination of acceptable collaterals and collateral related conditions (list of collateral) / (non-parametric condition list)

In the calculations regarding credit risk mitigation, the Bank performs risk mitigation within the regulations set out in the Credit Risk Mitigation Techniques Notification dated September 6, 2014 and numbered 29111 and uses a comprehensive financial guarantee method for its financial collaterals. With the comprehensive financial collateral method, the relevant volatility adjustments specified in the regulation made on the value of the financial collaterals that are used in calculating the capital requirements.

The credit policies establish an operational connection between Bank's activities and its risk capacity and covers the main business areas in accordance with target portfolio structure, risk targets regarding expected and unexpected loss in line with risk capacity and limits relating to risk concentration. Limits are ensured to be compliant with restrictions determined by related regulation and regulatory authorities. Bank uses an integrated approach in concentration risk management, in which all risk concentrations are identified, monitored and evaluated. Therefore, besides the loans to individuals and companies, also the concentrations of market, sector, country and segment are being taken into consideration. Bank pays utmost attention to any concentration of the credit and market risks on a specific counterparty or risk classification in accordance with policies and internal procedures.

3.3.2.2. Credit risk mitigation techniques – overview

			Collateralized	(Collateralized amount of		Collateralized amount of
Current Period	Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	amount of exposures secured by collateral	Exposures secured by financial guarantees	exposures secured by financial guarantees	Exposures secured by credit derivatives	exposures secured by credit derivatives
Loans	1.099.973.201	99.612.419	79.079.909	1.507.124	1.255.959	-	-
Debt securities	505.855.306	-	-	-	-	-	-
Total	1.605.828.507	99.612.419	79.079.909	1.507.124	1.255.959	-	-
Of which defaulted	12.118.367	1.096.563	627.614	546.177	221.265	-	-

Prior Period	Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
Loans	791.249.113	73.491.183	56.236.768	1.689.445	1.416.070	-	-
Debt securities	402.980.420	-	-	-	-	-	-
Total	1.194.229.533	73.491.183	56.236.768	1.689.445	1.416.070	-	-
Of which defaulted	4.016.278	3.909.868	2.867.556	446.094	256.814	-	-

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3.3.3. Credit risk under standardised approach

3.3.3.1. Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit

An international rating firm, Fitch Ratings' external risk ratings are used to determine the risk weights of the risk categories as per the Article 6 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks". The international risk ratings are used for all the exposures to central governments/central banks, for Financial Institutions, Corporations, Regional Governments, Administrative Bodies and for Multinational Development Banks asset classes of which the counterparty resides in foreign countries.

Exposures to central governments and central banks which are not rated by Fitch Ratings are included in the calculation of capital adequacy as unrated. Receivables from residents in Türkiye are classified as unrated.

Fitch Ratings' risk ratings as per the credit quality grades and the risk weights according to exposure categories are presented below:

				Claims on banks ar institut		
Credit Quality Grade	Fitch Ratings	Claims on sovereigns and Central Banks	Claims on administrative bodies and other non- commercial undertakings	Contractual maturity of claims under 3 months	Contractual maturity of claims over 3 months	Claims on corporates
1	AAA AA+ AA AA-	0%	20%	20%	20%	20%
2	A+ A A-	20%	50%	20%	50%	50%
3	BBB+ BBB BBB-	50%	100%	20%	50%	100%
4	BB+ BB BB-	100%	100%	50%	100%	100%
5	B+ B B-	100%	100%	50%	100%	150%
6	CCC+ CCC CCC- CC	150%	150%	150%	150%	150%

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3.3.3.2. Standardised approach – Credit risk exposure and credit risk mitigation (CRM) effects

		Expo	sures before	Ex	posures post		
	Current Period	CC	CF and CRM	CC	CF and CRM	RWA and RWA	density
	Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or	amount	succe amount	succe amount	succe amount	141171	uchsity
	central banks	791.272.977	343	792.750.200	17 004	_	
2	Exposures to regional governments or	171.212.711	515	772.750.200	17.004		
	local authorities	2.944.892	27.855	2.939.316	12.997	1 476 157	50,00%
3	Exposures to public sector entities	2.850.915	790.175	2.850.899	171 049	3.021.948	100,00%
4	Exposures to multilateral development				-,-,,	0.0-2.0	,
	banks	1.284.245	304.168	1.284.245	153.310	_	
5	Exposures to institutions	86.523.084	70.917.983	86.523.084	13.855.677	30.395.988	30,28%
6	Exposures to corporates	28.282.532	74.174.162	26.437.616	25.519.525	34.967.466	67,30%
7	Retail exposures	2.938.172	3.319.803	2.497.822	93.182	1.943.252	75,00%
8	Exposures secured by residential						
	property	117.468	15.984	117.468	7.992	44.522	35,49%
9	Exposures secured by commercial real						
	estate	158.915	848.714	158.915	449.357	367.838	60,47%
10	Past-due loans	170.635	-	29.212	-	28.990	99,24%
11	Higher-risk categories by the Agency						
	Board	83.992	1.505.472	3.956	109.536	170.238	150,00%
12	Exposures in the form of collective						
	investment undertaking	307.745	-	307.745	-	306.034	99,44%
13	Investments in equities	48.098.495	-	48.098.495	-	56.775.371	118,04%
14	Other receivables	-	-	-	-	-	
	Total	965.034.067	151,904,659	963.998.973	40.389.629	129,497,804	12,89%

	Prior Period		osures before CF and CRM		xposures post CF and CRM	RWA and RWA	A density
	Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or						
_	central banks	543.348.350	122	545.021.233	56.364	-	-
2	Exposures to regional governments or						
	local authorities	1.259.026	-	1.253.450	-	626.725	50,00%
3	Exposures to public sector entities	2.123.825	298.265	2.123.767	99.798	2.223.565	100,00%
4	Exposures to multilateral development						
	banks	1.022.959	114.614	1.022.959	62.453	-	-
5	Exposures to institutions	70.932.297	25.780.171	70.932.297	10.104.027	26.112.749	32,22%
6	Exposures to corporates	13.183.705	64.556.042	12.523.541	12.915.843	14.702.001	57,79%
7	Retail exposures	1.423.377	1.909.543	666.917	76.893	578.109	77,72%
8	Exposures secured by residential						
	property	28.489	21.301	28.189	10.620	13.612	35,07%
9	Exposures secured by commercial real						
	estate	2.222	467.970	2.222	233.985	124.928	52,89%
10	Past-due loans	85.936	_	254	_	220	86,61%
11	Higher-risk categories by the Agency						,.
	Board	1.292.951	702.518	1.121.660	8.859	1.696.191	150,04%
12	Exposures in the form of collective						.,.
	investment undertaking	54.376	_	54.376	_	40.504	74,49%
13	Investments in equities	28.519.026	_	28.519.026	_	33.866.336	118,75%
14	Other receivables	-	-	-	-	-	-
	Total	663.276.539	93.850.546	663,269,891	23.568.842	79,984,940	11,65%

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> 3.021.948 481.297 18.154.773 528 33.507.399 780 and risk weights asset classes exposures by Standardised approach

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annua mar miaranina fa mar					400.000		177.71					4/4:000
		,		•	444	•	28.768	•	•		,	29.212
egonies by the Agency Board		,	٠	•	٠	•	•	113.492	٠	٠	٠	113.492
de in collective investment companies	1.264	,	240	,	510	٠	305.731	,	•	,	,	307.745
equities	•	,		1	٠	•	42.313.911	•	1	5.784.584	٠	48.098.495
es				•			•		٠		٠	
	794.206.023		67.075.346	123.932	794.206.023 - 67.075.346 123.932 70.058.861 2.592.532 64.433.832 113.492	2.592.532	64.433.832	113.492		5.784.584	٠	1.004.388.602
									I			

												Total credit risk exposure amount (after CCF and
Asset classes/ Risk weight	0% 10%	10%	20%	35%	%09	75%	100%	150% 200%	200%	250% 1250%	250%	CRM
Exposures to central governments or central banks	545.077.597	٠							٠		٠	545.077.597
Exposures to regional governments or local authorities	•	,	•	•	1.253.450	•	•	•	•	•	'	1.253.450
Exposures to public sector entities	•	•	•	٠	•	٠	2.223.565	٠	٠	٠	•	2.223.565
Exposures to multilateral development banks	1.085.412	٠	•	•		•	•	•	٠	•	٠	1.085.412
Exposures to institutions	•	٠	48.255.904	•	32.637.704	•	142.716	•	٠	•	٠	81.036.324
Exposures to corporates		•	27.835	•	21.430.231	٠	3.981.318	•	•	٠	•	25.439.384
Retail exposures	•	,	•	•	•	662.805	81.005	•	•	•	•	743.810
Exposures secured by residential property	•	٠	•	38.738	•	71	•	•	٠	•	٠	38.805
Exposures secured by commercial real estate		•	•	•	222.559	٠	13.648	•	•	٠	•	236.207
Past-due loans	•	,	•	•	89	•	186	•			•	254
Higher-risk categories by the Agency Board	•	•	•	٠	•	•	'	1.129.694	825	•	٠	1.130.519
Investments made in collective investment companies	3.129	•	8.038	٠	8.625	•	34.584	•		•	٠	54.376
Investments in equities	•	•	•	٠	•	•	24.954.153	•		3.564.873	٠	28.519.026
Other receivables		٠	•	•	•	•	•	•	٠	•	٠	
Total	546.166.138		48.291.777	38.738	55.552.637	662.876	31.431.175 1.129.694	1.129.694	825	825 3.564.873	•	686.838.733

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3.3.3.4. Explanations on the use of IRB Models

In the development of internal models;

- As the owners of the probability of default (PD), loss given default (LGD) and exposure at default (EAD) models used in capital adequacy calculations, credit risk control and modeling units (individual and commercial) are responsible for the development and implementation processes of the models, also the regular monitoring and updating of the models.
- > In case of need, advanced analytics unit is responsible for the development of the PD, LGD, EAD models,
- Validation unit is responsible for performing the initial and periodic validation of the models and providing the regular validation report.

When the development of the models is completed and following the approval of the validation unit, they are submitted to the approval of the credit committee and the Board of Directors. The models can be got into use after the necessary approvals are obtained from the relevant committees.

Performance monitoring of the model, which has been developed and put into use, is carried out by the credit risk control and modeling units and the validation unit. Performance monitoring of the models is carried out through the credit risk control unit report prepared quarterly by the credit risk control and modeling teams and annual periodic validation studies. In addition, every month before the models are run, certification checks are carried out and the accuracy of the data used in the model is confirmed.

Re-development, re-train or re-calibration of the models can be done according to the performance monitoring results of the models in use.

In accordance with the IRB communiqué (issued by BRSA – using internal rating based approach for credit risk calculations) as published in the Official Gazette dated October 23, 2015 numbered 29511, all IRB models and validation processes are audited annually by the Internal Audit Department. The scope of audits consists of three main areas: governance and validation, rating systems and quantification of risks and usage testing. Audit processes include reviewing IRB models for compliance with all minimum requirements, as well as validation of models. In this framework, initial, periodic, data and process validation activities are examined and validation findings are also taken into account within the scope of relevant model audits.

Reports on credit risk models are prepared in order to explain the structure, process and performance of the rating system, the areas that need improvement, the activities to complete the identified deficiencies, and to monitor the credit risk. Commercial credit risk control and modeling and retail credit risk control and modeling units are responsible for reporting. The related report includes the risk profile according to grades, migrations between grades, comparison of the estimations of risk parameters and observed values, and analysis of the effectiveness of the override process. If there is a rating override for project finance loans in the relevant reporting period, the reasons for the change are also included.

For the capital calculation, BRSA allowed the use of PD and EAD models in the corporate receivables class, the PD, LGD and EAD models in the retail receivables class, and the use of the slotting method in project finance loans.

89% of the bank's total risk weighted assets amount is calculated with the IRB approach. 8% of the total risk weighted assets amount is in portfolios such as receivables from central governments or financial institutions that do not have an IRB approach permit. The corporate and commercial portfolio is under the Foundation IRB approach, 90% of which is calculated with the IRB approach. The retail portfolio is under the Advanced IRB approach and 99% of it is calculated with the IRB approach. The slotting approach is used for all project finance risks.

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There are application and behavior PD Models for both corporate and retail receivables classes. Application models are the models that work at the moment in the Bank's proactive channel when a customer applies for a loan to the Bank. Behavioral models are run at the end of each month for customers with limits or risks in the bank (it is required to be older than six months in the retail portfolio).

- > Individual portfolio PD application models consist of five models that work separately for each product in case the customer makes an application and in the Bank's proactive channel, while Behavior PD model is a model that consists of nine different segments.
- > Individual portfolio EAD models consist of five different models that vary according to the limit usage rate and risk amount for the customer's credit card and overdraft products, while LGD models consist of five models with eleven different segments in terms of risk amount breakdown by product.
- > SME portfolio PD application and behavior models consists of four different segments, which vary according to the customer's information such as turnover, customer type, sector information and risk center limit. The customer can only proceed from one of these segments.
- > The same model is used for application and behavior in the corporate/commercial portfolio PD calculation. The model consists of four different segments that vary according to the customer's balance sheet type, turnover and risk center limit. The customer can only proceed from one of these segments.
- > Corporate/commercial/SME portfolio EAD model consists of twelve different segments that vary according to the portfolio, limit, risk, limit usage rate and limit gap information for the customer's commercial overdraft, commercial credit card, non-cash (check, letter of guarantee, letter of credit) products. Five of the twelve segments are for the corporate/commercial portfolio and seven are for the SME portfolio. LGD Model consists of seven different segments that vary according to turnover, risk amount and collateral information at the customer level.

Bank's PD models are developed using logistic regression. At least five years of data are used while developing the model in accordance with the articles specified in the communique. For the initial validation activities, out-ofsample (OOS) and out-of-time (OOT) data is separated. As stated in the Communique, the PD of the best grade can be at least 0,03%.

Due to the use of minimum five-year data during model development and the higher default rates during the model development period compared to the current period, the calculated PD value especially for the individual portfolio differs relatively from the observed DR.

The PD model is used in underwriting strategies, provision calculations and economic capital calculations as well as capital calculations.

Specialized loans can be defined as portfolios with low default rates. PD calculation is not made for specialized loans, the classification method is used.

While developing the LGD model, the gross LGD approach was used. At least 5-7 years of data are used while developing the model in accordance with the articles specified in the communique. For the initial validation activities, out-of-sample (OOS) and out-of-time (OOT) data is separated. As stated in the communique, it has been ensured that the LGD value of mortgage loans is at least 10%. The downturn period effect for the individual portfolio is added as a conservatism margin:

- > A random sample is selected one thousand times, with the LGD values calculated for the performing and default groups equal to the number of observations for each product.
- In each sample, the average of LGD values for the performing and default groups is calculated.
- > LGD averages calculated in the previous step were ordered for all segments and groups, and the 75th percentile was determined as LGD with a conservatism margin added.
- > In order to reflect the effect of the downturn period, the 90th percentile was chosen after the LGD averages were ranked for all segments and groups.

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For Commercial LGD model, the total collection amount in the first year when the customers entered the liquidation process was calculated and this amount was deducted from the default amount of the following year. Thus, the default amounts remaining in the following years spent by the customer in the liquidation process are reflected. The annual collection has been made taking into account these default amounts. Thus, the year in which the collection rate was bad in the economic cycle was taken into account. The through-the-cycle (TtC) LGD of the annual calculated LGD values was found. The year with the largest percentage difference of the annual LGD values from the calculated TtC LGD was determined as the downturn year, and the related percentage difference was determined as the downturn period coefficient.

The saturation point values used for the time between the default event and the closing of the receivable are as follows.

Product / Portfolio	Saturation Point
Consumer loan	74
Auto loan	30
Overdraft	42
Mortgage	33
Credit card	50
Commercial portfolio	73
SME portfolio	68
Corporate portfolio	50

EAD model begins by associating defaulted loans with the 12-month risk and limit information before the default date. A random observation month is selected from the 12-month period from the date of default by the customer, and the EAD parameters are calculated accordingly. In product segmentation, arithmetic mean EAD ratios were calculated by considering business requirements and statistical significance. The last step is to add a conservatism margin as required in the Basel and IDD communiqué to create the final model.

As a result of the analysis made for individual credit cards and overdraft products, it was decided to use the 60th and 70th percentiles for the conservatism margin and downturn period effect ratios, respectively, in risk conversion factor (RCF), limit conversion factor (LCF) and Non-limit conversion factor (NLCF).

For business card and commercial overdraft products, five quantile is added over the model output for the conservatism margin and the model output for the downturn period effect.

As a result of the analysis made for noncash products, it was decided to use the 70th and 80th percentiles for the conservatism margin and downturn period effect ratios, respectively, in RCF, LCF and NLCF.

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39. 39. 103. 96. 958. 958. 1.044. 1.731. 7.218.

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Risk Weighted

Assets

48.960.469

14.93.2.201

30.082.689

21.982.689

123.754.567

60.741.314

37.723.599 Average
Maturity
1.61
1.40
1.35
1.41
1.41
1.58
1.43
1.15
2.50
2.50 Average LGD 1.43,81% 43,54% 42,79% 42,17% 42,02% 42,89% 43,74% 43,74% 43,74% 43,74% Average PD 0,07% 0,20% 0,52% 1,57% 5,03% 22,74% 1100,00% 3,08% Exposures post-CCF and CRM 268 918.137 42.119.601 63.936.525 34.429.155 135.883.778 46.144.847 16.923.674 10.021.104 3.3.5.IRB Approach: Credit Risk Amounts by Portfolio and PD Ranges

Current Period On-balance sheet amount Off-balance sheet Av Off-balance sheet
amount
287-406-418
38.273-326
51.704-621
29.534-189
71.674-461
71.674-461
71.674-68
71.674-68
71.674-68
71.674-68
71.674-68 2.c sheet amount 117.107.414 23.664.219 38.956.705 21.820.484 101.645.380 36.011.999 15.872.947 9.024.288 364.103.436 0-0,15 0,15-0,25 0,25-0,5 0,5-0,75 0,75-2,5 0,75-2,5 10-100

Advanced IRB	PD Range	On-balance sheet	Off-balance sheet	Average	Exposures post-	Average	Number of	Average	Average	Risk Weighted	RWA	Expected Loss	Provisions
		amount	amount	CC	CCF and CRM	P.	Customers	EG.	Maturity	Assets	Density		
	0-0,15	20.187.962	150.878.983	60,52%	111.493.146	0,10%	1.846.005	%58'05		3.510.553	3,15%	54.701	38.778
	0,15-0,25	26.446.519	206.577.278	60,29%	150.997.583	0,19%	2.217.561	50,91%	•	8.429.196	5,58%	148.051	91.252
	0,25-0,5	8.830.978	50.546.442	61,93%	40.132.257	0,33%	620.270	51,52%	•	3.495.130	8,71%	67.870	38.590
	0,5-0,75	26.193.955	115.915.956	%19'19	97.610.901	0,64%	1.365.978	51.52%		14.519.729	14.88%	324.262	142,222
Qualifying Revolving		41.300.599	128.825.371	61,58%	120.625.344	1,46%	1.975.018	51,65%	•	33.181.820	27,51%	908.649	398.806
Retail Exposures		60.732.593	55.248.141	60,24%	94.012.202	5,29%	2.199.938	50,77%	•	61.211.676	65,11%	2.517.972	1.135.148
	10-100	16.607.274	2.025.260	66,28%	17.949.527	31,15%	442.099	50,28%	•	28.639.189	159,55%	2.815.406	1.093.085
	100 (default)	958.193	225	56,61%	958.320	100,00%	34.028	65,93%	•	105.461	11,00%	623.896	108.227
	Subtotal	201.258.073	710.017.656	60,92%	633.779.280	2,28%	10.653.635	51,15%		153.092.754	24,16%	7.460.807	3.046.108
	0-0,15	15.147.096	72.130.956	51,94%	52.608.757	%60'0	173.088	21,05%		6.385.749	12,15%	24.097	28.392
	0,15-0,25	10.228.250	29.912.008	52,36%	25.890.774	0,20%	168.704	50,92%	•	5.595.062	21,86%	25.914	31.746
	0,25-0,5	16.681.393	34.292.133	48,54%	33.326.112	0,35%	140.665	52,37%	•	10.745.935	32,37%	60.854	32.581
	0,5-0,75	12.600.099	18.909.278	51,67%	22.369.848	0,63%	121.843	%68'09	•	9.676.169	44,00%	70.481	53.846
Retail SME	0,75-2,5	42.637.183	39.507.384	48,44%	61.774.770	1,46%	244.614	50,58%	•	37.509.198	61,02%	451.313	183.571
Exposures	2,5-10	33.384.896	14.058.849	46,38%	39.905.717	5,14%	184.289	49,68%	•	31.127.280	77,97%	1.009.932	355.233
	10-100	14.571.863	2.905.696	39,05%	15.706.572	22,60%	58.890	48,73%	•	17.516.932	111,27%	1.725.548	489.076
	100 (default)	4.535.901	862.542	22,80%	4.732.592	100,00%	46.374	72,38%	•	835.547	17,13%	3.359.005	3.794.414
	Subtotal	149.786.681	212.578.846	50,11%	256.315.142	4,54%	949.628	51,12%	•	119.391.872	46,70%	6.727.144	4.968.859
	0-0,15	21.543.544	115.076.921	54,88%	84.696.111	0,10%	213.133	49,01%		10.524.842	12,55%	39.657	28.982
	0,15-0,25	33.291.262	109.555.318	56,49%	95.183.018	0,19%	319.867	50,49%	•	19.642.220	21,13%	90.428	59.369
	0,25-0,5	11.891.957	26.053.016	56,42%	26.591.473	0,33%	90.109	50,87%	•	7.880.629	30,19%	43.594	25.131
	0,5-0,75	43.080.439	56.298.969	56,65%	74.972.388	0,64%	340.537	52,78%	•	33.861.963	45,95%	248.614	117.094
Other Retail	0,75-2,5	64.377.655	40.885.932	26,68%	87.552.547	1,53%	468.800	54,61%	•	58.406.512	67,33%	722.513	325.630
Exposures	2,5-10	66.850.104	12.447.193	28,00%	74.069.558	5,24%	581.867	56,38%	•	65.634.190	88,76%	2.181.812	941.868
	10-100	19.928.195	309.580	64,72%	20.128.560	31,06%	200.198	59,03%	•	32.260.149	160,78%	3.648.992	1.391.614
	100 (default)	23.278.516	15.746	47,72%	23.286.030	100,00%	237.090	72,09%	•	1.991.599	8,39%	16.628.826	14.932.639
	Subtotal	284.241.672	360.642.675	26,08%	486.479.685	7,44%	2.451.154	23,66%		230.202.104	47,87%	23.604.436	17.822.327
	Retail Total	635.286.426	1.283.239.177	57,77%	1.376.574.107	4,48%	12.628.863	51,71%	-	502.686.730	36,52%	37.792.387	25.837.294
Other Items	Subtotal	124 541 154			131 173 761								

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Foundation IRB PD Range On-balance sheet amount Off-balance sheet amount Off-balance sheet amount Corp. Corp. Constoners LiGD Assat; A	Prior Period													
0.0,15 0.0,15 0.0,15 0.0,15 0.0,15 0.0,15 0.0,15 0.0,15 0.0,15 0.0,15 0.0,15 0.0,15 0.0,15 0.0,15 0.0,17 0.0,15<	Foundation IRB	PD Range	On-balance sheet amount	Off-balance sheet amount	Average CCF	Exposures post- CCF and CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density	Expected Loss	Provisions
0.15-0.25		0-0,15	60.459.577	157.552.005	23,96%	145.472.055	%200	29.052	43,84%	1,55	28.877.122	%58'61	46.099	87.554
0,25-0,5 30,596,048 39,538,658 47,24% 49,273,638 0,35% 12,249 42,19% 1,41 26,123,92 53,02% 78,204 0,5-0,75 15,039,696 15,014,390 53,42% 23,560,288 0,57% 17,450 41,93% 1,31 16,4707 96,12% 65,291 0,75-2,5-10 0,75-2,5-10 27,030,614 35,916,738 39,41% 41,184,869 1,57% 41,72% 1,39 53,19,448 155,29% 916,689 10-10 9,899,941 5,296 11,623,197 1,77 39,97% 1,28 25,294,696 197,23% 840,563 10-10 9,899,941 5,296 11,623,197 1,77 39,97% 1,28 25,94% 916,689 10-10 9,899,941 5,296 11,623,197 1,772 39,97% 1,28 25,94,696 197,23% 840,563 10-10 9,899,941 5,28% 15,53,53 10,07% 1,772 39,97% 1,28 25,94,696 197,23% 840,563		0,15-0,25	9.117.793	19.516.113	58,83%	20.599.449	0,20%	30.457	42,50%	1,39	7.435.044	36,09%	18.971	28.513
05-075 15.09.696 15.013-430 55.42% 23.50.388 0.62% 17.450 41,93% 1.31 16.147.057 69,12% 65.591 40,552.5 20.54.54 41,437% 1.56 2.112.240.736 69,12% 65.591 40,552.5 20.54.54 41,437% 1.56 2.112.240.736 69,24% 790.917 4.1.284 2.54.0 2.54		0,25-0,5	30.596.048	39.538.658	47,24%	49.273.638	0,35%	12.249	42,19%	1,41	26.123.929	53,02%	78.204	103.024
. 0.55.2.5 90.547.804 55.56.023 46.94% 11.6.22.489 1.51% 23.4.24 41.43% 1.6.2 112.204.756 66.24% 770.917 4 4 1.2.24 1.0.0 (default) 15.25.60 90.324 23.695.60 1.50.7 11.2.204.756 66.24% 770.917 4 11.84.89 1.37 16.07% 11.77 16.07% 11.28 22.94.606 197.23% 840.563 10.100 (default) 15.23.430 90.324 25.38% 11.55.52.8 100.00% 15.205 90.30% 1.28 22.94.606 197.23% 840.563 10.00 840.00% 15.24.300 90.324 25.38% 11.55.52.8 100.00% 13.806 25.0 2.50 2.50 2.50 2.50 2.50 2.50 2.50		0,5-0,75	15.039.696	15.013.430	55,42%	23.360.385	0,62%	17.450	41,93%	1,31	16.147.057	69,12%	65.291	44.217
2,5-10 27,030.614 35,916,738 39,41% 41,184.869 4,95% 13,605 41,72% 1,39 55,719.448 135,29% 916,689 10-100 9,899,941 5,258,687 3,276% 11,633.197 16,07% 1,772 39,97% 1,28 22,934,696 197,23% 840,533 100 (default) 15,324,300 903,284 25,38% 15,533,538 100,00% 5,265 39,30% 1,28 22,934,696 197,23% 840,533 Subtorial 25,800 303,28% 15,533,538 100,00% 5,265 39,30% 1,54 269,468,032 63,60% 14,272,142 17	Exposures to	0,75-2,5	90.547.804	55.560.203	46,94%	116.628.489	1,51%	23.424	41,43%	1,62	112.240.736	96,24%	790.917	4.762.107
9.899.941 5.259.687 32,76% 11.623.197 16,07% 1.772 39,97% 1.28 22.924.696 197,23% 840.563 10) 15.324.300 903.84 25,8% 15.553.28 100.09% 5.265 39,99% 2.50	corporates	2,5-10	27.030.614	35.916.738	39,41%	41.184.869	4,95%	13.605	41,72%	1,39	55.719.448	135,29%	916.689	776.387
I) 15.224.300 993.284 2.5.88 15.553.288 100.00% 5.265 39.30% 2.50 - - 11.515.408 1 28.015.773 329.260.118 96.32% 413.2695.610 51.2% 128.264 43.34% 1,54 269.468.032 63.60% 14.272.142 1		10-100	9.899.941	5.259.687	32,76%	11.623.197	16,07%	1.772	39,97%	1,28	22.924.696	197,23%	840.563	578.838
258.015.773 329.260.118 50,32% 423.695.610 5,12% 128.264 42,34% 1,54 269.468.032 63,60% 14.272.142 17		100 (default)	15.324.300	903.284	25,38%	15.553.528	100,00%	5.265	39,30%	2,50		•	11.515.408	10.850.391
		Subtotal	258.015.773	329.260.118	50,32%	423.695.610	5,12%	128.264	42,34%	1,54	269.468.032	63,60%	14.272.142	17.231.031

Advanced IRB	PD Range	On-balance sheet	Off-balance sheet	Average	Exposures post-	Average	Number of	Average	Average	Risk Weighted	RWA	Expected Loss	Provisions
		amount	amonut	CCF	CCF and CRM	PD	Customers	E	Maturity	Assets	Density		
	0-0,15	25.707.849	111.544.486	51,83%	83.516.266	0,10%	1.133.505	47,26%	٠	2.971.538	3,56%	38.112	10.238
_	0,15-0,25	29.801.222	123.629.624	51,85%	93.898.096	0,19%	1.639.783	47,10%	•	5.926.095	6,31%	85.184	22.561
_	0,25-0,5	9.665.225	30.061.480	21,96%	25.284.343	0,33%	443.249	47,10%	•	2.527.327	10,00%	39.206	10.320
_	0,5-0,75	27.051.529	72.821.293	52,02%	64.933.990	0,64%	1.128.864	47,12%	•	11.161.780	17,19%	196.473	41.094
Qualifying Revolving	0,75-2,5	36.196.415	75.518.871	52,19%	75.606.560	1,47%	1.681.608	46,88%	•	24.264.197	32,09%	521.149	130.861
Retail Exposures	2,5-10	36.488.561	29.003.465	53,02%	51.865.033	5,07%	1.839.194	46.25%	,	39.166.255	75,52%	1.211.055	380.544
	10-100	6.540.405	833.800	55,50%	7.003.192	30,05%	370.458	45,26%	•	12.472.298	178,09%	954.807	314.049
	100 (default)	204.371	94	57,01%	204.425	100,00%	9.701	57,77%	•	25.182	12,32%	116.685	16.957
	Subtotal	171.655.577	443.413.113	52,02%	402.311.905	1,69%	8.246.362	46,96%		98.514.672	24,49%	3.162.671	926.624
	0-0,15	6.879.695	30.229.750	47,88%	21.354.651	%60.0	124.663	50,53%		2.863.706	13,45%	9.835	19.530
_	0,15-0,25	5.764.203	14.224.618	48,65%	12.684.863	0,20%	146.699	50,35%	•	3.096.519	25,11%	12.398	18.884
	0,25-0,5	10.350.266	20.656.841	43,28%	19.291.472	0,35%	138.012	52,17%	•	6.671.069	34,81%	35.127	40.171
_	0,5-0,75	8.204.354	10.360.482	47,57%	13.132.535	0,63%	122.579	50,97%	•	6.549.872	\$1,91%	40.557	37.429
Retail SME	0,75-2,5	28.906.888	25.854.504	43,50%	40.152.417	1,48%	250.860	50,37%	•	26.828.923	67,58%	293.752	201.612
	2,5-10	22.950.320	9.442.108	43,03%	27.013.261	5,10%	183.354	49,36%	•	23.108.981	85,71%	672.808	384.188
	10-100	7.632.927	1.911.269	37,02%	8.340.424	20,13%	48.314	48,04%	•	9.360.660	112,01%	805.953	325.249
	100 (default)	2.326.572	573.610	22,49%	2.455.562	100,00%	44.614	78,16%	•	349.125	13,77%	1.892.187	2.534.893
	Subtotal	93.015.225	113.253.182	45,39%	144.425.185	4,41%	873.533	50,84%		78.828.855	25,09%	3.762.617	3.561.956
	0-0,15	3.254.468	17.629.219	83,92%	18.049.567	0,10%	1.326.660	57,84%		2.714.628	15,80%	809'6	7.697
_	0,15-0,25	11.923.996	26.069.337	84,05%	33.834.905	0,19%	1.605.158	58,44%	•	8.775.889	28,24%	35.200	22.171
	0,25-0,5	5.060.483	9.985.549	84,23%	13.471.619	0,32%	514.520	58,32%	•	5.279.857	41,06%	24.467	13.680
	0,5-0,75	23.564.427	19.748.700	84,52%	40.255.802	0,65%	1.117.343	59,20%	•	26.482.179	69,20%	147.112	49.121
lie	0,75-2,5	42.563.465	20.638.506	85,14%	60.135.400	1,51%	1.522.653	60,03%	•	61.908.558	105,44%	533.509	153.905
	2,5-10	59.100.241	6.504.176	%68'88	64.881.989	5,48%	1.388.250	%2809	•	94.859.825	147,20%	2.149.861	522.859
	10-100	14.716.666	164.905	123,11%	14.919.684	30,44%	299.833	%65,19	•	35.956.173	242,87%	2.770.537	763.429
	100 (default)	8.963.115	7.467	36,56%	8.965.846	100,00%	174.674	75,80%	•	672.225	7,26%	6.742.747	6.311.746
	Subtotal	169.146.861	100.747.859	84,73%	254.514.812	7,49%	7.935.175	60,37%	•	236.649.334	96,52%	12.413.041	7.844.608
	Retail Total	433.817.663	657.414.154	22,89%	801.251.902	3,93%	11.764.765	51,21%	-	413.992.861	21,67%	19.338.329	12.333.188
Other Items	Subtotal	82.545.615			82.545.615		7			66.704.983	%92.08	•	•

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Notes to unconsolidated financial statements as of December 31, 2024 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.3.6. IRB: The effect of credit derivatives used as CRM technique on RWA

	Current Period	RWA – PRE Credit	Actual RWA
1	Exposures to central governments or central banks -Foundation IRB	-	-
2	Exposures to central governments or central banks -Advanced IRB	-	-
3	Exposures to banks and financial institutions - Foundation IRB	-	-
4	Exposures to banks and financial institutions - Advanced IRB	-	-
5	Exposures to corporates -Foundation IRB	339.278.551	339.278.551
6	Exposures to corporates - Advanced IRB	-	-
7	Specialised Lending - Foundation IRB	-	-
8	Specialised Lending - Advanced IRB	101.509.615	101.509.615
9	Retail exposures - Qualifying revolving	153.092.754	153.092.754
10	Retail exposures - secured by real estate	3.851.927	3.851.927
11	Retail exposures - SME	118.336.075	118.336.075
12	Retail Exposures - Other	227.406.344	227.406.344
13	Investments in equities - Foundation IRB	-	-
14	Investments in equities - Advanced IRB	-	-
15	Purchased Receivables - Foundation IRB	-	-
16	Purchased Receivables - Advanced IRB	-	-
17	Other Items - Advanced IRB	105.186.176	105.186.176
	Total	1.048.661.442	1.048.661.442

	Prior Period	RWA – PRE Credit	Actual RWA
1	Exposures to central governments or central banks -Foundation IRB	-	-
2	Exposures to central governments or central banks -Advanced IRB	-	-
3	Exposures to banks and financial institutions - Foundation IRB	_	-
4	Exposures to banks and financial institutions - Advanced IRB	_	-
5	Exposures to corporates -Foundation IRB	271.300.938	271.300.938
6	Exposures to corporates - Advanced IRB	_	-
7	Specialised Lending - Foundation IRB	_	-
8	Specialised Lending - Advanced IRB	101.667.363	101.667.363
9	Retail exposures - Qualifying revolving	98.514.672	98.514.672
10	Retail exposures - secured by real estate	3.734.310	3.734.310
11	Retail exposures - SME	77.802.814	77.802.814
12	Retail Exposures - Other	233.942.347	233.942.347
13	Investments in equities - Foundation IRB	_	-
14	Investments in equities - Advanced IRB	_	_
15	Purchased Receivables - Foundation IRB	_	_
16	Purchased Receivables - Advanced IRB	_	-
17	Other Items - Advanced IRB	66.704.983	66.704.983
	Total	853.667.427	853.667.427

3.3.3.7. RWA Movement Table Under IRB Approach⁽¹⁾

		Current Period	Prior Period
1	Previous Period Closing Amount	851.101.785	557.918.843
2	Changes in Volume	333.962.474	215.117.496
3	Changes in Asset Quality	(43.695.529)	38.534.180
4	Model Updates	-	(36.176.926)
5	Policy and Regulatory Changes	(94.257.874)	75.708.192
6	Purchasing and Selling	-	-
7	FX Difference	-	-
8	Other	-	-
9	Current Period Closing Amount	1.047.110.856	851.101.785

(1) Counterparty credit risk is not included in the table.

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3.3.3.8. IRB: Back-testing of probability of default in each asset class

			Woightod					Rorrowors in default	
Asset classes	PD Range	Equivalent External Rating	Average	Mean PD By Borrower	Number of Borrowes Prior Period Current	Number of Borrowes Prior Period Current Period	Borrowers in default within the year	for the first time within the year	Average historical annual default rate
Corporate exposures - 1	0% - 0,14%	AAA to A+	%90`0	%/000	28.034	31.425	15		0,03%
Corporate exposures - 2	0,14% - 0,41%	A to A-	0.26%	0.24%	43.384	37.468	55	19	0.07%
Corporate exposures - 3	0,41% - 1,17%	BBB+ to BBB-	0,71%	%9L'0	26.968	19.041	120	31	0,21%
Corporate exposures - 4	1,17% - 3,22%	BB+ to BB-	1,78%	2,03%	18.470	15.135	217	73	0,67%
Corporate exposures - 5	3,22% - 15,08%	B+ to B-	2,46%	6,33%	109.6	7.855	418	149	2,40%
Corporate exposures - 6	15,08% - 33,77%	CCC+ to CCC-	23,15%	26,61%	1.257	1.371	214	28	11,27%
Corporate exposures - 7	33,77% - 99,99%	20	44,52%	43,57%	9/	116	7	30	13,87%
Corporate exposures - 8	100%	D	100,00%	100,00%	5.265	4.523			•
	Subtotal	Subtotal	3,07%	6,71%	128.447	113.432	1.046	361	0,72%
Asset classes	PD Range	Equivalent External	Weighted Average	Mean PD By Borrower	Number of Borrowes	Borrowes	Borrowers in default	Borrowers in default for the first time	Average historical
1000		warmg	PD	4		Currentieriou	within the year	within the year	annual default rate
Retail exposures - Qualifying revolving - 1	0% - 0,14%	AAA to A+	0,10%	%01,0	1.133.422	1.846.005	620	81	0,03%
Retail exposures - Qualifying revolving - 2	0,14% - 0,41%	A to A-	0,22%	0,22%	2.082.893	2.837.656	2.401	140	%90°0
Retail exposures - Qualifying revolving - 3	0,41% - 1,17%	BBB+ to BBB-	0,78%	0,78%	1.847.882	2.222.095	9.586	1.076	0,25%
Retail exposures - Qualifying revolving - 4	1,17% - 3,22%	BB+ to BB-	2,29%	2,35%	1.675.623	2.023.419	28.011	3.793	%08'0
Retail exposures - Qualifying revolving - 5	3,22% - 15,08%	B+ to B-	7,14%	7,40%	1.185.894	1.340.065	70.115	16.090	3,02%
Retail exposures - Qualifying revolving - 6	15,08% - 33,77%	CCC+ to CCC-	31,37%	31,37%	310.947	399.345	60.485	1.692	13,28%
Retail exposures - Qualifying revolving - 7	33,77% - 99,99%	20							15,49%
Retail exposures - Qualifying revolving - 8	100%	D	100,00%	100,00%	9.701	34.028	-	-	-
	Subtotal	Subtotal	2,28%	3,31%	8.246.362	10.653.635	171.218	22.809	2,11%
Asset classes	PD Range	Equivalent External	Weighted Average	Mean PD By Borrower	Number of Borrowes	Sorrowes Current Period	Borrowers in default	Borrowers in default for the first time	Average historical
		Mating	PD		11101 16110	Currenteriou	within the year	within the year	annual default rate
Retail exposures - SME - 1	0% - 0,14%	AAA to A+	%80'0	%60'0	110.864	154.875	71	9	0,04%
Retail exposures - SME - 2	0,14% - 0,41%	A to A-	0,27%	0,25%	279.200	308.927	439	77	0,11%
Retail exposures - SME - 3	0,41% - 1,17%	BBB+ to BBB-	0,74%	%92'0	203.568	204.743	1.044	195	0,36%
Retail exposures - SME - 4	1,17% - 3,22%	BB+ to BB-	1,83%	2,08%	204.472	201.022	2.566	640	%96'0
Retail exposures - SME - 5	3,22% - 15,08%	B+ to B-	6,25%	6,55%	164.981	161.636	6.178	1.248	2,91%
Retail exposures - SME - 6	15,08% - 33,77%	CCC+ to CCC-	20,49%	23,65%	24.868	31.168	3.806	504	12,18%
Retail exposures - SME - 7	33,77% - 99,99%	20	44,79%	46,36%	6.955	11.811	1.504	258	14,72%
Retail exposures - SME - 8	100%	D	100,00%	100,00%	44.478	46.250		-	1
	Subtotal	Subtotal	4,54%	8,42%	873.544	949.633	15.608	2.928	1,31%
Asset classes	PD Range	Equivalent External Rating	Weighted Average	Mean PD By Borrower	Number of Borrowes Prior Period Current	3orrowes Current Period	Borrowers in default within the year	Borrowers in default for the first time	Average historical
Retail Exposures - Other - 1	0% - 0.14%	AAA to A+	0.10%	0.10%	1,319,081	210.803	280	91	0.02%
Retail Exposures - Other- 2	0.14% - 0.41%	A to A-	0.22%	0.22%	2,094,436	403.720	3.194	793	0,08%
Retail Exposures - Other- 3	0,41% - 1,17%	BBB+ to BBB-	0,76%	%2,0	1.810.147	526.046	11.267	4.637	0,30%
Retail Exposures - Other- 4	1,17% - 3,22%	BB+ to BB-	2,30%	2.34%	1.382.833	486,532	28.527	13.564	0.97%
Retail Exposures - Other- 5	3,22% - 15,08%	B+ to B-	6,95%	7,12%	822.884	373.577	50.773	17.587	3,13%
Retail Exposures - Other- 6	15,08% - 33,77%	CCC+ to CCC-	31,32%	31,32%	284.196	196.201	57.853	10.358	14,36%
Retail Exposures - Other- 7	33,77% - 99,99%	20			•	•	•		2,34%
Retail Exposures - Other- 8	100%	D	100,00%	100,00%	174.507	236.948			
	Subtotal	Subtotal	7,44%	11,01%	7.888.084	2.433.827	152.194	47.030	1,19%
Asset classes	PD Range	Equivalent External Rating	Weighted Average	Mean PD By Borrower	Number of Borrowers Prior Period Current	Number of Borrowers Prior Period Current Period	Borrowers in default within the year	Borrowers in default for the first time	Average historical
Other Items - 1			1		2	2		The state of the s	allibuar ucraunt tan

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investments subject to the simple

Current Period	po												
					(Besides)	Specialised Lendings Besides Hioh-volatility Commercial Real Estates)	endings Jommercial Re	eal Estates)					
						0		Risk Amount			RWA Amount	mount	
		-On-											
		balance							Income			Counter	
	Remaining		Off-balance	Off-balance Counterparty	Risk	Project	Object	Commodities	Producing			Party Credit	Expe
Category	Maturity		amount sheet amount	credit risk	Weight	Finance	Finance	Finance Finance	Real Estate	Total	Credit Risk	Risk	2
Strong	<2.5 years			44.732	%09	44.732				44.732		22.366	
)	≥2.5 years	16.708.194		300.343	%02	17.435.444	•	•	•	17.435.444	11.994.571	210.240	69
Good	<2.5 years	<2.5 years 4.584.675	7	172.246	%02	5.000.665	60.250	•	292.564	5.353.479	3.626.863	120.572	21
	≥2.5 years	26.694.100		15.574	%06	31.387.927	287.175	•	•	31.675.102	28.493.574	14.018	253
Satisfactory		48.781.026	2.114.684	54.432	115%	31.335.579	1.592.245	•	16.661.229	49.589.053	56.964.814	62.597	1.388
Weak		•	•	•	250%	•	•	•	•	•	•	•	
Default		2.597.870	43.999	•	•	1.911.443	•	•	695.416	2.606.859	•	•	1.303
Total		99.365.865	15.073.056	587.327		87.115.790	1.939.670		17.649.209	17.649.209 106.704.669 101.079.822	101.079.822	429.793	3.036

Prior Period													
					(Besides	Specialised Lendings (Besides High-volatility Commercial Real Estates)	endings Jommercial R	eal Estates)					
								Risk Amount			RWA Amount	nount	
		-uO											
		balance							Income			Counter	
	Remaining		Off-balance	Off-balance Counterparty	Risk	Project	Object	Commodities	Producing		_	Party Credit	Expected
Category	Maturity	amonnt	sheet amount	credit risk	Weight	Finance	Finance	Finance Finance	Real Estate	Total	Total Credit Risk	Risk	Losses
Strong	<2.5 years	302.209	•	2.269	%0\$	304.478				304.478	151.104	1.135	1
)	≥2.5 years 1		•	212.690	%02	13.159.292	•	•	•	13.159.292	9.062.621	148.883	52.637
Good	<2.5 years	4.763.454	2.735.752	370.817	%02	5.115.539	70.568	•	507.164	5.693.271	3.725.718	259.572	22.773
	≥2.5 years	27.691.400	8.575.230	209.127	%06	31.947.121	1.051.471	•	•	32.998.592	29.510.518	188.215	263.989
Satisfactory		32.111.099	2.090.273	116.217	115%	28.238.937	1.321.337	•	3.393.370	32.953.644	37.763.043	133.649	922.702
Weak		8.285.342	18.698	•	250%	8.289.162	•	•	•	8.289.162	20.722.905	•	663.133
Default		•	32.666			6.675	•			6.675	-	-	3.337
Total		86.100.106	13.452.619	911.120		87.061.204	2.443.376		3.900.534	93.405.114	93.405.114 100.935.909	731.454	1.928.571

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3.4. Explanation on Counterparty credit risk

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3.4.1. Qualitative evaluation for Counterparty Credit Risk

Counterparty Credit Risk (CCR) is organized under Market Risk Management and is functioning within the scope of "Regulation on the Measurement and Evaluation of the Capital Adequacy of Banks". These functions include counterparty credit risk calculations within general risk appetite and control process of risk management policies for CCR.

Credit limits under CCR are defined within the scope of internal model method, specified in "Regulation on the Measurement and Evaluation of the Capital Adequacy of Banks. - Appendix 2", considering various stress scenarios.

General policies for collaterals and provisions under credit risk management are also valid for CCR. Exposure and collateral values are calculated on a daily basis. In order to mitigate the counterparty credit risk, international framework agreements (ISDA, CSA, GMRA, etc.) are being used through collateral and margin call mechanisms.

In case of a downgrade in credit note, the amount of additional collateral the Bank has to provide is calculated periodically under several stress scenarios.

3.4.2. Assessment of Counterparty Credit Risk according to the models of measurement

Current P	Period	Revaluation Cost	Potential credit risk exposure	EEPE ⁽¹⁾	Alpha used for computing regulatory EAD	Exposure after credit risk mitigation	Risk Weighted Amounts
1	Standard Approach-CCR	11.629.556	-		1,4	11.629.556	5.234.910
2	Internal Model Approach			-	-	-	-
3	Simplified Standardised Approach for Credit Risk Mitigation					-	-
4	Comprehensive Method for Credit Risk Mitigation					6.372.190	1.275.024
5	Value at Risk for Repo Transactions, Securities or Commodity lending or borrowing transactions					-	-
Total							6.509.934

Prior Perio	od	Revaluation Cost	Potential credit risk exposure	EEPE(1)	Alpha used for computing regulatory EAD	Exposure after credit risk mitigation	Risk Weighted Amounts
1	Standard Approach-CCR	19.708.623	-	-	1,4	19.708.623	6.980.594
2	Internal Model Approach			-	· -	-	
3	Simplified Standardised Approach for Credit Risk Mitigation					_	-
4	Comprehensive Method for Credit Risk Mitigation					11.441.715	3.073.002
5	Value at Risk for Repo Transactions, Securities or Commodity lending or borrowing transactions					_	
Total							10.053.596

3.4.3. Credit valuation adjustment (CVA) capital charge

		Current Perio	od	Prior Perioc	l
		Exposure (After credit risk mitigation methods)	Risk Weighted Amounts	Exposure (After credit risk mitigation methods)	Risk Weighted Amounts
	Total portfolio value with comprehensive approach CVA capital adequacy	-	-	-	-
1	(i) Value at risk component (including 3*multiplier)(ii) Stressed Value at Risk (including 3*multiplier)	-	-		-
3	All portfolios subject to Standardised CVA capital obligation	11.629.556	2.420.008	19.708.623	3.781.996
	Total amount of CVA capital adequacy	11.629.556	2.420.008	19.708.623	3.781.996

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3.4.4. Standardised approach – CCR exposures by regulatory portfolio and risk weights

	Current Period											
	Risk Weights/Risk Classes	0%	2%	4%	10%	20%	35%	50%	75%	100%	150%	Total credit risk ⁽¹⁾
1	Central governments and central banks receivables	8.652	-	-	-	-	-	-	-	-	-	8.652
2	Local governments and municipalities receivables	-	-	-	-	-	-	-	-	-	-	-
3	Administrative and non commercial receivables	-	-	-	-	-	-	-	-	25	-	25
4	Multilateral Development Bank receivables	-	-	-	-	-	-	-	-	-	-	-
5	Banks and Intermediary Institutions											
'	receivables	-	-	-	-	9.253.755	-	5.169.787	-	-	-	14.423.542
6	Corporate receivables	-	-	-	-	15.963	-	174.582	-	429.439	-	619.984
7	Retail receivables	-	-	-	-	-	-	-	5.007	-	-	5.007
8	Mortgage receivables	-	-	-	-	-	-	-	-	-	-	-
9	Non performing receivables	-	-	-	-	-	-	-	-	-	-	-
10	High risk defined receivables	-	-	-	-	-	-	-	-	-	-	-
11	Equity investments	-	-	-	-	-	-	-	-	-	-	-
12	Other receivables	-	-	-	-	-	-	-	-	-	-	-
	Total	8.652	-	-	-	9.269.718	-	5.344.369	5.007	429.464	-	15.057.210

	Prior Period											
	Risk Weights/Risk Classes	0%	2%	4%	10%	20%	35%	50%	75%	100%	150%	Total credit risk ⁽¹⁾
1	Central governments and central banks											
1	receivables	5.224.021	-	-	-	-	-	-	-	-	-	5.224.021
2	Local governments and municipalities											
	receivables	-	-	-	-	-	-	-	-	-	-	-
3	Administrative and non commercial											
,	receivables	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral Development Bank											
7	receivables	-	-	-	-	-	-	-	-	-	-	-
5	Banks and Intermediary Institutions											
3	receivables	-	-	-	-	13.611.781	-	7.859.091	-	668.606	-	22.139.478
6	Corporate receivables	-	-	-	-	765	-	-	-	166.989	-	167.754
7	Retail receivables	-	-	-	-	-	-	-	405	-	-	405
8	Mortgage receivables	-	-	-	-	-	-	-	-	-	-	-
9	Non performing receivables	-	-	-	-	-	-	-	-	-	-	-
10	High risk defined receivables	-	-	-	-	-	-	-	-	-	-	-
11	Equity investments	-	-	-	-	-	-	-	-	-	-	-
12	Other receivables	-	-	-	-	-	-	-	-	-	-	-
	Total	5.224.021	-	-	-	13.612.546	-	7.859.091	405	835.595	-	27.531.658

⁽¹⁾ Includes credit risk amounts of total exposure after applying credit risk mitigations.

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nless otherwise statec	Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))	Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))					
interparty Cr	edit Risk Amounts by	ounterparty Credit Risk Amounts by Portfolio and PD Ranges					
Current Period							
Foundation IRB	PD Range	Exposures post CRM	Average PD	Average PD Number of Customers	Average LGD	Average Maturity	Average Maturity Risk Weighted Assets
	0-0,15	1.232.417	%50'0	98	45,00%	1.23	166.315
	0,15-0,25	45.230	0,21%	5	45,00%	1.00	14.658
	0,25-0,5	346.291	0,34%	15	45,00%	1.37	166.897
	0,5-0,75	189.765	0,62%	en.	45,00%	1.98	141.490
Exposures to	0,75-2,5	226.381	1,29%	6	45,00%	1.04	196.220
corporates	2,5-10	314.391	3,33%	6	45,00%	2.37	434.843
	10-100	,					,
	100 (default)						
	1-1-1-9	267 F2C C	/00E 0	101	/000 27	77.	CCF 0CF 1

T OUTBOARD T	Sums	CRM	arciago 12	rumper of Customers	art age to the	Sarange maranta	was trugmed assets	fugue Density
	0-0,15	1.232.417	%50'0	98	42,00%	1.23	166.315	13,50%
	0,15-0,25	45.230	0,21%	Ś	45,00%	1.00	14.658	32,41%
	0,25-0,5	346.291	0,34%	15	45,00%	1.37	166.897	48,20%
	0,5-0,75	189.765	0,62%	6	45,00%	1.98	141.490	74,56%
Exposures to	0,75-2,5	226.381	1,29%	6	45,00%	1.04	196.220	%89'98
corporates	2,5-10	314.391	3,33%	e	42,00%	2.37	434.843	138,31%
	10-100	,						•
	100 (default)	,		-				-
	Subtotal	2.354.475	%0,70%	121	45,00%	1.44	1.120.423	47,59%
Advanced IRB	PD Range	Exposures post CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density
	0-0,15	•		•				
	0,15-0,25	,	•	,		•	•	•
	0,25-0,5		•	,				•
	0,5-0,75		•	•		•		•
Qualifying Revolving	0,75-2,5			ı		1		•
Ketail Exposures	2,3-10	•		•				•
	10-100 100 (default)							
	Subtotal							
	Subtotal		1			'	1	1
	0-0,15	2.536	0,11%	4	46,26%		311	12,26%
	0,13-0,23	168	0 38%	. –	45 83%		- 65	29 89%
	0.5-0.75	. "		. 1	•	1	: "	
Retail SME	0,75-2,5			•				•
Exposures	2,5-10							
	10-100		•			•		•
	100 (default)							-
	Subtotal	2.734	0,13%	5	46,23%	-	370	13,54%
	0-0,15	-		-		-	-	•
	0,15-0,25	•	•	•		•		•
	0,25-0,5				i	1	•	•
	0,5-0,75		•	ī				•
Other Retail	0,75-2,5	•	•	•	i		•	•
Exposures	2,5-10					•		
	10-100							•
	100 (default)			i				•
	Subtotal			•			•	

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		CRM						
	0-0,15	585'966	0,07%	112	43,59%	1,80	204.461	20,52%
	0,15-0,25	47.347	0,21%	ю	44,99%	1,00	15.341	32,40%
	0,25-0,5	15.427	0,37%	14	44,69%	1,15	7.349	47,64%
	0,5-0,75	67.087	0,62%	7	34,76%	1,00	32.175	47.96%
Exposures to	0,75-2,5	1.549.917	1,66%	36	44,98%	1,61	1.551.813	100,12%
corporates	2,5-10	19.472	3,25%	10	44,80%	1,00	21.767	111,79%
	10-100	14	12,36%	1		1,00		•
	100 (default)	- 2 695 840	1 03%	- 183	- 44210%	. 1 65	1 837 906	- 600 69
	magne	(10,000)	0, 2011	601	0/ 4 765.	COLY	00/17001	
Advanced IRB	PD Range	Exposures post CRM	Average PD Nu	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density
	0-0,15				,	•		,
	0,15-0,25	•					•	•
	0,25-0,5							•
Ouglificing Devoluting	0,5-0,75					•		•
Retail Exposures	2.5-10							
	10-100							
	100 (default)	-					-	
	Subtotal	-				•	-	•
	0-0,15	10.592	%50'0	9	53,37%		998	8,18%
	0,15-0,25	186	0,21%	1	45,83%	•	37	20,05%
	0,25-0,5	603	0,38%	_	50,48%		199	32,92%
Dotoil CMF	0,5-0,75	330	7300	۱ ،	- 43 460/		' 08	- 5.4 430%
Exposures	2.5-10	066	1,76	n '	43,40/0		180	0/5+,+0
	10-100					•		•
	100 (default)			-	-			
	Subtotal	11.711	0,12%	11	52,83%		1.282	10,94%
	0-0,15	-				•	-	1
	0,15-0,25					•		•
	0,25-0,5					•		•
: :	0,5-0,75					•		•
Other Retail	0,75-2,5							•
Exposures	2,5-10					•	•	•
	100 (default)							
	Entratal							
	Subtotal	•				•		'

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3.4.6. Composition of collateral for CCR exposure

		Col	laterals for Deri	vatives Transa	actions	Collaterals or C	Other Transactions
	Current Period	Collate	rals Taken	Collater	rals Given	Collaterals Taken	Collaterals Given
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash-domestic currency	-	-	-	-	171.333.829	-
2	Cash-foreign currency	-	-	-	-	12.175.791	-
3	Domestic sovereign debts	-	-	-	-	-	205.093.339
4	Other sovereign debt	-	-	-	-	-	16.468.763
5	Government agency debt	-	-	-	-	-	-
6	Corporate debts	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-
	Total	-	-	-	-	183.509.620	221.562.102

	Coll	aterals for Deriv	atives Transa	ctions	Collaterals or C	Other Transactions
Prior Period	Collater	als Taken	Collater	rals Given	Collaterals Taken	Collaterals Given
	Segregated	Unsegregated	Segregated	Unsegregated		
1 Cash-domestic currency	-	-	-	-	10.141.150	-
2 Cash-foreign currency	-	-	-	-	23.442.947	-
3 Domestic sovereign debts	-	-	-	-	-	10.529.941
Other sovereign debt	-	-	-	-	-	34.325.510
Government agency debt	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	-	-	-	33.584.097	44.855.451

3.4.7. Credit derivatives exposures

	Current	Period	Prior 1	Period
	Protection Bought	Protection Sold	Protection Bought	Protection Sold
Nominal			•	
Single-name credit default swaps	-	-	-	-
Index credit default swaps	-	-	-	-
Total return swaps	-	74.908.138	-	71.331.874
Credit Options	-	-	-	-
Other Credit Derivatives	-	-	-	-
Total Nominal	=	74.908.138	=	71.331.874
Rediscount Amount	=	(340.032)	-	(1.298.906)
Positive rediscount amount (asset)	-	2.589.576	-	2.449.816
Negative rediscount amount (liability)	-	(2.929.608)	-	(3.748.722)

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3.4.8. Exposures to central counterparties

		Current Pe	eriod	Prior Per	iod
		Exposure at default (post-CRM)	RWA	Exposure at default (post-CRM)	RWA
1	Exposure to Qualified Central Counterparties (QCCPs) (total)		1.033.073		285.270
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
3	(i) OTC Derivatives	9.357.010	362.842	7.150.077	282.398
4	(ii) Exchange-traded Derivatives	-	-	-	-
5	(iii) Securities financing transactions	31.853.846	637.077	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-	-	-
7	Segregated initial margin	-	-	-	-
8	Non-segregated initial margin	-	-	-	-
9	Pre-funded default fund contributions	1.657.700	33.154	143.600	2.872
10	Unfunded default fund contributions	-	-	-	-
11	Exposures to non-QCCPs (total)	-	-	-	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
13	(i) OTC Derivatives	-	-	-	-
14	(ii) Exchange-traded Derivatives	-	-	-	-
15	(iii) Securities financing transactions	-	-	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-	-	-
17	Segregated initial margin	-	-	-	-
18	Non-segregated initial margin	-	-	-	-
19	Pre-funded default fund contributions	-	-	-	-
20	Unfunded default fund contributions	-	-	-	-

3.5. Securitisations

None.

3.6. Explanations on Market Risk

3.6.1. Qualitative disclosure on market risk

Market Risk Management department monitors the interest rate, exchange rate, stock, commodity and credit spread risks arising from the main financial activities of the Bank on a daily basis and measures the probability of loss that may arise from the related risks by using internal model. Risks measured are regularly reported to the business units, their compliance with the Bank's risk appetite is monitored and impacts on capital requirement are analyzed. By taking into account the distinction between banking and trading portfolios, analyses and measurements enable Market Risk Management to determine specific limits on sub-portfolio / product levels.

Market risks that the Bank is exposed to are assessed and managed by a triple structure consisting of Treasury, Financial Planning and Market Risk Management Units. The Board of Directors, the Executive Committee and the Audit Committee have primary responsibility for management of such risks. Both Top management and the sub-units are responsible for managing the risks taking into account constraints and targets such as Bank's interest rate sensitivity, liquidity constraints, funding sources, budget targets, medium and long-term capital planning and profitability of the products in operation.

Models, strategies and processes that are accurate and integrated in accordance with risks the Bank is or may be exposed to have been established. Automated reporting and validation activities are carried out for effective analysis, monitoring and control mechanisms. Risk management infrastructure integrated with day-to-day activities enabling monitor and measurement independently from executive activities; and supports business and decision-making processes has been established. Policies, processes, targets, roles / responsibilities, and regular trainings are the main elements of the Bank's dissemination of risk culture and awareness. Systems and structures compatible with international best practices and in line with the risk appetite are available for risk management.

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The Bank implements internal policies and procedures that are reviewed and approved at least once a year by the Board of Directors in order to manage market risks arising from on and off-balance sheet liabilities. Based on the principles mentioned in Regulatory Authority's directives and best practice guidelines, internal policies determine responsibilities and practitioners for identification, measurement, monitoring and reporting of the risks in line with the risk appetite and needs of the Bank; lay the groundwork for granting limits in the Bank; and guide the actions to be taken in case of risk appetite is exceeded.

Market Risk Management organization consists of 4 sub-units; Market Risk Analysis, Asset-Liability Management and Affiliates Coordination, Counterparty Risk and Collateral Management and Risk Methodologies and Market Data Analysis units.

Market Risk Analysis unit; carry out the activities such as measuring and setting limits for risks arising from Financial assets where fair value change is reflected to income statement and Financial assets where fair value change is reflected to other comprehensive income statement using advanced internal methods (Value at Risk, Base Point Value Sensitivity etc.), complying policies and procedures with new regulations and best practices, productbased risk analysis, developing risk measurement and valuation techniques and applying stress tests.

Asset Liability Management and Subsidiaries Coordination unit; enables the Bank to measure the liquidity risk, manage the structural interest rate exposure, manage the protection procedures and the protection accounting processes used to reduce the risk of re-pricing. Follows the concentration of the Bank's funding side. Also paves the way for implementation of Bank-side risk applications and risk culture in the Bank's subsidiaries, plays an active role in risk appetite determination and coordination processes.

Counterparty Risk and Collateral Management Unit calculates the exposures of over the counter (OTC) derivative transactions via internal model method and manages the inclusion of these exposures into the monitoring and the credit underwriting processes.

The Risk Methodologies and Market Data Analysis unit provides unbiased management of all market data related to treasury products under the risk management framework. The unit is responsible for the verification of fair values, and transfer of related data sources to the banking system

3.6.2. Market risk under standardised approach

		Current Period	Prior Period
		Risk Weighted	Risk Weighted
		Asset	Asset
	Outright products	16.023.335	9.069.264
1	Interest rate risk (general and specific)	5.950.025	1.930.553
2	Equity risk (general and specific)	-	-
3	Foreign exchange risk	8.378.172	6.930.423
4	Commodity risk	1.695.138	208.288
	Options	635.362	32.150
5	Simplified approach	-	-
6	Delta-plus method	635.362	32.150
7	Scenario approach	-	-
8	Securitisation	=	-
	Total	16.658.697	9.101.414

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3.7. Explanations on Operational Risk:

The Bank calculates the amount subject to operational risk based on "Basic Indicator Method" by using 2023, 2022 and 2021 year-end gross income balances of the Bank, in accordance with Section 3 of the "Regulation Regarding Measurement and Evaluation of Banks' Capital Adequacy Ratio", published in the Official Gazette No. 29511 dated October 23, 2015, namely "The Calculation of the Amount Subject to Operational Risk". As of December 31, 2024, the total amount subject to operational risk is TL 157.343.032 (December 31, 2023 - TL 93.204.174) and the amount of the related capital requirement is TL 12.587.443 (December 31, 2023 - TL 7.456.334).

Current Period	2 Prior Period Value	1 Prior Period Value	Current Period value	Total / Total number of years for	Rate (%)	Total
Gross Income	29.687.861	97.147.860	124.913.129	83.916.283	15%	12.587.443
Amount subject to operational risk (Total*12,5)						157.343.032

Prior Period	2 Prior Period Value	1 Prior Period Value	Current Period value	Total / Total number of years for	Rate (%)	Total
Gross Income	22.290.957	29.687.861	97.147.860	49.708.893	15%	7.456.334
Amount subject to operational risk (Total*12,5)					!	93.204.174

3.8. Interest rate risk arising from banking accounts

Interest rate risk means possible losses on financial structure or equity of the Bank by movements in interest rates. Changes in interest rates affect the Bank's earnings by changing the level of net interest incomes, other interest sensitive incomes and operating expenses. The change in interest rates also affects the underlying values of the Bank's assets for active, passive and off-balance sheet items by changing the economic values of future cash flows (and in some cases, the cash flows themselves).

Interest rate risk has three main reasons:

- Repricing Risk: It is caused by the inconsistency in pricing of active and passive items.
- Yield Curve Risk: It results from the variation of the curve and shape of the yield curve.
- > Basis Risk: It's due to the low correlation of the earned and paid interest yields of different financial instruments with peer revaluation structure.

The customer's prepayment risk (option risk) is indirectly taken into account in managing and following the interest rate risk by following a specific risk protection rate.

Within the scope of the interest rate risk arising from banking accounts, the core deposit analysis for demand deposits is carried out according to the maximum maturity structure of the same regulation. In core deposit analysis, it is possible to distribute demand deposits up to three times using behavioral models reviewed once a year. In addition, Consumer Price Index bonds model and early payment model in real estate and consumer loans are also considered in the calculation of interest rate risk.

Interest rate risk is monitored weekly through internal reports and reports made to the Executive Board on a monthly basis

In accordance with the "Regulation on Measurement and Evaluation of the Interest Rate on Banking Accounts by Standard Shock Method", the economic value differences arising from fluctuations in interest rates are stated in the table below as of December 31, 2024, based on the significant currencies of the Bank.

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		Curre	ent Period	Prior Period		
Currency	Applied shock (+/- x basis points)	Gains/Losses	Gains/Losses Gains/Equity- Losses/Equity		Gains/Equity- Losses/Equity	
TRY	(+)500 bp	(13.534.702)	(5,36)%	(12.799.786)	(6,02)%	
TRY	(-)400 bp	12.957.787	5,13%	12.614.309	5,94%	
EUR	(+)200 bp	98.768	0,04%	1.547.843	0,73%	
EUR	(-)200 bp	99.000	0,04%	(1.554.431)	(0,73)%	
USD	(+)200 bp	(3.868.967)	(1,53)%	(6.799.301)	(3,20)%	
USD	(-)200 bp	5.188.412	2,06%	8.458.759	3,98%	
Total (For negative shocks)	., .	18.245.199	7,23%	19.518.637	9,19%	
Total (For positive shocks)		(17.304.901)	(6,86)%	(18.051.244)	(8,50)%	

4. Explanations on currency risk

The difference between the Bank's foreign currency denominated and foreign currency indexed on- and off-balance sheet assets and liabilities is defined as the "Net Foreign Currency Position" and it is the basis of currency risk. Cross currency risk is also taken into consideration for the currency risk calculations and measurements.

The Bank keeps the amount of currency risk exposure within the related legal limits and follows the exchange position on a daily/regular basis. In addition, although the internal exchange position limit is lower when compared to the related legal limit, there has not been any limit exceeding during the period. As an instrument of currency risk management, derivatives such as swap and forwards are used to reduce risk whenever needed. In order to guard against extreme volatility during the year stress tests are applied. Value at risk method is used for the measurement of foreign exchange risk.

The details of hedging of the foreign currency debt instruments and net foreign currency investment risk with derivative instruments are disclosed in section four Note 10.

The Bank's publicly announced foreign exchange bid rates as of the date of the financial statements and for the last five working days prior to that date are as follows:

(Exchange rates presented as full TL)	USD	EUR
Balance sheet evaluation rate:	35,2803	36,7362
First day current bid rate	35,2233	36,7429
Second day current bid rate	35,1368	36,6134
Third day current bid rate	35,2033	36,6076
Fourth day current bid rate	35,2162	36,6592
Fifth day current bid rate	35,1814	36,5693
Arithmetic average of the last 31 days:	34,9254	36,5796
Balance sheet evaluation rate as of prior period:	29,4382	32,5739

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Information on currency risk of the Bank

Current Period	EUR	USD	OTHER FC ⁽⁴⁾	Total
Assets	EUK	USD	FC.	1 Otai
Cash (Cash in hand, effectives, cash in transit, cheques purchased) and balances with				
the Central Bank of the Republic of Türkiye	46.924.323	99.793.301	30.838.872	177.556.496
Banks	3.510.765	18.943.675	777.048	23.231.488
Financial assets measured at fair value through profit or loss	4.619	3.416.657	777.046	3.421.276
Money market placements	4.017	5.410.057		3.421.270
Financial assets measured at fair value through other comprehensive income	805.403	26.080.671	_	26.886.074
Loans (1)	172.839.642	170.632.897	19.401.878	362.874.417
Investments in associates, subsidiaries and joint ventures	24.442.937	2.455.975	7.820.018	34.718.930
Financial assets measured at amortised cost	9.212.612	111.772.898	7.020.010	120.985.510
Hedging derivative financial assets	179.880	1.661.634	-	1.841.514
Tangible assets	1/7.000	1.001.034	-	1.041.314
Intangible assets	-	-	-	-
Other assets ⁽²⁾	14.101.864	37.295.233	4.276.983	55.674.080
Total assets	272.022.045	472.052.941	63.114.799	807.189.785
Liabilities	272.022.045	4/2.052.941	03.114./99	007.109.705
	124 (22	277 477	32.766	444.065
Bank deposits Foreign currency deposits	134.622 142.577.666	277.477 188.592.735	124.597.948	444.865 455.768.349
Funds from money market	4.324.218	12.107.237		16.431.455
Funds from money market Funds borrowed from other financial institutions	56.926.693	138.119.386	-	195.046.079
Marketable securities issued			2 102 226	
	13.894.647	106.821.514	2.192.326	122.908.487
Miscellaneous payables	2.159.650	2.588.121	94.906	4.842.677
Hedging derivative financial liabilities Other liabilities ⁽³⁾	0.070.000	141.650.042	42.604	1.40.700.422
	8.079.696	141.658.042	42.694	149.780.432
Total liabilities	228.097.192	590.164.512	126.960.640	945.222.344
Net on-balance sheet position	43.924.853	(118.111.571)	(63.845.841)	(138.032.559)
Net off-balance sheet position ⁽⁵⁾	(43.729.565)	117.301.927	71.541.216	145.113.578
Derivative financial assets	70.419.534	212.348.701	74.667.490	357.435.725
Derivative financial liabilities	114.149.099	95.046.774	3.126.274	212.322.147
Net Position	195.288	(809.644)	7.695.375	7.081.019
Non-cash loans	110.347.748	134.945.901	18.579.501	263.873.150
Prior Period				
Total assets	186.069.684	385.530.938	41.036.023	612.636.645
Total liabilities	208.025.003	479.564.666	87.441.022	775.030.691
Net on-balance sheet position	(21.955.319)	(94.033.728)	(46.404.999)	(162.394.046)
Net off-balance sheet position	22.265.752	94.933.770	52.712.947	169.912.469
Financial derivative assets	39.336.954	206.873.665	55.193.732	301.404.351
Financial derivative liabilities	17.071.202	111.939.895	2.480.785	131.491.882
Net Position	310.433	900.042	6.307.948	7.518.423
Non-cash loans	94.446.269	100.266.195	13.047.438	207.759.902

- (1) Includes FX indexed loans amounting to TL 78.252 (December 31, 2023 TL 115.545) which have been disclosed as TL in the financial statements.
- (2) Does not include foreign currency prepaid expenses amounting to TL 2.730.749 (December 31, 2023 TL 2.569.809).
- (3) Does not include foreign currency other comprehensive income and expense under equity.
 (4) Other FC column includes also gold balance.
- (4) Other FC column includes also gold balance.(5) Forward transactions classified as commitments are also included.

Currency risk sensitivity analysis:

The table below represents the sensitivity of the Bank to 15% change of currency exchange rates (USD and EUR). 15% change is the assumption of parity change that may be faced in a possible fluctuation used in the Bank's stress test scenarios.

	Current Period	Prior Period
Change in currency exchange rates	Equity and Profit/loss effect (1)	Equity and Profit/loss effect (1)
(+)15%	39.171	(890.153)
(-)15%	404.689	1.335.195
(-)15% (1) Excluding tax effect.	404.689	

5. Explanations on interest rate risk

The monitoring of interest rate sensitive assets and liabilities, including sensitivity analysis regarding the effect of interest rate fluctuations on the financial statements, is performed by the risk management department for all interest sensitive instruments over carrying values. The Iresults are presented monthly to the Asset and Liability Management function of the Executive Committee. By using sensitivity and scenario analyses, the possible effects by interest rate volatility are analyzed. In these analyses possible losses are calculated for the change in fair value of interest sensitive products by applying shock tests to interest rates.

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Sensitivity analyses are also calculated daily within Market Risk reporting on the basis of maturity and foreign exchange types and reported to Senior Management by checking them against the determined limits.

The Bank utilizes TL/FC and TL/TL interest rate and money swap transactions in order to limit the interest and foreign currency risk arising from short-term deposit and long-term consumer loans within the balance sheet.

5.1. Interest rate sensitivity of assets, liabilities and off-balance sheet items based on repricing dates:

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-interest bearing	Tot
Assets ⁽¹⁾		1 b months	U 12 Months	1010113	010	bearing	
Cash (cash in hand, effectives, cash in transit,							
cheques purchased) and balances with the Central							
Bank of the Republic of Türkiye	143.823.783	-	-	-	-	243.907.912	387.731.6
Banks	-	4.253	23.178	-	-	23.287.321	23.314.7
Financial assets measured at fair value through profit							
or loss	-	1.737.026	1.716	48.096	227.104	1.710.840	3.724.7
Receivables from money markets	-	-	-	-	-	-	
Financial assets measured at fair value through other							
comprehensive income	18.004.010	28.574.402	16.998.385	19.865.744	47.552.037	160.769	131.155.3
Loans(2)	417.827.710	124.117.553	406.978.159	217.193.302	41.623.863	(8.154.967)	1.199.585.
Financial assets measured at amortised cost	155.176.650	19.512.742	22.580.675	85.814.277	88.188.634	(142.657)	371.130.3
Other assets	1.610.097	1.876.129	8.100.948	5.619.448	3.338.577	243.398.083	263.943.2
Total assets	736.442.250	175.822.105	454.683.061	328.540.867	180.930.215	504.167.301	2.380.585.
Liabilities							
Bank deposits	10.040.038	4.674.741	9.412.120	437.593		1.133.656	25.698.
Other deposits	519.302.225	136.298.166	15.912.383	21.494	_	570.676.013	1.242.210.2
Funds from money market	187.774.715	722	15.712.505	21.474		570.070.015	187.775.
Miscellaneous payables	107.774.713	122			-	108.795.210	108.795.
Marketable securities issued	10.204.902	18.123.210	47.283.528	53.699.119	-	100.793.210	129.310.
Funds borrowed from other financial institutions	71.233.920	144.224.243	53.244.620	1.553.705	109.477	-	270.365.
Other liabilities ⁽³⁾						252 400 700	
Total liabilities	5.013.262 803.569.062	84.588.085 387.909.167	4.848.175 130.700.826	40.640.585	27.931.102 28.040.579	253.408.790 934.013.669	416.429. 2.380.585.
	803.569.062	387.909.167		96.352.496		934.013.009	
Balance sheet long position	-	-	323.982.235	232.188.371	152.889.636	-	709.060.2
Balance sheet short position	(67.126.812)	(212.087.062)	-	-	-	(429.846.368)	(709.060.2
Off-balance sheet long position	-	-	12.520.080	-	-	-	12.520.0
Off-balance sheet short position	(21.479.287)	(4.761.920)	-	(40.020)	(3.422.888)	-	(29.704.1
Total position	(88.606.099)	(216.848.982)	336.502.315	232.148.351	149.466.748	(429.846.368)	(17.184.0
	Up to 1				5 Years and	Non-interest	
Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-interest bearing	To
Assets ⁽¹⁾		1-3 Months	3-12 Months	1-5 Years			To
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit,		1-3 Months	3-12 Months	1-5 Years			To
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central		1-3 Months	3-12 Months	1-5 Years		bearing	
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye		-	-	1-5 Years		bearing 262.560.002	262.560.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks		1-3 Months	3-12 Months	1-5 Years		bearing	262.560.0
Assets ⁽¹⁾ Cash (eash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit		32.710	19.815	-	Over	262.560.002 27.549.457	262.560.0 27.601.9
Assets ⁽¹⁾ Cash (eash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss		-	-	1-5 Years		bearing 262.560.002	262.560. 27.601.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets		32.710	19.815	-	Over	262.560.002 27.549.457	262.560. 27.601.
Assets ⁽¹⁾ Cash (eash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other	Month	32.710 1.399.417	19.815 40.278	- - 247.444	Over 418.577	262.560.002 27.549.457 987.929	262.560. 27.601. 3.093.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Turkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income	Month	32.710 1.399.417 - 22.678.595	19.815 40.278 - 7.503.380	247.444 - 15.323.406	Over	262.560.002 27.549.457 987.929	262.560.0 27.601.1 3.093.0 95.393.
Assets Cash (eash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽⁵⁾	Month 13.735.628 239.575.567	32.710 1.399.417 - 22.678.595 128.225.192	19.815 40.278 - 7.503.380 336.362.119	247.444 - 15.323.406 133.877.696	Over	262.560.002 27.549.457 987.929 - 126.919 (12.990.208)	262.560.0 27.601.1 3.093.1 95.393. 864.740.1
Assets ⁽¹⁾ Cash (eash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost	Month 13.735.628 239.575.567 111.445.955	32.710 1.399.417 - 22.678.595 128.225.192 14.176.961	19.815 40.278 - 7.503.380 336.362.119 18.462.122	247.444 - 15.323.406 133.877.696 66.634.958	418.577 - 36.025.229 39.689.930 94.614.498	262.560.002 27.549.457 987.929 126.919 (12.990.208) (715.000)	262.560. 27.601. 3.093. 95.393. 864.740. 304.619.
Assets Cash (eash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽⁵⁾	Month 13.735.628 239.575.567	32.710 1.399.417 - 22.678.595 128.225.192	19.815 40.278 - 7.503.380 336.362.119	247.444 - 15.323.406 133.877.696	Over	262.560.002 27.549.457 987.929 - 126.919 (12.990.208)	262.560. 27.601. 3.093. 95.393. 864.740. 304.619.
Assets ⁽¹⁾ Cash (eash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets	Month 13.735.628 239.575.567 111.445.955	32.710 1.399.417 - 22.678.595 128.225.192 14.176.961	19.815 40.278 - 7.503.380 336.362.119 18.462.122	247.444 - 15.323.406 133.877.696 66.634.958	418.577 - 36.025.229 39.689.930 94.614.498	262.560.002 27.549.457 987.929 126.919 (12.990.208) (715.000)	262.560. 27.601. 3.093. 95.393. 864.740. 304.619.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Total assets	13.735.628 239.575.567 111.445.955 2.817.698	32.710 1.399.417 - 22.678.595 128.225.192 14.176.961 2.445.267	7.503.380 336.362.119 18.462.122 3.537.942	247.444 - 15.323.406 133.877.696 66.634.958 8.316.238	36.025.229 36.89.930 94.614.498 4.187.380	262.560.002 27.549.457 987.929 - 126.919 (12.990.208) (715.000) 159.338.034	262.560. 27.601. 3.093. 95.393. 864.740. 304.619.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Turkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets	13.735.628 239.575.567 111.445.955 2.817.698	32.710 1.399.417 - 22.678.595 128.225.192 14.176.961 2.445.267	7.503.380 336.362.119 18.462.122 3.537.942	247.444 - 15.323.406 133.877.696 66.634.958 8.316.238	36.025.229 36.89.930 94.614.498 4.187.380	262.560.002 27.549.457 987.929 - 126.919 (12.990.208) (715.000) 159.338.034	262.560.0 27.601. 3.093.0 95.393. 864.740. 304.619. 180.642.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Liabilities Bank deposits	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848	32.710 1.399.417 22.678.595 128.225.192 14.176.961 2.445.267 168.958.142	19.815 40.278 7.503.380 336.362.119 18.462.122 3.537.942 365.925.656	247.444 15.323.406 133.877.696 66.634.958 8.316.238 224.399.742	36.025.229 36.89.930 94.614.498 4.187.380	262.560.002 27.549.457 987.929 - 126.919 (12.990.208) (715.000) 159.338.034 436.857.133	262.560.1 27.601.1 3.093.1 95.393. 864.740.1 304.619.1 180.642 1.738.651.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Total assets	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848	32.710 1.399.417 - 22.678.595 128.225.192 14.176.961 2.445.267 168.958.142 7.077.792	19.815 40.278 - 7.503.380 336.362.119 18.462.122 3.537.942 365.925.656	247.444 - 15.323.406 133.877.696 66.634.958 8.316.238 224.399.742	36.025.229 36.89.930 94.614.498 4.187.380	262.560.002 27.549.457 987.929 - 126.919 (12.990.208) (715.000) 159.338.034 436.857.133	262.560. 27.601. 3.093. 95.393. 864.740. 304.619. 180.642. 1.738.651.
Assets ⁽¹⁾ Cash (eash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Total assets Bank deposits Other deposits	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848 369.1074	32.710 1.399.417 - 22.678.595 128.225.192 14.176.961 2.445.267 168.958.142 7.077.792	19.815 40.278 7.503.380 336.362.119 18.462.122 365.925.656 8.395.679 8.506.313	247.444 - 15.323.406 133.877.696 66.634.958 8.316.238 224.399.742	36.025.229 36.89.930 94.614.498 4.187.380	262.560.002 27.549.457 987.929 - 126.919 (12.990.208) (715.000) 159.338.034 436.857.133	262.560.1 27.601.1 3.093.1 95.393. 864.740.1 304.619.1 180.642.1 1.738.661.1 32.406.1 1.004.063.5
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Turkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Total assets Labilities Bank deposits Other deposits Funds from money market	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848 369.1074	32.710 1.399.417 - 22.678.595 128.225.192 14.176.961 2.445.267 168.958.142 7.077.792	19.815 40.278 7.503.380 336.362.119 18.462.122 365.925.656 8.395.679 8.506.313	247.444 - 15.323.406 133.877.696 66.634.958 8.316.238 224.399.742	36.025.229 36.89.930 94.614.498 4.187.380	262.560.002 27.549.457 987.929 - 126.919 (12.990.208) (715.000) 159.338.034 436.857.133	262.560. 27.601. 3.093. 95.393. 864.740. 180.642. 1.738.651. 32.406. 57.973. 74.014.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loansi ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Liabilities Bank deposits Other deposits Funds from money market Miscellaneous payables Marketable securities issued	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848 15.738.390 346.891.074 39.552.389 8.231.836	32.710 1.399.417 	19.815 40.278 7.503.380 336.362.119 18.462.122 365.925.656 8.357.942 365.925.656 8.5506.313 1.527.163	15.323.406 133.877.696 66.634.958 8.316.238 224.399.742 119.974 27.986	36.025.229 39.689.930 94.614.498 4.187.380 174.935.614	262.560.002 27.549.457 987.929 - 126.919 (12.990.208) (715.000) 159.338.034 436.857.133	262.5601: 3.093. 95.393. 864.740: 304.619. 180.642. 1.738.651. 32.406. 1.004.063. 57.973. 74.014.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Turkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Total assets Liabilities Bank deposits Other deposits Funds from money market Miscellaneous payables Marketable securities issued Funds bronwed from other financial institutions	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848 15.738.390 346.891.074 39.552.389 8.231.836 5.146.980	32.710 1.399.417 - 22.678.595 128.225.192 14.176.961 2.445.267 168.958.142 7.077.792 137.743.306 16.893.465 7.410.734 94.505.505	19.815 40.278 - 7.503.380 336.362.119 18.462.122 3537.942 365.925.656 8.395.079 85.506.313 1.527.163 37.597.921 38.547.419	247.444 - 15.323.406 133.877.696 66.634.958 8.316.238 224.399.742 119.974 27.986 - 24.461.173 1.822.773	36.025.229 39.689.930 94.614.498 4.187.380 174.935.614	262.560.002 27.549.457 987.929 126.919 (12.990.208) (715.000) 159.338.034 436.857.133 1.075.215 433.894.804	262.5601. 3.093. 95.393. 864.740. 304.619. 180.642. 1.738.651. 32.406. 1.004.063. 57.973. 74.014. 77.701.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Liabilities Bank deposits Other deposits Funds from money market Miscellancous payables Marketable securities issued Funds borrowed from other financial institutions Other liabilities ⁽³⁾	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848 15.738.390 346.891.074 39.552.389 8.231.836 5.146.980 21.817.850	32.710 1.399.417 22.678.595 128.225.192 14.176.961 2.445.267 168.958.142 7.077.792 137.743.306 16.893.465 7.410.734 94.505.505	19.815 40.278 7.503.380 336.362.119 18.462.122 3.537.942 365.925.656 8.395.079 85.506.313 1.527.163 37.597.921 38.547.419	247.444 - 15.323.406 133.877.696 66.634.958 8.316.238 224.399.742 119.974 27.986 - 24.461.173 1.822.773 1.822.773	36.025.229 39.689.930 94.614.498 4.187.380 174.935.614	262.560.002 27.549.457 987.929 - 126.919 (12.990.208) (715.000) 159.338.034 436.857.133 1.075.215 433.894.804 - 74.014.722 - 228.071.922	262.560. 27.601. 3.093. 95.393. 864.740. 304.619. 180.642. 1.738.651. 32.406. 1.004.063. 57.973. 74.014. 77.701. 140.307. 352.184.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Turkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Liabilities Bank deposits Other deposits Funds from money market Miscellancous payables Funds borrowed from other financial institutions Other liabilities Funds liabilities Funds liabilities Funds from other financial institutions Other liabilities Total liabilities	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848 15.738.390 346.891.074 39.552.389 8.231.836 5.146.980	32.710 1.399.417 - 22.678.595 128.225.192 14.176.961 2.445.267 168.958.142 7.077.792 137.743.306 16.893.465 7.410.734 94.505.505	19.815 40.278 7.503.380 336.362.119 18.462.122 3.537.942 365.925.656 8.395.079 85.506.313 1.527.163 37.597.921 38.547.419 3.094.432 174.668.327	15.323.406 133.877.696 66.634.958 8.316.238 224.399.742 119.974 27.986 - 24.461.173 1.822.773 18.230.707 44.662.613	36.025.229 39.689.930 94.614.498 4.187.380 174.935.614	262.560.002 27.549.457 987.929 126.919 (12.990.208) (715.000) 159.338.034 436.857.133 1.075.215 433.894.804	262.5601 27.601.1 3.093,1 95.393,864.740.304.619,180.642. 1.738.651. 32.406. 1.004.063,57.973,74.014. 77.701.140.307,352.184,1738.651.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Tarkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Liabilities Bank deposits Other deposits Funds from money market Miscellaneous payables Marketable securities issued Funds borrowed from other financial institutions Other liabilities ⁽³⁾ Total liabilities Balance sheet long position	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848 15.738.390 346.891.074 39.552.389 8.231.836 5.146.980 21.817.850	32,710 1.399,417 - 22,678,595 128,225,192 14,176,961 2,445,267 168,958,142 7,077,792 137,743,306 16,893,465 7,410,734 94,505,505 76,197,295 339,828,097	19.815 40.278 7.503.380 336.362.119 18.462.122 3.537.942 365.925.656 8.395.079 85.506.313 1.527.163 37.597.921 38.547.419	247.444 - 15.323.406 133.877.696 66.634.958 8.316.238 224.399.742 119.974 27.986 - 24.461.173 1.822.773 1.822.773	36.025.229 39.689.930 94.614.498 4.187.380 174.935.614	262.560.002 27.549.457 987.929 126.919 (12.990.208) (715.000) 159.338.034 436.857.133 1.075.215 433.894.804 74.014.722 228.071.922 737.056.663	262.5601 27.601: 3.093.3 95.393.864.740.304.619.180.642. 1.738.651. 32.406. 1.004.063.57.973. 74.014.77.701.140.307. 352.184.
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Liabilities Bank deposits Other deposits Funds from money market Miscellancous payables Marketable securities issued Funds borrowed from other financial institutions Other liabilities ⁽³⁾ Total liabilities Balance sheet long position Balance sheet short position	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848 15.738.390 346.891.074 39.552.389 8.231.836 5.146.980 21.817.850 437.378.519	32.710 1.399.417 22.678.595 128.225.192 14.176.961 2.445.267 168.958.142 7.077.792 137.743.306 16.893.465 7.410.734 94.505.505 76.197.295 339.828.097 (170.869.955)	19.815 40.278 7.503.380 336.362.119 18.462.122 3.537.942 365.925.656 8.395.079 85.506.313 1.527.163 37.597.921 38.547.419 3.094.432 174.668.327	15.323.406 133.877.696 66.634.958 8.316.238 224.399.742 119.974 27.986 - 24.461.173 1.822.773 18.230.707 44.662.613	36.025.229 39.689.930 94.614.498 4.187.380 174.935.614	262.560.002 27.549.457 987.929 - 126.919 (12.990.208) (715.000) 159.338.034 436.857.133 1.075.215 433.894.804 - 74.014.722 - 228.071.922	262.560.0 27.601.5 3.093.0 95.393. 864.740.2 180.642.2 1.738.651. 32.406.1 1.004.063.5 57.973.0 74.014.7 77.701.1 140.307.352.184.1 1.738.651.5 540.873.1 (540.873.1
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Turkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Total assets Total assets Liabilities Bank deposits Other deposits Funds from money market Miscellaneous payables Marketable sceurities issued Funds borrowed from other financial institutions Other liabilities Balance sheet long position Balance sheet long position Otherbalance sheet long position	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848 15.738.390 346.891.074 39.552.389 8.231.836 5.146.980 21.817.850	32,710 1.399,417 - 22,678,595 128,225,192 14,176,961 2,445,267 168,958,142 7,077,792 137,743,306 16,893,465 7,410,734 94,505,505 76,197,295 339,828,097	19.815 40.278 7.503.380 336.362.119 18.462.122 3.537.942 365.925.656 8.395.079 85.506.313 1.527.163 37.597.921 38.547.419 3.094.432 174.668.327	15.323.406 133.877.696 66.634.958 8.316.238 224.399.742 119.974 27.986 - 24.461.173 1.822.773 18.220.707 44.662.613	36.025.229 39.689.930 94.614.498 4.187.380 174.935.614	262.560.002 27.549.457 987.929 126.919 (12.990.208) (715.000) 159.338.034 436.857.133 1.075.215 433.894.804 74.014.722 228.071.922 737.056.663	262.560.1 27.601.5 3.093.6 95.393. 864.740.2 180.642.2 1.738.651. 32.406. 1.004.063. 77.701. 140.307. 732.184. 1.738.651. 540.873. (540.873.1
Assets ⁽¹⁾ Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of the Republic of Türkiye Banks Financial assets measured at fair value through profit or loss Receivables from money markets Financial assets measured at fair value through other comprehensive income Loans ⁽²⁾ Financial assets measured at amortised cost Other assets Challities Bank deposits Other deposits Other deposits Other deposits Funds from money market Miscellancous payables Marketable securities issued Funds borrowed from other financial institutions Other liabilities Balance sheet long position Balance sheet short position	13.735.628 239.575.567 111.445.955 2.817.698 367.574.848 15.738.390 346.891.074 39.552.389 8.231.836 5.146.980 21.817.850 437.378.519	32.710 1.399.417 22.678.595 128.225.192 14.176.961 2.445.267 168.958.142 7.077.792 137.743.306 16.893.465 7.410.734 94.505.505 76.197.295 339.828.097 (170.869.955)	19.815 40.278 7.503.380 336.362.119 18.462.122 3.537.942 365.925.656 8.395.079 85.506.313 1.527.163 37.597.921 38.547.419 3.094.432 174.668.327	15.323.406 133.877.696 66.634.958 8.316.238 224.399.742 119.974 27.986 - 24.461.173 1.822.773 18.230.707 44.662.613	36.025.229 39.689.930 94.614.498 4.187.380 174.935.614	262.560.002 27.549.457 987.929 126.919 (12.990.208) (715.000) 159.338.034 436.857.133 1.075.215 433.894.804 74.014.722 228.071.922 737.056.663	262.5601. 3.093. 95.393. 864.740. 304.619. 180.642. 1.738.651. 32.406. 1.004.063. 57.973. 74.014. 77.701. 1140.307. 352.184. 1.738.651. 540.873. 540.873.15

- (1) Expected credit losses are shown in the "Non-interest bearing" column of the relevant financial item.
- (2) Non-performing loans are shown in the "Non-interest bearing" column after being offset by expected credit losses.
- (3) Shareholders' equity is presented under the "Non interest bearing".

