Participants:
Kaan Gür, CEO
Türker Tunalı, CFO
Ebru Güvenir, SVP IR & Sustainability

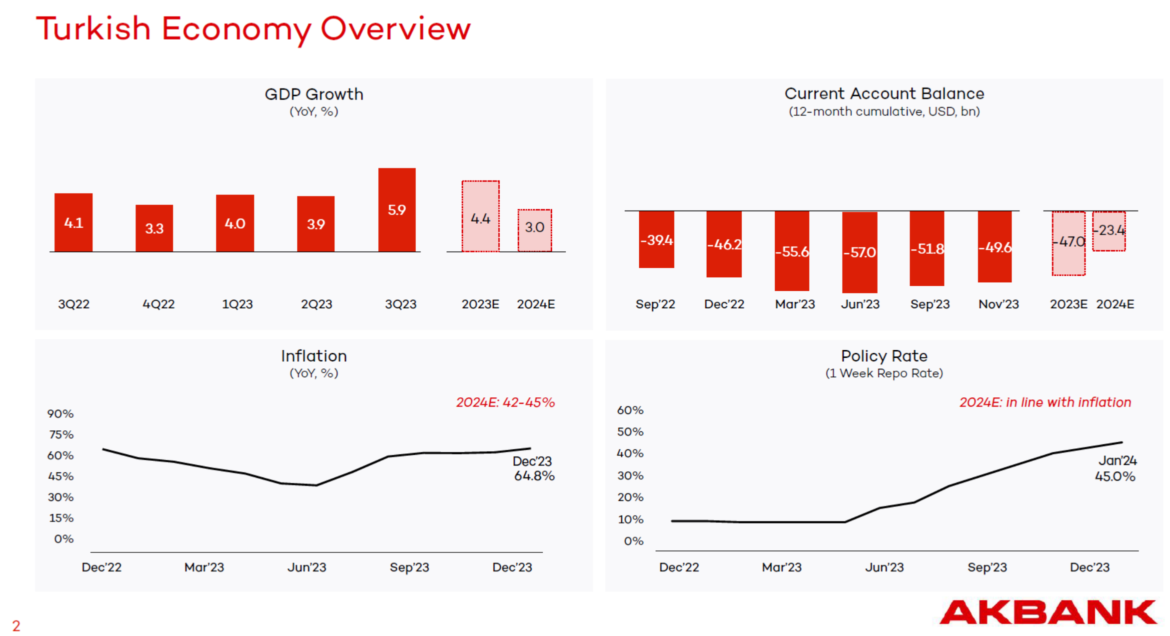
Akbank 4Q23 Earnings Call

- **Dear Friends, this is Kaan Gür speaking, CEO of Akbank.**

- **I wish you and all your loved ones a happy and prosperous new year.**

- **Thank you for joining our fourth quarter earnings call, during which we will also be sharing our 2024 guidance.**

- **Before moving onto our bank, I'd like to share my thoughts on the operating environment.**



- **Domestic economic growth has been solid, while the risks for the period ahead are tilted to downside.**

- **Economic growth in 2023 is likely to be around 4.4%, in line with the Medium Term Program target of the government**

- **Looking forward, recently increasing borrowing costs, led by the ongoing policy rate hikes as well as the regulations forcing banks to push deposit rates higher, are expected to curb excess demand and cool down the economy.**

- **We expect 2024 growth to be around 3%, as the weakening in global backdrop and the prospective tight monetary policy will weigh on economic