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Yapı Kredi 2024

Integrated Annual

From the Management

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Business Model and Stakeholders

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5.2. Average interest rates for monetary financial instruments:

The following average interest rates are calculated by weighting the rates with their principal amounts outstanding as of the balance sheet date.

Current Period	EUR	USD	Yen	TL
	%	%	%	%
Assets				
Cash (cash in hand, effectives, cash in transit, cheques				
purchased) and balances with the Central Bank of the Republic of Türkiye(1)	-	-	-	34,79
Banks	2,67	-	-	-
Financial assets measured at fair value through profit or loss	3,65	5,12	-	-
Receivables from money markets	-	-	-	-
Financial assets measured at fair value through other comprehensive income	4,68	6,24	-	36,23
Loans	6,79	8,46	-	49,45
Financial assets measured at amortised cost	4,32	6,49	-	34,84
Liabilities				
Bank deposits ⁽²⁾	0,25	3,00	-	45,26
Other deposits ⁽²⁾	0,10	0,47	-	32,62
Funds from money market	3,55	3,63	-	41,72
Miscellaneous payables	-	-	-	-
Marketable securities issued	3,41	6,76	-	48,50
Funds borrowed from other financial institutions	4.76	6.05	_	43.85

Prior Period	EUR	USD	Yen	TL
	%	%	%	%
Assets				
Cash (cash in hand, effectives, cash in transit, cheques				
purchased) and balances with the Central Bank of the Republic of Türkiye	-	-	-	-
Banks	3,86	5,45	-	-
Financial assets measured at fair value through profit or loss	5,98	5,75	-	-
Receivables from money markets	-	-	-	-
Financial assets measured at fair value through other comprehensive income	4,12	7,66	-	38,37
Loans	8,34	9,31	-	40,63
Financial assets measured at amortised cost	4,32	6,46	-	39,55
Liabilities				
Bank deposits ⁽²⁾	4,01	5,73	-	39,50
Other deposits ⁽²⁾	0,14	0,24	-	19,03
Funds from money market	5,74	5,56	-	40,48
Miscellaneous payables	· -	´ -	-	· -
Marketable securities issued	6,30	8,03	-	35,24
Funds borrowed from other financial institutions	7,21	7,38	-	27,12

- (1) In accordance with CBRT's the letter dated February 5, 2024 and numbered 198, interest rates were taken into account that applied to some of the required reserves established in TL, in accordance with the conditions specified in the instruction.
- (2) Demand deposit balances are included in average interest rate calculation.

6. Explanation on share certificates position risk from banking book:

None

7. Explanations on Liquidity Risk Management, Liquidity Coverage Ratio and Net Stable Funding Ratio:

Liquidity risk is defined as risk of unexpected loss to be occurred or bank to have difficulties in raising funds while meeting maturing liabilities. Liquidity management is daily monitored in the Bank under Treasury Management and Risk Management. The liquidity policy of the Bank is approved by the Bank's Board of Directors. Treasury Management is responsible for carrying out transactions which are appropriate to Bank's policy, monitoring of liquidity position and submitting necessary reports to executives. Treasury management contributes to determine strategies and operating actions for the management of the liquidity position in addition to prepare funding plan and contingency funding plan of the Bank. Liquidity risk is evaluated with liquidity gap analysis, liquidity stress tests and supplementary precautions/measurements. Liquidity Gap analysis are performed for two different periods as short-term and long-term. Going concern scenario and structural positions are reported monthly. This reporting constitutes the basis of monitoring and management of liquidity position.

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The Bank does not function as a central funding institution in its relations with its subsidiaries. Intra-group liquidity management and funding strategies are limited with related legal boundaries and monitored regularly via various reports. Intraday liquidity is also monitored closely by the bank in its best effort.

The Bank issues an annual funding plan in order to sustain funding in a consistent and balanced way. Funding plan have to be updated at least annually and approved by the Executive Committee since it is complied with budgeting process and risk appetite frameworks. The primary purpose of the funding plan is to provide a reliable balance between assets and liabilities.

Both short-term liquidity and medium/long-term (structural) liquidity measurement and reporting for all types of currencies are periodically made in the Bank and its subsidiaries. There are limits which are predetermined and approved by the Board of Directors on the basis of all currencies for each period.

The Bank mainly uses derivative transactions as managing liquidity risk and monitors cash inflow and outflow periods in the framework of funding plan balancing the distribution among currencies.

The Bank aims to reduce the risks to the lowest level if required via measuring possible risks in liquidity with stress tests. Stress tests make it possible for the Bank to reinterpret analysis of its liquidity position according to scenarios depending on possible cases and tail risks except for crisis situations. Liquidity Stress Test methodology makes a similar approach with Liquidity Coverage Ratio (LCR) template and hence allows the overview of the results in line with Basel approaches. The Bank applies and reports liquidity stress tests consisting of different scenarios and maturity segments both on unconsolidated and consolidated level and the results are compared with both liquidity stress tests and other liquidity limit and trigger levels set, with different frequencies (weekly, monthly etc.) according to the scenarios.

"Liquidity Contingency Plan" is applied if the Bank needs more liquidity than its daily liquidity need because of possible financial events in future. Duties and responsibilities are defined in detail in the aforementioned plan. Both the liquidity policy and liquidity contingency policy are in line with BRSA best practice documents on liquidity risk management. The abovementioned policies and the thresholds (limits etc.) covered within liquidity risk management framework are updated and approved at least annually.

Funding sources of the Bank mainly consist of deposits which constitute 53% (December 31, 2023 - 60%) of total liabilities of the Bank and also include repo, secured loans, syndication, securitization, bond/security issuance and other instruments including subordinated loans/debts.

The Bank calculates and reports the LCR in full compliance with the regulations. LCR is a metric measuring the adequacy of unencumbered free liquid assets owned by banks (called high quality liquid assets) to meet expected net cash outflows over the next 30 days. The metric is an important Basel regulation that measures short-term liquidity and is closely monitored in the Bank. In addition to LCR, the Bank has also measures the Net Stable Funding Rate (NSFR), which is considered another complementary element and provides another important medium / long-term liquidity risk measurement. In accordance with the Regulation on Calculation of Banks' Net Stable Funding Ratio, published in the Official Gazette dated May 26, 2023 and numbered 32202, the relevant metric has started to be followed up within the framework of legal regulations. These two metrics are also included within the Risk Appetite Indicators and closely monitored at the Bank.

High quality liquid assets mentioned in LCR calculation consist of cash, effective money, CBRT accounts and reserves and government bonds issued by Ministry of Treasury and Finance of the Republic of Türkiye treated as high quality liquid assets.

Cash outflows from derivative transactions in liquidity coverage ratio 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 liquidity coverage ratio calculation by taking the largest outflow amount according to the negative values of net margin flows realized 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 other secured borrowings. A large part of securities which are subjects of the aforementioned funding transactions consist of Sovereign Bonds issued by Ministry of Treasury and Finance of the Republic of Türkiye and transactions are carried out in both CBRT market and interbank market.

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The Bank manages all the transactions made before its foreign branches and partnership in the framework of central bank, markets and related legislation of the country in which the institutions are located. Legal lending limits and high limit transactions are closely monitored in this framework.

All cash inflow and outflow items related to liquidity profile of the Bank are included in liquidity coverage ratio tables below for the last three months.

Average amounts of weekly liquidity coverage ratio calculations related to the last three months of current period are explained in the table below.

	Unweighted A	Amounts	Weighted Amounts		
Current Period	TL+FC	FC	TL+FC	FC	
High Quality Liquid Assets					
High Quality Liquid Assets			456.430.997	194.006.947	
Cash Outflows					
Retail and Small Business Customers Deposits	865.295.137	308.971.862	76.210.085	30.429.542	
Stable deposits	206.388.574	9.352.885	10.319.429	467.644	
Less stable deposits	658.906.563	299.618.977	65.890.656	29.961.898	
Unsecured Funding other than Retail and Small Business					
Customers Deposits	471.225.861	180.515.772	270.746.374	99.926.217	
Operational deposits	_	_	_	-	
Non-Operational deposits	337.468.048	141.078.748	159.427.935	60.489.193	
Other Unsecured funding	133.757.813	39.437.024	111.318.439	39.437.024	
Secured funding			_	_	
Other Cash Outflows	2.645.069	3.525.575	2.645.069	3.525.575	
Liquidity needs related to derivatives and market					
valuation changes on derivatives transactions	2.645.069	3.525.575	2.645.069	3.525.575	
Debts related to the structured financial products	_	-	-	_	
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	540.962.666	253.332.811	27.048.133	12.666.641	
Other irrevocable or conditionally revocable commitments	1.442.135.931	78.341.199	102.411.854	16.944.435	
Total Cash Outflows			479.061.515	163.492.410	
Cash Inflows					
Secured Lending Transactions	_	_	_	-	
Unsecured Lending Transactions	177.508.535	43.126.237	107.979.426	36.421.049	
Other contractual cash inflows	1.615.689	36.170.876	1.615.689	36.170.876	
Total Cash Inflows	179.124.224	79.297.113	109.595.115	72.591.925	
			Capped	l Amounts	
Total High Quality Liquid Assets			456.430.997	194.006.947	
Total Net Cash Outflows			369.466.400	90.900.485	
Liquidity Coverage Ratio (%)			123,54	213,43	

The dates and values of minimum and maximum foreign currency and total liquidity coverage ratios calculated weekly related to the last three months of current period are explained in the table below

Current Period	Minimum FC (%)	Minimum TL+FC (%)	Maximum FC (%)	Maximum TL+FC (%)
Week	October 25, 2024	November 1, 2024	December 27, 2024	December 6, 2024
Ratio (%)	161,75	116,34	308,97	130,11

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Average amounts of weekly liquidity coverage ratio calculations related to the last three months of prior period are explained in the table below.

	Unweighted A	Amounts	Weighted Ar	mounts
Prior Period	TL+FC	FC	TL+FC	FC
High Quality Liquid Assets				
High Quality Liquid Assets			426.099.327	176.506.801
Cash Outflows				
Retail and Small Business Customers Deposits	675.824.159	259.887.706	60.939.206	25.611.399
Stable deposits	132.864.185	7.547.427	6.643.209	377.371
Less stable deposits	542.959.974	252.340.279	54.295.997	25.234.028
Unsecured Funding other than Retail and Small Business				
Customers Deposits	340.699.396	143.880.893	208.081.189	82.384.996
Operational deposits	-	_	-	-
Non-Operational deposits	244.920.949	113.060.551	126.153.678	51.564.654
Other Unsecured funding	95.778.447	30.820.342	81.927.511	30.820.342
Secured funding			_	-
Other Cash Outflows	3.637.081	3.637.081	3.637.081	3.637.081
Liquidity needs related to derivatives and market				
valuation changes on derivatives transactions	3.637.081	3.637.081	3.637.081	3.637.081
Debts related to the structured financial products	-	-	-	-
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	384.673.976	193.447.252	19.233.699	9.672.362
Other irrevocable or conditionally revocable commitments	684.119.958	63.800.106	54.843.105	15.577.428
Total Cash Outflows			346.734.280	136.883.266
Cash Inflows				
Secured Lending Transactions	-	_	-	-
Unsecured Lending Transactions	120.494.559	38.879.864	78.727.122	33.941.859
Other contractual cash inflows	785.405	62.427.717	785.405	62.427.717
Total Cash Inflows	121.279.964	101.307.581	79.512.527	96.369.576
			Capped	l Amounts
Total High Quality Liquid Assets			426.099.327	176.506.801
Total Net Cash Outflows			267.221.753	40.513.690
Liquidity Coverage Ratio (%)			159,46	435,67

The dates and values of minimum and maximum foreign currency and total liquidity coverage ratios calculated weekly related to the last three months of prior period are explained in the table below.

Prior Period	Minimum FC (%)	Minimum TL+FC (%)	Maximum FC (%)	Maximum TL+FC (%)
Week	October 27, 2023	December 8, 2023	November 17, 2023	October 13, 2023
Ratio (%)	261.89	144.15	524.36	190.04

With the framework of the regulation, NSFR is closely monitored and reported on monthly and three-month average basis. NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. In addition to the Bank's capital available stable funding mainly consists of retail and corporate deposits and other borrowings which are taken into account at different rates in accordance with the regulation. Required stable funding is calculated by the amount of receivables, such as loans and government bonds, categorized by the counterparty type, residual maturity and encumbrance status. Within this framework, the required stable fund amount refers to the portion of the Bank's on-balance sheet assets and off-balance sheet liabilities that expected to be refunded. In accordance with the regulation, the three-month simple arithmetic average of the calculated NSFR for the periods of March, June, September and December cannot be less than 100%.

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Three-month simple arithmetic mean as of most recent quarter is 120,13%. The ratio and main items constituting the NSFR as of most recent period shown in the table below.

Compared to current and prior period NSFR, the decrease is primarily due to changes in the amount and maturity of deposits and loans that play significant part in development of the Bank's ratio.

		Unweighted Amount According to Residual Maturity				
Cur	rent Period	Non Maturity	Residual maturity of less than 6 months	Residual maturity of 6 months and longer but less than 1 year	Residual maturity of 1 year or more	Total Weighted Amount
	ilable stable funding					
1	Capital Instruments	228.480.835	-	-	59.012.495	287.493.330
2	Tier 1 Capital and Tier 2 Capital	228.480.835	-	-	59.012.495	287.493.330
3	Other Capital Instruments	-	-	-	-	
4	Real-person and Retail Customer Deposits	422.220.209	424.301.276	-	-	773.732.843
5	Stable Deposits	118.650.771	118.619.348	-	-	225.406.613
6	Less Stable Deposits	303.569.438	305.681.928	-	-	548.326.230
7	Other Obligations	89.876.878	932.029.043	102.737.268	159.973.877	416.380.936
8	Operational deposits	-	-	-	-	-
-	Other Obligations	89.876.878	932.029.043	102.737.268	159.973.877	416.380.936
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities			(26.170.104)		-
12	Derivative liabilities			(26.411.876)		
13	All other liabilities not included in the above categories		241.772			
14	Available stable funding	-	241.772	-		1.477.607.109
	uired stable funding					1.4//.00/.109
15	High Quality Liquid Assets					163.124.176
	Deposits held at financial institutions for					103.124.170
16	operational purposes	-	-	-	-	-
17	Performing Loans	_	799.029.724	182.418.531	272.358.234	696.366.009
18	Encumbered loans to financial institutions,					
10	where the loan is secured against Level 1 assets	-	-	-	-	-
10	Unencumbered loans to financial institutions or					
19	encumbered loans that are not secured against Level 1 assets		51.577.112	6.716.186	606.309	11.700.969
	Loans to corporate customers, real persons and	-	31.3//.112	0./10.180	000.309	11./00.909
20	or retail customers, central banks, other than					
	credit agencies and/or financial institutions	-	740.174.122	173.767.443	266.555.046	681.178.207
21	Loans with a risk weight of less than or equal					
	to 35%	-	-	-	3.625.846	2.356.800
22	Residential mortgages	-	880.335	554.875	4.652.564	3.024.166
23	Residential mortgages with a risk weight of less than or equal to 35%		880.335	554.875	4.652.564	3.024.166
١	Securities that are not in default and do not	-	880.333	334.873	4.032.304	3.024.100
24	qualify as HQLA and exchange-traded equities	_	6.398.155	1.380.027	544.315	462.667
25	Assets equivalent to interconnected liabilities					
26	Other Assets	273.529.539		37.530.879		310.400.800
27	Physical traded commodities, including gold	4.397.452				3.737.834
28	Initial margin posted or given guarantee fund to					
	central counterparty			-		-
29	Derivative Assets		35.934.774	35.934.774		
30	Derivative Liabilities before the deduction of			1.507.105		1.506.105
31	the variation margin	260 122 097		1.596.105		1.596.105
32	Off balance short committee out	269.132.087	1 000 052 010	-	-	269.132.087
33	Off-balance sheet commitments		1.990.953.010		-	99.547.651
34	Total Required stable funding Net Stable Funding Ratio (%)					1.269.438.636
34	Net Stable Funding Katlo (%)					116,40

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Three-month simple arithmetic mean as of most recent quarter is 134,65%. The ratio and main items constituting the NSFR as of previous period shown in the table below.

		Unweighted Amount According to Residual Maturity				
Prio	r Period	Non Maturity	Residual maturity of less than 6 months	Residual maturity of 6 months and longer but less than 1 year	Residual maturity of 1 year or more	Total Weighted Amount
Avai	ilable stable funding	· · · · · · · · · · · · · · · · · · ·				
1	Capital Instruments	204.004.826	19.134.830	_	15.519.100	238.658.756
2	Tier 1 Capital and Tier 2 Capital Other Capital Instruments	204.004.826	19.134.830	-	15.519.100	238.658.756
4	Real-person and Retail Customer Deposits	313.483.957	372.030.510	-	-	624.996.964
5	Stable Deposits	78.056.461	82.622.394	-	-	152.644.913
6	Less Stable Deposits	235.427.496	289.408.116	_	_	472.352.051
7	Other Obligations	65.665.614	542.638.844	92.411.766	137.677.675	347.395.007
8	Operational deposits	-	-	-	-	-
9	Other Obligations	65.665.614	542.638.844	92.411.766	137.677.675	347.395.007
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	-		(21.307.666)		-
12	Derivative liabilities			(21.533.432)		
13	All other liabilities not included in the above categories		225.766			
14	Available stable funding		223.700			1.211.050.727
	uired stable funding					1.211.030.727
15	High Quality Liquid Assets					111.306.325
	Deposits held at financial institutions for					111.500.525
16	operational purposes	_	-	-	-	-
17	Performing Loans	851.427	492.427.473	150.144.509	272.514.083	530.093.736
10	Encumbered loans to financial institutions,					
18	where the loan is secured against Level 1					
	assets Unencumbered loans to financial institutions	-	-	-	-	-
19	or encumbered loans that are not secured					
	against Level 1 assets	_	58.174.814	5.460.116	2.013.265	13.469.545
	Loans to corporate customers, real persons and					
20	or retail customers, central banks, other than					
	credit agencies and/or financial institutions	-	432.134.172	143.893.533	261.350.374	510.161.670
21	Loans with a risk weight of less than or equal to 35%			17.423	3.329.889	2.175.753
22	Residential mortgages	-	1.107.094	790.860	6.576.784	4.274.910
	Residential mortgages with a risk weight of	-	1.107.094	/ 50.600	0.570.784	4.274.910
23	less than or equal to 35%	-	1.107.094	790.860	6.576.784	4.274.910
24	Securities that are not in default and do not					
	qualify as HQLA and exchange-traded equities	851.427	1.011.393	-	2.573.660	2.187.611
25	Assets equivalent to interconnected liabilities					
26	Other Assets	182.469.255		34.422.634		216.562.577
27 28	Physical traded commodities, including gold Initial margin posted or given guarantee fund	2.195.408				1.866.096
	to central counterparty			-		
29 30	Derivative Assets Derivative Liabilities before the deduction of			33.663.177		33.663.177
	the variation margin			759.457		759.457
31	Other Assets not included above	180.273.847				180.273.847
32	Off-balance sheet commitments		1.167.104.566	-	-	58.355.228
33	Total Required stable funding					916.317.866
34	Net Stable Funding Ratio (%)					132,16

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387,731,695 23.314,752 3,724,782 131,155,347 199,585,620 371,130,321 263,943,282 380,585,799

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25.698.148 242.210.281 270.36.965 187.775.437 108.795.210 416.429.999

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(3.999.223) 586.656.916 590.656.139

1.738.651.135

82.135.787 188.919.075 (106.783.288)

395.980.094 93.217.004 **302.763.090 328.193** 171.066.627 170.738.434

342.893.794 221.299.022 **121.594.772** (4.777.487) 116.952.776 121.730.263

123.184.343 217.142.703 (93.958.360) (4.864.345) 134.444.699 139.309.044

259.634.673 457.075.758 (197.441.085)

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Breakdown of assets and liabilities according to their remaining maturities:

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Current Period	Demand	Demand Up to 1 month	1-3 months	3-12 months	1-5 year
Assets ⁽¹⁾					
Cash (cash in hand, effectives, cash in transit, cheques purchased) and balances with the Central Bank of					
the Republic of Türkiye	215.580.919	172.282.560			
Banks	23.295.732		4.253	23.178	
Financial assets measured at fair value through profit or loss	272.970	•	16.032	1.716	48.09
Receivables from money markets	•				
Financial assets measured at fair value through other comprehensive income	•	1.662.676	1.373.923	9.523.158	56.398.13
Loans (2)	•	402.480.849	136.203.556	392.054.871	217.119.50
Financial assets measured at amortised cost		26.429.854	6.799.999	4.595.817	224.926.92
Other assets	94.715.911	1.348.904	5.715.143	3.868.759	6.269.64
Total assets	333.865.532	604.204.843	150.112.906	410.067.499	504.762.31
Liabilities					
Bank deposits	1.133.656	10.040.038	4.674.741	9.412.120	437.59
Other deposits	570.676.013	519.302.225	136.298.166	15.912.383	21.49
Funds borrowed from other financial institutions	•	67.098.839	45.778.004	134.511.933	22.662.01
Funds from money market	•	187.774.715	722		
Marketable securities issued	•	10.204.902	18.123.210	47.283.528	53.699.11
Miscellaneous payables	147.385	104.715.342	848.059	•	
Other liabilities (3)	31.427.033	4.491.567	16.461.773	12.913.503	73.666.29
Total liabilities	603.384.087	903.627.628	222.184.675	220.033.467	150.486.51
Net liquidity gap	(269.518.555)	(299.422.785)	(72.071.769)	190.034.032	354.275.79
Net Off-Balance Sheet Position		(3.356.224)	(8.150.019)	(9.593.606)	(311.391
Desiration Circumial Access		000 100 021	000 001 731	200 100 402	104 604 66

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Breakdown of financial liabilities according to their remaining contractual maturities:

The maturity distribution of values at contracted maturity date of non-derivative financial liabilities is presented below. Maturity segments also include the interests of related assets and liabilities.

G (P + 10)	Demand and	12 0	2.12		Above 5	T . 1
Current Period(1)	up to 1 month	1-3 months	3-12 months	1-5 years	years	Total
Liabilities						
Deposits	1.120.801.760	152.081.563	28.615.743	467.872	-	1.301.966.938
Borrowings	71.934.342	49.760.843	140.785.701	24.876.270	456.909	287.814.065
Financial liabilities measured at fair						
value through profit or loss	-	4.264.486	11.025.253	50.749.428	36.046.724	102.085.891
Funds from money market	188.009.931	768	-	-	-	188.010.699
Subordinated debts	2.614.535	98.590	2.845.274	39.694.074	52.201.614	97.454.087
Marketable securities issued (Net)	10.235.866	18.601.965	48.302.816	74.039.122	-	151.179.769
Total	1.393.596.434	224.808.215	231.574.787	189.826.766	88.705.247	2.128.511.449

	Demand and				Above 5	
Prior Period ⁽¹⁾	up to 1 month	1-3 months	3-12 months	1-5 years	years	Total
Liabilities						
Deposits	809.754.353	158.277.404	107.644.794	154.176	-	1.075.830.727
Borrowings	3.173.282	40.669.605	80.993.229	27.076.883	424.856	152.337.855
Financial liabilities measured at fair						
value through profit or loss	-	3.724.714	11.053.243	43.265.390	39.118.697	97.162.044
Funds from money market	39.663.248	16.000.634	3.191.365	-	-	58.855.247
Subordinated debts	21.041.873	86.317	834.082	5.299.462	18.504.795	45.766.529
Marketable securities issued (Net)	8.279.943	7.706.411	39.740.944	33.853.170	-	89.580.468
Total	881.912.699	226,465,085	243,457,657	109.649.081	58.048.348	1.519.532.870

⁽¹⁾ Maturities of non-cash loans are described in Note 3 of Section 5.

Explanations on leverage ratio:

When comparing current and prior period, the main reason for decrease in leverage ratio is the increase in total

	Current Period(1)	Prior Period(1)
On-Balance sheet exposures		
On-Balance sheet assets (Excluding derivative financial instruments and credit derivatives,		
including collaterals)	2.344.090.468	1.668.553.934
(Asset amounts deducted in determining Tier 1 capital)	(25.720.937)	(19.094.784)
Total on-Balance sheet exposures	2.318.369.531	1.649.459.150
Derivative financial instruments and credit derivatives		
Replacement cost of derivative financial instruments and credit derivatives	7.512.770	11.985.848
Potential credit risk of derivative financial instruments and credit derivatives	6.785.735	21.128.855
Total derivative financial instruments and credit derivatives exposure	14.298.505	33.114.703
Securities financing transaction exposure		
Total risk of gross securities financing transactions (excluding on-balance sheet exposure)	36.030.054	16.285.046
Agent transaction exposures	-	-
Total securities financing transaction exposures	36.030.054	16.285.046
Off-balance sheet items		
Off-balance sheet exposure at gross notional amount	2.094.060.068	1.171.054.731
(Adjustments for conversion to credit equivalent amounts)	(63.938.874)	(61.083.885)
Total risk of off-balance sheet items	2.030.121.194	1.109.970.846
Capital and total exposure		
Tier 1 capital	210.649.255	184.759.840
Total exposures	4.398.819.284	2.808.829.745
Leverage ratio (%)	4,79	6,58

⁽¹⁾ The arithmetic average of the last three months in the related periods

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9. Explanations on the presentation of financial assets and liabilities at fair values:

The following table summarizes the carrying values and fair values of some financial assets and liabilities of the Bank. The carrying value represents the acquisition costs and accumulated interest accruals of corresponding financial assets or liabilities.

	Book V	alue	Fair va	llue
	Current Period	Prior Period	Current Period	Prior Period
Financial Assets	1.772.296.469	1.332.889.856	1.716.977.028	1.346.099.446
Money market receivables	-	-	-	-
Banks	23.323.163	27.601.982	23.321.699	27.600.876
Financial assets at fair value through other				
comprehensive income	131.155.347	95.393.157	131.155.347	95.393.157
Financial assets measured at amortised cost	371.272.977	305.334.494	324.556.554	288.000.969
Loans	1.246.544.982	904.560.223	1.237.943.428	935.104.444
Financial Liabilities	1.915.267.349	1.437.894.039	1.925.166.239	1.437.343.126
Bank deposits	25.698.148	32.406.450	25.687.802	32.398.474
Other deposits	1.242.210.281	1.004.063.483	1.241.980.287	996.776.761
Borrowings	270.365.965	140.307.133	272.604.117	143.575.070
Financial liabilities measured at fair value through				
profit or loss	76.955.388	72.554.448	76.955.388	72.554.448
Subordinated debts	61.931.598	36.846.139	66.372.958	36.968.295
Marketable securities issued	129.310.759	77.701.664	132.770.477	81.055.356
Miscellaneous payables	108.795.210	74.014.722	108.795.210	74.014.722

The fair values of deposits, banks, securities issued and funds borrowed from other financial institutions are determined by calculating the discounted cash flows using the current market interest rates.

The fair value of held-to-maturity assets is determined based on market prices or when this price is not available, based on market prices quoted for other securities subject to the same redemption qualifications in terms of interest, maturity and other similar conditions.

The expected fair value of loans and receivables is determined by calculating the discounted cash flows using the current market interest rates for the loans with fixed interest rates. For the loans with floating interest rates (such as overdrafts and credit card receivables), it is assumed that the carrying value approaches to the fair value.

TFRS 13, "Fair Value Measurement", requires classification of line items at fair value presented at the financial statements according to the defined levels. These levels depend on the observability of data used for fair value calculations. Classification for fair value is generated as followed below:

- Level 1: Assets or liabilities with prices recorded (unadjusted) in active markets
- Level 2: Assets or liabilities that are excluded in the Level 1 of recorded prices directly observable by prices or indirectly observable derived through prices observable from similar assets or liabilities
- Level 3: Assets and liabilities where no observable market data can be used for valuation

According to these classification principles stated, the Bank's classification of financial assets and liabilities carried at their fair value are as follows:

Current Period	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss	565.918	3.158.864	-	3.724.782
Financial assets measured at fair value through other comprehensive income	130.994.578	22.464	-	131.017.042
Derivative financial assets	-	16.316.712	-	16.316.712
Total assets	131.560.496	19.498.040	-	151.058.536
Financial liabilities measured at fair value through profit or loss	-	76.955.388	-	76.955.388
Derivative financial liabilities	-	19.058.266	-	19.058.266
Total liabilities	-	96.013.654	-	96.013.654

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Prior Period	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss	747.644	2.346.001	-	3.093.645
Financial assets measured at fair value through other comprehensive income	95.265.661	1.620	-	95.267.281
Derivative financial assets	-	21.304.525	-	21.304.525
Total assets	96.013.305	23.652.146	-	119.665.451
Financial liabilities measured at fair value through profit or loss	-	72.554.448	-	72.554.448
Derivative financial liabilities	-	11.524.206	-	11.524.206
Total liabilities	-	84.078.654	-	84.078.654

The Bank classify its buildings carried at their fair value within property and equipment under level 3.

10. Explanations on hedge accounting:

The Bank applies the following hedge accounting models: Cash Flow Hedge ("CFH") and Net Investment Hedge

If the fair value of the hedging instrument under hedge of CFH is positive, it is classified under "Derivative financial assets measured at fair value through other comprehensive income" if the fair value is negative, it is classified under "Derivative financial liabilities at fair value through other comprehensive income".

Interest rate swap, currency swap and cross currency interest rate swap are used as hedging instrument in CFH. Contractual amounts and the fair values as at December 31, 2024 of these hedging instruments are presented in the table below:

	C	urrent Period			Prior Period	
Hedging instrument	Notional ⁽¹⁾	Asset	Liability	Notional ⁽¹⁾	Asset	Liability
Interest rate swap / Currency swap / Cross						
currency interest rate swap (CFH)	18.613.208	2.340.646	-	40.790.710	5.320.823	32.334
Total	18.613.208	2.340.646	-	40.790.710	5.320.823	32.334

⁽¹⁾ Only the "sell" legs of the related derivatives are presented with the addition of the "buy" legs of these derivatives amounting to TL 18.613.207 (December 31, 2023 – TL 40.790.711) the total notional of derivative financial assets amounting to TL 37.226.415 (December 31, 2023 – TL 81.581.421) is accounted for in off-balance sheet under "Hedging Derivative Financial Instruments" line item.

The fair valuation methodology of the derivatives presented in the above table is disclosed in the accounting principles section of these financial statements in Section 3, Part 4.

10.1. Cash flow hedge accounting:

The Bank applies macro and micro CFH accounting in order to hedge its cash flow risk from floating interest rate liabilities. The hedging instruments are USD, EUR and TL interest rate swaps, currency swaps and cross currency swaps with floating receive, fixed pay legs, and the hedged item is the cash outflows due to financing of interests of repricing USD, EUR and TL deposits, borrowings and repos.

The impact of application of CFH accounting is summarized below:

Current Period Type of hedging	Hedged item (asset	Nature of	Net fair v	alue of the	Net gain/(loss) recognized in	Net gain/(loss) reclassified to	
instrument	and liability)	hedged risks	hedging instrument		hedging funds ⁽¹⁾	equity ⁽²⁾⁽³⁾	
			Asset	Liability			
Interest rate swap /		Cash flow risk					
Currency swap /		due to the					
Cross currency	Customer deposits,	changes in the					
interest rate swap	borrowings and repos	interest rates	2.340.646	-	2.126.459	(1.101.101)	

Type of hedging instrument	Hedged item (asset and liability)	Nature of hedged risks	Net fair value of the hedging instrument		Net gain/(loss) recognized in hedging funds ⁽¹⁾	Net gain/(loss) reclassified to equity ⁽²⁾⁽³⁾
			Asset	Liability		
		Cash flow risk				
Interest rate swaps/		due to the				
Cross currency	Customer deposits,	changes in the				
interest rate swap	borrowings and repos	interest rates	5.320.823	32.334	3.227.560	(2.151.990

- Includes deferred tax impact.
 Includes tax and foreign exchange differences.
- The ineffective portion of the mentioned hedging transaction is TL 668.781 gain (December 31, 2023 TL 594.177 gain).

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At the inception date, the Bank documents the relationship between the hedging instruments and hedged items required by the CFH accounting application in accordance with "TAS 39 - Financial Instruments: Recognition and Measurement" and its own risk management policies and principles. Every individual relationship is approved and documented in the same way. In accordance with "TAS 39 - Financial Instruments: Recognition and Measurement", the effectiveness tests of the relationships are performed in accordance with the Bank's risk management policies.

The effectiveness tests are performed on a monthly basis and the effectiveness of risk relationships are measured. If the underlying hedge does not conform to the CFH accounting requirements (out of the effectiveness range 80%-125%) or if the management voluntarily decides to discontinue the hedging relation or the hedging instrument is sold or closed before its maturity, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs or is no longer expected to occur. When the hedged forecasted transactions are no longer expected to occur, the net cumulative gain or loss is reclassified from other comprehensive income to profit or loss.

10.2. Net Investment Hedge:

The Bank hedges part of the currency translation risk of net investments in foreign operations through foreign currency borrowings. The Bank's EUR denominated borrowing is designated as a hedge of the net investment in the Bank's certain EUR denominated subsidiaries. The total amount of the borrowing designated as a hedge of the net investment at December 31, 2024 is EUR 665 million (December 31, 2023 - EUR 528 million).

Explanations on the activities carried out on behalf of others and fiduciary transactions:

The Bank carries out trading, custody, management and consulting services on behalf of customers and on their account. The Bank has no fiduciary transactions.

Explanations on operating segments:

The Bank carries out its banking operations through three main business units:

- Retail Banking
- Corporate Banking
- Commercial and SME Banking

The Bank's Retail Banking activities include card payment systems, individual, individual portfolio, blue class, private banking. Retail Banking products and services offered to customers include card payment systems, consumer loans (including general purpose loans, auto loans, mortgages), commercial installment loans, time and demand deposits, gold banking, investment accounts, life and non-life insurance products and payroll services. In addition, customers who receive their monthly salary/SSI payments through our bank are offered privileges covering various banking transactions. Card payment systems cover the management of products, services, campaigns for member merchants as well as the sales and activities for a variety of customer types. Crystal, Play, Adios and Taksitçi are the other card brands providing services for the different segments within the World brand, shopping and marketing platform of the Bank. Through its Blue Class and Private Banking activities, the Bank serves high net worth customers and delivers investment products to this customer segment. Among the products and services offered to Private Banking customers are time deposit products, mutual funds, foreign exchange, gold and equity trading. Also, personal art advisory, inheritance advisory, real estate advisory, tax advisory, education and philanthropic advisory are offered within the Private Banking and Wealth Management activities.

Corporate, Commercial and SME Banking segment is organized into three subgroups: Corporate Banking for largescale, international and multinational companies and Commercial Banking for medium-sized enterprises and SME Banking for SME companies. Corporate and Commercial Banking, has a product range of working capital finance, trade finance, project finance, domestic and international non-cash loans such as letters of credit and letters of guarantee, cash management, internet banking, financial advisory and equity management advisory. SME Banking offer to customers SME loans and SME banking packages products.

The Bank's widespread branch network and alternative distribution channels including ATMs, telephone banking, internet banking and mobile banking are utilized to serve customers in all segments. Treasury, Asset - Liability Management and other operations, mainly consist of treasury management's results, operations of supporting business units and other unallocated transactions.

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Major balance sheet and income statement items based on operating segments:

The below table is prepared in accordance with the Management Information System (MIS) data of the Bank

Current Period	Retail banking	Corporate banking	Commercial and SME banking	Treasury, asset-liability management and other	Total operations of the Bank
Operating income	80.808.175	18.505.872	53.650.523	55.044.989	208.009.559
Operating expenses	(50.733.840)	(1.236.406)	(11.723.803)	(126.368.335)	(190.062.384)
Net operating income / (expense)	30.074.335	17.269.466	41.926.720	(71.323.346)	17.947.175
Dividend income ⁽¹⁾	-	-	-	15.055	15.055
Profit/(loss) from equity accounted subsidiaries(1)	-	-	-	11.764.853	11.764.853
Profit before tax	30.074.335	17.269.466	41.926.720	(59.543.438)	29.727.083
Tax provision expense ⁽¹⁾	-	-	-	(710.260)	(710.260)
Net period income	30.074.335	17.269.466	41.926.720	(60.253.698)	29.016.823
Net profit	30.074.335	17.269.466	41.926.720	(60.253.698)	29.016.823
Segment asset	537.745.837	223.352.741	385.324.156	1.178.837.704	2.325.260.438
Investments in associates, subsidiaries and joint ventures	-	-	-	55.325.361	55.325.361
Total assets	537.745.837	223.352.741	385.324.156	1.234.163.065	2.380.585.799
Segment liabilities	828.940.954	127.143.741	250.655.068	981.041.988	2.187.781.751
Shareholders' equity	-	-	-	192.804.048	192.804.048
Total liabilities	828,940,954	127.143.741	250.655.068	1.173.846.036	2.380,585,799

Prior Period	Retail banking	Corporate banking	Commercial and SME banking	Treasury, asset- liability management and other	Total operations of the Bank
Operating income	58.498.456	12.586.936	42.970.047	30.621.739	144.677.178
Operating expenses	(26.116.281)	(5.583.817)	(7.048.449)	(31.601.954)	(70.350.501)
Net operating income / (expense)	32.382.175	7.003.119	35.921.598	(980.215)	74.326.677
Dividend income ⁽¹⁾	-	-	-	9.429	9.429
Profit/(loss) from equity accounted subsidiaries(1)	-	-	-	8.215.171	8.215.171
Profit before tax	32.382.175	7.003.119	35.921.598	7.244.385	82.551.277
Tax provision expense(1)	-	-	-	(14.542.441)	(14.542.441)
Net period income	32.382.175	7.003.119	35.921.598	(7.298.056)	68.008.836
Net profit	32.382.175	7.003.119	35.921.598	(7.298.056)	68.008.836
Segment asset	380.947.485	185.429.804	244.868.623	889.638.296	1.700.884.208
Investments in associates, subsidiaries and joint ventures	-	-	-	37.766.927	37.766.927
Total assets	380.947.485	185.429.804	244.868.623	927.405.223	1.738.651.135
Segment liabilities	618.836.337	92.977.510	239.218.000	608.767.747	1.559.799.594
Shareholders' equity	-	-	-	178.851.541	178.851.541
Total liabilities	618.836.337	92.977.510	239.218.000	787.619.288	1.738.651.135

⁽¹⁾ Related items have not been distributed based on operating segments and presented under "Treasury, Asset-Liability Management and Other"

13. Explanations on fees for services received from independent auditor (1), (2):

	1	
	Current Period	Prior Period
Independent audit fee	51.001	22.630
Tax advisory services fee	1.583	935
Other assurance services fee	11.075	9.245
Total	63.659	32.810

Value added tax (VAT) excluded amounts are presented.

Relevant amounts are presented on a consolidated basis, including domestic and foreign subsidiaries of the Bank

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Section Five - Explanations and notes related to unconsolidated financial statements

Explanations and notes related to assets

1.1. Information related to cash and the account of the Central Bank of the Republic of Türkiye:

1.1.1. Information on cash and the account of the CBRT:

		Current Period		
	TL	FC	TL	FC
Cash	5.666.992	15.268.416	3.655.621	18.267.050
The CBRT ⁽¹⁾	204.554.231	162.373.691	98.386.789	142.963.897
Other	-	149	-	612
Total	210.221.223	177.642.256	102.042.410	161.231.559

⁽¹⁾ The balance of gold amounting to TL 29.862.248 is accounted for under the Central Bank foreign currency account (December 31, 2023 - TL 17.611.624).

1.1.2. Information on the account of the CBRT:

	Current Period			Prior Period
	TL	FC	TL	FC
Unrestricted demand amount ⁽¹⁾	143.217.836	66.730.541	86.406.051	59.857.962
Unrestricted time amount	-	-	-	-
Restricted time amount	-	-	-	-
Reserve requirement(2)	61.336.395	95.643.150	11.980.738	83.105.935
Total	204.554.231	162.373.691	98.386.789	142.963.897

⁽¹⁾ The TL reserve requirement has been classified in "Central Bank Demand Unrestricted Account" based on the correspondence with BRSA letter as of January 3, 2008.
(2) The Bank keeps TL, USD, EUR and Gold reserve deposits for its TL and FX liabilities at Central Bank accounts in accordance with the legislation of the Central

1.2. Information on financial assets measured at fair value through profit or loss:

The Bank has financial assets measured at fair value through profit or loss given as collateral/blocked amounts to TL 1.720.994 (December 31, 2023 - TL 1.387.449).

1.3. Information on derivative financial assets:

1.3.1. Positive differences related to derivative financial assets held for trading:

	Current Period			Prior Period
	TL	FC	TL	FC
Forward transactions	634.054	327.062	814.178	8.085
Swap transactions	4.664.337	7.869.631	8.577.085	6.548.119
Futures transactions	180.556	-	4.012	-
Options	198.479	101.947	31.050	1.173
Other	-	-	-	-
Total	5.677.426	8.298.640	9.426.325	6.557.377

1.3.2. Positive differences related to derivative financial assets held for hedging:

		Current Period		
	TL	FC	TL	FC
Fair value hedges (1)	-	-	-	-
Cash flow hedges (1)	499.132	1.841.514	1.857.907	3.462.916
Hedges for investments made in foreign countries	-	-	-	-
Total	499.132	1.841.514	1.857.907	3.462.916

⁽¹⁾ Explained in Note 10 of section 4

1.4. Information on banks:

1.4.1. Information on banks:

		Current Period		
	TL	FC	TL	FC
Banks				
Domestic	1.491	35.239	1.121	24.371
Foreign	81.774	23.204.659	-	27.576.490
Head quarters and foreign branches	_	-	-	-
Total	83.265	23.239.898	1.121	27.600.861

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1.4.2. Information on foreign banks account

	Unrestricted amount			Restricted amount
	Current Period	Prior Period	Current Period	Prior Period
EU countries	3.627.267	4.211.243	-	-
USA, Canada	16.240.692	20.459.442	3.015.362	2.358.509
OECD countries (1)	50.102	102.190	-	-
Off-shore banking regions	2.374	1.708	-	-
Other	350.636	443.398	-	-
Total	20.271.071	25.217.981	3.015.362	2.358.509
 OECD countries except EU countries, U 	ISA and Canada.			

1.4.3. Information on money markets receivables

As of December 31, 2024 the bank has no money market receivables (December 31, 2023 - None).

1.5. Information on financial assets at fair value through other comprehensive income which are subject to repurchase agreements and given as collateral / blocked:

As of December 31, 2024 financial assets at fair value through other comprehensive income given as repo transactions amounts to TL 48.049.321 (December 31, 2023 - TL 10.388.515). The securities, subject to collateral/blocked are TL 29.478.473 (December 31, 2023 - TL 16.848.459).

1.6. Information on financial assets at fair value through other comprehensive income:

	Current Period	Prior Period
Debt securities	138.110.187	100.203.690
Quoted on stock exchange	138.104.562	100.202.647
Not quoted	5.625	1.043
Share certificates	200.463	171.195
Quoted on stock exchange	-	-
Not quoted	200.463	171.195
Impairment (-) ⁽¹⁾	7.155.303	4.981.728
Total	131.155.347	95.393.157

⁽¹⁾ Includes the negative differences between the acquisition cost and the market price related to the securities portfolio.

1.7. Explanations on loans:

1.7.1. Information on all types of loans or advance balances given to shareholders and employees of the Bank:

				Prior Period
		Current Period		
	Cash	Non-cash	Cash	Non-cash
Direct loans granted to shareholders	_	-	-	-
Corporate shareholders	-	-	-	-
Real person shareholders	-	-	-	-
Indirect loans granted to shareholders	19.895	629.218	35.697	1.304.299
Loans granted to employees	1.265.084	183	837.758	183
Total	1.284.979	629.401	873.455	1.304.482

1.7.2. Information on the first and second group loans and other receivables and loans and other receivables that have been restructured or rescheduled:

		Loans under close monitoring			
			Loans under restructuring		
		Not under the scope of	Modifications on		
Cash Loans	Standard Loans	restructuring	agreement conditions	Refinancing	
Non-specialized loans	1.061.038.010	52.853.573	5.498.093	87.165.703	
Loans given to enterprises	292.826.941	9.218.914	5.356.649	55.707.975	
Export loans	96.920.866	3.932.584	141.444	100.163	
Import loans	-	-	-	-	
Loans given to financial sector	32.711.292	-	=	-	
Consumer loans	190.856.090	18.213.535	-	8.725.002	
Credit cards	291.984.164	17.193.598	=	13.537.691	
Other	155.738.657	4.294.942	-	9.094.872	
Specialized loans	_	=	=	-	
Other receivables	1.185.208	=	=	-	
Total	1.062.223.218	52.853.573	5.498.093	87.165.703	

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	Standard loans	Loans under close monitoring
12-month provisions for possible losses	4.839.368	-
Significant increase in credit risk	-	16.530.529
Total	4.839.368	16.530.529

1.7.3. Loans according to their maturity structure:

		Loans under cl	ose monitoring
			Agreement
	Standard	Not under the scope of	conditions
	loans	restructuring	modified
Short-term loans	664.906.268	34.141.521	12.452.157
Medium and long-term loans	397.316.950	18.712.052	80.211.639
Total	1.062.223.218	52.853.573	92.663.796

1.7.4. Information on loans by types and specific provisions

1.7.4.1. Information on loans by types and specific provisions:

	Corporate, commercial and	Consumer		
Current Period	other loans	loans	Credit cards	Total
Standard loans	579.382.964	190.856.090	291.984.164	1.062.223.218
Watch list	87.847.543	26.938.537	30.731.289	145.517.369
Loans under legal follow-up	18.777.725	11.501.788	8.524.882	38.804.395
Specific provisions (-)	9.784.050	9.909.203	5.896.212	25.589.465
Total	676.224.182	219.387.212	325.344.123	1.220.955.517

	Corporate, commercial and	Consumer		
Prior Period	other loans	loans	Credit cards	Total
Standard loans	406.476.388	160.161.851	208.066.453	774.704.692
Watch list	78.941.572	12.159.674	11.924.566	103.025.812
Loans under legal follow-up	18.453.974	6.228.677	2.147.068	26.829.719
Specific provisions (-)	12.031.981	5.313.706	1.557.886	18.903.573
Total	491.839.953	173.236.496	220.580.201	885.656.650

1.7.4.2. Specific provisions provided against loans:

Current Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Total
Opening balance	12.031.981	5.313.706	1.557.886	18.903.573
Impairment	5.662.137	9.066.613	7.379.527	22.108.277
Collections (-)	7.305.543	824.238	1.625.283	9.755.064
Write-off (-)	604.525	3.646.878	1.415.918	5.667.321
Total	9.784.050	9.909.203	5.896.212	25.589.465

Prior Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Total
Opening balance	10.379.291	4.146.363	1.256.662	15.782.316
Impairment	4.325.401	5.621.058	1.097.529	11.043.988
Collections (-)	1.802.036	2.664.910	336.326	4.803.272
Write-off (-)	870.675	1.788.805	459.979	3.119.459
Total	12.031.981	5.313.706	1.557.886	18.903.573

1.7.4.3. Fair value of collaterals:

	Corporate, commercial and other	Consumer		
Current Period	loans	loans	Credit cards	Total
Watch List	60.045.643	921.853	-	60.967.496
Loans under legal follow-up	7.728.845	171.632	-	7.900.477
Total	67.774.488	1.093.485	_	68.867.973

	Corporate, commercial and other	Consumer		
Prior Period	loans	loans	Credit cards	Total
Watch List	42.228.448	316.148	-	42.544.596
Loans under legal follow-up	7.369.457	66.208	-	7.435.665
Total	49.597.905	382.356	-	49.980.261

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1.7.5. Information on consumer loans, individual credit cards, personnel loans and personnel credit cards:

·	Medium			
	Short-term	and long-term	Total	
Consumer loans-TL	69.801.501	67.343.683	137.145.184	
Real estate loans	15.438	14.790.955	14.806.393	
Automotive loans	4.752.130	7.416.543	12.168.673	
Consumer loans	65.033.933	45.136.185	110.170.118	
Consumer loans-FC indexed	_	26.828	26.828	
Real estate loans	-	26.828	26.828	
Automotive loans	-	-		
Consumer loans	-	-		
Individual credit cards-TL	276.414.811	8.251.506	284.666.317	
With installments	99.565.762	7.763.866	107.329.628	
Without installments	176.849.049	487.640	177.336.689	
Individual credit cards-FC	932.836	20.687	953.523	
With installments	-	-		
Without installments	932.836	20.687	953.523	
Personnel loans-TL	345.868	236.841	582.709	
Real estate loans	-	1.696	1.696	
Automotive loans	6.454	3.687	10.14	
Consumer loans	339.414	231.458	570.87	
Personnel loans-FC indexed	-	-		
Real estate loans	-	-		
Automotive loans	-	-		
Consumer loans	-	-		
Personnel credit cards-TL	582.296	3.579	585.875	
With installments	209.250	3.579	212.829	
Without installments	373.046	-	373.040	
Personnel credit cards-FC	6.324	-	6.324	
With installments	-	-		
Without installments	6.324	-	6.324	
Credit deposit account-TL (real person)(1)	80.039.906	-	80.039.906	
Total	428.123.542	75.883.124	504.006.666	

⁽¹⁾ TL 90.176 of the credit deposit account belongs to the loans used by personnel.

1.7.6. Information on installment based commercial loans and corporate credit cards:

	Medium			
	Short-term	and long-term	Total	
Installment based commercial loans -TL	9.542.704	108.644.623	118.187.327	
Business loans	-	918.049	918.049	
Automotive loans	2.241.098	26.225.064	28.466.162	
Consumer loans	7.301.606	81.501.510	88.803.116	
Installment based commercial loans -FC indexed	-	-	-	
Business loans	-	-	-	
Automotive loans	-	-	-	
Consumer loans	-	-	-	
Corporate credit cards-TL	36.259.814	221.422	36.481.236	
With installment	9.313.753	219.898	9.533.651	
Without installment	26.946.061	1.524	26.947.585	
Corporate credit cards-FC	22.140	38	22.178	
With installment	-	-	-	
Without installment	22.140	38	22.178	
Credit deposit account-TL (legal person)	12.038.039	-	12.038.039	
Total	57.862.697	108.866.083	166.728.780	

1.7.7. Distribution of loans by users⁽¹⁾:

	Current Period	Prior Period
Public	23.022.589	25.863.648
Private	1.184.717.998	851.866.856
Total	1.207.740.587	877.730.504

⁽¹⁾ Non-performing loans are not included.

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1.7.8. Distribution of domestic and foreign loans⁽¹⁾:

Distribution has been disclosed based on the location where the customers operate:

	Current Period	Prior Period
Domestic loans	1.198.114.319	868.909.430
Foreign loans	9.626.268	8.821.074
Total	1.207.740.587	877.730.504

(1) Non-performing loans are not included

1.7.9. Loans granted to associates and subsidiaries:

	Current Period	Prior Period
Direct loans granted to associates and subsidiaries	5.335.767	3.978.209
Indirect loans granted to associates and subsidiaries	-	-
Total	5.335.767	3.978.209

1.7.10. Information on credit-impaired (Stage 3):

	Current Period	Prior Period
Loans with limited collectability	6.101.552	1.963.518
Loans with doubtful collectability	10.196.956	6.851.466
Uncollectable loans	9.290.957	10.088.589
Total	25.589.465	18.903.573

1.7.11. Information on non-performing loans (net):

1.7.11.1. Information on restructured loans from non-performing loans:

	III. Group	IV. Group	V. Group
	Loans with limited collectability	Loans with doubtful collectability	Uncollectible loans
Current Period			
Gross amounts before provisions	1.787.505	2.258.608	4.487.942
Restructured loans	1.787.505	2.258.608	4.487.942
Prior Period			
Gross amounts before provisions	583.037	809.720	5.827.714
Restructured loans	583.037	809.720	5.827.714

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

	III. Group	IV. Group	V. Group
	Loans with limited collectability	Loans with doubtful collectability	Uncollectible loans
Prior Period	2.956.202	10.400.706	13.472.811
Additions (+)	29.043.918	1.923.488	4.210.279
Transfers from other categories of non- performing loans (+)	-	18.745.634	12.340.482
Transfer to other categories of non- performing loans (-)	18.745.634	12.340.482	-
Collections (-)	3.397.277	3.748.037	10.390.374
Write-offs (-)	-	-	-
Sale (-)	-	-	5.667.321
Corporate and commercial loans	-	-	604.525
Consumer loans	-	-	3.646.878
Credit cards	-	-	1.415.918
Other	-	-	-
Current Period	9.857.209	14.981.309	13.965.877
Provision (-)	6.101.552	10.196.956	9.290.957
Net balance on balance sheet	3.755.657	4.784.353	4.674.920

In line with the decree of Bank's Board of Directors non-performing loans some of which were written off in previous periods, amounting to TL 5.994.895 have been liquidated for an amount of TL 1.907.300 through sales to various asset management companies.

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1.7.11.3. Information on non-performing loans granted as foreign currency loans:

	III. Group	IV. Group	V. Group
	Loans with limited	Loans with doubtful	
	collectability	collectability	Uncollectible loans
Current Period			
Period end balance	67.912	1.265.882	6.277.147
Provision (-)	57.202	938.799	3.227.829
Net balance on-balance sheet	10.710	327.083	3.049.318
Prior Period			
Period end balance	101.944	6.823.946	6.811.789
Provision (-)	99.969	4.292.885	4.555.633
Net balance on-balance sheet	1.975	2.531.061	2.256.156

1.7.11.4. Information on the gross and net amounts of the non-performing loans according to types of borrowers:

	III. Group	IV. Group	V. Group
	Loans with limited	Loans with doubtful	•
	collectability	collectability	Uncollectible loans
Current Period (net)	3.755.657	4.784.353	4.674.920
Loans granted to real persons and corporate entities (gross)	9.857.209	14.981.309	13.881.714
Provision amount (-)	6.101.552	10.196.956	9.206.794
Loans granted to real persons and corporate entities (net)	3.755.657	4.784.353	4.674.920
Banks (gross)	-	-	774
Provision amount (-)	-	-	774
Banks (net)	-	-	-
Other loans (gross)	-	-	83.389
Provision amount (-)	-	-	83.389
Other loans (Net)	-	-	-
Prior Period (net)	992.684	3.549.240	3.384.222
Loans granted to real persons and corporate entities (gross)	2.956.202	10.400.706	13.388.137
Provision amount (-)	1.963.518	6.851.466	10.003.915
Loans granted to real persons and corporate entities (net)	992.684	3.549.240	3.384.222
Banks (gross)	-	-	774
Provision amount (-)	-	-	774
Banks (net)	-	-	-
Other loans and receivables (gross)	-	-	83.900
Provision amount (-)	-	-	83.900
Other loans and receivables (net)	-	-	-

1.7.11.5. Information on interest accruals, rediscounts and valuation differences calculated for non-performing loans and their provisions:

	III. Group	IV. Group	V. Group
	Loans with limited	Loans with doubtful	
	collectability	collectability	Uncollectible loans
Current Period (net)	718.936	788.929	208.601
Interest accruals and rediscounts and valuation differences	1.621.905	2.316.775	1.681.252
Provision amount (-)	902.969	1.527.846	1.472.651
Prior Period (net)	132.452	195.355	199.668
Interest accruals and rediscounts and valuation differences	327.091	605.675	1.610.291
Provision amount (-)	194 639	410 320	1 410 623

1.7.12. Explanation on liquidation policy for uncollectible loans and receivables:

Uncollectible loans and receivables, which are classified in accordance with the Provisioning Regulation, are collected through legal follow-up, voluntary payments and liquidation of collaterals.

1.7.13. Explanation on write-off policies:

In order to ensure the liquidation of non-performing loans and other receivables related to the liquidation policy, to provide the maximum collection all possible alternatives within the framework of the legislation are applied, and in case of collection, liquidation or receivables with no possibility of restructuring, the legal follow-up and conversion of collaterals into cash method is applied.

The receivables that are determined to be uncollectible in the Legal Follow-up process regarding the write-off policy can be deleted by the resolution of the Board of Directors by fulfilling the requirements in the relevant laws, regulations and internal directives.

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Besides, in accordance with the changes on "Provisioning Regulation" published in the Official Gazette No. 30961 dated November 27, 2019 by the BRSA, the Bank, during the period deemed appropriate under TFRS 9, may write off part of the loans for which the Bank has no reasonable expectation of recovery and that are classified under Group five with a life time expected credit loss due the to default of debtor, starting from the following reporting date that the loan is classified in Group five. Write off is only an accounting application in accordance with the related change in the regulation and it does not result in waive from the Bank's right to receive.

Information on financial assets at amortized cost:

1.8.1. Characteristics and carrying values of financial assets measured at amortised cost which are subject to repurchase agreements and given as collateral / blocked:

As of December 31, 2024 financial assets measured at amortised cost given as repo transactions amounting to TL 175.362.011 (December 31, 2023 - TL 53.304.273). The securities subject to collateral/blocked are TL 145.381.386 (December 31, 2023 - TL 122.707.615).

1.8.2. Information on public sector debt securities measured at amortized cost:

	Current Period	Prior Period
Government bond	362.828.272	301.134.141
Treasury bill	-	-
Other public sector debt securities	8.444.705	4.200.353
Total	371.272.977	305.334.494

1.8.3. Information on financial assets measured at amortized cost:

	Current Period	Prior Period
Debt securities	384.588.746	314.180.903
Quoted on stock exchange	384.588.746	314.180.903
Not quoted	-	-
Impairment provision (-)(1)	13.315.769	8.846.409
Total	371.272.977	305.334.494

⁽¹⁾ Includes amortisation of the premiums paid during the purchase of the securities throughout the maturity of the securities.

1.8.4. Movement of financial assets measured at amortized cost within the period:

	Current Period	Prior Period
Beginning balance	305.334.494	163.300.598
Foreign currency differences on monetary assets ⁽¹⁾	63.730.783	84.232.334
Purchases during the year	24.919.653	66.445.598
Disposals through sales and redemptions(-)	18.242.593	4.457.774
Impairment provision (-) ⁽²⁾	4.469.360	4.186.262
Period end balance	371 272 977	305 334 494

Also includes the changes in the interest income accruals

1.9. Information on investments in associates (net):

1.9.1. Information on unconsolidated investments in associates:

No	Description	Address (City/ Country)	Bank's share holding percentage if different voting percentage (%)	Bank's risk group share holding percentage(%)
1	Tanı Pazarlama ve İletişim Hizmetleri A.Ş (1)	Istanbul/Türkiye	38,05	38,05
2	Banque de Commerce et de Placements S.A.	Geneva/Switzerland	30,67	30,67
3	Kredi Kayıt Bürosu (2)	Istanbul/Türkiye	18,18	18,18
4	Bankalararası Kart Merkezi (2)	Istanbul/Türkiye	4,89	4,89

					Income from marketable	Current period	Prior period	
No	Total assets	Shareholders' equity	Total fixed assets	Interest income	portfolio	profit/loss		Fair value
1	285.792	(484.872)	176.073	600	-	(253.542)	(228.814)	-
2	149.195.838	27.503.516	103.386	7.485.908	1.194.144	1.729.531	1.166.474	-
3	3.029.243	827.801	842.178	202.322	-	517.710	128.363	-
4	5 664 287	5 036 126	1 180 498	1 069 126	_	1 409 365	3 530 564	_

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1.9.2. Movement of unconsolidated investments in associates:

	Current Period	Prior Period
Balance at the beginning of the period	6.208.730	2.910.408
Movements during the period	1.649.734	3.298.322
Purchases	-	-
Bonus shares obtained profit from current year's share	-	-
Profit from current year's income	764.128	1.240.416
Sales(-)	-	-
Revaluation (decrease) / increase ⁽¹⁾	1.053.090	2.152.936
Impairment provision (-) ⁽²⁾	167.484	95.030
Balance at the end of the period	7.858.464	6.208.730
Capital commitments	-	-
Shareholding percentage at the end of the period (%)	-	-

⁽¹⁾ Includes the differences in the other comprehensive income related with the equity method accounting.

1.9.3. Information on sectors and the carrying amounts of unconsolidated financial investments in associates:

	Current Period	Prior Period
Banks	7.820.018	6.170.284
Insurance companies	-	-
Factoring companies	-	-
Leasing companies	=	-
Finance companies	=	-
Other financial associates	-	-
Total	7.820.018	6.170.284

1.9.4. Information on investments in associates quoted on a stock exchange:

None (December 31, 2023 - None).

1.10. Information on shareholders' equity of the significant subsidiaries (net):

There is no deficit of regulatory limits on capital structure of the subsidiaries which are included in the consolidated capital adequacy ratio calculation in accordance with the capital adequacy ratio limits.

1.10.1. Information on shareholders' equity of the significant subsidiaries:

	Yapı Kredi Yatırım Menkul Değerler A.Ş.	Yapı Kredi Faktoring A.Ş.	Yapı Kredi Finansal Kiralama A.O.	Yapı Kredi Portföy Yönetimi A.Ş.	Yapı Kredi Bank Nederland N.V.
Core capital					
Paid in capital	98 918	130.000	389.928	32 642	112 442
Inflation adjustment to share capital	,0.,10	150.000	307.720	52.0.2	
Share premium	_	_	_	_	_
Other capital reserves	117 569	_	(217.104)	_	_
Other accumulated comprehensive income that will not be classified in profit or loss	16.116	(21.438)	(43.268)	(7.512)	-
Other accumulated comprehensive income	(281)	_	25.796	_	15.853.378
that will be classified in profit or loss	(-)				
Legal reserves	98.890	26.000	79.305	44.228	-
Extraordinary reserves	3.879.330	1.619.575	5.351.463	-	3.477.456
Other profit Reserves	_	_	-	-	
Income or Loss	3.528.400	1.176.312	2.449.649	1.798.512	2.396.101
Current Year Income/Loss	3.598.346	1.176.312	2.361.234	1.435.891	2.396.101
Prior Years' Income/Loss	(69.946)	-	88.415	362.621	-
Leasehold improvements (-)	` -	1.965	510	249	39
Intangible assets (-)	88.480	50.348	89.115	3.720	32.916
Total Tier I capital	7.650.462	2.878.136	7.946.144	1.863.901	21.806.422
Tier II capital	25.160	88.104	247.868	-	145.889
Capital	7.675.622	2.966.240	8.194.012	1.863.901	21.952.311
Deductions from the capital	-	-	-	-	-
Total shareholders' equity	7.675.622	2.966.240	8.194.012	1.863.901	21.952.311

The above information is based on the consolidated financial statements of the Bank as of December 31, 2024.

Paid-in capital is a capital which have been disclosed as Turkish Lira in the articles of incorporation and registered in trade register. Inflation adjustment to share capital is the adjustment difference arising from inflation accounting

Extraordinary Reserves are the reserves which represent the remaining net income of the previous periods after providing the legal reserves in accordance with the General Assembly of the Bank.

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⁽²⁾ Includes amortisation of the premiums paid during the purchase of the securities throughout the maturity of the securities

⁽¹⁾ At the extraordinary general assembly meeting of Tanı Pazarlama ve İletişim Hizmetleri A.Ş. dated January 13, 2025, it was decided to increase the capital to TL 171.717. After the capital increase, the Parent Bank's share increased to 38,17%.

⁽²⁾ Financial statement information is September 30, 2024.

⁽²⁾ Includes dividend income received in the current period.

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Legal reserves are the income reserves that are provided according to the first paragraph and the third subparagraph of the second paragraph of the article no 466 and no 467 of the Turkish Commercial Code No. 6762 allocated as capital reserves separated from annual profit according to the laws of foundation.

1.10.2. Information on subsidiaries:

	Subsidiary	Address (City/ Country)	Bank's share holding percentage if different voting percentage (%)	Bank's risk group share holding percentage (%)
1	Yapı Kredi Holding B.V.	Amsterdam/Holland	100,00	100,00
2	Yapı Kredi Yatırım Menkul Değerler A.Ş.	Istanbul/Türkiye	99,98	100,00
3	Yapı Kredi Faktoring A.Ş.	Istanbul/Türkiye	99,95	100,00
4	Yapı Kredi Finansal Kiralama A.O.	Istanbul/Türkiye	99,99	99,99
5	Yapı Kredi Portföy Yönetimi A.Ş.	Istanbul/Türkiye	12,65	99,99
6	Yapı Kredi Bank Nederland N.V.	Amsterdam/Holland	67,24	100,00
7	Yapı Kredi Azerbaycan	Baku/Azerbaijan	99,80	100,00
8	Enternasyonal Turizm Yatırım A.Ş	Istanbul/Türkiye	99,99	99,99
9	Yapı Kredi Kültür Sanat Yayıncılık Tic.ve San.A.Ş.	Istanbul/Türkiye	100,00	100,00
10	Yapı Kredi Teknoloji A.Ş.	Istanbul/Türkiye	100,00	100,00
11	Yapı Kredi Finansal Teknolojiler A.Ş.	Istanbul/Türkiye	100,00	100,00
12	Yapı Kredi Bank Deutschland OHG(1)	Frankfurt/Germany	-	100,00

⁽¹⁾ The acquisition of all shares of Bankhaus J. Faisst OHG, which has banking licenses in Germany, was completed on July 23, 2024. The title of Bankhaus J. Faisst OHG was changed to Yapı Kredi Bank Deutschland OHG on August 1, 2024. The Bank owns all shares of Yapı Kredi Deutschland GmbH and Yapı Kredi Beteiligungsgesellschaft mbH which are shareholders of Yapı Kredi Bank Deutschland OHG. In accordance with the provisional accounting of TFRS 3 "Business Combinations" standard, the net assets of Yapi Kredi Bank Deutschland OHG have been provisionally recognised in the unconsolidated financial statements as of December 31, 2024.

1.10.3. Main financial figures of the subsidiaries in order of the above table:

Financial statement information disclosed consolidated financial statements results.

	Total assets	Shareholders' equity	Total fixed assets	Interest income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit /loss	Market value	Required equity
1	127.541	124.786	-	-	-	13.557	1.363	-	-
2	16.032.521	7.738.942	249.084	5.954.365	51.081	3.598.346	2.745.676	-	-
3	24.649.029	2.930.449	67.568	5.972.967	-	1.176.312	745.302	-	-
4	45.851.080	8.035.769	102.395	7.678.446	-	2.361.234	1.492.394	-	-
5	2.176.429	1.867.870	17.345	594.366	-	1.435.891	584.162	-	-
6	124.815.758	21.839.377	83.134	6.780.589	585.858	2.396.101	1.528.686	-	-
7	15.472.317	2.460.897	567.512	801.866	114.418	251.282	134.512	-	-
8	1.106.540	1.093.396	908.123	15.947	-	(26.706)	11.586	-	-
9	346.636	121.136	18.565	587	-	1.500	13.663	-	-
10	293.709	160.028	20.171	31.418	-	94.182	23.018	-	-
11	25.015	25.015	-	-	-	-	-	-	-
12	2.532.961	2.532.961	-	-	-	-	-	-	-

1.10.4. Movement schedule of subsidiaries:

	Current Period	Prior Period
Balance at the beginning of the period	31.525.881	17.905.733
Movements in period	15.908.700	13.620.148
Purchases ⁽¹⁾	2.466.063	-
Free shares obtained profit from current years share	-	-
Share of current year income	11.000.725	6.974.755
Sales(-)	-	-
Revaluation increase/decrease ⁽²⁾	2.695.483	6.915.441
Impairment provision (-) ⁽³⁾	253.571	270.048
Balance at the end of the period	47.434.581	31.525.881
Capital commitments	=	-
Shareholding percentage at the end of the period (%)	-	-

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- Includes the acquisition cost and capital increase of Yapi Kredi Bank Deutschland OHG.
 Includes the shares taken from the other comprehensive income according to the equity method.
- (3) Includes dividend income received in the current period.

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

	Current Period	Prior Period
Banks	19.674.428	13.390.646
Insurance companies	<u> </u>	-
Factoring companies	2.929.054	1.758.494
Leasing companies	8.035.274	5.694.593
Finance companies	<u> </u>	-
Other financial subsidiaries	16.795.825	10.682.148
Total	47.434.581	31.525.881

1.10.6. Subsidiaries quoted on stock exchange:

None (December 31, 2023 - None).

1.11. Information on joint ventures (net):

None (December 31, 2023 – None).

1.12. Information on lease receivables (net):

None (December 31, 2023 - None).

1.13 Information on tangible assets:

	Immovable	Leased fixed assets	Vehicles	Right of use assets ⁽¹⁾	Other tangible fixed assets	Total
Prior Period						
Cost	13.333.735	159.740	35.403	4.230.169	4.531.259	22.290.30
Accumulated depreciation (-)	948.816	125.582	6.128	1.127.552	1.641.237	3.849.31
Net book value	12.384.919	34.158	29.275	3.102.617	2.890.022	18.440.99
Current Period						
Net book value at beginning of the period	12.384.919	34.158	29.275	3.102.617	2.890.022	18.440.99
Additions ⁽²⁾	8.465.409	12.498	1.750	3.752.085	2.729.819	14.961.56
Disposals (-) net	206.092	6	16	707.416	9.633	923.16
Reversal of impairment	_	_	_	_	_	
Impairment (-)	_	_	_	_	_	
Depreciation (-)	203.821	4.830	7.025	1.190.391	762.983	2.169.05
Net book value at end of the period	20.440.415	41.820	23.984	4.956.895	4.847.225	30.310.33
Cost at the end of the period	21.415.455	162.493	37.024	6.844.213	7.091.437	35.550.62
Accumulated depreciation at the period end (-)	975.040	120.673	13.040	1.887.318	2.244.212	5.240.28
Net book value	20.440.415	41.820	23.984	4.956.895	4.847.225	30.310.3

⁽¹⁾ Includes branch and ATM leases accounted within the scope of TFRS 16.

As of December 31, 2024, the Bank had no provision for impairment (December 31, 2023 - None) for the property and equipment.

1.14 Information on intangible assets:

	Current Period	Prior Period
Balance at the beginning of the period	1.795.385	1.206.951
Additions during the period	1.615.257	902.549
Unused and disposed items (-)	150	4.060
Provision for goodwill impairment (-)	-	-
Amortization expenses (-)	472.109	310.055
Balance at the end of the period	2.938.383	1.795.385

1.15. Information on investment property:

None (December 31, 2023 - None).

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⁽²⁾ The Bank revalued its real estates included in tangible fixed assets on September 30, 2024, and the revaluation increase amounting to TL 8.377.677 is included in the

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1.16. Information on deferred tax:

	Curren	Current Period		Period
	Tax base	Deferred tax	Tax base	Deferred tax
Expected credit loss	22.215.361	6.664.608	24.998.368	7.499.511
Provision for pension fund	12.990.997	3.897.299	10.027.806	3.008.342
Provision for employee benefit	3.800.684	1.140.205	3.893.879	1.168.164
Derivative financial liabilities	3.196.836	959.051	-	-
Subsidiaries, investment in associates and share certificates	122.117	36.635	122.117	36.635
Other	53.691.607	16.107.483	14.303.732	4.291.121
Total deferred tax asset	96.017.602	28.805.281	53.345.902	16.003.773
Valuation difference of securities portfolio	19.345.573	5.803.672	5.702.908	1.710.872
Property, equipment and intangibles, net	15.546.234	4.287.573	5.936.088	1.272.444
Derivative financial assets	-	-	9.815.716	2.944.715
Other	19.664.874	5.899.462	4.701.202	1.410.361
Total deferred tax liability	54.556.681	15.990.707	26.155.914	7.338.392
Deferred tax asset / (liability) net	41.460.921	12.814.574	27.189.988	8.665.381

In accordance with TAS 12, deferred tax assets and deferred tax liabilities in the financial statements are clarified and deferred tax asset amounting to TL 12.814.574 is presented in the financial statements (December 31, 2023 - TL 8.665.381 deferred tax assets).

1.17. Movement schedule of assets held for sale and related to discontinued operations:

	Current Period	Prior Period
Net book value at the beginning of the period	1.026.089	1.035.873
Additions ⁽¹⁾	444.886	85.530
Disposals (-), net	910.877	95.314
Impairment provision reversal	-	-
Impairment (-)	-	-
Depreciation (-)	-	-
Net book value at the end of the period	560.098	1.026.089
Cost at the end of the period	561.368	1.027.363
Accumulated depreciation at the end of the period (-)	1.270	1.274
Net book value at the end of the period	560.098	1.026.089

⁽¹⁾ In current period, the carrying value of asset held for sale with a right of repurchase is TL 364.652 (December 31, 2023 – TL 16.000). The total net carrying value of asset held for sale with a right of repurchase is TL 381.622 (December 31, 2023 – TL 882.752).

As of December 31, 2024, the Bank booked impairment provision on assets held for sale with an amount of TL 1.223 (December 31, 2023 – TL 1.223).

1.18. Information on other assets:

As of December 31, 2024, other assets do not exceed 10% of the total assets.

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9.102.072

202.402.241

8.242.934

67.592.106

32.406.450

19.060.693

12.885.379

460.378

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Explanations and notes related to liabilities

2.1. Information on deposits:

Public sector deposits

Commercial deposits

Precious metals vault

Bank deposits

Other

Total

The CBRT

Domestic banks

Foreign banks

Participation banks

Other institutions deposits

2.1.1. Information on maturity structure of deposits/collected funds⁽¹⁾:

5.846.024 3.115.835

23.716.001

919.243

6.638.026

6.626.558

11.468

55.128.973

64.463.474

1.075.215

56.007

558 830

460.378

755.091

Current Period Demand Month 1.3 Months 3.6 Months Year Over Over Over Scound Country								Accumulative	
Saving deposits 144.401.759 17.118.227 258.627.497 102.027.434 3.233.356 6.002.945 122 531.411.5 Foreign currency deposits 252.280.075 28.093.887 56.634.679 2.435.546 1.491.060 1.424.544 - 342.359. Residents in Türkiye 243.224.364 27.402.457 55.582.231 2.336.612 350.032 430.633 - 329.326. Residents abroad 9.055.711 691.430 1.052.448 98.934 1.141.028 993.911 - 13.033.4 Public sector deposits 16.706.597 1.255.896 103.176 5.728 32 - - 18.071.4 Commercial deposits 53.900.087 34.111.873 122.572.554 12.155.406 987.259 976.002 - 224.703. Other institutions deposits 1.399.256 1.671.798 7.539.883 1.642.771 2.163 111 - 12.255.4 Precious metals vault 101.988.239 - 9.865.208 - 1.283.932 271.179 - 113.408.1 Bank deposits 1.133.656 8.888.987 3.595.913 4.443.791 5.729.291 1.906.510 - 25.698. Foreign banks 71.492 8.839.149 2.588.656 4.443.791 5.729.291 1.906.510 - 23.578.8 Foreign banks 867.771 49.838 1.007.257 - - - - - - - Participation banks 014.393 - - - - - - - - -			Up to 1			6 Months-1	1 Year and	savings	
Proreign currency deposits 252.280.075 28.093.887 56.634.679 2.435.546 1.491.060 1.424.544 - 342.359.748 34.0633 - 329.326.548 - 32.0636.548 34.0633 - 32.0636.548 34.0636 - 32.0636.548 34.0636 - 32.0636.548 34.0636 - 32.0636.548 34.0636 - 32.0636.548 34.0636 - 32.0636.548 - 32.0636.548 34.0636 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.0636.548 - 32.06	Current Period	Demand	month	1-3 Months	3-6 Months	Year	over	account	Total
Residents in Türkiye Residents in Türkiye Residents abroad 9.055.711 691.430 1.052.448 98.934 1.141.028 993.911 - 13.033.26.12 1.052.448 98.934 1.141.028 993.911 - 13.033.26.12 1.052.448 98.934 1.141.028 993.911 - 13.033.26.12 1.052.448 1	Saving deposits	144.401.759	17.118.227	258.627.497	102.027.434	3.233.356	6.002.945	122	531.411.340
Residents abroad 9.055.711 691.430 1.052.448 98.934 1.141.028 993.911 - 13.033.4	Foreign currency deposits	252.280.075	28.093.887	56.634.679	2.435.546	1.491.060	1.424.544	-	342.359.791
Public sector deposits 16.706.597 1.255.896 103.176 5.728 32 32 36 37 38 38 38 38 38 38 38	Residents in Türkiye	243.224.364	27.402.457	55.582.231	2.336.612	350.032	430.633	-	329.326.329
Commercial deposits 53,900.087 34,111.873 122.572.554 12.155.406 987.259 976.002 - 224.703 Other institutions deposits 1.399.256 1.671.798 7.539.883 1.642.771 2.163 111 - 12.255.8 Precious metals vault 101.988.239 9.865.208 - 1283.932 271.179 - 113.408.5 Bank deposits 1.133.656 8.888.987 3.595.913 4.443.791 5.729.291 1.906.510 - 25.698.5 The CBRT 71.492 8.839.149 2.588.656 4.443.791 5.729.291 1.906.510 - 23.5788.5 Foreign banks 867.771 49.838 1.007.257	Residents abroad	9.055.711	691.430	1.052.448	98.934	1.141.028	993.911	-	13.033.462
Other institutions deposits 1.399.256 1.671.798 7.539.883 1.642.771 2.163 111 - 12.255.5 Precious metals vault 101.988.239 - 9.865.208 - 1.283.932 271.179 - 113.408.5 Bank deposits 1.133.656 8.888.987 3.595.913 4.443.791 5.729.291 1.906.510 - 25.698. The CBRT -	Public sector deposits	16.706.597	1.255.896	103.176	5.728	32	-	-	18.071.429
Precious metals vault 101.988.239	Commercial deposits	53.900.087	34.111.873	122.572.554	12.155.406	987.259	976.002	-	224.703.181
Bank deposits 1.133.656 8.888.987 3.595.913 4.443.791 5.729.291 1.906.510 - 25.698. The CBRT	Other institutions deposits	1.399.256	1.671.798	7.539.883	1.642.771	2.163	111	-	12.255.982
The CBRT	Precious metals vault	101.988.239	-	9.865.208	-	1.283.932	271.179	-	113.408.558
Domestic banks 71.492 8.839.149 2.588.656 4.443.791 5.729.291 1.906.510 - 23.578.8	Bank deposits	1.133.656	8.888.987	3.595.913	4.443.791	5.729.291	1.906.510	-	25.698.148
Foreign banks 867.771 49.838 1.007.257 1.924.87 Participation banks 194.393 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.87 Other 1.924.8	The CBRT	-	-	-	-	-	-	-	-
Participation banks Other 194.393 Other	Domestic banks	71.492	8.839.149	2.588.656	4.443.791	5.729.291	1.906.510	-	23.578.889
Other Other Company of Company	Foreign banks	867.771	49.838	1.007.257	-	-	-	-	1.924.866
Total 571.809.669 91.140.668 458.938.910 122.710.676 12.727.093 10.581.291 122 1.267.908.4 Prior Period Demand Up to 1 month 1.3 Months 3-6 Months - Year 1 Year and over over over account Accumulative savings account Saving deposits 71.503.238 12.316.588 180.556.060 67.060.644 63.655.624 4.046.941 189 399.139.2 Foreign currency deposits 236.198.004 31.245.223 44.378.132 2.796.545 738.134 2.228.808 - 317.584.83 Residents in Türkiye 227.928.695 30.591.376 42.705.009 2.549.676 672.643 611.694 - 305.059.0	Participation banks	194.393	-	-	-	-	-	-	194.393
Prior Period Demand Up to 1 month 1-3 Months 3-6 Months-1 (9 months) 1 Year and over 3 ver 2 ver	Other	-	-	-	-	-	-	-	-
Prior Period Demand Up to 1 month 1-3 Months 3-6 Months of 7.000.644 1 Year and over over over 1.000.000 3-8 vings account To 20 months over 1.000.000 To 20 months over 1.000.000 4.000.000 4.000.000 To 20 months over 1.000.000 4.000.000 <th< th=""><th>Total</th><th>571.809.669</th><th>91.140.668</th><th>458.938.910</th><th>122.710.676</th><th>12.727.093</th><th>10.581.291</th><th>122</th><th>1.267.908.429</th></th<>	Total	571.809.669	91.140.668	458.938.910	122.710.676	12.727.093	10.581.291	122	1.267.908.429
Prior Period Demand month 1-3 Months 3-6 Months Year over account T. Saving deposits 71.503.238 12.316.588 180.556.060 67.060.644 63.655.624 4.046.941 189 399.139.1 Foreign currency deposits 236.198.004 31.245.223 44.378.132 2.796.545 738.134 2.228.808 - 317.584.1 Residents in Turkiye 227.928.695 30.591.376 42.705.009 2.549.676 672.643 611.694 - 305.059.0								Accumulative	
Saving deposits 71.503.238 12.316.588 180.556.060 67.060.644 63.655.624 4.046.941 189 399.139.2 Foreign currency deposits 236.198.004 31.245.223 44.378.132 2.796.545 738.134 2.228.808 - 317.584.8 Residents in Türkiye 227.928.695 30.591.376 42.705.009 2.549.676 672.643 611.694 - 305.059.0			Up to 1			6 Months-1	1 Year and	savings	
Foreign currency deposits 236.198.004 31.245.223 44.378.132 2.796.545 738.134 2.228.808 - 317.584.136	Prior Period	Demand	month	1-3 Months	3-6 Months	Year	over	account	Total
Residents in Türkiye 227.928.695 30.591.376 42.705.009 2.549.676 672.643 611.694 - 305.059.0	Saving deposits	71.503.238	12.316.588	180.556.060	67.060.644	63.655.624	4.046.941	189	399.139.284
	Foreign currency deposits	236.198.004	31.245.223	44.378.132	2.796.545	738.134	2.228.808	-	317.584.846
Residents abroad 8.269.309 653.847 1.673.123 246.869 65.491 1.617.114 - 12.525.7	Residents in Türkiye	227.928.695	30.591.376	42.705.009	2.549.676	672.643	611.694	-	305.059.093
	Residents abroad	8.269.309	653.847	1.673.123	246.869	65.491	1.617.114	-	12.525.753

18.835

17.454.437

1.066.252

4.878.101

4.878.101

1 508

521.736

1.070.896

5.732.620

5.732.620

2.032.242

203.323

502.969

502.969

27.091.967

(1) Within the scope of the "Decision on Supporting Deposit and Participation Accounts Against Exchange Rate Increases (Decision No: 5206)" published in the Official Gazette dated February 24, 2022 and numbered 31760, and the CBRT's communiqués numbered 2021/14, 2021/16, 2022/7 and 2022/11, the "Currency protected TL deposit" which provide protection against foreign currency exchange rate changes for TL deposits, as of the reporting date amounting to TL 103.853.980 (December 31, 2023 – TL 222.335.968).

434.970.019 77.950.916 322.447.058 93.274.814 98.812.485 9.014.452

119 870

76.978.621

4.980.443

1.854.413

13.579.519

1.264.438

12.315.081

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2.1.2. Information on deposits insurance:

2.1.2.1. Information on deposits under the guarantee of the deposits insurance fund and exceeding the limit of deposit insurance fund:

	Under the guarantee of	deposit insurance	Exceeding limit of the deposit insurance		
Saving deposits	Current Period	Prior Period	Current Period	Prior Period	
Deposits	238.921.692	141.627.769	292.690.071	257.622.362	
Foreign currency saving deposits	74.940.363	63.728.267	109.200.599	118.596.892	
Other deposits	54.169.543	32.917.070	42.563.627	27.761.034	
Foreign branches' deposits under foreign					
authorities' insurance	-	-	-	-	
Off-shore banking regions' deposits under					
foreign authorities' insurance	-	-	-	-	

_	Under the guarantee of	deposit insurance	Exceeding limit of the deposit insurance		
Legal entities' deposits	Current Period	Prior Period	Current Period	Prior Period	
Deposits	25.464.722	22.150.658	170.569.016	163.557.160	
Foreign currency saving deposits	8.444.201	6.652.355	147.461.117	123.748.178	
Other deposits	1.726.029	1.068.231	14.947.758	5.845.003	
Foreign branches' deposits under foreign					
authorities' insurance	-	-	-	-	
Off-shore banking regions' deposits under					
foreign authorities' insurance	_	_	_	-	

2.1.2.2. Deposits which are not under the guarantee of saving deposit insurance fund:

	Current Period	Prior Period
Foreign branches' deposits and other accounts	9.631.366	3.338.299
Saving deposits and other accounts of controlling shareholders and deposits of their		
mother, father, spouse, children in care	-	-
Saving deposits and other accounts of president and members of board of directors, CEO		
and vice presidents and deposits of their mother, father, spouse, children in care	1.900.955	588.290
Saving deposits and other accounts in scope of the property holdings derived from crime		
defined in article 282 of Turkish criminal law no:5237 dated September 26, 2004	-	-
Saving deposits in deposit bank which is established in Türkiye in order to engage in off-		
shore banking activities solely	_	-

2.2. Information on trading derivative financial liabilities:

2.2.1. Negative differences table for derivative financial liabilities held for trading:

_		Current Period		
	TL	FC	TL	FC
Forward transactions	2.822.976	43.856	180.708	6.414
Swap transactions	10.443.855	5.345.165	4.452.613	6.734.645
Futures transactions	652	-	10.023	-
Options	314.646	87.116	92.336	15.133
Other	-	-	-	-
Total	13.582.129	5.476.137	4.735.680	6.756.192

2.2.2. Negative differences table for derivative financial liabilities held for hedging:

	Current Period			Prior Period
	TL	FC	TL	FC
Fair value hedges	-	-	-	-
Cash flow hedges (1)	-	-	32.334	-
Hedges for investments made in foreign countries	-	-	-	-
Total	-	-	32.334	-

⁽¹⁾ Explained in Note 10 of section 4.

2.3. Information about on banks and other financial institutions:

2.3.1. Information on borrowings:

	Current Period			Prior Period
	TL	FC	TL	FC
The CBRT borrowings	200.580	-	-	-
From domestic banks and institutions	1.494.468	2.779.024	1.424.138	1.909.903
From foreign banks, institutions and funds	73.624.838	192.267.055	397.285	136.575.807
Total	75.319.886	195.046.079	1.821.423	138.485.710

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2.3.2. Information on maturity structure of borrowings:

	Current Period Prior P			Prior Period
	TL	FC	TL	FC
Short-term	73.500.967	30.130.730	1.488.963	15.067.923
Medium and long-term	1.818.919	164.915.349	332.460	123.417.787
Total	75.319.886	195.046.079	1.821.423	138.485.710

2.3.3. Information on securitization borrowings:

2.3.3.1. The Bank obtains borrowings via its structured entity, Yapı Kredi Diversified Payment Rights Finance Company, with future flow transactions which is founded on its future money transfers within its funding programme.

	Current Period		Prior Period	
	TL	FC	TL	FC
From foreign banks	-		-	-
From foreign institutions	-	94.762.149	-	88.426.163
From foreign funds	-	-	-	-
Total	-	94.762.149	-	88.426.163

2.3.3.2. Information on financial liabilities at fair value through profit or loss:

The Bank classified some of its financial liabilities as the financial liabilities classified at fair value through profit/loss in order to eliminate the accounting mismatch at the initial recognition in accordance with TFRS 9. As of December 31, 2024, the total amount of financial liabilities classified as fair value through profit/loss is TL 76,955,388 (December 31, 2023 -TL 72.554.448) with an accrued interest expense of TL 283.235 (December 31, 2023 - TL 649.336 income) and with a fair value difference of TL 965.237 recognized as an expense (December 31, 2023- TL 1.328.128 expense). On the other hand, the nominal amounts of the total return swaps and bond forwards which are closely related with these financial liabilities as of December 31, 2024 are TL 75.308.138 (December 31, 2023- TL 71.731.874) with a fair value differences amounting to TL 340.032 liability (December 31, 2023 - TL 1.247.239 liability). The mentioned total return swaps have 9 years maturity in average.

2.3.4. Information on marketable securities issued:

		Current Period		Prior Period
	TL	FC	TL	FC
Bonds	6.073.651	51.438.572	7.055.826	10.933.847
Bills ⁽¹⁾	328.621	71.469.915	402.929	59.309.062
Total	6.402.272	122.908.487	7.458.755	70.242.909

⁽¹⁾ Does not include morgage backed securities as of December 31, 2024 (December 31, 2023 - TL 402.929).

2.4. Information on other liabilities:

As of December 31, 2024, other liabilities do not exceed 10% of the total balance sheet commitments

2.5. Information on lease payables:

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 year	1.808.192	1.241.710	1.036.046	729.304
Between 1 – 4 years	3.367.700	2.313.716	2.048.928	1.443.588
More than 4 years	2.214.215	1.520.531	1.440.699	1.015.059
Total	7.390.107	5.075.957	4.525.673	3.187.951

2.6. Information on provisions:

2.6.1. Information on provision for employee benefit:

In accordance with Turkish Labour Law, the reserve for employment termination benefits is calculated as the present value of the probable future obligation in case of the retirement of employees. "TAS 19 - Employee Benefits" necessitates actuarial valuation methods to calculate the liabilities of enterprises.

The following actuarial assumptions were used in the calculation of total liabilities:

	Current Period	Prior Period
Discount rate (%)	3,38	2,90
Possibility of being eligible for retirement (%)	94,59	94,92

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The principal actuarial assumption is that the maximum liability will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. As the annual ceiling is revised semi-annually, the ceiling of full TL 46.655,43 effective from January 1, 2025 has been taken into consideration in calculating the provision for employee benefit.

Movement of employment termination benefits liability in the balance sheet:

	Current Period	Prior Period
Prior period ending balance	3.160.252	2.756.809
Changes during the period	528.220	330.830
Recognized in equity	932.554	801.805
Paid during the period	(1.802.511)	(729.192)
Balance at the end of the period	2.818.515	3.160.252

In addition, the Bank has accounted for unused vacation provision amounting to TL 982.169 as of December 31, 2024 (December 31, 2023 - TL 733.627).

2.6.2. Information on provisions related with the foreign currency difference of foreign currency indexed loans:

None (December 31, 2023 – None).

2.6.3. Other provisions:

	Current Period	Prior Period
Pension fund provision	12.990.997	10.027.806
Provisions on non-funded non cash loans	917.318	1.508.223
General provisions on non cash loans	632.023	1.782.092
Provision for lawsuits	158.340	175.098
Provisions for credit cards and promotion campaigns related to banking services	255.862	193.488
Other	1.792.199	3.484.063
Total	16.746.739	17.170.770

Pension fund provision:

The Bank has set aside provision amounting to TL 12.990.997 (December 31, 2023 – TL 10.027.806) for the technical deficit based on the report prepared by a registered actuary within the framework of the transfer assumption, taking into account the technical interest rate of 9,8%, CSO 1980 mortality table and calculation methods determined by the New Law. The Bank accounted pension fund provision in accordance with "TAS 19 - Employee Benefits" standard. Accordingly in the calculation of pension fund provision the change arises,

- As a result of service cost and interest is recognized in income statement,
- > Actuarial gains and losses, including the effect of differences between assumptions and actual outcomes, are recognized in shareholders' equity

In the calculation of the defined benefit obligation for transferrable benefits, mainly fixed and specific assumptions are used within the framework of the New Law. However, the final obligation amount that the Bank will bear at the transfer may vary depending on factors such as the discount rate, inflation and salary increase and number of participants and attrition rate.

	Current Period	Prior Period
Opening balance	10.027.806	2.945.243
Amount recorded under equity	2.797.805	7.028.582
Contributions paid by the Bank	(3.446.953)	(1.818.809)
Income statement charge	3.612.339	1.872.790
Closing balance	12.990.997	10.027.806

The amounts recognized in the balance sheet are determined as follows:

	Current Period	Prior Period
Present value of funded obligations	24.385.065	18.119.593
- Pension benefits transferable to SSI	44.527.683	11.186.741
 Post employment medical benefits transferable to SSI 	(20.142.618)	6.932.852
Fair value of plan assets	(11.394.068)	(8.091.787)
Provision for the actuarial deficit of the pension fund	12,990,997	10.027.806

The principal actuarial assumptions used were as follows:

	Current Period	Prior Period
Discount rate		
- Pension benefits transferable to SSI	9,80%	9,80%
- Post employment medical benefits transferable to SSI	9,80%	9,80%

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Mortality rate: Average life expectation is defined according to CSO 1980 mortality table.

Plan assets are comprised as follows:

	Curre	ent Period		Prior Period
	Amount	%	Amount	%
Bank placements	3.106.696	27	2.312.910	29
Government bonds and treasury bills	4.715.055	41	3.667.312	45
Premises and equipment	2.486.826	22	1.583.398	20
Other	1.085.491	10	528.167	6
Total	11.394.068	100	8.091.787	100

	Current Period	Prior Period
Opening balance of plan assets	8.091.787	5.274.286
Contributions paid by the Bank	3.446.953	1.818.809
Contributions paid by the employee	2.618.122	1.380.995
Other	(2.762.794)	(382.303)
Closing balance	11 394 068	8 091 787

2.7. Information on taxes payable:

2.7.1. Information on taxes payable:

	Current Period	Prior Period
Corporate Tax Payable	-	3.783.814
Banking Insurance Transaction Tax ("BITT")	4.428.681	1.895.222
Taxation of Marketable Securities Income	2.783.714	563.484
Foreign Exchange Transaction Tax	37.266	23.308
Value Added Tax Payable	143.854	115.302
Property Tax	18.893	11.526
Other	693.694	451.982
Total	8.106.102	6.844.638

2.7.2. Information on premium payables:

	Current Period	Prior Period
Social security premiums – employee	-	-
Social security premiums – employer	=	-
Bank pension fund premiums – employee	196.652	124.465
Bank pension fund premiums – employer	286.384	172.801
Pension fund deposit and provisions – employee	-	-
Pension fund deposit and provisions – employer	-	-
Unemployment insurance – employee	13.621	8.884
Unemployment insurance – employer	27.522	17.809
Other	-	-
Total	524.179	323.959

2.8. Liabilities for property and equipment held for sale and related to discontinued operations (net):

None (December 31, 2023 - None)

2.9. Information on subordinated debt⁽¹⁾:

	Cu	rrent Period		Prior Period
	TL	FC	TL	FC
Debt instruments to be included in additional capital calculation	-	18.481.048	-	20.355.837
Subordinated loans	-	-	-	-
Subordinated debt	-	18.481.048	-	20.355.837
Debt instruments to be included in contribution capital calculation	1.301.664	42.148.886	1.260.412	15.229.890
Subordinated loans	-	-	-	-
Subordinated debt	1.301.664	42.148.886	1.260.412	15.229.890
Total	1.301.664	60.629.934	1.260.412	35.585.727

(1) Subordinated loans are explained in detail in Note "Details on Subordinated Liabilities" of section four.

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2.10. Information on shareholders' equity:

2.10.1. Presentation of paid-in capital:

	Current Period	Prior Period
Common shares	8.447.051	8.447.051
Preferred shares	-	-

2.10.2. Paid-in capital amount, explanation as to whether the registered share capital system is applied and if so, amount of registered share capital ceiling:

		Registered Share
Capital System	Paid-In Capital	Capital Ceiling
Registered Capital System	8.447.051	15.000.000

2.10.3. Information on the share capital increases during the period and the sources:

None (December 31, 2023 – None).

2.10.4. Information on transfers from capital reserves to capital during the current period:

None (December 31, 2023 – None).

2.10.5. Information on capital commitments, until the end of the fiscal year and the subsequent interim period:

None (December 31, 2023 - None).

2.10.6. Information on prior period's indicators on the Bank's income, profitability and liquidity, and possible effects of these future assumptions on the Bank's equity due to uncertainties of these indicators:

The interest, liquidity, and foreign exchange risk related to on-balance sheet and off-balance sheet assets and liabilities are managed by the Bank within several risk and legal limits.

2.10.7. Privileges on the corporate stock:

None (December 31, 2023 - None).

2.10.8. Information on marketable securities value increase fund:

	(Current Period		Prior Period
	TL	FC	TL	FC
From investments in associates, subsidiaries, and joint				
ventures	683.895	24.074.751	682.298	20.312.923
Revaluation difference (1)	683.895	515.730	682.298	558.682
Foreign currency difference (1)	-	23.559.021	-	19.754.241
Financial assets at fair value through other comprehensive				
income	(11.634.066)	(1.145.749)	(4.178.436)	1.268.284
Revaluation difference (2)	(11.634.066)	(1.145.749)	(4.178.436)	1.268.284
Foreign currency differences	-	-	-	-
Total	(10.950.171)	22.929.002	(3.496.138)	21.581.207

⁽¹⁾ Includes differences between historical cost basis and equity accounted associates, subsidiaries and joint ventures.

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Information on off balance sheet commitments:

3.1.1. The amount and type of irrevocable commitments:

	Current Period	Prior Period
Commitments on credit card limits	968.083.268	512.438.126
Asset purchase and sale commitments	103.444.271	72.643.748
Loan granting commitments	163.019.479	96.706.632
Commitments for cheques	10.835.555	8.435.319
Other irrevocable commitments	257.753.848	106.052.213
Total	1.503.136.421	796.276.038

3.1.2. Type and amount of probable losses and obligations arising from off-balance sheet items:

Obligations arising from off-balance sheet are disclosed in "Off-balance sheet commitments". The Bank set aside general provision for its non-cash loans amounting to TL 632.023 (December 31, 2023 - TL 1.782.092) and specific provision amounting to TL 6.487.637 (December 31, 2023 - TL 2.028.872) for non-cash loans which are not indemnified yet amounting to TL 917.318 (December 31, 2023 - TL 1.508.223).

3.1.2.1. Non-cash loans including guarantees, bank acceptance loans, collaterals that are accepted as financial guarantees and other letter of credits:

	Current Period	Prior Period
Bank acceptance loans	3.164.183	2.178.212
Letter of credits	60.556.079	51.798.505
Other guarantees and collaterals	42.776.641	28.183.409
Total	106.496.903	82.160.126

3.1.2.2. Guarantees, suretyships and other similar transactions:

	Current Period	Prior Period
Temporary letter of guarantees	12.704.409	5.075.662
Definite letter of guarantees	218.839.727	147.128.857
Advance letter of guarantees	51.321.060	44.721.720
Letter of guarantees given to customs	12.930.452	7.917.628
Other letter of guarantees	141.747.846	99.468.665
Total	437.543.494	304.312.532

3.1.3. Information on non-cash loans:

3.1.3.1. Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash loans given against cash loans	138.249.475	96.627.631
With original maturity of 1 year or less than 1 year	22.761.592	9.930.139
With original maturity of more than 1 year	115.487.883	86.697.492
Other non-cash loans	405.790.922	289.845.027
Total	544.040.397	386.472.658

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3.1.3.2 Information on sectoral concentration of non-cash loans:

			Current Peri	od			Prior Per	iod
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	7.048.901	2,51	5.623.126	2,14	4.459.418	2,50	5.619.898	2,71
Farming and raising livestock	6.414.429	2,29	3.925.012	1,49	3.822.365	2,14	3.008.408	1,45
Forestry	572.613	0,20	1.578.604	0,60	497.454	0,28	2.571.808	1,24
Fishing	61.859	0,02	119.510	0,05	139.599	0,08	39.682	0,02
Manufacturing	142.103.511	50,72	164.031.813	62,16	96.468.975	53,98	127.157.790	61,20
Mining	980.784	0,35	1.765.419	0,67	556.194	0,31	650.363	0,31
Production	124.043.588	44,27	140.460.578	53,23	84.673.111	47,38	108.697.093	52,32
Electric, gas and water	17.079.139	6,10	21.805.816	8,26	11.239.670	6,29	17.810.334	8,57
Construction	51.077.502	18,23	45.490.207	17,24	29.337.700	16,42	37.923.177	18,25
Services	79.003.235	28,19	48.540.698	18,39	47.700.383	26,68	36.910.809	17,76
Wholesale and retail trade	21.019.660	7,50	8.822.192	3,34	13.787.213	7,71	5.364.997	2,58
Hotel, food and beverage services	4.687.843	1,67	4.020.032	1,52	2.097.811	1,17	3.245.848	1,56
Transportation and								
telecommunication	8.248.263	2,94	10.497.692	3,98	4.539.026	2,54	10.588.164	5,10
Financial institutions	31.509.766	11,25	14.308.602	5,42	20.202.345	11,30	8.422.508	4,05
Real estate and leasing services	2.832.220	1,01	2.238.504	0,85	1.210.701	0,68	1.513.316	0,73
Education services	403.278	0,14	140.509	0,05	356.684	0,20	143.348	0,07
Health and social services	10.302.205	3,68	8.513.167	3,23	5.506.603	3,08	7.632.628	3,67
Other	934.098	0,35	187.306	0,07	746.280	0,42	148.228	0,08
Total	280.167.247	100,00	263,873,150	100,00	178,712,756	100,00	207,759,902	100,00

3.1.3.3 Information non-cash loans classified in Group I and Group II:

		Group I		Group II
Current Period	TL	FC	TL	FC
Non-cash loans				
Letters of guarantee	256.712.647	167.954.136	3.602.132	3.027.327
Bank acceptances	-	3.082.400	-	_
Letters of credit	45.163	60.318.744	-	50.777
Endorsements		-	-	
Underwriting commitments		-	-	
Factoring guarantees		-	-	
Other commitments and contingencies	19.048.166	23.711.267	-	-
Total	275.805.976	255.066.547	3.602.132	3.078.104

		Group II		
Prior Period	TL	FC	TL	FC
Non-cash loans				
Letters of guarantee	162.235.291	126.946.952	5.644.786	7.838.812
Bank acceptances	-	2.103.028	-	22.795
Letters of credit	1.257.810	49.960.947	-	572.300
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring guarantees	-	-	-	-
Other commitments and contingencies	9.246.038	18.922.466	10.700	-
Total	172.739.139	197.933.393	5.655.486	8.433.907

3.1.3.4 Maturity distribution of non cash loans:

Current Period (1)	Indefinite	Up to 1 year	1-5 years	Above 5 years	Total
Letter of credit	-	41.574.055	18.968.778	13.246	60.556.079
Letter of guarantee	110.010.546	84.340.749	219.682.966	23.509.233	437.543.494
Bank acceptances	-	2.789.527	374.656	-	3.164.183
Other	5.001.078	20.546.246	5.346.505	11.882.812	42.776.641
Total	115.011.624	149.250.577	244.372.905	35.405.291	544.040.397

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		Up to	1-5	Above	
Prior Period (1)	Indefinite	1 year	years	5 years	Total
Letter of credit	-	35.912.802	15.874.650	11.053	51.798.505
Letter of guarantee	81.805.739	50.223.916	152.998.122	19.284.755	304.312.532
Bank acceptances	-	2.145.223	32.989	-	2.178.212
Other	3.507.307	9.026.417	3.641.804	12.007.881	28.183.409
Total	85.313.046	97.308.358	172.547.565	31.303.689	386.472.658

(1) The distribution is based on the original maturities.

3.2 Information on derivative financial instruments:

	Current Period	Prior Period
Types of trading transactions		
Foreign currency related derivative transactions (I)	573.503.182	576.496.587
Forward foreign currency purchase and sale transactions	147.856.384	42.803.047
Currency swap purchase and sale transactions	356.991.945	502.565.587
Currency futures	20.595.286	7.475.390
Currency purchase and sale options	48.059.567	23.652.563
Interest related derivative transactions (II)	758.844.785	505.199.409
Forward interest rate agreements	-	-
Interest rate swap purchase and sale transactions	754.543.374	500.965.348
Interest rate purchase and sale options	4.301.411	4.234.061
Interest rate futures	-	-
Other trading derivative transactions (III)	274.450.985	214.035.638
A. Total trading derivative transactions (I+II+III)	1.606.798.952	1.295.731.634
Types of derivative transactions for hedging purposes		
Transactions for fair value hedge	-	-
Transactions for cash flow hedge	37.226.415	81.581.421
Transactions for foreign net investment hedge	-	-
B. Total hedging related derivatives	37.226.415	81.581.421
Total derivative transactions (A+B)	1.644.025.367	1.377.313.055

Information on credit derivatives and risk exposures:

The Bank has no credit default swaps in derivative portfolio for the period ended December 31, 2024 (December 31, 2023 - None).

Derivative portfolio includes total return swap that has a nominal amount of TL 149.816.276 total of buy and sell leg as of December 31, 2024 (December 31, 2023 – TL 142.663.748).

3.4. Information on contingent liabilities and assets:

The Bank has recorded a provision of TL 158.340 (December 31, 2023 – TL 175.098) for litigation and has accounted for it in the accompanying financial statements under the "Other Provisions" account. Except for the claims where provisions are recorded, management considers as remote the probability of a negative result in ongoing litigations and therefore does not foresee cash outflow for such claims.

3.5. Information on services in the name and account of others:

The Bank's activities such as intermediation and custody to serve the investment needs of customers are followed up under off balance sheet accounts.

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Explanations and notes related to income statement:

Information on interest income:

4.1.1. Information on interest income on loans:

	C	Current Period			
	TL	FC	TL	FC	
Short-term loans (1)	156.400.824	7.161.660	49.469.055	3.826.103	
Medium/long-term loans (1)	103.470.986	19.118.958	58.712.823	15.432.102	
Interest on loans under follow-up	9.186.415	-	3.268.424	-	
Premiums received from resource utilization support fund	-	-	-	-	
Total	269.058.225	26.280.618	111.450.302	19.258.205	

⁽¹⁾ Includes fees and commissions received for cash loans.

4.1.2. Information on interest income on banks:

	Cı	Current Period				
	TL	FC	TL	FC		
From the CBRT	3.450.700	6.381	76.667	63.600		
From domestic banks	953.348	37	287.227	-		
From foreign banks	12.051	4.135.378	232	2.846.576		
Headquarters and branches abroad	-	-	-	-		
Total	4.416.099	4.141.796	364.126	2.910.176		

4.1.3. Information on interest income on marketable securities:

	Cur	rent Period	Prior Period		
	TL	FC	TL	FC	
Financial assets measured at fair value through profit or loss	-	178.325	-	126.273	
Financial assets measured at fair value through other comprehensive income	34.944.737	1.553.210	20.891.100	2.100.922	
Financial assets measured at amortised cost	76.948.321	6.348.559	57.140.469	3.847.057	
Total	111.893.058	8.080.094	78.031.569	6.074.252	

4.1.4. Information on interest income received from associates and subsidiaries:

	Current Period	Prior Period
Interest received from associates and subsidiaries	1.655.815	848.010
Total	1.655.815	848.010

4.2. Information on interest expense:

4.2.1. Information on interest expense on borrowings:

		Current Period		
	TL	FC	TL	FC
Banks	12.597.994	11.113.738	288.589	6.714.694
The CBRT	-	-	-	-
Domestic banks	413.897	279.452	197.364	154.515
Foreign banks	12.184.097	10.834.286	91.225	6.560.179
Headquarters and foreign branches	-	-	-	-
Other institutions	-	8.757.479	-	5.280.483
Total (1)	12.597.994	19.871.217	288.589	11.995.177

⁽¹⁾ Includes fees and commissions related to borrowings.

4.2.2. Information on interest expense to associates and subsidiaries:

	Current Period	Prior Period
Interest paid to associates and subsidiaries	319.199	335.137
Total	319.199	335.137

4.2.3. Information on interest expense to marketable securities issued:

		Current Period		Prior Period
	TL	FC	TL	FC
Interest expense to marketable securities issued	4.376.820	12.206.384	2.677.617	6.996.096
Total	4.376.820	12.206.384	2.677.617	6.996.096

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4.2.4. Information on interest expense on money market transactions:

		Current Period		Prior Period
	TL	FC	TL	FC
Interest expense on money market transactions	65.003.160	1.391.848	3.050.232	1.264.748
Total	65.003.160	1.391.848	3.050.232	1.264.748

4.2.5. Information on other interest expense:

As of December 31, 2024, commission expense amounting to TL 1.867.822 (December 31, 2023 - TL 1.505.590) has been recognized in other interest expense within the scope of 30th article of the CBRT Tariff Schedule titled "Communiqué on Required Reserve and Foreign Currency Deposit Accounts".

4.2.6. Maturity structure of the interest expense on deposits:

				Time	Deposit				
Account name	Demand Deposit	Up to 1 month	Up to 3 months	Up to 6 months	Up to 1 Year	More than 1 year	Accumulating deposit	Total	Prior Period
TL							•		
Bank deposits	71.752	3.120.207	3.257.797	21.345	7.539	-	-	6.478.640	2.306.673
Saving deposits	-	3.776.356	89.987.341	42.698.459	27.605.290	2.197.086	25	166.264.557	76.586.005
Public sector deposits	-	323.033	48.312	6.092	671	-	-	378.108	195.319
Commercial deposits	226	10.637.934	39.061.269	7.837.851	8.083.459	767.037	-	66.387.776	26.276.836
Other deposits	-	688.351	14.964.581	1.939.261	406.505	15.236	-	18.013.934	11.420.814
Deposits with 7 days									
notification	-	-	-	-	-	-	-	-	-
Total	71.978	18.545.881	147.319.300	52.503.008	36.103.464	2.979.359	25	257.523.015	116.785.647
FC									
Foreign currency deposits	2.543	311.843	403.658	8.991	65.816	2.698	-	795.549	542.825
Bank deposits	326.399	279.457	188.169	-	-	-	-	794.025	659.056
Deposits with 7 days									
notification	-	-	-	-	-	-	-	-	-
Precious metal vault	-	509	12.757	-	863	66	-	14.195	5.185
Total	328.942	591.809	604.584	8.991	66.679	2.764	-	1.603.769	1.207.066
Grand total	400.920	19.137.690	147.923.884	52.511.999	36.170.143	2.982.123	25	259.126.784	117.992.713

4.3 Information on dividend income:

	Current Period	Prior Period
Financial assets measured at fair value through profit or loss	9.159	5.982
Financial assets measured at fair value through other comprehensive income	5.873	3.447
Other	23	-
Total	15.055	9.429

4.4. Information on trading profit/loss (net):

	Current Period	Prior Period
Profit	237.114.861	197.601.504
Gain from capital market transactions	3.487.586	3.554.082
Derivative financial transaction gains	112.954.967	96.334.698
Foreign exchange gains	120.672.308	97.712.724
Loss (-)	283.545.433	177.690.143
Loss from capital market transactions	84.110	46.636
Derivative financial transaction losses	135.372.070	62.667.996
Foreign exchange loss	148.089.253	114.975.511
Net trading profit/loss	(46.430.572)	19.911.361

The net gain resulting from the foreign exchange differences related to derivative financial transactions is TL 39.667.687 (December 31, 2023 - TL 36.284.814 gain).

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Allowance for expected credit losses and other provision expenses:

	Current Period	Prior Period
Allowance for expected credit losses	35.695.075	23.771.750
12-month expected credit losses (Stage 1)	778.048	7.385.261
Significant increase in credit risk (Stage 2)	12.382.375	4.767.860
Non performing loans (Stage 3)	22.534.652	11.618.629
Impairment provisions for financial assets	-	-
Financial assets measured at fair value through profit or loss	-	-
Financial assets measured at fair value through other comprehensive income	-	-
Impairment provisions related to investments in associates, subsidiaries and jointly controlled		
partnerships (Joint ventures)	-	-
Associates	-	-
Subsidiaries	-	-
Jointly controlled partnerships (joint ventures)	-	-
Other	58.609	98.106
Total	35.753.684	23.869.856

4.6. Information on other operating income:

"Other Operating Income" in the statement of profit or loss mainly includes collections from receivables for which Specific / General provision has been allocated in prior periods.

4.7. Information related to other operating expenses:

	Current Period	Prior Period
Provision for employee benefit	528.220	330.830
Provision expense for pension fund	165.386	53.981
Impairment losses of property and equipment	-	-
Depreciation expenses of property and equipment	2.169.050	1.210.764
Impairment losses of intangible assets	-	-
Goodwill impairment losses	-	-
Amortisation expenses of intangible assets	472.109	310.055
Impairment losses of equity participations for which equity method applied	-	-
Impairment losses of assets held for sale	-	-
Depreciation expenses of assets held for sale	-	-
Impairment losses of fixed assets held for sale and assets related to discontinued operations	-	-
Other operating expenses	36.715.745	22.600.684
TFRS 16 exempt lease expenses	343.833	194.703
Repair and maintenance expenses	1.180.776	677.897
Advertising expenses	990.991	829.445
Other expense	34.200.145	20.898.639
Loss on sales of assets	-	306
Other	9.804.640	5.196.766
Total	49.855.150	29.703.386

4.8. Information on income/loss before taxes from continuing operations and discontinued operations:

The profit before tax includes TL 75.913.557 (December 31, 2023 – TL 72.901.992) of net interest income, TL 73.097.483 (December 31, 2023 - TL 34.481.986) of net fees and commissions income, TL 27.530.139 personnel expenses (December 31, 2023 - TL 16.777.259) and other operating expense amounting to TL 49.855.150 (December 31, 2023 - TL 29.703.386).

As of December 31, 2024, the Bank has no profit before tax from discontinued operations (December 31, 2023 -

4.9. Provision for taxes on income from continuing operations and discontinued operations:

As of December 31, 2024, the Bank tax expense from continued operations, from discontinued operations amounting to TL 115.614 (December 31, 2023 - TL 9.370.801 expense) and deferred tax expense from continued operations amounting to TL 594.646 (December 31, 2023 - TL 5.171.640 deferred tax expense).

	Current Period	Prior Period
Profit before tax	29.727.083	82.551.277
Tax calculated at statutory rate	8.918.125	24.765.383
Nondeductible expenses, discounts and other, net	(8.207.865)	(10.222.942)
Total	710.260	14.542.441

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4.10. Information on net income/loss for the period:

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- 4.10.1. The characteristics, dimension and recurrence of income or expense items arising from ordinary banking transactions do not require any additional explanation to understand the Bank's current period performance.
- 4.10.2. The effect of the change in an estimate of financial statement items to profit / loss is not likely to affect subsequent

4.11. Other items in statement of profit or loss:

"Other fees and commissions received" and "Other fees and commissions paid" in profit or loss mainly include commissions and fees related to credit cards and banking transactions.

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Explanations and notes related to statement of changes in shareholders' equity

Information on dividends:

Authorised body for profit appropriation of the current period is General Assembly. As of the preparation date of these financial statements, annual ordinary meeting of the General Assembly has not been held yet.

Information on increase/decrease amounts resulting from merger:

Information on equity share premiums:

The details regarding property and equipment valuation differences are disclosed in section 3 note 19.

Explanations on property and equipment valuation differences:

The Bank adopted fair value accounting method for its buildings and art objects and paintings in tangible assets in accordance with TAS 16 "Property, Plant and Equipment". As of December 31, 2024, revaluation gain under shareholders' equity is amounting to TL 17.485.694 (December 31, 2023 – TL 10.891.228).

5.5 Explanations related to accumulated remeasurement gains/losses of defined benefit plans:

Accumulated remeasurement gains/losses of defined benefit plans are accounted under equity. As of December 31, 2024 actuarial loss related to provision for employee benefit accounted under equity is amounting to TL 2.958.792 (December 31, 2023 – TL 2.306.005), actuarial loss related to pension fund provision is amounting to TL 7.855.119 (December 31, 2023 – TL 5.896.655).

5.6 Explanations on joint ventures accounted for using equity method:

Associates, subsidiaries and joint ventures are being carried at equity method as defined in "TAS 28 - Investments in Associates and Joint Ventures" in the unconsolidated financial statements of the Bank started from June 30, 2015. Any valuation differences arising from prior years, before January 1, 2015, are booked as "Other accumulated comprehensive income that will not be reclassified in profit or loss" under equity. In the following periods, any valuation differences arising from the current period income and other comprehensive income are recognized in profit or loss and "Other accumulated comprehensive income that will not be reclassified in profit or loss" under the equity, respectively.

Explanations on financial assets at fair value through other comprehensive income:

"Unrealized gains and losses" arising from changes in the fair value of financial assets classified as financial assets at fair value through other comprehensive income are recognized in the shareholders' equity until the related assets are impaired or disposed.

5.8 Hedging transactions:

The Bank applies cash flow hedge accounting in order to hedge the risk of cash flow of its liabilities. In the scope of this application, the derivative financial instruments are specified as floating rate and fixed rate interest payment USD. EUR and TL interest rate swaps, hedging liabilities as the USD, EUR and TL customer deposits, repos, cash outflows due to re-pricing of loans because of the expected interest rate financing. In this context, fair value change of the effective portion of derivative financial instruments accounted in other accumulated comprehensive income that will be reclassified in profit or loss, taking into account tax effects. Such amount as of December 31, 2024 is TL 2.126.459 gain (December 31, 2023 – TL 3.227.560 gain).

The Bank's Euro denominated borrowing is designated as a hedge of the net investment in the Bank's certain EUR denominated subsidiaries. The total amount of the borrowing designated as a hedge of the net investment at December 31, 2024 is EUR 665 million (December 31, 2023 is EUR 528 million). The foreign exchange loss of TL 11.408.691 net of tax, on translation of the borrowing to Turkish Lira at the statement of financial position date is recognized in "hedging reserves" in equity (December 31, 2023- TL 9.761.731 loss).

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Information on share issue premium:

Other capital and profit reserves, in general, consist of legal reserves and extraordinary reserves

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Explanations and notes related to statement of cash flows:

Information on cash and cash equivalents:

6.1.1 Components of cash and cash equivalents and the accounting policy applied in their determination:

Cash and foreign currency balances together with demand deposits at banks including the unrestricted amounts of CBRT are defined as "Cash"; money market placements and time deposits in banks with original maturities of less than three months are defined as "Cash Equivalents".

6.1.2 Effect of a change in the accounting policies:

None.

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6.1.3 Reconciliation of cash and cash equivalent items with balance sheet and cash flow statements:

6.1.3.1 Cash and cash equivalents at the beginning of period:

	Current Period	Prior Period
Cash	193.378.243	102.024.569
Cash and effectives	21.923.283	12.925.202
Demand deposits in banks	171.454.960	89.099.367
Cash equivalents	2.410.361	11.266.214
Interbank money market	-	2.460.000
Time deposits in banks	2.410.361	8.806.214
Total cash and cash equivalents	195.788.604	113.290.783

6.1.3.2 Cash and cash equivalents at the end of the period:

	Current Period	Prior Period
Cash	235.778.131	193.378.243
Cash and effectives	20.935.557	21.923.283
Demand deposits in banks	214.842.574	171.454.960
Cash equivalents	3.042.681	2.410.361
Interbank money market	-	-
Time deposits in banks	3.042.681	2.410.361
Total cash and cash equivalents	238.820.812	195.788.604

6.2 Information on cash and cash equivalents those are not available for use due to legal limitations and other

As of December 31, 2024 the cash and cash equivalents those are not available for use due to legal limitations and other reasons including reserve regirements is amounting to TL 369.912.345 (December 31, 2023 - TL 243.527.128).

Explanations on other items in the statement of cash flows and the effects of the change in foreign exchange rates on cash and cash equivalents:

Decrease in "Other Account" amounting to TL 38.550.739 as of December 31, 2024 (December 31, 2023 – TL 6.097.615 decrease), which is classified under "Operating profit before changes in operating assets and liabilities", includes mainly fee and commissions given, other operating expenses excluding personnel expenses, and foreign exchange gains/losses.

Increase in "Net increase/decrease in other liabilities" amounting to TL 26.738.566 (December 31, 2023 - TL 24.283.195 decrease) which is classified under "Changes in operating assets and liabilities" mainly arises from changes in miscellaneous payables, subordinated loans and other liabilities.

The effects of the change in foreign exchange rates on cash and cash equivalents are calculated as an increase approximately of TL 17.766.477 as of December 31, 2024 (December 31, 2023 – TL 39.947.582 increase).

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7. Explanations and notes related to the Bank's risk group

7.1. The volume of transactions relating to the Bank's risk group, outstanding loan and deposit transactions and profit or loss of the period:

7.1.1. Information on loans of the Bank's risk group:

Current Period		subsidiaries bint ventures	S	and indirect hareholders of the Bank		l legal persons been included the risk group
Bank's risk group (1)(2)	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at the beginning of the period	4.006.915	745.931	35.697	1.304.299	16.194.886	9.442.461
Balance at the end of the period	5.608.737	1.476.026	19.895	629.218	18.620.445	24.552.005
Interest and commission income received)	1.655.815	5.478	2.910	2.363	6.951.838	131.154
Prior Period	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Bank		Other real and legal persons that have been included in the risk group	
Bank's risk group (1)(2)	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans and other receivables						
Balance at the beginning of the period	1.560.635	585.093	152.609	903.139	11.984.555	5.772.850
Balance at the end of the period	4.006.915	745.931	35.697	1.304.299	16.194.886	9.442.461
Interest and commission income received	848.010	2.813	37.903	6,574	4,457,200	64,999

⁽¹⁾ Defined in subsection 2 of the 49th article of the Banking Act No.5411.

7.1.2. Information on deposits of the Bank's risk group:

	Associates, subsidiaries		Dire	ct and indirect shareholders	Other real and legal persons that have been included	
Bank's risk group (1)(2)	and joint ventures			of the Bank	in the risk group	
			Current		Current	
Deposit	Current Period	Prior Period	Period	Prior Period	Period	Prior Period
Beginning of the period	3.861.841	4.268.084	25.111.812	27.722.742	124.678.809	70.370.899
End of the period	2.264.874	3.861.841	40.166.519	25.111.812	140.084.264	124.678.809
Interest expense on deposits	319.199	335.137	6.457.029	2.072.059	14.878.867	4.582.870

⁽¹⁾ Defined in subsection 2 of the 49th article of the Banking Act No. 5411.

7.1.3. Information on forward and option agreements and other derivative instruments with the Bank's risk group:

Bank's risk group ⁽¹⁾	Associates, subsidiaries and joint ventures		Direct and indirect shareholders of the Bank		Other real and legal persons that have been included in the risk group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Transactions at fair value through profit or loss						
Beginning of the period ⁽²⁾	376.933	1.404.594	19.721.860	1.886.536	5.382.691	1.273.964
End of the period (2)	16.374.235	376.933	-	19.721.860	12.693.289	5.382.691
Total profit / (loss)	827.482	1.157.704	7.298	(35.811)	1.407.941	109.553
Transactions for hedging purposes						
Beginning of the period (2)	-	-	-	-	-	-
End of the period (2)	-	-	-	-	-	-
Total profit / (loss)	-	-	-	-	-	-

⁽¹⁾ Defined in subsection 2 of the 49th article of the Banking Act No. 5411.

7.2 Information regarding benefits provided to the Bank's top management:

Salaries and benefits paid to the Bank's top management amount to TL 640.350 as of December 31, 2024 (December 31, 2023 - TL 496.116).

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8 Explanations and notes related to the domestic, foreign, off-shore branches or associates and foreign representatives of the Bank:

		Number of			
	Number	Employees			
Domestic Branch	771	14.399			
			Country of		
			incorporation		
Foreign Represantative Office	-	-	•		
				Total	Statutory
				asset	share capital
Foreign Branch	1	3	Bahrain	45.582.153	-
		•			
Off-Shore Banking Region Branch	-	-		-	-

9. Explanations and notes related to subsequent events

None.

Section six - Other explanations

1. Other explanations on the Bank's operations

None

Section Seven - Explanations on independent auditor's report

1. Explanations on independent auditor's report

The unconsolidated financial statements for the period ended December 31, 2024 have been audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The independent auditor's report dated, January 31, 2025 is presented preceding the unconsolidated financial statements.

2. Explanations and notes prepared by independent auditor

None.

⁽²⁾ The information in table above includes marketable securities and due from banks as well as loans.

⁽²⁾ The information in table above includes borrowings and repo transactions as well as deposits.

⁽²⁾ The balances at the beginning and end of the periods are disclosed as the total of buy and sell amounts of derivative financial instruments.

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updates made or required updates after the

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Auditing of TFRS 9 disclosures.

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Convenience Translation of the Auditor's Audit Report Originally Issued in Turkish Independent Auditors' Report on Audit of Consolidated Financial Statements

To the General Assembly of Yapı ve Kredi Bankası A.Ş.

From the

Opinion

We have audited the consolidated statement of financial position of Yapı ve Kredi Bankası A.Ş. ("the Bank") and its subsidiaries (collectively referred as "Group") as of December 31, 2024 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements.

In our opinion the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and consolidated financial performance and consolidated cash flows for the year then ended in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated November 1, 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Financial Reporting Standards ("TFRS") for those matters not regulated by the aforementioned regulations.

Basis for Opinion

Our audit was conducted in accordance with "Regulation on independent audit of the Banks" published in the Official Gazette no. 29314 dated April 2, 2015, by BRSA (BRSA Independent Audit Regulation) and Independent Auditing Standards ("ISA") which are the part of Turkish Auditing Standards issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with of Code of Ethics for Independent Auditors (Code of Ethics) published by POA and have fulfilled our other responsibilities in accordance with the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

As of December 31, 2023, the consolidated financial statements of the Group, prepared in accordance with the "BRSA Accounting and Financial Reporting Legislation", were audited by another audit firm. The independent audit firm expressed an unqualified opinion in its independent audit report dated February 2, 2024.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the Key Audit Matter is addressed in our audit
Financial impact of TFRS 9 "Financial Instruments" standard and recognition of classification, measurement and impairment on financial assets and related important disclosures	
As presented in Section 3, disclosure 8, the Group recognizes expected credit losses of financial assets in accordance with TFRS 9 Financial Instruments standard. We considered impairment of financial assets as a key audit matter since: - Amount of on and off-balance sheet items that are subject to expected credit loss calculation is material to the financial statements	Our audit procedures included among others include: - Evaluating the appropriateness of accounting policies as to the requirements of TFRS 9, Group's past experience, local and global practices - Reviewing and testing of processes which are used to calculate expected credit losses by involving our Information technology and process audit specialists
- There are complex and comprehensive requirements of TFRS 9	- Evaluation of the reasonableness and appropriateness of key judgments and estimates determined by management and the methods,
- The classification of the financial assets is based on the Group's business model and characteristics of the contractual cash flows in accordance with TFRS 9 and significant judgment is used on the assessment of the business model and identification of the complex contractual cash flow characteristics of financial instruments	judgments and data sources used in calculating expected loss, taking into account standard requirements, industry and global practices - Reviewing the appropriateness of criteria in order to identify the financial assets having solely payments of principal and interest and checking the compliance to the Group's Business model - Reviewing the Group's classification and
 Policies implemented by the management include compliance risk to the regulations and other practices 	measurement models of the financial instruments and comparing with TFRS 9 requirements - Evaluating the alignment of the significant
- Processes of TFRS 9 are advanced and complex	increase in credit risk determined during the calculation of expected credit losses, default
- Judgements and estimates used in expected credit loss, complex and comprehensive	definition, restructuring definition, probability of default, loss given default, exposure at default and macro-economic variables that are determined by
- Disclosure requirements of TFRS 9 are comprehensive and complex.	the financial risk management experts with the Group's past performance, regulations, and other processes that has forward looking estimations - Assessing the completeness and the accuracy of the data used for expected credit loss calculation. - Testing the mthematical accuracy of expected credit loss calculation on sample basis - Evaluating the judgments and estimates used for post-model adjustment process - Evaluating the necessity and accuracy of the

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The Bank's defined benefit pension plan (the Plan") is It has been addressed whether there have been any managed by "Yapı ve Kredi Bankası Anonim Şirketi Mensupları Yardım ve Emekli Sandığı" (the "Fund") liabilities, employee benefits plans during the period, established as per the provisional article 20 of the Social that could lead to adjust the valuation of employee Security Law No. 506 and the Bank's employees are the members of this Fund. As a legal entity, the Fund provides retirement and post-retirement benefits to all eligible employees.

As disclosed in Section 3, disclosure 16.2 to the consolidated financial statements, the Plan is composed Furthermore, the accuracy and adequacy of the of benefits which are subject to transfer to Social Security footnotes in the consolidated financial statements of Foundation ("SSF") as per the Social Security Law No 5510 provisional article 20, and other social rights and pension benefits provided by the Bank that are not transferable to SSF. The Council of Ministers has been authorized to determine the transfer date.

Following the transfer, the non-transferable social rights and pension benefits provided under the Plan will be covered by the funds and the institutions that employ the funds' members.

As of December 31, 2024, the Bank's transferrable liabilities are calculated by an independent actuary using the actuarial assumptions regulated by Law, and in accordance with the Decision of the Council of Ministers announced in the Official Gazette dated 15 December 2006 and No.26377.

As of December 31,2024, the Bank's non-transferrable liabilities are also calculated by independent actuary.

The valuation of the Pension Fund liabilities requires judgement in determining appropriate assumptions such as defining the transferrable social benefits, discount rates, salary increases, inflation levels, demographic assumptions, and the impact of changes in Pension Plan.

Management uses independent actuaries to assist in assessing the uncertainty around these assumptions.

Considering the subjectivity of key judgements and assumptions, plus the uncertainty around the transfer date and basis of the transfer calculation given the fact that the technical interest rate is prescribed under the law, we considered this to be a key audit matter.

How the Key Audit Matter is addressed in our audit

significant changes in regulations governing pension benefits. Support from actuarial auditor of another entity who is in the same audit network within our firm, has been taken to assess the appropriateness of the actuarial assumptions and calculations performed by the external actuary.

the Group have been evaluated.

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Responsibilities of Management and Directors for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

In an independent audit, the responsibilities of us as independent auditors are:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with BRSA Independent Audit Regulation and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with BRSA Independent Audit Regulation and ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion(The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control).
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) In accordance with Article 402 paragraph 4 of the Turkish Commercial Code ("TCC") no 6102; no significant matter has come to our attention that causes us to believe that the Bank's bookkeeping activities and financial statements for the period January 1 – December 31, 2024, are not in compliance with the TCC and provisions of the Bank's articles of association in relation to financial reporting.
- 2) In accordance with Article 402 paragraph 4 of the TCC; the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The engagement partner who supervised and concluded this independent auditor's report is Emre Çelik.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi A member firm of Ernst & Young Global Limited

Emre Celik, SMMM Partner

January 31, 2025 Istanbul, Türkiye Innovative Banking Human Focus

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Convenience translation of publicly announced consolidated year end financial statements and audit report originally issued in Turkish

THE CONSOLIDATED YEAR END FINANCIAL REPORT OF YAPI VE KREDI BANKASI A.Ş. AS OF DECEMBER 31, 2024

Fax

Address :Yapı Kredi Plaza D Blok

Associates

Levent 34330 İstanbul Telephone : 0212 339 70 00 : 0212 339 60 00

Website : www.yapikredi.com.tr

: financialreports@yapikredi.com.tr E-mail

Banque de Commerce et de Placements S.A.

Allianz Yaşam ve Emeklilik A.S

The consolidated financial report for the year end which is prepared in accordance with the "Communiqué Related to Publicly Announced Financial Statements of Banks and Explanations and Notes Related to these Financial Statements" as regulated by the Banking Regulation and Supervision Agency includes the following sections.

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP
- EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS.
- OTHER EXPLANATIONS
- INDEPENDENT AUDITOR'S REPORT

Investments in subsidiaries and associates, whose financial statements have been consolidated in these consolidated financial statements are as

- Yapı Kredi Finansal Kiralama A.O.
- Yapı Kredi Faktoring A.Ş. Yapı Kredi Yatırım Menkul Değerler A.Ş
- Yapı Kredi Portföy Yönetimi A.S.
- Yapı Kredi Holding B.V.

Subsidiaries

- Yapı Kredi Bank Nederland N.V.
- Stichting Custody Services YKB Yapı Kredi Bank Azerbaijan CJSC
- Yapı Kredi Bank Deutschland OHG

Although Yapı Kredi Diversified Payment Rights Finance Company (the Structured Entity) is not a subsidiary of the Bank, it has been included in the consolidation since the Bank has 100% control.

The accompanying consolidated financial statements, related disclosures and footnotes which have been independently audited and presented in this report are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, the related statements and guidances, and in compliance with the financial records of the Bank, and unless stated otherwise, presented in thousands of Turkish Lira (TL).

Y. Ali KOÇ Chairman of the Board of

Directors

Gökhan ERÜN **Executive Director and**

Demir KARAASLAN Chief Financial Officer

Baris SAVUR Financial Reporting and Accounting Executive Vice President

Dr. Ahmet CİMENOĞLU Chairman of the Audit Committee

Nevin İPEK Member of the Audit Committee

Contact information of the personnel in charge of the addressing of questions about this financial report:

Name-Surname / Title : Deniz MÜDERRİSOĞLU / International Reporting and Consolidation Manager

: 0212 339 62 35 Telephone : 0212 339 61 05

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Yapı ve Kredi Bankası A.S. Notes to consolidated financial statements as of December 31, 2024 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section One

General Information

History of the Parent Bank including its incorporation date, initial legal status and amendments to legal

Yapı ve Kredi Bankası A.Ş. ("the Bank", "Yapı Kredi" or "the Parent Bank"), was established and started operations on September 9, 1944 with the permission of the Council of Ministers No. 3/6710 as a private capital commercial bank authorised to perform all banking, economic, financial and commercial activities which are allowed by the laws of the Turkish Republic. The statute of the Bank has not changed since its incorporation.

Explanation about the Parent Bank's capital structure, shareholders holding directly or indirectly, collectively or individually, the management and controlling power and changes in current year, if any and explanations on the controlling Group of the Bank:

The Parent Bank's publicly traded shares are traded on the Borsa Istanbul ("BIST") since 1987. As of December 31, 2024, 38,83% of the shares of the Bank are publicly traded (December 31, 2023 - 38,83%). 40,95% of the shares out of the remaining 61,17% is owned by Koç Finansal Hizmetler A.Ş. ("KFS") which is owned by Koç Group, 20,22% is owned by Koc Holding A.Ş.

KFS was established on March 16, 2001 to combine Koc Group finance companies under one organisation and it became the main shareholder of Koçbank in 2002. On October 22, 2002, Koç Group established a strategic partnership with UniCredit Group ("UCG") over KFS.

In 2005, the Bank's shares that were owned by Cukurova Group Companies and the Saving Deposits Insurance Fund ("SDIF") were purchased by Kocbank. In 2006, Kocbank purchased additional shares of the Bank from BIST and an investment fund and, during the same year, all rights, receivables, debts and liabilities of Koçbank were transferred to the Bank pursuant the merger of the two banks. As a result of the merger and the share transfer procedures in 2007 and of a capital increase by TL 920 million in 2008, KFS shares in the Parent Bank increased to 81,80%. KFS shares increased to 81,90% with the capital increase by TL 4,1 billion in 2018.

As of November 30, 2019, Koç Group and UCG have reached a deal to exchange their shares in the Parent Bank

Accordingly, all the shares of KFS, which was a joint venture, were transferred to Koc Group. Besides, after the shares were transferred, KFS held 40,95%, UCG held 31,93% directly and Koc Group held a total of 49,99% directly and indirectly of the Parent Bank shares and became controlling shareholder.

In addition, as of February 6, 2020, UniCredit also announced the placement of an 11,93% shares in Parent Bank to institutional investors. The transaction completed on February 13, 2020. As a result UCG held directly 20,00% of the Parent Bank shares.

In year 2021, UCG completed the sale of 2,00% shares in stock market and for the sale of remaining 18,00% shares UCG came to an agreement with Koc Group as per the Share Sale and Purchase Agreement relating to the sale of the Parent Bank publicly disclosed on November 30, 2019. Accordingly, it was announced that Koc Group used its right of first offer for the sale of the Parent Bank shares which were planned to be sold by UCG on November 9, 2021. The sale of the relevant shares was completed on April 1, 2022, and Koc Holding A.S.'s share ratio increased from 9.02% to 27.02%.

As of July 28, 2023, Koc Holding A.Ş sold its 6,81% share in the Bank to institutional investors through offexchange sale. After the sale, shareholding of Koç Holding A.Ş in the Bank decreased to 20,22%.

In 2006 and 2007, with the acquisition of Yapı Kredi and its subsidiaries, KFS Group launched structural reorganisation and the following subsidiaries is still under the control of group were legally merged:

Merging entities		Merger date	Merged entity
Yapı Kredi	Kocbank	October 2, 2006	Yapı Kredi
Yapı Kredi Finansal Kiralama A.O. ("Yapı Kredi Leasing")	Koc Leasing	December 25, 2006	Yapı Kredi Leasing
Yapı Kredi Faktoring A.Ş. ("Yapı Kredi Faktoring")	Koc Faktoring	December 29, 2006	Yapı Kredi Faktoring
Yapı Kredi Portföy Yönetimi A.S. ("Yapı Kredi Portföy")	Koc Portföy	December 29, 2006	Yapı Kredi Portföy
Yapı Kredi Yatırım Menkul Değerler A.Ş. ("Yapı Kredi Menkul")	Koc Yatırım	January 12, 2007	Yapı Kredi Menkul
Yapı Kredi Bank Nederland N.V. ("Yapı Kredi NV")	Koçbank Nederland N.V.	July 2, 2007	Yapı Kredi NV

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Explanations regarding the board of directors, members of the audit committee, Chief Executive Officer and executive vice presidents, and their areas of responsibility and shares if any:

As of December 31, 2024 the Parent Bank's Board of Directors, Members of the Audit Committee, General Manager and Assistant General Managers are as follows:

Board of Directors Members:

Name	Responsibility
Y. Ali KOÇ	Chairman
Levent ÇAKIROĞLU	Vice Chairman
Gökhan ERÜN	Executive Director and CEO
A. Ümit TAFTALI	Member
Ahmet ÇİMENOĞLU	Independent Member
Ahmet Fadıl ASHABOĞLU	Member
Kemal UZUN	Member
Nevin İPEK	Independent Member
Polat ŞEN	Member
Virma SÖKMEN	Independent Member

Audit Committee Members:

Name	Responsibility
Ahmet ÇİMENOĞLU	Chairman
Nevin İPEK	Member

General Manager:

Name	Responsibility
Gökhan ERÜN	Executive Director and CEO

Assistant General Managers:

Name	Responsibility
Abdullah GEÇER	Internal Audit
Akif Cahit ERDOĞAN	Commercial and SME Banking Management
Demir KARAASLAN	Financial Planning and Administration
Hakan KAYA	Chief Legal Officer
Mehmed Erendiz Kürşad KETECİ	Strategy Management
Mehmet Erkan AKBULUT	Corporate Banking
Mehmet Erkan ÖZDEMİR	Compliance, Internal Control and Risk Management / Consumer Relations Coordination Officer
Nursezil KÜÇÜK KOÇAK	Credits
Özden ÖNALDI	Human Resources, Organization and Internal Services Management
Saruhan YÜCEL	Treasury Management
Serkan ÜLGEN	Retail Banking
Uğur Gökhan ÖZDİNÇ	Technology, Data and Process Management
Yakup DOĞAN	Limitless Banking

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Yapı ve Kredi Bankası A.S.

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Information on the individual and corporate shareholders having control shares of the Parent Bank:

Name/Commercial title	Share amounts (nominal)	Share percentage (%)	Paid-in capital (nominal)	Unpaid portion
Koç Finansal Hizmetler A.Ş.	3.459.065.642,23	40,95	3.459.065.642,23	-
Koç Holding A.Ş	1.707.666.574,00	20,22	1.707.666.574,00	-

Koç Finansal Hizmetler A.Ş. is owned by Koç Group and Temel Ticaret ve Yatırım A.Ş.

Summary information on the Parent Bank's activities and service types:

The Parent Bank's activities summarized in the section 3 of the articles of association are as follows:

The Parent Bank's purpose and subject matter in accordance with the Banking Law, regulations and existing laws include:

- The execution of all banking activities,
- > The execution of all economic and financial activities which are allowed by the regulation,
- > The execution of the representation, attorney and agency activities related to the subjects written above,
- The purchase and sale of share certificates, bonds and all the capital market instruments, in accordance with Capital Market Law and regulations.

In case of necessity for performing activities which are useful and required but that are not specified in the articles of association, a Board of Directors' proposal is to be presented to the General Assembly. With the approval of the General Assembly the proposal becomes applicable, subject to the approvals required by law.

As of December 31, 2024, the Parent Bank has 771 branches operating in Türkiye and 1 branch in overseas (December 31, 2023 - 779 branches operating in Türkiye, 1 branch in overseas).

As of December 31, 2024, the Parent Bank has 14.402 employees (December 31, 2023 - 15.009 employees). The Parent Bank together with its consolidated subsidiaries is referred to as the "Group" in these consolidated financial statements. As of December 31, 2024 the Group has 15.311 employees (December 31, 2023 – 15.954 employees).

Differences between the communiqué on preparation of consolidated financial statements of Banks and Turkish Accounting Standards and short explanation about the entities subject to full consolidation or proportional consolidation and entities which are deducted from equity or entities which are not included in these three methods:

According to Communiqué of the Preparation Consolidated Financial Statements and Turkish Accounting Standards, Banque de Commerce et de Placements SA, the associate of the Bank is consolidated through "Equity Method" in the accompanying consolidated financial statements of the Group. Allianz Yaşam ve Emeklilik A.Ş., on which the Bank has indirect participation, is also consolidated through "Equity Method" in the consolidated financial statements of the Group.

Yapı Kredi Kültür Sanat Yayıncılık Tic. ve San. A.Ş., Enternasyonal Turizm Yatırım A.Ş., Yapı Kredi Teknoloji A.Ş. and Yapı Kredi Finansal Teknolojiler A.Ş., which are subsidiaries, and Tanı Pazarlama ve İletişim Hizmetleri A.Ş., which is an associate of the Bank are not consolidated into the Bank's consolidated financial statements in accordance with Communiqué on Preparation of Consolidated Financial Statements since these entities are not financial institutions.

All other subsidiaries are fully consolidated.

The existing or potential, actual or legal obstacles on the immediate transfer of shareholder's equity between the Bank and its subsidiaries or reimbursement of liabilities:

None.

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Yapı ve Kredi Bankası A.Ş.

Consolidated financial statements as of December 31, 2024 and 2023

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Section Two - Consolidated financial statements

Consolidated balance sheet (Statement of Financial Position)

					Current Period			Prior Period
					(31/12/2024)			(31/12/2023)
		Note (Section						
	ASSETS	Five)	TL	FC	Total	TL	FC	Total
I.	FINANCIAL ASSETS (Net)		331.294.428	301.020.584	632.315.012	187.169.634	268.576.594	455.746.228
1.1	Cash and Cash Equivalents	1.1	219.513.565	259.413.668	478.927.233	109.175.552	225.692.721	334.868.273
1.1.1	Cash and Balances with Central Bank Banks	1.4	210.221.739	205.294.473	415.516.212 63.746.099	102.042.895	176.996.594	279.039.489
1.1.3	Money Markets Receivables	1.4.3	9.402.784	54.343.315	03.740.099	7.448.998	49.373.178	56.822.176
1.1.4	Expected Credit Losses (-)	1.4.3	110.958	224.120	335.078	316.341	677.051	993.392
1.2	Financial Assets Measured at Fair Value Through Profit Or Loss	1.2	1,203,080	1.700.282	2,903,362	625.664	1.651.821	2,277,485
1.2.1	Government debt securities		-	292.948	292.948	-	718.268	718.268
1.2.2	Share certificates		9.264	-	9.264	36.894	-	36.894
1.2.3	Other financial assets		1.193.816	1.407.334	2.601.150	588.770	933.553	1.522.323
1.3	Financial Assets Measured at Fair Value Through Other							
	Comprehensive Income	1.5,1.6	104.395.790	29.293.722	133.689.512	66.083.694	30.934.295	97.017.989
1.3.1	Government debt securities		104.125.343	29.036.704	133.162.047	65.889.312	30.866.338	96.755.650
1.3.2	Share certificates		204.694	22.563	227.257	182.074	15.031	197.105
1.3.3	Other financial assets		65.753	234.455	300.208	12.308	52.926	65.234
1.4 1.4.1	Derivative Financial Assets	1.3	6.181.993	10.612.912	16.794.905	11.284.724	10.297.757	21.582.481
1.4.1	Derivative financial assets measured at fair value through profit or loss Derivative financial assets measured at fair value through other		5.637.670	8.771.398	14.409.068	9.426.817	6.834.841	16.261.658
1.4.2	comprehensive income		544.323	1.841.514	2.385.837	1.857.907	3.462.916	5.320.823
II.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		1.119.765.719	588,148,948	1.707.914.667	861,701,438	407,169,774	1,268,871,212
2.1	Loans	1.7	873,801,596	430.397.373	1,304,198,969	672.837.877	274,714,800	947.552.677
2.2	Receivables From Leasing Transactions (Net)	1.12	13.288.115	26,997,956	40,286,071	11.199.597	21.251.429	32.451.026
2.3	Factoring Receivables		17.789.116	6.593,152	24.382.268	9.631.438	3.170.335	12.801.773
2.4	Financial Assets Measured at Amortised Cost	1.8	250.375.315	137.550.062	387.925.377	199.363.011	118.750.083	318.113.094
2.4.1	Government debt securities		241.778.828	122.375.621	364.154.449	195.162.658	107.609.515	302.772.173
2.4.2	Other financial assets		8.596.487	15.174.441	23.770.928	4.200.353	11.140.568	15.340.921
2.5	Expected Credit Losses (-)		35.488.423	13.389.595	48.878.018	31.330.485	10.716.873	42.047.358
III.	ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED							
3.1	OPERATIONS (Net)	1.17	560.125	59.186	619.311	1.026.116	48.608	1.074.724
3.1	Held for Sale Purposes		560.125	59.186	619.311	1.026.116	48.608	1.074.724
IV.	Related to Discontinued Operations INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT		-	-	-	-	-	-
IV.	VENTURES VENTURES		1.577.432	7.820.018	9,397,450	969,654	6,170,284	7.139.938
4.1	Investments in Associates (Net)	1.9	1.545.116	7.820.018	9.365.134	937.338	6,170,284	7.107.622
4.1.1	Consolidated based on Equity Method	***	1.506.670	7.820.018	9.326.688	898.892	6.170.284	7.069.176
4.1.2	Unconsolidated		38.446	-	38.446	38.446	-	38,446
4.2	Subsidiaries (Net)	1.10	32.316	-	32.316	32.316	-	32.316
4.2.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Subsidiaries		32.316	-	32.316	32.316	-	32.316
4.3	Joint Ventures (Net)	1.11	-	-	-	-	-	-
4.3.1	Consolidated based on Equity Method		-	-	-	-	-	-
4.3.2	Unconsolidated		-	-	-	-	-	-
V.	PROPERTY AND EQUIPMENT (Net)	1.13	30.515.068	417.471	30.932.539	18.545.494	330.171	18.875.665
VI. 6.1	INTANGIBLE ASSETS (Net)	1.14	3.170.046	233.175	3.403.221	1.906.331	130.179	2.036.510
6.2	Goodwill Other		3.170.046	233.175	3.403.221	1.906.331	130.179	2.036.510
VII.	Other INVESTMENT PROPERTY (Net)	1.15	3.170.046	233.1/5	3.403.221	1.900.331	130.1/9	2.030.510
VIII.	CURRENT TAX ASSETS	1.15	4.228.487	-	4.228.487	-	-	-
IX.	DEFERRED TAX ASSETS	1.16	13,185,424	1.102	13.186.526	9.144.125	-	9.144.125
X.	OTHER ASSETS (Net)	1.18	98.992.057	52.891.514	151.883.571	63.210.215	37.274.783	100.484.998
	TOTAL ASSETS		1.603.288.786	950.591.998	2.553.880.784	1.143.673.007	719.700.393	1.863.373.400
	TOTAL ASSETS		1.003.288.780	750.391.998	4.000.000.704	1.143.0/3.00/	/17./00.393	1.005.3/3.400

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Yapı ve Kredi Bankası A.Ş.

Consolidated financial statements as of December 31, 2024 and 2023

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Consolidated balance sheet (Statement of Financial Position)

					Current Period			Prior Po
		Note			(31/12/2024)			(31/12/2
		(Section						
	LIABILITIES	Five)	TL	FC	Total	TL	FC	
I.	DEPOSITS	2.1	812.228.502	562.028.901	1.374.257.403	638,781,576	470.104.100	1.108.88
П.	BORROWINGS	2.3.1	91.489.493	205,840,908	297.330.401	12.417.695	148,617,148	161.03
III.	MONEY MARKETS PAYABLES	2.0.1	179,579,140	16.431.455	196,010,595	26.232.069	37.150.431	63,38
IV.	MARKETABLE SECURITIES ISSUED (Net)	2.3.3	10.527.536	140.642.182	151.169.718	10.624.884	86.415.115	97.03
4.1	Bills	2.5.5	10.198.915	51.438.572	61.637.487	10.221.955	10.933.847	21.15
4.2	Asset backed Securities		10.176.713	17.806.761	17.806.761	10.221.933	16.325.139	16.32
4.3	Bonds		328.621	71.396.849	71.725.470	402.929	59.156.129	59.55
V.	FUNDS		320.021	71.570.017	71.725.170	102.727	-	27.22
5.1	Borrower Funds		-		-		-	
5.2	Other		-	-	-		-	
5.2	FINANCIAL LIABILITIES MEASURED AT FAIR VALUE							
VI.	THROUGH PROFIT OR LOSS	2.3.4		75.234.394	75.234.394	453.424	70.713.576	71.16
VII.	DERIVATIVE FINANCIAL LIABILITIES	2.2	13.383.546	5.582.709	18.966.255	4.800.528	6.865.933	11.66
7.1	Derivative liabilities measured at fair value through profit or loss	2.2	13.383.546	5.582.709	18.966.255	4.768.194	6.865.933	11.63
	Derivative liabilities measured at fair value through other		13.303.210	5.502.707	10.700.200	1.700.171	0.005.755	11.00
7.2	comprehensive income		_	_	_	32.334	_	3
VIII.	FACTORING PAYABLES		_	_	_	52.55	_	-
IX.	LEASE PAYABLES (Net)	2.5	5.046,173	353,613	5,399,786	3.175.033	226,472	3.40
X.	PROVISIONS	2.6	20.857.723	716.643	21.574.366	19.703.473	2.212.485	21.91
10.1	Provisions for Restructuring	2.0	20.037.723	710.043	21.574.500	17.703.473	2.212.403	21.71
10.2	Provisions for Employee Benefits	2.6.1	3.922.614	14.281	3.936.895	4.043.583	8.849	4.05
10.2	Insurance Technical Provisions (Net)	2.0.1	3.722.014	14.201	3.730.873	4.043.363	0.047	4.05
10.4	Other Provisions	2.6.3	16.935.109	702.362	17.637.471	15.659.890	2.203.636	17.86
XI.	CURRENT TAX LIABILITIES	2.7	9.443.366	246.863	9,690,229	7.714.490	324,719	8.03
XII.	DEFERRED TAX LIABILITIES	2.7	9.443.300	6.810	6.810	7.714.490	14.044	0.03
AII.	LIABILITIES FOR PROPERTY AND EQUIPMENT HELD			0.010	0.010		14.044	•
	FOR SALE AND RELATED TO DISCONTINUED							
XIII.	OPERATIONS (Net)	2.8	_	_	_	_	_	
13.1	Held for Sale	2.0	_	_	_	_	_	
13.2	Related to Discontinued Operations		_	_	_	_	_	
XIV.	SUBORDINATED DEBT	2.9	1.301.664	60,629,934	61.931.598	1.260.412	35,585,727	36.84
14.1	Loans		-	-	-	1.200.112	-	20.01
14.2	Other Facilities		1.301.664	60.629.934	61.931.598	1.260.412	35.585.727	36.84
XV.	OTHER LIABILITIES	2.4	132.329.936	17.165.747	149.495.683	80.183.528	20.915.545	101.09
XVI.	SHAREHOLDERS' EQUITY	2.10	191.341.717	1.471.829	192.813.546	175.109.341	3.771.652	178.88
16.1	Paid in Capital	2.10	8.447.051	111/1102	8.447.051	8.447.051	017711002	8.44
16.2	Capital Reserves		2.268.850	-	2.268.850	2.217.533	-	2.21
16.2.1	Share premium		556.937	_	556.937	556.937	_	55
16.2.2	Share Cancellation Profits		550.751	-	330.737	550.557	-	33
16.2.3	Other Capital Reserves		1.711.913	-	1.711.913	1.660.596	-	1.66
10.2.5	Other accumulated comprehensive income that will not be		1.711.713		1.711.713	1.000.570		1.00
16.3	reclassified in profit or loss		6.620.513	77.931	6.698.444	2.757.098	18.091	2.77
.0.3	Other accumulated comprehensive income that will be reclassified		0.020.313	11.731	0.070.744	2.757.090	10.071	2.11
16.4	in profit or loss		(230.396)	1.435.305	1.204.909	6.241.084	3.794.968	10.03
16.5	Profit Reserves		143.574.250	(41.407)	143.532.843	85.795.111	(41.407)	85.75
16.5.1	Legal Reserves		3.473.904	(41.407)	3.473.904	2.496.040	(107.17)	2.49
16.5.2	Statutory reserves		3.473.704	-	3.473.704	2.470.040	-	2.47
16.5.3	Extraordinary Reserves		140.065.092	(41.407)	140.023.685	83.291.290	(41.407)	83.24
16.5.4	Other Profit Reserves		35.254	(+1.407)	35.254	7.781	(41.407)	03.24
16.6	Profit or loss		30.656.777	-	30.656.777	69.648.790	-	69.64
16.6.1			1.639.954	-	1.639.954	1.639.954	-	1.63
	Prior years' profits or losses Current period net profit or loss		29.016.823	-	29.016.823	68.008.836	-	68.00
16.6.2								
	Minority interest		4.672	-	4.672	2.674	-	

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The accompanying explanations and notes form an integral part of these consolidated financial statements.

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Yapı ve Kredi Bankası A.Ş.

Presentation

Consolidated financial statements as of December 31, 2024 and 2023 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Consolidated off-balance sheet commitments

					Current Period (31/12/2024)			Prior Pe (31/12/2
	Off-balance sheet commitments	Note (Section Five)	TL	FC	Total	TL	FC	т
	Off-balance sheet commitments (I+II+III) Guarantees and warranties	3.1.2.1.2	2.063.658.228 280.167.247	1.742.657.307 269.241.397	3.806.315.535 549.408.644	1.377.735.472 178.712.756	1.287.107.925 209.915.836	2.664.843 388.628
	Letters of guarantee	3.1.2.2	261.058.918	178.626.002	439.684.920	168.195.708	135.987.496	304.18
.1.	Guarantees subject to state tender law	3.1.2.2	2.740.324	1.737.545	4.477.869	1.332.708	2.060.608	3.39
.1.			92 074 311	1.737.545	265 455 407	61 431 962	132 294 378	193.72
	Guarantees given for foreign trade operations							
.3.	Other letters of guarantee		166.244.283	3.507.361	169.751.644	105.431.038	1.632.510	107.06
2.	Bank acceptances		-	3.164.183	3.164.183	-	2.178.212	2.17
2.1.	Import letter of acceptance		-	3.164.183	3.164.183	-	2.178.212	2.17
2.2.	Other bank acceptances		-	-	-	-	-	
š.	Letters of credit		45.163	63.737.737	63.782.900	1.257.810	52.820.441	54.07
3.1.	Documentary letters of credit		45.163	63.727.501	63.772.664	1.257.810	52.811.454	54.06
.2.	Other letters of credit		-	10.236	10.236	-	8.987	
	Prefinancing given as guarantee		-	-	-	-	-	
	Endorsements		_	_	_	_	_	
.1.	Endorsements to the Central Bank of the Republic of Türkiye					_	_	
.2.	Other endorsements					_	_	
	Purchase guarantees for Securities issued		_	_	_	_	_	
	Factoring guarantees		_	_	_		5.516	
	Other guarantees		19.063.166	15.796.931	34.860.097	9.259.238	14.616.454	23.87
			19.065.166			9.259.258		23.87
	Other warranties			7.916.544	7.916.544	-	4.307.717	4.30
	Commitments		1.424.646.503	138.934.512	1.563.581.015	769.222.726	96.391.913	865.61
	Irrevocable commitments	3.1.1	1.408.265.714	94.870.707	1.503.136.421	745.298.795	50.977.243	796.27
.1.	Asset purchase and sale commitments		11.334.397	92.109.874	103.444.271	24.291.833	48.351.915	72.64
.2.	Deposit purchase and sales commitments		-	-	-	-	-	
.3.	Share capital commitments to associates and subsidiaries		-	-	-	-	-	
.4.	Loan granting commitments		162.430.150	589.329	163.019.479	95.342.486	1.364.146	96.70
.5.	Securities issue brokerage commitments		-	-	-	-	-	
.6.	Commitments for reserve requirements		-	-	-	-	-	
.7.	Commitments for checks payments		10.835.555		10.835.555	8.435.319	-	8.43
.8.	Tax and fund liabilities from export commitments		4.749	-	4.749	600	-	0.40
.9.	Commitments for credit card expenditure limits		968.083.268		968.083.268	512.438.126		512.43
.10.	Commitments for credit cards and banking services promotions		76.560	-	76.560	75.249	-	312.43
.10.			/6.560	-	/6.560	/5.249	-	/
	Receivables from short sale commitments of marketable securities		-	-	-	-	-	
.12.	Payables for short sale commitments of marketable securities					-		
.13.	Other irrevocable commitments		255.501.035	2.171.504	257.672.539	104.715.182	1.261.182	105.97
	Revocable commitments		16.380.789	44.063.805	60.444.594	23.923.931	45.414.670	69.33
.1.	Revocable loan granting commitments		16.380.789	43.526.072	59.906.861	23.923.931	44.917.545	68.84
.2.	Other revocable commitments		-	537.733	537.733	-	497.125	49
	Derivative financial instruments		358.844.478	1.334.481.398	1.693.325.876	429.799.990	980.800.176	1.410.60
	Derivative financial instruments held for hedging		6.150.000	35.896.539	42.046.539	16.250.000	69.660.818	85.91
.1	Fair value hedges			3.820.124	3.820.124		4.329.397	4.32
.2	Cash flow hedges		6.150.000	32.076.415	38.226.415	16.250.000	65.331.421	81.58
.3	Hedges for investments made in foreign countries		-	-	-	_	-	
2	Trading transactions		352.694.478	1.298.584.859	1.651.279.337	413.549.990	911.139.358	1.324.68
2.1	Forward foreign currency purchase and sale transactions		71.733.823	82.283.713	154.017.536	19.883.186	30.414.692	50.29
111	Forward foreign currency purchase transactions		12 337 757	61 452 452	73 790 209	17 296 886	8 665 180	25.96
.1.2	Forward foreign currency sale transactions		59.396.066	20.831.261	80.227.327	2.586.300	21.749.512	24.33
.2.1	Currency and interest rate swaps		253.282.672 296.085	894.720.341 191.916.920	1.148.003.013	365.879.522 1.656.173	659.114.296 254.707.486	1.024.99 256.36
	Currency swap purchase transactions							
.2.2	Currency swap sale transactions		93.505.587	110.341.047	203.846.634	206.159.349	61.505.462	267.66
.2.3	Interest rate swap purchase transactions		79.740.500	296.231.187	375.971.687	79.032.000	171.450.674	250.48
.2.4	Interest rate swap sale transactions		79.740.500	296.231.187	375.971.687	79.032.000	171.450.674	250.48
3	Currency, interest rate and securities options		15.752.451	36.608.527	52.360.978	11.839.558	16.047.066	27.88
.3.1	Currency purchase options		4.887.351	18.318.819	23.206.170	8.616.333	3.264.989	11.88
.3.2	Currency sale options		10.865.100	13.988.297	24.853.397	3.223.225	8.548.016	11.77
.3.3	Interest rate purchase options		-	4.301.411	4.301.411		4.234.061	4.23
.3.4	Interest rate sale options		_	-	-	_	-	
.3.5	Securities purchase options		_	_		_	_	
.3.6	Securities patenase options Securities sale options		-	-			-	
.4	Currency futures		11.037.994	9.557.292	20.595.286	3.911.219	3.564.171	7.47
.4.1	Currency purchase futures		19.620	9.542.510	9.562.130	1.600.319	2.207.453	3.80
4.1	Currency purchase nutures Currency sale futures		11 018 374	9.542.510	9.562.130	2.310.900	1 356 718	3.66
			11.018.574	14.782	11.055.156	2.510.900	1.336./18	3.66
.5	Interest rate futures		-	-	-	-	-	
.5.1	Interest rate purchase futures		-	-	-	-	-	
.5.2	Interest rate sale futures		-	-	-	-	-	
.6	Other		887.538	275.414.986	276.302.524	12.036.505	201.999.133	214.03
	Custody and pledges received (IV+V+VI)		2.351.470.750	787.425.481	3.138.896.231	2.413.797.494	521.245.537	2.935.04
	Items held in custody		403.748.130	131.626.795	535.374.925	778.841.067	111.811.540	890.65
	Assets under management		161.814.516	73.077.971	234.892.487	639.837.516	50.839.161	690.67
	Securities held in custody		56.565.682	55.933.123	112.498.805	14.441.395	58.773.202	73.21
	Checks received for collection		149.667.722	114.867	149.782.589	101.113.507	110.796	101.22
	Commercial notes received for collection		35.642.066	2.000.146	37.642.212	23.390.505	1.649.954	25.04
	Other assets received for collection		22.2.2.300	397.747	397.747		349.289	34
			-	391.141	391.141	-	349.289	34
	Securities received for public offering						-	
	Other items under custody		58.144	102.941	161.085	58.144	89.138	14
	Custodians		-	-	-	-	-	
	Pledges received		1.900.352.335	569.976.070	2.470.328.405	1.594.272.909	332.008.830	1.926.28
	Marketable securities		133.967.935	992.899	134.960.834	133.979.206	832.813	134.81
	Guarantee notes		22.849.215	3.888.983	26.738.198	22.539.349	3.185.520	25.72
	Commodity		8.270	-	8.270	5.864		
	Warrant		5.2.0		0.2.0		Ţ.	
	Marrant Immovables		993.881.069	6.052.203	999.933.272	756.332.461	4.625.304	760.95
	Other pledged items		749.645.846	558.979.247	1.308.625.093	681.416.029	323.312.549	1.004.72
	Depositories receiving pledged items		-	62.738	62.738	-	52.644	5
			47.370.285	85.822.616	133.192.901	40.683.518	77.425.167	118.10
	Accepted independent guarantees and warranties		47.570.205					

The accompanying explanations and notes form an integral part of these consolidated financial statements.

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Yapı ve Kredi Bankası A.Ş.

Consolidated financial statements as of December 31, 2024 and 2023 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Consolidated statements of profit or loss

		Note (Section	Current Period (01/01/2024 -	Prior Perio (01/01/2023
	Income and expense items	Five)	31/12/2024)	31/12/202
I.	INTEREST INCOME	4.1	478.646.927	232.944.6
1.1	Interest on Loans	4.1.1	299.202.563	132.052.20
1.2	Interest Received from Reserve Deposits		28 208 251	56.14
1.3	Interest Received from Banks	4.1.2	13.632.196	6.879.47
1.4	Interest Received from Money Market Transactions		380.812	446.21
1.5	Interest Received from Marketable Securities Portfolio	4.1.3	120.720.073	84.363.78
1.5.1	Financial Assets Measured at Fair Value Through Profit or Loss		178.325	126.27
1.5.2	Financial Assets Measured at Fair Value Through Other Comprehensive Income		36.662.391	23.077.89
1.5.3	Financial Assets Measured at Amortised Cost		83.879.357	61.159.6
1.6	Financial Lease Income		7.582.427	4.536.7
1.7	Other Interest Income		8.920.605	4.610.0
II.	INTEREST EXPENSE (-)	4.2	390.000.295	153.527.5
2.1	Interest on Deposits	4.2.6	261.351.231	118.733.6
2.2	Interest on Funds Borrowed	4.2.1	31.117.602	11.483.74
2.3	Interest expense on money market transactions	424	67.761.324	5.987.0
2.4	Interest on Securities Issued	4.2.3	27.212.781	15.447.70
2.5	Interest on Lease Payables	4.2.3	617.341	350.74
2.6	Other Interest Expense	4.2.5	1.940.016	1.524.6
2.0 III.	NET INTEREST INCOME/EXPENSE (I - II)	7.2.3	88.646.632	79.417.1
IV.	NET FEES AND COMMISSIONS INCOME/EXPENSE		77.698.428	38.160.3
4.1	Fees and Commissions Received		117.248.888	53.176.1
4.1.1	Non-cash Loans		5.089.606	3.483.5
4.1.1	Other	4.12	112.159.282	49.692.6
4.1.2	Fees and Commissions Paid	4.12	39.550.460	15.015.8
4.2.1	Non-cash Loans		140.031	114.5
4.2.1	Other	4.12	39.410.429	14.901.2
4.2.2 V	DIVIDEND INCOME	4.12	112.077	66.80
V VI.		4.3 4.4		21.288.4
6.1	TRADING PROFIT/LOSS (Net)	4.4	(45.433.585) 3.486.331	3.956.5
6.2	Trading Gains/Losses on Securities		(21.586.693)	33.325.2
	Derivative Financial Transactions Gains/Losses			
6.3	Foreign Exchange Gains/Losses	4.6	(27.333.223)	(15.993.41
VII.	OTHER OPERATING INCOME	4.6	28.987.836	17.706.33
VIII.	GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)		150.011.388	156.639.02
IX.	ALLOWANCE FOR EXPECTED CREDIT LOSSES (-)	4.5	36.404.436	24.224.6
Х.	OTHER PROVISION EXPENSES (-)	4.5	89.127	151.80
XI.	PERSONNEL EXPENSES (-)		30.021.689	18.296.3
XII.	OTHER OPERATING EXPENSES (-)	4.7	51.301.014	30.561.09
XIII.	NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)		32.195.122	83.405.1
XIV.	SURPLUS WRITTEN AS GAIN AFTER MERGER		- 400 -00	
XV.	PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES		1.498.790	1.623.7
XVI.	NET MONETARY POSITION GAIN/LOSS		-	
XVII.	PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS			
	(XIII++XVI)	4.8	33.693.912	85.028.90
XVIII.	PROVISION FOR TAXES ON INCOME FROM CONTINUING			
	OPERATIONS (±)	4.9	4.674.920	17.018.7
18.1	Current Tax Provision		3.978.651	12.077.1
18.2	Expense effect of deferred tax (+)		696.269	4.941.6
18.3	Income effect of deferred tax (-)		-	
XIX.	NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)		29.018.992	68.010.10
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	
20.1	Income from assets held for sale		-	
20.2	Profit from sale of associates, subsidiaries and joint ventures		-	
20.3	Other income from discontinued operations		-	
XXI.	EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	
21.1	Expenses on assets held for sale		-	
21.2	Losses from sale of associates, subsidiaries and joint ventures		-	
21.3	Other expenses from discontinued operations		-	
XXII.	PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (XX - XXI)		-	
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	
23.1	Current tax provision		-	
23.2	Expense effect of deferred tax (+)		-	
23.3	Income effect of deferred tax (-)		_	
XXIV.	NET PROFIT/ LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		_	
	NET PROFIT/LOSS (XIX+XXIV)	4.10	29.018.992	68.010.1
		7.10		
XXV.	Group's profit/loss		29.016.823	68 008 8
25.1 25.2	Group's profit/loss Minority shares	4.11	29.016.823 2.169	68.008.8 1.3

The accompanying explanations and notes form an integral part of these consolidated financial statements.

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Total shareholders' equity 178.880.993

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Yapı ve Kredi Bankası A.Ş.

Consolidated financial statements as of December 31, 2024 and 2023 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Consolidated statement of profit or loss and other comprehensive income

		Current Period	Prior Period
		(31/12/2024)	(31/12/2023)
I.	PROFIT / (LOSS)	29.018.992	68.010.164
II.	OTHER COMPREHENSIVE INCOME	(4.907.888)	(7.495.466)
2.1	Other comprehensive income that will not be reclassified to profit or loss	3.923.255	808.918
2.1.1.	Gains (losses) on Revaluation of Property, Plant and Equipment	8.377.677	6.066.155
2.1.2.	Gains (losses) on Revaluation of Intangible Assets	-	-
2.1.3.	Gains (losses) on Remeasurements of Defined Benefit Plans	(3.757.809)	(7.858.335)
2.1.4.	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	(40.745)	120.025
2.1.5.	Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	(655.868)	2.481.073
2.2.	Other Comprehensive Income That Will Be Reclassified to Profit or Loss	(8.831.143)	(8.304.384)
2.2.1.	Exchange Differences on Translation	3.804.780	9.026.107
	Valuation and/or Reclassification Profit or Loss from Financial Assets Measured at Fair Value Through Other		
2.2.2.	Comprehensive Income	(14.104.327)	(14.555.030)
2.2.3.	Income (loss) Related with Cash Flow Hedges	(1.555.289)	(2.561.933)
2.2.4.	Income (loss) Related with Hedges of Net Investments in Foreign Operations	(2.352.798)	(6.343.565)
2.2.5.	Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss	(27.252)	(29.851)
2.2.6.	Taxes Relating To Components Of Other Comprehensive Income That Will Be Reclassified To Profit Or Loss	5.403.743	6.159.888
III.	TOTAL COMPREHENSIVE INCOME (LOSS) (I+II)	24.111.104	60.514.698

Yapı ve Kredi Bankası A.Ş. Consolidated statement of changes in shareholders' equity as of December 31, 2024

olidated statement of changes in shareholders' equity

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(31/12/2004)						Income		Other Accum	Other Accumulated Comprehensive Income	nsive Income					
(1707)77					That Will No	That Will Not Be Reclassified In Profit or Loss	In Profit or	That Will Be	That Will Be Reclassified In Profit or Loss	rofit or Loss					
Changes in charabolder's amity	Daid in	Gran	Share	Other							Profit	Drior nariod	Current	Total equity	Mino
Changes in such choice is equity	canital	premium	cancellation	reserves	-	,		4	٠,	9	reserves	net bellog	net	minority	Inter
		promon	profits	16361163	,	~	,				10001	income/(loss)	income/(loss)	interest	
I. Balance at the beginning of the period	8.447.051	556.937		1.660.596	10.912.237	(8.268.035)	130.987	19.723.960	(2.937.085)	(6.750.823)	85.753.704	1.639.954	68.008.836	178.878.319	7
II. Adjustment in accordance with TAS 8	•		•	•	•	•	•	•	•	•	•	•	•		
2.1 Effect of adjustment	•	•	•	•	•	•	•	•	•	•	•		•		
2.2. Effect of changes in accounting policies	•	•		•	•	•		•		•		•	•		
III. New balance (I+II)	8.447.051	556.937	•	1.660.596	10.912.237	(8.268.035)	130.987	19.723.960	(2.937.085)	(6.750.823)	85,753,704	1.639.954	68.008.836	178.878.319	7
IV. Total comprehensive income (loss)	•	•	•	,	6.594.466	(2.630.466)	(40.745)	3.804.780	(9.873.010)	(2.762.913)	•	•	29.016.823	24.108.935	7
V. Capital increase in cash	•				•								•		
VI. Capital increase through internal															
reserves	•						•		•	•					
VII. Issued capital inflation adjustment															
difference	•	•	•	•	•	•		•	•	•	•	•	•		
VIII. Convertible bonds	•	•						•		•			•		
IX. Subordinated debt	•	•						•		•			•		
X. Increase (decrease) through other															
changes	•	•		22.620				•		•			•	22.620	
XI. Profit distribution	•	•		28.697	•	•		•		•	57.779.139	•	(68.008.836)	(10.201.000)	Ĭ
11.1. Dividends distributed	•	•	•	•	•	•	•		•	•	•		(10.201.000)	(10.201.000)	_
11.2. Transfers to legal reserves	•	•		28.697	•	•		•		•	57.779.139	•	(57.807.836)		
11.3. Other	•	•	•	•	•	•		•	•	•	•	•			
Period end balance (III+IV++X+XI)	8.447.051	556.937	•	1.711.913	17.506.703	17.506.703 (10.898.501)	90.242	23.528.740	(12.810.095)	(9.513.736)	143.532.843	1.639.954	29.016.823	192.808.874	4
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Yapı ve Kredi Bankası A.Ş. Consolidated statement of changes in shareholders' equity as of December 31, 2023

10.697.853 9.026.107 21.154 109.833 4.912.389 5.999.848 Consolidated statement of changes in shareholders' equity

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Yapı ve Kredi Bankası A.Ş.

Consolidated financial statements as of December 31, 2024 and 2023 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

Consolidated statement of cash flows

		(Notes section Five)	Current Period (31/12/2024)	Prior Perio (31/12/2023
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating profit before changes in operating assets and liabilities		31.157.377	61.085.19
1.1.1	Interest received		418.997.750	160.531.42
1.1.2	Interest paid		(388.540.625)	(130.164.847
1.1.3	Dividend received		112.077	66.86
1.1.4	Fees and commissions received		117.248.888	53.176.15
1.1.5	Other income		4.676.882	31.733.51
1.1.6	Collections from previously written-off loans and other receivables		11.667.593	9.713.88
1.1.7	Cash Payments to personnel and service suppliers		(79.359.261)	(46.274.06)
1.1.8	Taxes paid		(7.982.470)	(11.282.99)
1.1.9	Other	6.3	(45.663.457)	(6.414.74
1.2	Changes in operating assets and liabilities subject to banking operations		4.157.800	99.533.36
1.2.1	Net (increase) decrease in financial assets measured at fair value through profit or loss		(583.076)	(8.90
1.2.2	Net (increase) decrease in due from banks		(107.238.550)	(92.012.51
1.2.3	Net (increase) decrease in loans		(396.296.087)	(345.125.15)
1.2.4	Net (increase) decrease in other assets		(60.104.492)	(25.975.20
1.2.5	Net increase (decrease) in bank deposits		(6.225.251)	21.908.3
1.2.6	Net increase (decrease) in other deposits		274.371.797	365.314.12
1.2.7	Net increase (decrease) in financial liabilities measured at fair value through profit or loss		6.261.623	31.230.40
1.2.8	Net increase (decrease) in funds borrowed		254.798.475	157.740.57
1.2.9 1.2.10	Net increase (decrease) in matured payables Net increase (decrease) in other liabilities	6.3	39.173.361	(13.538.33
I.	Net cash provided from banking operations	0.5	35.315.177	160.618.56
			33.313.177	100.016.50
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash provided from investing activities		(50.043.415)	(84.084.831
2.1	Cash paid for the purchase of associates, subsidiaries and joint ventures		(321.400)	
2.2	Cash obtained from the sale of associates, subsidiaries and joint ventures		-	
2.3	Cash paid for the purchase of tangible and intangible asset		(4.936.258)	(2.835.04)
2.4	Cash obtained from the sale of tangible and intangible asset		1.129.551	188.82
2.5	Cash paid for the purchase of financial assets measured at fair value through other comprehensive income		(79.078.530)	(27.656.03)
2.6	Cash obtained from the sale of financial assets measured at fair value through other comprehensive income		41.704.181	10.788.20
2.7	Cash paid for the purchase of financial assets at amortised cost		(29.958.564)	(70.084.78
2.8	Cash obtained from sale of financial assets at amortised cost		21.417.605	5.514.01
2.9	Other		-	
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net cash flows from financing activities		50.890.334	(27.875.266
3.1	Cash obtained from funds borrowed and securities issued		244.104.520	105.335.41
3.2	Cash outflow from funds borrowed and securities issued		(181.124.505)	(124.153.39
3.3	Equity instruments issued		-	
3.4	Dividends paid		(10.201.171)	(7.911.191
3.5	Payments for finance lease liabilities		(1.888.510)	(1.146.099
3.6	Other		-	
IV.	Effect of change in foreign exchange rate on cash and cash equivalents	6.3	23.103.883	50.742.05
	Net increase (decrease) in cash and cash equivalents		59.265.979	99.400.52
v.				
V. VI.	Cash and cash equivalents at beginning of the period	6.1	228.510.865	129.110.33

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Profit distribution(1),(2)

Presentation

		Current Period	Prior Period
		(31/12/2024)	(31/12/2023)
I.	Distribution of current year income	(* ,	(*
1.1	Current year income	29.727.083	82.551.277
1.2	Taxes and duties payable (-)	710.260	14.542.441
1.2.1	Corporate tax (income tax)	115.614	9.370.801
1.2.2	Income withholding tax	-	-
1.2.3	Other taxes and duties	594.646	5.171.640
A.	Net income for the year (1.1-1.2)	29.016.823	68.008.836
1.3	Prior year losses (-)	-	-
1.4	First legal reserves (-)	-	-
1.5	Other statutory reserves (-)	-	-
В.	Net income available for distribution [(A+(1.3+1.4+1.5)]	29.016.823	68.008.836
1.6	First dividend to shareholders (-)	-	422.353
1.6.1	To owners of ordinary shares	_	422.353
1.6.2	To owners of privileged shares		422.555
1.6.3	To owners of preferred shares	_	_
1.6.4	To profit sharing bonds	_	_
1.6.5	To holders of profit and loss sharing certificates	_	_
1.7	Dividends to personnel (-)	_	_
1.8	Dividends to board of directors (-)	-	_
1.9	Second dividend to shareholders (-)	_	9.778.647
1.9.1	To owners of ordinary shares	_	9.778.647
1.9.2	To owners of privileged shares	_	,.,,o.o.,
1.9.3	To owners of preferred shares	_	_
1.9.4	To profit sharing bonds	_	_
1.9.5	To holders of profit and loss sharing certificates	_	_
1.10	Second legal reserves (-)	_	977.865
1.11	Statutory reserves (-)	-	-
1.12	Extraordinary reserves	_	56.773.802
1.13	Other reserves	-	-
1.14	Special funds	-	56.169
II.	Distribution of reserves		
2.1	Appropriated reserves		
2.1	Second legal reserves (-)	-	-
2.2	Dividends to shareholders (-)	-	-
2.3.1	To owners of ordinary shares	-	
2.3.1	To owners of privileged shares	-	_
2.3.2	To owners of preferred shares		
2.3.4	To profit sharing bonds	_	_
2.3.5	To holders of profit and loss sharing certificates		
2.4	Dividends to personnel (-)		
2.5	Dividends to board of directors (-)	-	-
***	E-min-man-ham		
III. 3.1	Earnings per share To owners of ordinary shares (Full TL)	0,0344	0,0805
3.1	To owners of ordinary shares (Full 112) To owners of ordinary shares (%)	0,0344	0,0805
3.2	To owners of ordinary snares (%) To owners of privileged shares	-	-
3.4	To owners of privileged shares (%)	-	-
IV.	Dividend per share		0.5
4.1	To owners of ordinary shares (Full TL)	-	0,0121
4.2	To owners of ordinary shares (%)	-	120,7640
4.3	To owners of privileged shares	-	-
4.4	To owners of privileged shares (%)	-	

 Profit Distribution Statement has been prepared according to unconsolidated financial statements of the Parent Bank.
 Regarding profit distribution, the authorized body of the Bank is the General Assembly and the annual general assembly meeting has not been held as of the date of preparation of these financial statements. Since the dividend distribution proposal for 2024 has not yet been prepared by the Board of Directors, only the distributable profit is stated in the profit distribution table

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Notes to consolidated financial statements as of December 31, 2024

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Section Three - Accounting policies

Explanations on basis of presentation:

The Parent Bank maintains its books of accounts in Turkish Lira in accordance with the Banking Act No. 5411 ("Banking Act"), which is effective from November 1, 2005, the Turkish Commercial Code ("TCC") and Turkish Tax Legislation.

The consolidated financial statements are prepared in accordance with the "Regulation on the Principles and Procedures Regarding Banks Accounting Applications and Safeguarding of Documents" published in the Official Gazette No. 26333 dated November 1, 2006 and other communiqués, interpretations and legislations published by the Banking Regulation and Supervision Agency ("BRSA") and Turkish Financial Reporting Standards ("TFRS") published by the Public Oversight Accounting and Auditing Standards Authority ("POA") for the matters not regulated by the aforementioned legislations published by BRSA. The format and the details of the publicly announced financial statements and related disclosures to these statements have been prepared in accordance with the "Communiqué Related to Publicly Announced Financial Statements of Banks and Explanations and Notes Related to these Financial Statements" and changes and notes to this communiqué published in the Official Gazette No. 28337 dated June 28, 2012.

The accompanying consolidated financial statements and notes to these financial statements are expressed in thousands of Turkish Lira (TL), unless otherwise stated.

The financial statements of subsidiaries operating abroad have been prepared in accordance with legislations and regulations of the country in which they are operating, however in order to provide fair presentation according to TFRS, necessary adjustments and reclassifications are reflected to those financial statements.

The accompanying consolidated financial statements are prepared in accordance with the historical cost basis (restated for the changes in the general purchasing power of TL until December 31, 2004), except for financial assets and liabilities measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, derivative financial assets/liabilities, buildings and art objects and paintings in tangible assets. Besides, the carrying values of assets carried at amortized cost but subject to fair value hedge are adjusted to reflect the fair value changes related to the hedged risks.

The accounting policies and valuation principles employed for the preparation of consolidated financial statements are in compliance with TFRS requires the use of certain accounting estimates by the Group management to exercise its judgment on the assets and liabilities on the balance sheet and contingent assets and liabilities as of the balance sheet date. These estimates are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are explained in the related notes and reflected to the income statement.

The preparation and fair presentation of the financial statement and used principles of valuation in accordance with "Accounting and Reporting Legislation" published in the regulation, communique, interpretations and circular published by BRSA and If no specific regulation has been made by BRSA, it has been determined and applied according to the principles of TFRS.

On November 23, 2023, POA announced that entities reporting under TFRS should begin implementing "TAS 29 -Financial Reporting in Hyperinflationary Economies" standard in their financial statements from periods ending on and after December 31, 2023. Besides, regulatory and auditing bodies that are authorized in their respective areas have flexibility to determine alternative transition dates for the application of TAS - 29.

Within the scope of decisions dated December 12, 2023 numbered 10744 and December 5, 2024 numbered 11021 respectively by the BRSA, banks, financial leasing, factoring, financing, savings financing, and asset management companies are not subject to inflation adjustments in their financial statements required under TAS 29 in 2023, 2024 and 2025.

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2. Explanations on strategy of using financial instruments and foreign currency transactions:

The general strategy of the Group in using financial instruments is to sustain an optimal balance between the yield of the instruments and their risks. The most important funding source of the Group is deposits. For non-deposit items, the Group maintains longer-term funding structure especially through long-term foreign borrowings. Funds obtained from deposits and other sources are invested in quality financial assets in order to keep currency, interest rate and liquidity risks within the limits determined by the asset-liability strategy. The currency, interest and liquidity risks of on-balance sheet and off-balance sheet assets and liabilities are managed in accordance with the risk limits accepted by the Group and the related legal limits. Derivative instruments are mainly utilised for liquidity needs and for mitigating currency and interest rate risks. The position of the Group as a result of foreign currency activities is being held at minimum levels and the currency risk exposure is monitored within limits determined levels by the Board of Directors under the context of Banking Act.

Foreign currency denominated monetary assets and liabilities are translated with the Parent Bank exchange rates prevailing at the balance sheet date. Gains and losses arising from such valuations are recognised in the income statement under the account of "Foreign exchange gains or losses", except for valuation differences arising from foreign currency participations, subsidiaries and foreign currency non-performing loans.

The Group hedges part of the currency translation risk of net investments in foreign operations through currency borrowings. The effective portion of the foreign exchange difference of these financial liabilities is recognised in "Other accumulated comprehensive income that will be reclassified in profit or loss" in equity.

In order to eliminate the inconsistency in the recognition, the Group, might classify its financial liabilities as the financial liabilities classified at fair value through profit/loss upon the initial recognition.

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Yapı ve Kredi Bankası A.Ş. Notes to consolidated financ

Notes to consolidated financial statements as of December 31, 2024 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

. Information on consolidation principles:

3.1. Consolidation principles applied:

The consolidated financial statements have been prepared in accordance with the procedures listed in the "Communiqué related to the Regulation on the Preparation of the Consolidated Financial Statements of Banks" published in the Official Gazette No. 26340 dated November 8, 2006 and "TFRS 10 - Consolidated Financial Statements".

3.1.1. Consolidation principles of subsidiaries:

Subsidiaries are the entities controlled directly or indirectly by the Parent Bank.

Control is defined as the power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Parent Bank's returns.

Subsidiaries are consolidated with full consolidation method by considering the results of their activities and the size of their assets and shareholders' equity. Financial statements of the related subsidiaries are included in the consolidated financial statements from the date control is transferred to the Group and they are taken out of consolidation scope when control no longer exists. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

In accordance with the full consolidation method, balance sheet, income statement and off balance sheet items of the subsidiaries have been consolidated line by line with the balance sheet, income statement and off balance sheet of the Parent Bank. The book value of the investments of the Group in each subsidiary has been netted off with the portion of each subsidiary's capital that belongs to the Group. Unrealized gains and losses and balances resulting from the transactions among the entities included in consolidation have been eliminated. In the consolidated balance sheet and income statement, minority interest has been presented separately from the shares of the Group shareholders.

The subsidiaries included in consolidation, their title, their place of incorporation, their main activities and their effective shareholding rates are as follows:

Title	Incorporation (City/ Country)	Main activities	Effective rates (%) December 31, 2024	Direct and indirect rates (%) December 31, 2024
Titte	(City/ Country)	Main activities	December 31, 2024	December 31, 2024
Yapı Kredi Leasing	Istanbul/Türkiye	Leasing	99,99	99,99
Yapı Kredi Faktoring	Istanbul/ Türkiye	Factoring	99,96	99,96
Yapı Kredi Menkul	Istanbul/ Türkiye	Investment Management	99,98	99,98
Yapı Kredi Portföy	Istanbul/ Türkiye	Portfolio Management	99,95	99,97
Yapı Kredi Holding B.V.	Amsterdam/Netherlands	Financial Holding	100,00	100,00
Yapı Kredi Bank NV	Amsterdam/Netherlands	Banking	100,00	100,00
Yapı Kredi Azerbaijan	Baku /Azerbaijan	Banking	100,00	100,00
Yapı Kredi Bank Deutschland OHG (1)	Frankfurt/Germany	Banking	100,00	100,00
Stiching Custody Services YKB	Amsterdam/Netherlands	Custody services	100,00	100,00
Yapı Kredi Diversified Payment	George Town/	Special Purpose		
Rights Finance Company (2)	Cavman Islands	Company	-	-

- (1) The acquisition of all shares of Bankhaus J. Faisst OHG, which has banking licenses in Germany, was completed on July 23, 2024. The title of Bankhaus J. Faisst OHG was changed to Yapi Kredi Bank Deutschland OHG on August 1, 2024. The Bank owns all shares of Yapi Kredi Deutschland GmbH and Yapi Kredi Beteiligungsgesellschaft mbH which are shareholders of Yapi Kredi Bank Deutschland OHG. In accordance with the provisional accounting of TFRS 3 "Business Combinations" standard, the net assets of Yapi Kredi Bank Deutschland OHG have been provisionally recognised in the consolidated financial statements as of December 31, 2024.
- (2) It is a special purpose entity established for securitization transactions and is included in the consolidation although it is not a subsidiary of the Parent.

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3.1.2. Consolidation principles of associates:

The associates are entities in which the Parent Bank participates in their capital and has significant influence on them, although the Parent Bank has no capital or management control, is established in domestic and abroad. The related associates are consolidated with equity method.

Significant influence refers to the participation power on the constitution of the financial and management policies of the participated associate.

Equity method is an accounting method which foresees the increase or decrease of the book value of capital share in an associate from the changes in the participated associate's shareholders' equity during the period attributable to the portion of the investor and the deduction of the dividend received from the associate from the revised value of the associate amount.

The associates included in consolidation, their title, their place of incorporation, their main activities and their effective shareholding rates are as follows:

Title	(City/ Country)	Main activities	Effective rates % December 31, 2024	Direct and indirect rates % December 31, 2024
Banque de Commerce et de Placements S.A.	Geneva/Switzerland	Banking	30,67	30,67
Allianz Yaşam ve Emeklilik A.Ş.	Istanbul/Türkiye	Insurance	20,00	20,00

3.1.3. Transactions with minority shareholders:

The Group applies a policy of treating transactions with minority interests as transactions within the Group. The difference between the acquisition cost and net asset acquired is recognised under equity. Disposals from minority interests are also considered as equity transactions and result in changes in the equity of the Group.

3.1.4. Presentation of unconsolidated subsidiaries, associates and joint ventures in consolidated financial statements:

Turkish Lira denominated investments in unconsolidated associates, subsidiaries and joint ventures are accounted at cost value, less any impairment, in accordance with "TAS 27 - Individual Financial Statements" in the consolidated financial statements.

Foreign currency denominated investments in unconsolidated associates, subsidiaries and joint ventures are accounted at their original foreign currency costs translated into Turkish Lira using the exchange rates prevailing at the transaction date less impairment, if any.

When the cost of associates, subsidiaries and joint ventures is higher than the net realizable value, the carrying amount is reduced to the net realizable or fair value considering whether the value decrease is temporary or permanent and the ratio of the value decrease.

4. Explanations on forward and option contracts and derivative instruments:

The Group's derivative transactions mainly consist of money and interest rate swaps, forward foreign exchange purchase and sale transactions and options.

Derivative instruments are measured at fair value on initial recognition and subsequently remeasured at their fair values. As a result, the fair value of derivatives is reflected as net liability or net asset on a contract by contract basis. The accounting method applied to the income or loss arising from derivative instruments depends on whether the derivative is being used for hedging purposes or not and depends on the type of item being hedged.

At the transaction date, the Group documents the relationship between hedging instruments and hedged items, together with the risk management policies and the strategies on hedging transactions. Besides, the Group regularly documents the effectiveness of the hedging instruments in offsetting the changes in the fair value of the hedged items.

Changes in the fair value of derivative instruments subject to fair value hedges are recognized under profit or loss accounts together with the variation in the fair value of hedged items. The changes of fair value of derivative transactions for fair value hedge are classified in "Derivative Financial Transactions Gains/Losses" account. In the balance sheet, changes in the fair value of hedged assets and liabilities, during the period in which the hedge is effective, are shown with the related assets and liabilities.

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The ineffective portion of the mentioned hedging transactions is reflected to the income statement. If the underlying hedge does not conform to the hedge accounting requirements, according to the adjustments made to the carrying value (amortized cost) of the hedged item, for which the risk is hedged by a portfolio hedge, are amortized with the straight line method within the time to maturity and recognized in profit or loss accounts. Fair value adjustments are recognized directly in the income statement in an event of repayment and/or unwinding and/or the recognition of the hedged item.

The Parent Bank hedges its cash flow risk arising from foreign currency and Turkish Lira floating interest rate liabilities by using interest rate and currency swaps. The effective portion of the fair value changes of the hedging instruments are recorded in "Other accumulated comprehensive income that will be reclassified in profit or loss" under shareholders' equity. These funds are transferred to profit or loss from equity when the cash flows of the hedged items (interest expense) impact the income statement.

In case the cash flow hedge accounting is discontinued due to the expiry, realization for sale of the hedging instrument, or due to the results of the effectiveness test the amounts accounted under shareholders' equity are transferred to the profit or loss accounts as these cash flows of the hedged item are realized (considering the original maturity of the hedging instrument).

Some of the trading purpose derivative transactions, even though they provide effective economic hedges under the Group's risk management policy, do not qualify for hedge accounting under the specific rules in "TFRS 9- Financial Instruments" and are therefore treated as "Derivative financial assets measured at fair value through profit or loss".

"Derivative financial assets measured at fair value through profit or loss" are measured at fair value. If the fair value of derivative financial instruments is positive, it is disclosed under the main account "Derivative financial assets measured at fair value through profit or loss" and if the fair value difference is negative, it is disclosed under "Derivative financial liabilities measured at fair value through profit or loss". Fair value changes are recorded under "Derivative Financial Transactions Gains/ (Losses)" in the income statement.

The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

Parameters used for the valuation of the option portfolio of the Parent Bank are determined by market risk management and the confirmation of the accuracy of fair value calculations are monitored periodically by market risk management.

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts as their contractual values. Embedded derivatives are separated from the host contract and accounted as derivative instruments according to "TFRS 9 – Financial Instruments"; in case, (i) the related embedded derivative's economic features and risks are not closely related to the host contract, (ii) another instrument that has the same contract conditions with the embedded derivative satisfies the definition of a derivative instrument and (iii) the hybrid instrument is not carried at fair value through profit or loss.

Credit derivatives are capital market tools designed to transfer credit risk from one party to another.

As of December 31, 2024, the Parent Bank's credit derivatives portfolio included total return swaps.

Credit linked notes are bonds that have repayments depending on a credit event or the credit risk evaluation of a reference asset or asset pool. Depending on whether the reference assets are included in the balance sheet of the issuer or the owner of the assets, these transactions can be accounted by the party assuming the credit risk as insurance or as an embedded derivative. As per the Bank's management evaluation, the embedded derivatives included in the credit linked notes are separated from the host contracts in accordance with "TFRS 9 - Financial Instruments" and recorded and evaluated as credit default swaps. The bond itself (host contract) is valued in accordance with the valuation principles of the category it is classified.

Total return swaps are contracts, in which the seller commits to pay the contract value for all cash flows of the reference assets of the seller and the changes of the market values of these reference assets to the buyer during the contract maturity and bear all the decreases in the market value of these reference assets. The Bank uses the total return swaps to generate long term funding.

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Market risks of these products are monitored using the Parent Bank's internal modeling system for the Value-at-Risk and basis points sensitivity analysis; the liquidity risks are monitored using the short term liquidity report on daily and the long term liquidity report on monthly basis.

According to the regulations of BRSA, currency exchange transactions which are realized at value date in the initial phase of currency swaps are recorded and followed as irrevocable commitments in off-balance sheet accounts until the value date.

A Credit Valuation Adjustment (CVA) is applied to the Bank's over-the-counter derivative exposures to take into account the counterparty's risk of default when measuring the fair value of the derivative. CVA is the mark-tomarket cost of protection required to hedge credit risk from counterparties in the Bank's over-the-counter derivatives portfolio. The Bank calculates CVA based on collective provisioning methodology calculated in accordance with Turkish Financial Reporting Standards, "TFRS 9 - Financial Instruments", comprising the product of Exposure, Probability of Default (PD) and Loss Given Default (LGD). CVA is calculated based on the exposure of each

Within the scope of TFRS 13 - Fair Value Measurement standard; (i) if there is a significant decrease in the volume or level of activity for that asset or liability in relation to normal market activity for the asset or liability (or similar assets or liabilities); (ii) when the transaction or quoted price does not represent fair value; and / or (iii) when a price for a similar asset requires significant adjustment to make it comparable to the asset being measured, or (iv) when the price is stale, the Bank makes an adjustment to the transactions or quoted prices and reflects this adjustment to the fair value measurement. In this context, the Bank determines the point within the range that is most representative of fair value under current market conditions.

Explanations on interest income and expense:

Interest income and expenses are recognized in the income statement on an accrual basis by using the effective

Retrospective rediscount calculation and foreign exchange evaluation is performed for non-performing loans, and accrued interest and rediscounts as of transfer to non-performing loan accounts are accounted under loan accrual/rediscount accounts as per Uniform Chart of Accounts ('UCA'). The Bank ceases accruing interest after non-performing loan classification. In place of that, interest amount representing the time value of future collections is recognized under interest income instead of provision expense.

Explanations on fee and commission income and expenses:

Fees and commissions received as a result of the service agreements or arising from negotiating or participating in the negotiation of a transaction on behalf of a third party are recognized either in the period when the transaction is realized or deferred based on the type of the underlying transaction. Other commission income and fees from various banking services are recorded as income at the time of realization.

Except for fees and commissions that are integral part of the effective interest rates of financial instruments measured at amortized costs, the fees and commissions are accounted for in accordance with TFRS 15 - "Revenue from Contract with Customers".

Explanations on financial assets:

As of January 1, 2018, the Group has applied TFRS 9 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL)
- Fair value through other comprehensive income (FVOCI)
- Financial assets measured at amortised cost

According to TFRS 9 classification of financial assets is based on two criterias; business model under which the financial asset is being managed and contractual cash flows representing solely payments of principal and interest of the financial asset. This evaluation incorporates whether there is any clause that may change timing or amount of contractual cash flows of the financial asset.

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Classification of financial assets reflects the business model of how the Group manages the assets in order to generate cash flows. Bank's business model may be to collect solely the contractual cash flows from the assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVPL.

Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of shortterm profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

The Parent Bank owns Consumer Price Indexed (CPI) Government Bonds which are classified under "Fair value through other comprehensive income" and "measured at amortised cost" securities portfolio. The reference indices used in calculating the actual coupon payment amounts of these assets are based on the Consumer Price Index (CPI) of prior two months.

Assessment of the business model

The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The business model does not depend on management's intentions for an individual instrument. Accordingly, this condition is not a single instrument basis approach for classification and should be determined on a higher level of

During the assessment of the business model for management of financial assets, all relevant evidences at the assessment date have been taken into consideration. Such relevant evidence includes below:

- > How the performance of the portfolio is evaluated and reported to the Group's management;
- > The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets with duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- How managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- The risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised

If cash flows are realised in a way that is different from the expectations on the date of the assessment of the business model, that does not give rise to a prior period error in the financial statements nor does it change the classification of the remaining financial assets held in that business model as long as all relevant information that was available at the time of business model assessment were. However, when the business model is assessed for newly originated or newly purchased financial assets, it must be considered information about how cash flows were realised in the past, along with all other relevant information. The business models are divided into three categories. These categories are defined below:

> Business model whose objective is to hold assets in order to collect contractual cash flows

Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows are managed to realise cash flows by collecting contractual payments over the life of the instrument. That is, the Group manages the assets held within the portfolio to collect those particular contractual cash flows.

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Although the objective of Group's business model may be to hold financial assets in order to collect contractual cash flows, the Group does not need to hold all of those instruments until the maturity. Thus Group's business model can be to hold financial assets to collect contractual cash flows even when sales of financial assets occur or are expected to occur in the future.

The business model may be to hold assets to collect contractual cash flows even if the Group sells financial assets when there is an increase in the assets' credit risk. The Group considers reasonable and supportable information, including forward looking information in order to determine whether there has been an increase in the assets' credit risk. Regardless of their frequency and value, sales due to an increase in the assets' credit risk are not inconsistent with a business model whose objective is to hold financial assets to collect contractual cash flows because the credit quality of financial assets is relevant to the Group's ability to collect contractual cash flows.

A business model whose objective is achieved by both collecting contractual cash flows and selling financial assets

The Group may hold financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In this type of business model, the Group's management has made a decision on both collecting contractual cash flows and selling financial assets are necessary for achieving the objective of the business model. There are various objectives that may be consistent with this type of business model. For example, the objective of the business model may be to manage liquidity needs on daily basis, to maintain a particular interest yield profile or to match the duration of the financial assets to the duration of the liabilities funding those assets. To achieve such an objective, the Group will both collect contractual cash flows and sell financial assets.

Compared to a business model whose objective is to hold financial assets to collect contractual cash flows, this business model will typically involve greater frequency and value of sales. This is because selling financial assets is integral to achieving the business model's objective instead of being only incidental to it.

Other business model

Financial assets are measured at fair value through profit or loss if they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

A portfolio of financial assets that is managed and whose performance is evaluated on a fair value basis is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Group is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making the assessment, the Group considers:

- > Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- > Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse loans); and
- > Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

When the contractual conditions are exposed to the risks which are not consistent with the basic lending arrangement or variability of cash flows, the relevant financial asset is measured at fair value through profit or loss.

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7.1. Financial assets measured at fair value through profit or loss:

Financial assets, which are classified as "Financial assets measured at fair value through profit or loss", are trading financial assets and are either acquired for generating profit from short-term fluctuations in the price or dealer's margin, or are the financial assets included in a portfolio in which a pattern of short-term profit making exists independent from the acquisition purpose.

Trading financial assets are initially recognized at fair value and are subsequently re-measured at their fair value. However, if fair values cannot be obtained from active market transactions, it is assumed that the fair value cannot be measured reliably and fair values are calculated by alternative models. All gains and losses arising from these valuations are recognized in the income statement. Interest earned while holding financial assets is reported as interest income and dividends received are included separately in dividend income.

The principles regarding the accounting of derivative financial instruments are explained in detail in Note 4 of this section.

7.2. Financial assets measured at amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, are measured at amortised cost. These financial assets are initially recognized at total of acquisition and transaction cost. After their initial recognition they are carried at "Amortized cost" using the "Effective interest method".

7.3. Loans:

Loans are financial assets raised through lending without having the intention to trade in the short term. Loans are non derivative financial assets with fixed or determinable payments and fixed maturities that are not quoted on active market. Loans are recognized initially at cost including transaction costs (which reflect fair values) and subsequently carried at the amortized cost using the "effective interest method". The expenses incurred for the assets received as collateral are not considered as transaction costs and are recognized in the expense accounts.

Retail, commercial and corporate loans included in cash loans are accounted for with their original maturities in accounts which are mentioned in the UCA. Foreign currency indexed loans are initially measured at local currency accounts with the foreign exchange rate prevailing at date of the initial recognition and re-valued with the relevant foreign currency rates prevailing at the date of the financial statements. Increase or decrease in the value of the principal amount of the loan due to changes in foreign exchange rates is accounted in the related income and expense accounts. Repayment amounts are translated with the foreign exchange rates prevailing at the repayment dates and the valuation differences are accounted for in foreign exchange gain/loss accounts.

The Parent Bank provides provision for expected credit losses based on the assessments and estimates of the management, by considering the "Communiqué Related to Principles and Procedures on Determining the Qualifications of Banks' Loans and Other Receivables and the Provision for These Loans and Other Receivables" ("Provisioning Regulation") published in the Official Gazette No. 29750 dated June 22, 2016 and in line with "TFRS 9 - Financial Instruments". In this context, the management estimates are determined, on the basis of the prudence principle and Bank credit risk policies, considering the general structure of the loan portfolio, the financial conditions of the customers, non-financial information and the economic conjuncture.

As of December 31, 2024, the Bank has made its classifications in accordance with the TFRS 9 standard and reflected them in its financial statements. In this context; the Group has evaluated many reasonable and supportable qualitative and quantitative data in assessing whether there is a significant increase in credit risk in the classification of loans according to stages and determining the moment when the default situation occurs. It has classified the loans according to their stages according to its best judgment under the current conditions.

Expected Credit Losses are accounted for as an expense in the accounting period they are incurred. If there is a subsequent collection from a receivable that was already provisioned in previous years, the recovery amount is classified under "Other operating income". The write off policy is described in the explanations and notes related to assets. fifth section.

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7.4. Financial assets measured at fair value through other comprehensive income:

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI).

Financial assets measured at fair value through other comprehensive income are subsequently re-measured at fair value. When fair values based on market prices cannot be observed reliably, the financial assets at fair value through other comprehensive income are carried at fair values determined by using alternative models. "Unrealized gains and losses" arising from changes in the fair value of financial assets classified as financial assets at fair value through other comprehensive income are recognized in the shareholders' equity as "Other accumulated comprehensive income that will be reclassified in profit or loss", until the related assets are impaired or disposed. When these financial assets are disposed or impaired, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement. Interest and dividends received from financial assets at fair value through other comprehensive income are recorded in interest income and dividend income as appropriate.

Interest income on financial assets at fair value through other comprehensive income are calculated by effective interest rate method and are accounted for in interest income account. At the time of sale of financial assets at fair value through other comprehensive income before the maturity, the difference between the profit, which is the difference between the cost and sales price of the financial assets, and the interest income accrual are accounted under "Profit/losses from capital market transactions".

7.5. Equity instruments measured at fair value through other comprehensive income:

At initial recognition, Group can make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an equity instrument within the scope of TFRS 9. Such election is made on an instrument basis. Fair value differences recognized in other comprehensive income are not transferred to profit or loss in the following periods and transferred to prior years' profit/loss. The equity instruments measured at fair value through other comprehensive income, are not subject to impairment calculation.

8. Explanations on impairment of financial assets:

The Parent Bank assesses the expected credit losses ("ECL") related with its debt instrument assets carried at amortised cost and at fair value through other comprehensive income, with the exposure arising from loan commitments and financial guarantee contracts on a forward-looking basis. The Parent Bank recognises a loss allowance for such losses at each reporting date. The measurement of expected credit losses reflects:

- > An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money;
- > Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the expected credit loss allowance:

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and at fair value through other comprehensive income is an area that requires the use of advanced models and significant assumptions about future economic conditions and credit behaviour.

These financial assets will be divided into three categories depending on the gradual increase in credit risk observed since their initial recognition. Impairment shall be recognized on outstanding amounts in each category, as follows:

Stage 1:

For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition. Impairment for credit risk will be recorded in the amount of 12-month expected credit losses.

Stage 2:

In the event of a significant increase in credit risk since initial recognition, the financial asset will be transferred to this stage. Impairment for credit risk will be determined on the basis of the instrument's lifetime expected credit losses.

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Stage 3:

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL are recognized and interest revenue is calculated on the net carrying amount.

Life-time expected credit loss is calculated on an individual or collective basis for the financial assets in stage 2 and stage 3.

General provisions represent ECLs for the first stage and the second stage, specific provisions represent ECLs for the third stage.

The Parent Bank has developed specific models for calculating the expected loss; such models are based on the parameters of PD, LGD and EAD and on the effective interest rate. In particular:

- > The PD (Probability of Default), represents the customer's probability of more than 90 days delay, within 12-months;
- > The LGD (Loss Given Default), represents the percentage of the estimated loss, and thus the expected rate of recovery, at the date of occurrence of the default event of the credit exposure;
- > The EAD (Exposure at Default), represents the measure of the exposure at the time of the event of default of the credit exposure;
- The Effective interest rate is the discount rate that expresses of the time value of money.

Such parameters are calculated starting from the corresponding parameters used for IRB preparation purposes, with specific adjustments in order to ensure consistency between accounting and regulatory treatment despite different regulatory requirements.

The main adjustments aimed at:

- Removal of prudency principal used for IRB preparation phase;
- > Introducing "point-in-time" adjustments to replace "through-the-cycle" adjustments required for IRB preparation phase (TFRS-9 parameters developed over these parameters.);
- > With reference to lifetime PD, through-the-cycle PD curves obtained by adjusting observed cumulated default rates were calibrated in order to reflect point-in-time on portfolio default rates.

Recovery rate incorporated into through-the-cycle LGD was adjusted in order to remove prudency principle and to reflect the most updated trend of recovery rates discounted at effective interest rate or at its best approximation.

The lifetime EAD has been obtained by converting the 1 year regulatory or managerial model to life-time, removing margin of prudency and including the expected discounted cash flow.

The stage allocation model is a key aspect of the accounting model required to calculate expected credit losses which is aimed at transferring credit exposures from Stage 1 to Stage 2.

With reference to the quantitative component of the model for stage allocation, the Parent Bank has adopted a statistical approach based on a quantiles regression whose objective is to define a threshold in terms of maximum variation acceptable between the PD at the time of origination and the PD assessed at the reporting date.

The stage allocation model was based on a combination of relative and absolute elements. The main elements were:

- > Comparison, for each transaction, between the PD measured at the time of recognition and PD as at the reporting date, both calculated according to internal models, through thresholds set in a way considering all key variables of each transaction that can affect the Bank's expectation of PD changes over time;
- Absolute elements such as the backstops required by law;
- Additional internal evidence.

Significant increase in credit risk

In the assessment of significant increase in credit risk quantitative and qualitative assessments are made;

Quantitative Assessment:

As a result of quantitative assessment, related financial asset is classified as stage 2 (Significant Increase in Credit Risk) when any of the following criterias are satisfied.

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As of reporting date:

- Lifetime expected credit losses shall be recognized on a transaction base, when more than 30 days past due status is passed. The Parent Bank can abandon this estimation when it has reasonable and supportable information about customers' contractual repayments.
- > In case a loan has been restructured, it will be followed up under Stage 2 during the follow-up period mentioned in the related regulations. The loan can be transferred back to Stage 1 at end of the follow-up period if there is no significant deterioration.
- > Provisions on non-funded non cash loans are evaluated as significant increase in credit risk.

Qualitative Assessment:

The probability of significant increase in credit risk under qualitative assessment is based on the comparison of probability of default of a loan in the origination and as of reporting date.

The Group uses distribution regression on segment basis in order to calculate the thresholds used in defining the significant increase in credit risk.

Low credit risk

Financial instruments defined as low risk for TFRS 9 are:

- > Receivables from Central Bank of the Republic of Türkiye ("CBRT");
- Loans with counterparty of Treasury of the Republic of Türkiye;
- > The issued securities or guaranteed marketable securities from central banks of the countries where Group's subsidiaries, associates are resident;
- Bank placements:
- > Other money market transactions;
- > Transactions of Group's associates and subsidiaries.

Forward Looking Macroeconomic Information:

Forward-looking macroeconomic information is incorporated into credit risk parameters during assessment of significant increase in credit risk and expected credit loss calculation.

For the calculation of expected credit loss, Bank uses macroeconomic estimation method which is developed during creation of various scenarios. Macroeconomic variables prevailing during these estimates are gross domestic product (GDP) and unemployment rate.

When expected credit losses are estimated in accordance with the forward looking macroeconomic information, the Bank evaluates three scenarios (base, pessimistic and optimistic) with various weights based. The Bank has reviewed the macroeconomic model used in the process and has been the subject of provision calculations using the data considered to reflect the current situation in the best way.

In the light of macroeconomic expectations, the Parent Bank reflected the calculations made to its financial statements considering the probability of default values and the possible changes in the exposure at default. In this context, the Bank has measured the effect of the change in macroeconomic data used in the calculation of expected credit loss such as gross domestic product and unemployment rate, on the non performing loans under different scenarios and reflected the increase coefficient, which was considered to be the most accurate, to its provision calculations by projecting it on the loan parameters within the range of NPL ratio obtained throughout the calculations.

9. Explanations on offsetting financial assets:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Group has a legally enforceable right to offset the recognised amounts and there is an intention to collect/pay related financial assets and liabilities on a net basis, or to realise the asset and settle the liability simultaneously.

10. Explanations on sales and repurchase agreements and securities lending transactions:

Securities subject to repurchase agreements ("Repo") are classified as "Financial assets at fair value through profit or loss", "Financial assets measured at fair value through other comprehensive income" and "Financial assets measured at amortised cost" according to the investment purposes of the Group and measured according to the portfolio to which they belong.

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Funds obtained from repurchase agreements are accounted under "Money market funds" in liabilities and the difference between the sale and repurchase price is accrued over the life of the repurchase agreements using the "Effective interest method". Interest expense on repo transactions are recorded under "Interest expense on money market transactions" in the income statement.

Funds given against securities purchased under agreements to resell ("reverse repo") are accounted under "Receivables from money markets" on the balance sheet. The difference between the purchase and determined resell price is accrued over the life of repurchase agreements using the effective interest method.

The Group has no securities lending transactions.

11. Information on assets held for sale and related to discontinued operations and explanations on liabilities related with these assets:

According to the "TFRS-5 Non-current Assets Held for Sale and Discontinued Operations" a tangible asset (or a group of assets to be disposed) classified as "Asset held for sale" is measured at lower of carrying value and fair value less costs to sell. An asset (or a group of assets to be disposed) is regarded as "Asset held for sale" only when the sale is highly probable and the asset (or a group of assets to be disposed) is available for immediate sale in its present condition. For a highly probable sale, there must be a valid plan prepared by the management for the sale of asset including identification of possible buyers and completion of sale process. Furthermore, the asset should be actively in the market at a price consistent with its fair value.

A discontinued operation is a part of the Group's business classified as sold or held for sale. The operating results of the discontinued operations are disclosed separately in the income statement.

12. Explanations on goodwill and other intangible assets:

12.1. Goodwill:

The excess of the cost of an acquisition over the fair value of the Group's share of the identifiable assets, liabilities or contingent liabilities of the acquired subsidiary at the date of acquisition of the control is recorded as goodwill and represents a payment made by the acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognised. The acquirer also recognises assets that are capable of being individually identified and separately recognised, intangible assets (e.g. credit card brand value, deposit base and customer portfolio) and contingent liabilities at fair value, irrespective of whether the asset had been recognised by the acquire before the business combination, if it can be distinguished from the goodwill and if the asset's fair value can be measured reliably.

As of December 31, 2024, there is no goodwill (December 31, 2023 - None).

12.2. Other intangible assets:

Intangible assets are measured at cost on initial recognition and any directly attributable costs of setting the asset to work for its intended use are included in the initial measurement. Subsequently, intangible assets are carried at historical costs after the deduction of accumulated amortization and the provision for impairment.

The Group evaluates the possibility of existence of impairment of intangible assets at the end of each reporting period. If there is an evidence of impairment, the Group estimates a recoverable amount in accordance with the "TAS 36 - Impairment of Assets". The recoverable amount is the higher of net sales price or the value in use. When the book value of another intangible asset exceeds the recoverable amount, the related asset is considered to be impaired. If there is no evidence of impairment, there is no need to estimate the recoverable amount.

Intangibles are amortized over their estimated useful lives using the straight-line method. The useful life of the asset is determined by assessing the expected useful life of the asset, technical, technological and other kinds of obsolescence and all required maintenance expenses necessary to utilise the economic benefit from the asset.

13. Explanations on property and equipment:

Property and equipment is measured at its cost when initially recognized and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement in accordance with "TAS 16-Property, Plant and Equipment". Subsequently, properties and equipments, except art objects, paintings and buildings, are carried at cost less accumulated depreciation and provision for impairment.

The Group adopted fair value accounting method for its buildings since March 31, 2015 in tangible assets in accordance with "TAS 16 - Property, Plant and Equipment".

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The depreciation rate for buildings is 2-4%; for movables and movables acquired under financial leasing depreciation is calculated over estimated useful life by using the straight-line method. The depreciation charge for items remaining in property and equipment for less than a full accounting period at the balance sheet date is calculated in proportion to the period the item remained in property and equipment.

In accordance with "TAS 36 - Impairment of Assets", where the carrying amount of an asset is greater than its estimated "recoverable amount", it is written down to its "recoverable amount" and the provision for impairment is charged to the income statement.

Gains and losses on the disposal of property and equipment are determined by deducting the net book value of the property and equipment from its sales proceeds.

Expenditures for the repair and maintenance of property and equipment are recognised as expense. The capital expenditures made in order to increase the capacity of the tangible asset or to increase its future benefits are capitalised on the cost of the tangible asset. The capital expenditures include the cost components which are used either to increase the useful life or the capacity of the asset or the quality of the product or to decrease the costs.

14. Explanations on leasing transactions:

The Group performs leasing transactions in the capacity of the lessee and lessor.

14.1. Accounting of leasing operations according to lessee:

The Group has adopted "TFRS 16 - Leases" in the accounting of leasing transactions.

In accordance with "TFRS 16 - Leases", the Group calculates "right-of-use" amount using the present value of the lease payments of fixed asset at the beginning of the leasing period and recognizes under "property and equipment". Unpaid leasing payments are calculated at their net present value and recognized under "lease payables" in liabilities. Lease payments are discounted using related borrowing rates.

Fixed assets that are subject to leasing is amortised on the basis of leasing period. Interest expense related to lease payables is classified under "interest on lease payables" under "interest expense" and exchange rate changes are classified under "foreign exchange gains/losses". Leasing payments are deducted from lease payables.

14.2. Accounting of leasing operations according to lessee:

Assets that are subject to financial leasing are reflected as a receivable equal to the net leasing amount in the consolidated financial statements. Interest income is earned to form a fixed periodical interest rate on net investment amount of the related leased asset by the lessor and the portion relating to subsequent periods is followed in the unearned interest income account.

14.2.1. Provision for doubtful lease receivables

The lease receivables provision for the impairment of investments in direct finance leases is established based on a credit review of the receivables portfolio. The Group has set this provision in accordance with the TFRS 9 rules.

Finance lease receivables and accounts receivables that cannot be recovered are written off and charged against the allowance for the impairment of lease and accounts receivables. Such receivables are written off after all the necessary legal proceedings have been completed and the amount of loss is finally determined. Recoveries of amounts previously provided for are treated as a reduction from the provision for the impairment of the lease receivable and are recognized as income.

15. Explanations on provisions, contingent assets and liabilities:

Provisions and contingent liabilities, except for the expected credit loss recognized for financial instruments within the scope of TFRS 9 standards, are accounted in accordance with "TAS – 37 Provisions, Contingent Liabilities and Contingent Assets".

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions for contingent liabilities arisen from past events are recognised in the period of occurrence in accordance with the "Matching principle".

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A provision is recognised when it is probable that the contingent event will occur and a reliable estimate can be made. When a reliable estimate of the amount of obligation cannot be made, or it is not probable that an outflow of resources will be required to settle the obligation, it is considered that a "contingent" liability exists and it is disclosed in the related notes to the financial statements.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs.

16. Explanations on obligations related to employee benefits:

16.1. Employee benefits

Obligations related to employee termination and vacation rights are accounted for in accordance with "TAS 19 -Employee Benefits" and are classified under "Provisions for employee benefits" account in the balance sheet.

Under the Turkish Labour Law, the Group is required to pay a specific amount to the employees who have retired or whose employment is terminated other than for the reasons specified in the Turkish Labour Law. The reserve for employee termination represents the present value of the estimated total liability for the future probable obligation of the Group determined by using certain actuarial assumptions. Actuarial gains and losses are accounted for under equity in accordance with the "TAS – 19 Employee Benefits" standard.

16.2. Pension rights

The Parent Bank's personnel are members of the Yapı ve Kredi Bankası Anonim Şirketi Mensupları Yardım ve Emekli Sandığı Vakfı ("the Fund") which was established in accordance with the 20th temporary article of the Social Security Law No. 506. As of December 31, 2024, the defined benefit obligations of the Fund have calculated in the actuarial valuation report prepared by the registered actuary.

Temporary article 23th paragraph 1 of the Banking Act published in the Official Gazette No 25983 dated November 1, 2005 stated that foundations like the Fund are to be transferred to the Social Security Institution ("SSI") within three years beginning from the publication date of the article.

The article of the Law related to the transfer was cancelled (pursuant to the application by the President on November 2, 2005) by the decision of Constitutional Court (decision no: E.2005/39, K. 2007/33 dated March 22, 2007) published in the Official Gazette No. 26479 dated March 31, 2007, and the effect of the law article was suspended from the date of the publication of the decision.

The reasoning of the Constitutional Court regarding the abrogation of the corresponding article was published in the Official Gazette dated December 15, 2007, No 26731. With the publication of the reasoning of the decision, the Grand National Assembly of Türkiye ("GNAT") started to work on new legal arrangements regarding the transfer of the fund members to SSI and the related articles of the "Law Regarding the Changes in Social Insurance and General Health Insurance Law and Other Related Laws and Regulations" No 5754 ("the New Law") regulating the transfer of the funds were approved by the GNAT on April 17, 2008. The New Law was published in the Official Gazette No. 26870 dated May 8, 2008. With the new law, the banks' pension funds will be transferred to SSI within three years from the date of publication of the decree and this period can be extended for a maximum of two years with the decision of the Council of Ministers. The transfer period was extended for another two years with the decision of the Council of Ministers No. 2011/1559 published in the Official Gazette dated April 9, 2011. According to the "Amendment of Social Insurance and General Health Insurance Law No. 6283" published in the Official Gazette dated March 8, 2012, Council of Ministers was authorized to increase the two-year extension period mentioned above to four years.

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According to the decision of The Council of Ministers dated February 24, 2014, the transfer date is set as May 2015. The Council of Ministers was authorized to determine the transfer date of pension funds in accordance with the last amendment in the first paragraph of the 20th provisional article of Law No.5510 implemented by the Law No. 6645 on Amendment of the Occupational Health and Safety Law and Other Laws and Decree Laws published in the Official Gazette dated April 23, 2015 and numbered 29335. The president was authorized to determine the transfer date of pension funds in accordance with the last amendment by the Law No. 30473 published in the Official Gazette dated July 9, 2018.

A commission (whose members are the representatives of the SSI, Ministry of Treasury and Finance of the Republic of Türkiye, State Planning Organization, BRSA, Saving Deposit Insurance Fund ("SDIF"), one member representing the Fund and one member representing the Fund members) is in charge of the calculation of the value of the payment that would need to be made to SSI to settle the obligation using a technical interest rate of 9,8% by law taking into consideration income and expenses by insurance branches of the funds and the excess of salaries and income paid by the funds over the salaries and income to be paid in accordance with the SSI arrangements which should not be less than SSI arrangements, related to the members of the Fund as of the date of the transfer including the members who have left the scheme.

In accordance with the New Law, after the transfer to SSI, any social rights and payments to Fund members and their beneficiaries which are not provided although they are included in the Fund Title Deed will continue to be provided by the Fund and the employers of the Fund members.

The Parent Bank accounts for a provision for the technical deficit based on the report prepared by a registered actuary in accordance with the rates determined by the New Law and in accordance with the "TAS 19 - Employee Benefits" standard

16.3. Short term benefits of employee:

Within the scope of "TAS 19 - Employee Benefits", the Group measures the expected costs of accumulated paid leaves as expected payments it will make due to unused leave rights as at the end of the reporting date.

17. Explanations on taxation:

17.1. Current tax:

The corporate tax rate is 20% in accordance with the article number 32 of the New Corporate Tax Law no.5520 which is published in the official Gazette dated June 21, 2006 and numbered 26205. In accordance with the 11 and 14th articles of the Law numbered 7316 on "Amendment of Law on Collection Procedure of Public Receivables and Certain Laws" published in the Official Gazette dated April 22, 2021 and numbered 31462, corporate tax rate will be applied as 25% for enterprises' corporate income belonging to the taxation periods of 2021 and 23% for enterprises' corporate income belonging to the taxation periods of 2021 and 23% for enterprises' corporate income belonging to the taxation periods of 2022 accordance with the Law numbered 7394 published in the Official Gazette No. 31810 dated April 15, 2022. In accordance with the Law numbered 7456 which is published in Official Gazette dated July 15, 2023 and numbered 32249, corporate tax rate is increased to 30% for banks starting from the declarations of October 1, 2023 and to be valid for the taxation periods from January 1, 2023.

Corporate tax rate business income tax in accordance with the laws of the institutions to be added as unacceptable the reduction of costs in the tax laws, exemptions and reductions to the tax base found as a result of the reduction that will be applied.

Under the additional articles added to the Corporate Tax Law by Law No. 7524 dated August 2, 2024, the earnings of affiliates of multinational enterprise groups are subject to a global minimum corporate tax rate of at least 15%.

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

Dividends paid to non-resident corporations, which have a place of business in Türkiye or to resident corporations are not subject to withholding tax. Dividends paid to individuals and institutions other than those listed above are subject to a withholding tax of 10% until December 22, 2024, and 15% thereafter. An increase in capital via issuing bonus shares is not considered as profit distribution and no withholding tax incurs in such a case.

In accordance with the Corporate Tax Law, three quarterly temporary corporate tax statements are submitted in total in the first nine months of reporting year. Advance tax is declared and paid by the 17th day of the second month following each calendar quarter end.

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Advance tax paid by corporations for the current period is credited against the annual corporation tax calculated on the annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be refunded or used to offset any other financial liabilities to the government.

75% of the profits arising from the sale of equity shares that are held for at least two years, before November 27, 2024 and 50% thereafter are exempt from tax if they are added to the capital as defined in the Corporate Tax Law or kept in equity for five years.

In accordance with the Law numbered 7456 which is published in the Official Gazette dated July 15, 2023 and numbered 32249, the tax exemption on profits from the sales of immovables has been terminated as of July 15, 2023. For immovables that were a part of company's assets before the date of July 15, 2023, the exemption rate on profits arising from their sales has been set as 25%.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods.

Tax returns are required to be filled and delivered to the related tax office until the last evening of the fourth month following the balance sheet date and the accrued tax is paid same day. Tax returns are open for 5 years from the beginning of the year following the balance sheet date and during this period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Non-monetary items on the financial statements must have been restated for inflation according to the repeated article 298/A of Tax Procedure Law. In law numbered 7352 published on January 29, 2022 in the Official Gazette numbered 31734, 2021 and 2022 accounting periods including advance tax periods are deemed as the periods in which the requirements for inflation adjustment are not met. In the fiscal year of 2023, quarterly advance tax periods were not subject to inflation adjustment, but the financial statements prepared in accordance with Tax Procedure Law are subject to inflation adjustment regardless of whether the conditions for inflation adjustment are met. Profit/loss difference arising from inflation adjustment is recognized in retained earnings but has no effect on the corporate tax base. The profit/loss differences arising from the inflation adjustment for the accounting periods in 2024 and 2025, including the temporary tax periods, will not be taken into account in the determination of taxable income. The President is authorized to extend the determined tax periods by one accounting period.

Tax rates that are used in tax calculations before the exemptions by foreign subsidiaries by taking current tax regulations in their countries into consideration as of December 31, 2024 are as follows:

 Netherlands
 25,80%

 Azerbaijan
 20,00%

 Germany
 15,83%

Amendments to Tax Procedure Law was published with the Law numbered 7338 published in the Official Gazette dated October 26, 2021. These amendments provide the opportunity to revalue the real estates and depreciable assets.

With the change in the communiqué published in the Official Gazette on January 14, 2023, conditions have been clarified for the taxpayers, who are subject to different accounting and financial reporting standards rules than those determined by the General Communiqué on Accounting System Implementation, is able to benefit from the revaluation specified in paragraph (C) of the duplicate article 298 and temporary article 32 in Law Numbered 213.

Within the scope of the temporary article 32 of the Tax Procedure Law Numbered 213, depreciable assets were revalued and additional tax amount of 2% is levied over the revaluation difference. Assets that are included in the scope pursuant to paragraph (C) of the duplicate article 298 are valued with the revaluation rate announced in the relevant year and no tax is levied over this revaluation increase.

17.2. Deferred tax:

The Group calculates and accounts for deferred income taxes for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "TAS 12 - Income Taxes" and in accordance with BRSA's explanations and circulars and the tax legislation. The Group calculates deferred tax on deductible temporary differences, to the extent that future taxable income is estimated to be available.

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In the deferred tax calculation, the enacted tax rate is used as of the balance sheet date by estimating when the temporary differences will be taxable / deductible in accordance with the current tax legislation.

Deferred tax liabilities are recognized for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that future taxable profit will be available against which the deferred tax asset can be utilised.

Deferred tax assets and liabilities of subsidiaries subject to consolidation have been netted of in their standalone financial statements in accordance with "TAS 12 - Income Taxes". The calculated deferred tax asset and deferred tax liability are presented as net in these financial statements.

Tax effects of the transactions that are directly accounted under equity are also reflected to equity.

17.3. Transfer pricing:

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The article no.13 of the Corporate Tax Law No.5520 describes the issue of transfer pricing under the title of "Disguised profit distribution" by way of transfer pricing (previously included as "Disguised profit" in the Corporate Tax Law No.5422). "The General Communique on Disguised Profit Distribution by Way of Transfer Pricing" published at November 18, 2007/26704, explains the application related issues on this topic effective from January 1, 2007, also taking into account the regulations in Article 41 of the Income Tax Law.

"Arm's length principle", which is the basis for the transfer pricing rule, is the pricing system to be followed for purchase or sale activities between related parties for any product or service transactions as if the transaction is realized with any other third party. According to this communiqué, if the taxpayers conduct transactions like purchase and sale of goods or services with the related parties where the prices are not determined according to the arm's length principle, then it will be concluded that there is a disguised profit distribution by way of transfer pricing. Such disguised profit distributions will not be deducted from the corporate tax base for tax purposes.

As discussed in the relevant section of this communiqué, the taxpayers are required to fill out the "Transfer Pricing, Controlled Foreign Entities and Thin Capitalization" form for the purchase and sale of goods or services conducted with their related parties in a taxation period, attach these forms to their corporate tax returns and submit to the tax offices.

Explanations on borrowings:

The financial liabilities classified at fair value through profit/loss, trading and derivative financial liabilities are valued with their fair values and the other financial liabilities are carried at "amortized cost" including costs of transactions using the "effective interest method".

The Group classifies some of its financial liabilities as the financial liabilities classified at fair value through profit/loss in order to eliminate the accounting mismatch at the initial recognition. For the related liabilities until the maturity, the Bank presents interest expenses paid and the difference between amortized cost and acquisition cost in the interest expense, the difference between the fair value of the financial liabilities and amortized cost presents under the trading gain/(loss) in the income statement.

The Group utilises various hedging techniques to minimise the currency, interest rate and liquidity risks of its financial liabilities. No convertible bonds have been issued. Also, Group obtains funds by issuing bonds and bills.

Explanations on issuance of share certificates:

When shares are issued above their nominal value, the excess over the nominal value is accounted under shareholders' equity as "Share premium".

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Explanations on confirmed bills of exchange and letter of acceptances:

Confirmed bills of exchange and acceptances are included in the "Off-balance sheet commitments".

21. Explanations on government grants:

None (December 31, 2023 - None).

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22. Profit reserves and profit distribution:

Retained earnings as per the statutory financial statements other than legal reserves are available for distribution, subject to the legal reserve requirement referred to below. Legal reserves consist of first and second reserves as foreseen in the TCC. The TCC specifies that the first legal reserve is appropriated at the rate of 5% until the total reserve is equal to 20% of paid-in capital and that the second legal reserve is appropriated at the rate of 10% of distributions in excess of 5% of paid-in capital; however holding companies are not subject to this application. According to the Turkish Commercial Code, legal reserves can only be used to compensate for accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

No dividend payments of the Parent Bank were announced after the balance sheet date.

23. Earnings per share:

Earnings per share disclosed in the income statement are calculated by dividing net profit/loss for the year to the weighted average number of shares outstanding during the period concerned.

	Current Period	Prior Period
Net income/(loss) to be appropriated to ordinary shareholders	29.016.823	68.008.836
Weighted average number of issued ordinary shares (thousand)	844.705.128	844.705.128
Earnings per share (full TL)	0,0344	0,0805

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. These bonus shares are treated as issued shares in earnings per share computations. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year is adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect. In case bonus shares are distributed after the balance sheet date but before the preparation of the financial statements, earnings per share is calculated considering the new number of shares.

No bonus shares were issued during 2024 (2023 - None).

24. Related parties:

For the purpose of these financial statements, shareholders having control shares of the Bank, key management personnel and board members together with their families and companies controlled by/affiliated with them, associated companies and joint ventures and the Fund providing post employment benefits are considered and referred to as related parties in accordance with "TAS 24 - Related Parties". The transactions with related parties are disclosed in detail in Note 7 of Section Five.

25. Explanations on operating segments:

Information about operating segments which are determined in line with "TFRS 8 - Operating Segments" together with organizational and internal reporting structure of the Bank, are disclosed in Note 12 of Section Four.

Explanations on other matters:

None.

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Section Four - Information related to financial position of the Group

Explanations on consolidated equity:

The calculation of the own funds and the capital adequacy standard ratio are performed in accordance with the communiqués such as "Regulation Regarding the Measurement and Evaluation of Banks' Capital Adequacy Ratio", "Regulation Credit Risk Mitigation Techniques", "Regulation on calculation of Risk-Weighted Amounts of Securitization" and "Regulation Regarding Banks' Shareholders' Equity".

The consolidated capital adequacy ratio of the Group is 17,32% (December 31, 2023 - 19,12%) and the Parent Bank is 18,55% (December 31, 2023 – 20,28%).

1.1. Information on equity:

	Current Period	Prior Period
COMMON EQUITY TIER 1 CAPITAL		
Paid-in Capital	8.447.051	8.447.051
Share premiums	556.937	556.937
Retained earnings	145.190.447	87.382.611
Other comprehensive income and other disclosed reserves which defined in the Turkish Accounting Standards	43.187.698	33.904.404
Profit	30.656.777	69.648.790
Net profit of the period	29.016.823	68.008.836
Profit of the previous years	1.639.954	1.639.954
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled subsidiaries and cannot be	*********	
recognised within profit for the period	54.309	31.689
Minority interest	4.672	2.674
Common Equity Tier 1 capital before regulatory deductions	228.097.891	199.974.156
Common Equity Tier 1 capital: regulatory deductions	22010771071	1,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Valuation adjustments		
The sum of the net loss for the current period and the previous years which could not be absorbed by the retained	-	_
earnings and losses recognised in equity in accordance with TAS	24.311.665	21.093.163
Leasehold improvements for operating leasing	865.790	520.942
Goodwill (net of related tax liability)	805.790	320.942
Other intangibles other than mortgage-servicing rights (net of related tax liability)	3.069.583	1.804.260
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related	3.009.383	1.804.200
tax liability)		
Cash-flow hedge reserve	1.534.172	2.888.940
		2.888.940
Total expected losses calculated according to the Internal Ratings Based Approach that exceed total provision	5.700.289	-
Securitization gain on sale	-	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Investments in own capital	-	-
Credits extended contrary to the fourth paragraph of Articles 56 of the Banking Law	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory		
consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital		
(amount above 10% threshold)	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory		
consolidation, net of eligible short positions, where the bank owns more than 10% of the issued share capital (amount		
above 10% threshold)	-	-
Mortgage servicing rights (amount above 10% threshold)	-	-
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-
Amount exceeding the 15% threshold (-) of the common equity Tier 1 in accordance with the second paragraph of		
the provisional article 2 in the regulation regarding the Banks' Shareholders' Equity	-	-
The amount above threshold for the investments in the capital of banking, financial and insurance entities that are		
outside the scope of regulatory consolidation, net of eligible short positions, where the bank owns more than 10% of		
the issued share capital	-	-
The amount above threshold for mortgage servicing rights	-	-
The amount above threshold for deferred tax assets arising from temporary differences	-	-
National specific regulatory adjustments which shall be determined by the BRSA	-	-
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover		
deductions	-	
Total regulatory deductions to Common equity Tier 1	35.481.499	26.307.305
Common Equity Tier 1 capital (CET1)	192,616,392	173.666.851

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ADDITIONAL TIER 1 CAPITAL	Current Period	Prior Period
Preferred shares that are not included in Common Equity Tier 1 capital and related shares issue premiums	-	10.12.4.02
Eligible debt instruments and relevant share issue premiums that are approved by the BRSA	17.640.150	19.134.830
Eligible debt instruments and relevant share issue premiums that are approved by the BRSA (For the purposes of the		
Provisional Article 4 of the Regulation on Banks' Own Funds)	-	•
Third parties' share in the Additional Tier I capital	-	
Third parties' share in the Additional Tier I capital (Temporary Article 3)		
Additional Tier 1 capital before regulatory deductions	17.640.150	19.134.830
Additional Tier 1 capital: regulatory deductions		
Investments in own Additional Tier 1 instruments	-	
Reciprocal cross-holdings in Additional Tier 1 instruments	-	
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory		
consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share		
capital of the entity (amount above 10% threshold)	-	
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of		
regulatory consolidation (net of eligible short positions)	-	
National specific regulatory adjustments which shall be determined by the BRSA	-	
Regulatory Adjustments which will be deducted from Tier 1 capital during the transition period		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity		
Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own		
Funds (-)	_	
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-		
paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	_	
Total regulatory adjustments to Additional Tier 1 capital		
Total Additional Tier 1 capital	17.640.150	19.134.83
Total Tier 1 capital (Tier 1 capital = Common Equity Tier 1 capital + Additional Tier 1 capital)	210.256.542	192.801.68
	210.250.542	192.801.08
TIER 2 CAPITAL		
Eligible debt instruments and relevant share issue premiums that are approved by the Agency	41.212.345	15.519.10
Eligible debt instruments and relevant share issue premiums that are approved by the Agency (For the purposes of the		
Provisional Article 4 of the Regulation on Banks' Own Funds)	-	
Shares of Third Parties in Additional Tier I Capital	-	
Shares of Third Parties in Additional Tier I Capital (Covered by Temporary Article 3)		
Provisions (Article 8 of the Regulation on the Equity of Banks)	1.267.281	5.086.75
Tier 2 capital before regulatory adjustments	42.479.626	20.605.850
Tier 2 capital: regulatory adjustments		
Direct and indirect investments of the Bank on its own Tier 2 Capital (-)	-	
Investments of the Bank to banks that invest on the Bank's Tier 2 and components of equity issued by financial		
institutions with the conditions declared in Article 8	-	
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory		
consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share		
consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold) (-)	-	
capital of the entity (amount above the 10% threshold) (-)	-	
capital of the entity (amount above the 10% threshold) (-) Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory	-	
capital of the entity (amount above the 10% threshold) (-) Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions) (-)	-	
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Yapı Kredi 2024 Integrated Annual

Report

Presentation

From the Management

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(Convenience translation of publicly announced consolidated financial statements and audit report originally issued in Turkish)

Yapı ve Kredi Bankası A.Ş.

Notes to consolidated financial statements as of December 31, 2024 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

OWN FUNDS	Current Period	Prior Period
Total Capital (The sum of Tier 1 capital and Tier 2 capital) (2)	252.547.121	213.264.762
Total Risk Weighted Assets (3)	1.458.076.711	1.115.540.871
CAPITAL ADEQUACY RATIOS		
Common Equity Tier 1 Capital Adequacy Ratio (%)	13,21	15,57
Tier 1 Capital Adequacy Ratio (%)	14,42	17,28
Capital Adequacy Ratio (%)	17,32	19,12
BUFFERS		
Institution specific buffer requirement of the Bank (a+b+c)	3,556	3,551
a)Capital conservation buffer requirement (%)	2,500	2,500
b)Bank's specific countercyclical buffer requirement (%)	0,056	0,051
c)Systemically important Bank buffer	1,000	1,000
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4		
of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	8,420	11,068
Amounts below the thresholds for deduction (before risk weighting)		
Non-significant investments in the capital of other financials	1.449.439	972.927
Significant investments in the common stock of financials	9.326.688	7.069.176
Mortgage servicing rights (net of related tax liability)	-	-
Deferred tax assets arising from temporary differences (net of related tax liability)	13.179.716	16.986.235
Applicable caps on the inclusion of provisions in Tier 2 capital		
General provisions for standard based receivables (before ten thousand twenty five limitation)	1.810.401	5.230.279
Up to 1,25% of total risk-weighted amount of general provisions for receivables where the standard approach used	1.267.281	2.456.027
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in		
accordance with the Communiqué on the Calculation	-	3.758.179
Excess amount of total provision amount to 0,6% of risk weighted receivables of credit risk Amount of the Internal		
Ratings Based Approach in accordance with the Communiqué on the Calculation	-	2.630.723

- (1) According to the "Regulation Regarding to changes on Regulation on Banks' Shareholders' Equity" published in Official Gazette No.30121 on July 11, 2017, related article has been abolished.
 (2) In the calculation of Capital Adequacy Ratios, the negative valuation differences on securities acquired before January 1, 2024 classified under "securities at fair value through other comprehensive income" are not taken into consideration in the calculation of own funds according to BRSA numbered no: 10747 dated December 12, 2023.
 (3) In the calculation of credit risk, foreign exchange rate is the rate that used in the preparation of financial statements as of June 26, 2023, according to BRSA numbered no: 10747 dated December 12, 2023.

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Yapı ve Kredi Bankası A.Ş.
Notes to consolidated financial statements as of December 31, 2024 (Unless otherwise stated amounts are expressed in thousands of Turkish Line ("TL"))
Information on debt instruments included in the calculation of equity:

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Lender (1,2), Issuer (3,4,5)	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.	Yapı ve Kredi Bankası A.Ş.
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	XS2796491681 / US984848AS09	XS2741069996 / US984848AR26	XS2286436451 / US984848AN12	TRSYKBK62914	TRSYKBK92911
Governing law(s) of the instrument	English Law /Turkish Law	English Law /Turkish Law	English Law /Turkish Law	BRSA /CMB / Turkish Law	BRSA /CMB / Turkish Law
	;	Regulatory treatment	2	3	>
Transitional Basel III rules	No No	No No	No No	No No	No No
Eligible at stand-atone / consolidated	Stand-alone -Consolidated	Stand-alone —Consolidated	Stand-alone -Consolidated	Stand-alone - Consolidated	Stand-alone -Consolidated
Amount recognised in regulatory capital (Currency in mil, as of most	DOING	NIOT CC	DIOG	DILOG	Pilor
recent reporting date)	17.040	22.932	17.040	400	240
Par value of instrument	17.640	22.932	17.640	900	300
	Liability –	Liability –	Liability –	Liability –	Liability –
Accounting classification	Subordinated Loans-	Subordinated Loans-	Subordinated Loans-	Subordinated Loans-	Subordinated Loans-
	amortised cost	amortised cost	amortised cost	amortised cost	amortised cost
Original date of issuance	April 4, 2024	January 17, 2024	January 22, 2021	July 3, 2019	October 3, 2019
Perpetual or dated	Perpetual	Dated	Dated	Dated	Dated
Original maturity date	-	10 years	10 years	10 years	10 years
Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes
Optional call date, contingent call dates and redemption amount	In case of not calling within the period of April 4, 2029 - July 4,2029, call option is available every six months following the coupon payment dates	5 years	5 years	After 5th year	After 5th year
Subsequent call dates, if applicable				After 5th year	After 5th year
		Coupons / dividends			
Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Floating	Floating
Coupon rate and any related index	First 5 years 9,743% fixed, second 5 years U.S. five year treasury bond rate +549,90 basis points	First 5 years 9,25% fixed, second 5 years U.S. five year treasury bond rate +527,80 basis points	First 5 years 7,875% fixed, second 5 years U.S. five year treasury bond rate +741,50 basis points	TLREF index change +1,93 %	TLREF index change + 1,30%
Existence of a dividend stopper	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount	No interest accrue after the date of value decrease for the decreased amount
Fully discretionary, partially discretionary or mandatory	Discretionary	Mandatory	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	•				
Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
(7) (7) (1)		Convertible or non-convertible	ible		
If convertible, conversion trigger (s)					
If convertible, fully or partially					
If convertible, conversion rate					
If convertible, mandatory or optional conversion					
If convertible, specify instrument type convertible into					
If convertible, specify issuer of instrument it converts into					
		Write-down feature			
If write-down, write-down trigger(s)	In case of default/ Common Equity Tier I capital adequacy ratio of the bank falls below 5,125%	In case of default	In case of default	In case there is a possibility that the official authorization of the Bank is cancelled or the Bank shares are transferred to SDIF	In case there is a possibility that the official authorization of the Bank is cancelled or the Bank shares are transferred to SDIF
If write-down, full or partial	Partial and complete	Partial and complete	Partial and complete	Partial and complete	Partial and complete
If write-down, permanent or temporary	Temporary	Permanent	Permanent	Permanent	Permanent
If temporary write-down, description of write-up mechanism	In case of cancellation of default/ Common Equity Tier 1 capital adequacy ratio of the bank is higher than 5,125%	-			
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	After the senior creditors, and the TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 After the senior creditors, before the TIER subdebt, same with TIER 2 subdebt, same with TIER 2	After the senior creditors, before the TIER 1 subdebt, same with TIER 2
In compliance with article number 7 and 8 of "Own fund regulation"	°Z	Ŷ	No.	No	%
Details of incompliances with article number 7 and 8 of "Own fund regulation"					
	-				

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1.3. There are differences between the figures in the own funds and their corresponding amounts in the balance sheet. Within this context; gains that are related to cash flow hedge transactions are not considered in the own funds. The subordinated liabilities are considered after the adjustments made in accordance with the ninth paragraph of the eight article of the "Regulation Regarding Banks' Shareholders' Equity". In addition, the negative valuation differences on securities acquired before January 1, 2024 classified under "securities at fair value through other comprehensive income" are not taken into consideration in the calculation of own funds according to BRSA numbered no: 10747 dated December 12, 2023.

1.4. Exposures subject to countercyclical capital buffer:

The exposures subject to countercyclical capital buffer table prepared in accordance with the communiqué "Regulation on Capital Conservation and Countercyclical Capital buffers of Banks" published in the Official Gazette no. 28812 dated November 5, 2013 is presented below:

Consolidated private sector receivables:

Country	RWAs of Banking Book for Private Sector Lending	RWAs of Trading Book	Total
		Trauling Book	
Türkiye	1.037.794.163	-	1.037.794.163
Netherlands	9.735.750	-	9.735.750
Azerbaijan	4.193.972	-	4.193.972
Malta	3.899.157	-	3.899.157
Italy	3.605.029	-	3.605.029
Germany	3.409.170	-	3.409.170
Switzerland	3.038.972	-	3.038.972
France	2.341.418	-	2.341.418
Luxembourg	2.277.863	-	2.277.863
Marshall Islands	2.111.778	-	2.111.778
England	2.050.406	-	2.050.406
United States of America	1.306.482	-	1.306.482
Macedonia	1.148.465	-	1.148.465
Spain	1.065.712	-	1.065.712
Austria	889.065	-	889.065
Czech Republic	781.079	-	781.079
Other	4.120.778	-	4.120.778
Total	1.083.769.259	_	1.083.769.259

Explanations on Consolidation Credit Risk:

As of June 30, 2021, the Bank has started to calculate its credit risk, which is subject to the regulatory capital adequacy ratio reporting, with the Internal Rating-Based (IRB) approach. Foundation IRB approach is used for the corporate exposure class and advanced IRB approach is used for the retail exposure class as determined by "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks".

2.1. Credit risk is the loss or the risk of the Parent Bank in case a counterparty cannot fulfill its obligations stated in agreements where the Parent Bank is at a side. The Parent Bank identifies loan limits for each customer considering statutory regulations, the internal scoring system, financial analysis reports and geographical and industry concentration and considering credit policies determined by Board of the Directors each year. The limits defined by the Board of Directors for each correspondent bank are followed-up daily by Treasury Management for the transactions related with placements with domestic and correspondent banks or treasury operations such as forward buy and sell transactions. Moreover, daily positions and limit controls of each Treasury Management employee who is authorised for transactions in the market are controlled by the system. During the loan granting process, liquid collaterals are preferred to the greatest extent possible. Collaterals and guarantees must be obtained during credit underwriting based on credit worthiness, customers' financial status, and credit type. While granting of long term project finance loans, long term projections of the companies are analyzed both by financial analysis specialists and head office. Also the pricing of these commitments are decided by coordination with Treasury Management. The Parent Bank also monitors limitations on single borrower and group of borrowers in accordance with the regulations.

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Rating system used for Medium Sized Entities (ME), Small and Medium Sized Entities (SME) and Corporate/Commercial customers is also used for defining the authorization level for loan granting. Thus, customers with a low rating are assigned to higher authority levels, whereas customers with a high rating are assigned to lower authority levels. By using this methodology it is aimed to establish risk based optimization in the loan processes.

Probability of default of a customer is calculated through this internally developed rating system. The rating concentration of Corporate/Commercial, ME and SME customers according to Parent Bank's rating system is as follows:

	Current Period	Prior Period
Strong	57,6%	46,2%
Standard	24,3%	41,3%
Below standard	18,1%	12,6%

The Parent Bank takes following criterias into consideration for the identification of default:

- > The loan is overdue more than 90 days,
- > The borrower is not able to pay at least one of the loans he received from the Bank (cross default),
- ➤ Having a negative intelligence and bad-record for the borrower in the market,
- > Deterioration of the creditworthiness of the borrower.

The Group sets aside expected credit loss in accordance with the Provisioning Regulation within the scope of "provisions" and "value adjustments".

Total amount of exposures after offsetting transactions but before applying credit risk mitigations and the average exposure amounts that are classified in different risk groups and types, are disclosed below for the relevant period:

Risk classifications:	Current Period	Average
KISK CIASSIFICATIONS:	Risk Amount ⁽¹⁾	Risk Amount(1)
Exposures to central governments or central banks	820.741.073	744.970.477
Exposures to banks and financial institutions	400.983.565	348.607.602
Corporate exposures - Other	587.391.701	511.799.532
Specialised Lending	106.704.669	114.051.782
Corporate exposures - SME	177.791.934	197.171.819
Retail Exposures - Other	491.952.083	401.799.835
Retail exposures - Qualifying revolving	633.779.280	547.378.708
Retail exposures - SME	264.562.692	207.373.253
Investments in equities	9.163.208	8.345.091
Other Items	124.641.382	115.057.954
Total	3.617.711.587	3.196.556.053

(1) Includes credit risk amounts of total exposure before applying credit risk mitigations.

2.2. The Parent Bank has control limits over the positions of forwards, options and similar agreements. These positions are measured and managed by following their market values and by taking potential risk into considerations throughout their maturities, in accordance with Counterparty Credit Risk management. Limits are also calculated and dynamically managed by taking these potential risks into considerations. Daily market value calculations, limit controls, collateral assessments are performed and reported to the relevant departments within the Bank.

The Group may use its rights, as stated in the derivative agreements based on which the Group realizes derivative transactions, in order to eliminate the risks that may arise due to being exposed to severe risk levels arising from fluctuations in the market.

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2.3. In line with the Provisioning Regulation, if the cash risk of a customer is classified as nonperforming, the noncash risk is also classified as nonperforming under the same group where the cash risks were already followed and specific provision is reserved.

Restructured loans are also classified and followed up according to the regulation on provisions considering the Bank's credit risk policies. Accordingly, the financial position and commercial operations of related customers are monitored, their principal and interest payments are followed up with the restructured repayment schedule and the necessary precautions are taken.

- 2.4. The Group's banking activities in foreign countries and credit transactions are subject to periodical follow-up in terms of the economic conditions of the related country and the evaluation of the creditworthiness of the customers and financial institutions. No material credit risk have been observed in scope of these operations.
- **2.5.** In terms of credit risk;
 - > The proportion of the Parent Bank's top 100 and 200 cash loan balances in total cash loans is 21% and 25%. (December 31, 2023-23% and 27%).
 - > The proportion of the Parent Bank's top 100 and 200 non-cash loan balances in total non-cash loans is 34% and 45%. (December 31, 2023- 37% and 47%).
 - > The proportion of the Parent Bank's cash and non-cash loan balances with the first 100 and 200 customers comprises of 25% and 31% of total cash loans and non-cash loans. (December 31, 2023- 27% and 33%).
- 2.6. The Group provided a general loan loss provision amounting to TL 23.379.113 (December 31, 2023 TL 26.041.720).

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Current Period 799, 406.262	•	•						١
riod	7	•	4	ın	9	7	×	6
	297.647.498	552.101.248	105.112.423	173.300.724	489.394.323	632.830.133	264.544.004	410.554
EU countries 18.330.620	78.090.345	22.209.389	1.507.210	3.512.361	420.994	589.685	9.368	296.466
OECD countries (3)	885.294	3.322.396			27.576	41.380	2.393	•
Off-shore banking regions		689.819		29.665	1.952	1.982		•
USA, Canada 339.799	20.468.673	3.135.891		1.037	95.867	111.630	3.442	1.030.085
Other countries 2.664,392	3.891.755	5.932.958	85.036	948.147	2.011.371	224.470	3.485	•
Investment and associates, subsidiaries and joint ventures								7.426.103
Indistributed Assets / Liabilities (4)			•	•	•	•		•
Total 820,741,073	400.983.565	587.391.701	106.704.669	177.791.934	491.952.083	633.779.280	264.562.692	9.163.208

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2.740.931 7.085.338 3.796.342 1.172.588 1.496.997 5.044.192 4.702.527

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21.470 410 592.966 151.430.608 4.210 1.738 45 1.548 1.783 .521.423 431.876 35.412 2.296 92.121 228.777 6.303.463 157.414 10.968 619 44.508 1.145.670 164.726.279 3.458.016 46.715 29.660 122.851 305.018 1.173.767 318.425.595 13.166.645 2.928.751 1.139.968 1.114.307 4.903.833 83.170.523 67.953.727 772.758 -19.397.500 6.597.665 131.196 687.679 554.008.7

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Risk profile according to sectors and counterparties:

2.8.

. 1.827

57.136.219 15.294 2029.437 55.091.488 28.474.569 21.093.881 169.715 4.961.057 290.503 7.369.230 11.336 153 2.817.683 2.817.683 335.782.778 315.361.236 313.247.986 313.276 313.276 314.276 314.276 314.276 314.276 314.276 314.276 314.276 314.276 314.276 315.276 316 57.649 **58.239.421**

34.733 7.764.543 **21.348.441**

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5.065.785 5.045.711 5.704.669 5.647.105 5.430.155 7.640.385

820. 386. 586. 106. 176. 577. 251.

525 098 454 454 954 359 509 283. 354.0 802. 802. 905.0 360. 856.

420.2 28.3 255.8 99.0 91.4 98.1 163.1 75.1

3.678.249 18.380.195 13.4427.207 5.086.734 43.204.225 66.715.868 50

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1 month 85.887.114 78.649.376 48.407.752 765.887 8.175.343 2.464.749 10.503 2

Risk balances according to risk weights:

2.10.

amount before and after applying risk mitigation techniques and total amounts deducted from the capital which are calculated in accordance with the Appendix-ion on Measurement and Assessment of Capital Adequacy Ratios of Banks" are presented below.

7.918 469.850.7 285 232.961. 304 397.846.3 664 200. Total

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2.11. Information according to sectors and counterparties:

For loans which are classified as impaired loans due to delay of collection of principal or interest by 90 days and above and/or negative risk assessments of creditworthiness of the debtor; "Specific Provision" is set aside in the accompanying financial statements as of December 31, 2024.

For loans which are classified as past due but not impaired loans due to delay of collection of principal or interest up to 90 days; "General Provision" is set aside in the accompanying financial statements as of December 31, 2024.

ectors / Counterparties Loans			Provisions
•	Impaired Le	pans (TFRS 9)	
	Significant increase in credit risk (Stage 2)	Credit – Impaired (Stage 3)	Expected Credi Losses (TFRS 9
Agricultural	674.108	417.611	289.20
Farming and raising livestock	493 240	351.244	231.90
Forestry	169 412	51.311	41.55
Fishing	11.456	15.056	15.756
Manufacturing	57.316.937	10.516.847	13.959.209
Mining	35.230	60.325	45.47
Production	12.389.277	6.515.041	5.185.192
Electric, gas and water	44.892.430	3.941.481	8.728.54
Construction	13.809.074	7.623.261	5.896.85
Services	34.248.070	6.462.872	5.734.34
Wholesale and retail trade	1.813.191	1.556.245	1.121.09
Hotel, food and beverage services	3.749.944	704.047	496.95
Transportation and telecommunication	6.214.964	1.085.086	995.97
Financial institutions	146.652	308.024	28.68
Real estate and renting services	8.393.720	1.973.489	1.467.99
Education services	26.630	9.944	9.52
Health and social services	13.902.969	826.037	1.614.12
Other	49.169.318	22.465.896	18.674.19
Total	155.217.507	47.486.487	44.553.818

2.12. Information about value adjustments and changes in the loan impairment:

		Opening balance	Provision amounts set aside during the period	Reversal of provisions	Other adjustments ⁽¹⁾	Closing balance
1	Specific provisions	21.249.734	23.029.315	(10.868.239)	(5.684.099)	27.726.711
2	General provisions (value adjustments)	26.041.720	13.375.121	(16.063.682)	25.954	23.379.113

⁽¹⁾ The figure represents the written off loans, foreign exchange differences and also includes non performing loan sales.

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3. Explanations on Consolidated Risk Management:

3.1. General Information on Risk Management and Risk Weighted Amount

3.1.1. Risk management approach of the Bank

Risk management strategy of the Group ensures using the capital at an optimum level and provide sustainable growth in this framework through measurement of risks in accordance with international standards and local regulations and taking risk-return balance into consideration in the framework of sustainable growth. Risk management approach of the Group is based on strong risk management techniques of ISEDES (Evaluation Process of Internal Capital Adequacy) and prospective planning and capital evaluation depending upon risk profile.

A prospective capital planning approach is adopted for the Bank to carry out its operations if certain losses are incurred as a result of unexpected events or deteriorations in markets. The best international practices are utilized for the determination, measurement, analysis and control of risks. The process regarding identification of risks and determination of appropriate measurement method has a dynamic structure in which the risk management is improved through inspiring from advanced international practices and analyses updated in line with its business evolution. A risk appetite framework integrated to budget process, has been developed in order to carry out related activities at an optimum level while reaching predefined budget target of the Bank and therefore an appropriated risk positions are ensured to be taken.

Risk appetite, as an integral part of the main pillar and a crucial instrument of the Bank Management, is implemented in order to ensure the execution of Bank's activities in an ideal manner through taking appropriate risk positions at an acceptable level of risk. Risk appetite, is integrated to management and budget processes of the Bank with performance indicators which are sensitive to risk.

Risk appetite indicators, targets, limits and critical thresholds are determined by the Executive Committee with the joint recommendation of Compliance, Internal Control and Risk Management, Financial Planning and Administration Management. Possible changes which may occur in economic conditions are taken into consideration during the determination of aforementioned limits and thresholds.

Determined risk appetite indicators consists of capital adequacy, liquidity, assets quality, financial risk and operational risk ratios of the Bank and senior management ensures the Bank to carry out its activities in the range of such targets and critical thresholds. Senior management should be informed to take emergency precautions if the critical thresholds are exceeded. Monitoring and periodical reporting to senior management is performed by the related units in order to implement risk appetite framework.

The Bank implements internal policies and procedures that are audited and approved at least once a year by the Board of Directors in order to manage market risks arising from on-balance sheet and off-balance sheet liabilities. Based on the principles mentioned in Regulatory Authority's directives and best practice guidelines, internal policies determine responsibilities and practitioners for identification, measurement, monitoring and reporting of the risks in line with the risk appetite and needs of the Bank; lay the groundwork for granting limits in the Bank; and guide the actions to be taken in case of risk appetite is exceeded.

The Credit Policy Directive, which reflects the general framework of the Parent Bank's credit allocation activities, is updated at least annually and implemented with the approval of the Board of Directors. Credit Policy Directive is based on improving asset quality, supporting effective risk management and compliance with legal practices. In addition, it includes management of lending activities according to the Bank's common standards, limitations and principles

The main purpose of the credit risk management is to identify, measure and mitigate credit risk, react in a timely manner and take necessary actions with the help of efficient and well-functioning rating/scoring models, strategies and processes. The main strategies include topics like effective implementation of the Credit Policy Directive to reinforce the sustainability of common risk management approach, steering of the loan portfolio toward less risky sectors, avoidance of excessive concentration in Group exposures while strictly obeying statutory limits, focus on customers with better credit ratings, avoidance of transactions bearing high credit and reputational risk, managing country risk in line with established strategy, policy and rules, timely updates to senior management about all developments in credit risk area to ensure effective credit risk management, performing credit stress tests and participating in credit risk regulatory processes.

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Risk Management reports to Board of Directors in organisation structure via Audit Committee. Risk Management organisation is divided into "Market Risk Management", "Credit Risk Strategy, Modelling and Reporting Management" and "Risk Validation" units.

In the process of market risk management, related business and risk units perform their activities within the scope of the principles determined by internal policies such as the Financial Markets Policy, Liquidity Policy, Liquidity Risk Limit Management Policy, Liquidity Emergency Policy, Interest Rate Risk Policy, Interest Rate Risk Limit Management Policy, Hedge Policy, Financial Investment Risk Policy, Immovables Risk Policy, Derivatives Policy, Independent Price Verification Policy, Policy due to inclusion on Financial assets where fair value change is reflected to income statement. Market Risk Stress Test Policy.

Value at Risk, Basis Point Value (interest rate sensitivity), and Credit Basis Point Value (credit spread sensitivity) are risk metrics calculated via internal models and used in measurement of market risks. Risk measures are monitored at product, portfolio and account (Financial assets where fair value change is reflected to income statement and Financial assets where fair value change is reflected to other comprehensive income statement) basis. Performance of internal models is measured by backtesting of the model's outputs. In addition, transaction limits are used at specific products.

Liquidity Risk measurement methods; consists of both short term risk metrics such as Liquidity Coverage Ratio, Short Term Liquidity, Intraday Liquidity, and Early Warning Indicators and long-term risk metrics such as the Net Stable Funding Ratio and the funding concentration structure. With various scenario analyzes aimed at stressing the liquidity, it is examined how the possible deterioration scenarios that can be observed in the parameters of the market or institution-specific or both cases affect the liquidity position of the Bank.

Measurements performed via internal models in the context of market risk management are reported to the Bank's Top Management, Treasury, Financial Reporting and Credit Monitoring Units (for the Counterparty Credit Risk process) on a daily basis and to the Board of Directors and Executive Committee on a monthly basis.

Stress tests, provide a prospective point of view during risk management, budget and capital planning processes through reviewing the impact of events or changes in markets, which have a low possibility to occur under normal conditions but may result in losses to Bank in case they occur. The Bank performs stress tests to measure impacts of temporary or continuous deteriorations in market risk factors on income statement and to make capital plans. Scenarios, having basis, medium and high stress levels, aim to measure impacts of adverse conditions across the country on the economic value of the Bank through risk factors. Other important risk elements such as Fixed Assets held by the Bank and financial investment risks faced through its subsidiaries, as well as price movements, are reviewed during stress test processes as well.

Stress test studies are made with the active participation of senior management and impact of the stress test to the general risk profile of the Bank is reported. Senior management participates in establishing of stress test's scenario, analyzing of its results, through determination of the scope and approach of the scenario, guidance of required directions and review of results and recommendation of action plans. Stress scenarios, up-to-date estimations and crisis scenarios are prepared by Research and Analytics Department.

The Parent Bank reduces market risk exposure within scope of its commercial activities through derivative instruments and makes an effort to control impacts of the risks on capital through hedge accounting implementation. It holds foreign exchange positions to manage residual positions as a result of banking activities through performing a conservative approach to exchange risk and manages its end of day positions at a minimum level.

For the detection and mitigation of risks, Operational and Reputational Risk Management defines policies and strategies and determines, reports and monitors actions to reduce potential operational and reputational risks via loss data, key risk indicators, scenario analysis and risk assessments. Operational Risk Management Policy and Reputational Risk Policy is updated every year and approved by the Board of Directors.

Business Continuity Management Policy aims at reducing the risks that may endanger the continuity of Banks operations to a minimum level and ensuring critical product and services in case of unexpected events in an acceptable period. Bank's resilience against unexpected events is increased through the Crisis Communication Plan, Emergency Response Plan, Business Recovery Plan and Crisis Communication Plan. Business Continuity Policy and Plans are regularly updated and approved by the Board of Directors.

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Risk validation management is an independent team that reports directly to the Assistant General Manager of Compliance, Internal Control and Risk Management and responsible for the controls of all models, data and processes carried out within the scope of risk management. In addition to statistical practices, validation unit is also responsible for the compliance with the regulations, legal practices and internal policies. The risk validation unit is divided into three sub-units; regulatory risk validation unit, strategic risk validation unit and rating models validation unit. Legal risk validation unit is responsible for IRB models, TFRS 9 and credit risk validation in the second structural pillar. Strategic risk validation unit is responsible for strategy validation, managerial models, market risk validation and validation of other risk types as part of the second structural pillar. Rating models validation unit is responsible of validation activities of marketing models, macroeconomic forecasting models, project financing models and operational risk models.

3.1.2 Overview of Risk Weighted Assets

		Risk Weight	ed Assets	Minimum Capital Requirements
		Current Period	Prior Period	Current Period
1	Credit risk (excluding counterparty credit risk) (CCR)	1.240.744.211	976.167.760	99.259.537
2	Of which standardised approach (SA)	195.455.322	126.209.397	15.636.426
3	Of which internal rating-based (IRB) approach	1.045.288.889	849.958.363	83.623.111
4	Counterparty credit risk	10.256.788	14.257.094	820.543
5	Of which standardised approach for counterparty credit risk (SA-CCR)	10.256.788	14.257.094	820.543
6	Of which internal model method (IMM)	-	-	-
7	Equity positions in banking book under market-based approach	-	-	-
8	Equity investments in funds - look-through approach	306.034	40.504	24.483
9	Equity investments in funds - mandate-based approach	-	-	-
10	Equity investments in funds - fall-back approach	-	-	-
11	Settlement risk	-	-	-
12	Securitisation exposures in banking book	-	-	-
13	Of which IRB ratings-based approach (RBA)	-	-	-
14	Of which IRB Supervisory Formula Approach (SFA)	-	-	-
15	Of which SA/simplified supervisory formula approach (SSFA)	-	-	-
16	Market risk	18.634.498	14.512.699	1.490.760
17	Of which standardised approach (SA)	18.634.498	14.512.699	1.490.760
18	Of which internal model approaches (IMM)	-	-	-
19	Operational risk	169.906.912	99.403.270	13.592.553
20	Of which Basic Indicator Approach	169.906.912	99.403.270	13.592.553
21	Of which Standardised Approach	-	-	-
22	Of which Advanced Measurement Approach	-	-	-
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	18.228.268	11.159.544	1.458.261
24	Floor adjustment	-	-	-
25	TOTAL (1+4+7+8+9+10+11+12+16+19+23+24)	1.458.076.711	1.115.540.871	116.646.137

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				Carrying values	Carrying values of items in accordance with TAS	dance with 1	A.S
	Carrying values in financial statements	Carrying values in consolidated Financial statements prepared as per TAS but in compliance with the communique "Preparation of	Subject to	Subject to counterparty		Subject to market	Not subject capi requirement subject to deduc
Current Period	prepared as per LAS	Consolidated Financial	credit risk	credit risk	tramework	rısk	trom ca
Assets							
Financial Assets (Net)	632.236.414	632.315.012	615.562.237	79.428.096	•	6.573.011	
Loans(Net)	1.710.492.362	1.707.914.667	1.754.912.752	178.287.340	•	•	189.0
Assets Held For Resale and Related To Discontinued Operations							
(Net)	619.311	619.311	619.311	•	•	•	
Investment in Subsidiaries, Associates, Joint ventures (Net)	9.353.496	9.397.450	9.397.450	•	•	•	
Property and Equipment (Net)	11.379.692	30.932.539	30.066.749	•	•	•	865.7
Intangible Assets (Net)	3.403.583	3.403.221	333.638	•	•	1	3.069.5
Tax Asset	19.143.487	17.415.013	17.415.013	•	•	1	
Other Assets	153.149.027	151.883.571	157.422.589	•	•	•	
TOTAL ASSETS	2.539.777.372	2.553.880.784	2.585.729.739	257.715.436	•	6.573.011	4.124.
Liabilities							
Deposits	1.567.775.360	1.374.257.403	•	•	•	•	1.374.257.4
Borrowings	297.330.401	297.330.401	•	•	•	•	297.330.4
Money Markets	2.492.673	196.010.595	•	187.538.791	•	•	8.471.8
Marketable Securities Issued (Net)	151.169.718	151.169.718	•	•	•	•	151.169.7
Financial liabilities measured at fair value through profit or loss	75.234.394	75.234.394	•	•	•	•	75.234.3
Derivative Financial Liabilities	18.966.255	18.966.255	•	•	•	9.286.365	18.966.2
Lease Payables (Net)	5.399.786	5.399.786	•	•	•	•	5.399.7
Provisions	18.087.389	21.574.366	•	•	•	•	21.574.3
Tax Liability	864.469	9.697.039	•	•	•	•).769.6
Subordinated Loans	61.931.598	61.931.598	•	•	•	•	61.931.5
0.4 1.1-1.15	702020101	140 405 700					140 406

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ve Kredi Bankası A.Ş. to consolidated financial statements as of December 31, 2024 to consolidated financial statements of Turkish Lita ("TL"))

1.816.406.787	5.784.015	•	46.966.613	•	1.863.373.400	1.854.843.476	TOTAL LIABILITIES
178.880.993	1	•	1	1	178.880.993	170.796.380	Shareholder's Equity
101.099.073	•	•	•	•	101.099.073	108.720.868	Other Liabilities
36.846.139	•	•	•	•	36.846.139	36.846.139	Subordinated Loans
8.053.253	•	•	•	•	8.053.253	4.547.009	Tax Liability
21.915.958	•	•	•	•	21.915.958	17.355.126	Provisions
3.401.505	•	•	•	•	3.401.505	3.401.505	Lease Payables (Net)
11.666.461	5.784.015	•	•	•	11.666.461	11.666.461	Derivative Financial Liabilities
71.167.000	•	•	•	•	71.167.000	71.167.000	Financial liabilities measured at fair value through profit or loss
97.039.999	•	•	•	•	97.039.999	97.039.999	Marketable Securities Issued (Net)
16.415.887	•	•	46.966.613	•	63.382.500	15.443.345	Money Markets
161.034.843	1	•	•	•	161.034.843	161.034.843	Borrowings
1.108.885.676	1	1	'	'	1.108.885.676	1.156.824.801	Liabilities Deposits
2.467.971	7.773.186	•	101.741.538	1.882.776.216	1.863.373.400	1.854.843.476	TOTAL ASSETS
,	-	-	-	102.855.372	100.484.998	97.914.082	Other Assets
	•	•	•	9.144.125	9.144.125	12.619.979	Tax Asset
1.804.260	•	•	•	232.250	2.036.510	2.036.914	Intangible Assets (Net)
520.942	•	•	•	18.354.723	18.875.665	7.346.361	Property and Equipment (Net)
	•	•	•	7.139.938	7.139.938	7.095.983	Investment in Subsidiaries, Associates, Joint ventures (net)
	٠	1	'	1.074.724	1.074.724	1.074.724	Assets held for resale and related 10 Discontinued Operations (Net)
142.769		•	54.309.640	1.309.536.213	1.268.871.212	1.271.034.971	Loans(Net)
	7.773.186	1	47.431.898	434.438.871	455.746.228	455.720.462	Financial Assets (Net)
							Assets
subject to deductio from capits	market risk	Securitisation framework	counterparty credit risk	Subject to credit risk	the communiqué "Preparation of Consolidated Financial	financial statements prepared as per TAS	Prior Period
capital requirements o	Subject to		Subject to			Carrying values in	
Not subject to					Carrying values in consolidated		
SV	rdance with T	Carrying values of items in accordance with TAS	Carrying values				

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3.2.2. Main sources of differences between regulatory exposure amounts and carrying values in financial statements:

					Subject To	
	Current Period		Subject to	Subject to the	Counterparty	Subject To
		Total	Credit Risk	Securitisation	Credit Risk	Market Risk
1	Assets carrying value amount under scope of regulatory	2 050 010 107	2 505 520 520		255 515 426	ć 550 011
•	Consolidation (As note 3.2.1 of Section 4) Liabilities carrying value amount under scope of regulatory	2.850.018.186	2.585.729.739	-	257.715.436	6.573.011
2	Consolidation (As note 3.2.1 of Section 4)	196.825.156	_	_	187.538.791	9.286.365
2	,		2 595 720 720	_		
3	Total net amount under scope of regulatory consolidation	2.653.193.030	2.585.729.739	-	70.176.645	(2.713.354)
4	Off-Balance Sheet Amounts	2.063.010.216	1.072.184.984	-	-	-
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules (other than					
	those already included in row 2)	-	-	-	-	-
7	Differences due to consideration of provisions					
8	Differences resulted from the BRSA's applications	-	(284.023.961)	-	(8.403.311)	21.347.852
9	Differences due to risk reduction	-	(2.349.977)	-	_	
	Risk Amounts	-	3,371,540,785	-	61.773.334	18,634,498

					Subject To	
	Prior Period	Total	Subject to Credit Risk	Subject to the Securitisation	Counterparty Credit Risk	Subject To Market Risk
1	Assets carrying value amount under scope of regulatory Consolidation (As note 3.2.1 of Section 4) Liabilities carrying value amount under scope of regulatory	1.992.290.940	1.882.776.216	-	101.741.538	7.773.186
-	Consolidation (As note 3.2.1 of Section 4)	52.750.628	-	-	46.966.613	5.784.015
3	Total net amount under scope of regulatory consolidation	1.939.540.312	1.882.776.216	-	54.774.925	1.989.171
4	Off-Balance Sheet Amounts	1.199.671.668	598.578.148	-	-	-
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules (other than those already included in row 2)	_	_	-	-	-
7	Differences due to consideration of provisions	-	-	-	-	-
8	Differences resulted from the BRSA's applications	-	(307.485.367)	-	(15.827.813)	12.523.528
9	Differences due to risk reduction		(731.622)	-	-	
	Risk Amounts	-	2.173.137.375	-	38.947.112	14.512.699

3.2.3 Disclosures regarding differences between exposures valued in accordance with TAS and risk exposures:

Main difference between amounts reported in financial statements and valuated in accordance with TAS and amounts valuated in accordance with TAS in scope of TAS in the framework of legal consolidation is that non-financial subsidiaries are not included in consolidation in scope of legal consolidation.

Group's financial instruments subject to fair value measurement are valued using Mark-to-Market or Mark-to-Model approach based on their product types. Implementation of valuation methodologies is carried out in accordance with the "Fair Value Measurement" policies in line with the prudent valuation principles set out in the annex of the Directive on Measurement and Assessment of Banks' Capital Adequacy. The Group uses market prices for bonds and futures contracts traded in organized markets, while it often uses platforms generating Mark-to-Model value for derivative transactions traded in OTC markets. Mark-to-Market or Mark-to-Model valuations are made on a daily basis so that changes in the market can be reflected in the Group's financials with the same frequency.

The Independent Price Control process (IPV) is designed to draw the errors or deviations that may occur in the valuations to the minimum level, to calculate the correct profit / loss and risk, through verification, comparison and approval of market prices and model inputs regularly with independent and different sources. The purpose of the IPV is to ensure that the data used for bank valuations are generated on a daily basis from a highly representative, adequately liquid and accurate instruments. All these processes have a clear, integrated and complementary approach that is in line with the objectives of the Bank.

The fair value of an instrument is recognized through the utilization of quotations for securities and derivatives in active markets. In instances where quotations are not available, the price is determined by using generally accepted pricing models for market operations.

Credit valuation adjustments (CVA) are also made by taking into account the possible changes in the credit value of the counterparties of the transactions made within the scope of counterparty credit risk (CCR). Credit valuation adjustments represent the current market value of the Parent Bank's credit risk arising from the failure to fulfil any of the obligations specified in the contract with the counterparty. Changes in the credit risk of all counterparties arising from derivative transactions due to market conditions are also included in regulatory capital adequacy calculations.

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3.3. Explanations on credit risk

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3.3.1. General information regarding credit risk

3.3.1.1. General qualitative information regarding credit risk

Credit Policy is prepared to be well-structured in line with the BRSA loan management guidebook.

Credit Policy is revised at least once a year, approved by Board of Directors, announced within the bank and implemented in accordance with the appropriate procedures in banks. During the review of credit policies, economic conjuncture, the bank's capital adequacy ratio and amendments in related regulation are taken into consideration. Key elements such as target markets, portfolio structure and concentration, large exposures, credit limit applications, approval authorities are determined in the credit policies. In the policies, key messages are provided based on principles of prudence, continuity about the customers' worthiness, specific sectors, segments and products for growth in accordance with the defined credit strategies.

Credit Risk Management Section is established to manage the credit risk of the Bank by determining, measuring, monitoring, evaluating and reporting the risks. In order to improve the asset quality of the Bank, the main roles and responsibilities of the section are composed of performing periodical analyses on credit portfolio trend, calculating credit risk cost based on segments and executing compliance activities between risk management practices with Basel requirements.

Credit Risk Management consists of two sub-units: Credit Risk Strategies and Operational Risk Management and Credit Risk Planning, Modeling and Reporting Management.

Credit Risk Strategies and Operational Risk Management is responsible for developing underwriting, monitoring, collection and workout strategies and following the actions taken in accordance with the Bank's risk appetite in terms of credit risk. The unit takes an active role in the development of these strategies by conducting risk analysis, determining the rules to be used in decision trees, putting them into practice through decision support systems, and running the flow smoothly. The unit is also responsible for definition of the operational and reputational risk policies, implementation of measurement, monitoring and reporting systems, identification of the key risk indicators, and performance of scenario analyses. The unit carries out the activities regarding Basel compliance, operational risk models setting and development, operational risk weighted asset calculation and risk based insurance activities.

The unit is responsible for the studies on Information Systems risk inventory, coordination of the Support Services Risk Management Program and setting up the relevant monitoring systems and management, as well as development of the Business Continuity Management Policy and Plans and continuous updating of these policy and plans. The unit also ensures the actions taken under business continuity and the coordination and control of Business Continuity Management projects and budget.

Credit Risk Planning, Modeling and Reporting Management is responsible for preparation of credit risk budgeting and credit risk reporting activities of the Bank, calculation of loan loss provisions; identification of the Credit Policy according to risk appetite of the Bank, implementation of the policy throughout the Banks and its subsidiaries, support to all units in the Bank for the related topics. The units establishes a common risk culture on group basis and performs process analyses of credit and risk management functions in subsidiaries to ensure standard risk management practices and establishes action plans for the standardization of all gaps within the group. The unit prepares reports for assessment of credit risk and for the preparation of various and comprehensive concentrations and forecasts on asset quality trends for the Bank, performs necessary calculations to measure the risk profile of the bank and ensures that the country risk is identified.

The unit is also responsible for taking part in the model development processes of PD, EAD, LGD models which are in the scope of IRB communique (issued by BRSA – using internal rating based approach for credit risk calculations) and giving opinions as the ultimate authority, supervising the rating systems, monitoring the performance, analysing the results regularly, ensuring the proper functioning of the rating systems, leading the studies for the areas that need improvement and the deficiencies identified, informing the BRSA about the changes made in the rating systems and the relevant units within the Bank, evaluating model use test, ensuring dissemination of the models in the bank internal processes within the scope requested by the BRSA and monitoring the projects carried out in the Bank within the scope of Basel for commercial customers.

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This business unit is also responsible for taking part in the development processes of operational models used in underwriting, monitoring, collection, etc. processes and monitoring their performance.

ISEDES report is prepared in accordance with the related guide of BRSA and submitted to the approval of the Board of Directors. The report mainly includes the Bank's approach for the review of risks and capital in order to preserve capital adequacy of the Bank with respect to its current and future activities and information on management structure and applied approaches.

Regular supervision and controls are performed to ensure that credit process is carried out in compliance with the Bank credit policies and procedures, loans are extended in accordance with principles and procedures determined by the Board of Directors and loans are reported properly with the information of maturity, quantity and qualification to top management.

Activities carried out by units within scope of internal systems are employed as a tool to define weak points regarding the credit risk management process, policy and procedures and to determine the transactions that are not compliant with limits, policy and procedures.

Issues that are observed during the examinations is being regularly reported to top management and Audit Committee considering importance level.

Summary of the activities of units within the scope of internal systems are effectively utilized by the management and actions are taken in order to prevent repetition of weaknesses and conflicts regarding credit management.

3.3.1.2. Credit quality of assets

		Gross carrying val	ues of as per TAS	Allowances/	Net values
	Current Period	Defaulted exposures	Non-defaulted exposures	impairement	Net values
1	Loans	40.998.850	1.327.868.458	48.721.495	1.320.145.813
2	Debt Securities	-	524.325.382	200.175	524.125.207
3	Off-balance sheet exposures	6.487.637	2.046.057.428	1.552.700	2.050.992.365
4	Total	47.486.487	3.898.251.268	50.474.370	3.895.263.385

		Gross carrying val	ues of as per TAS	Allowances/	Net values
	Prior Period	Defaulted exposures	Non-defaulted exposures	impairement	Net values
1	Loans	28.587.292	964.218.184	41.314.247	951.491.229
2	Debt Securities	-	417.410.688	969.230	416.441.458
3	Off-balance sheet exposures	2.028.872	1.182.875.758	3.294.465	1.181.610.165
4	Total	30.616.164	2.564.504.630	45.577.942	2.549.542.852

3.3.1.3. Changes in stock of defaulted loans and debt securities

		Current Period	Prior Period
1	Defaulted loans and debt securities at end of the previous reporting period	30.616.164	23.697.763
2	Loans and debt securities that have defaulted since the last reporting period	40.308.186	19.230.377
3	Returned to non-defaulted status (-)	5.929.621	78.940
4	Amounts written off (-)	5.684.099	3.160.395
5	Other changes	(11.824.143)	(9.072.641)
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	47.486.487	30.616.164

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3.3.1.4. Additional disclosure related to the credit quality of assets

According to the BRSA Regulation "Regulation on the procedures and principles for the determination of qualification of loans and other receivables by Banks and provision to be set aside" in the cases:

- > For which recovery of principal or interest or both delays for more than ninety days from their terms or due
- > Which have limited means for total recovery because debtors' equity or guarantees extended by them are found inadequate to cover payment of debts on respective terms and are likely to lead to losses in case any such problems observed are not solved or;
- > For which debtors have suffered deterioration in their creditworthiness and credits have suffered weakness consequently or:
- > For which it is believed that recovery by banks of principal or interest or both would delay for more than ninety days from their terms or due dates due to reasons such as problems encountered by debtors over operating capital financing or additional liquidity creation,

Loans and receivables are classified as non performing loans and are transferred to non performing loan accounts. Within the scope of the same regulation, these loans are set aside for the expected credit loss according to the internal models developed by the Bank.

In accordance with the regulation; in the event that failure to meet payment obligations towards banks stems from temporary liquidity difficulties related to the loans and other receivables as part of the principles of classification, loans and other receivables including any overdue interest may be restructured or subject to a new redemption plan for the purpose of providing debtors with liquidity capability and ensuring recovery of receivables by Bank.

3.3.1.4.1. Exposures provisioned against by major regions (1):

	Current Period	Prior Period
Domestic	1.783.314.570	1.269.494.528
USA, Canada	2.398.517	2.690.295
European Union (EU) Countries	52.387.069	36.355.587
OECD Countries	7.864.937	7.035.652
Off-Shore Banking Regions	1.098	1.297
Other Countries	22.281.531	21.646.770
Total	1.868.247.722	1.337.224.129

⁽¹⁾ Breakdown of cash, non-cash and non-performing loans with respect to geographical regions are provided.

3.3.1.4.2. Exposures provisioned against by major sectors (1):

	Current Period	Prior Period
Agricultural	34.592.846	23.887.467
Farming and raising livestock	26.485.917	16.711.429
Forestry	4.457.046	4.768.164
Fishing	3.649.883	2.407.87
Manufacturing	708.143.009	515.000.536
Mining and Quarrying	14.527.003	6.151.66
Production	568.431.672	403.237.78
Electricity, Gas, Water	125.184.334	105.611.094
Construction	187.508.698	134.966.27
Services	406.562.941	316.609.28
Wholesale and retail trade	97.580.968	87.802.548
Hotel, food and beverage services	39.850.335	26.486.41
Transportation and telecommunication	59.362.244	47.908.79
Financial institutions	87.158.230	74.582.570
Real estate and leasing services	29.162.357	20.114.763
Education services	1.669.440	1.888.713
Health and social services	91.779.367	57.825.472
Other	531.440.228	346.760.56
Total	1.868.247.722	1.337.224.129

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3.3.1.4.3. Receivables according to remaining maturities:

Receivables according to remaining maturities are explained Note 7 of Section 4.

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3.3.1.4.4. Exposures provisioned against by major sectors:

Information on the amount of receivables and provisions provided for on the sector basis are disclosed in Note 2 of Section 4.

3.3.1.4.5. Exposures provisioned against by major regions:

The distribution of the specific provisions is predominantly domestic and a provision amounting to TL 39.354.132 (December 31, 2023- TL 27.308.756) has been set aside for the risk at an amount of TL 26.010.862 (December 31, 2023- TL 19.231.599).

3.3.1.4.6. Aging analysis for overdue receivables (1):

	Current Period	Prior Period
1-30 days	13.248.249	4.974.940
31-60 days	10.301.814	3.713.089
61-90 days	6.379.622	2.215.461
Total	29.929.685	10.903.490

⁽¹⁾ Overdue receivables under close monitoring represent over due of cash loans.

Loans under close monitoring amounting to TL 118.607.586 (December 31, 2023-93.840.655) are not overdue.

3.3.1.4.7. Breakdown of restructured receivables based on whether or not provisions are allocated:

Provisions are recognized for all non-performing loans in accordance with Provisioning Regulation.

Credit Class	Current Period	Prior Period
Loans restructured from loans and other receivables under close monitoring	93.451.947	48.266.305
Loans restructured from loans under legal follow-up	9.823.075	8.233.007
Total	103.275.022	56.499.312

3.3.1.4.8. Informations related to expected credit losses for loans:

Current Period	Stage 1	Stage 2	Stage 3	Total
Begining of the period	6.038.668	15.558.739	19.716.840	41.314.247
Additions	2.996.289	14.822.412	22.849.576	40.668.277
Disposals (-)	7.566.765	9.872.350	12.482.034	29.921.149
NPL sales (-)	-	-	5.667.321	5.667.321
Write offs (-)	-	-	16.778	16.778
Transfer to stage 1	3.510.629	(3.508.361)	(2.268)	_
Transfer to stage 2	(132.242)	497.727	(365.485)	_
Transfer to stage 3	(1.602)	(2.665.002)	2.666.604	_
Exchange differences	357.828	1.908.695	77.696	2.344.219
End of the period	5.202.805	16.741.860	26.776.830	48.721.495

Prior Period	Stage 1	Stage 2	Stage 3	Total
Begining of the period	4.761.203	15.674.510	16.592.805	37.028.518
Additions	4.175.875	7.334.241	11.328.634	22.838.750
Disposals (-)	6.194.917	10.139.907	6.609.971	22.944.795
NPL sales (-)	-	_	3.047.039	3.047.039
Write offs (-)	-	_	113.356	113.356
Transfer to stage 1	2.957.649	(2.957.057)	(592)	-
Transfer to stage 2	(1.013.946)	1.142.965	(129.019)	-
Transfer to stage 3	(362)	(1.480.803)	1.481.165	-
Exchange differences	1.353.166	5.984.790	214.213	7.552.169
End of the period	6.038.668	15,558,739	19.716.840	41,314,247

⁽¹⁾ Breakdown of cash loans, non cash loans and non performing loans by sector is as in the above table.

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3.3.2. Credit risk mitigation

3.3.2.1. Qualitative disclosure on credit risk mitigation techniques

The Parent Bank employs on-balance sheet netting and/or general netting agreements for specific capital market transactions for credit risk mitigation, with the condition of meeting the requirements of having implemented corresponding system supported methods and processes and clear documentation of the required documents.

The Parent Bank may use assets and liabilities as an on balance sheet netting instrument considering them as cash collateral.

The capital requirements may be determined on the base of net exposure of assets and liabilities, if the following conditions are met:

- > The agreement should provide the Bank the authorization to monitor the receivable of the payee over a single value after netting all payables and receivables even though there is no such indicator for the counterparty showing bankruptcy or financial difficulty in accordance with the regulations of governments.
- > The Bank is provided the authority of netting and monitoring the risk over a single value even the counterparty is not in bankruptcy case of a bankruptcy of one counterparty, the other counterparty should have the authority to terminate all contracts under the agreement
- > The agreement should provide the facility to monitor the receivable of the payee over a single value after netting all payables and receivables in case of the termination of all contracts

In the policies and procedures regarding the assessment and management of the collaterals as part of collateralized lending, credit risk mitigation techniques aims at:

- Determination of general and specific requirements for the improvement and optimization of collateral systems, processes, strategies and procedures;
- ➤ Valuation of collateral taking into consideration the local regulations and procedures;
- > Provision of the soundness, legal enforceability and maintenance of ratable collateral based on a legal framework.
- Determination of the level of the collateral haircut taking the local conditions and the process of risk management into consideration;
- Regular monitoring of the collateral value;
- Differentiation between counterparty (economic) and country (political) risk aspects,
- Mitigation of concentration risks, correlation risks and residual risks through recognition of collateral;
- > Improvement in the quality of strategic business and overall Bank management
- > Clear definition of roles and responsibilities
- > Determination of acceptable collaterals and collateral related conditions (list of collateral) / (non-parametric condition list)

In the calculations regarding credit risk mitigation, the Bank performs risk mitigation within the regulations set out in the Credit Risk Mitigation Techniques Notification dated September 6, 2014 and numbered 29111 and uses a comprehensive financial guarantee method for its financial collaterals. With the comprehensive financial collateral method, the relevant volatility adjustments specified in the regulation made on the value of the financial collaterals that are used in calculating the capital requirements.

The credit policies establish an operational connection between Bank's activities and its risk capacity and covers the main business areas in accordance with target portfolio structure, risk targets regarding expected and unexpected loss in line with risk capacity and limits relating to risk concentration. Limits are ensured to be compliant with restrictions determined by related regulation and regulatory authorities. Bank uses an integrated approach in concentration risk management, in which all risk concentrations are identified, monitored and evaluated. Therefore, besides the loans to individuals and companies, also the concentrations of market, sector, country and segment are being taken into consideration. Bank pays utmost attention to any concentration of the credit and market risks on a specific counterparty or risk classification in accordance with policies and internal procedures.

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3.3.2.2. Credit risk mitigation techniques – overview

Current Period	Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
Loans	1.220.533.394	99.612.419	79.079.909	1.507.124	1.255.959	-	-
Debt securities	524.125.207	-	-	-	-	-	-
Total	1.744.658.601	99.612.419	79.079.909	1.507.124	1.255.959	-	-
Of which defaulted	13.125.457	1.096.563	627.614	546.177	221.265	-	-

Prior Period	Exposures unsecured: carrying amount as per TAS	Exposures secured by collateral	Collateralized amount of exposures secured by collateral	Exposures secured by financial guarantees	Collateralized amount of exposures secured by financial guarantees	Exposures secured by credit derivatives	Collateralized amount of exposures secured by credit derivatives
Loans	878.000.046	73.491.183	56.236.768	1.689.445	1.416.070	-	-
Debt securities	416.441.458	-	-	-	-	-	-
Total	1.294.441.504	73.491.183	56.236.768	1.689.445	1.416.070	-	-
Of which defaulted	4.960.584	3.909.868	2.867.556	446.094	256.814	_	-

3.3.3. Credit risk under standardised approach

3.3.3.1. Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk

An international rating firm, Fitch Ratings' external risk ratings are used to determine the risk weights of the risk categories as per the Article 6 of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks". The international risk ratings are used for all the exposures to central governments/central banks, for Financial Institutions, Corporations, Regional Governments, Administrative Bodies and for Multinational Development Banks asset classes of which the counterparty resides in foreign countries.

Exposures to central governments and central banks which are not rated by Fitch Ratings are included in the calculation of capital adequacy as unrated. Receivables from residents in Türkiye are classified as unrated.

Fitch Ratings' risk ratings as per the credit quality grades and the risk weights according to exposure categories are presented below:

				Claims on banks institu		
Credit Quality Grade	Fitch Ratings	Claims on sovereigns and Central Banks	Claims on administrative bodies and other non-commercial undertakings	Contractual maturity of claims under 3 months	Contractual maturity of claims over 3 months	Claims on corporates
1	AAA AA+ AA AA-	0%	20%	20%	20%	20%
2	A+ A A-	20%	50%	20%	50%	50%
3	BBB+ BBB BBB-	50%	100%	20%	50%	100%
4	BB+ BB BB-	100%	100%	50%	100%	100%
5	B+ B B-	100%	100%	50%	100%	150%
6	CCC+ CCC- CC C	150%	150%	150%	150%	150%

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3.3.3.2. Standardised approach – Credit risk exposure and credit risk mitigation (CRM) effects

	Current Period	Exposures before	CCF and CRM	Exposures post-	CCF and CRM	RWA and R	WA density
		On-balance	Off-balance	On-balance	Off-balance		
	Asset classes	sheet amount	sheet amount	sheet amount	sheet amount	RWA	RWA density
1	Exposures to central governments or central						
	banks	796.301.041	389.702	797.778.265	164.505	488.133	0,06%
2	Exposures to regional governments or local						
	authorities	2.944.892	27.855	2.939.316	12.997	1.476.157	50,00%
3	Exposures to public sector entities	2.850.915	790.175	2.850.899	171.049	3.021.948	100,00%
4	Exposures to multilateral development banks	1.284.245	304.168	1.284.245	153.310	-	-
5	Conditional and unconditional receivables						
	from banks and brokerage houses	144.715.077	70.412.322	144.665.091	13.523.423	54.774.775	34,63%
6	Exposures to institutions	109.818.911	79.224.688	106.896.663	26.677.130	118.448.658	88,68%
7	Exposures to corporates	12.935.473	3.679.910	12.483.774	165.202	9.486.732	75,00%
8	Retail exposures	117.468	15.984	117.468	7.992	44.522	35,49%
9	Exposures secured by residential property	158.915	848.714	158.915	449.357	367.838	60,47%
10	Exposures secured by commercial real estate	483.497	-	342.075	-	226.448	66,20%
11	Past-due loans	561.109	1.505.472	481.073	109.536	885.914	150,00%
12	Higher-risk categories by the Agency Board	307.745	-	307.745	-	306.034	99,44%
13	Investments in equities	9.165.600	-	9.165.600	-	20.102.560	219,33%
14	Other assets	26.339.291	-	26.339.291	-	4.359.905	16,55%
	Total	1.107.984.179	157.198.990	1.105.810.420	41.434.501	213.989.624	18,65%

	Prior Period	Exposures before	CCF and CRM	Exposures post-	CCF and CRM	RWA and R	WA density
	Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or central						
	banks	545.163.047	122	546.835.931	56.364	287.212	0,05%
2	Exposures to regional governments or local						
	authorities	1.259.026	-	1.253.450	-	626.725	50,00%
3	Exposures to public sector entities	2.123.825	298.265	2.123.767	99.798	2.223.565	100,00%
4	Exposures to multilateral development banks	1.243.438	114.614	1.243.438	62.453	-	-
5	Conditional and unconditional receivables						
	from banks and brokerage houses	106.015.441	26.234.321	106.014.580	10.301.824	43.098.237	37,05%
6	Exposures to institutions	62.039.774	67.058.960	60.852.405	13.510.149	65.252.818	87,75%
7	Exposures to corporates	8.601.810	2.201.861	7.835.685	135.356	6.001.208	75,29%
8	Retail exposures	28.489	21.301	28.189	10.620	13.612	35,07%
9	Exposures secured by residential property	2.222	467.970	2.222	233.985	124.928	52,89%
10	Exposures secured by commercial real estate	210.223	-	124.541	_	87.066	69,91%
11	Past-due loans	2.637.225	702.518	2.465.934	8.859	3.712.602	150,02%
12	Higher-risk categories by the Agency Board	54.376	-	54.376	-	40.504	74,49%
13	Investments in equities	5.317.372	_	5.317.372	_	12.013.099	225,92%
14	Other assets	15.662.657	-	15.662.657	_	3.927.869	25,08%
	Total	750.358.925	97.099.932	749.814.547	24.419.408	137.409.445	17,75%

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Current Period												
												Total cred risk exposus amount (afte
Asset classes/ Risk weight	%0	10%	70%	35%	20%	75%	100%	150% 200%	200%	250%	1250%	CR
1 Exposures to central governments or central banks	796.966.504	•			976.266							797.942.77
2 Exposures to regional governments or local authorities	•	'	•	•	2.952.313	•	•	•		•	•	2.952.31
3 Exposures to public sector entities			•	•	•	•	3.021.948	•		٠	•	3.021.94
4 Exposures to multilateral development banks	1.437.555	•	•	'	•	•	•	•	,	٠	•	1.437.55
5 Conditional and unconditional receivables from banks and brokerage houses	•		85.443.517	'	70.117.850	•	2.627.147	•		•	•	158.188.51
6 Exposures to institutions	•		267.940	'	29.821.566	•	103.484.287	•	,	٠	•	133.573.79
7 Exposures to corporates	•		•	•	•	12.648.976	•	•	,	٠	•	12.648.97
8 Retail exposures	•		'	123.932	•	1.528	•	•	,	٠	•	125.46
9 Exposures secured by residential property	•		'	'	480.868	•	127.404	•	,	٠	•	608.27
10 Exposures secured by commercial real estate	•		'	'	231.254	•	110.821	•	,	٠	•	342.07
11 Past-due loans	•	•	•	•	•	•	•	590.609	,	٠	٠	290.60
12 Higher-risk categories by the Agency Board	1.264		240	•	510	•	305.731	•	,	٠	•	307.72
13 Investments in equities	•		'	'	•	•	1.874.293	•	- 7	7.291.307	•	9.165.60
14 Other assets	21.979.386		'	'	•	•	4.359.905	•	,	٠	•	26.339.29
Total	820.384.709		85.711.697	123.932	85.711.697 123.932 104.580.627 12.650.504	12,650,504	115.911.536	590.609	- 7	7.291.307		1.147.244.92

7	rrior retrou												Total credit
As	Asset classes/ Risk weight	%0	10%	20%	35%	20%	75%	100%	150%	200%	250%	1250%	risk exposure amount (after CCF and CRM)
Ex	Exposures to central governments or central banks	546.418.906	•	1	•	372.353	1	101.036	•	•	•	•	546.892.295
Ex	Exposures to regional governments or local authorities	•	•	'	•	1.253.450	•	•	'	'	•	•	1.253.450
Ex	Exposures to public sector entities	•	•	•	•	•	•	2.223.565	'		•	•	2.223.565
Ex	Exposures to multilateral development banks	1.305.891	٠	'	'	'	'	'	'	•	'	'	1.305.891
ပိ	Conditional and unconditional receivables from banks and brokerage houses	•	٠	65.340.931	'	41.890.845	'	9.084.628	'	•	'	'	116.316.404
Ex	Exposures to institutions	•	٠	236.679	•	17.840.786	•	56.285.089	•	•	•	•	74.362.554
Ex	xposures to corporates	•	•	•	•	•	7.879.339	91.702	•		•	•	7.971.041
Re	Retail exposures	•	٠	•	38.738	•	71	•	•	•	•	•	38.809
Ex	xposures secured by residential property	•	•	'	•	222.559	•	13.648	'	'	•	•	236.207
Ex	xposures secured by commercial real estate	•	•	'	•	74.951	•	49.590	'	'	•	•	124.541
Pæ	Past-due loans	•	٠	•	•	•	•	•	2.473.968	825	•	•	2.474.793
12 His	Higher-risk categories by the Agency Board	3.129		8.038	1	8.625	•	34.584	•		•	•	54.376
13 Inv	Investments in equities	•	٠	•	•	•	•	853.554	•	•	4.463.818	•	5.317.372
O	14 Other assets	11.734.788	•	'	•	'	•	3.927.869	'	'	•	•	15.662.657
T	Potel	V12 COV 055		017 202 27	30 730	017 020 2 022 027 17 002 00	010 020 2	270 277 02	070 027 0 270 277 02		010 (7) 1		220 000 100

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3.3.3.4. Explanations on the use of IRB Models

In the development of internal models;

- As the owners of the probability of default (PD), loss given default (LGD) and exposure at default (EAD) models used in capital adequacy calculations, credit risk control and modeling units (individual and commercial) are responsible for the development and implementation processes of the models, also the regular monitoring and updating of the models,
- > In case of need, advanced analytics unit is responsible for the development of the PD, LGD, EAD models,
- Validation unit is responsible for performing the initial and periodic validation of the models and providing the regular validation report.

When the development of the models is completed and following the approval of the validation unit, they are submitted to the approval of the credit committee and the Board of Directors. The models can be got into use after the necessary approvals are obtained from the relevant committees.

Performance monitoring of the model, which has been developed and put into use, is carried out by the credit risk control and modeling units and the validation unit. Performance monitoring of the models is carried out through the credit risk control unit report prepared quarterly by the credit risk control and modeling teams and annual periodic validation studies. In addition, every month before the models are run, certification checks are carried out and the accuracy of the data used in the model is confirmed.

Re-development, re-train or re-calibration of the models can be done according to the performance monitoring results of the models in use

In accordance with the IRB communiqué (issued by BRSA – using internal rating based approach for credit risk calculations) as published in the Official Gazette dated October 23, 2015 numbered 29511, all IRB models and validation processes are audited annually by the Internal Audit Department. The scope of audits consists of three main areas: governance and validation, rating systems and quantification of risks and usage testing. Audit processes include reviewing IRB models for compliance with all minimum requirements, as well as validation of models. In this framework, initial, periodic, data and process validation activities are examined and validation findings are also taken into account within the scope of relevant model audits.

Reports on credit risk models are prepared in order to explain the structure, process and performance of the rating system, the areas that need improvement, the activities to complete the identified deficiencies, and to monitor the credit risk. Commercial credit risk control and modeling and retail credit risk control and modeling units are responsible for reporting. The related report includes the risk profile according to grades, migrations between grades, comparison of the estimations of risk parameters and observed values, and analysis of the effectiveness of the override process. If there is a rating override for project finance loans in the relevant reporting period, the reasons for the change are also included.

For the capital calculation, BRSA allowed the use of PD and EAD models in the corporate receivables class, the PD, LGD and EAD models in the retail receivables class, and the use of the slotting method in project finance loans.

89% of the Parent bank's total risk weighted assets amount is calculated with the IRB approach. 8% of the total risk weighted assets amount is in portfolios such as receivables from central governments or financial institutions that do not have an IRB approach permit. The corporate and commercial portfolio is under the Foundation IRB approach, 90% of which is calculated with the IRB approach. The retail portfolio is under the Advanced IRB approach and 99% of it is calculated with the IRB approach. The slotting approach is used for all project finance risks.

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There are application and behavior PD Models for both corporate and retail receivables classes. Application models are the models that work at the moment in the Bank's proactive channel when a customer applies for a loan to the Bank. Behavioral models are run at the end of each month for customers with limits or risks in the bank (it is required to be older than six months in the retail portfolio).

- Individual portfolio PD application models consist of five models that work separately for each product in case the customer makes an application and in the Bank's proactive channel, while Behavior PD model is a model that consists of nine different segments.
- > Individual portfolio EAD models consist of five different models that vary according to the limit usage rate and risk amount for the customer's credit card and overdraft products, while LGD models consist of five models with eleven different segments in terms of risk amount breakdown by product.
- > SME portfolio PD application and behavior models consists of four different segments, which vary according to the customer's information such as turnover, customer type, sector information and risk center limit. The customer can only proceed from one of these segments.
- > The same model is used for application and behavior in the corporate/commercial portfolio PD calculation. The model consists of four different segments that vary according to the customer's balance sheet type, turnover and risk center limit. The customer can only proceed from one of these segments.
- Corporate/commercial/SME portfolio EAD model consists of twelve different segments that vary according to the portfolio, limit, risk, limit usage rate and limit gap information for the customer's commercial overdraft, commercial credit card, non-cash (check, letter of guarantee, letter of credit) products. Five of the twelve segments are for the corporate/commercial portfolio and seven are for the SME portfolio. LGD Model consists of seven different segments that vary according to turnover, risk amount and collateral information at the customer level.

Bank's PD models are developed using logistic regression. At least five years of data are used while developing the model in accordance with the articles specified in the communique. For the initial validation activities, out-of-sample (OOS) and out-of-time (OOT) data is separated. As stated in the Communique, the PD of the best grade can be at least 0.03%.

Due to the use of minimum five-year data during model development and the higher default rates during the model development period compared to the current period, the calculated PD value especially for the individual portfolio differs relatively from the observed DR.

The PD model is used in underwriting strategies, provision calculations and economic capital calculations as well as capital calculations.

Specialized loans can be defined as portfolios with low default rates. PD calculation is not made for specialized loans, the classification method is used.

While developing the LGD model, the gross LGD approach was used. At least 5-7 years of data are used while developing the model in accordance with the articles specified in the communique. For the initial validation activities, out-of-sample (OOS) and out-of-time (OOT) data is separated. As stated in the communique, it has been ensured that the LGD value of mortgage loans is at least 10%. The downturn period effect for the individual portfolio is added as a conservatism margin:

- > A random sample is selected one thousand times, with the LGD values calculated for the performing and default groups equal to the number of observations for each product.
- > In each sample, the average of LGD values for the performing and default groups is calculated.
- LGD averages calculated in the previous step were ordered for all segments and groups, and the 75th percentile was determined as LGD with a conservatism margin added.
- > In order to reflect the effect of the downturn period, the 90th percentile was chosen after the LGD averages were ranked for all segments and groups.

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For Commercial LGD model, the total collection amount in the first year when the customers entered the liquidation process was calculated and this amount was deducted from the default amount of the following year. Thus, the default amounts remaining in the following years spent by the customer in the liquidation process are reflected. The annual collection has been made taking into account these default amounts. Thus, the year in which the collection rate was bad in the economic cycle was taken into account. The through-the-cycle (TtC) LGD of the annual calculated LGD values was found. The year with the largest percentage difference of the annual LGD values from the calculated TtC LGD was determined as the downturn year, and the related percentage difference was determined as the downturn period coefficient.

The saturation point values used for the time between the default event and the closing of the receivable are as follows.

Product / Portfolio	Saturation Point
Consumer loan	74
Auto loan	30
Overdraft	42
Mortgage	33
Credit card	50
Commercial portfolio	73
SME portfolio	68
Corporate portfolio	50

EAD model begins by associating defaulted loans with the 12-month risk and limit information before the default date. A random observation month is selected from the 12-month period from the date of default by the customer, and the EAD parameters are calculated accordingly. In product segmentation, arithmetic mean EAD ratios were calculated by considering business requirements and statistical significance. The last step is to add a conservatism margin as required in the Basel and IDD communiqué to create the final model.

As a result of the analysis made for individual credit cards and overdraft products, it was decided to use the 60th and 70th percentiles for the conservatism margin and downturn period effect ratios, respectively, in risk conversion factor (RCF), limit conversion factor (LCF) and Non-limit conversion factor (NLCF).

For business card and commercial overdraft products, five quantile is added over the model output for the conservatism margin and the model output for the downturn period effect.

As a result of the analysis made for noncash products, it was decided to use the 70th and 80th percentiles for the conservatism margin and downturn period effect ratios, respectively, in RCF, LCF and NLCF.

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Foundation IRB	PD Range	On-balance sheet amount	Off-balance sheet amount	Average CCF	Exposures post- CCF and CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density	RWA Density Expected Loss	Provisions
	0-0,15	117.107.414	287.309.991	52,81%	268.822.718	0,07%	32.453	43,81%	1,61	48.946.465	18,21%	86.799	90.484
	0,15-0,25	23.664.219	38.273.326	49,79%	42.719.601	0,20%	27.358	43,54%	1,40	14.932.201	34,95%	39.398	69.345
	0,25-0,5	38.956.705	51.298.628	47,90%	63.530.531	0,36%	9.267	42,78%	1,35	29.870.086	47,02%	102.859	218.105
	0,5-0,75	21.820.484	28.525.564	43,48%	34.223.053	0,62%	11.360	43,12%	1,39	21.770.669	63,61%	96.003	85.411
Exposures to	0,75-2,5	101.645.380	70.832.065	47,15%	135.041.387	1,56%	18.835	42,15%	1,58	122.771.145	%16'06	949.584	1.149.449
corporates	2,5-10	36.011.999	30.306.606	33,43%	46.144.847	5,03%	11.533	42,02%	1,43	60.741.314	131,63%	1.044.152	779.273
	10-100	15.872.947	2.263.979	46,41%	16.923.674	22,74%	1.786	42,89%	1,15	37.723.599	222,90%	1.731.591	1.478.565
	100 (default)	9.024.288	4.204.388	23,71%	10.021.104	100,00%	4.523	43,74%	2,50	•	•	7.218.386	5.423.050
	Subtotal	364.103.436	513.014.547	49,38%	617.426.915	3,08%	113.310	43,12%	1,54	336.755.479	54,54%	11.268.772	9.293.682
Advanced IRB	PD Range	On-balance sheet amount	Off-balance sheet amount	Average CCF	Exposures post- CCF and CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density	Expected Loss	Provisions
	0-0,15	20.187.962	150.878.983	60.52%	111.493.146	0.10%	1.846.005	50.85%		3.510.553	3.15%	54.701	38.778
	0,15-0,25	26.446.519	206.577.278	60,29%	150.997.583	0,19%	2.217.561	50,91%	•	8.429.196	5,58%	148.051	91.252
	0,25-0,5	8.830.978	50.546.442	61,93%	40.132.257	0,33%	620.270	51,52%	•	3.495.130	8,71%	67.870	38.590
	0,5-0,75	26.193.955	115.915.956	61,61%	97.610.901	0,64%	1.365.978	51,52%	•	14.519.729	14,88%	324.262	142.222
Qualifying Revolving	0,75-2,5	41.300.599	128.825.371	61,58%	120.625.344	1,46%	1.975.018	51,65%	•	33.181.820	27,51%	908.649	398.806
Retail Exposures	2,5-10	60.732.593	55.248.141	60,24%	94.012.202	5,29%	2.199.938	50,77%		61.211.676	65,11%	2.517.972	1.135.148
	10-100	16.607.274	2.025.260	66,28%	17.949.527	31,15%	442.099	50,28%	•	28.639.189	159,55%	2.815.406	1.093.085
	100 (default)	958.193	225	26,61%	958.320	100,00%	34.028	65,93%		105.461	11,00%	623.896	108.227
	Subtotal	201.258.073	710.017.656	60,92%	633.779.280	2,28%	10.653.635	51,15%	•	153.092.754	24,16%	7.460.807	3.046.108
	0-0,15	15.147.096	72.130.720	51,94%	52.608.689	%60'0	173.088	51,05%	•	6.385.746	12,15%	24.097	28.392
	0,15-0,25	10.228.250	29.912.008	52,36%	25.890.774	0,20%	168.704	50,92%	•	5.595.062	21,86%	25.914	31.746
	0,25-0,5	16.681.393	34.292.133	48,54%	33.326.112	0,35%	140.665	52,37%	•	10.745.935	32,37%	60.854	32.581
	0,5-0,75	12.600.099	18.909.278	51,67%	22.369.848	0,63%	121.843	20,89%	•	9.676.169	44,00%	70.481	53.846
Retail SME	0,75-2,5	42.637.183	39.507.384	48,44%	61.774.770	1,46%	244.614	20,58%	•	37.509.198	61,02%	451.313	183.571
Exposures	2,5-10	33.384.896	14.058.849	46,38%	39.905.717	5,14%	184.289	49,68%	•	31.127.280	%L6,LL	1.009.932	355.233
	10-100	14.571.863	2.905.696	39,05%	15.706.572	22,60%	58.890	48,73%		17.516.932	111,27%	1.725.548	489.076
	100 (default)	4.535.901	862.542	22,80%	4.732.592	100,00%	46.374	72,38%		835.547	17,13%	3.359.005	3.794.414
	Subtotal	149.786.681	212.578.610	50,11%	256.315.074	4,54%	949.628	51,12%	•	119.391.869	46,70%	6.727.144	4.968.859
	0-0,15	21.543.544	115.076.921	54,88%	84.696.111	0,10%	213.133	49,01%		10.524.842	12,55%	39.657	28.982
	0,15-0,25	33.291.262	109.555.318	56,49%	95.183.018	0,19%	319.867	50,49%	٠	19.642.220	21,13%	90.428	59.369
	0,25-0,5	11.891.957	26.053.016	56,42%	26.591.473	0,33%	90.109	50,87%	•	7.880.629	30,19%	43.594	25.131
	0,5-0,75	43.080.439	56.298.969	26,65%	74.972.388	0,64%	340.537	52,78%	•	33.861.963	45,95%	248.614	117.094
Other Retail	0,75-2,5	64.377.655	40.885.932	%89'95	87.552.547	1,53%	468.800	54,61%	•	58.406.512	67,33%	722.513	325.630
Exposures	2,5-10	66.850.104	12.447.193	28,00%	74.069.558	5,24%	581.867	26,38%	•	65.634.190	88,76%	2.181.812	941.868
	10-100	19.928.195	309.580	64,72%	20.128.560	31,06%	200.198	29,03%	•	32,260,149	160,78%	3.648.992	1.391.614
	100 (default)	23.278.516	15.746	47,72%	23.286.030	100,00%	237.090	72,09%	•	1.991.599	8,39%	16.628.826	14.932.639
	Subtotal	284.241.672	360.642.675	26,08%	486.479.685	7,44%	2.451.154	23,66%	•	230.202.104	47,87%	23.604.436	17.822.327
	Total (All portfolios)	635.286.426	1.283.238.941	57,77%	1.376.574.039	4,48%	12.628.863	\$1,71%	•	502.686.727	36,52%	37.792.387	25.837.294
Other Items	Subtotal	124 540 102			134 540 103		•			105 104 125	04 430/		

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Foundation IRB PD Range 0-0,15 0-0,15 0,15-0,25 0,25-0,5 0,5-0,75 eorporates to 0,5-2,5-10 10-100 10-100 100 (default) Advanced IRB PD Range	ı ı			Average CCF 53.96%	Exposures post- CCF and CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets 28 877 094	RWA Density 19,85%	Expected Loss	Provisions 87 554
	(1) 2	.459.577	157.551.108	23.96%	145 471 071	701100	0 0	1000000	221	28 877 094	19,85%	000 91	87 554
	(1) 2 2 8 sh c		10 517 113		145.1/4.241	0,07%	29.052	43,84%	1,55			40.092	100.00
	(1) 2 2 8 sh	9.117.793	19.516.113	58,83%	20.599.449	0,20%	30.457	42,50%	1,39	7.435.044	36,09%	18.971	28.513
	(t) 2	30.596.048	39.379.179	47,03%	49.114.159	0,35%	12.249	42,19%	1,41	26.054.609	53,05%	77.969	102.971
	(t) 2	15.039.696	15.013.430	55,42%	23.360.385	0,62%	17.450	41,93%	1,31	16.147.057	69,12%	65.291	44.217
	(t)	90.547.804	55.148.384	46,55%	116.216.670	1,50%	23.424	41,41%	1,62	111.805.360	96,20%	786.764	4.760.783
	(t)	27.030.614	35.698.001	39,04%	40.966.132	4,96%	13.603	41,70%	1,38	55.418.918	135,28%	913.498	775.777
	(5)	9.899.941	5.259.687	32,76%	11.623.197	16,07%	1.772	39,97%	1,28	22.924.696	197,23%	840.563	578.838
	ls	15.324.300	903.284	25,38%	15.553.528	100,00%	5.265	39,30%	2,50	•	0,00%	11.515.408	10.850.391
	S	258.015.773	328.469.186	50,20%	422.905.391	5,12%	128.264	42,33%	1,54	268.662.778	63,53%	14.264.563	17.229.044
	25.	On-balance sheet amount	Off-balance sheet amount	Average CCF	Exposures post- CCF and CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density	Expected Loss	Provisions
0-0,15		25.707.849	111.544.486	51,83%	83.516.266	0,10%	1.133.505	47,26%		2.971.538	3,56%	38.112	10.238
0,15-0,25	29.	29.801.222	123.629.624	51,85%	93.898.096	0,19%	1.639.783	47,10%	'	5.926.095	6,31%	85.184	22.561
0,25-0,5	76	9.665.225	30.061.480	%96'15	25.284.343	0,33%	443.249	47,10%	,	2.527.327	10,00%	39.206	10.320
	27.1	27.051.529	72.821.293	52,02%	64.933.990	0,64%	1.128.864	47,12%	'	11.161.780	17,19%	196.473	41.094
ing	36.	36.196.415	75.518.871	52,19%	75.606.560	1,47%	1.681.608	46,88%	•	24.264.197	32,09%	521.149	130.861
Retail Exposures 2,5-10	36.	36.488.561	29.003.465	53,02%	51.865.033	5,07%	1.839.194	46,25%	•	39.166.255	75,52%	1.211.055	380.544
10-100		6.540.405	833.800	25,50%	7.003.192	30,05%	370.458	45,26%	•	12.472.298	178,09%	954.807	314.049
100 (default)		204.371	94	57,01%	204.425	100,00%	9.701	57,77%		25.182	12,32%	116.685	16.957
Subtotal	171.	171.655.577	443.413.113	52,02%	402.311.905	1,69%	8.246.362	46,96%	-	98.514.672	24,49%	3.162.671	926.624
0-0,15	6.	6.879.695	30.229.750	47,88%	21.354.651	%600	124.663	20,53%	•	2.863.704	13,45%	9.835	19.530
0,15-0,25	5.	5.764.203	14.224.618	48,65%	12.684.863	0,20%	146.699	50,35%	•	3.096.519	25,11%	12.398	18.884
0,25-0,5	10.	10.350.266	20.656.841	43,28%	19.291.472	0,35%	138.012	52,17%	•	6.671.069	34,81%	35.127	40.171
		8.204.354	10.360.482	47,57%	13.132.535	0,63%	122.579	20,97%	•	6.549.872	51,91%	40.557	37.429
E-3	28.	28.906.888	25.854.504	43,50%	40.152.417	1,48%	250.860	50,37%	•	26.828.923	67,58%	293.752	201.612
Exposures 2,5-10	22.	22.950.320	9.442.108	43,03%	27.013.261	5,10%	183.354	49,36%	•	23.108.981	85,71%	672.808	384.188
10-100		7.632.927	1.911.269	37,02%	8.340.424	20,13%	48.314	48,04%	•	9.360.660	112,01%	805.953	325.249
100 (default)		2.326.572	573.610	22,49%	2.455.562	100,00%	44.614	78,16%		349.125	13,77%	1.892.187	2.534.893
Subtotal	93.	93.015.225	113.253.182	45,39%	144.425.185	4,41%	873.533	50,84%		78.828.853	25,09%	3.762.617	3.561.956
0-0,15	3	3.254.468	17.629.219	83,92%	18.049.567	0,10%	1.326.660	57,84%	•	2.714.628	15,80%	809'6	7.697
0,15-0,25	111.5	11.923.996	26.069.337	84,05%	33.834.905	0,19%	1.605.158	58,44%	•	8.775.889	28,24%	35.200	22.171
0,25-0,5	5.1	5.060.483	9.985.549	84,23%	13.471.619	0,32%	514.520	58,32%	•	5.279.857	41,06%	24.467	13.680
	23	23.564.427	19.748.700	84,52%	40.255.802	0,65%	1.117.343	59,20%	•	26.482.179	69,20%	147.112	49.121
Other Retail 0,75-2,5	42	42.563.465	20.638.506	85,14%	60.135.400	1,51%	1.522.653	60,03%	•	61.908.558	105,44%	533.509	153.905
Exposures 2,5-10	.65	59.100.241	6.504.176	%68'88	64.881.989	5,48%	1.388.250	%2809	•	94.859.825	147,20%	2.149.861	522.859
10-100		14.716.666	164.905	123,11%	14.919.684	30,44%	299.833	61,59%	•	35.956.173	242,87%	2.770.537	763.429
100 (default)		8.963.115	7.467	36,56%	8.965.846	100,00%	174.674	75,80%		672.225	7,26%	6.742.747	6.311.746
Subtotal		169.146.861	100.747.859	84,73%	254.514.812	7,49%	7.935.175	60,37%	1	236.649.334	96,52%	12.413.041	7.844.608
	Fotal (All portfolios) 433.9	433.817.663	657.414.154	55,89%	801.251.902	3,93%	11.764.765	51,21%	•	413.992.859	51,67%	19.338.329	12.333.188
Other Items Subtotal	82	82.549.994		•	82.549.994	•	2			66.709.358	80,76%		-

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Notes to consolidated financial statements as of December 31, 2024 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

3.3.3.6. IRB: The effect of credit derivatives used as CRM technique on RWA

	Current Period	RWA – PRE Credit	Actual RWA
1	Exposures to central governments or central banks -Foundation IRB	-	-
2	Exposures to central governments or central banks -Advanced IRB	-	-
3	Exposures to banks and financial institutions - Foundation IRB	-	-
4	Exposures to banks and financial institutions - Advanced IRB	-	-
5	Exposures to corporates -Foundation IRB	337.875.902	337.875.902
6	Exposures to corporates - Advanced IRB	_	-
7	Specialised Lending - Foundation IRB	-	-
8	Specialised Lending - Advanced IRB	101.082.350	101.082.350
9	Retail exposures - Qualifying revolving	153.092.754	153.092.754
10	Retail exposures - secured by real estate	3.851.927	3.851.927
11	Retail exposures - SME	118.336.072	118.336.072
12	Retail Exposures - Other	227.406.344	227.406.344
13	Investments in equities - Foundation IRB	_	-
14	Investments in equities - Advanced IRB	-	-
15	Purchased Receivables - Foundation IRB	_	-
16	Purchased Receivables - Advanced IRB	-	-
17	Other Items - Advanced IRB	105.194.125	105.194.125
	Total	1.046.839.474	1.046.839.474

	Prior Period	RWA – PRE Credit	Actual RWA
1	Exposures to central governments or central banks -Foundation IRB	-	-
2	Exposures to central governments or central banks -Advanced IRB	-	-
3	Exposures to banks and financial institutions - Foundation IRB	-	-
4	Exposures to banks and financial institutions - Advanced IRB	=	-
5	Exposures to corporates -Foundation IRB	270.495.684	270.495.684
6	Exposures to corporates - Advanced IRB	=	-
7	Specialised Lending - Foundation IRB	-	-
8	Specialised Lending - Advanced IRB	101.324.821	101.324.821
9	Retail exposures - Qualifying revolving	98.514.672	98.514.672
10	Retail exposures - secured by real estate	3.734.310	3.734.310
11	Retail exposures - SME	77.802.811	77.802.811
12	Retail Exposures - Other	233.942.348	233.942.348
13	Investments in equities - Foundation IRB	-	-
14	Investments in equities - Advanced IRB	-	-
15	Purchased Receivables - Foundation IRB	-	-
16	Purchased Receivables - Advanced IRB	=	-
17	Other Items - Advanced IRB	66.709.358	66.709.358
	Total	852.524.004	852.524.004

3.3.3.7. RWA Movement Table Under IRB Approach (1)

		Current Period	Prior Period
1	Previous Period Closing Amount	849.958.363	556.692.068
2	Changes in Volume	334.808.972	215.651.230
3	Changes in Asset Quality	(44.867.320)	38.370.235
4	Model Updates	· · ·	(36.176.926)
5	Policy and Regulatory Changes	(94.611.126)	75.421.756
6	Purchasing and Selling	<u>-</u>	-
7	FX Difference	-	-
8	Other	-	-
9	Current Period Closing Amount	1.045.288.889	849.958.363

(1) Counterparty credit risk is not included in the table.

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Borrowers in defa for the first ti within the y ness outsings stated amounts accepted at moustaness of fundant that (1E)/ Yapı ve Kredi Bankası A.Ş. Notes to consolidated financial statements Unless otherwise stated amounts are expressed in thousomet of

as of December 31, 2024

Average historical annual default rate 361 for the first time within the year 18 1076 3.793 16.090 1.692 within the year 71 439 1,044 2,566 6,178 6,178 6,178 6,178 55 120 217 418 214 ers 1.846.005 2.837.656 2.222.095 2.023.419 1.340.065 399.345 Number of B
Prior Period
28.034
43.384
43.384
26.5688
18.470
9.601
1.257
5.565
128.447
Number of Boi
rior Period C
1.133.422
2.028.393
1.155.633
1.155.633 PD Range

77 195 640 1.248 504 258 15.608 owers in default within the year 580 3.194 11.267 28.527 50.773 57.853 r Period 154.875 308.927 204.743 201.022 161.636 31.168 11.811 46.250 949.633 Mean PD By] PD Range

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Asset classes

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IRB - Specialized lending and equity investments subject to the simple risk weight approach

						Specialised Lendings	endings						
					(Besides Hig	(Besides High-volatility Commercial Real Estates)	nmercial Real	Estates)					
							4	Risk Amount			RWA Amount	ount	
		On-balance	On-balance Off-balance						Income			Counter	
Category	Remaining	sheet	sheet	sheet Counterparty		Project	Object (Object Commodities	Producing		Ь	Party Credit	Expected
	Maturity	amount	amount	credit risk	credit risk Risk Weight	Finance	Finance	Finance	Finance Real Estate	Total	Credit Risk	Risk	Losses
Strong	<2,5 year			44.732	20%	44.732				44.732		22.366	
1	≥2,5 year	16.708.194	2.089.216	300.343		17.435.444	•	•	•	17.435.444	11.994.571	210.240	69.742
Good	<2,5 year	4.584.675	2.128.042	172.246	%02	5.000.665	60.250	•	292.564	5.353.479	3.626.863	120.572	21.414
	≥2,5 year	26.694.100	8.697.115	15.574	%06	31.387.927	287.175	•	•		28.493.574	14.018	253.401
Satisfactory		48.781.026	1.743.152	54.432		30.964.047	1.592.242	•	16.661.229		56.537.549	62.597	1.378.091
Weak		•		•	250%	•	•	•	•	•		•	•
Default		2.597.870	43.999	•	•	1.911.443	•	•	695.416	2.606.859			1.303.429
Total		99.365.865	865 14.701.524	587.327		86.744.258	1.939.667		17.649.209	17.649.209 106.333.134 100.652.557	100.652.557	429.793	3.026.077

						Specialised Lendings	endings						
					(Besides Hig	Besides High-volatility Commercial Real Estates)	nmercial Rea	d Estates)					
								Risk Amount			RWA Amount	ount	
		On-balance	Off-balance						Income			Counter	
Category	Remaining	sheet	sheet	sheet Counterparty		Project	Object	Object Commodities	Producing		Ь	Party Credit	Expected
	Maturity	amount	amonnt		credit risk Risk Weight	Finance	Finance	Finance	Real Estate	Total	Total Credit Risk	Risk	Losses
Strong	<2,5 year	302.209		2.269	%05	304.478				304.478	151.104	1.135	
	≥2,5 year	12.946.602	•	212.690	%02	13.159.292	•	•	•	13.159.292	9.062.621	148.883	52.637
Good	<2,5 year	4.763.454	2.735.752	370.817	%02	5.115.539	70.568	•	507.164	5.693.271	3.725.718	259.572	22.773
	≥2,5 year	27.691.400	8.575.230	209.127	%06	31.947.121	1.051.471	•	•	32.998.592	29.510.518	188.215	263.989
Satisfactory		32.111.099	1.792.411	116.217	115%	27.941.076	1.321.337	•	3.393.370	32.655.783	37.420.502	133.648	914.362
Weak		8.285.342	18.698	•	250%	8.289.162	•	•	•	8.289.162	20.722.905	•	663.133
Default		•	32.666	•	•	6.675	•	•	•	6.675		•	3.337
Total		86.100.106	13.154.757	911.120		86.763.343	2.443.376	•	3.900.534	3.900.534 93.107.253 100.593.368	100.593.368	731.453	1.920.231

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3.4. Explanation on counterparty credit risk

3.4.1. Qualitative evaluation for Counterparty Credit Risk

Counterparty Credit Risk (CCR) is organized under Market Risk Management and is functioning within the scope of "Regulation on the Measurement and Evaluation of the Capital Adequacy of Banks". These functions include counterparty credit risk calculations within general risk appetite and control process of risk management policies for CCR.

Credit limits under CCR are defined within the scope of internal model method, specified in "Regulation on the Measurement and Evaluation of the Capital Adequacy of Banks - Appendix 2", considering various stress scenarios.

General policies for collaterals and provisions under credit risk management are also valid for CCR. Exposure and collateral values are calculated on a daily basis. In order to mitigate the counterparty credit risk, international framework agreements (ISDA, CSA, GMRA, etc.) are being used through collateral and margin call mechanisms.

In case of a downgrade in credit note, the amount of additional collateral the Bank has to provide is calculated periodically under several stress scenarios.

3.4.2. Assessment of Counterparty Credit Risk according to the models of measurement

	Current Period	Revaluation Cost	Potential credit risk exposure	EEPE(1)	Alpha used for computing regulatory EAD	Exposure after credit risk mitigation	Risk Weighted Amounts
1	Standart Approach-CCR	12.313.438	-	-	1,40	12.313.438	5.435.000
2	Internal Model Approach			-	-	-	-
3	Simplified Standardised Approach for Credit						
	Risk Mitigation					-	-
4	Comprehensive Method for Credit Risk						
	Mitigation					6.372.190	1.275.024
5	Value at Risk for Repo Transactions, Securities						
	or Commodity lending or borrowing						
	transactions					-	-
	Total						6.710.024

	Prior Period	Revaluation Cost	Potential credit risk exposure	EEPE ⁽¹⁾	Alpha used for computing regulatory EAD	Exposure after credit risk mitigation	Risk Weighted Amounts
1	Standart Approach-CCR	20.007.429	-	-	1,40	20.007.429	7.076.800
2	Internal Model Approach			-	-	-	-
3	Simplified Standardised Approach for Credit						
	Risk Mitigation					-	-
4	Comprehensive Method for Credit Risk						
	Mitigation					11.441.715	3.073.002
5	Value at Risk for Repo Transactions, Securities						
	or Commodity lending or borrowing						
	transactions					-	-
	Total					·	10.149.802

⁽¹⁾ Effective expected positive exposure

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3.4.3. Credit valuation adjustment (CVA) capital charge

		Current Per	iod	Prior perio	d
		Exposure (After credit risk mitigation methods)	Risk Weighted Amounts	Exposure (After credit risk mitigation methods)	Risk Weighted Amounts
	Total portfolio value with comprehensive approach				
	CVA capital adequacy	-	-	-	-
1	(i) Value at risk component (3*multiplier included)	-	-	-	-
2	(ii) Stressed Value at Risk (3*multiplier included)	-	-	-	-
3	Total portfolio value with simplified approach CVA				
3	capital adequacy	12.313.438	2.504.925	20.007.429	3.813.850
	Total amount of CVA capital adequacy	12.313.438	2.504.925	20.007.429	3.813.850

3.4.4. Standardised approach - CCR exposures by regulatory portfolio and risk weights

	Risk Weights/Risk Classes	0%	2%	4%	10%	20%	35%	50%	75%	100%	150%	Total credit risk ⁽¹⁾
1	Central governments and central banks											
_	receivables	8.652	-	-	-	-	-	-	-	-	-	8.652
2	Local governments and municipalities receivables	_	_	_	_	_	_	_	_	_	_	_
3	Administrative and non commercial											
	receivables	_	-	-	-	_	-	_	-	25	_	25
4	Multilateral Development Bank											
	receivables	-	-	-	-	-	-	-	-	-	-	-
5	Banks and Intermediary Institutions											
	receivables	-	-	-	-	9.744.258	-	5.476.128	-		-	15.220.386
6	Corporate receivables	-	-	-	-	-	-	76.559	-	430.463	-	507.022
7	Retail receivables	-	-	-	_	-	-	_	5.007	_	-	5.007
8	Mortgage receivables	-	-	-	-	-	-	_	_	_	_	-
9	Non performing receivables	_	-	-	-	_	-	_	-	_	_	_
10	High risk defined receivables	_	-	_	_	_	_	_	_	_	_	-
11	Investments in equities	-	_	_	-	_	_	_	-	_	_	-
12	Other receivables	_	-	_	_	_	_	_	_	_	_	-
	Total	8.652	-	_	_	9.744.258	_	5.552.687	5.007	430.488	-	15.741.092

Risk Weights/Risk Classes	0%	2%	4%	10%	20%	35%	50%	75%	100%	150%	Total credit risk ⁽¹⁾
1 Central governments and central banks	5 224 021										5 224 021
receivables	5.224.021	-	-	-	-	-	-	-	-	-	5.224.021
 Local governments and municipalities receivables 											
3 Administrative and non commercial											
receivables	_	_	_	_	_	_	_	_	_	_	-
4 Multilateral Development Bank											
receivables	-	-	-	-	-	-	-	-	-	-	-
5 Banks and Intermediary Institutions											
receivables	-	-	-	-	13.793.910	-	7.974.107	-	668.606	-	22.436.623
6 Corporate receivables	-	-	-	-	-	-	-	-	169.415	-	169.415
7 Retail receivables	-	-	-	-	-	-	-	405	-	-	405
8 Mortgage receivables	_	_	-	-	_	-	_	-	_	-	-
9 Non performing receivables	_	_	-	-	_	-	_	-	_	-	-
10 High risk defined receivables	_	_	_	_	_	_	_	_	_	_	_
11 Investments in equities	_	-	-	-	_	-	-	_	_	_	-
2 Other receivables	_	_	_	_	_	_	-	_	_	_	-
Total	5.224.021				13,793,910		7.974.107	405	838.021		27.830.464

(1) Includes credit risk amounts of total exposure after applying credit risk mitigations.

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Counterparty Credit Risk Amounts by Portfolio and PD Ranges

rent Period								
ndation IRB	PD Range	Exposures post CRM	Average PD	Average PD Number of Customers	Average LGD	Average Maturity	Average Maturity Risk Weighted Assets	RWA Density
	0-0,15	1.232.417	0,05%	98	45,00%	1,23	166.315	13,50%
	0,15-0,25	45.230	0,21%	S	45,00%	1,00	14.658	32,41%
	0,25-0,5	346.291	0,34%	15	45,00%	1,37	166.897	48,20%
	0,5-0,75	189.765	0,62%	3	45,00%	1,98	141.490	74,56%
osures to	0,75-2,5	226.381	1,29%	6	45,00%	1,04	196.220	%89'98
orates	2,5-10	314,391	3,33%	m	45,00%	2,37	434.843	138,31%
	10-100	•						
	100 (default)							
	Subtotal	2.354.475	0,70%	121	45,00%	1,44	1.120.423	47,59%

Advanced HRB PD Runge Exposures port CRM Average PD Number of Castonners Average Maturily Risk Weighted Avers RWA Density 0.15-0.15		Subtotal	2.354.475	0,70%	121	42,00%	1,44	1.120.423	47,59%
0.0415 0.154.025 0.254.035 0.254.035 10 (default) 2.536 0.11% 4 46,26% 311 0.154.025 0.544.028% 1 46,26% 370 0.544.028% 2.516 0.254.028% 2.516	Advanced IRB	PD Range	Exposures post CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density
0.15-0.25 0.15		0-0,15							
0.5.04.5 1.0.04.6 1.0.04.0		0,15-0,25			,		•		•
104-0075 1.0		0,25-0,5							•
15-10 1-10		0,5-0,75		•			•		•
1.00 (default)	Qualifying Revolving	0,75-2,5	•		•				•
10-100 10-100 1-	Retail Exposures	2,5-10							
Subtoati Cachaut)		10-100							•
Subtoal Subtoal - <		100 (default)	•		•				•
0-0.15		Subtotal	1	•	1				•
0,15-0,25 0,25-0,5 0,25-0,5 0,5-0,5 0,5-0,5 0,5-0,5 0,5-0,5 0,0,15 0,100 (default) Subtortal Subtortal O,15-0,25 0,25-0,5 0,25		0-0,15	2.536	0,11%	4	46,26%		311	12,26%
0.55-0,5		0,15-0,25						,	
0.5.0,75 0.75-2,5 2,5-10 10-100 100 (default) 2,734 0,1396 0,15-0,5 0,5-0,5 0,5-0,5 0,5-0,75		0,25-0,5	198	0,38%	-	45,83%		69	29,89%
0,75-2,5 2,510		0,5-0,75					•		•
2.5-10 10-10(default) 2.734 0,1396 0-0.15 0,15-0,25 0,25-0,5 0,25-0,5 0,10-10 10-100 1	Retail-SME	0,75-2,5						•	
10-100 1	Exposures	2,5-10					•		•
100 (default) 100 (default		10-100						•	•
Subhotat 2,734 0,13% \$ 46,23% . 370 0-0,15 .		100 (default)		•			•		•
0.04.15 0.03-0.5 0.03-0.5 0.03-0.75 0.05-0.75 0.07-0.00 0.04 (cfault) 0.00 (cfault) 0.		Subtotal	2.734	0,13%	ĸ	46,23%		370	13,54%
0,15-0,25 0,25-0,5 0,25-0,5 0,5-0,75 0,75-2,5 0,75-2,5 0,75-2,5 0,75-2,5 0,75-2,5 0,75-2,5 0,75-2,5 0,75-2,5 0,75-2,5 0,75-2,5 0,75-2,6 0,75-2,5 0,75-2,6 0,		0-0,15						1	
0,25-0,5		0,15-0,25					•	1	•
0.5-0,75 0.75-2,5 2.5-10 10-10		0,25-0,5	,		,				•
0,75-2,5 2,5-10 10-100 10 (default) Subbust 1		0,5-0,75		•			•		•
2.5-10 10-100 10 (default) 2.734 10-101 (All portfolios) 2.734 2.7	Other Retail	0,75-2,5		•			•		•
folios) 2.734 0,13% 5 46,23% - 370	Exposures	2,5-10						•	•
tfolios) 2.734 0,13% 5 46,23% - 370		10-100		•			•	•	•
tfolios) 2.734 0,13% 5 46,23% - 370		100 (default)		•			•	•	•
2.734 0,13% 5 46,23% - 370		Subtotal							•
		Total (All portfolios)	2.734	0,13%	ĸ	46,23%	•	370	13,54%

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Foundation IRB	PD Range	Exposures post CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density
	0-0,15	685.966	%200	112	43,59%	1,80	204.461	20,52%
	0,15-0,25	47.347	0,21%	8	44,99%	1,00	15.341	32,40%
	0,25-0,5	15.427	0,37%	14	44,69%	1,15	7.349	47,64%
	0,5-0,75	780.09	0,62%	7	34,76%	1,00	32.175	47,96%
Exposures to	0,75-2,5	1.549.917	1,66%	36	44,98%	1,61	1.551.813	100,12%
corporates	2,5-10	19.472	3,25%	10	44,80%	1,00	21.767	111,79%
	10-100	14	12,36%	1		1,00		•
	100 (default)		•					•
	Subtotal	2.695.849	1,03%	183	44,21%	1,65	1.832.906	%66'.29
Advanced IRB	PD Range	Exposures post CRM	Average PD	Number of Customers	Average LGD	Average Maturity	Risk Weighted Assets	RWA Density
	0-0,15							
	0,15-0,25			1		•		•
	0,25-0,5	•	•	•		•		•
	0,5-0,75	•		•		•	•	•
Qualifying Revolving	0,75-2,5	•	•		•	•		•
Retail Exposures	2,5-10						•	•
	10-100	•	•	•	•	•	•	•
	100 (default)	•	•	•		•		•
	Subtotal					•	•	
	0-0,15	10.592	%50'0	9	53,37%	•	998	8,18%
	0,15-0,25	186	0,21%	-	45,83%	•	37	20,05%
	0,25-0,5	603	0,38%	-	50,48%		661	32,92%
	0,5-0,75	•		,				•
Retail-SME	0,75-2,5	330	1,72%	8	43,46%	•	180	54,43%
Exposures	2,5-10	•	•			•		•
	10-100		•			•	1	•
	100 (default)					•	1	•
	Subtotal	11.711	0,12%	11	52,83%	•	1.282	10,94%
	0-0,15					•	1	
	0,15-0,25				•		•	•
	0,25-0,5						•	
	0,5-0,75	•	•	•		•		
Other Retail	0,75-2,5						•	•

	~																			
_	_	١.				١.						.	_	١.				١.		
3%	ω	١.				١.	2%	20	%	2%	•	.	%					١.	%7	

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3.4.6. Composition of collateral for CCR exposure

			Collaterals fo	r Derivatives		Collaterals or	Other Transactions
	Current Period	Collater	als Taken	Collate	als Given	Collaterals Taken	Collaterals Given
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash-domestic currency	-	-	-	-	171.333.829	-
2	Cash-foreign currency	-	-	-	-	12.175.791	-
3	Domestic sovereign debts	-	-	-	-	-	205.093.339
4	Other sovereign debt	_	-	-	-	-	16.468.763
5	Government agency debt	-	-	-	-	-	-
6	Corporate debts	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-
	Total	-	-	-	-	183.509.620	221.562.102

			Collaterals fo	r Derivatives		Collaterals or Ot	her Transactions
	Prior Period	Collater	als Taken	Collate	rals Given	Collaterals Taken	Collaterals Given
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash-domestic currency	-	-	-	-	10.141.150	-
2	Cash-foreign currency	-	-	-	-	23.442.947	-
3	Domestic sovereign debts	-	-	-	-	-	10.529.941
4	Other sovereign debt	-	-	-	-	-	34.325.510
5	Government agency debt	-	-	-	-	-	-
6	Corporate debts	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-
	Total	-	-	-	-	33.584.097	44.855.451

3.4.7. Credit derivatives exposures

	Current	Period	Prior Per	iod
	Protection Bought	Protection Sold	Protection Bought	Protection Sold
Nominal				
Single-name credit default swaps	-	-	-	-
Index credit default swaps	-	-	-	-
Total return swaps	-	74.908.138	-	71.331.874
Credit Options	-	-	-	-
Other Credit Derivatives	-	-	-	-
Total Nominal	-	74.908.138	-	71.331.874
Rediscount Amount	-	(340.032)	-	(1.298.906)
Positive rediscount amount (asset)	-	2.589.576	-	2.449.816
Negative rediscount amount (liabilities)	_	(2.929.608)	-	(3.748.722)

3.4.8. Exposures to central counterparties

		Current P	eriod	Prior Per	iod
		Exposure at default (post-CRM)	RWA	Exposure at default (post-CRM)	RWA
1	Exposure to Qualified Central Counterparties (QCCPs) (Total)		1.041.839		293.442
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
3	(i) OTC Derivatives	9.576.160	371.608	7.354.368	290.570
4	(ii) Exchange-traded Derivatives	-	-	-	-
5	(iii) Securities financing transactions	31.853.846	637.077	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-	-	-
7	Segregated initial margin	-		-	
8	Non-segregated initial margin	-	-	-	-
9	Pre-funded default fund contributions	1.657.700	33.154	143.600	2.872
10	Unfunded default fund contributions	-	-	-	-
11	Exposures to non-QCCPs (Total)	-	-	-	-
	Exposures for trades at non-QCCPs (excluding initial margin and				
12	default fund contributions); of which)	-	-	-	-
13	(i) OTC Derivatives	-	-	-	-
14	(ii) Exchange-traded Derivatives	-	-	-	-
15	(iii) Securities financing transactions	-	-	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-	-	-
17	Segregated initial margin	-		-	
18	Non-segregated initial margin	-	-	-	-
19	Pre-funded default fund contributions	-	-	-	-
20	Unfunded default fund contributions	-	-	-	-

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3.5. Securitisations

None.

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3.6. Explanations on consolidated market risk

3.6.1. Qualitative disclosure on market risk

Market Risk Management department monitors the interest rate, exchange rate, stock, commodity and credit spread risks arising from the main financial activities of the Group on a daily basis and measures the probability of loss that may arise from the related risks by using internal model. Risks measured are regularly reported to the business units, their compliance with Bank's risk appetite is monitored and impacts on capital requirement are analyzed. By taking into account the distinction between banking and trading portfolios, analyses and measurements enable Market Risk Management to determine specific limits on sub-portfolio / product levels.

Market risks that the Group is exposed to are assessed and managed by a triple structure consisting of Treasury, Financial Planning and Market Risk Management Units. The Board of Directors, the Executive Committee and the Audit Committee have primary responsibility for management of such risks. Both Top management and the sub-units are responsible for managing the risks taking into account constraints and targets such as Bank's interest rate sensitivity, liquidity constraints, funding sources, budget targets, medium and long-term capital planning and profitability of the products in operation.

Models, strategies and processes that are accurate and integrated in accordance with risks the Group is or may be exposed to have been established. Automated reporting and validation activities are carried out for effective analysis, monitoring and control mechanisms. Risk management infrastructure integrated with day-to-day activities enabling monitor and measurement independently from executive activities; and supports business and decision-making processes has been established. Policies, processes, targets, roles / responsibilities, and regular trainings are the main elements of the Bank's dissemination of risk culture and awareness. Systems and structures compatible with international best practices and in line with the risk appetite are available for risk management.

The Group implements internal policies and procedures that are reviewed and approved at least once a year by the Board of Directors in order to manage market risks arising from on and off-balance sheet liabilities. Based on the principles mentioned in Regulatory Authority's directives and best practice guidelines, internal policies determine responsibilities and practitioners for identification, measurement, monitoring and reporting of the risks in line with the risk appetite and needs of the Group; lay the groundwork for granting limits in the Bank; and guide the actions to be taken in case of risk appetite is exceeded.

Market Risk Management organization consists of 4 sub-units; Market Risk Analysis, Asset-Liability Management and Affiliates Coordination, Counterparty Risk and Collateral Management and Risk Methodologies and Market Data Analysis units.

Market Risk Analysis unit; carry out the activities such as measuring and setting limits for risks arising from Financial assets where fair value change is reflected to income statement and Financial assets where fair value change is reflected to other comprehensive income statement using advanced internal methods (Value at Risk, Base Point Value Sensitivity etc.), complying policies and procedures with new regulations and best practices, product-based risk analysis, developing risk measurement and valuation techniques and applying stress tests.

Asset Liability Management and Subsidiaries Coordination unit; enables the Bank to measure the liquidity risk, manage the structural interest rate exposure, manage the protection procedures and the protection accounting processes used to reduce the risk of re-pricing. Follows the concentration of the bank's funding side. Also paves the way for implementation of Bank-side risk applications and risk culture in the Bank's subsidiaries, plays an active role in risk appetite determination and coordination processes.

Counterparty Risk and Collateral Management Unit calculates the exposures of over the counter (OTC) derivative transactions via internal model method and manages the inclusion of these exposures into the monitoring and the credit underwriting processes.

The Risk Methodologies and Market Data Analysis unit provides unbiased management of all market data related to treasury products under the risk management framework. The unit is responsible for the verification of fair values, and transfer of related data sources to the banking system.

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3.6.2. Market risk under standardised approach

		Current Period	Prior Period
		Risk Weighted Asset	Risk Weighted Asset
	Outright products	17.999.136	14.480.549
1	Interest rate risk (general and specific)	5.781.863	1.934.339
2	Equity risk (general and specific)	81.900	73.775
3	Foreign exchange risk	10.440.235	12.264.147
4	Commodity risk	1.695.138	208.288
	Options	635.362	32.150
5	Simplified approach	-	-
6	Delta-plus method	635.362	32.150
7	Scenario approach	-	-
8	Securitisation	-	-
	Total	18.634.498	14.512.699

3.7. Explanations on Operational Risk

The Bank calculates the amount subject to operational risk based on "Basic Indicator Method" by using 2023, 2022 and 2021 year-end gross income balances of the Bank, in accordance with Section 3 of the "Regulation Regarding Measurement and Evaluation of Banks' Capital Adequacy Ratio", published in the Official Gazette No. 29511 dated October 23, 2015, namely "The Calculation of the Amount Subject to Operational Risk". As of December 31, 2024, the total amount subject to operational risk is TL 169.906.912 (December 31, 2023 - TL 99.403.270) and the amount of the related capital requirement is TL 13.592.553 (December 31, 2023 - TL 7.952.262).

Current Period	2 Prior Period Value	1 Prior Period Value	Current Period value	Total / Total number of years for	Rate (%)	Total
Gross Income	32.434.838	102.553.996	136.862.225	90.617.020	15,00%	13.592.553
Amount subject to operational risk (Total*12,5)						169.906.912

Prior Period	2 Prior Period Value	1 Prior Period Value	Current Period value	Total / Total number of years for	Rate (%)	Total
Gross Income	24.056.398	32.434.838	102.553.996	53.015.077	15,00%	7.952.262
Amount subject to operational risk (Total*12,5)						99.403.270

3.8. Interest rate risk arising from banking accounts:

Interest rate risk means possible losses on financial structure or equity of the Bank by movements in interest rates. Changes in interest rates affect the Bank's earnings by changing the level of net interest incomes, other interest sensitive incomes and operating expenses. The change in interest rates also affects the underlying values of the Bank's assets for active, passive and off-balance sheet items by changing the economic values of future cash flows (and in some cases, the cash flows themselves).

Interest rate risk has three main reasons

- > Repricing Risk: It is caused by the inconsistency in pricing of active and passive items.
- > Yield Curve Risk: It results from the variation of the curve and shape of the yield curve.
- > Basis Risk: It's due to the low correlation of the earned and paid interest yields of different financial instruments with peer revaluation structure.

The customer's prepayment risk (option risk) is indirectly taken into account in managing and following the interest rate risk by following a specific risk protection rate.

Within the scope of the interest rate risk arising from banking accounts, the core deposit analysis for demand deposits is carried out according to the maximum maturity structure of the same regulation. In core deposit analysis, it is possible to distribute demand deposits up to 3 times using behavioral models reviewed once a year.

In addition, Consumer Price Index bonds model and early payment model in real estate and consumer loans are also considered in the calculation of interest rate risk.

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Interest rate risk is monitored weekly through internal reports and reports made to the Executive Board on a monthly basis.

In accordance with the "Regulation on Measurement and Evaluation of the Interest Rate on Banking Accounts by Standard Shock Method", the economic value differences arising from fluctuations in interest rates are stated in the table below as of December 31, 2024, based on the significant currencies of the Parent Bank.

		Curren	t Period	Prior Per	riod
Currency	Applied shock (+/- x basis points)	Gains/Losses	Gains/Equity- Losses/Equity	Gains/Losses	Gains/Equity- Losses/Equity
TRY	(+)500bp	(13.534.702)	(5,36)%	(12.799.786)	(6,02)%
TRY	(-)400bp	12.957.787	5,13%	12.614.309	5,94%
EUR	(+)200bp	98.768	0,04%	1.547.843	0,73%
EUR	(-)200bp	99.000	0,04%	(1.554.431)	(0,73)%
USD	(+)200bp	(3.868.967)	(1,53)%	(6.799.301)	(3,20)%
USD	(-)200bp	5.188.412	2,06%	8.458.759	3,98%
Total (For negative shocks)		18.245.199	7,23%	19.518.637	9,19%
Total (For positive shocks)		(17.304.901)	(6,86)%	(18.051.244)	(8,50)%

4. Explanations on consolidated currency risk:

The difference between the Group's foreign currency denominated and foreign currency indexed on- and offbalance sheet assets and liabilities is defined as the "Net Foreign Currency Position" and it is the basis of currency risk. Cross currency risk is also taken into consideration for the currency risk calculations and measurements.

The Group keeps the amount of currency risk exposure within the related legal limits and follows the exchange position on a daily/regular basis. In addition, although the internal exchange position limit is lower when compared to the related legal limit, there has not been any limit exceeding during the period. As an instrument of currency risk management, derivatives such as swap and forwards are used to reduce risk whenever needed. In order to guard against extreme volatility during the year stress tests are applied. Value at risk method is used for the measurement of foreign exchange risk.

The details of hedging of the foreign currency debt instruments and net foreign currency investment risk with derivative instruments are disclosed in section four Note 10.

The Parent Bank's publicly announced foreign exchange bid rates as of the date of the financial statements and for the last five working days prior to that date are as follows:

(Exchange rates presented as full TL)	USD	EUR
Balance sheet evaluation rate:	35,2803	36,7362
First day current bid rate	35,2233	36,7429
Second day current bid rate	35,1368	36,6134
Third day current bid rate	35,2033	36,6076
Fourth day current bid rate	35,2162	36,6592
Fifth day current bid rate	35,1814	36,5693
Arithmetic average of the last 31 days:	34,9254	36,5796
Evaluation rate as of prior period:	29,4382	32,5739

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Information on currency risk of the Group:

Current Period	EUR	USD	Other FC ⁽⁴⁾	Total
Assets				
Cash (Cash in hand, effectives, cash in transit, cheques purchased)				
and balances with the CBRT	70.673.522	100.266.772	34.265.342	205.205.636
Banks	21.438.054	31.749.985	1.019.993	54.208.032
Financial assets measured at fair value through profit or loss	4.619	1.695.663	-	1.700.282
Money market placements	-	-	-	-
Financial assets measured at fair value through other comprehensive income	1.552.911	26.153.820	1.586.991	29.293.722
Loans (1)	228.771.125	197.570.367	24.413.319	450.754.811
Investments in associates, subsidiaries and joint ventures	-	-	7.820.018	7.820.018
Financial assets measured at amortised cost	24.515.407	112.956.982	-	137.472.389
Hedging derivative financial assets	337.148	1.661.634	-	1.998.782
Tangible assets	50.219	-	367.252	417.471
Other assets (2)	15.771.779	38.490.244	4.533.569	58.795.592
Total assets	363.114.784	510.545.467	74.006.484	947.666.735
Liabilities				
Bank deposits	247.733	345.057	3.081	595.871
Foreign currency deposits	198.549.653	231.203.086	131.680.291	561.433.030
Funds from money market	4.324.218	12.107.237	-	16.431.455
Funds borrowed from other financial institutions	68.613.612	136.311.452	915.844	205.840.908
Marketable securities issued	21.173.083	117.276.773	2.192.326	140.642.182
Miscellaneous payables	2.159.650	2.588.121	94.906	4.842.677
Hedging derivative financial liabilities	-	-	-	-
Other liabilities ⁽³⁾	10.943.927	143.650.931	484.897	155.079.755
Total liabilities	306.011.876	643.482.657	135.371.345	1.084.865.878
Net on balance sheet position	57.102.908	(132.937.190)	(61.364.861)	(137.199.143)
Net off balance sheet position ⁽⁵⁾	(56.546.595)	129.307.823	71.191.937	143.953.165
Derivative financial assets	77.493.100	231.715.891	74.860.328	384.069.319
Derivative financial liabilities	134.039.695	102.408.068	3.668.391	240.116.154
Net position	556.313	(3.629.367)	9.827.076	6.754.022
Non-cash loans	110.884.130	138.345.494	20.011.773	269.241.397
Prior Period				
Total assets	255.027.481	414.453.251	47.601.572	717.082.304
Total liabilities	272.169.829	514.700.398	92.266.219	879.136.446
Net on balance sheet position	(17.142.348)	(100.247.147)	(44.664.647)	(162.054.142)
Net off balance sheet position ⁽⁵⁾	17.561.107	99.250.354	52.600.859	169.412.320
Financial derivative assets	45.738.572	215.805.488	55.456.249	317.000.309
Financial derivative liabilities	28.177.465	116.555.134	2.855.390	147.587.989
Net position	418.759	(996.793)	7.936.212	7.358.178
Non-cash loans	94.171.639	101.713.626	14.030.571	209.915.836

- (1) Includes FX indexed loans amounting to TL 78.252 (December 31, 2023 TL 115.545) which have been disclosed as TL in the financial statements.
- (2) Does not include foreign currency prepaid expenses amounting to TL 2.770.340 (December 31, 2023 TL 2.603.455) and intangible assets amounting to TL 233.175 (December 31, 2023 TL 130.179).
- (3) Does not include provisions for employee benefits and foreign currency other comprehensive income / expense under equity
- (4) Other FC column also includes gold balance.
- (5) Forward transactions classified as commitments are also included

Currency risk sensitivity analysis:

The table below represents the sensitivity of the Parent Bank to 15% change of currency exchange rates (USD and EUR).

15% change is the assumption of parity change that may be faced in a possible fluctuation used in the Bank's stress test scenarios.

	Current Period	Prior Period
Change in currency exchange rates (1)	Profit/loss effect (2)	Profit/loss effect (2)
(+) 15%	39.171	(890.153)
(-) 15%	404.689	1.335.195

- (1) Represents the balances of the Parent Bank.
- (2) Excluding tax effect

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Explanations on consolidated interest rate risk:

The monitoring of interest rate sensitive assets and liabilities of the Parent Bank, including sensitivity analysis regarding the effect of interest rate fluctuations on the financial statements, is performed by the risk management department for all interest sensitive instruments over carrying values. The results are presented monthly to the Asset and Liability Management function of the Executive Committee. By using sensitivity and scenario analyses, the possible effects by interest rate volatility are analyzed. In these analyses possible losses are calculated for the change in fair value of interest sensitive products by applying shock tests to interest rates.

Sensitivity analyses are also calculated daily within Market Risk reporting on the basis of maturity and foreign exchange types and reported to Senior Management by checking them against the determined limits.

The Parent Bank utilizes TL/FC and TL/TL interest rate and money swap transactions in order to limit the interest and foreign currency risk arising from short-term deposit and long-term consumer loans within the balance sheet.

5.1. Interest rate sensitivity of assets, liabilities and off-balance sheet items based on repricing dates:

	Up to 1				5 Years and	Non-interest	
Current Period	Month	1-3 Months	3-12 Months	1-5 Years	Over	bearing	Total
Assets(1)							
Cash (cash in hand, effectives, cash in transit,							
cheques purchased) and balances with the CBRT	146.735.078	-	-	-	-	268.646.273	415.381.351
Banks	8.070.244	6.958.426	15.124.610	2.355.195	-	31.037.407	63.545.882
Financial assets measured at fair value through profit							
or loss	890.310	16.032	1.716	48.096	227.104	1.720.104	2.903.362
Receivables from money markets	-	-	-	-	-	-	-
Financial assets measured at fair value through other							
comprehensive income	18.037.277	28.586.084	17.618.319	21.130.495	48.084.455	232.882	133.689.512
Loans (2)	437.667.078	141.992.392	434.873.369	262.266.128	51.069.491	(7.722.645)	1.320.145.813
Financial assets measured at amortised cost	155.877.466	19.639.592	24.674.553	94.054.356	93.679.410	(156.523)	387.768.854
Other assets	1.793.159	3.538.945	9.713.164	5.701.841	3.498.267	206.200.634	230.446.010
Total assets	769.070.612	200.731.471	502.005.731	385.556.111	196.558.727	499.958.132	2.553.880.784
Liabilities							
Bank deposits	10.758.819	4.674.741	9.412.120	437.593	-	1.284.464	26.567.737
Other deposits	552.111.792	149.781.199	36.502.262	12.040.656	819.807	596.433.950	1.347.689.666
Funds from money market	195.188.819	511.906	309.870	-	-	-	196.010.595
Miscellaneous payables	-	-	-	-	-	114.319.178	114.319.178
Marketable securities issued	11.604.386	37.401.316	48.537.963	53.626.053	-	-	151.169.718
Funds borrowed from other financial institutions	85.701.782	133.167.178	65.775.629	11.667.296	1.018.516	-	297.330.401
Other liabilities(3)	5.008.495	82.805.988	4.816.593	40.644.897	27.931.102	259.586.414	420.793.489
Total liabilities	860.374.093	408.342.328	165.354.437	118.416.495	29.769.425	971.624.006	2.553.880.784
Balance sheet long position	-		336.651.294	267.139.616	166.789.302	-	770.580.212
Balance sheet short position	(91.303.481)	(207.610.857)	-	-	-	(471.665.874)	(770.580.212)
Off-balance sheet long position		-	12.732.735	-	-	-	12.732.735
Off-balance sheet short position	(19.443.100)	(4.469.149)	-	(40.130)	(3.422.888)	-	(27.375.267)
Total position	(110.746.581)	(212.080.006)	349.384.029	267.099.486	163.366.414	(471.665.874)	(14.642.532)

	Up to 1				5 Years and	Non-interest	
Prior Period	Month	1-3 Months	3-12 Months	1-5 Years	Over	bearing	Total
Assets(1)							
Cash (cash in vault, effectives, cash in transit,							
cheques purchased) and balances with the CBRT	796.857	-	-	-	-	277.525.514	278.322.371
Banks	7.894.323	4.662.863	10.678.590	373.948	-	32.936.178	56.545.902
Financial assets measured at fair value through profit							
or loss	534.394	11.969	40.278	247.444	418.577	1.024.823	2.277.485
Receivables from money markets	-	-	-	-	-	-	-
Financial assets measured at fair value through other							
comprehensive income	13.925.366	23.094.851	7.900.225	15.874.169	36.025.229	198.149	97.017.989
Loans (2)	249.835.663	137.691.185	358.456.250	168.967.675	49.267.411	(12.726.955)	951.491.229
Financial assets measured at amortised cost	112.202.776	14.546.012	20.154.922	74.460.872	96.748.512	(733.111)	317.379.983
Other assets	2.848.975	4.119.986	5.147.413	8.385.957	4.391.565	135.444.545	160.338.441
Total assets	388.038.354	184.126.866	402.377.678	268.310.065	186.851.294	433.669.143	1.863.373.400
Liabilities							
Bank deposits	15.781.925	7.077.792	8.395.079	119.974	-	1.142.440	32.517.210
Other deposits	361.903.553	149.263.334	101.815.385	9.352.054	645.977	453.388.163	1.076.368.466
Funds from money market	44.219.323	17.590.790	1.572.387	-	-	-	63.382.500
Miscellaneous payables	-	-		-	-	76.967.991	76.967.991
Marketable securities issued	8.903.015	26.077.890	37.597.921	24.461.173	-	-	97.039.999
Funds borrowed from other financial institutions	13.604.788	82.645.097	49.705.478	14.033.578	1.045.902	_	161.034.843
Other liabilities(3)	21.879.217	74.859.404	3.127.149	18.237.145	4.772.460	233.187.016	356.062.391
Total liabilities	466.291.821	357.514.307	202.213.399	66.203.924	6.464.339	764.685.610	1.863.373.400
Balance sheet long position	-	_	200.164.279	202.106.141	180.386.955	_	582.657.375
Balance sheet short position	(78.253.467)	(173.387.441)	_	-	-	(331.016.467)	(582.657.375)
Off-balance sheet long position	2.510.256	4.486.984	14.152.531	_	_		21.149.771
Off-balance sheet short position	-	-	-	(12.721.888)	(12.278.303)	-	(25.000.191)
Total position	(75,743,211)	(168,900,457)	214.316.810	189,384,253	168,108,652	(331.016.467)	(3.850.420)

- Expected credit losses are presented in the "Non-interest bearing" column of the relevant financial item.
 Non-performing loans are presented in the "Non-interest bearing" column after being offset by expected credit losses
- (3) Shareholders' equity is presented under the "Non-interest bearing".

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5.2. Average interest rates for monetary financial instruments:

The following average interest rates of the Group are calculated by weighting the rates with their principal amounts outstanding as of the balance sheet date.

Current Period	EUR	USD	Yen	TL
	%	%	%	%
Assets				
Cash (cash in vault, effectives, cash in transit, cheques				
purchased) and balances with the CBRT (1)	-	-	-	34,79
Banks	3,60	2,36	-	48,26
Financial assets measured at fair value through profit or loss	3,65	5,12	_	
Receivables from money markets	´ -	´ -	-	_
Financial assets measured at fair value through other comprehensive income	4,68	6,24	-	36,24
Loans	6,69	8,23	_	49,44
Financial assets measured at amortised cost	3,56	6,48	-	34,85
Liabilities				
Bank deposits (2)	0,25	2,99	_	45,26
Other deposits (2)	0,90	1,16	-	32,62
Funds from money market	3,55	3,63	_	41,81
Miscellaneous payables	´ -	´ -	-	· -
Marketable securities issued	4,53	7,04	-	50,16
Funds borrowed from other financial institutions	5,05	6,45	_	44,92

Prior Period	EUR	USD	Yen	TL
	%	%	%	%
Assets				
Cash (cash in vault, effectives, cash in transit, cheques				
purchased) and balances with the Central Bank of the Republic of Türkiye	-	-	-	-
Banks	6,09	6,46	_	42,08
Financial assets measured at fair value through profit or loss	5,98	5,75	-	´ -
Receivables from money markets			_	_
Financial assets measured at fair value through other comprehensive income	4,12	7,67	_	38,38
Loans	7,66	8,99	-	40,63
Financial assets measured at amortised cost	3,05	6,45	-	39,55
Liabilities				
Bank deposits (2)	3,94	5,72	-	39,50
Other deposits (2)	0,78	0,82	-	19,03
Funds from money market	5,74	5,56	_	40,77
Miscellaneous payables	-	´ -	-	´ -
Marketable securities issued	6,86	8,14	-	36,74
Funds borrowed from other financial institutions	6,66	8,07	_	41,97

⁽¹⁾ In accordance with the CBRT's article dated February 5, 2024 and numbered 198, interest rates were taken into account that applied to some of the required

Explanations on share certificates position risk from banking book:

None.

Explanations on consolidated liquidity risk management, liquidity coverage ratio and net stable funding

Liquidity risk is defined as risk of unexpected loss to be occurred or Group to have difficulties in raising funds while meeting maturing liabilities. Liquidity management is daily monitored in the Bank under Treasury Management and Risk Management. The liquidity policy of the Group is approved by the Bank's Board of Directors. Treasury Management is responsible for carrying out transactions which are appropriate to Bank's policy, monitoring of liquidity position and submitting necessary reports to executives. Treasury management contributes to determine strategies and operating actions for the management of the liquidity position in addition to prepare funding plan and contingency funding plan of the Bank. Liquidity risk is evaluated with liquidity gap analysis, liquidity stress tests and supplementary precautions/measurements. Liquidity Gap analysis are performed for two different periods as short-term and long-term. Going concern scenario and structural positions are reported monthly. This reporting constitutes the basis of monitoring and management of liquidity position.

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The Parent Bank does not function as a central funding institution in its relations with its subsidiaries. Intra-group liquidity management and funding strategies are limited with related legal boundaries and monitored regularly via various reports. Intraday liquidity is also monitored closely by the bank in its best effort.

The Parent Bank issues an annual funding plan in order to sustain funding in a consistent and balanced way. Funding plan have to be updated at least annually and approved by the Executive Committee since it is complied with budgeting process and risk appetite frameworks. The primary purpose of the funding plan is to provide a reliable balance between assets and liabilities.

Both short-term liquidity and medium/long-term (structural) liquidity measurement and reporting for all types of currencies are periodically made in Bank and its subsidiaries. There are limits which are predetermined and approved by the Board of Directors on the basis of all major currencies for each period.

The Parent Bank mainly uses derivative transactions as managing liquidity risk and monitors cash inflow and outflow periods in the framework of funding plan balancing the distribution among currencies.

The Parent Bank aims to reduce the risks to the lowest level if required via measuring possible risks in liquidity with stress tests. Stress tests make it possible for the Bank to reinterpret analysis of its liquidity position according to scenarios depending on possible cases and tail risks except for crisis situations. Liquidity Stress Test methodology makes a similar approach with Liquidity Coverage Ratio (LCR) template and hence allows the overview of the results in line with Basel approaches. The Parent Bank applies and reports liquidity stress tests consisting of different scenarios and maturity segments both on unconsolidated and consolidated level and the results are compared with both liquidity stress tests and other liquidity limit and trigger levels set, with different frequencies (weekly, monthly etc.) according to the scenarios.

"Liquidity Contingency Plan" is applied if the Parent Bank needs more liquidity than its daily liquidity need because of possible financial events in future. Duties and responsibilities are defined in detail in the aforementioned plan. Both the liquidity policy and liquidity contingency policy are in line with BRSA best practice documents on liquidity risk management. The abovementioned policies and the thresholds (limits etc.) covered within liquidity risk management framework are updated and approved at least annually.

Funding sources of the Group mainly consist of deposits which constitute 54% of total liabilities of the Bank (December 31, 2023 - 59%) and also include repo, secured loans, syndication, securitization, bond/security issuance and other instruments including subordinated loans and borrowings.

The Parent Bank calculates and reports the LCR in full compliance with the regulations. LCR is a metric measuring the adequacy of unencumbered free liquid assets owned by banks (called high quality liquid assets) to meet expected net cash outflows over the next 30 days. The metric is an important Basel regulation that measures short-term liquidity and is closely monitored in the Bank. In addition to LCR, the Bank has also measures the Net Stable Funding Rate (NSFR), which is considered another complementary element and provides another important medium / long-term liquidity risk measurement. In accordance with the Regulation on Calculation of Banks' Net Stable Funding Ratio, published in the Official Gazette dated May 26, 2023 and numbered 32202, the relevant metric has started to be followed up within the framework of legal regulations. These two metrics are also included within the Risk Appetite Indicators and closely monitored at the Bank.

High quality liquid assets mentioned in LCR calculation consist of cash, effective money, CBRT accounts and reserves and government bonds issued by Ministry of Treasury and Finance of the Republic of Türkiye treated as high quality liquid assets.

Cash outflows from derivative transactions in liquidity coverage ratio 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 liquidity coverage ratio calculation by taking the largest outflow amount according to the negative values of net margin flows realized 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 other secured borrowings. A large part of securities which are subject to the aforementioned funding transactions consist of Sovereign Bonds issued by Ministry of Treasury and Finance of the Republic of Türkiye and transactions are carried out in both CBRT market and interbank market.

The Parent Bank manages all the transactions made before its foreign branches and partnership in the framework of central bank, markets and related legislation of the country in which the institutions are located. Legal lending limits and high limit transactions are closely monitored in this framework

reserves established in TL, in accordance with the conditions specified in the instruction.

(2) Demand deposit balances are included in average interest rate calculation.

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All cash inflow and outflow items related to liquidity profile of the bank are included in liquidity coverage ratio tables below for the last three months.

	Unweighte	d Amounts(1)	Weighted Amounts(1)		
Current Period	TL+FC	FC	TL+FC	FC	
High Quality Liquid Assets					
High Quality Liquid Assets			480.626.520	217.794.298	
Cash Outflows					
Retail and Small Business Customers Deposits	879.738.869	323.267.253	77.442.272	31.846.705	
Stable deposits	210.632.311	9.600.404	10.531.616	480.020	
Less stable deposits	669.106.558	313.666.849	66.910.656	31.366.685	
Unsecured Funding other than Retail and Small Business					
Customers Deposits	502.795.063	194.419.196	296.660.503	108.388.122	
Operational deposits	-	-	-	-	
Non-Operational deposits	348.043.952	151.402.291	164.354.764	65.371.217	
Other Unsecured funding	154.751.111	43.016.905	132.305.739	43.016.905	
Secured funding			2.652.388	-	
Other Cash Outflows	2.656.236	3.481.738	2.656.236	3.481.738	
Liquidity needs related to derivatives and market					
valuation changes on derivatives transactions	2.656.236	3.481.738	2.656.236	3.481.738	
Debts related to the structured financial products	-	-	-	-	
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	541.055.991	253.067.717	27.052.800	12.653.386	
Other irrevocable or conditionally revocable commitments	1.451.888.252	91.296.553	103.575.707	22.496.322	
Total Cash Outflows			510.039.906	178.866.273	
Cash Inflows					
Secured Lending Transactions	-	-	-	-	
Unsecured Lending Transactions	206.676.452	57.232.763	132.056.484	47.150.249	
Other contractual cash inflows	1.921.671	35.142.515	1.921.671	35.142.515	
Total Cash Inflows	208.598.123	92.375.278	133.978.155	82.292.764	
Total High Quality Liquid Assets			480.626.520	ed Amounts 217.794.298	
Total High Quality Liquid Assets Total Net Cash Outflows			376.061.751	96.573.509	
Liquidity Coverage Ratio (%)			127,81	225,52	

(1) Simple arithmetic averages of monthly consolidated liquidity coverage ratios for the last three months are used.

Foreign currency and total liquidity coverage ratios for the last three months of current period are presented in the table below.

Current Period	TL+FC (%)	FC (%)
October 2024	127,86	207,86
November 2024	124,67	210,11
December 2024	131,39	285,28

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	Unweighte	d Amounts(1)	Weighted Amounts(1)		
Prior Period	TL+FC	FC	TL+FC	FC	
High Quality Liquid Assets					
High Quality Liquid Assets			444.921.023	195.493.470	
Cash Outflows					
Retail and Small Business Customers Deposits	686.593.230	270.729.748	61.980.490	26.692.777	
Stable deposits	133.576.647	7.603.956	6.678.832	380.198	
Less stable deposits	553.016.583	263.125.792	55.301.658	26.312.579	
Unsecured Funding other than Retail and Small Business					
Customers Deposits	374.217.199	152.245.229	236.940.845	86.224.237	
Operational deposits	-	-	-		
Non-Operational deposits	250.017.022	119.023.968	126.644.444	53.002.976	
Other Unsecured funding	124.200.177	33.221.261	110.296.401	33.221.261	
Secured funding			1.985		
Other Cash Outflows	3.642.170	3.642.170	3.642.170	3.642.170	
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 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	
Other irrevocable or conditionally revocable commitments	690,700,951	68,704,451	55.860.731	16.398.913	
Total Cash Outflows			377.652.082	142,627,781	
Cash Inflows					
Secured Lending Transactions	-	-	-		
Unsecured Lending Transactions	144.645.440	48.862.239	99.304.404	41.853.457	
Other contractual cash inflows	946.200	62.083.519	946.200	62.083.519	
Total Cash Inflows	145.591.640	110.945.758	100.250.604	103.936.976	
				ed Amounts	
Total High Quality Liquid Assets			444.921.023	195.493.470	
Total Net Cash Outflows			277.401.478	38.690.805	
Liquidity Coverage Ratio (%)			160,39	505,2	

Liquidity Coverage Ratio (%)
(1) Simple arithmetic averages of monthly consolidated liquidity coverage ratios for the last three months are used.

Foreign currency and total liquidity coverage ratios for the last three months of prior period are presented in the table below.

Prior Period	TL+FC (%)	FC (%)
October 2023	177,44	380,57
November 2023	157,18	485,65
December 2023	150,16	487,70

With the framework of the regulation, NSFR is closely monitored and reported on monthly and three-month average basis. NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. In addition to the Group's capital available stable funding mainly consists of retail and corporate deposits and other borrowings which are taken into account at different rates in accordance with the regulation. Required stable funding is calculated by the amount of receivables, such as loans and government bonds, categorized by the counterparty type, residual maturity and encumbrance status. Within this framework, the required stable fund amount refers to the portion of the Group's on-balance sheet assets and off-balance sheet liabilities that expected to be refunded. In accordance with the regulation, the three-month simple arithmetic average of the calculated NSFR for the periods of March, June, September and December cannot be less than 100%.

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Three-month simple arithmetic mean as of most recent quarter is 117,30%. The ratio and main items constituting the Group's NSFR as of most recent period shown in the table below.

Compared to current and prior period NSFR, the decrease is primarily due to changes in the amount and maturity structure of loans and deposits.

		Unweigh	ted Amount Acco	ording to Residual !	Maturity	
Cur	rent period	Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less	Residual maturity of one year or more	Total Weighted Amount
	ilable stable funding	11011 Maturity	months	longer but less	more	rimount
1	Capital Instruments	229.365.172			59.012.495	288.377.667
2	Tier 1 Capital and Tier 2 Capital	229.365.172	-	-	59.012.495	288.377.667
3	Other Capital Instruments	229.303.172	-	-	39.012.493	288.377.007
4	Real-person and Retail Customer Deposits	422.220.211	464.696.409	13.605.963	11.992.097	833.126.709
5	Stable Deposits	118.650.771	118.619.348	-	-	225.406.613
6	Less Stable Deposits	303.569.440	346.077.061	13.605.963	11.992.097	607.720.096
7	Other Obligations	89.876.878	1.003.005.997	110.791.874	171.625.129	450.665.751
8	Operational deposits	-	_	_	-	-
9	Other obligations	89.876.878	1.003.005.997	110.791.874	171.625.129	450.665.751
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	-		(26.401.019)		-
12	Derivative liabilities			(26.642.791)		
	All other liabilities not included in the above		1	(========)	'	
13	categories	_	241.772	_	_	_
14	Available stable funding		241.772			1.572.170.127
	uired stable funding					110/211/0112/
15	High Quality Liquid Assets					163.264.183
10	Deposits held at financial institutions for operational					105.204.105
16	purposes	-	-	_	-	-
17	Performing Loans	-	890.061.738	205.485.715	333.183.962	789.629.075
	Encumbered loans to financial institutions, where the					
18	loan is secured against Level 1 assets	-	-	-	-	-
	Unencumbered loans to financial institutions or					
4.0	encumbered loans that are not secured against Level					
19	1 assets	-	94.850.971	10.382.797	3.162.179	22.581.223
	Loans to corporate customers, real persons and or					
	retail customers, central banks, other than credit					
20	agencies and/or financial institutions	-	787.389.226	192.259.203	315.349.617	755.507.024
21	Loans with a risk weight of less than or equal to 35%	-	-	-	3.625.846	2.356.800
22	Residential mortgages	_				
	Residential mortgages with a risk weight of less					
23	than or equal to 35%	-	880.335	554.875	4.652.564	3.024.166
	Securities that are not in default and do not qualify as					
24	HQLA and exchange-traded equities	-	6.941.206	2.288.840	10.019.602	8.516.662
25	Assets equivalent to interconnected liabilities					
26	Other Assets	286.976.429		37.698.776		324.015.587
27	Physical traded commodities, including gold	4.397.452				3.737.834
28	Initial margin posted or given guarantee fund to					
29	central counterparty			26 125 762		26 125 762
29	Derivative Assets Derivative Liabilities before the deduction of the			36.125.762		36.125.762
30	Derivative Liabilities before the deduction of the variation margin			1.573.014		1.573.014
31	Other Assets not included above	282.578.977	_	1.5/5.017	_	282.578.977
32	Off-balance sheet commitments	202.310.711	2.000.920.141	-	-	100.046.007
33	Total Required stable funding		2.000.720.141			1.376.954.852
34	Net Stable Funding Ratio (%)					114,18
<u> </u>	reconsist unumg rado (70)					117,10

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Three-month simple arithmetic mean as of most recent quarter is 134,27%. The ratio and main items constituting the Group's NSFR as of previous period shown in the table below.

		Unweigh	ted Amount Acco	rding to Residual N	laturity	
Prio	r period	Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less	Residual maturity of one year or more	Total Weighted Amount
Avai	ilable stable funding					
1	Capital Instruments	205.060.906			34.653.930	239.714.836
2	Tier 1 Capital and Tier 2 Capital	205.060.906	-	-	34.653.930	239.714.836
3	Other Capital Instruments	203.060.906	-	-	34.033.930	239./14.830
4	Real-person and Retail Customer Deposits	340.444.370	398.990.941	8.744.631	9.008.161	689.503.236
5	Stable Deposits	78.056.461	82.622.394	0.744.031	2.000.101	152.644.913
6	Less Stable Deposits	262.387.909	316.368.547	8.744.631	9.008.161	536.858.323
7	Other Obligations	65.665.614	591.656.296	100.620.186	147.936.499	375.385.739
8	Operational deposits	03.003.014	371.030.270	100.020.100	147.330.433	373.363.73
9	Other obligations	65.665.614	591.656.296	100 620 196	147 026 400	275 205 720
10	· ·	03.003.014	391.030.290	100.620.186	147.936.499	375.385.739
	Liabilities equivalent to interconnected assets			(21 200 022)		
11	Other Liabilities			(21.308.033)		
12	Derivative liabilities			(21.533.799)		
13	All other liabilities not included in the above					
	categories	-	225.766	-		
14	Available stable funding					1.304.603.81
Req	uired stable funding					
15	High Quality Liquid Assets					111.517.03
	Deposits held at financial institutions for operational					
16	purposes	-	-	-	-	
17	Performing Loans	851.427	555.429.415	167.635.376	319.371.241	599.256.29
	Encumbered loans to financial institutions, where the					
18	loan is secured against Level 1 assets	-	-	-	-	
	Unencumbered loans to financial institutions or					
19	encumbered loans that are not secured against Level					
19	1 assets	-	85.208.770	8.830.231	393.713	17.590.14
	Loans to corporate customers, real persons and or					
	retail customers, central banks, other than credit					
20	agencies and/or financial institutions	-	466.461.099	157.240.120	302.945.351	569.354.158
21	Loans with a risk weight of less than or equal to 35%	-	-	17.423	3.329.889	2.175.75
22	Residential mortgages	_	1.107.094	790.860	6.576.784	4.274.910
	Residential mortgages with a risk weight of less					
23	than or equal to 35%	_	1.107.094	790.860	6.576.784	4.274.910
	Securities that are not in default and do not qualify as		1.107.07	7,70.000	0.570.701	1.27 1.71
24	HQLA and exchange-traded equities	851.427	2.652.452	774.165	9.455.393	8.037.084
25	Assets equivalent to interconnected liabilities	031.427	2.032.132	774.103	7.455.575	0.037.00
26	Other Assets	186.032.150		34.422.634		220.125.472
27	Physical traded commodities, including gold	2.195.408				1.866.096
	Initial margin posted or given guarantee fund to					
28	central counterparty			-		
29	Derivative Assets			33.663.214		33.663.214
	Derivative Liabilities before the deduction of the					
30	variation margin			759.420		759.420
31	Other Assets not included above	183.836.742	-	-	-	183.836.742
32	Off-balance sheet commitments		1.176.589.539			58.829.47
33	Total Required stable funding					989.728.278
34	Net Stable Funding Ratio (%)					131,81

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Breakdown of assets and liabilities according to their remaining maturities:

227.104 62.569.102 69.327.433 114.011.156 3.502.437 249.637.232 2.355.195 48.096 -57.662.887 262.192.332 233.167.007 6.352.039 437.593 12.040.656 18.124.839 15.124.610 1.716 1.716 -10.143.093 419.944.769 6.689.695 5.519.555 457.423.438 9.412.120 36.502.262 143.808.057 309.870 51.103.142 6.958.426 16.032 1.385.605 152.702.030 6.926.849 7.378.021 4.674.741 149.781.199 52.606.557 511.906 18.808.309 1.695.943 423.701.894 27.130.670 1.968.267 **637.760.873** 175.193.855 8.070.244 1.284.464 240.322.356 31.237.624 1.163.280 101.624.157 374.347.417

3.5								
enosits	1 284 464	10 758 819	4 674 741	9 412 120	437 593			757 737
on out of the out of t	505 432 050	552 111 702	140 701 100	25 500 252	12 040 656	500 010		1 2 47 600 666
reposits	390.433.930	332.111.732	149.761.199	30.302.202	12.040.030	019.00/		1.347.069.000
borrowed from other financial institutions		81.566.737	52.606.557	143.808.057	18.124.839	1.224.211		297.330.401
from money market		195.188.819	511.906	309.870				196.010.595
able securities issued		11.604.350	18.808.309	51.103.142	69.653.917			151.169.718
aneous payables	147.385	104.715.342	3.610.043	2.761.984			3.084.424	114.319.178
iabilities ⁽³⁾	31.704.529	4.921.292	16.467.533	12.965.167	73.807.037	77.173.060	203.754.871	420.793.489
iabilities	629.570.328	960.867.151	246.460.288	256.862.602	174.064.042	79.217.078	206.839.295	2.553.880.784
uidity gap	(255.222.911)	(323.106.278)	(71.093.325)	200.560.836	387.713.514	170.420.154	(109.271.990)	-
f-Balance Sheet Position	-	(1.320.077)	(7.857.248)	(9.380.911)	(311.501)	4.227.205	-	(14.642.532)
ative Financial Assets		185.585.459	163.391.329	208.688.167	193.885.987	87.790.730		839.341.672
ative Financial Liabilities		186.905.536	171.248.577	218.069.078	194.197.488	83.563.525		853.984.204
ash Loans		21.352.704	60.785.658	253.704.604	83.881.100	14.672.954	115.011.624	549.408.644
Period								
ssets	286.181.678	350.387.477	139.745.134	379.359.366	439.893.065	215.144.221	52.662.459	1.863.373.400
abilities	476.859.709	533.736.633	237.728.130	250.373.764	114.711.448	56.668.645	193.295.071	1.863.373.400
uidity gap	(190.678.031)	(183.349.156)	(97.982.996)	128.985.602	325.181.617	158.475.576	(140.632.612)	•
f-Balance Sheet Position		1.140.517	(4.879.082)	(4.588.862)	328.095	4.148.912		(3.850.420)
ative Financial Assets		175.018.979	138.317.598	121.211.477	171.066.627	97.760.192		703.374.873
ative Financial Liabilities		173.878.462	143.196.680	125.800.339	170.738.532	93.611.280		707.225.293
ash Loans		19.480.824	42.807.682	168.848.563	59.930.945	12.247.532	85.313.046	388.628.592

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Breakdown of financial liabilities according to their remaining contractual maturities:

The maturity distribution of values at contracted maturity date of non-derivative financial liabilities is presented below. Maturity segments also include the interests of related assets and liabilities.

	Demand and				Above 5	
Current Period ⁽¹⁾	up to 1 month	1-3 months	3-12 months	1-5 years	years	Total
Liabilities						
Deposits	1.179.622.810	165.569.995	49.221.325	12.484.592	826.934	1.407.725.656
Borrowings	86.402.536	56.589.396	150.081.867	20.340.454	1.865.400	315.279.653
Financial liabilities measured at fair						
value through profit or loss	-	4.264.486	11.025.253	50.749.428	34.325.730	100.364.897
Funds from money market	195.453.110	512.283	310.605	-	_	196.275.998
Subordinated loans	2.614.535	98.590	2.845.274	39.694.074	52.201.614	97.454.087
Marketable securities issued	11.644.432	19.292.812	52.122.430	89.993.920	-	173.053.594
Total	1.475.737.423	246.327.562	265.606.754	213.262.468	89.219.678	2.290.153.885

Prior Period ⁽¹⁾	Demand and	·		·	Above 5	
Prior Period **	up to 1 month	1-3 months	3-12 months	1-5 years	years	Total
Liabilities						
Deposits	842.966.632	169.799.311	123.957.464	9.482.601	648.355	1.146.854.363
Borrowings	11.631.093	44.746.588	91.280.801	24.222.201	1.491.973	173.372.656
Financial liabilities measured at fair						
value through profit or loss	-	3.724.714	11.053.243	43.265.390	37.731.249	95.774.596
Funds from money market	44.350.548	16.756.520	3.241.694	-	-	64.348.762
Subordinated loans	21.041.873	86.317	834.082	5.299.462	18.504.795	45.766.529
Marketable securities issued	9.108.486	10.532.193	40.611.517	48.767.094	-	109.019.290
Total	929.098.632	245.645.643	270.978.801	131.036.748	58.376.372	1.635.136.196

(1) Maturities of non-cash loans are described in Note 3 of Section 5

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Explanations on consolidated leverage ratio:

The main reason for decrease in leverage ratio for the current period is the increase in total risk amount.

The summary information for the comparison of total assets in consolidated financials prepared in accordance with TAS and total exposures:

		Current Period(2)	Prior Period(2)
1	Total assets in the consolidated financial statements prepared in accordance with TAS ⁽¹⁾	2.486.950.762	1.782.911.988
2	Differences between the total assets in the consolidated financial statements prepared in accordance with TAS and the total assets in the consolidated financial statements prepared in accordance with Communique on Preparation of Consolidated Financial Statements of the Banks	14.196.554	5.696.132
3	Differences between the balances of derivative financial instruments and the credit derivatives in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	7.708.267	21.568.363
4	Differences between the balances of securities financing transactions in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	(188.756.915)	(42.657.037)
5	Differences between off- balance sheet items in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	(66.661.674)	(63.168.751)
6	Other differences in the consolidated financial statements prepared in accordance with the Communique on Preparation of Consolidated Financial Statements of the Banks and their risk		
	exposures	209.085.122	51.451.562
7	Total Risks	4.566.167.989	2.932.796.487

The consolidated financial statements prepared in accordance with the sixth paragraph of the Article 5 in the Communique on Preparation of Consolidated Financial Statements of the Banks.

⁽²⁾ The arithmetic average of the last three months in the related periods.

		Current Period(1)	Prior Period(1)
	On-Balance sheet exposures		
1	On-Balance sheet assets (Excluding derivative financial instruments and credit derivatives,		
	including collaterals)	2.504.546.858	1.790.307.010
2	(Asset amounts deducted in determining Tier 1 capital)	(26.367.945)	(19.534.130)
3	Total on-Balance sheet exposures	2.478.178.913	1.770.772.880
	Derivative financial instruments and credit derivatives		
4	Replacement cost of derivative financial instruments and credit derivatives	8.174.532	11.757.100
5	Potential credit risk of derivative financial instruments and credit derivatives	7.708.267	21.568.363
6	Total derivative financial instruments and credit derivatives exposure	15.882.799	33.325.463
	Securities financing transaction exposure		
7	Total risk of gross securities financing transactions (excluding on-balance sheet exposure)	36.030.054	16.285.046
8	Agent transaction exposures	-	-
9	Total securities financing transaction exposures	36.030.054	16.285.046
	Off-balance sheet items		
10	Off-balance sheet exposure at gross notional amount	2.102.737.897	1.175.581.849
11	(Adjustments for conversion to credit equivalent amounts)	(66.661.674)	(63.168.751)
12	Total risk of off-balance sheet items	2.036.076.223	1.112.413.098
	Capital and total exposure		
13	Tier 1 capital	210.255.861	184.543.914
14	Total exposures	4.566.167.989	2.932.796.487
15	Leverage ratio (%)	4,61	6,30

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The arithmetic average of the last three months in the related periods.

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Explanations on the presentation of financial assets and liabilities at fair values:

The following table summarises the carrying values and fair values of some financial assets and liabilities of the Group. The carrying value represents the acquisition costs and accumulated interest accruals of corresponding financial assets or liabilities.

	Book v	alue	Fair va	lue
	Current period	Prior period	Current period	Prior period
Financial assets	1.954.228.296	1.464.758.735	1.901.769.668	1.479.763.469
Money markets receivables	-	-	-	-
Banks	63.746.099	56.822.176	63.886.473	56.962.050
Financial assets at fair value through other				
comprehensive income	133.689.512	97.017.989	133.689.512	97.017.989
Financial assets measured at amortised cost	387.925.377	318.113.094	341.310.805	300.731.388
Loans	1.368.867.308	992.805.476	1.362.882.878	1.025.052.042
Financial liabilities	2.074.242.692	1.551.941.648	2.084.141.582	1.551.390.735
Bank deposits	26.567.737	32.517.210	26.557.391	32.509.234
Other deposits	1.347.689.666	1.076.368.466	1.347.459.672	1.069.081.744
Funds borrowed from other financial institutions	297.330.401	161.034.843	299.568.553	164.302.780
Financial liabilities measured at fair value				
through profit or loss	75.234.394	71.167.000	75.234.394	71.167.000
Subordinated loans	61.931.598	36.846.139	66.372.958	36.968.295
Marketable securities issued	151.169.718	97.039.999	154.629.436	100.393.691
Miscellaneous payables	114.319.178	76.967.991	114.319.178	76.967.991

The fair values of deposits, banks, securities issued and funds borrowed from other financial institutions are determined by calculating the discounted cash flows using the current market interest rates.

The fair value of held-to-maturity assets is determined based on market prices or when this price is not available, based on market prices quoted for other securities subject to the same redemption qualifications in terms of interest, maturity and other similar conditions.

The expected fair value of loans and receivables is determined by calculating the discounted cash flows using the current market interest rates for the loans with fixed interest rates. For the loans with floating interest rates (such as overdrafts and credit card receivables), it is assumed that the carrying value approaches to the fair value.

TFRS 13, "Fair Value Measurement", requires classification of line items at fair value presented at the financial statements according to the defined levels. These levels depend on the observability of data used for fair value calculations. Classification for fair value is generated as followed below:

- Level 1: Assets or liabilities with prices recorded (unadjusted) in active markets
- Level 2: Assets or liabilities that are excluded in the Level 1 of recorded prices directly observable by prices or indirectly observable derived through prices observable from similar assets or liabilities
- Level 3: Assets and liabilities where no observable market data can be used for valuation

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According to these classification principles stated, the Group's classification of financial assets and liabilities carried at their fair value are as follows:

Current Period	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss	1 465 492	1 437 870	_	2.903.362
Financial assets measured at fair value through other comprehensive income	133.456.630	88.853	-	133.545.483
Derivative financial assets	-	16.794.905	-	16.794.905
Total assets	134.922.122	18.321.628	-	153.243.750
Financial liabilities at fair value through profit or loss	-	75.234.394	-	75.234.394
Derivative financial liabilities	-	18.966.255	-	18.966.255
Total liabilities	-	94.200.649	-	94.200.649

Prior Period	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss	1.318.932	958.553	-	2.277.485
Financial assets measured at fair value through other comprehensive income	96.755.650	131.623	-	96.887.273
Derivative financial assets	-	21.582.481	-	21.582.481
Total assets	98.074.582	22.672.657	-	120.747.239
Financial liabilities at fair value through profit or loss	-	71.167.000	-	71.167.000
Derivative financial liabilities	-	11.666.461	-	11.666.461
Total liabilities	-	82.833.461	-	82.833.461

The Group classify its buildings carried at their fair value within property and equipment under level 3.

Explanations on hedge accounting:

The Group applies the following hedge accounting models:

- Fair value Hedge ("FVH")
- Cash Flow Hedge ("CFH")
- Net Investment Hedge ("NIH")

If the fair value of the hedging instrument within fair value hedge ("FVH") is positive it is classified under, "Derivative financial assets measured at fair value through profit or loss"; if the fair value is negative, it is classified under "Derivative financial liabilities measured at fair value through profit or loss".

If the fair value of the hedging instrument under hedge of cash flow hedge ("CFH") is positive, it is classified under "Derivative financial assets measured at fair value through other comprehensive income "if the fair value is negative, it is classified under "Derivative financial liabilities measured at fair value through other comprehensive income".

Cross currency interest rate swaps and interest rate swaps are used as hedging instrument in FVH. Interest rate swaps, currency swaps and cross currency swaps are used as hedging instrument in CFH.

Contractual amounts and the fair values as at December 31, 2024 of these hedging instruments are presented in the table below:

	C	urrent Period			Prior Period	
Hedging instrument	Notional ⁽¹⁾	Asset	Liability	Notional ⁽¹⁾	Asset	Liability
Interest rate swap / Currency swap / Cross						
currency interest rate swap (CFH)	19.113.208	2.385.837	-	40.790.710	5.320.823	32.334
Interest rate swap / Cross currency interest						
rate swap (FVH)	1.910.062	157.268	-	2.161.865	200.069	358
Total	21.023.270	2.543.105	_	42.952.575	5.520.892	32.692

⁽¹⁾ Only the "sell" legs of the related derivatives are presented with the addition of the "buy" legs of these derivatives amounting to TL 21.023.269 (December 31, 2023 - TL 42.958.243) the total notional of derivative financial assets amounting to TL 42.046.539 (December 31, 2023 - TL 85.910.818) is accounted for in off-balance sheet under "Hedging Derivative Financial Instruments" line item.

The fair valuation methodology of the derivatives presented in the above table is disclosed in detail in the accounting principles section of these financial statements in Section 3 Part 4.

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10.1 Fair value hedge accounting:

The Group has hedged the possible fair value effects of changes in market interest rates and foreign exchange rates on some of its fixed rate foreign currency borrowings by using interest rate swaps, cross-currency interest rate

The impact of application of FVH accounting is summarized below;

Current Period						
						Net gain/(loss)
						recognised in the
			Fair value			income statement
			difference /			(Derivative
	Hedged item		adjustment			financial
Type of hedging	(asset and		of the hedged	Net fair	value of the	transactions
instrument	liability)	Nature of hedged risks	item ⁽¹⁾	hedging is	nstrument ⁽²⁾	gains/losses)(3)
				Asset	Liability	
	Funds	Fixed interest and changes in				
Interest rate swaps	Borrowed	foreign exchange rate risk	143.162	157.268	-	6.434

Prior Period						Net gain/(loss)
						recognised in the
Type of hedging instrument	Hedged item (asset and liability)	Nature of hedged risks	Fair value difference / adjustment of the hedged item ⁽¹⁾		value of the	income statement (Derivative financial transactions gains/losses)(3)
				Asset	Liability	,
Interest rate swaps/ Cross currency interest rate swaps	Funds Borrowed	Fixed interest and changes in foreign exchange rate risk	187.123	200.069	358	5.366

- (1) The amount refers to the fair value of the hedged item calculated for some of fixed interest loan portfolios and foreign currency funds borrowed in accordance with hedge accounting effectiveness tests. The foreign exchange rate changes of foreign currency fundings and cross-currency swaps are reflected to the income statement in foreign exchange gains / losses line item
- (2) The amounts include the foreign exchange differences and net straight line interest accruals of the related derivatives.
- (3) Ineffective portion of the mentioned hedging transaction is amounting to TL 14.749 gain (December 31, 2023 TL 22.012 gain)

At the inception date, the Group documents the relationship between the hedging instruments and hedged items required by the FVH accounting application in accordance with "TAS 39- Financial Instruments: Recognition and Measurement" and its own risk management policies and principles. Every individual relationship is approved and documented in the same methodology. In accordance with "TAS 39- Financial Instruments: Recognition and Measurement", the effectiveness tests of the relationships are performed in accordance with the Group's risk management policies. In the effectiveness tests, the fair values of the hedged item are calculated using the same assumptions used in calculation of fair values of the derivatives.

The effectiveness tests are performed prospectively and retrospectively on a monthly basis and the effectiveness of risk relationships are measured. At the inception date the effectiveness tests are performed prospectively. If the underlying hedge does not conform to the FVH accounting requirements (out of the 80% - 125% effectiveness range) or if the management voluntarily decides to discontinue the hedging relation, the adjustments made to the carrying value (amortized cost) of the hedged item are amortized with the straight line method and recognized in the profit or loss accounts within the remaining maturity. In addition if the hedging instrument is sold or closed before its maturity, the amount of the fair value adjustments of the hedged items are amortized to profit or loss accounts with the straight line method within the remaining maturity.

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10.2 Cash flow hedge accounting:

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The Group apply macro and micro cash flow hedge accounting in order to hedge its cash flow risk from floating interest rate liabilities. The hedging instruments are USD, EUR and TL interest rate swaps, currency swaps and cross currency swaps with floating receive, fixed pay legs, and the hedged item is the cash outflows due to financing of interests of repricing and exchange rate changes USD, EUR and TL deposits, lease receivables, borrowings and repos.

The of application of CFH accounting is summarized below:

Current Period Type of hedging instrument	Hedged item (asset and liability)	Nature of hedged risks		r value of the g instrument	Net gain/(loss) recognized in hedging funds ⁽¹⁾	Net gain/(loss) reclassified to equity ⁽²⁾⁽³⁾
			Asset	Liability		
Interest rate swaps/						
currency swaps/Cross	Customer deposits,	Cash flow risk due				
currency interest rate	repos, lease receivables	to the changes in				
swaps	and borrowings	the interest rates	2.385.837	-	2.138.858	(1.088.702)

Prior Period Type of hedging instrument	Hedged item (asset	Nature of hedged risks		ir value of the ng instrument	Net gain/(loss) recognized in hedging funds ⁽¹⁾	Net gain/(loss) reclassified to equity ⁽²⁾⁽³⁾
			Asset	Liability		
Interest rate swaps/ currency swaps/Cross currency interest rate	Customer deposits, repos, lease receivables	Cash flow risk due to the changes in				
swaps	and borrowings	the interest rates	5.320.823	32.334	3.227.560	(2.151.990)

- (1) Includes deferred tax impact
- (2) Includes tax and foreign exchange differences.
- (3) The ineffective portion of the mentioned hedging transaction is TL 668,781 gain (December 31, 2023 TL 594,177 gain).

The Group documents the relationship between the hedging instruments and hedged items required by the CFH accounting application in accordance with "TAS 39 - Financial Instruments: Recognition and Measurement" and its own risk management policies and principles. Every individual relationship is approved and documented in the same way. In accordance with "TAS 39 - Financial Instruments: Recognition and Measurement", the effectiveness tests of the relationships are performed in accordance with the Bank's risk management policies.

The effectiveness tests are performed on a monthly basis and the effectiveness of risk relationships are measured. If the underlying hedge does not conform to the CFH accounting requirements (out of the 80% - 125% effectiveness range) or if the management voluntarily decides to discontinue the hedging relation or the hedging instrument is sold or closed before its maturity, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs or is no longer expected to occur. When the hedged forecasted transactions are no longer expected to occur, the net cumulative gain or loss is reclassified from other comprehensive income to profit or loss.

10.3 Hedge From Foreign Net Investment Risk:

The Group hedges part of the currency translation risk of net investments in foreign operations through foreign currency borrowings. The Group's Euro denominated borrowing is designated as a hedge of the net investment in the Group's certain EUR denominated subsidiaries. The total amount of the borrowing designated as a hedge of the net investment at December 31, 2024 is EUR 665 million (December 31, 2023 - EUR 528 million).

11. Explanations on the activities carried out on behalf of others and fiduciary transactions:

The Group carries out trading, custody, management and consulting services on behalf of customers and on their account. The Group has no fiduciary transactions.

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12. Explanations on consolidated operating segments:

The Group carries out its banking operations through three main business units:

Retail Banking

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- Corporate Banking
- Commercial and SME Banking.

The Parent Bank's Retail Banking activities include card payment systems, individual, individual portfolio, blue class, private banking. Retail Banking products and services offered to customers include card payment systems, consumer loans (including general purpose loans, auto loans, mortgages), commercial installment loans, time and demand deposits, gold banking, investment accounts, life and non-life insurance products and payroll services. In addition, customers who receive their monthly salary/SSI payments through our bank are offered privileges covering various banking transactions. Card payment systems cover the management of products, services, campaigns for member merchants as well as the sales and activities for a variety of customer types. Crystal, Play, Adios and Taksitçi are the other card brands providing services for the different segments within the World brand, shopping and marketing platform of the Parent Bank. Through its Blue Class and Private Banking activities, the Bank serves high net worth customers and delivers investment products to this customer segment. Among the products and services offered to Private Banking customers are time deposit products, mutual funds, foreign exchange, gold and equity trading.

Also, personal art advisory, inheritance advisory, real estate advisory, tax advisory, education and philanthropic advisory are offered within the Private Banking and Wealth Management activities.

Corporate, Commercial and SME Banking segment is organized into three subgroups: Corporate Banking for large-scale, international and multinational companies and Commercial Banking for medium-sized enterprises and SME Banking for SME companies. Corporate and Commercial Banking, has a product range of working capital finance, trade finance, project finance, domestic and international non-cash loans such as letters of credit and letters of guarantee, cash management, internet banking, financial advisory and equity management advisory. SME Banking offer to customers SME loans and SME banking packages products.

The Group's widespread branch network and alternative distribution channels including ATMs, telephone banking, internet banking and mobile banking are utilized to serve customers in all segments. Foreign operations include the Group's banking operations in the Netherlands, Germany and Azerbaijan. Treasury, Asset – Liability Management and other operations, mainly consist of treasury management's results, operations of supporting business units and other unallocated transactions.

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Major balance sheet and income statement items based on operating segments:

The below table is prepared in accordance with the Management Information System (MIS) data of the Bank.

			C :1	04	0.1	Treasury, Asset-		
Current Period	Retail banking	Corporate banking	Commercial and SME banking	Other foreign operations	Other domestic operations	Liability Management and Other	Consolidation adjustments ⁽¹⁾	Total operations of the Group
Operating income	80.808.175	18.505.872	53.650.523	5.207.028	13.828.351	55.044.989	(222.216)	226.822.722
Operating expenses	(50.733.840)	(1.236.406)	(11.723.803)	(1.658.682)	(3.240.827)	(126.368.335)	222.216	(194.739.677)
Net operating income / (expense)	30.074.335	17.269.466	41.926.720	3.548.346	10.587.524	(71.323.346)	-	32.083.045
Dividend income ⁽²⁾ Profit/loss from equity accounted subsidiaries ⁽²⁾	-	-	-	-	-	112.077 1.498.790	-	112.077 1.498.790
Profit before tax	30.074.335	17.269.466	41.926.720	3.548.346	10.587.524	(69.712.479)	_	33,693,912
Tax expense ⁽²⁾	-	-	-	-	-	(4.674.920)	_	(4.674.920)
Net period income	30.074.335	17.269.466	41.926.720	3.548.346	10.587.524	(74.387.399)	-	29.018.992
Minority interest (-)	-	-	-	-	-	(2.169)	-	(2.169)
Group income/loss	30.074.335	17.269.466	41.926.720	3.548.346	10.587.524	(74.389.568)	-	29.016.823
Segment assets Investments in associates,	537.745.837	223.352.741	385.324.156	142.901.231	87.174.684	1.178.837.704	(10.853.019)	2.544.483.334
subsidiaries and joint ventures	_	_	_	-	_	9.397.450	_	9.397.450
Total assets	537.745.837	223.352.741	385.324.156	142.901.231	87.174.684	1.188.235.154	(10.853.019)	2.553.880.784
Segment liabilities Shareholders' equity	828.940.954	127.143.741	250.655.068	115.990.556	68.147.950	981.041.988 192.813.546	(10.853.019)	2.361.067.238 192.813.546
Total liabilities	828.940.954	127.143.741	250.655.068	115.990.556	68.147.950	1.173.855.534	(10.853.019)	2.553.880.784

			Commercial	Other	Other	Treasury, Asset- Liability		
Prior Period	Retail banking	Corporate banking	and SME banking	foreign operations	domestic operations	Management and Other	Consolidation adjustments ⁽¹⁾	Total operations of the Group
Operating income	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	(26.116.281)	(5.583.817)	(7.048.449)	(968.739)	(2.052.751)	(31.601.954)	138.082	(73.233.909)
Net operating income / (expense)	32.382.175	7.003.119	35.921.598	2.244.186	6.767.387	(980.215)	_	83.338.250
Dividend income ⁽²⁾ Profit/loss from equity accounted subsidiaries ⁽²⁾	-	-	-	-	-	66.864 1.623.787	-	66.864 1.623.787
Profit before tax	32.382.175	7.003.119	35,921,598	2.244.186	6.767.387	710.436	_	85.028.901
Tax expense ⁽²⁾	-	-	-	-	-	(17.018.737)	_	(17.018.737)
Net period income	32.382.175	7.003.119	35.921.598	2.244.186	6.767.387	(16.308.301)	_	68.010.164
Minority interest (-)	_	-	-	-	-	(1.328)	-	(1.328)
Group income/loss	32.382.175	7.003.119	35.921.598	2.244.186	6.767.387	(16.309.629)	-	68.008.836
Segment assets Investments in associates,	380.947.485	185.429.804	244.868.623	98.276.152	65.182.560	889.638.296	(8.109.458)	1.856.233.462
subsidiaries and joint ventures	-			-		7.139.938	-	7.139.938
Total assets	380.947.485	185.429.804	244.868.623	98.276.152	65.182.560	896.778.234	(8.109.458)	1.863.373.400
Segment liabilities Shareholders' equity	618.836.337	92.977.510	239.218.000	79.190.818	53.466.953	608.767.747 178.880.993	(7.964.958)	1.684.492.407 178.880.993
Total liabilities	618.836.337	92,977,510	239.218.000	79.190.818	53,466,953	787.648.740	(7.964.958)	1.863.373.400

- (1) Consolidation adjustments include transactions with subsidiaries and investments consolidated in these financial statements
- (2) Related items expenses have not been distributed based on operating segments and have been presented under "Treasury, Asset-Liability Management and Other".

13. Explanations on fees for services received from independent auditor(1):

	Current Period	Prior Period
Independent audit fee	51.001	22.630
Tax advisory services fee	1.583	935
Other assurance services fee	11.075	9.245
Total	63.659	32.810

(1) Value added tax (VAT) excluded amounts are presented.

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Section Five - Explanations and notes related to consolidated financial statements

Explanations and notes related to consolidated assets:

1.1. Information related to cash and the account of the Central Bank:

1.1.1. Information on cash and the account of the CBRT:

		Current Period		
	TL	FC	TL	FC
Cash	5.667.508	15.576.820	3.656.106	18.521.163
The CBRT ⁽¹⁾	204.554.231	162.373.691	98.386.789	142.963.897
Other	-	27.343.962	-	15.511.534
Total	210.221.739	205.294.473	102.042.895	176.996.594

⁽¹⁾ The balance of gold amounting to TL 29.862.248 is accounted for under the Central Bank foreign currency account (December 31, 2023 - TL 17.611.624).

1.1.2. Information on the account of the CBRT:

	-	Current Period		
	TL	FC	TL	FC
Unrestricted demand amount (1)	143.217.836	66.730.541	86.406.051	59.857.962
Unrestricted time amount	-	-	-	-
Restricted time amount	-	-	-	-
Reserve requirement(2)	61.336.395	95.643.150	11.980.738	83.105.935
Total	204.554.231	162.373.691	98.386.789	142,963,897

⁽¹⁾ The TL reserve requirement has been classified in "Central Bank Demand Unrestricted Account" based on the correspondence with BRSA letter as of January 3 2008

1.2. Information on financial assets measured at fair value through profit or loss:

The Group does not have financial assets measured at fair value through profit or loss subject to repo transactions and given as collateral/blocked (December 31, 2023 - None).

1.3. Information on derivative financial assets:

1.3.1. Positive differences related to derivative financial assets held for trading:

	1	Current Period			
	TL	FC	TL	FC	
Forward transactions	634.054	431.244	814.178	9.974	
Swap transactions	4.624.581	8.080.939	8.577.577	6.623.625	
Futures transactions	180.556	-	4.012	-	
Options	198.479	101.947	31.050	1.173	
Other	-	-	-	-	
Total	5,637,670	8.614.130	9.426.817	6,634,772	

1.3.2. Positive differences related to derivative financial assets held for hedging:

_	(Prior Period		
_	TL	FC	TL	FC
Fair value hedges ⁽¹⁾	-	157.268	-	200.069
Cash flow hedges ⁽¹⁾	544.323	1.841.514	1.857.907	3.462.916
Hedges for investments made in foreign countries	-	-	-	-
Total	544.323	1.998.782	1.857.907	3.662.985

⁽¹⁾ Explained in Note 10 of section 4.

1.4. Information on banks:

1.4.1. Information on banks:

		Current Period		
	TL	FC	TL	FC
Banks				
Domestic	9.320.887	21.066.090	7.448.997	14.461.451
Foreign	81.897	33.277.225	1	34.911.727
Head quarters and foreign branches	_	-	-	-
Total	9.402.784	54.343.315	7.448.998	49.373.178

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⁽²⁾ The Group keeps TL, USD, EUR and Gold reserve deposits for its TL and FX liabilities at Central Bank accounts in accordance with the legislation of the Central Bank numbered 2013/15, "Decree on Reserve Deposits"

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1.4.2. Information on foreign banks account:

	Unrestricted amount			Restricted amount
	Current Period	Prior Period	Current Period	Prior Period
EU countries	5.927.373	6.773.643	145.077	123.554
USA, Canada	23.657.632	25.004.236	3.015.362	2.358.509
OECD countries (1)	58.478	109.226	-	-
Off-shore banking regions	2.374	1.708	-	-
Other	552.826	540.852	-	-
Total	30.198.683	32.429.665	3.160.439	2.482.063

⁽¹⁾ OECD countries except EU countries, USA and Canada.

1.4.3. Information on money markets receivables:

As of December 31, 2024 the Group has no money market receivables (December 31, 2023 – None).

1.5. Information on financial assets at fair value through other comprehensive income which are subject to repurchase agreements and given as collateral / blocked:

As of December 31, 2024 financial assets measured at fair value through other comprehensive income given as repo transactions amounting to TL 48.049.321 (December 31, 2023 - TL 10.388.515). The securities subject to collateral/blocked are TL 29.478.473 (December 31, 2023 - TL 16.848.459).

1.6. Information on financial assets at fair value through other comprehensive income:

_	Current Period	Prior Period
Debt securities	140.572.120	101.757.174
Quoted on stock exchange	140.566.495	101.756.131
Not quoted	5.625	1.043
Share certificates	272.695	242.543
Quoted on stock exchange	4.980	4.183
Not quoted	267.715	238.360
Impairment (-) ⁽¹⁾	7.155.303	4.981.728
Total	133.689.512	97.017.989

⁽¹⁾ Includes the negative differences between the acquisition cost and the market price, related to the securities portfolio.

1.7. Explanations on loans:

1.7.1. Information on all types of loans or advance balances given to shareholders and employees of the Group:

		Current Period		
	Cash	Non-cash	Cash	Non-cash
Direct loans granted to shareholders	-	-	-	-
Corporate shareholders	-	-	-	-
Real person shareholders	-	-	-	-
Indirect loans granted to shareholders	19.895	629.218	35.697	1.304.299
Loans granted to employees	1.367.797	4.888	923.666	3.906
Total	1.387.692	634.106	959.363	1.308.205

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1.7.2. Information on the first and second group loans and other receivables and loans and other receivables that have been restructured or rescheduled:

		Loai	ns under close monitoring	
			Loans under resti	ucturing
			Modifications on	
		Not under the scope	agreement	
Cash Loans	Standard Loans	of restructuring	conditions	Refinancing
Non-specialised loans	1.117.492.953	52.901.327	5.544.650	87.907.297
Loans given to enterprises	292.826.941	9.218.914	5.356.649	55.707.975
Export loans	153.794.454	3.932.584	141.444	841.757
Import loans	-	-	-	-
Loans given to financial sector	28.456.136	-	-	-
Consumer loans	193.200.969	18.243.211	12.835	8.725.002
Credit cards	292.169.421	17.202.823	-	13.537.691
Other	157.045.032	4.303.795	33.722	9.094.872
Specialised loans	-	-	-	-
Other receivables	61.838.234	2.183.997	-	-
Total	1.179.331.187	55.085.324	5.544.650	87.907.297

	Standard loans	Loans under close monitoring
12-month provisions for possible losses	5.202.805	-
Significant increase in credit risk	-	16.741.860
Total	5.202.805	16.741.860

1.7.3. Loans according to their maturity structure:

		Loans under close monitoring	
		Not under the scope of restructuring	Agreement conditions
	Standard Loans		modified
Short-term loans	729.953.679	34.970.907	12.455.459
Medium and long-term loans	449.377.508	20.114.417	80.996.488
Total	1.179.331.187	55 085 324	93 451 947

1.7.4. Information on loans by types and specific provisions

1.7.4.1. Information on loans by types and specific provisions:

Current Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial Leasing	Factoring	Total
Standard loans	632.122.563	193.200.969	292.169.421	38.502.467	23.335.767	1.179.331.187
Watch list	88.631.712	26.981.048	30.740.514	1.362.536	821.461	148.537.271
Loans under legal follow-up	19.979.869	11.796.193	8.576.680	421.068	225.040	40.998.850
Specific provisions (-)	10.256.012	10.092.705	5.932.512	296.237	199.364	26.776.830
Total	730.478.132	221.885.505	325.554.103	39.989.834	24.182.904	1.342.090.478

Prior Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial Leasing	Factoring	Total
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
Total	532.570.338	174.873.572	220.767.792	32.174.750	12.702.184	973.088.636

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1.7.4.2. Specific provisions on loans:

Current Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial leasing receivables	Factoring receivables	Total
Opening balance	12.246.986	5.503.201	1.590.788	276.276	99.589	19.716.840
Allowance for impairment	6.065.440	9.109.579	7.382.375	184.700	107.482	22.849.576
Amount recovered during the period (-)	7.475.528	892.897	1.630.896	176.156	7.706	10.183.183
Loans written off during the period as uncollectible (-)	604.525	3.663.512	1.416.062	-	-	5.684.099
Exchange difference	23.639	36.334	6.306	11.417	-	77.696
Total	10.256.012	10.092.705	5.932.511	296.237	199.365	26.776.830

Prior Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial leasing receivables	Factoring receivables	Total
Opening balance	10.587.775	4.284.070	1.281.113	367.751	72.096	16.592.805
Allowance for impairment	4.377.284	5.639.691	1.098.481	164.787	48.391	11.328.634
Amount recovered during the period (-)	1.914.351	2.703.959	342.854	276.355	20.898	5.258.417
Loans written off during the period as uncollectible (-)	904.702	1.795.697	459.996	-	-	3.160.395
Exchange difference	100.980	79.096	14.044	20.093	-	214.213
Total	12.246.986	5.503.201	1.590.788	276.276	99.589	19.716.840

1.7.4.3. Fair value of collaterals:

Current Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial Leasing	Factoring	Total
Watch List	60.130.419	934.668	-	1.362.536	-	62.427.623
Loans under legal follow-up	8.077.566	369.890	-	421.068	-	8.868.524
Total	68,207,985	1.304.558	-	1.783.604	-	71.296.147

Prior Period	Corporate, commercial and other loans	Consumer loans	Credit cards	Financial Leasing	Factoring	Total
Watch List	42.290.303	319.802	-	847.295	-	43.457.400
Loans under legal follow-up	7.759.063	103.889	-	402.132	-	8.265.084
Total	50.049.366	423.691	-	1.249.427	-	51.722.484

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1.7.5. Information on consumer loans, individual credit cards, personnel loans and personnel credit cards:

		Medium	
	Short-term	and long-term	Tota
Consumer loans-TL	69.801.501	67.343.683	137.145.184
Real estate loans	15.438	14.790.955	14.806.39
Automotive loans	4.752.130	7.416.543	12.168.67
Consumer loans	65.033.933	45.136.185	110.170.11
Other	-	=	
Consumer loans-FC indexed	_	26.828	26.82
Real estate loans	-	26.828	26.82
Automotive loans	-	=	
Consumer loans	_	-	
Other	_	-	
Consumer loans-FC	81.784	2.155.865	2.237.64
Real estate loans	5.118	959 859	964.97
Automotive loans	516	-	51
Consumer loans	34.587	1.159.685	1.194.27
Other	41.563	36.321	77.88
Individual credit cards-TL	276.414.811	8.251.506	284.666.31
With installments	99.565.762	7.763.866	107.329.62
Without installments	176.849.049	487.640	177.336.68
Individual credit cards-FC	959.664	185.988	1.145.65
With installments	26.828	165.301	192.12
Without installments	932.836	20.687	953.52
Personnel loans-TL	345.868	236.841	582.70
Real estate loans	243.000	1 696	1.69
Automotive loans	6.454	3.687	10.14
Consumer loans	339.414	231.458	570.87
Other	337.414	231.436	370.67
Personnel loans-FC indexed	-	_	
Real estate loans	_		
Automotive loans	_	_	
Consumer loans	-	-	
Other	-	-	
Personnel loans-FC	1.383	148.317	149.70
Real estate loans	1.565	140.517	147.70
Automotive loans	_	_	
Consumer loans	1.383	148.317	149.70
Other	1.383	148.317	149.70
Personnel credit cards-TL	582,296	3.579	585.87
With installments	209.250	3.579	212.82
Without installments	373 046	3.379	373.04
Personnel credit cards-FC	6.345	2.332	8.67
With installments	0.345 21	2.332	2.35
Without installments	6.324	4.334	6.32
Without installments Credit deposit account-TL (Real Person)(1)	6.324 80.039.906	-	80.039.90
Credit deposit account-TL (Real Person)	80.039.906 41	-	80.039.90
Total	428.233.599	78.354.939	506,588,53

⁽¹⁾ TL 90.176 of the credit deposit account belongs to the loans used by personnel.

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1.7.6. Information on installment based commercial loans and corporate credit cards:

		Medium	
	Short-term	and long-term	Total
Commercial installments loans-TL	9.542.704	108.644.623	118.187.327
Business loans	-	918.049	918.049
Automotive loans	2.241.098	26.225.064	28.466.162
Consumer loans	7.301.606	81.501.510	88.803.116
Commercial installments loans-FC indexed	-	-	-
Business loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Corporate credit cards-TL	36.259.814	221.422	36.481.236
With installment	9.313.753	219.898	9.533.651
Without installment	26.946.061	1.524	26.947.585
Corporate credit cards-FC	22.140	38	22.178
With installment	-	-	-
Without installment	22.140	38	22.178
Credit deposit account-TL (legal person)	12.038.039	-	12.038.039
Total	57.862.697	108.866.083	166.728.780

1.7.7. Distribution of domestic and foreign loans⁽¹⁾:

	Current Period	Prior Period
Public	23.022.589	25.863.648
Private	1.304.845.869	938.354.536
Total	1,327,868,458	964.218.184

⁽¹⁾ Non-performing loans are not included.

1.7.8. Distribution of domestic and foreign loans⁽¹⁾:

Distribution has been disclosed based on the location where the customers operate:

	Current Period	Prior Period
Domestic loans	1.273.973.963	916.706.846
Foreign loans	53.894.495	47.511.338
Total	1.327.868.458	964,218,184

⁽¹⁾ Non-performing loans are not included.

1.7.9. Loans granted to associates and subsidiaries:

	Current Period	Prior Period
Direct loans granted to associates and subsidiaries	777.318	46.775
Indirect loans granted to associates and subsidiaries	-	-
Total	777.318	46,775

1.7.10. Information on credit-impaired (Stage 3):

	Current Period	Prior Period
Loans and other receivables with limited collectability	6.175.464	2.075.684
Loans and other receivables with doubtful collectability	10.317.828	6.932.381
Uncollectible loans and other receivables	10.283.538	10.708.775
Total	26.776.830	19.716.840

1.7.11. Information on non-performing loans (net):

1.7.11.1.Information on non-performing loans restructured or rescheduled, and other receivables:

	III. Group	IV. Group	V. Group
	Loans with limited	Loans with doubtful	
	collectibility	collectibility	Uncollectible loans
Current Period			
(Gross amounts before provisions)	1.788.723	2.274.003	5.760.349
Restructured loans	1.788.723	2.274.003	5.760.349
Prior Period			
(Gross amounts before provisions)	587.712	809.841	6.835.454
Restructured loans	587.712	809.841	6.835.454

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

	III. Group	IV. Group	V. Group
	Loans with limited collectibility	Loans with doubtful collectibility	Uncollectible loans
Prior Period	3.176.600	10.496.595	14.914.097
Additions (+)	29.152.579	2.081.694	4.615.148
Transfers from other categories of non-performing loans (+)	-	18.808.920	12.363.142
Transfer to other categories of non- performing loans (-)	18.808.920	12.363.142	-
Collections (-)	3.555.840	3.817.391	10.588.635
FX valuation differences	3.678	156	204.268
Write-offs (-)			16.778
Sale (-)	-	-	5.667.321
Corporate and commercial loans	-	-	604.525
Consumer loans	-	-	3.646.878
Credit cards	-	-	1.415.918
Other	-	-	-
Current Period	9.968.097	15.206.832	15.823.921
Provision (-)	6.175.464	10.317.828	10.283.538
Net balance on balance sheet	3.792.633	4.889.004	5.540.383

TL 5.994.895 of non-performing loans, some of which were written off in previous periods, were sold to various asset management companies, by the decisions of the board of directors for TL 1.907.300.

1.7.11.3. Information on non-performing loans granted as foreign currency loans:

	III. Group	IV. Group	V. Group
	Loans with limited	Loans with doubtful	
	collectibility	collectibility	Uncollectible loans
Current Period			
Period end balance	134.056	1.371.808	8.074.492
Provision (-)	95.980	1.008.982	4.106.869
Net balance on-balance sheet	38.076	362.826	3.967.623
Prior Period			
Period end balance	187.982	6.885.068	8.013.781
Provision (-)	177.722	4.353.764	4.985.900
Net balance on-balance sheet	10.260	2.531.304	3.027.881

1.7.11.4. Information on the gross and net amounts of the non-performing loans according to types of borrowers:

	III. Group	IV. Group	V. Group
	Loans with limited	Loans with doubtful	•
	collectibility	collectibility	Uncollectible loans
Current Period (net)	3.792.633	4.889.004	5.540.383
Loans granted to real persons and corporate entities (gross)	9.968.097	15.206.832	15.739.758
Provision amount (-)	6.175.464	10.317.828	10.199.375
Loans granted to real persons and corporate entities (net)	3.792.633	4.889.004	5.540.383
Banks (gross)	-	-	774
Provision amount (-)	-	-	774
Banks (net)	-	-	-
Other loans (gross)	-	-	83.389
Provision amount (-)	-	-	83.389
Other loans (net)	-	-	-
Prior Period (net)	1.100.916	3.564.214	4.205.322
Loans granted to real persons and corporate entities (gross)	3.176.600	10.496.595	14.829.423
Provision amount (-)	2.075.684	6.932.381	10.624.101
Loans granted to real persons and corporate entities (net)	1.100.916	3.564.214	4.205.322
Banks (gross)	-	-	774
Provision amount (-)	-	-	774
Banks (net)	-	-	-
Other loans (gross)	-	-	83.900
Provision amount (-)	-	-	83.900
Other loans (net)	-	-	-

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1.7.11.5. Information on interest accruals, rediscounts and valuation differences calculated for non-performing loans and their provisions:

	III. Group	IV. Group	V. Group
	Loans with limited collectibility	Loans with doubtful collectibility	Uncollectible loans
Current Period (net)	718.936	788.929	208.601
Interest accruals and rediscounts and valuation differences	1.621.905	2.316.775	1.681.252
Provision amount (-)	902.969	1.527.846	1.472.651
Prior Period (net)	132.452	195.355	199.668
Interest accruals and rediscounts and valuation differences	327.091	605.675	1.610.291
Provision amount (-)	194.639	410.320	1.410.623

1.7.12. Explanation on liquidation policy for uncollectible loans and receivables:

Uncollectible loans and receivables, which are classified in accordance with the Provisioning Regulation, are collected through legal follow-up, voluntary payments and liquidation of collaterals.

1.7.13. Explanation on "Write-off" policies:

In order to ensure the liquidation of non-performing loans and other receivables related to the liquidation policy, to provide the maximum collection all possible alternatives within the framework of the legislation are applied, and in case of collection, liquidation or receivables with no possibility of restructuring, the legal follow-up and conversion of collaterals into cash method is applied.

The receivables that are determined to be uncollectible in the Legal Follow-up process regarding the write-off policy can be deleted by the resolution of the Board of Directors by fulfilling the requirements in the relevant laws, regulations and internal directives.

Besides, in accordance with the changes on "Provisioning Regulation" published in the Official Gazette No. 30961 dated November 27, 2019 by BRSA, the Parent Bank, during the period deemed appropriate under TFRS 9, may write off part of the loans in appropriate meantime for which the Parent Bank has no reasonable expectation of recovery and that are classified under group 5 with a life time expected credit loss due to the default of debtor, in an appropriate timeline starting from the following reporting date that the loan is classified in group 5. Write off is only an accounting application in accordance with the related change in the regulation and it does not result in waive from the Parent Bank's right to receive.

1.8. Information on financial assets at amortized cost:

1.8.1. Information on financial assets measured at amortised cost which are subject to repurchase agreements and given as collateral / blocked:

As of December 31, 2024 financial assets measured at amortised cost given as repo transactions amounting to TL 180.828.762 (December 31, 2023 - TL 53.304.273). The securities subject to collateral/blocked are TL 145.381.386 (December 31, 2023 – TL 122.737.604).

1.8.2. Information on public sector debt securities measured at amortized cost:

	Current Period	Prior Period
Government bond	364.154.449	302.772.173
Treasury bill	-	-
Other debt securities	23.770.928	15.340.921
Total	387.925.377	318.113.094

1.8.3. Information on financial assets measured at amortized cost:

	Current Period	Prior Period
Debt securities	401.241.146	326.959.503
Quoted on stock exchange	401.241.146	326.959.503
Not quoted	=	-
Impairment (-) ⁽¹⁾	13.315.769	8.846.409
Total	387.925.377	318.113.094

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1.8.4. Movement of financial assets measured at amortized cost within the period:

	Current Period	Prior Period
Beginning balance	318.113.094	168.826.257
Foreign currency differences on monetary assets(1)	65.740.684	88.902.326
Purchases during year	29.958.564	70.084.788
Disposals through sales and redemptions(-)	21.417.605	5.514.015
Impairment (-) ⁽²⁾	4.469.360	4.186.262
Period end balance	387.925.377	318.113.094

- (1) Also includes the changes in the interest income accruals
- (2) Includes amortization of the premiums paid during the purchase of the securities throughout the maturity of the securities.

1.9. Information on investments in associates (net):

1.9.1. Information on unconsolidated investments in associates:

			The Parent Bank's	Bank's risk
			shareholding percentage	group
		Address	 if different voting 	shareholding
No	Description	(City/ Country)	percentage (%)	percentage (%)
1	Tanı Pazarlama ve İletişim Hizmetleri A.Ş. (1)	Istanbul/Türkiye	38,05	38,05
2	Kredi Kayıt Bürosu ⁽²⁾	Istanbul/ Türkiye	18,18	18,18
3	Bankalararası Kart Merkezi A.Ş ⁽²⁾	Istanbul/ Türkiye	4,89	4,89

1.9.2. Main financial figures of the investments in associates in the order of the above table:

	Total	Shareholders'	Total fixed	Interest	Income from marketable securities	Current period profit /	Prior period	Market
No	assets	equity	assets	Income	portfolio	loss	profit / loss	Value
1	285.792	(484.872)	176.073	600	-	(253.542)	(228.814)	-
2	3.029.243	827.801	842.178	202.322	-	517.710	128.363	-
3	5.664.287	5.036.126	1.180.498	1.069.126	-	1.409.365	3.530.564	-

⁽¹⁾ At the extraordinary general assembly meeting of Tanı Pazarlama ve İletişim Hizmetleri A.Ş. dated January 13, 2025, it was decided to increase the capital to TL 171.717. After the capital increase, the Parent Bank's share increased to 38,17%.

1.9.3. Consolidated investments in associates: 1.9.4. Information on consolidated investments in associates:

No	Description	Address (City/ Country)	The Parent Bank's shareholding percentage - if different voting percentage (%)	Other Shareholders' shareholding percentage (%) ⁽¹⁾
1	Banque de Commerce et de Placements S.A.	Geneva/ Switzerland	30,67	-
2	Allianz Yaşam ve Emeklilik A.Ş.	Istanbul/ Türkiye	· -	20,00

⁽¹⁾ The other shareholders represent the consolidated Group companies

1.9.5. Main financial figures of the consolidated investments in associates in order of the above table:

No	Total assets	Shareholders' equity	Total fixed assets	Interest Income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit / loss	Market Value
1	149.195.838	27.503.516	103.386	7.485.908	1.194.144	1.729.531	1.166.474	-
2	22 478 970	6 632 456	628 880	4 930 769	_	3 474 513	2.060.756	_

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⁽¹⁾ Includes amortization of the premiums paid during the purchase of the securities throughout the maturity of the securities.

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1.9.6. Movement of consolidated investments in associates:

	Current Period	Prior Period
Balance at the beginning of the period	7.069.176	3.526.931
Movements during the period	2.257.512	3.542,245
Purchases	-	-
Bonus shares obtained profit from current year's share	_	-
Profit from current year's income	1.498.790	1.623.787
Sales(-)	_	-
Foreign exchange gain/(loss) items from the foreign subsidiaries ⁽¹⁾	1.025.838	2.123.083
Impairment (-) ⁽²⁾	267.116	204.625
Balance at the end of the period	9.326.688	7.069.176
Capital commitments	-	-
Shareholding percentage at the end of the period (%)	-	-

⁽¹⁾ Includes the differences in the other comprehensive income related with the equity method accounting

1.9.7. Information on sectors and the carrying amounts of consolidated investments in associates:

	Current Period	Prior Period
Banks	7.820.018	6.170.284
Insurance companies	1.506.670	898.892
Total	9.326.688	7.069.176

1.9.8. Investments in associates quoted on stock exchange:

None (December 31, 2023-None).

1.10. Information on subsidiaries (net):

There is no deficit of regulatory limits on capital structure of the subsidiaries which are included in the consolidated capital adequacy ratio calculation in accordance with the capital adequacy ratio limits.

1.10.1. Information on shareholders' equity of the significant subsidiaries:

	Yapı Kredi Yatırım Menkul Değerler A.Ş.	Yapı Kredi Faktoring A.Ş.	Yapı Kredi Finansal Kiralama A.O.	Yapı Kredi Portföy Yönetimi A.Ş.	Yapı Kredi Bank Nederland N.V.
Core capital					
Paid in Capital	98 918	130 000	389 928	32 642	112 442
Inflation adjustment to share capital	-	-	-		-
Share premium	_	_	_	_	_
Other Capital Reserves	117 569	_	(217.104)	_	_
Other comprehensive income that will			(,		
not be classified under profit or loss	16.116	(21.438)	(43.268)	(7.512)	_
Other comprehensive income that will		()	()	()	
be classified under profit or loss	(281)	-	25.796	_	15.853.378
Legal Reserves	98.890	26.000	79.305	44.228	-
Extraordinary Reserves	3.879.330	1.619.575	5.351.463	_	3.477.456
Other Profit Reserves	-	-	-	_	-
Income or Loss	3.528.400	1.176.312	2.449.649	1.798.512	2.396.101
Current Year Income/Loss	3.598.346	1.176.312	2.361.234	1.435.891	2.396.101
Prior Years' Income/Loss	(69.946)	-	88.415	362.621	-
Leasehold improvements (-)	` -	1.965	510	249	39
Intangible assets (-)	88.480	50.348	89.115	3.720	32.916
Total Tier I capital	7.650.462	2.878.136	7.946.144	1.863.901	21.806.422
Tier II capital	25.160	88.104	247.868	-	145.889
Capital	7.675.622	2.966.240	8.194.012	1.863.901	21.952.311
Deductions from the capital	-	-	-	-	-
Total shareholders' equity	7.675.622	2.966.240	8.194.012	1.863.901	21.952.311

The above information is based on the information extracted from the individual financial statements of subsidiaries, used for consolidated financial statements of the Bank as of December 31, 2024.

The internal capital adequacy for the subsidiaries is calculated with the model and approaches used in the Parent Bank within the scope of the consolidated ICAAP report.

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Paid-in capital is a capital which have been disclosed as Turkish Lira in the articles of incorporation and registered in trade register.

Inflation adjustment to share capital is the adjustment difference arising from inflation accounting.

Extraordinary Reserves are the reserves which represent the remaining net income of the previous periods after providing the legal reserves in accordance with the General Assembly of the Bank.

Legal reserves are the income reserves that are provided according to the first paragraph and the third subparagraph of the second paragraph of the article No 466 and No 467 of the Turkish Commercial Code No. 6762 allocated as capital reserves separated from annual profit according to the laws of foundation.

1.10.2. Unconsolidated subsidiaries:

1.10.2.1. Information on unconsolidated subsidiaries

Since the subsidiaries below are not financial subsidiaries, the related subsidiaries are unconsolidated and are carried at restated cost.

	Description	Address (City/ Country)	The Parent Bank's shareholding percentage - if different voting percentage (%)	Bank's risk group shareholding percentage (%)
1	Yapı Kredi-Kültür Sanat Yayıncılık Tic. ve San. A.Ş.	Istanbul/ Türkiye	100,00	100,00
2	Enternasyonal Turizm Yatırım A.Ş.	Istanbul/ Türkiye	99,99	99,99
3	Yapı Kredi Teknoloji A.Ş.	Istanbul/ Türkiye	100,00	100,00
4	Yapı Kredi Finansal Teknolojiler A.Ş.	Istanbul/ Türkiye	100,00	100,00

1.10.2.2. Main financial figures of the subsidiaries in order of the above table:

	Total assets	Shareholders' equity	Total fixed assets	Interest Income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit / loss	Market Value
1	346.636	121.136	18.565	587	-	1.500	13.663	
2	1.106.540	1.093.396	908.123	15.947	-	(26.706)	11.586	-
3	293.709	160.028	20.171	31.418	-	94.182	23.018	-
4	25.015	25.015	_	-	-	-	-	-

⁽²⁾ Includes dividend income received in the current period.

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1.10.3. Consolidated subsidiaries:

1.10.3.1.Information on consolidated subsidiaries:

	Subsidiary	Address (City/ Country)	The Parent Bank's shareholding percentage - if different voting percentage (%)	Bank's risk group shareholding percentage (%)
1	Yapı Kredi Holding B.V.	Amsterdam/Nederlands	100,00	100,00
2	Yapı Kredi Menkul	Istanbul/ Türkiye	99,98	100,00
3	Yapı Kredi Faktoring	Istanbul/ Türkiye	99,95	100,00
4	Yapı Kredi Leasing	Istanbul/ Türkiye	99,99	99,99
5	Yapı Kredi Portföy	Istanbul/ Türkiye	12,65	99,99
6	Yapı Kredi Bank NV (1)	Amsterdam/Nederlands	67,24	100,00
7	Yapı Kredi Azerbaycan	Bakü/Azerbaijan	99,80	100,00
8	Yapı Kredi Bank Deutschland OHG	Frankfurt/Germany	-	100,00

⁽¹⁾ Includes the balances for Stiching Custody Services YKB.

Although Yapı Kredi Diversified Payment Rights Finance Company ("Special Purpose Entity") which is established for future flow transactions of Yapı Kredi is not a subsidiary, it is included in the consolidation.

1.10.3.2. Main financial figures of the consolidated subsidiaries in the order of the above table:

	Total assets	Shareholders' equity	Total fixed assets	Interest income	Income from marketable securities portfolio	Current period profit / loss	Prior period profit /loss	Market value
1	127.541	124.786	-	-	-	13.557	1.363	-
2	16.032.521	7.738.942	249.084	5.954.365	51.081	3.598.346	2.745.676	-
3	24.649.029	2.930.449	67.568	5.972.967	-	1.176.312	745.302	-
4	45.851.080	8.035.769	102.395	7.678.446	-	2.361.234	1.492.394	-
5	2.176.429	1.867.870	17.345	594.366	-	1.435.891	584.162	-
6	124.815.758	21.839.377	83.134	6.780.589	585.858	2.396.101	1.528.686	-
7	15.472.317	2.460.897	567.512	801.866	114.418	251.282	134.512	-
8	2.532.961	2.532.961	-	-	-	-	-	-

1.10.4. Movement schedule of consolidated subsidiaries:

	Current Period	Prior Period
Balance at the beginning of the period	31.525.881	17.905.733
Movements during the period	15.908.700	13.620.148
Purchases (1)	2.466.063	-
Free shares obtained profit from current years share	-	-
Share of current year income	11.000.725	6.974.755
Sales (-)	-	-
Revaluation increase/decrease (2)	2.695.483	6.915.441
Impairment (-) ⁽³⁾	253.571	270.048
Balance at the end of the period	47.434.581	31.525.881
Capital commitments	-	-
Shareholding percentage at the end of the period (%)	-	-

- Includes the acquisition cost and capital increase of Yapı Kredi Bank Deutschland OHG.
 Includes the differences in the other comprehensive income related with the equity method accounting.
 Includes dividend income received in the current period.

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

	Current Period	Prior Period
Banks	19.674.428	13.390.646
Insurance companies	-	-
Factoring companies	2.929.054	1.758.494
Leasing companies	8.035.274	5.694.593
Finance companies	-	-
Other financial subsidiaries	16.795.825	10.682.148
Total financial subsidiaries	47.434.581	31.525.881

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1.10.6. Subsidiaries quoted on stock exchange:

None (December 31, 2023 - None).

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1.11. Information on joint ventures (net):

1.11.1. Unconsolidated joint ventures:

None (December 31, 2023 - None).

1.12. Information on lease receivables (net):

1.12.1. Breakdown according to maturities:

		Current Period		
	Gross	Net	Gross	Net
Less than 1 year	24.379.298	18.792.886	17.780.312	13.141.356
Between 1- 4 years	22.903.666	19.853.717	20.306.566	17.261.168
More than 4 years	1.705.293	1.639.468	2.222.712	2.048.502
Total	48.988.257	40.286.071	40.309.590	32.451.026

1.12.2. Information for net investments in finance leases:

		Current Period				
	TL	FC	TL	FC		
Gross lease receivables	18.541.399	30.446.858	16.152.056	24.157.534		
Unearned financial income from leases (-)	5.253.284	3.448.902	4.952.459	2.906.105		
Amount of cancelled leases (-)	-	-	-	-		
Total	13.288.115	26.997.956	11.199.597	21.251.429		

1.13. Information on tangible assets:

		Leased fixed		Right of use	Other tangible	T
	Immovable	assets	Vehicles	assets	fixed assets	Total
Prior Period						
Cost	13.354.475	175.015	38.104	4.647.427	5.089.254	23.304.275
Accumulated depreciation (-)	954.949	137.891	7.825	1.334.681	1.993.264	4.428.610
Net book value	12.399.526	37.124	30.279	3.312.746	3.095.990	18.875.665
Current Period						
Net book value at beginning of the period	12.399.526	37.124	30.279	3.312.746	3.095.990	18.875.665
Additions (2)	8.465.409	15.986	2.039	3.882.714	2.897.429	15.263.577
Disposals (-), net	206.092	6	16	713.229	9.934	929.277
Reversal of impairment, net	-	-	-	-	-	-
Impairment (-)	_	-	-	-	-	-
Depreciation (-)	204.540	6.209	7.644	1.284.972	833.804	2.337.169
Foreign exchange differences, net	-	550	192	35.669	23.332	59.743
Net book value at end of the period	20.454.303	47.445	24.850	5.232.928	5.173.013	30.932.539
Cost at the end of the period	21.436.734	183.620	40.532	7.446.579	7.837.799	36.945.264
Accumulated depreciation at the period end (-)	982.431	136.175	15.682	2.213.651	2.664.786	6.012.725
Net book value	20.454.303	47,445	24.850	5.232.928	5.173.013	30.932.539

⁽¹⁾ Includes branch and ATM leases accounted within the scope of TFRS 16.

As of December 31, 2024, the Parent Bank had no total provision for impairment (December 31, 2023 – None) for the property and equipment.

1.14. Information on intangible assets:

	Current Period	Previous Period
Balance at the beginning of the period	2.036.510	1.359.987
Additions during the period	1.933.072	1.012.701
Unused and disposed items (-)	150	4.060
Provision for goodwill impairment (-)	-	-
Amortization expenses (-)	590.919	384.169
Translation differences	24.708	52.051
Balance at the end of the period	3.403.221	2.036.510

1.15. Information on investment property:

None (December 31, 2023 - None).

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⁽²⁾ As of September 30, 2024 the Parent Bank is revalued its land and buildings and the revaluation increase amounting to TL 8.377.677 is presented in additions.

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1.16. Information on deferred tax:

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	Current P	eriod	Prior P	eriod
	Tax base	Deferred tax	Tax base	Deferred tax
Expected credit loss	22.825.703	6.847.711	25.741.762	7.722.528
Provision for pension fund	12.990.997	3.897.299	10.027.806	3.008.342
Provision for employee benefit	3.936.895	1.182.983	4.052.432	1.218.193
Derivative financial liabilities	2.668.360	901.965	-	-
Subsidiaries, investment in associates and share certificates	122.117	36.635	122.117	36.635
Other	55.189.956	16.510.050	15.700.617	4.657.122
Total deferred tax asset	97.734.028	29.376.643	55.644.734	16.642.820
Valuation difference of securities portfolio	19.338.849	5.801.886	5.694.240	1.708.272
Property, equipment and intangibles, net	15.530.975	4.280.572	5.910.152	1.263.971
Derivative financial assets	-	-	9.951.417	2.935.118
Other	20.546.085	6.114.469	5.552.218	1.605.378
Total deferred tax liability	55.415.909	16.196.927	27.108.027	7.512.739
Deferred tax asset / (liability) net	42.318.119	13.179.716	28.536.707	9.130.081

There is a deferred tax asset amounting to TL 13.186.526 and deferred tax liability amounting to TL 6.810 as of December 31, 2024 reflected in the consolidated financial statements after the deferred tax assets and liabilities of each entity in consolidation has been netted off in their standalone financial statements as per TAS 12 (December 31, 2023 - TL 9.144.125 deferred tax asset and TL 14.044 deferred tax liability).

1.17. Movement schedule of assets held for sale and related to discontinued operations:

	Current Period	Prior Period
Net book value at the beginning of the period	1.074.724	1.085.705
Additions (1)	447.507	108.526
Disposals (-), net	913.353	150.197
Impairment reversal	=	-
Impairment (-)	-	-
Translation differences	10.433	30.690
Net book value at the end of the period	619.311	1.074.724
Cost at the end of the period	620.788	1.077.106
Accumulated depreciation at the end of the period (-)	1.477	2.382
Net book value at the end of the period	619.311	1.074.724

⁽¹⁾ In current period, the carrying value of asset held for sale with a right of repurchase is TL 364.652 (December 31, 2023 – TL 16.000). The total net carrying value of asset held for sale with a right of repurchase is TL 381.622 (December 31, 2023 – TL 882.752).

As of December 31, 2024, the Group booked impairment provision on assets held for sale with an amount of TL 2.120 (December 31, 2023 – TL 2.120).

1.18. Information on other assets:

As of December 31, 2024, other assets do not exceed 10% of the total assets.

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Explanations and notes related to consolidated liabilities:

2.1. Information on deposits:

2.1.1. Information on maturity structure of deposits/collected funds⁽¹⁾:

		Up to 1			6 Month-1	1 Year	Accumulative savings	
Current Period	Demand	month	1-3 Month	3-6 Month	Year	and over	account	Total
Saving deposits	144.470.202	17.323.130	258.638.922	102.032.614	3.233.356	6.002.945	122	531.701.291
Foreign currency								
deposits	278.393.135	59.945.083	70.428.369	8.612.083	15.349.024	15.296.777	-	448.024.471
Residents in Türkiye	243.966.468	45.818.030	64.578.669	3.361.479	3.464.233	1.544.915	-	362.733.794
Residents abroad	34.426.667	14.127.053	5.849.700	5.250.604	11.884.791	13.751.862	-	85.290.677
Public sector deposits	16.706.597	1.255.896	103.176	5.728	32	-	-	18.071.429
Commercial deposits	53.476.521	34.060.193	122.572.554	12.155.406	987.259	976.002	-	224.227.935
Other institutions								
deposits	1.399.255	1.671.798	7.539.883	1.642.771	2.163	111	-	12.255.981
Precious metals vault	101.988.240	-	9.865.208	-	1.283.932	271.179	-	113.408.559
Bank deposits	1.284.464	9.607.768	3.595.913	4.443.791	5.729.291	1.906.510	-	26.567.737
The CBRT	-	-	-	-	-	-	-	-
Domestic banks	71.492	8.839.149	2.588.656	4.443.791	5.729.291	1.906.510	-	23.578.889
Foreign banks	1.018.579	768.619	1.007.257	_	-	_	-	2.794.455
Participation banks	194.393	-	-	_	-	_	-	194.393
Other	-	-	-	_	-	_	-	-
Total	597.718.414	123.863.868	472.744.025	128.892.393	26.585.057	24.453.524	122	1.374.257.403

							Accumulative	
		Up to 1			6 Month-1	1 Year	savings	
Prior Period	Demand	month	1-3 Month	3-6 Month	Year	and over	account	Total
Saving 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	-	-	-	-	-	-	-	-
Total	454.530.603	92.858.336	333.997.858	100.059.725	108.149.938	19.289.027	189	1.108.885.676

⁽¹⁾ Within the scope of the "Decision on Supporting Deposit and Participation Accounts Against Exchange Rate Increases (Decision No: 5206)" published in the Official Gazette dated February 24, 2022 and numbered 31760, and the CBRT's communiqués numbered 2021/14, 2021/16, 2022/7 and 2022/11, the "Currency protected TL deposit" which provide protection against foreign currency exchange rate changes for TL deposits, as of the reporting date amounting to TL 103.853.980 (December 31, 2023 - TL 222.335.968).

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2.1.2. Information on deposits insurance:

2.1.2.1. Information on deposits under the guarantee of the deposits insurance fund and exceeding the limit of deposit insurance fund:

	Under the guarantee of	Under the guarantee of deposit insurance		leposit insurance
Saving deposits	Current Period	Prior Period	Current Period	Prior Period
Deposits	238.996.994	141.654.843	292.953.701	257.622.518
Foreign currency saving deposits	110.153.866	89.012.805	170.971.417	162.954.856
Other deposits	54.169.543	32.917.070	42.563.627	27.761.034
Foreign branches' deposits under foreign				
authorities' insurance	-	-	-	-
Off-shore banking regions' deposits under				
foreign authorities' insurance	_	_	_	_

	Under the guarantee of	Under the guarantee of deposit insurance		Exceeding limit of the deposit insurance	
Legal entities' deposits	Current Period	Prior Period	Current Period	Prior Period	
Deposits	25.466.779	22.152.450	170.832.378	163.557.160	
Foreign currency saving deposits	9.311.763	7.476.116	209.231.935	144.343.906	
Other deposits	1.726.029	1.068.231	14.947.758	5.845.003	
Foreign branches' deposits under foreign					
authorities' insurance	-	-	-	-	
Off-shore banking regions' deposits under					
foreign authorities' insurance	-	-	-	-	

2.1.2.2. Deposits which are not under the guarantee of saving deposit insurance fund:

	Current Period	Prior Period
Foreign branches' deposits and other accounts	9.631.366	3.338.299
Saving deposits and other accounts of controlling shareholders and deposits of		
their mother, father, spouse, children in care	-	-
Saving deposits and other accounts of president and members of board of directors		
CEO and vice presidents and deposits of their mother, father, spouse, children in care	1.938.844	618.144
Saving deposits and other accounts in scope of the property holdings derived		
from crime defined in article 282 of Turkish criminal law no:5237 dated September 26, 2004	-	-
Saving deposits in deposit bank which is established in Türkiye in order to		
engage in off-shore banking activities solely	-	-

2.2. Information on trading derivative financial liabilities:

2.2.1. Negative differences table for derivative financial liabilities held for trading:

	1	Current Period		
	TL	FC	TL	FC
Forward transactions	2.628.614	46.795	180.708	67.847
Swap transactions	10.439.634	5.448.798	4.485.127	6.782.595
Futures transactions	652	-	10.023	-
Options	314.646	87.116	92.336	15.133
Other	-	-	-	-
Total	13.383.546	5.582.709	4.768.194	6.865.575

2.2.2. Negative differences table for derivative financial liabilities held for hedging:

	Current Period			Prior Period
	TL	FC	TL	FC
Fair value hedges (1)	-	-	-	358
Cash flow hedges (1)	-	-	32.334	-
Hedges for investments made in foreign countries	-	-	-	-
Total	-	-	32.334	358

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2.3. Information on banks and other financial institutions:

2.3.1. Information on borrowings:

		Current Period		
	TL	FC	TL	FC
CBRT borrowings	200.580	-	-	
From domestic banks and institutions	16.397.406	12.399.471	11.757.504	10.615.941
From foreign banks, institutions and funds	74.891.507	193.441.437	660.191	138.001.207
Total	91.489.493	205.840.908	12.417.695	148.617.148

2.3.2. Information on maturity structure of borrowings:

		Current Period		
	TL	FC	TL	FC
Short-term	89.170.574	48.209.689	9.920.235	30.605.554
Medium and long-term	2.318.919	157.631.219	2.497.460	118.011.594
Total	91.489.493	205.840.908	12.417.695	148.617.148

2.3.3. Information on marketable securities issued

		Current Period		Prior Period
	TL	FC	TL	FC
Bills	10.198.915	51.438.572	10.221.955	10.933.847
Asset backed securities (1)	-	17.806.761	-	16.325.139
Bonds (2)	328.621	71.396.849	402.929	59.156.129
Total	10.527.536	140.642.182	10.624.884	86.415.115

⁽¹⁾ The Group obtains borrowings via its structured entity, Diversified Payment Rights Finance Company, with future flow transactions which is founded on its

2.3.4. Information on financial liabilities fair value through profit or loss:

The Group classified some of its financial liabilities as the financial liabilities classified at fair value through profit/loss in order to eliminate the accounting mismatch at the initial recognition in accordance with TFRS 9. As of December 31, 2024, the total amount of financial liabilities classified as fair value through profit/loss is TL 75.234.394 (December 31, 2023 – TL 71.167.000) with an accrued interest expense of TL 240.214 (December 31, 2023 - TL 564.874 income) and with a fair value difference of TL 1.006.678 recognized as an expense (December 31, 2023 - TL 1.398.345 expense). On the other hand, the nominal amounts of the total return swaps and bond forwards which are closely related with these financial liabilities as of December 31, 2024 are TL 75.308.138 (December 31, 2023 – TL 71.731.874) with a fair value differences amounting to TL 340.032 liability (December 31, 2023 – TL 1.247.239 liability). The mentioned total return swaps have 9 year maturity in average.

2.4. Information on other liabilities:

As of December 31, 2024, other liabilities do not exceed 10% of the total balance sheet commitments.

2.5. Information on lease payables:

		Current Period		
	Gross	Net	Gross	Net
Less than 1 year	1.912.283	1.339.630	1.092.047	780.132
Between 1-4 Years	3.476.032	2.423.761	2.139.774	1.533.116
More than 4 Years	2.330.079	1.636.395	1.513.897	1.088.257
Total	7.718.394	5.399.786	4.745.718	3.401.505

2.6. Information on provisions:

2.6.1. Information on provision for employee benefits:

In accordance with Turkish Labour Law, the reserve for employment termination benefits is calculated as the present value of the probable future obligation in case of the retirement of employees. "TAS 19 - Employee Benefits" necessitates actuarial valuation methods to calculate the liabilities of enterprises.

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⁽¹⁾ Explained in Note 10 of section 4.

future money transfers within its funding program.

(2) Does not include mortgage backed securities as of December 31, 2024 (December 31, 2023 – TL 402.929).

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The following actuarial assumptions were used in the calculation of total liabilities:

	Current Period	Prior Period
Discount rate (%)	3,38	2,90
Possibility of being eligible for retirement (%)	94,59	94,92

The principal actuarial assumption is that the maximum liability will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. As the annual ceiling is revised semi-annually, the ceiling of full TL 46.655,43 effective from January 1, 2025 has been taken into consideration in calculating the provision for employee benefit.

Movement of employment termination benefits liability in the balance sheet:

	Current Period	Prior Period
Prior period ending balance	3.283.393	2.845.025
Changes during the period	549.652	339.285
Recognized in equity	960.004	829.753
Paid during the period	(1.882.889)	(730.670)
Balance at the end of the period	2.910.160	3.283.393

In addition, the Group has accounted for unused vacation provision amounting to TL 1.026.735 as of December 31, 2024 (December 31, 2023 - TL 769.039).

2.6.2. Information on provisions related with the foreign currency difference of foreign currency indexed loans:

None (December 31, 2023 - None).

2.6.3. Information on other provisions:

	Current Period	Prior Period
Pension fund provision	12.990.997	10.027.806
Provisions on non-funded non cash loans	917.318	1.508.223
Generic provisions on non cash loans	635.382	1.786.242
Provision for lawsuits	360.446	346.390
Provisions for credit cards and promotion campaigns related to banking services	257.637	195.116
Other	2.475.691	3.999.749
Total	17.637.471	17.863.526

Pension fund provision:

The Parent Bank has set aside provision amounting to TL 12.990.997 (December 31, 2023 – TL 10.027.806) for the technical deficit based on the report prepared by a registered actuary within the framework of the transfer assumption, taking into account the technical interest rate of 9,8%, CSO 1980 mortality table and calculation methods determined by the New Law. The Bank accounted pension fund provision in accordance with "TAS 19 -Employee Benefits" standard. Accordingly, in the calculation of pension fund provision the change arises,

- As a result of service cost and interest is recognized under income statement,
- > Actuarial gains and losses, including the effect of differences between assumptions and actual outcomes, are recognized in shareholders' equity.

In the calculation of the defined benefit obligation for transferrable benefits, mainly fixed and specific assumptions are used within the framework of the New Law. However, the final obligation amount that the Bank will bear at the transfer may vary depending on factors such as the discount rate, inflation and salary increase and number of participants and attrition rate.

	Current Period	Prior Period
Opening balance	10.027.806	2.945.243
Amount recognized under equity	2.797.805	7.028.582
Contributions paid by the Bank	(3.446.953)	(1.818.809)
Income statement charge	3.612.339	1.872.790
Closing balance	12.990.997	10.027.806

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The amounts recognized in the balance sheet are determined as follows:

	Current Period	Prior Period
Present value of funded obligations	24.385.065	18.119.593
- Pension benefits transferable to SSI	44.527.683	11.186.741
Post employment medical benefits transferable to SSI	(20.142.618)	6.932.852
Fair value of plan assets	(11.394.068)	(8.091.787)
Provision for the actuarial deficit of the pension fund	12.990.997	10.027.806

The principal actuarial assumptions used were as follows:

	Current Period	Prior Period
Discount rate		
- Pension benefits transferable to SSI	9,80%	9,80%
- Post employment medical benefits transferable to SSI	9,80%	9,80%

Mortality rate: Average life expectation is defined according to CSO 1980 mortality table.

Plan assets are comprised as follows:

	Current Period			Prior Period
	Amount	%	Amount	%
Bank placements	3.106.696	27	2.312.910	29
Government bonds and treasury bills	4.715.055	41	3.667.312	45
Premises and equipment	2.486.826	22	1.583.398	20
Other	1.085.491	10	528.167	6
Total	11.394.068	100	8.091.787	100

	Current Period	Prior Period
Opening balance of plan assets	8.091.787	5.274.286
Contributions paid by the Bank	3.446.953	1.818.809
Contributions paid by the employee	2.618.122	1.380.995
Other	(2.762.794)	(382.303)
Closing balance	11.394.068	8.091.787

2.7. Explanations on tax liability:

2.7.1. Information on taxes payable:

	Current Period	Prior Period
Banking Insurance Transaction Tax ("BITT")	4.461.175	1.900.419
Corporate Tax Payable	864.104	4.532.965
Taxation of Marketable Securities Income	2.783.714	563.484
Value Added Tax Payable	157.036	122.517
Foreign Exchange Transaction Tax	37.266	23.308
Property Tax	18.893	11.526
Other	829.405	536.658
Total	9.151.593	7.690.877

2.7.2. Information on premium payables:

	Current Period	Prior Period
Social security premiums - employee	5.890	8.731
Social security premiums - employer	7.658	15.642
Bank pension fund premiums - employee	196.652	124.465
Bank pension fund premiums - employer	286.384	172.801
Pension fund deposit and provisions - employee	-	-
Pension fund deposit and provisions - employer	-	-
Unemployment insurance - employee	13.923	8.884
Unemployment insurance - employer	28.129	17.809
Other	-	-
Total	538,636	348.332

2.8. Liabilities for property and equipment held for sale and related to discontinued operations (net):

None (December 31, 2023 - None).

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Information on subordinated debt(1):

	Cu	rrent Period		Prior Period
	TL	FC	TL	FC
Debt instruments to be included in additional capital calculation	-	18.481.048	-	20.355.837
Subordinated loans	-	-	-	-
Subordinated debt	-	18.481.048	-	20.355.837
Debt instruments to be included in contribution capital calculation	1.301.664	42.148.886	1.260.412	15.229.890
Subordinated loans	-	-	-	-
Subordinated debt	1.301.664	42.148.886	1.260.412	15.229.890
Total	1.301.664	60.629.934	1.260.412	35.585.727

⁽¹⁾ Subordinated loans are explained in detail in the Note "Information on debt instruments included in the calculation of equity" in section four.

2.10. Information on shareholders' equity:

2.10.1. Presentation of paid-in capital:

	Current Period	Prior Period
Common shares	8.447.051	8.447.051
Preferred shares	-	-

2.10.2. Amount of paid-in capital, disclosure of whether the Bank's registered capital system is applied and if applied registered capital ceiling:

Capital System	Paid-In Capital	Registered Share Capital Ceiling
Registered Capital System	8.447.051	15.000.000

2.10.3. Information on the share capital increases during the period and the sources:

None (December 31, 2023- None).

2.10.4. Information on transfers from capital reserves to capital during the current period:

None (December 31, 2023 - None).

2.10.5. Information on capital commitments, until the end of the fiscal year and the subsequent interim period:

None (December 31, 2023 - None).

2.10.6. Information on prior period's indicators on the Group's income, profitability and liquidity, and possible effects of these future assumptions on the Bank's equity due to uncertainties of these indicators:

The interest, liquidity, and foreign exchange risk related to on-balance sheet and off-balance sheet assets and liabilities are managed by the Parent Bank within several risk and legal limits.

2.10.7. Privileges on the corporate stock:

None (December 31, 2023 - None).

2.10.8. Information on value increase fund of marketable securities:

	C	urrent Period	Prior Period	
	TL	FC	TL	FC
From investments in associates, subsidiaries, and joint ventures	-	-	-	-
Revaluation difference	-	-	-	-
Foreign currency difference	-	-	-	-
Financial assets at fair value through other comprehensive income ⁽¹⁾	(11.635.422)	(1.174.673)	(4.186.802)	1.249.717
Revaluation difference	(11.635.422)	(1.174.673)	(4.186.802)	1.249.717
Foreign currency differences	-	-	-	-
Total	(11.635.422)	(1.174.673)	(4.186.802)	1.249.717

⁽¹⁾ Includes tax effect related to foreign currency valuation differences in TL column

2.10.9. Information on minority interest:

	Current Period	Prior Period
Period opening balance	2.674	1.537
Current period income/(loss)	2.169	1.328
Dividends paid	(171)	(191)
Period ending balance	4.672	2.674

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Explanations and notes related to consolidated off-balance sheet accounts

3.1. Information on off balance sheet commitments:

3.1.1. The amount and type of irrevocable commitments:

	Current Period	Prior Period
Commitments on credit card limits	968.083.268	512.438.126
Asset purchase and sale commitments	103.444.271	72.643.748
Loan granting commitments	163.019.479	96.706.632
Commitments for cheques	10.835.555	8.435.319
Other irrevocable commitments	257.753.848	106.052.213
Total	1.503.136.421	796.276.038

3.1.2. Type and amount of probable losses and obligations arising from off-balance sheet items:

Obligations arising from off-balance sheet are disclosed in "Off-balance sheet commitments". The Group set aside general provision for its non-cash loans amounting to TL 635.382 (December 31, 2023 - TL 1.786.242) and specific provision amounting to TL 6.487.637 (December 31, 2023 - TL 2.028.872) for non-cash loans which are not indemnified yet amounting to TL 917.318 (December 31, 2023 - TL 1.508.223).

3.1.2.1. Non-cash loans including guarantees, bank acceptance loans, collaterals that are accepted as financial guarantees and other letter of credits:

	Current Period	Prior Period
Bank acceptance loans	3.164.183	2.178.212
Letter of credits	63.782.900	54.078.251
Other guarantees and collaterals	42.776.641	28.188.925
Total	109.723.724	84.445.388

3.1.2.2. Guarantees, suretyships and other similar transactions:

	Current Period	Prior Period
Temporary letter of guarantees	12.704.409	5.075.662
Definite letter of guarantees	221.159.067	147.977.407
Advance letter of guarantees	51.321.060	44.721.720
Letter of guarantees given to customs	12.930.452	7.917.628
Other letter of guarantees	141.569.932	98.490.787
Total	439.684.920	304.183.204

3.1.3. Information on non-cash loans:

3.1.3.1. Total amount of non-cash loans:

	Current Period	Prior Period
Non-cash loans given against cash loans	138.249.475	96.627.631
With original maturity of 1 year or less than 1 year	22.761.592	9.930.139
With original maturity of more than 1 year	115.487.883	86.697.492
Other non-cash loans	411.159.169	292.000.961
Total	549.408.644	388.628.592

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3.1.3.2. Information on sectoral concentration of non-cash loans:

			Curren	t Period			Prio	Period
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	7.048.901	2,52	5.623.621	2,09	4.459.418	2,50	5.619.898	2,68
Farming and raising livestock	6.414.429	2,30	3.925.507	1,46	3.822.365	2,14	3.008.408	1,43
Forestry	572.613	0,20	1.578.604	0,59	497.454	0,28	2.571.808	1,23
Fishing	61.859	0,02	119.510	0,04	139.599	0,08	39.682	0,02
Manufacturing	142.103.511	50,72	165.055.179	61,30	96.468.975	53,98	127.433.628	60,70
Mining	980.784	0,35	1.765.419	0,66	556.194	0,31	650.363	0,31
Production	124.043.588	44,27	141.482.181	52,54	84.673.111	47,38	108.972.931	51,91
Electric, gas and water	17.079.139	6,10	21.807.579	8,10	11.239.670	6,29	17.810.334	8,48
Construction	51.077.502	18,23	45.534.225	16,91	29.337.700	16,42	37.951.490	18,08
Services	79.003.235	28,20	50.287.362	18,68	47.700.383	26,68	37.856.688	18,04
Wholesale and retail trade	21.019.660	7,50	11.354.286	4,22	13.787.213	7,71	6.747.216	3,21
Hotel, food and beverage services	4.687.843	1,67	4.020.032	1,49	2.097.811	1,17	3.245.848	1,55
Transportation and telecommunication	8.248.263	2,94	10.497.692	3,90	4.539.026	2,54	10.591.194	5,05
Financial institutions	31.509.766	11,26	13.523.172	5,03	20.202.345	11,30	7.983.138	3,80
Real estate and renting services	2.832.220	1,01	2.238.504	0,83	1.210.701	0,68	1.513.316	0,72
Education services	403.278	0,14	140.509	0,05	356.684	0,20	143.348	0,07
Health and social services	10.302.205	3,68	8.513.167	3,16	5.506.603	3,08	7.632.628	3,64
Other	934.098	0,33	2.741.010	1,02	746.280	0,42	1.054.132	0,50
Total	280.167.247	100,00	269.241.397	100,00	178,712,756	100,00	209.915.836	100,00

3.1.3.3. Information non-cash loans classified in Group I and Group II:

Current Period		Group I		Group II
	TL	FC	TL	FC
Non-cash loans				
Letters of guarantee	256.712.647	170.095.562	3.602.132	3.027.327
Bank acceptances	-	3.082.400	-	-
Letters of credit	45.163	63.545.565	-	50.777
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring guarantees	-	-	-	-
Other commitments and contingencies	19.048.166	23.711.267	-	-
Total	275.805.976	260.434.794	3.602.132	3.078.104

Prior Period		Group II		
	TL	FC	TL	FC
Non-cash loans				
Letters of guarantee	162.235.291	126.817.624	5.644.786	7.838.812
Bank acceptances	-	2.103.028	-	22.795
Letters of credit	1.257.810	52.240.693	-	572.300
Endorsements	-	-	-	-
Underwriting commitments	-	-	-	-
Factoring guarantees	-	5.516	-	-
Other commitments and contingencies	9.246.038	18.922.466	10.700	-
Total	172.739.139	200.089.327	5.655.486	8.433.907

3.1.3.4. Maturity distribution of non cash loans:

Current Period(1)	Indefinite	Up to 1 year	1-5 years	Above 5 years	Total
Letter of credit	-	44.777.071	18.992.583	13.246	63.782.900
Letter of guarantee	110.010.546	86.033.734	221.016.089	22.624.551	439.684.920
Bank acceptances	-	2.789.527	374.656	-	3.164.183
Other	5.001.078	20.546.246	5.346.505	11.882.812	42.776.641
Total	115.011.624	154.146.578	245.729.833	34.520.609	549.408.644

Prior Period(1)	Indefinite	Up to 1 year	1-5 years	Above 5 years	Total
Letter of credit	-	38.045.151	16.022.047	11.053	54.078.251
Letter of guarantee	81.805.739	51.188.834	152.460.723	18.727.908	304.183.204
Bank acceptances	-	2.145.223	32.989	-	2.178.212
Other	3.507.307	9.031.933	3.641.804	12.007.881	28.188.925
Total	85.313.046	100.411.141	172.157.563	30.746.842	388.628.592

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(1) The distribution is based on the original maturities.

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3.2. Information on derivative financial instruments:

	Current Period	Prior Period
Types of trading transactions		
Foreign currency related derivative transactions (I)	618.732.028	605.454.301
Forward foreign currency purchase and sale transactions	154.017.536	50.297.878
Currency swap purchase and sale transactions	396.059.639	524.028.470
Currency futures	20.595.286	7.475.390
Currency purchase and sale options	48.059.567	23.652.563
Interest related derivative transactions (II)	756.244.785	505.199.409
Forward interest rate agreements	-	-
Interest rate swap purchase and sale transactions	751.943.374	500.965.348
Interest rate purchase and sale options	4.301.411	4.234.061
Interest rate futures	-	-
Other trading derivative transactions (III)	276.302.524	214.035.638
A. Total trading derivative transactions (I+II+III)	1.651.279.337	1.324.689.348
Types of derivative transactions for hedging purposes		
Transactions for fair value hedge	3.820.124	4.329.397
Transactions for cash flow hedge	38.226.415	81.581.421
Transactions for foreign net investment hedge	-	-
B. Total hedging related derivatives	42.046.539	85.910.818
Total derivative transactions (A+B)	1.693.325.876	1.410.600.166

3.3. Information on credit derivatives and risk exposures:

The Group has no credit default swaps in derivative portfolio for the period ended December 31, 2024.

Derivative portfolio includes total return swap that has a nominal amount of TL 149.816.276 (total of buy and sell leg) as of December 31, 2024 (December 31, 2023 – TL 142.663.748).

3.4. Information on contingent liabilities and assets:

The Group has recorded a provision of TL 360.446 (December 31, 2023 – TL 346.390) for litigations against the Group and has accounted for it in accompanying consolidated the financial statements under the "Other provisions" account. Except for the claims where provisions are recorded, management considers as remote the probability of a negative result in ongoing litigations and therefore does not foresee any cash outflows for such claim.

3.5. Information on services on behalf of others:

The Bank's activities such as intermediation and custody to serve the investment needs of customers are followed up under off balance sheet accounts.

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4. Explanations and notes related to consolidated income statement:

4.1. Information on interest income:

4.1.1. Information on interest income on loans:

		Current Period			
	TL	FC	TL	FC	
Short-term loans ⁽¹⁾	155.060.797	9.283.881	48.659.762	4.063.070	
Medium/long-term loans ⁽¹⁾	103.626.181	22.045.289	58.997.850	17.063.155	
Interest on loans under follow-up	9.186.415	-	3.268.424	-	
Premiums received from resource utilisation support fund	-	-	-	-	
Total	267.873.393	31.329.170	110.926.036	21.126.225	

⁽¹⁾ Includes fees and commissions received for cash loans.

4.1.2. Information on interest income on banks:

	C	Current Period			
	TL	FC	TL	FC	
From the CBRT	3.450.700	6.381	76.667	63.600	
From domestic banks	4.962.945	656.401	2.662.470	721.333	
From foreign banks	12.051	4.543.718	232	3.355.173	
Headquarters and branches abroad	-	-	-	-	
Total	8.425.696	5.206.500	2.739.369	4.140.106	

4.1.3. Information on interest income on marketable securities:

	Cu	rrent Period		Prior Period	
	TL	FC	TL	FC	
Financial assets measured at fair value through profit or loss	-	178.325	-	126.273	
Financial assets measured at fair value through other comprehensive income	34.994.763	1.667.628	20.902.145	2.175.752	
Financial assets measured at amortised cost	76.953.813	6.925.544	57.140.619	4.018.994	
Total	111.948.576	8.771.497	78.042.764	6.321.019	

4.1.4. Information on interest income received from associates and subsidiaries:

	Current Period	Prior Period
Interests received from associates and subsidiaries	688.435	158.937
Total	688.435	158.937

4.2. Information on interest expense:

4.2.1. Information on interest expense on borrowings:

	Current Period			Prior Period
	TL	FC	TL	FC
Banks	17.918.111	12.969.241	3.040.512	8.344.448
The CBRT	-	-	-	-
Domestic banks	5.178.540	1.127.321	2.864.071	706.078
Foreign banks	12.739.571	11.841.920	176.441	7.638.370
Headquarters and foreign branches	-	-	-	-
Other institutions	-	230.250	-	98.781
Total ⁽¹⁾	17.918.111	13.199.491	3.040.512	8.443.229
Includes fees and commissions related to borrowings.				

4.2.2. Information on interest expense to associates and subsidiaries:

	Current Period	Prior Period
Interests paid to associates and subsidiaries	421.866	245.330
Total	421.866	245.330

4.2.3. Information on interest expense to marketable securities issued:

	Current Period			Prior Period
	TL	FC	TL	FC
Interest expense to marketable securities issued	6.459.120	20.753.661	3.258.656	12.189.113
Total	6.459.120	20.753.661	3.258.656	12.189.113

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4.2.4. Information on interest expense on money market transactions:

	Current Period			Prior Period
	TL	FC	TL	FC
Interest expense on money market transactions	66.369.476	1.391.848	4.722.113	1.264.972
Total	66.369.476	1.391.848	4.722.113	1.264.972

4.2.5. Information on other interest expense:

As of December 31, 2024, commission expense amounting to TL 1.867.822 (December 31, 2023 – TL 1.505.590) has been recognized in other interest expenses within the scope of 30th article of the CBRT Tariff Schedule titled "Communiqué on Required Reserve and Foreign Currency Deposit Accounts".

4.2.6. Maturity structure of the interest expense on deposits:

				Time	Deposit				
					-	More		•	
	Demand	Up to 1	Up to 3	Up to 6	Up to 1	than 1	Accumulating		Prior
Account name	Deposit	month	months	months	Year	year	deposit	Total	Period
TL									
Bank deposits	71.752	3.120.207	3.257.797	21.345	7.539	-	-	6.478.640	2.306.673
Saving deposits	-	3.783.028	89.987.696	42.698.636	27.605.290	2.197.086	25	166.271.761	76.586.441
Public sector									
deposits	-	323.033	48.312	6.092	671	-	-	378.108	195.319
Commercial									
deposits	226	10.203.377	39.061.269	7.837.851	8.083.459	767.037	-	65.953.219	25.800.463
Other deposits	-	688.351	14.964.581	1.939.261	406.505	15.236	-	18.013.934	11.420.814
Deposits with 7									
days notification	-	-	-	-	-	-	-	-	-
Total	71.978	18.117.996	147.319.655	52.503.185	36.103.464	2.979.359	25	257.095.662	116.309.710
FC									
Foreign currency									
deposits	30.112	1.367.751	848.848	209.596	516.832	451.675	-	3.424.814	1.759.656
Bank deposits	326.399	301.992	188.169	-	-	-	-	816.560	659.056
Deposits with 7									
days notification	-	-	-	-	-	-	-	-	-
Precious metal vault	-	509	12.757	-	863	66	-	14.195	5.185
Total	356.511	1.670.252	1.049.774	209.596	517.695	451.741	-	4.255.569	2.423.897
Grand total	428.489	19.788.248	148.369.429	52.712.781	36.621.159	3.431.100	25	261.351.231	118.733.607

4.3. Information on dividend income:

	Current Period	Prior Period
Financial assets measured at fair value through profit or loss	105.999	44.794
Financial assets measured at fair value through other comprehensive income	6.055	22.070
Other	23	-
Total	112.077	66.864

4.4. Information on trading profit/loss (net):

	Current Period	Prior Period
Profit	242.505.881	202.129.516
Gain from capital market transactions	3.669.337	4.006.532
Derivative financial transaction gains	115.623.311	96.914.208
Foreign exchange gains	123.213.233	101.208.776
Loss (-)	287.939.466	180.841.114
Loss from capital market transactions	183.006	49.998
Derivative financial transaction losses	137.210.004	63.588.928
Foreign exchange loss	150.546.456	117.202.188
Net trading profit/loss	(45.433.585)	21.288.402

The net gain resulting from the foreign exchange differences related to derivative financial transactions is TL 40.093.341 (December 31, 2023 – TL 35.650.282 gain).

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4.5. Allowance for expected credit losses and other provisions:

	Current Period	Prior Period
Allowance for expected credit losses	36.404.436	24.224.659
12-month expected credit losses (Stage 1)	921.435	7.649.175
Significant increase in credit risk (Stage 2)	12.453.686	4.877.343
Non-performing loans (Stage 3)	23.029.315	11.698.141
Impairment provisions for financial assets	-	-
Financial assets measured at fair value through profit or loss	-	-
Financial assets measured at fair value through other comprehensive income	-	-
Impairment provisions related to investments in associates, subsidiaries and jointly		
controlled partnerships (Joint ventures)	-	-
Associates	-	-
Subsidiaries	-	-
Jointly controlled partnerships (joint ventures)	-	-
Other	89.127	151.802
Total	36.493.563	24.376.461

4.6. Information on other operating income:

"Other Operating Income" in the statement of profit or loss mainly includes collections from receivables for which Specific / General provision has been allocated in prior periods.

4.7. Information related to other operating expenses:

	Current Period	Prior Period
Reserve for employee termination benefits	549.652	339.285
Provision expense for pension fund	165.386	53.981
Impairment losses of property and equipment	-	-
Depreciation expenses of property and equipment	2.337.169	1.329.970
Impairment losses of intangible assets	-	-
Goodwill impairment losses	-	_
Amortization expenses of intangible assets	590.919	384.169
Impairment losses of equity participations for which equity method is applied	-	-
Impairment losses of assets held for sale	-	-
Depreciation expenses of assets held for sale	-	-
Impairment losses of fixed assets held for sale and assets related to discontinued operations	-	-
Other operating expenses	37.652.367	23.143.792
TFRS 16 exempt lease expenses	343.833	194.815
Repair and maintenance expenses	1.295.529	751.220
Advertising expenses	1.026.247	847.892
Other expense	34.986.758	21.349.865
Loss on sales of assets	-	9.635
Other	10.005.521	5.300.262
Total	51.301.014	30.561.094

4.8. Information on income/loss before taxes from continuing operations and discontinued operations:

Income before tax includes net interest income amounting to TL 88.646.632 (December 31, 2023 – TL 79.417.115) net fee and commission income amounting to TL 77.698.428 (December 31, 2023 – TL 38.160.316), personnel expenses amounting to TL 30.021.689 (December 31, 2023 – TL 18.296.354) and total other operating expense amounting to TL 51.301.014 (December 31, 2023 – TL 30.561.094).

As of December 31, 2024, the Group has no profit before taxes from discontinued operations (December 31, 2023 – None).

4.9. Provision for taxes on income from continuing operations and discontinued operations:

As of December 31, 2024, the Group has current tax expense amounting to TL 3.978.651 (December 31, 2023 – TL 12.077.111 expense) and deferred tax expense amounting to TL 696.269 (December 31, 2023 – TL 4.941.626 expense).

	Current Period	Prior Period
Profit before tax	33.693.912	85.028.901
Tax calculated at statutory rate	10.108.174	25.508.670
Nondeductible expenses, discounts and other, net	(5.433.254)	(8.489.933)
Total	4.674.920	17.018.737

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4.10. Information on net profit/loss for the period:

- **4.10.1.** The characteristics, dimension and recurrence of income or expense items arising from ordinary banking transactions do not require any additional explanation to understand the Group's current period performance.
- **4.10.2.** The effect of the change in an estimate of financial statement items to profit / loss is not likely to affect subsequent periods.

4.11. Income/loss of minority interest:

	Current Period	Prior Period
Income/(loss) of minority interest	2.169	1.328

4.12. Other items in statement of profit or loss:

"Other fees and commissions received" and "Other fees and commissions paid" in profit or loss mainly include commissions and fees related to credit cards and banking transactions.

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Explanations and notes related to consolidated statement of changes in shareholders' equity

5.1. Information on dividends:

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Authorised body for profit distribution of the current period is General Assembly. As of the preparation date of these financial statements, annual ordinary meeting of the General Assembly has not been held yet.

5.2. Information on increase/decrease amounts resulting from merger:

None.

Information on equity share premiums:

The details regarding property and equipment valuation differences are disclosed in section 3 note 19.

5.4. Explanations on property and equipment valuation differences:

Group, adopted fair value accounting method for its buildings and art objects and paintings in tangible assets in accordance with TAS 16 "Property, Plant and Equipment". As of December 31, 2024, revaluation gain under shareholders' equity is amounting to TL 17.506.703 (December 31, 2023 – TL 10.912.237).

5.5. Explanations related to accumulated remeasurement gains/losses of defined benefit plans:

Accumulated remeasurement gains/losses of defined benefit plans are accounted under equity. As of December 31, 2024 actuarial loss under shareholders' equity regarding to employee benefits are amounting to TL 3.043.382 (December 31, 2023 - TL 2.371.380), actuarial loss related to pension fund provision is amounting to TL 7.855.119 (December 31, 2023 - TL 5.896.655).

5.6. Explanations on financial assets at fair value through other comprehensive income:

"Unrealized gains and losses" arising from changes in the fair value of financial assets classified as financial assets at fair value through other comprehensive income are recognized in the shareholders' equity until the related assets are impaired or disposed.

5.7. Hedging transactions:

The Parent Bank applies cash flow hedge accounting in order to hedge the risk of cash flow of its liabilities. In the scope of this application, the derivative financial instruments are specified as floating rate and fixed rate interest payment USD, EUR and TL interest rate swaps, hedging liabilities as the USD, EUR and TL customer deposits, repos, cash outflows due to re-pricing of loans because of the expected interest rate financing. In this context, fair value change of the effective portion of derivative financial instruments accounted under "Other accumulated comprehensive income that will be reclassified in profit or loss", taking into account tax effects. Such amount as of December 31, 2024 is TL 2.138.858 gain (December 31, 2023 – 3.227.560 gain).

The Group's Euro denominated borrowing is designated as a hedge of the net investment in the Group's certain EUR denominated subsidiaries. The total amount of the borrowing designated as a hedge of the net investment at December 31, 2024 is EUR 665 million (December 31, 2023 – EUR 528 million). The foreign exchange loss of TL 11.665.991 (December 31, 2023 – TL 10.019.031 loss), net of tax, on translation of the borrowing to Turkish Lira at the statement of financial position date is recognized in "hedging reserves" in equity.

Information on other capital and profit reserves:

Other capital and profit reserves in general comprise of legal reserves and extraordinary reserves.

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Explanations and notes related to consolidated statement of cash flows:

6.1. Information on cash and cash equivalent:

6.1.1. Components of cash and cash equivalents and the accounting policy applied in their determination:

Cash and foreign currency balances together with demand deposits at banks including the unrestricted amounts of CBRT are defined as "Cash"; money market placements and time deposits in banks with original maturities of less than three months are defined as "Cash Equivalents".

6.1.2. Effect of a change in the accounting policies:

None.

6.1.3. Reconciliation of cash and cash equivalent items with balance sheet and cash flow statements:

6.1.3.1. Cash and cash equivalents at the beginning of period:

	Current Period	Prior Period
Cash	216.391.689	113.279.228
Cash and effectives	22.177.269	13.177.534
Demand deposits in banks	194.214.420	100.101.694
Cash equivalents	12.119.176	15.831.110
Interbank money market	-	2.513.158
Deposits in bank	12.119.176	13.317.952
Total cash and cash equivalents	228.510.865	129.110.338

6.1.3.2. Cash and cash equivalents at the end of the period:

	Current Period	Prior Period
Cash	273.412.029	216.391.689
Cash and effectives	21.244.328	22.177.269
Demand deposits in banks	252.167.701	194.214.420
Cash equivalents	14.364.815	12.119.176
Interbank money market	-	-
Deposits in bank	14.364.815	12.119.176
Total cash and cash equivalents	287.776.844	228.510.865

6.2. Information on cash and cash equivalents those are not in use due to legal limitations and other reasons:

As of December 31, 2024, the Group's cash and cash equivalents those are not in use due to legal limitations and other reasons, including reserve requirements is amounting to TL 371.115.284 (December 31, 2023 - TL 244.424.260).

6.3. Explanations on other items in the statement of cash flows and the effects of the change in foreign exchange rates on cash and cash equivalents:

Decrease in "Other account" amounting to TL 45.663.457 (December 31, 2023 - TL 6.414.741 decrease) which is classified under "Operating profit before changes in operating assets and liabilities" includes fee and commissions given, other operating expenses excluding personnel expenses and foreign exchange gains/losses.

Increase in "Net increase/decrease in other liabilities" amounting to TL 39.173.361 (December 31, 2023 - TL 13.538.333 decrease) which is classified under "Changes in operating assets and liabilities" mainly arises from changes in miscellaneous payables, subordinated loans and other liabilities.

The effects of the change in foreign exchange rates on cash and cash equivalents are calculated as an increase approximately of TL 23.103.883 as of December 31, 2024 (December 31, 2024 - TL 50.742.058 increase).

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Explanations and notes related to Group's risk group:

7.1. The volume of transactions relating to the Group's risk group, outstanding loan and deposit transactions and profit or loss of the period:

7.1.1. Information on loans of the Group's risk group:

Current Period		subsidiaries int ventures		and indirect olders of the Group		eal and legal at have been ie risk group
Group's risk group (1) (2)	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans						
Balance at the beginning of the period	75.482	89.510	35.697	1.304.299	18.315.042	9.439.424
Balance at the end of the period	1.050.288	38.238	19.895	629.218	19.193.000	24.548.964
Interest and commission income received	688.435	124	5.038	2.363	6.577.381	131.130

Prior Period				and indirect olders of the Group	Other real and legal persons that have been included in the risk group	
Group's risk group (1) (2)	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
Loans						
Balance at the beginning of the period	46.501	1.784	176.501	903.139	12.012.206	5.772.850
Balance at the end of the period	75.482	89.510	35.697	1.304.299	18.315.042	9.439.424
Interest and commission income received	158.937	274	42.651	6.574	4.386.974	64.978

- (1) Defined in subsection 2 of the 49th article of Banking Act No. 5411.
- (2) The information in table above includes marketable securities and due from banks as well as loans.

7.1.2. Information on deposits of the Group's risk group:

					Other r	eal and legal
	Associates, s			and indirect		at have been
Group's risk group (1)(2)	and joi	nt ventures	shareholders	of the Bank	included in th	ne risk group
İ	Current	Prior	Current	Prior	Current	Prior
Deposit	Period	Period	Period	Period	Period	Period
Beginning of the period	1.152.088	570.543	30.457.645	27.832.583	123.741.795	70.401.031
End of the period	990.656	1.152.088	47.747.658	30.457.645	139.529.625	123.741.795
Interest expense on deposits	421.866	245.330	6.802.234	2.167.942	14.538.926	4.353.728

- (1) Defined in subsection 2 of the 49th article of the Banking Act No. 5411.
- (2) The information in table above includes borrowings and repo transactions as well as deposits.

7.1.3. Information on forward and option agreements and other derivative instruments with the Group's risk group:

					Other re	eal and legal
	Associates, s	ubsidiaries	Direct	and indirect	persons tha	at have been
Group's risk group (1)	and join	nt ventures	shareholders	of the Bank	included in the risk group	
	Current	Prior	Current	Prior	Current	Prior
	Period	Period	Period	Period	Period	Period
Transactions at fair value through profit or loss						
Beginning of the period ⁽²⁾	-	-	19.721.860	1.886.536	5.382.691	1.273.964
End of the period ⁽²⁾	-	-	-	19.721.860	12.693.289	5.382.691
Total profit / loss ⁽³⁾	-	-	7.298	(35.811)	1.407.941	108.119
Transactions for hedging purposes						
Beginning of the period ⁽²⁾	-	-	-	-	-	-
End of the period ⁽²⁾	-	-	-	-	-	-
Total profit / loss	-	-	-	-	_	-

- Defined in subsection 2 of the 49th article of the Banking Act No. 5411.
 The balances at the beginning and end of the periods are disclosed as the total of buy and sell amounts of derivative financial instruments.

7.2. Information regarding benefits provided to the Group's top management:

Salaries and benefits paid to the Group's top management amount to TL 755.086 as of December 31, 2024 (December 31, 2023 – TL 565.684).

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8. Explanations and notes related to the domestic, foreign, off-shore branches or associates and foreign representatives of the Parent Bank:

	Number	Number of Employees			
Domestic Branch	771	14.399			
			Country of		
			incorporation		
Foreign Representation Office	-	-	-		
				Total	Statutory share capital
				assets	share capital
Foreign Branch	1	3	Bahrain	45.582.153	-
Off-Shore Banking Region Branch	-	-		- [_

Explanations and notes related to subsequent events:

None.

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Section Six- Other Explanations

Other explanations on the Parent Bank's operations

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Section Seven - Independent auditor's report

Explanations on independent auditor's report

The consolidated financial statements for the period ended December 31, 2024 have been audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The independent auditor's audit report dated January 31, 2025 is presented preceding the consolidated financial statements.

Explanations and notes prepared by independent auditor

None.



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Performance Tables

GHG Emissions (ton CO,e)1	2020	2021	2022	2023	2024
Scope 1	13,731	15,985	14,555	18,415	16,421 🗸
Scope 2 (Location based)	42,137	38,802	35,862	35,598	34,903 🕏
Scope 2 (Market based) ²	35,146	23,635	0	0	0 📀
Total (Scope 1 and Scope 2)	48,877	39,620	14,555	18,415	16,421 🕏
Scope 3 (Category 1) ³	465	389	398	572,4	3,752 🕏
Scope 3 (Category 5)	259	51,9	63,2	95,6	114,1 🕏
Scope 3 (Category 6)	487	267	477	1,256	2,002 🗸
Scope 3 (Category 7)	5,301	3,147	3,713	3,743	3,499 🗸
Scope 3 (Category 15) ⁴	-	18,538,146	10,462,075	9,642,208	-
Emission Intensity Scope 1 and 2 (ton CO ₂ e /total number of employees)	2.95	2.32	0.88	1.14	1.05 🗸
Emission Intensity of Scope 3 Category 15 (ton CO ₃ e/credit balance million TL)	-	59.76	28.14	17.45	-

¹Yapı Kredi and its subsidiaries are included in the greenhouse gas emissions. The 2024 environmental performance indicators include Yapı Kredi Germany. Detailed information regarding the Environmental Performance tables is provided in the Reporting Guide under "Basic Definitions and Reporting Scope."

⁴The 2024 Scope 3 Category 15 emissions financed by Yapı Kredi will be disclosed later. Data for the years from 2021 onward have been verified under ISO 14064-1 standards.

Energy Consumption (GJ)	2020	2021	2022	2023	2024
Electricity ⁵	325,455	323,710	298,394	301,869	298,267 🕏
Grid elektricity	325,455	323,710	298,256	297,185	293,713 🕏
Renewable electricity (produced)	0	0.0324	138	4,684	4,554 🕏
Renewable electricity (purchased)	54,000	126,079	298,256	297,185	293,713 🕏
Natural gas	116,384	125,187	108,422	97,049	101,740 🗸
Fuel oil ⁶	77,436	73,924	84,871	81,682	86,103 🕏
Total Energy Consumption	519,275	522,821	491,687	480,600	486,110 🗸
Energy intensity (GJ/total number of employees)	31.4	31.6	29.8	29.6	31.1 🗸

⁵ The electricity amount includes the total of grid-purchased, renewable-generated (Banking Base buildings and Bodrum Branch rooftop solar), and renewable-purchased electricity (IREC and Yapı Kredi Nederland 100% renewable grid electricity).

⁶ The fuel amount covers fuels used for generators, heating, and vehicle fuels (gasoline and diesel

Energy Savings	2020	2021	2022	2023	2024
Total annual energy saving (GJ)	19.2	6,708	2,703	1,880	2,064 🕏
Total annual GHG saving via energy saving (ton CO_2e)	2.5	873	185	226.2	246.4 🕏
Total annual financial savings (TL)	8,080	1,819,825	2,153,287	1,883,211	2,722,605

Water consumption (m³)	2020	2021	2022	2023	2024
Municipal water	208,558	226,685	215,375	175,232	214,026 🕏
Ground water	8,240	5,454	5,839	8,202	13,854 🗸
Rain water	0	683	4,113	7,757	6,193 🕏
Total	216,975	232,822	225,327	191,191	234,073 🕏
Amount of wastewater (m³)	216,975	232,822	225,327	191,191	234,073 🗸
Water intensity (m³/number of employed	13.1	14.1	13.6	11.8	15 ♥

Waste Generation (ton)	2020	2021	2022	2023	2024
Hazardous Waste			<u> </u>		
Recycled ⁷	291.5	242.2	100.1	107.7	90.1 🗸
Electronic Waste	246.8	228.0	87.8	95.1	68.6 🗸
Other	44.8	14.2	12.3	12.6	27.5 🗸
Incinerated with energy recovery	0	0	0	0	0
Disposed	0.11	0.12	0.33	0.34	0.04 🗸
Total	291.6	242.3	100.4	108	96.2 🗸
Non - Hazardous Waste					
Recycled	939.1	905.5	1,211.8	894.8	936.3 🕏
Paper	838.6	828.6	874.9	734.9	713 🗸
Plastic	8.47	15.8	5.66	4.4	8.5 🗸
Metal	37.4	45.9	128.3	38.9	153.1 ♥
Other	0.0	15.2	202.9	116.6	66.1 🕏
Incinerated with energy recovery ⁸	2.25	0	0	0	1.21
Municipal Waste	396.0	45.96	60.3	113.2	164 🗸
Total	1,337.3	951.5	1,272.1	1,,008	1,105.7 🕏

⁷ Refers to the amount of electronic and other hazardous waste recycled by a licensed waste processing facility reported in the Integrated Environmental Information System using an "R" code, ⁸ Represents the quantity of organic waste generated in Plaza A and D Block buildings, which is incinerated in biomethanization plants to generate energy,

Equipment Type (#)	Donation	Used Sale
Laptop Printer	415	9
Printer	9	0
Tablet	4	1
Desktop	1,077	0
Other	7	0

Sertificates (%Employees) °	2020	2021	2022	2023	2024
ISO-14001 Environment Management System	31	47	70	75	100
ISO-50001 Energy Management System	-	-	30	32	30
ISO-14064-1 Greenhouse Gases Emissions Certificate	100	100	100	100	100
ISO-14046 Water Footprint Certificate	27	53	61	98	98

9 Calculations are based on the certified locations and employee numbers of the bank and its subsidiaries (excluding Yapı Kredi Germanyr,

Environmental Investments & Expenditures (million TL)	2020	2021	2022	2023	2024
CAPEX	2.5	3.5	32.4	17.2	93.4
OPEX	0.7	0.7	4.7	12.0	155.8
Total	3.2	4.2	37.1	29.2	249.2

² Market-based Scope 2 emissions, electricity consumption is calculated as "0" due to IREC certification. In 2024, 100% of total energy consumption was met with energy sourced from renewable resources

³ As of 2021, the scope of Scope 3 - Category 1 (purchased paper) has been expanded. Under the same scope evaluation, there was a 3% reduction in 2024 compared to the previous year.

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SOCIAL PERFORMANCE TABLES										
6 814 181 1 75 1 1	20	2020		2021		2022		23	20	24
Consolidated Number of Employees ¹	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Yapı Kredi	10,243	6,320	9,950	6,165	9,607	5,824	9,354	5,655	9,024 🕏	5,378 🗸
Türkiye	10,243	6,317	9,950	6,162	9,607	5,821	9,354	5,652	9,024 🗸	5,375 🗸
Bahreyn Branch	0	3	0	3	0	3	0	3	0 🕏	3 🕏
Domestic Subsidiaries	253	340	293	370	335	435	362	454	375 🕏	440 🗸
Foreign Subsidiaries	100	205	109	199	103	212	114	223	107	211
Total	17,	464	17,	086	16,	516	16,	162	15,5	35 🕏

¹The table covers Yapı Kredi Bank, domestic subsidiaries (Yapı Kredi Invest, Yapı Kredi Asset Management, Yapı Kredi Technology, Yapı Kredi Leasing ve Yapı Kredi Faktoring) and foreign subsidiaries (Yapı Kredi Bank Nederland N.V. and Yapı Kredi Bank Azerbaijan).

Number of Employees and Subcontractors	2020		2021		2022		2023		2024	
by Employment Type ²	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Employee Number	15,886	151	15,208	244	15,256	175	14,834	175	15,010	207
Subcontracter Number	2,508	147	2,348	101	2,445	136	2,222	102	2,307	108

² The table covers only Yapı Kredi Bank.

Employment Models ³	2022	2023	2024
Office (%)	55	54	57
Hybrid (%)	20	20	15
Remote (%)	25	26	28

 $^{^{3}}$ The application was launched in May 2022 and only Yapı Kredi Bankası was included.

Number of Fundament by Acc 4	20	20	2021		2022		2023		2024	
Number of Employees by Age ⁴	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Under 30 years old	125	335	186	415	1,960	1,080	2,326	1,332	2,338 🕏	1,404 🕏
30-50 years old (including 30 and 50 years old)	7,818	5,047	7,783	4,816	7,752	4,673	7,108	4,325	6,854 🕏	4,086 🕏
Over 50 years old	2,300	938	2,002	934	230	506	282	452	207 🕏	328 🕏

4 Unless otherwise stated, Employment Models and the following tables cover Yapı Kredi Bank and its domestic subsidiaries (Yapı Kredi Invest, Yapı Kredi Portfolio, Yapı Kredi Technology, Yapı Kredi Leasing ve Yapı Kredi Faktoring).

North and Frank and the Distribution	20	2020 2021		2022		2023		2024		
Number of Employees with Disabilities	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Employees with disabilities by gender	115	407	131	398	134	383	144	380	112 🕏	332 🕏

Number of Frankrick by Town of Frankrick	20	2020		2021		2022		2023		24
Number of Employees by Term of Employment	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
0-5 years	2,375	1,677	2,127	1,517	2,209	1,633	2,740	2,013	3,375	2,504
5-10 years (including 5th and 10th years)	3,449	2,065	3,357	2,004	3,243	1,949	2,729	1,638	1,857	1,141
10 years and above	4,419	2,578	4,466	2,644	4,490	2,677	4,247	2,458	4,167	2,173

Number of Internal Promotion	20	2020		2021		2022		2023		24
Number of Internal Promotion	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Under 30 years old	468	185	239	163	524	336	666	406	336 🕏	196 🕏
30-50 years old (including 30 and 50 years old)	785	663	741	549	951	909	1.150	680	632 🕏	425 🗸
Over 50 years old	1	5	0	4	0	0	16	22	17 🗸	13 🗸

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New Foreless - History In Complete and Acco	20	20	2021		2022		2023		2024	
New Employee Hires by Gender and Age	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Under 30 years old	469	345	776	493	1,032	693	1,403	773	978 🕏	648 🕏
30-50 years old (including 30 and 50 years old)	38	74	59	122	116	168	257	224	130 🕏	145 🕏
Over 50 years old	0	0	0	0	0	1	0	1	2 🗸	1 🕏

Position Filled with Internal Candidates	2020		2021		2022		2023		20	24
Position Filled with Internal Candidates	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
By Gender (%)	-	-	62.1	37.9	66.7	33.3	68.5	31.6	60.8	39.2
Total		-		1,209		147		1,433		19

Number of Employees Leaving Work	20	20	2021		2022		2023		2024	
Number of Employees Leaving Work	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Under 30 years old	378	196	504	315	650	368	636	406	480	340
30-50 years old (including 30 and 50 years old)	491	262	576	385	477	325	1.073	592	799	540
Over 50 years old	65	129	63	114	37	66	99	224	146	205

Funday on Trumpayon Data 19/15	20)20	2021		2022		2023		2024	
Employee Turnover Rate (%) ⁵	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Under 30 years old	2.2	1.2	3.1	1.9	4.0	2.3	4.0	2.5	3.1	2.2
30-50 years old (including 30 and 50 years old)	2.9	1.6	3.5	2.4	3.0	2.0	6.7	3.7	5.1	3.5
Over 50 years old	0.4	0.8	0.4	0.7	0.2	0.4	0.6	1.4	0.9	1.3
Total	9	9.0		2.0	11.9		18.9		16	5.2

⁵ Employee turnover rate is calculated over the total number of people who left voluntarily (with resignation) and non-resignation ways..

Voluntary Employee Turnover Rate (%)6	20)20	20	2021		2022		2023		24
voluntary Employee Turnover Rate (%)	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Under 30 years old	1.2	1.0	2.0	1.6	2.2	1.6	2.4	2.0	2.2 🕏	1.8 🕏
30-50 years old (including 30 and 50 years old)	0.6	0.7	1.0	1.3	0.9	1.1	0.9	1.1	0.9 🗸	1.1 🗸
Over 50 years old	0	0	0	0	0	0	0	0	0 🕏	0 🕏
Total	3	3.4		.9	5.8		6.4		6.1 🗸	

⁶ Voluntary employee turnover rate is calculated only for people who left by resignation.

Maternity Leave ⁷	2020	2021	2022	2023	2024
Number of employees taking maternity leave	551	546	471	412	359 ♥
Number of employees returning to work after maternity leave	641	532	475	424	346 🕏
Number of employees that returned to work after maternity leave and worked at least 12 more months afterward	640	515	457	415	328 🕏
Return-to-work rate after maternity leave (%)	93.3	95.9	94.5	95.6	96.4 🗸
Retention rate after maternity leave (at least 12 months) (%)	95.1	96.9	96.2	97.8	94.8 🗸

 $^{7}\,\mathrm{The}$ table covers only employees at Yapı Kredi Bank Türkiye locations.

Number of Employees Benefiting from Parental Leave 8	20	20	20	21	20	22	20	23	2024		
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	
Number of employees benefiting from parental leave	551	264	546	276	471	256	412	206	359 🗸	176 🕏	

⁸ The table covers only employees at Yapı Kredi Bank Türkiye locations.

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Gender Diversity	20	20	20	21	20	22	20	23	20	24
Gender Diversity	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Employees in all positions (%)	61.7	38.3	61.7	38.3	61.4	38.6	61.4	38.6	61.8 🕏	38.2 🕏
Board members (%)	20.0	80.0	16.7	83.3	16.7	83.3	20	80	20	80
Employees in all management positions (%)	40.3	59.7	40.0	60.0	39.9	60.1	61.6	38.4	47.5	52.5
Employees in senior management positions (%)	30.0	70.0	22.9	77.1	22.2	77.8	19.4	80.6	19.4 🕏	80.6 🕏
Employees in middle and first-level management positions ⁹ (%)	49.2	50.8	48.6	51.4	48.5	51.5	48.5	51.5	47.9 🗸	52.1 🗸
Employees in first-level management positions ⁹ (%)	61.2	38.8	60.6	39.4	59.0	41.0	58.6	41.4	59.7 🕏	40.3 🕏
Employees in non-management positions (%)	64.3	35.7	64.4	35.6	64.1	35.9	64.1	35.9	64.6	35.4
Employees in income generating management positions (%)	43.4	56.6	43.6	56.4	44.4	55.6	46.2	53.8	45.6	54.4
Employees in income generating positions (%)	67.7	32.3	67.9	32.1	68.2	31.8	69.1	30.9	69.3	30.7
Employees in STEM ¹⁰ related positions (%)	36.2	63.8	36.6	63.4	38.2	61.8	37.0	63.0	38.7	61.3
Employees in technology/IT teams (%)	38.1	61.9	38.1	61.9	39.3	60.7	38.4	61.6	36.0	64.0
Employees in engineering positions (%)	22.6	77.4	23.3	76.7	23.0	77.0	22.9	77.1	23.0	77.0

⁹ For senior management positions maximum two levels away from CEO or similar positions, for middle-level management positions three and four levels away from CEO or similar positions, and first-level management positions five and more levels away from CEO or similar positions are taken as a basis.

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	20	22	20	23	2024			
Share in Management Position by Nationality (%)	Total Workforce	All Management Positions	Total Workforce	All Management Positions	Total Workforce	All Management Positions		
Türkiye (%)	98	98	98.2	98.4	98.3	97.7		
Azerbaijan (%)	1.5	1.4	1.6	1.1	1.6	2.3		
Netherlands (%)	0.2	0.5	0.2	0.5	0.1	0.0		

Pay Gap Analysis	20	20	2021		2022		20	23	2024	
Pay Gap Analysis	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Gender Pay Gap Ratio (%)	27.1	25.9	27.5	26.4	27.1	24.9	27.6	24.5	27.7	24.2
Bonus Gap Ratio (%)	42.7	44.9	35.4	36.9	31.4	33	41	40	42.0	27.4

Unionization ¹¹	2020		2021		2022		20	23	2024	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Number of unionized employees	6,025	2,879	5,792	2,743	6,595	2,840	6,283	2,616	5,981	2,433

¹¹ The table covers only employees at Yapı Kredi Bank Türkiye locations

Employee Engagement	2020			2021			2022			2023			2024		
Епіріоуее Епдадетіені	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Employee engagement (%)	75	76	76	68	67	68	67	72	69	65	67	66	59	59	59

Training	20	20	2021		2022		2023		2024	
Iraining	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Average hours of training per employee	20	24	43	47	49	50	33	33	40 🗸	37 🕏
Total training hours	202,844	141,751	419,491	274,456	488,316	310,781	321,014	203,309	370,828	213,598
Average amount spent per employee on training (TL)	1,626	1,626	2,392	2,392	5,349	5,349	10,630	10,630	16,130 🗸	16,130 🕏
Total amount spent on training (million TL)	16.2	9.7	23.1	13.8	53.1	33.4	103.3	64.9	151.6 🕏	93.8 🗸

Total Training Hours	2020	2021	2022	2023	2024
Ethics	4,491	2,943	20,162	4,986	9,581 🕏
Personal Data Protection Law	3,502	7,311	4,677	16,963	14,676 🗸
Anti-corruption	265	312	488	725	738 🕏
Gender Equality / Diversity & Inclusion	-	1,355	446	418	415
Human Rights	86	966	322	181	2,996 🕏
Sustainability	156	3	179	980	1,277
Information Security	1,380	1,581	1,582	6,144	3,863
Cyber Security	257	438	401	545	279
OHS	7,837	84,763	30,679	8,523	83,376 🗸
Environment	646	1,129	2,011	4,610	8,438
Leadership	15,564	125,506	130,006	33,817	29,753
Professional/Technical	230,130	317,472	377,768	322,113	300,078
Other	82,155	150,168	230,377	124,318	129,007

Occupational Health and Safety (Employees)	2020	2021	2022	2023	2024
Total working hours (in a year)	27,665,546	28,650,588	29,582,643	30,904,527	31,560,380 🕏
The total lost working days	165	118	161	71	3 ❷
The number of work-related injuries	20	18	33	22	20 🕏
The number of work-related fatalities	1	0	0	0	0 🕏
The number of occupational diseases	0	1	0	0	0 🕏
Lost Day Rate (LDR) ¹²	1.19	0.82	1.09	0.46	0.02 🕏
Injury Rate (IR) ¹³	0.14	0.13	0.22	0.14	0.13 🕏
Occupational Disease Rate (ODR) ¹⁴	0	0.06	0	0	0 🕏
Absentee Rate (% of total days scheduled) ¹⁵	2.57	1.56	2.12	1.98	2.01

Occupational Health and Safety (Subcontractors)	2020	2021	2022	2023	2024
Total working hours (in a year)	5,651,713	5,789,403	5,200,244	5,507,567	5,394,380
The total lost working days	10	1	4	8	23
The number of work-related injuries	7	12	14	14	27
The number of work-related fatalities	0	0	0	0	0
The number of occupational diseases	0	0	0	0	0
Lost Day Rate (LDR) ¹²	0.35	0.03	0.15	0.29	0.85
Injury Rate (IR) ¹³	0.25	0.41	0.54	0.51	1.00
Occupational Disease Rate (ODR) ¹⁴	0	0	0	0	0

¹² Lost Days Rate (LDR): Calculated based on the number of lost working days due to workplace accidents and total working time. Formula: (Total Number of Lost Working Days x 200,000) / Total Working Hours

 $^{^{\}rm 10}$ STEM refers to science, technology, engineering and mathematics.

¹³ Injury Rate (IR): Calculated based on work-related injuries and total time worked during the year. Formula: Total Number of Work-Related Injuries / (Total Working Hours – Lost Working Hours) x 200,000

¹⁴ Occupational Disease Rate (ODR): Calculated based on temporary or permanent diseases due to the nature or conditions of the work and total working hours. Formula: (Total Number of Occupational Diseases x 200,000)/Total Working Hours

¹⁵ Absentee Rate: Calculated based on absentee days lost and total days worked. Formula: (Absentee Days / Total Days Scheduled) x 100

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Supplier Management ¹⁶	2022	2023	2024
Number of Total Supplier	564	626	833
Number of Local Supplier	509	563	783
Rate of payments to local suppliers (%)	97.9	94	98

¹⁶ The table covers only Yapı Kredi Bank.

Supplier Management ¹⁶	2020	2021	2022	2023	2024
Number of Total Supplier	48	49	48	43	44
Number of Local Supplier	7	10	13	16.5	15.5

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Governance Indicators	2020	2021	2022	2023	2024
Number of Board Members	10	10	12	10	10
Women on Board (%)	20	20	17	20	20
Independent Board Members (%)*	30	40	33	30	30
Average Age	51	52	53	55	56
Average Tenure	4	4	5	6	7
Educational Background - Total Number of Members	10	12	12	10	10
Bachelor's Degree	1	1	-	-	-
Master's Degree	8	10	11	9	9
Doctorate Degree	1	1	1	1	1

(*) Ahmet Çimenoğlu and Nevin İpek, who have been appointed as members of the Audit Committee within the framework of Article 6, paragraph (3)(a) of the Capital Markets Board's Corporate Governance Communiqué No. II-17.1, are considered independent Board Members.

Board Members	Attendance Rate
Ali Y. Koç	86
Levent Çakıroğlu	100
Gökhan Erün	100
Ahmet F. Ashaboğlu	100
A. Ümit Taftalı	86
Ahmet Çimenoğlu	100
Virma Sökmen	100
Nevin İpek	100
Kemal Uzun	100
Polat Şen	100

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United Nations Responsible Banking Principles Reporting Index

PRINCIPLE 1: ALIGNMENT

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

SUSINESS MODEL

STRATEGY ALIGNMENT

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

RESPONSE

Yapı Kredi operates in Türkiye as one of the largest private banks in the country. The Bank is active in retail banking (including card payment systems, individual banking, business banking and private banking) as well as corporate, commercial and SME banking. The bank serves its customers with 772 branches covering all regions of Türkiye and approximately 14 thousand employees.

Yapı Kredi's performing loans consists of 55% retail loans (including SME loans) and 45% corporate and commercial loans as of 2024 year end. Sectoral breakdown of loans is as follows; 40.5% retail lending, 6.8% infrastructure & other construction, 5.8% energy, 4.4% wholesale trade, 4.3% metals, 4.0% automotive, 3.6% finance, 3.3% textile, 3.4% food & beverage, 3.4% health & education, 14.2% other sectors. The Bank's operations are supported by its domestic subsidiaries operating in the fields of portfolio management, investment, financial leasing and factoring, as well as its foreign banking subsidiaries in the Netherlands and Azerbaijan.

About Yapı Kredi, page 20

RESPONSE

None of the above

In line with its vision of adding value to society, Yapi Kredi adopts as one of its strategic priorities maintaining its solid position among the banks that shape the sector in environmental, social and corporate governance areas. The Sustainable Development Goals (SDGs) and the Paris Climate Agreement serve as guides in creating the Bank's sustainability strategy. Yapi Kredi's sustainability strategy is also guided by Türkiye's development plans and Türkiye's Intended National Contribution Declaration within the scope of Türkiye's sustainability priorities. Therefore, Yapi Kredi addresses its sustainability strategy under four main pillars in line with national and international sustainability trends as well as internal and external stakeholder expectations. Yapi Kredi's sustainability strategy includes the following focus areas: Climate Crisis and Environment, Risk Management and Corporate Governance, Sustainable Finance, Human and Society.

Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones:

Business Model and Strategy, page 64-67

PRINCIPLE 2: IMPACT AND TARGET SETTING

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

.1 IMPACT ANALYSIS (KEY STEP 1) 🗸

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target setting. The impact analysis shall be updated regularly and fulfil the following requirements/elements (a-d):

a) Scope What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the mageographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not ye been included, and why.

RESPONSE

Yapı Kredi used the Portfolio Impact Analysis Tool of UNEP FI to identify its most significant impact areas and determine priority areas for target-setting. Being active in retail, corporate, commercial and SME banking segments, Yapı Kredi analyzed the environmental and social impact created by all of its business segments by means of the Impact Analysis Tool.

The segmentation employed by Yapı Kredi and the segmentation used in the Impact Analysis Tool are different. The Bank adopted the segment definitions of the Impact Analysis Tool under the UN Principles for Responsible Banking reporting

- Consumer Banking Segment in the Impact Analysis Tool: Yapı Kredi Individual Banking
- Business Banking Segment in the Impact Analysis Tool: Yapı Kredi Business and SME Banking
- Corporate Banking Segment in the Impact Analysis Tool: Yapı Kredi Corporate and Commercial Banking

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of you portfolio globally and per geographical scope

i) by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank core business/major activities lie in terms of industries or sectors.

RESPONSE

The impact of the services offered by Bank on all segments of the society is assessed in an integrated manner. For this reason, while using the Impact Analysis Tool, Yapı Kredi took into account the focus areas of its financial services offered to its individual customers and the number of active customers under the Consumer Banking segment. Within the scope of Business and Corporate Banking, the Bank has used the sectoral breakdown of loan volumes as a basis. In this context, the top ten sectors to which the Bank provides loans in both segments are included in the analysis. Energy, construction, wholesale trade, food and beverage industries are the main sectors in the Bank's portfolio.

c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clien operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

This step aims to put your bank's portfolio impacts into the context of society's needs.

RESPONSE

Carrying out almost all of its operations in Türkiye, Yapı Kredi has taken into account the needs of Türkiye in the field of sustainable development, with the Impact Analysis Tool, while defining its material environmental and social impacts.

¹That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

² Further guidance can be found in the Interactive Guidance on impact analysis and target setting.

³ 'Key sectors' relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.r.

⁴ Global priorities might alternatively be considered for banks with highly diversified and international portfolios.

⁵To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

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PRINCIPLE 2: IMPACT AND TARGET SETTING

RESPONSE

The Bank's potential impact areas have been defined in line with the data utilized in the Impact Analysis Tool within the scope of Retail, Business and Corporate Banking as well as Türkiye's sustainable development needs. In terms of Retail Banking, the Bank's potential impact areas are determined as employment and inclusive, healthy economies. In terms of Business and Corporate Banking, the Bank's potential impact areas are determined as economic convergence and climate

According to the results of the Impact Analysis Tool, Yapı Kredi identified the impact areas for which it plans to set targets as follows, taking into consideration the portfolio, product density and the order of the country's needs within the scope of the joint impact areas of business units and the Bank's material issues in terms of sustainability:

Inclusive and Healthy Economy: Financial Health and Inclusion

Climate: Climate Change

Economic Convergence: Gender Equality

RESPONSE

Considering the breakdown of the relevant impact areas in the Impact Analysis Tool, the priorities of the Bank and the main impact areas of the sector include financial inclusion and R&D investments, which are positioned under the inclusive and healthy economy area. Within the scope of inclusive and healthy economy impact area, the Bank aims to support Türkive's social development. To this end, Yapı Kredi has become one of the founding signatories of the Financial Health and Inclusion Initiative, established in 2021 by the United Nations Principles for Responsible Banking. Climate risks and greenhouse gas emissions, which are handled within the scope of climate change impact area, are also among the priorities of the Bank. During the transition to a low-carbon economy, the Bank has committed to set emission reduction targets within the scope of the Science Based Targets Initiative (SBTi) and Net-Zero Banking Alliance NZBA. In 2024, the Bank became the first privately owned Tier-I bank in Türkiye to have its financed emission reduction targets validated by SBTi. In addition to these targets, it also established and published the first set of goals specifically for carbon-intensive sectors under the NZBA commitment. In line with these commitments and goals, the Bank continues its efforts to achieve net zero by 2050 through its Net-Zero Roadmap, which outlines strategies for reducing emissions from both its operations and financed activities

In addition, the Bank has also launched projects to integrate climate risks into credit risk assessment processes. The issue of gender equality, which is handled under economic convergence, is also among the priorities of the Bank. Under this priority, the Bank works on projects to support and improve gender equality within the scope of human resources processes, products and services, and social responsibility projects.

Environmental Impact Management, page 108-123

TContribution to the Society, page 124-129

Talented and Committed Employees, page 209-217

The Net Zero Approach

https://www.yapikrediinvestorrelations. com/en/sustainability/detail/The-Net-Zero-Approach/852/2535/0

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SELF ASSESSMENT SUMMARY:						
Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts? 6						
Scope:	X Yes	In progress	☐ No			
Portfolio composition:	X Yes	In progress	No			
Context:	X Yes	In progress	☐ No			
Performance measureme	ent: X Yes	In progress	No			
Climate change, financial inclusion How recent is the data used Up to 6 months pr Up to 12 months pr	on, gender equality. for and disclosed in the prior to publication for to publication for to publication to publication the prior to publication	e impact analysis?	result of the impact analysis?			

⁵To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

⁶ You can respond "Yes" to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

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2.2 TARGET SETTING (KEY STEP 2)

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RESPONSE

Yapı Kredi embraces the Sustainability Development Goals (SDGs) and the Paris Climate Agreement as guidelines for its sustainability strategy. Yapı Kredi's sustainability strategy is also guided by Türkiye's development plans and Türkiye's Intended Nationally Determined Contribution Statement within the scope of Türkiye's sustainability priorities.

Climate Change Mitigation Target: Yapı Kredi is a signatory to Net-Zero Banking Alliance and committed to align its lending portfolio with net-zero by 2050. The Bank align with its net-zero target with SDG 13 (Take urgent action to combat climate change and its impacts) and also contributes to SDG 7 (Ensure access to affordable, reliable, sustainable and modern energy for all), SDG 9 (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation) and SDG 12 (Ensure sustainable consumption and production patterns).

Financial Inclusion and Gender Equality Target: Yapı Kredi aims to support financial resilience of its women entrepreneur customers. The Bank align with its financial inclusion target with SDG 5 (Achieve gender equality and empower all women and girls) and SDG 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employement and decent work for all).

Business Model and Strategy, page 64-67

Material Issues, page 82-84

Responsible and Sustainable Finance, page 102-107

Environmental Impact Management, page 108-123

	Impact area	Indicator code	Response
	Climate change mitigation		
ı	Impact area	Indicator code	Response
I	Impact area	Indicator code	Response
	Impact area Financial health & inclusion	Indicator code	Response

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2.2 TARGET SETTING (KEY STEP 2)

RESPONSE

Climate Change Mitigation Target:

Baseline year is 2021 for all decarbonisation targets of Yapı Kredi. Total amount of absolute emissions was calculated as 18.5 million tons of CO_oe in the baseline year, 2021. Yapı Kredi set emission reduction targets for

Targets verified by SBTi:

- Electricity Consumption: Renewable energy purchasing increase target in % Scope 3:
- Corporate Loans Electricity Production: Emission intensity reduction target in tCO_ae/MWh • Project Finance - Electricity Production: Emission intensity reduction target in tCO₂e/MWh
- Real Estate: Emission intensity reduction target in kgCO₂e/m²
- Corporate Loans Other Long Term Lending: Temperature rating reduction target in °C

Targest under the NZBA commitment:

- Iron and Steel: Emission intensity reduction tCO₂e/ton steel
- Electricity Generation: Emission intensity reduction tCO_e/MWh
- Real Estate: Emission intensity reduction kgCO₂e/m²
- Oil and Gas (downstream): Emission intensity reduction gCO₂e/MJ
- Road Transportation: Emission intensity reduction kgCO₂e/tkm • Road Transportation: Emission intensity reduction kgCO₂e/pkm

Financial Inclusion and Gender Equality Target:

Yapı Kredi identified financial inclusion and gender equality as its most significant impact areas and combined these two areas in a single target. Yapı Kredi has set a target of increasing the percentage of womer entrepreneurs with two or more active financial products from different categories in the bank by 10% by 2026, based on the baseline value of 10.4% in 2021 to support their financial resilience. Yapı Kredi periodically monitors the following indicators in order to monitor progress towards achieving its goals.

- Number of new customers under the definition of woman entrepreneurs of Yapı Kredi
- Number of new customers under 'Woman Entrepreneur Support Package" per month
- Percentage of woman entrepreneur customers gained under 'Woman Entrepreneur Support Package" using overdraft regularly
- Percentage of woman entrepreneur customers gained under 'Woman Entrepreneur Support Package" with a non-performing loan

Environmental Impact Management, page 108-123

Innovative Banking, page 130-197

The Net Zero Approach

https://www.yapikrediinvestorrelations. com/en/sustainability/detail/The-Net-Zero-Approach/852/2535/0

RESPONSE

Climate Change Mitigation Target:

Yapı Kredi's ultimate target is to align its operational and financed emissions with net-zero by 2050. In order to achieve its net-zero target, the Bank set interim targets covering its Scope 1, 2 & 3 emissions.

Targets verified by SBTi:

Scope 2:

• Electricity Consumption: 100% renewable energy purchasing target every year

Scope 3:

- Corporate Loans Electricity Generation: 41.7% reduction in emission intensity (tCO₂e/MWh) by 2030 from a 2021 year base year
- Project Finance Electricity Generation: 73.7% reduction in emission intensity (tCO_oe/MWh) by 2030 from a 2021 vear base vear
- Commercial Real Estate: 67.4% reduction in emission intensity (kgCO₂e/m²) by 2030 from a 2021 year base year
- Corporate Loans Other Long Term (scope 1, 2): Reduction in temperature rating to 2.64°C by 2026 from a 2021
- Corporate Loans Other Long Term (scope 1, 2, 3): Reduction in temperature rating to 2.75°C by 2026 from a 2021 year base year

Targest under the NZBA commitment:

- Iron and Steel: 1% BOF reduction in emission intensity (tCO₂e/ton steel) by 2030 from a 2021 year base year
- Iron and Steel: 19% EAF reduction in emission intensity (tCO_ae/ton steel) by 2030 from a 2021 year base year
- Electricity Generation: 74% reduction in emission intensity (tCO,e/MWh) by 2030 from a 2021 year base year • Real Estate: 78% reduction in emission intensity (kgCO_e/m²) by 2030 from a 2021 year base year
- Oil and Gas (downstream): 4% reduction in emission intensity (gCO₂e/MJ) by 2030 from a 2021 year base year
- Road Transportation: 24% reduction in emission intensity (kgCO,e/tkm) by 2030 from a 2021 year base year
- Road Transportation: 81% reduction in emission intensity (kgCO₂e/pkm) by 2030 from a 2021 year base year

Financial Inclusion and Gender Equality Target:

A 10% increase in the percentage of woman entrepreneur customers with two or more active financial products from different categories with the bank by 2026 to support their financial resilience according to the baseline value of 10.4% in 2021.

This target would comprise the acquisition of 20,000 new woman entrepreneur customers aimed to reach with an advantageous product and service package called the 'Woman Entrepreneur Support Package'

Responsible and Sustainable Finance, page 102-107

Environmental Impact Management, page 108-123

The Net Zero Approach

https://www.yapikrediinvestorrelations.com/en/sustainability/detail/The-Net-Zero-Approach/852/2535/0

Operational targets (relating to for example water consumption in office buildings, gender equality on the bank's management board or business-trip related greenhouse gas emissions) are not in scope of the PRB.

Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank's targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

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2.2 TARGET SETTING (KEY STEP 2

RESPONSE

Climate Change Mitigation Target:

In 2024, Yapı Kredi received verification from SBTi for the emission reduction targets it set for its credit portfolio and operations as part of its climate change strategy. Throughout the bank, efforts have been made to develop a sector-focused net-zero roadmap to achieve these targets. This roadmap was developed through an interactive process involving a Steering Committee composed of senior management and working group members, focusing on the Bank's credit policies and strategies.

The basis of the transformation strategy developed by Yapı Kredi for these sectors is to support the transformation needs of its customers. In order to meet transformation needs of its customers, Yapı Kredi continues to work to implement the action plans it has determined.

Financial Inclusion and Gender Equality Target:

In line with its financial inclusion and gender equality target, Yapı Kredi designed the "Woman Entrepreneur Support Package" comprising the acquisition of 20,000 new woman entrepreneur customers aimed to reach with an advantageous product and services by 2026. Within the scope of this package, annual targets have been determined until 2026 and action plans have been assigned to relevant portfolio managers in line with these

Business Model and Strategy, page 64-67

Responsible and Sustainable Finance, page 102-107

Environmental Impact Management, page 108-123

SELF-ASSESSMENT SUMMARY:						
Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your						
	first area of most significant impact: (Climate Change Mitigation)	second area of most significant impact: (Financial Inclusion & Gender Equality)	(If you are setting targets in more impact areas)your third (and subsequent) area(s) of impact: (please name it)			
Alignment	X Yes In progress No	X Yes In progress No	Yes In progress No			
Baseline	X Yes In progress No	X Yes In progress No	Yes In progress No			
SMART targets	X Yes In progress No	X Yes In progress No	Yes In progress No			
Action plan	X Yes In progress No	X Yes In progress No	Yes In progress No			

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2.3 TARGET IMPLEMENTATION AND MONITORING (KEY STEP 2)

RESPONSE

In 2024, Yapı Kredi received SBTi verification for its emission reduction targets aligned with the Science-Based Targets initiative. Additionally, the bank joined the Net-Zero Banking Alliance in 2023 and developed net-zero targets specifically for emission-intensive sectors by 2024 under NZBA guidelines. In 2023, Yapı Kredi also played an active role in the UN PRB's Financial Health and Inclusion Working Group, setting goals for financial inclusion and gender equality.

In line with all these targets, the Bank will publicly report its target achievements in the coming years in its integrated annual reports.

Responsible and Sustainable Finance, page 102-107

Environmental Impact Management, page 108-123

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PRINCIPLE 3: CLIENTS AND CUSTOMERS	5	
We will work responsibly with our clients a for current and future generations.	and our customers to encourage sustainable practices and ena	able economic activities that create shared prosperi
X Yes In progress Does your bank have a policy for sectors in whice X Yes In progress Describe how your bank has worked with and/of activities). It should include information on relepossible, the impacts achieved.	ocess with clients and customers in place to encourage sustainable place. No ch you have identified the highest (potential) negative impacts? No r is planning to work with its clients and customers to encourage sus vant policies, actions planned/implemented to support clients' transit	
RESPONSE Vanu Kradi nuts its customers at the center of its	activities. When offering its customers financial products and	Contribution to the Society, page 124-129 Human Focus, page 198-219
services that will meet to their needs and enhan them with accurate information, embracing a tractionarial literacy. Responsible Lending Statemen customers and serves as a guide for the Bank's expansion of the Bank's expan	the their welfare, the Bank acts with the principle of providing ansparent and fair service understanding, and improving their it forms the basis of the Bank's responsible relationship with its employees. Thing influence the sector has, embraces a responsible growth ossitive impacts on all its stakeholders and create value for all proach to sustainability is based on creating long-term value for we attitude toward social and environmental issues while ensuring try lies at the heart of the Bank's business culture and philosophy. Influence sector for finding solutions for the global environmental ne number of sustainable finance products for its customers in ms to set strategic targets to increase the share of these products to contribute to the capacity building of its customers on le financing of transformation. In 2024, the bank updated and	Responsible Lending Statement https://www.yapikrediinvestorrelations.com/ en/images/pdf/codeofethicsandpolicies/2020/ yk_responsible_lending_statement.pdf Sustainable Finance Framework https://www.yapikrediinvestorrelations.com/en/ images/pdf/sustainablebonds/Yapi-Kredi-Sustainable Finance-Framework-2024.pdf

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PRINCIPLE 3: CLIENTS AND CUSTOMERS

RESPONSE

 $Yapı\ Kredi\ offers\ financial\ solutions\ to\ sustainable\ development\ issues\ through\ numerous\ products\ and\ services$ such as sustainability-linked loans, renewable energy and energy efficiency loans and Nature-Friendly Mortgage Loans. On the other hand, encouraging its customers to take action in sustainability, Yapı Kredi sets certain targets linked with the customers' sustainability performances independent of where the loan is planned to be used in sustainability-linked loans extended to corporate and commercial customers. Advantages are provided in loan conditions if these targets are achieved during the loan's term.

In 2024, Yapı Kredi established and published a net-zero roadmap featuring prioritized sectoral action steps to achieve SBTi-verified reduction targets as part of its climate change strategy. The basis of the transformation strategy developed by Yapı Kredi for these sectors is to support the transformation needs of its customers. As capacity utilization rates increase in response to increasing demand, the use of loans for technologies that reduce emission intensities for capacity increase investments in companies is one of the most basic investment loan opportunities for the Bank. Providing financing for the investments of companies with high energy consumption that will produce energy from renewable sources in order to reduce their emission intensity, or providing loans for green energy consumption needs through the purchase of green electricity certificates are also within the scope of Yapı Kredi's sector strategies.. In addition, providing the financing needed by its customers for the integration of developed technologies such as carbon capture and storage is part of the Bank's transformation strategy.

Responsible and Sustainable Finance, page 102-107

Environmental Impact Management, page 108-123

¹⁰ A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

¹¹ Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

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PRINCIPLE 4: STAKEHOLDERS		
We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.		
4.1 STAKEHOLDER IDENTIFICATION AND CONSULTATION Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups) you have identified as relevant in relation to the impact analysis and target setting process?		
X Yes In progress No		
Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.		

RESPONSE

Analyzing the priorities and expectations of stakeholders for Yapı Kredi enables the Bank to better manage risks and opportunities. The Bank embraces the concept of effective and two-way communication with its stakeholders, which are grouped as shareholders and investors, employees, customers, regulatory and supervisory authorities, financial institutions and creditors, international enterprises, chambers of commerce and unions, suppliers, non-governmental organizations (NGOs), universities and research institutions, and the media.

Customers lie at the heart of Yapı Kredi's business model and constitute one of the most important stakeholder groups. The Bank considers its customers' feedback, and improves and enhances customer experience and the value proposition delivered to them. Human capital is the most important asset that serves as the foundation of Yapı Kredi's sustainability. In order to meet the expectations of its employees and to prepare for the business world of the future, Yapı Kredi regularly improves its working model, employee training and development programs, and the fringe benefits offered to its employees.. Within the scope of relations with shareholders, the Investor Relations department organizes analyst day meetings and teleconferences and participated conferences and roadshows to meet with current and potential investors while informing shareholders about current developments.

Yapı Kredi believes that Sustainable Development Goals can be achieved only through multistakeholder collaborations. Aware of this fact, while setting its strategic priorities, Yapı Kredi regularly conducts stakeholder analyses to understand the expectations of its internal and external stakeholders and reflects the outcomes of these studies in its materiality analysis. The stakeholder analysis is performed with the participation of more than a hundred stakeholders, including shareholders and investors, customers, supervisory and regulatory bodies, financial institutions and creditors, chambers of commerce and unions, suppliers, NGOs, universities, and research institutions. The Bank engages with its external stakeholders and its own employees via an online survey to collect their opinions.

Yapı Kredi actively takes part in sectoral initiatives and non-governmental organizations, and gives importance to multi-stakeholder communication and cooperation. The Bank strives to become a member and contribute to international standards and initiatives on sustainability. The Bank works, carries out projects and collaborates with numerous organizations and initiatives, including the UNEP FI, UN PRB, Turkish Industry and Business Association (TÜSİAD), Global Compact Network Türkiye, Women's Empowerment Principles (WEPs), Women Entrepreneurs Association of Türkiye (KAGİDER), World Wide Fund for Nature (WWF-Türkiye), Finance for Biodiversity Foundation, Integrated Reporting Türkiye Network (ERTA) and Business Council for Sustainable Development Türkiye (bscdTürkiye). Yapı Kredi is also an active member of the Banks Association of Türkiye (BAT) and participates in all activities of the association. The Bank is a member of the "Sustainability Working Group" of BAT and actively contributes to all studies carried out under sub-working groups focuses on Green Asset Ratio (GAR) and climate risks.

Material Issues and Stakeholder Relations, page 82-87

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PRINCIPLE 5: GOVERNANCE & CULTURE
We will implement our commitment to these Principles through effective governance and a culture of responsible banking
5.1 GOVERNANCE STRUCTURE FOR IMPLEMENTATION OF THE PRINCIPLES 🕏
Does your bank have a governance system in place that incorporates the PRB?
X Yes In progress No
Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about • which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to), • details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as • remuneration practices linked to sustainability targets.

RESPONSE

Yapı Kredi conducts its sustainability activities within the scope of its Sustainability Management System (SMS). The Sustainability Committee, the highest authority within the SMS, is responsible for integrating sustainability in business processes and monitoring sustainability performance. The Committee is chaired by an Independent Board Member and its activities are reported to the Executive Committee and the Board of Directors annually.

Reporting to the Corporate Communications Department, the Sustainability Unit is responsible for monitoring the Bank's sustainability goals and performances, coordinating the working groups under the Sustainability Committee, making suggestions to the Committee and working groups on sustainability trends and agenda, ensuring data consolidation in sustainability at the Bank, and managing sustainability communication. In 2024, to achieve its sustainable banking goals, the Bank reviewed and restructured the objectives and framework of its working groups. The working groups were reshaped as "Human and Society," "Climate Related Risk Management," "Net-Zero," "Sustainable Finance," and "Sustainable Operations." Within the activities carried out by these working groups, the Bank continues to improve sustainability performance in line with the United Nations Responsible Banking Principles through the participation of relevant teams.

Sustainability Management, page 60-63

RESPONSE

Yapı Kredi has sustainability trainings and internal communication newsletters for its employees at all levels to stimulate a sustainability culture inside the Bank. There are online ESG trainings can be accessed by employees via Yapı Kredi's online training portal and some certificate programs for relevant employees working on ESG areas. Yapı Kredi also organizes trainings and workshops to build the knowledge capacity established within the Bank on specific subjects such as integration of climate change risks and opportunities into lending processes. In addition, non-financial KPIs linked to sustainability strategy and targets of Yapı Kredi are part of the remuneration package of all relevant staff including top management.

2024 CDP Corporate Questionnaire

https://www.yapikrediinvestorrelations.com/en/ images/pdf/sustainability-reports/2024/ykb-cdpresponse-2024.pdf

Environmental Impact Management, page 108-123

¹² Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations

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PRINCIPLE 5: GOVERNANCE & CULTURE

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To identify, prevent or minimize the environmental and social risks of investments to be financed by Yapı Kredi, the Bank implements the ESRA System, based on national legislation and International Finance Corporation (IFC) Environmental and Social Performance Standards. Under the ESRA, all loan requests submitted to the Bank are evaluated in line with the loan policies and the Exclusion List provided in the Yapı Kredi Environmental and Social Policy. Activities that do not comply with these policies or are on the Exclusion List are not financed under any circumstances.

The effectiveness of the ESRA System is closely monitored through internal audits as well as regular trainings given to all teams responsible for the implementation of the model, especially portfolio managers. Improvements were made in the reporting steps of the ESRA System to the credit and sustainability committees, increasing the control of the senior management over the system.

The Bank expanded the scope of the ESRA System in 2019, which has been applied to investment and project finance loans with a loan amount of USD 20 million or more and a loan demand of at least three years since 2017. Since 2019, the ESRA system has been used to evaluate all new investment and project finances with an investment amount of USD 10 million and more and provided with resources and services under the corporate and commercial business lines. In order to align the scope of the ESRA System with the Equator Principles, improvements were made in 2021 with reference to national legislation and the International Finance Corporation Performance Standards (IFC PSs) as well as Equator Principles practices.

Under the ESRA System, investments are examined in line with the national Environmental and OHS legislation as well as within the scope of various international standards on issues such as key sensitive areas, cultural heritage, resettlement of affected people, natural resource use, stakeholder engagement, environmental and social management systems, community health and safety, media, and community objection. According to the results of the assessment performed with the question sets defined specifically for the sector, the relevant risk category of the investment in question is determined and action and monitoring plans suitable for this classification are created in cooperation with the customer. In case the investment is found to be high risk, these actions are monitored in cooperation with independent consultants. Yapı Kredi clearly defines the criteria and control definitions for the selection of independent consultants for investments, and includes these in the implementation processes of the ESRA System.

Responsible and Sustainable Finance, page 102-107

Environmental And Social Risk Management Policy

https://www.vapikrediinvestorrelations.com/en/ images/pdf/codeofethicsandpolicies/2020/yk_ environmental_and_social_policy.pdf?v2

Environment, Energy and Water Policy

https://www.yapikrediinvestorrelations.com/en/ images/pdf/cevre-enerji-ve-su-politikasi-en.pdf

Human Rights Statement

https://www.yapikrediinvestorrelations.com/en/ images/pdf/codeofethicsandpolicies/yk_human_ rights_statement.pdf

Occupational Health and Safety Policy

https://www.yapikrediinvestorrelations.com/en/ images/pdf/codeofethicsandpolicies/2020/yk_ occupational_health_and_safety_policy.pdf

SELF-ASSESSMENT SUMMARY			
Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?			
X Yes No			
Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?			
X Yes No			
Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?			
X Yes			

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PRINCIPLE 6: TRANSPARENCY & ACCOUNTABILITY		
We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.		
6.1 ASSURANCE Has this publicly disclosed information on your PRB commitments been assured by an independent assurer? X Yes Partially No If applicable, please include the link or description of the assurance statement.		
RESPONSE Four key areas (2.1 Impact Analysis, 2.2 Target Setting, 2.3 Target Implementation and Monitoring, 5.1 Governance Structure for Implementation of the Principles) requiring limited assurance have been assured by an independent assurer based on the PRB Guidance for Assurance Providers.	Independent Assurance Report	
6.2 REPORTING ON OTHER FRAMEWORKS Does your bank disclose sustainability information in any of the listed below standards and frameworks? X GRI X CDP X TCFD SASB IFRS Sustainability Disclosure Standards (to be published) Other:		
RESPONSE Yapı Kredi discloses its sustainability information through GRI, CDP, TCFD frameworks.	TCFD Disclosure Table GRI Content Index 2024 CDP Corporate Questionnaire https://www.yapikrediinvestorrelations.com/en/images/ pdf/sustainability-reports/2024/ykb-cdp-response-2024. pdf	
6.3 OUTLOOK What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis, the PRB)? Please describe briefly.	, target setting and governance structure for implementing	
RESPONSE In 2024, to achieve its sustainable banking goals, the Bank reviewed and updated the objectives and structure of its working groups. It will continue efforts to integrate the objectives set for each working group into members' roles, responsibilities, and targets. Yapı Kredi will continue integrating its net-zero roadmap into its systems to meet climate-related targets. Additionally, it will start identifying the second set of sectoral targets under NZBA. The Bank plans to initiate a 25 MWe solar power project on land, expected to supply approximately 59% of its energy consumption from renewable sources.		
6.4 CHALLENGES Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Pri helpful to contextualise the collective progress of PRB signatory banks. What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please cho has prioritized to address in the last 12 months (optional question). If desired, you can elaborate on challenges and how you are tackling these: Embedding PRB oversight into governance X Customer engal Stakeholder en		

¹⁴ For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

¹⁵ For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

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TCFD Disclosure Table

	Describe the board's oversight of climate-related risks and opportunities	Sustainability Management, page 60-63 Business Model and Strategy, page 64-67 CDP Corporate Questionnaire 2024, page 51-53 https://www.yapikrediinvestorrelations.com/en/images/pdf/sustainability-reports/2024/ykb-cdp-response-2024.pdf
Governance	Describe management's role assessing and managing climate-related risks and opportunities	Sustainability Management, page 60-63 Business Model and Strategy, page 64-67 CDP Corporate Questionnaire 2024, page 59-60 https://www.yapikrediinvestorrelations.com/en/images/pdf/sustainability-reports/2024/ykb-cdp-response-2024.pdf
	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Trends, Their Implication for the Sector and Yapı Kredi's Response, page 72-78 Yapı Kredi Environmental and Social Policy https://www.yapikrediinvestorrelations.com/en/images/pdf/ codeofethicsandpolicies/2020/yk_environmental_and_social_policy.pdf?v2 CDP Corporate Questionnaire 2024, page 16-21 https://www.yapikrediinvestorrelations.com/en/images/pdf/sustainability- reports/2024/ykb-cdp-response-2024.pdf
Strategy	Describe the impact of climate related risks and opportunities on the organization's business, strategy and financial planning	Yapı Kredi Environmental and Social Risk Management Policy https://www.yapikrediinvestorrelations.com/en/images/pdf/ codeofethicsandpolicies/2020/yk_environmental_ and social_policy.pdf?v2 CDP Corporate Questionnaire 2024, page 22-32, 34-47, 105-108 https://www.yapikrediinvestorrelations.com/en/images/pdf/sustainability- reports/2024/ykb-cdp-response-2024.pdf
	Describe the resilience of the organization's strategy, taking into consideration different scenarios, including a 2°C or lower scenario	CDP Corporate Questionnaire 2024, page 99-101 https://www.yapikrediinvestorrelations.com/en/images/pdf/sustainability-reports/2024/ykb-cdp-response-2024.pdf

	Describe the organization's processes for identifying and assessing climate-related risks.	CDP Corporate Questionnaire 2024, page 15-33 https://www.yapikrediinvestorrelations.com/en/images/pdf/sustainability-reports/2024/ykb-cdp-response-2024.pdf
Risk Management	Describe the organization's processes for managing climate-related risks	CDP Corporate Questionnaire 2024, page 15-33 https://www.yapikrediinvestorrelations.com/en/images/pdf/sustainability-reports/2024/ykb-cdp-response-2024.pdf
	Disclose the metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process	CDP Corporate Questionnaire 2024, page 15-49 https://www.yapikrediinvestorrelations.com/en/images/pdf/sustainability- reports/2024/ykb-cdp-response-2024.pdf
Metrics and Targets	Disclose Scope 1, Scope 2, and if appropriate Scope 3 greenhouse gas (GHG) emissions	Environmental Performance Tables, page 528-529 CDP Corporate Questionnaire 2024, page 131-149 https://www.yapikrediinvestorrelations.com/en/images/pdf/sustainability-reports/2024/ykb-cdp-response-2024.pdf
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance	Environmental Impact, Environmental Targets, page 108-123 United Nations Principles for Responsible Banking Reporting Index, page 536-549 CDP Corporate Questionnaire 2024, page 164-196 https://www.yapikredlinvestorrelations.com/en/images/pdf/sustainability-reports/2024/ykb-cdp-response-2024.pdf

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Total Annual GHG Saving via Energy Saving (tCO₂e)

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Reporting Principles

This reporting principles (the "Principles") is for selected performance indicators under limited assurance as explained in the table below. The scope of the data under assurance covers Yapı ve Kredi Bankası A.Ş. ("Bank" or "Yapı Kredi") and its consolidated subsidiaries (collectively referred to as "Group") for the financial reporting period ending December 31, 2024, unless otherwise stated in the selected performance indicators. These indicators include social and environmental aspects. Ensuring that appropriate procedures are applied to prepare these indicators materially in accordance with the Guide is the responsibility of Yapı Kredi management.

These indicators include social and environmental indicators. It is the responsibility of the Company's management to ensure that appropriate procedures are in place to prepare these indicators, in all material respects, in accordance with the Principles.

The information contained in this Principles covers the fiscal year ending December 31, 2024 and the Head Office, Branches and ATMs under the responsibility of Yapı ve Kredi Bankası A.Ş. ("Bank") as detailed in the "Key Definitions and Reporting Scope" section. In addition, indicators that include Yapı Kredi Factoring, Yapı Kredi Leasing, Yapı Kredi Asset Management, Yapı Kredi Invest, Yapı Kredi Cultural Activities, Arts and Publishing, Yapı Kredi Technology ("Domestic Subsidiaries") and Yapı Kredi Bank Nederland N.V., Yapı Kredi Bank Azerbaijan ("Foreign Subsidiaries") are also indicated in the "Key Definitions and Reporting Scope" section.

GENERAL REPORTING PRINCIPLES

In preparing this guidance document, consideration has been given to following principles:

- Information Preparation to highlight to users of the information the primary principles of relevance and reliability of information; and
- Information Reporting to highlight the primary principles of comparability / consistency with other data including prior year and understandability / transparency providing clarity to users.

KEY DEFINITIONS AND REPORTING SCOPE

For the purpose of this report, the Bank defines:

	керип	
ENVIRONMENTAL INDICATORS		
Indicator	Scope	
Energy Consumption (GJ)		
Electricity (GJ)	In the reporting period, it refers to the sum of the Bank's Grid Electricity consumption and Renewable Electricity (Produced) amounts. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included.	
Grid Electricity (GJ)	In the reporting period, it refers to the electricity consumption of the Bank supplied from the grid, which is tracked by the invoices of the service providers and by dividing the payment amounts of branches and ATMs for which consumption data cannot be obtained by the average unit price of the branches. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included.	
Renewable Electricity (Produced)	In the reporting period, it refers to the amount of renewable energy obtained from the Banking Base and Bodrum Solar Energy System, which is monitored through the Bank's Energy Exchange Istanbul (EXIST)system and monitored through online monitoring platforms within the Bank.	
Renewable Electricity (Purchased)	In the reporting period, it refers to the amount of renewable energy purchased (I-REC) by the Bank. It refers to the purchases of Yapı Kredi.	
Natural Gas (GJ)	In the reporting period, it refers to the amount of natural gas consumption of the Bank, which is monitored based on the invoices of the service provider companies and the average unit price of the branches whose consumption data cannot be obtained. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included.	
Fueloil (GJ)	In the reporting period, it refers to the sum of the diesel consumption amount used for generators calculated on the basis of the average unit price of the fuel purchased for the Head Offices, the diesel consumption amount of the company vehicles monitored from the invoices of the service provider company and the gasoline consumption amount. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included.	
Total Energy Consumption (GJ)	In the reporting period, it refers to the total of the Bank's Electricity, Natural Gas and Fuel consumption. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included.	
Energy Intensity (GJ/total number of employees)	In the reporting period, it refers to the ratio of the Total Energy Consumption by Fuel Type, including Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries to the Total Number of Employees. The total number of employees for this calculation includes the employees of YKKSY subsidiary.	
Energy Savings		
Total Annual Energy Saving (GJ)	In the reporting period, it refers to the energy savings of Yapı Kredi, achieved through the LED lighting project in the technical volume areas of the banking base and the corridor closure projects in the data center, which is monitored with the difference between before and after usage amounts (based on the consumption followed by invoices) and reported to the senior management regularly.	
Total Appual GHG Saving via Engray Saving (tCO e)	In the reporting period, it refers to the greenhouse gas emission reduction effect calculated by	

reduction effect. It only includes Yapı Kredi.

multiplying the Total Annual Energy Savings amount by the IEA emission factor for the electricity

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Electronic Waste (ton)

Other (ton)

Disposed (ton)

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Mobile Waste Tracking System (MOTAT) and declared to the Integrated Environmental Information

In the reporting period, it refers to the Bank's hazardous waste types, except electronic waste, which

are classified as hazardous waste and declared to the Integrated Environmental Information System

In the reporting period, it refers to the amount of waste disposed with the "D" code of the licensed

waste treatment facility, which is monitored by the Bank's Ministry's Mobile Waste Tracking System

and monitored by the Ministry's Mobile Waste Tracking System (MOTAT).

(MOTAT) and declared to the Integrated Environmental Information System.

System and evaluated by the licensed waste processing facility with the waste code "electronic

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ENVIRONMENTAL INDICATORS		
Indicator	Scope	
Green House Gas Emissions (tons CO ₂ e)		
Scope 1 (tons CO ₂ e)	In the reporting period, it refers to the amount of greenhouse gas emissions caused by the Bank's natural gas consumption tracked from invoices, diesel and gasoline consumption of company vehicles whose consumption amount is tracked from third party companies, generator diesel consumption tracked from invoices, and cooling gases tracked from the service forms of the maintenance company. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included.	
Scope 2 (Location base) (tons CO ₂ e)	In the reporting period, it refers to the amount of greenhouse gas emissions arising from the Bank's electricity consumption tracked from the invoices of service provider companies. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included, exluding Yapı Kredi Nederland N.V.	
Scope 2 (Market base) (tons CO ₂ e)	In the reporting period, it refers to the value calculated by subtracting the amount of renewable energy (I-REC) purchased from the amount of indirect greenhouse gas emissions resulting from the Bank's Grid Electricity Consumption. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included.	
Total (Scope 1 and Scope 2) (tons CO ₂ e)	In the reporting period, it refers to the total amount of Scope 1 and Scope 2 greenhouse gas emissions, including Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries.	
Scope 3 (Category 1) (tons CO ₂ e)	In the reporting period, it refers to the amount of greenhouse gas emissions resulting from purchases of A3 and A4 photocopy paper, statement paper, envelope paper and slip paper during the period, which are tracked with invoices in the Bank's accounting recording system. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included.	
Scope 3 (Category 5) (tons CO ₂ e)	In the reporting period, it refers to the amount of greenhouse gas emissions resulting from the disposal of total recycled hazardous and non-hazardous wastes and non-recyclable non-hazardous municipal wastes, which are monitored by the Ministry of Environment Urbanization and Climate Change's Mobile Waste Tracking System (MOTAT) and waste tracking forms, and declared to the Integrated Environmental Information System. Yapı Kredi and YK Azerbaijan are included.	
Scope 3 (Category 6) (tons CO ₂ e)	In the reporting period, it refers to the amount of greenhouse gas emissions caused by flights carried out by Bank employees for business purposes. Flights belonging to Yapı Kredi Sports Club Association, a subsidiary of the Bank, are not included in the flight-related greenhouse gas emission calculations. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included.	
Scope 3 (Category 7) (tons CO ₂ e)	In the reporting period, it refers to the amount of greenhouse gas emissions resulting from the use of service vehicles whose consumption amount is monitored with a third-party company and monitored by a GPS system. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included.	
Emission Intensity (Scope 1 and 2) (tons CO ₂ e/total number of employees)	In the reporting period, it refers to the ratio of the Total (Scope 1 and Scope 2) emission amount, including Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries to the Total Number of Employees. The total number of employees for this calculation includes the employees of YKKSY subsidiary.	

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ENVIRONMENTAL INDICATORS	
Indicator	Scope
Water Management (m³)	
Municipal Water (m³)	In the reporting period, it refers to the amount of water consumption from the municipal, followed by dividing the payment amounts of the Bank's service provider companies' invoices and the branches whose consumption data cannot be obtained by the average unit price of the branches. Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries are included.
Ground Water (m³)	In the reporting period, it refers to the amount of ground water consumption monitored by the invoices of the Bank's service providers. Only Yapı Kredi is included.
Rain Water (m³)	In the reporting period, it refers to the amount of rain water consumption of the Bank, which is monitored by meters. Darıca Archive and Administration Building, Banking Base and Yeniköy Grove are included. It only includes Yapı Kredi.
Total Water Consumption (m³)	In the reporting period, it refers to the sum of municipal water, ground water and rain water consumption, including Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries.
Amount of Wastewater (m³)	In the reporting period, it refers to the amount of wastewater consumption, which is monitored with the assumption that all of the Yapı Kredi Bank's, Domestic Subsidiaries' and Foreign Subsidiaries' municipal water, ground water and rain water consumption is wastewater.
Water Intensity (m³/total number of employees)	In the reporting period, it refers to the ratio of the total water consumption including Yapı Kredi, Domestic Subsidiaries and Foreign Subsidiaries, which is the sum of municipal water, groundwater and rainwater consumption, to the Total Number of Employees. The total number of employees for this calculation includes the employees of YKKSY subsidiary.
Waste Generation (ton)	
Total Hazardous Waste (ton)	In the reporting period, it refers to the amount of hazardous waste monitored by the Ministry's Mobile Waste Tracking System (MOTAT) and declared to the Integrated Environmental Information System.
Recycled (ton)	In the reporting period, it refers to the amount of electronic and other hazardous waste recycled by the Bank's licensed waste processing facility with the "R" code, which is monitored by the Ministry's Mobile Waste Tracking System (MOTAT) and declared to the Integrated Environmental Information System.
	In the reporting period, it refers to the amount of electronic waste monitored by the Bank's Ministry's

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ENVIRONMENTAL INDICATORS	
Indicator	Scope
Atık Miktarı (ton)	
Total Non - Hazardous Waste (ton)	In the reporting period, it refers to the amount of non-hazardous waste received from the Bank's authorized waste processing licensed companies, for which reconciliation, delivery notes and weighbridge receipts are tracked. Yapı Kredi is included.
Recycled (ton)	In the reporting period, it refers to the amount of paper, plastic, metal, and other waste recycled, which is tracked with the weighbridge receipt & delivery note documents received from the Bank's licensed waste processing company.
Paper (ton)	In the reporting period, it refers to the amount of waste tracked under the code "paper waste" with the weighbridge receipt & delivery note documents received from the Bank's licensed waste processing company.
Plastic (ton)	In the reporting period, it refers to the amount of waste tracked with the code "plastic waste" with the weighbridge receipt & delivery note documents received from the Bank's licensed waste processing company.
Metal (ton)	In the reporting period, it refers to the amount of waste tracked with the code "metal waste" with the weighbridge receipt & delivery note documents received from the Bank's licensed waste processing company.
Other (ton)	In the reporting period, it refers to the amount of waste in glass packaging, wooden packaging, mixed packaging, end-of-life tires and non hazardous electronic wastes, which are tracked with weighbridge receipts & delivery notes received from the Bank's licensed waste processing company.
Municipal Waste (ton)	In the reporting period, it refers to the amount of domestic waste, which is tracked by the scale receipt & delivery note documents and reconciliation document received from the Bank's licensed waste processing company. Plaza D block, Banking Base and Darica Archive are included.

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SOCIAL INDICATORS	
Indicator	Scope
Consolidated Number of Employees by Gender (#)	In the reporting period, it refers to the total number of employees by gender who are monitored through the Bank's Human Resources data platform and whose employment notifications are made to the Social Security Institution. Intern employees are not included in the total number of employees. Yapı Kredi and Domestic and Foreign Subsidiaries are included.
Number of Employees by Age (#)	In the reporting period, it refers to the total number of employees by gender and by the age groups of under 30 years old, 30-50 years old, and over 50 years old, who are monitored through the Bank's Human Resources data platform. Intern employees are not included in the total number of employees. Yapı Kredi, Domestic Subsidiaries are included.
Number of Internal Promotion (#)	In the reporting period, it refers to the number of employees who started to work in one or higher positions, as a result of the positive performance evaluation carried out for people who meet the criteria defined by the Bank, followed by the Bank's Human Resources tracking platform. It is reported by gender, male and female, and by age: under 30 years old, 30-50 years old, over 50 years old. Yapı Kredi and Domestic Subsidiaries are included.
Number of Employees with Disabilities (#)	In the reporting period, it refers to the number of employees of the Bank who are defined as disabled in the Law No. 5378 on Disabled Persons. Yapı Kredi and Domestic Subsidiaries are included.
New Employee Hires (#)	In the reporting period, it refers to the number of people recruited by the Bank by gender and the age groups of under 30 years old, 30-50 years old, and over 50 years old, and declared to the Social Security Institution with the Employment Declaration within the reporting year. Yapı Kredi and Domestic Subsidiaries are included.
Voluntary Employee Turnover Rate (%)	In the reporting period, it refers to the ratio of the total number of male and female employees who left the Bank only through resignation and submitted resignation petitions and a Termination Declaration to the Social Security Institution, to the total number of employees at the end of the reporting period and the total number of employees at the end of the previous year. It is reported by gender, male and female, and by age: under 30 years old, 30-50 years old, over 50 years old. Yapı Kredi and Domestic Subsidiaries are included.
Maternity Leave	
Number of Employees Taking Maternity Leave (#)	In the reporting period, it refers to the number of female employees who went on maternity leave within the scope of the Regulation on Part-Time Work to be Performed After Maternity Leave or Unpaid Leave, within the periods specified in the regulation. Only employees at Yapı Kredi Türkiye locations are included.
Number of Employees Returning to Work After Maternity Leave (#)	In the reporting period, it refers to the number of female employees who returned to work after the end of the Bank's maternity leave within the periods specified in the regulation within the scope of the Regulation on Part-Time Work to be Performed After Maternity Leave or Unpaid Leave. Only employees at Yapı Kredi Türkiye locations are included.
Number of Employees That Returned to Work After Maternity Leave and Worked at Least 12 More Months Afterwards	In the reporting period, within the scope of the Regulation on Part-Time Work to be Performed After Maternity Leave or Unpaid Leave, it refers to the number of female employees who return to work after maternity leave of the Bank within the periods determined in the regulation and are employed in the company 12 months later, tracked through the Human Resources platform. Only employees at Yapı Kredi Türkiye locations are included.
Return-to-Work Rate After Maternity Leave (%)	In the reporting period, it refers to the ratio of the number of female employees who went on maternity leave to the number of female employees who did not return to work after going on maternity leave. Only employees at Yapı Kredi Türkiye locations are included.
Retention Rate After Maternity Leave (at least 12 months) (%)	In the reporting period, it refers to the ratio of the number of female employees who went on maternity leave to the number of female employees who left their jobs within 12 months after going on maternity leave. Only employees at Yapı Kredi Türkiye locations are included.
Number of Employees Benefiting from Parental Leave (#)	In the reporting period, it refers to the number of female employees benefiting from maternity leave and the number of male employees benefiting from paternity leave. Only employees at Yapı Kredi Türkiye locations are included.

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SOCIAL INDICATORS	
Indicator	Scope
Gender Diversity by Management and Position (%)	
Employees in All Positions (%)	In the reporting period, it refers to the ratio of the number of employees in the gender breakdown of the Bank to the total number of employees. Yapı Kredi and Domestic Subsidiaries are included.
Employees in Senior Management Positions (%)	In the reporting period, it refers to the ratio of the number of employees by gender in the positions of Executive Vice President and Director, which the Bank defines as senior executives, defined as being a maximum of two levels away from CEO or similar positions, to the total number of employees in senior management positions. Yapı Kredi and Domestic Subsidiaries are included.
Training	
Average Hours of Training per Employee (hours)	In the reporting period, it refers to the ratio of total training hours tracked through the Bank's training platform to the total number of employees. Yapı Kredi and Domestic Subsidiaries are included.
Total Training Hours (hours)	In the reporting period, it refers to the total number of training hours followed through the Bank's training platform. Yapı Kredi and Domestic Subsidiaries are included.
Average Amount Spent per Employee on Training (TL)	In the reporting period, it refers to the ratio of expenditures tracked by invoices as training expenditures in the Bank's accounting system to the total number of employees. Yapı Kredi and Domestic Subsidiaries are included.
Total Amount Spent on Training (million TL)	In the reporting period, it refers to the expenditures tracked with invoices as training expenditures in the Bank's accounting system. Yapı Kredi and Domestic Subsidiaries are included.
Total Training Hours	
OHS (hours)	In the reporting period, it refers to the total number of compulsory or non-compulsory Occupational Health and Safety training hours provided by the Bank's training platform according to hazard class within the scope of Occupational Health and Safety Law No. 6331. Yapı Kredi and Domestic Subsidiaries are included.
Ethics (hours)	In the reporting period, it refers to the hours of ethics training provided through the Bank's training platform. Yapı Kredi and Domestic Subsidiaries are included.
Personal Data Protection Law (hours)	In the reporting period, it refers to the number of hours of training hours that were followed through the Bank's training platform and in which the training contents specified in the Law on the Protection of Personal Data were provided. Yapı Kredi and Domestic Subsidiaries are included.
Anti-Corruption (hours)	In the reporting period, it refers to the hours of anti-corruption training provided through the Bank's training platform. Yapı Kredi and Domestic Subsidiaries are included.
Human Rights (hours)	In the reporting period, it refers to the hours of human rights training provided through the Bank's training platform. Yapı Kredi and Domestic Subsidiaries are included.

SOCIAL INDICATORS		
Indicator	Scope	
Occupational Health and Safety Employees		
Total Working Hours (in a year)	In the reporting period, it refers to the total working hours calculated by taking into account the actual working hours of the employees monitored on the Bank's Human Resources platform. Yapı Kredi, Domestic, Foreign, YKKSY and YKSK Subsidiaries are included.	
Total Lost Working Days (days)	In the reporting period, it refers to total lost working days due to the total number of incidents involving the death, lost time injury, limited incapacity for work and medical treatment of the Bank's employees, which occurred during a work related activity of the employee and prevented the employee from coming to the workplace on the next shift or the next working day, and which are monitored through notifications made to the Social Security Institution. Yapı Kredi and Domestic Subsidiaries are included.	
Number of Work-Related Injuries (#)	In the reporting period, it refers to the number of injuries sustained by a Bank employee in a work related activity that resulted in the employee being directed to do his/her own job for a lesser period of time or to a simpler job, which is monitored through notifications made to the Social Security Institution. Yapı Kredi and Domestic Subsidiaries are included.	
The Number of Work-Related Fatalities (#)	In the reporting period, it refers to the number of the Bank's employees who fall within the definition of "fatal occupational accident" within the scope of Occupational Health and Safety Law No. 6331 and are followed up through notifications made to the Social Security Institution. Yapı Kredi and Domestic Subsidiaries are included.	
The Number of Occupational Diseases (#)	In the reporting period, it refers to the number of occupational diseases of the Company's employees that fall under the definition of "occupational disease" within the scope of the Occupational Health and Safety Law No. 6331 and are followed up through notifications made to the Social Security Institution. Yapı Kredi and Domestic Subsidiaries are included.	
Lost Day Rate (LDR)	In the reporting period, it refers to the ratio of the number lost working days due to occupational accidents to total working hours at the Bank. Yapı Kredi and Domestic Subsidiaries are included.	
Injury Rate (IR)	In the reporting period, it refers to the ratio of the number of work-related injuries of the Bank's employees to total working hours. Yapı Kredi and Domestic Subsidiaries are included.	
Occupational Disease Rate (ODR)	In the reporting period, it refers to the ratio of the number of occupational diseases experienced at the Bank to total working hours. Yapı Kredi and Domestic Subsidiaries are included.	

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PREPARATION OF THE DATA

1. Environmental Indicators Energy Consumption (GJ):

Natural Gas - Stationary Combustion Formula:

[Consumption Data (sm³) * 10.64 kwh/sm^3 * 0.0036 GJ/kwh = Activity Data (GJ)]

Diesel (Generator) - Stationary Combustion Formula:

[Consumption Data (lt) * 0.83 (kg/lt) * 10,200,000 (kcal/ton) * $0.001 \text{ ton/kg} * 1.163*10^-3 \text{ kwh/kCal} * 0.0036 \text{ GJ/kwh} = Activity Data (GJ)]}$

Gasoline - Mobile Combustion Formula:

[Consumption Data (lt) * 0.735 (kg/lt) * 10,400,000 (kcal/ton) * 0.001 ton/kg * 1.163*10^-3 kwh/kCal * 0.0036 GJ/kwh = Activity Data (GJ)]

Diesel - Mobile Combustion Formula:

[Consumption Data (lt) * 0.83 (kg/lt) * 10,200,000 (kcal/ton) * 0.001 ton/kg * 1.163*10^-3 kwh/kCal * 0.0036 GJ/kwh = Activity Data (GJ)]

Purchased Electricity Formula:

[Consumption Data (kWh) * 0,0036 GJ/kwh = Activity Data (GJ)]

Energy Intensity (GJ/total number of employees)

Formula: Energy intensity (GJ/total number of employees) = Energy Intensity (GJ) / Total Number of Employees

Total Annual GHG Saving via Energy Saving (tCO,e)

Formula: Total Annual Energy Savings (kwh) * IEA emission factor

Greenhouse Gas Emissions

The coefficients used in Scope 1, Scope 2 and Scope 3 GHG calculations are taken from the following national and international guidelines.

[Fuel Sourced Emission (FSE) = Activity Data (AD)* Emission Factor (EF)* Oxidation Factor (OF)]

Emission Factor:

Emission Factors from Combustion (diesel, fuel-oil, natural gas, LPG): "IPCC Guidelines for National Greenhouse Gas Inventories

Chapter 2: Stationary Combustion- Volume 2: Energy" Intergovernmental Panel on Climate Change 2006

Table 2.4. Default Emission Factors for Stationary Combustion in the Commercial/Institutional Category

A conversion factor of 0.830 was used when converting diesel activity data from It to kg.

Electricity Emission Factor: Electricity emission factors are based on the "International Energy Agency" 2023 electricity emission factor for Türkiye

Vehicle Emission Factors (gasoline, diesel, LPG): "IPCC Guidelines for National Greenhouse Gas Inventories Chapter 3: Mobile Combustion - Volume 2: Energy Intergovernmental Panel on Climate Change 2006"

Equation 3.2.1. CO₂ from Road Transport

Table 3.2.1. Road Transport Default CO_2 Emissions Factors and Uncertainty Ranges

Equation 3.2.3 Emissions of CH₄ and N₂O

Table 3.2.2 Road Transport N₂O and CH₄ Default Emissions Factors and Uncertainty Ranges

Table 3.3.1. Default Emission Factors For Off-Road Mobile Sources And Machinery (Diesel ve Motorin 4 stroke) (For lawn mower and Bobcat)"

Refrigerant Gases: Global Warming Potentials - [Table] Direct (Except For CH4) Global Warming Potentials (GWP) Relative To CO₂ Ipcc Sixth Assessment Report, 2021 (Ar6)-CHAPTER (8 VE 2)" is taken as reference.

Emission Source – Scope 1 (kg/Tj)	CO ₂ (kgCO ₂ /TJ)	CH ₄ (kgCO ₂ /TJ)	N ₂ O (kgCO ₂ /TJ)	Emission Factor (kg CO ₂ -e)
Diesel (stationary)	74,100	10	0.6	74,343
Diesel (active)	74,100	3.9	3.9	75,243
Gasoline (active)	69,300	3.8	5.7	70,917
Natural Gas	56,100	5	0.1	56,155
Refrigerant Gases - Aerosol	2.83	-	-	2.83
Refrigerant Gases - Propane	0.003	-	-	0.003
Refrigerant Gases - R134A	1,530	-	-	1,530
Refrigerant Gases - SF6	23,900	-	-	23,900
Refrigerant Gases - R407C	2,013.67	-	-	2,013.67
Refrigerant Gases - R404A	4,728	-	-	4,728
Refrigerant Gases - R410A	2,255.5	-	-	2,255.5
Refrigerant Gases - CH4	27.90	-	-	27.90
Refrigerant Gases - R227ea	3,600	-	-	3,600
Refrigerant Gases - R290	3.30	-	-	3.30
Refrigerant Gases – R32	771	-	-	771
Refrigerant Gases - R450A	570	-	-	570

Emission Factor from Waste Disposal: UK Government GHG Conversion Factors (DEFRA), 2024, Waste Disposal

Waste Type	Combustion (kg CO ₂ e)	Landfill (kg CO ₂ e)
Organic: mixed food and garden waste	-	655,987
Commercial and industrial waste	21,281	-

Emission Factor from Flights: UK Government GHG Conversion Factors (DEFRA), 2024, Business Travel-air

Haul (average passenger, passenger.km)	kg CO ₂ e	kg CO ₂ e of CO ₂ per unit	kg CO ₂ e of CH ₄ per unit	kg CO ₂ e of N ₂ O per unit
Short-haul (<= 500 km)	0.18592	0.18499	0.00001	0.00092
Long-haul (>500, <= 3700 km)	0.26128	0.25998	0.00001	0.00129
International (> 3700 km)	0.17580	0.17493	0.00001	0.00086

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Emission Factor from Employee Transportation: For stationary and mobile combustion emission sources "IPCC Guidelines for National Greenhouse Gas Inventories Chapter, Table 2.3, Tables 3.2.1 and 3.2.2 / Chapter 3. For Net Calorific Value and Density values, T.R. "Low Calorific Values of Energy Resources and Petroleum Equivalent Conversion Factors" published by the Ministry of Environment, Urbanization and Climate Change was used.

Density (t/L)	Net Calorific Value	Energy Conversion	Emission Factor	Emission Factor	Emission Factor
	(kcal/kg)	Value (TJ/kcal)	(tCO ₂ e/TJ)	(tCH ₄ /TJ)	(tN ₂ O/TJ)
0.0083	10,200,000	0.0000000042	74.1	0.0039	0.0039

Emission Factor from Paper Consumption: UK Government GHG Conversion Factors (DEFRA), 2023, Paper

Material	Unit	kg CO ₂ e
Paper and board: paper	Tonnes	1,339.32

Emission Intensity (Scope 1 & 2 tons CO₂e/total number of employees)

Formula: Emission intensity (tons CO_2e/TL total number of employees) = (Scope 1 (tons CO_2e) + Scope 2 (tons CO_2e)) / Total number of employees

Water Consumption - Total (m³)

Formula: Total water consumption (m³) = Mains water (m³) + Groundwater (m³) + Rainwater (m³)

Amount of Wastewater (m³)

Formula: Amount of wastewater (m³) = Municipal water (m³) + Groundwater (m³) + Rainwater (m³)

Water Intensity (m³/total number of employees)

Formula: Water intensity (m³/total number of employees) = Total water consumption (m3)/ Total number of employees

Waste Generations (ton) - Total

Formula: Total amount of waste (tons) = Hazardous Waste (tons) + Non-hazardous Waste (tons)

2. Social Indicators

Voluntary Employee Turnover Rate (%)

Formula: Number of Employees Resigning / (Total Number of Employees in December 2023 + Total Number of Employees in December 2024) / 2

Rate of Return to Work after Maternity Leave (%)

Formula: (Total number of employees on maternity leave / Number of employees who did not return to work after maternity leave)*100 -100

Retention rate after maternity leave (at least 12 months) (%)

Formula: (Total number of employees who returned to work after maternity leave and stayed for 12 months / Number of employees who did not return to work after maternity leave)*100 -100

Employees in All Positions (%)

Formula

Female: Number of Female Employees / Total Number of Employees **Male:** Number of Male Employees / Total Number of Employees

Lost Day Rate (LDR)

Formula: (Total Number of Lost Working Days* 200,000) / Total working hours

Injury Rate (IR)

Formula: Total Number of Work-Related Injuries / Total working hours

Occupational Disease Rate (ODR)

Formula: (Total Number of Occupational Disease* 200,000) / Total working hours

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2.1 Impact Analysis:

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for targetsetting. The impact analysis shall be updated regularly and fulfil the following requirements/elements:

- a) Scope: The main business areas and products / services in the geographies in which the Bank operates (as described under 1.1), have been considered in the impact analysis.
- b) Portfolio Composition: When determining the most significant impact areas, the Bank took into account the industries, technologies and geographies to which its core business/major activities are related.
- c) Context: The Bank has considered the main challenges and priorities most related to sustainable development in the main countries/regions in which it operates.
- d) Performance Measurement: When determining the most significant impact areas, the bank has considered the scale and intensity / significance of the (potential) social, economic and environmental impacts resulting from the bank's activities and the provision of products and services.

(The bank should engage with relevant stakeholders to help inform its analysis under elements c) and d).

Based on this analysis, show that the Bank:

- Identifies and explains the areas with the most significant (potential) positive and negative impact
- Identifies strategic business opportunities related to increasing positive impacts / reducing negative impacts.

In its impact analysis study, the Bank used the 2nd version of the Portfolio Impact Analysis Tool (Impact Analysis Tool), developed by the Positive Impact Initiative, signatories of the Principles for Responsible Banking and the United Nations Environment Program Finance Initiative (UNEP FI).

The segment breakdowns of the Bank and the segment breakdowns of the Impact Analysis Tool differ, United Nations Principles for Responsible Banking reporting segment names are based on the segments of the Impact Analysis Tool. The equivalents of these segments in Yapı Kredi are as follows:

Impact Analysis Tool Retail Banking Segment: Yapı Kredi retail banking activities

Impact Analysis Tool Business Banking Segment: Yapı Kredi business and SME

Impact Analysis Tool Corporate Banking Segment: Yapı Kredi corporate and commercial banking

The Bank's activities in three categories in Türkiye, namely Individual (Yapı Kredi retail banking), Business (Yapı Kredi business and SME banking segments) and Corporate (Yapı Kredi corporate and commercial banking segment) Banking segments, were included in the Impact Analysis Tool evaluation.

According to the results of the Impact Analysis Tool, considering the portfolio and product density and the ranking of country needs, within the scope of the common impact areas of the business units and the Bank's sustainability priorities, the Bank has determined the impact areas it intends to set targets as supporting social development, climate risks and greenhouse gas emissions.

When using the Impact Analysis Tool, areas where financial services offered to individual customers within the scope of Retail Banking are concentrated (Vehicle Loans, Housing Loans, Education Loans, Other Consumer Loans, Term/Demand Deposit Accounts, Credit Cards and Checks) are included. In these areas, the number of active customers of the Bank in the relevant categories was taken into account according to the definitions specified for Retail Banking in the UN International Standard Industrial Classification of All Economic Activities (ISIC) sector classification list. The number of active retail banking customers and the number of customers who have used retail banking products were determined through the IT infrastructure. Within the scope of Business Banking and Corporate Banking, it is based on sectoral breakdowns of loan volumes. Business and SME-SME loans are included within the scope of Business Banking, and corporate and commercial loans are included within the scope of Corporate Banking. These loan amounts were determined by the IT infrastructure according to cash loans and their related risks. Sectoral breakdowns were determined according to the ISIC sector classification list. In this context, the top ten sectors to which the Bank provides loans within the framework of Business Banking and Corporate Banking were included in the analysis.

The Impact Analysis Tool includes "Country Needs Scores" published by UNEP-FI. With this scoring, Türkiye's environmental, social and economic impact areas (Water, Food, Housing, Health and Cleanliness, Education, Employment, Energy, Mobility, Communication & Information), Culture and Heritage, Personal Integrity and Security, Justice, Accessibility and quality in Strong Institutions, Peace and Stability; Quality (depending on physical and chemical properties) and efficient use in Water, Air, Soil, Biodiversity and Ecosystem, Resource Efficiency and Security, Climate, Waste; The issues of Inclusive and Healthy Economy, Economic Convergence, and the need for economic value creation for society were measured by UNEP-FI, and this analysis was directly used by the Bank when taking Türkiye's sustainable development needs into account.

Three potential impact areas of the Bank were defined in line with the data entered into the Impact Analysis Tool within the scope of Retail, Business and Corporate Banking and Türkiye's sustainable development needs.

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Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

a) Alignment

Which international, regional or national policy frameworks to align your Bank's portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

h) Raseline

Explain the determined baseline for selected indicators and assess the current level of alignment. Please disclose the indicators used as well as the year of the baseline.

c) SMART Targets

Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place).

d) Action Plan

Please describe which actions including milestones have been defined to meet the set targets.

Show that the Bank has identified and published at least two specific, measurable (can be qualitative or quantitative), applicable, relevant and time-limited (SMART) targets that address at least two of the "areas in which it has the most significant impact" due to its activities, products and services.

Show that these goals are linked to and contribute to the appropriate Sustainable Development Goals, the goals of the Paris Agreement and other relevant international, national or regional frameworks. The bank should have set a reference point (evaluated against a specific year) and set targets on this basis. Show that the Bank has analyzed and is aware of the significant (potential) negative impacts of the targets set on other dimensions of the SDGs/climate change/society targets; has put forward relevant actions to reduce these as much as possible to maximize the net positive impact of the targets.

2.3 Target Implementation and Monitoring:

For each target separately, show that your bank has implemented the actions it had previously defined to meet the set target. Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined.

The Bank identified potential impact areas for the first time in 2020 with the Portfolio Impact Analysis Tool developed by the United Nations Environment Program Finance Initiative (UNEP FI). Following the update of the Portfolio Impact Analysis Tool and the publication of its 2nd version, the Bank repeated the impact analysis in 2021. As a result of the impact analysis, the Climate Change Mitigation Target, and the Financial Inclusion and Gender Equality Target were determined. The Bank's Integrated Reports for the reduction target among these determined targets can be found at the address below;

https://www.yapikrediinvestorrelations.com/en/financial-information/financial-information-reports-yeardocument-list/Sustainability-Reports/51/0/0

or for the Financial Inclusion and Gender Equality target, the following link can be referred to;

 $\underline{https://www.unepfi.org/wordpress/wp-content/uploads/2023/07/PRB-Fin-Health-progress-report-1.pdf}$

In the Impact Analysis study, the Sustainable Development Goals (SDGs) and the Paris Climate Agreement sustainability guide were adopted as the basis. The bank is a signatory of the Net-Zero Banking Alliance and has committed to aligning its loan portfolio with net zero by 2050. See the link below for the commitment.

https://www.unepfi.org/net-zero-banking/members/

In line with the net zero target, the Bank carries out its efforts to align with SDG 13 and contribute to SDG 7. SDG 9 and SDG 12.

Additionally, in relation to another target, the Bank aims to align with SDG 5 and SDG 8 in order to support the financial resilience of its female entrepreneur customers.

The bank has determined the base year for decarbonization targets as 2021. For the Climate Change Mitigation Targets, the Bank has set targets such as reducing Scope 1 emissions, increasing the renewable energy purchased for electricity consumption included in Scope 2 emissions, providing loans to projects and corporate companies for electricity production, and financing long-term corporate loans.

In order to support their financial resilience, the bank aims to increase the rate of women entrepreneurs with two or more active financial products from different categories within the bank by 10% by 2026, based on the base value of 10.4% in 2021.

As a result of the impact analysis, SMART targets were determined for the Climate Change Mitigation Target on Integrated Report. It carried out its work in line with the Science-Based Targets (SBT) directives, based on the data calculated in 2021 and received verification.

In order to implement the strategies stated by the Bank, action sets were determined together with the working group, including the Steering Committee and relevant teams. For this purpose, the Sustainability Committee met 2 times in 2024 and the current status of the determined action sets was evaluated.

The bank has received verification for its emission reduction targets aligned with the Science Based Targets Initiative in 2024.

https://sciencebasedtargets.org/resources/files/Target-language-and-summary_Yap%C4%B1-ve-https://sciencebasedtargets.org/resources/files/Target-language-and-summary_Yap%C4%B1-ve-https://sciencebasedtargets.org/resources/files/Target-language-and-summary_Yap%C4%B1-ve-https://sciencebasedtargets.org/resources/files/Target-language-and-summary_Yap%C4%B1-ve-https://sciencebasedtargets.org/resources/files/Target-language-and-summary_Yap%C4%B1-ve-https://sciencebasedtargets.org/resources/files/Target-language-and-summary_Yap%C4%B1-ve-https://sciencebasedtargets.org/resources/files/Target-language-and-summary_Yap%C4%B1-ve-https://sciencebasedtargets.org/resources/files/Target-language-and-summary_Yap%C4%B1-ve-https://sciencebasedtargets.org/resources/files/Target-language-and-summary_Yap%C4%B1-ve-https://sciencebasedtargets/pag-and-summary_Yap% Kredi-Bankas%C4%B1-A.S%CC%A7.pdf

https://www.unepfi.org/net-zero-banking/members/

https://www.yapikrediinvestorrelations.com/en/images/pdf/Yapi-Kredi-Net-Zero-Roadmap-for-Financed-Emissions.pdf

The Bank also took an active role in UN PRB's Financial Health and Inclusion Working Group in 2023, defining the goal of financial health and gender equality.

PRB-Fin-Health-progress-report-1.pdf (unepfi.org)

5.1 Governance Structure for Implementation of the Principles

Show that your Bank has a governance system in place that incorporates the Principles for Responsible Banking (PRB):

These activities should also include the following topics:

a) Setting targets and carrying out activities to achieve the set targets

b) Carrying out corrective actions if targets or milestones are not achieved or an unexpected negative impact is detected

The Bank reports to the Sustainability Committee chaired by the relevant Board member within the scope of compliance with the Principles for Responsible Banking. In 2024, the Sustainability Committee met 2 times in total

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The measurement and reporting of verified data inevitably involve a degree of estimation. Where there is a change of more than 5% in the data at the partnership level, a re-statement of opinion may be considered.

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Independent Assurance Report

TO GENERAL ASSEMBLY OF YAPI KREDI BANKASI ANONIM SIRKETI ISTANBUL, TURKIYE

Presentation

This report is intended solely for the management of Yapi Kredi Bankasi Anonim Sirketi (hereinafter 'the Bank') for the purpose of reporting of Selected Sustainability Information ("Selected Information") listed below in its 2024 Integrated Annual Report that has been prepared for the period running from January 1, 2024, to 31 December 2024.

Subject Matter Information and Applicable Criteria

In line with the request of the Bank, our responsibility is to provide limited assurance in accordance with Global Reporting Initiative Standards ('GRI Standards') and Selected Information listed below within the scope of the reporting approach of the Bank specified in "Reporting Guidelines for Non-Financial Data" ("Reporting Guidelines") included in pages 554-567 of 2024 Integrated Annual Report.

The Scope of Our Assurance

The scope of our assurance is limited to the examination of financial and operational indicators, social indicators and environmental indicators marked with $\sqrt{}$ listed in the Selected Information shown below, which are reported in pages 528-533, 537-543 ve 547 of the 2024 Integrated Annual Report.

Social Performance Indicators

- 1. Total Number of Employees (#)
- 2. Total Number of Employees by Gender (#)
- 3. Percentage of Employees by Age Groups and by Gender (%)
- 4. Percentage of Employees by Managerial Level (%) (Junior / Mid / Senior) and by Gender
- 5. New Employee Hires (#)
- 6. New Employee Hires by Gender and Age (#)
- 7. Number of Internal Promotion (#)

- 8. Total Number of promotions by Gender and Age (#)
- 9. Voluntary Employee Turnover Rate (%)
- 10. Voluntary Employee Turnover by Gender and by Age (%)
- 11. Number of Employees Taking Maternity Leave (#)
- 12. Number of Employees Returning to Work After Maternity Leave (#)
- 13. Number of Employees That Returned to Work After Maternity Leave and Worked at Least 12 More Months Afterwards (#)
- 14. Number of Employees Benefiting from Parental Leave (#)
- 15. Return-to-Work Rate After Maternity Leave (%)
- 16. Retention Rate After Maternity Leave (at least 12 months) (%)
- 17. Number of Disabled Employees breakdown of gender (#)
- 18. Gender Diversity by Management and Position (%
 - Employees in All Positions (%)
 - Employees in Senior Management Positions (%)
 - Employees in Middle and First-level Management Positions
- 19. Training
 - Total Training Hours (hours)
 - Training Hours by Gender (hours)
 - Total Amount Spent on Training (TL)
 - Average Amount Spent per Employee on Training (TL)
 - Average Training Hours per Employee (hours) Breakdown of Gender
 - Human Rights Training (hours)
 - Ethical Principles and Code of Conduct Trainings (hours)
 - Anti-Bribery and Anti-Corruption Training (hours)
 - Personal Data and Protection Law Training (hours)
 - OHS Training Hours Employees (hour)
- 20. Occupational Health and Safety (Employees)
 - Total Working Hours (in a year)
 - Total Lost Working DaysLost Day Rate (LDR)
 - Number of total injuries, fatalities and diseases (#)
 - Injury rate (IR) broken down by Employees
 - Occupational Disease Rate (ODR)

Environmental Performance Indicators

- 21. GHG Emissions (tons CO₂e)
 - Scope 1 (tons CO2e)
 - Scope 2 (Market based) (tons CO₂e)
- Scope 2 (Location based) (tons CO₂e)
- Total (Scope 1 and Scope 2) (tons CO₂e)
- Scope 3 (Category 1,5,6,7) (tons CO₂e)
- Emission Intensity of Scope 1 and 2 (tons CO₂e/total number of employees)
- 22. Total Energy Consumption (TJ, MWh) by Source (Natural Gas, Stationary Combustion and Mobile Combustion, Cooling Gases, Electricity)
- 23. Grid electricity (GJ)
- 24. Renewable Energy Consumption (Purchased)(GJ)
- 25. Renewable Energy Production (GJ)
- 26. Energy Intensity per employee (GJ/total employee)
- 27. Energy Savings
 - Total Annual Energy Saving (GJ)
- 28. Water Management
 - Total Water Withdrawal by Source (million m³) (municipal, ground and rain)
 - Total Water Consumption (m³)
 - Amount of Wastewater (m³)
 - Water Intensity (m³/total number of employees)
- 29. Waste Management
 - Total Hazardous Waste (ton)
 - Amount of Hazardous Waste by Disposal Method (ton)
 - Amount of Hazardous Recycled (Electronic Waste) (ton)
 - Total Non Hazardous Waste (ton)
 - Amount of Hazardous Recycled (Other) (ton)
 - Amount of Non-Hazardous Recycled (ton)
 - Paper (ton)
 - Plastic (ton)
 - Metal (ton)

- Amount of Non-Hazardous Recycled (Other) (ton)
- Municipal Waste (ton)

UNEP-FI Principles for Responsible Banking Indicators

- 2.1 Impact Analysis
- 2.2 Target Setting
- 2.3 Target Implementation
- 5.1 Governance Structure for Implementation

The Bank's Responsibilities

Bank's management is responsible for the preparation, collection, and presentation of the information for the Selected Information. In addition, the Bank's management is responsible for ensuring that the documentation provided to the practitioner (EY) is complete and accurate. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the 2024 Integrated Annual Report, such that it is free from material misstatement, whether due to fraud or error.

Our Responsibilities

We conducted our assurance engagement in accordance with the Assurance Engagement Standard (AES) 3000 and 3410 which is a part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Türkiye (POA). These regulations require that we comply with the ethical standards and plan and perform our assurance engagement to obtain limited assurance about the Selected Information.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity,

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objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

The procedures selected depend on the practitioner's judgment. The procedures include inquiry of the personnel responsible for collecting and reporting on the Selected Information and additional procedures aimed at obtaining evidence about the Selected Information.

The assurance provider is only performing assurance of the accuracy of the disclosed content. This means that the assurance provider should evaluate if the bank's description of processes, activities and their outcomes sufficiently reflects actions taken by the bank, rather than evaluating the applied approach itself. This individual assessment of whether the bank is aligned with the requirements of the Principles and is meeting its commitments will be undertaken by a sustainability expert within the UNEP FI Secretariat (the Review Expert). Our work has been carried out

in accordance with the requirements laid out in the Guidance for Assurance Providers (version 2) to undertake limited assurance on Principles for Responsible Banking, issued by UNEP FI.

Procedures Applied

In respect of the Selected Information mentioned above the procedures performed include the following procedures:

- 1. Interviewed select key senior personnel of the Bank to understand the current processes in place for capturing the Selected Information pertaining to the reporting period;
- 2. Reviewed Selected Information with online communications covering Yapi Kredi locations; as well as reviewed pertaining to the Bank's other locations in Türkiye, against evidence, on a sample basis;
- 3. Undertook substantive testing, on a sample basis, of the Selected Information;
- 4. Used the Bank's internal documentation to evaluate and measure the Selected Information;
- 5. Evaluated the design and implementation of key processes and controls over the Selected Information;
- 6. Re-performed, on a sample basis, calculations used to prepare the Selected Information for the reporting period.
- 7. Evaluated the disclosure and presentation of the Selected Information in the 2024 Integrated Annual Report.

Our Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that Bank'has not prepared, in all material respects with GRI Standards and Selected Information for the year ended in December 31, 2024, the relevant requirements of the criteria as defined in Reporting Guidelines.

Limitations

We permit this report to be disclosed in addition to Yapi Kredi Anonim Sirketi 2024 Integrated Annual Report for the year ended on December 31, 2024; to enable the management of Yapi Kredi Bankası Anonim Sirketi to show they have addressed their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Yapi Kredi Anonim Sirketi for our work, for this independent limited assurance report, or for the conclusions we have reached.

Guney Bagimsiz Denetim ve Serbest Muhasebeci Mali Musavirlik Anonim Sirketi A member firm of Ernst & Young Global Limited

Zeynep Okuyan Özdemir, SMMM

Partner

4 March 2025 İstanbul, Türkiye

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Trade Register Number	32736
Trade Register Number	0937002089200741
Address	Genel Müdürlük Yapı Kredi Plaza D Blok Levent - Beşiktaş 34330 İstanbul / Türkiye
Telephone	0212 339 70 00
Fax	0212 339 60 00
SWIFT Code	YAPITRIS
Website	http://www.yapikredi.com.tr
Branch Information	All information can accessed via Yapı Kredi website.
Social Media Information	Yapı Kredi has an active presence in Facebook, Twitter, Instagram, LinkedIn, TikTok, Google+ and Youtube, In all channels the bank is under the name Yapı Kredi

ABROAD BRANCH

YAPI KREDİ - BAHREYN ŞUBESİ

Bahrain Branch

Wind Tower 10th Floor, Suite:101, Building No:403, Road No: 1705, Block No: 317 P.O. Box: 10615
Diplomatic Area , Manama , Kingdom of Bahrain

Tel: + 973 175 410 55 / + 973 175 303 13 Fax: + 973 175 410 56 / + 973 175 303 11

SWIFT Code: YAPI BH BX

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Legal Disclaimer

This Integrated Annual Report (the Report), has been prepared by Yapı ve Kredi Bankası A.Ş. (Yapı Kredi) in accordance with the Integrated Reporting Framework of the IIRC.

This Report is prepared for information purposes only and it is not intended to form the basis of any investment decision.

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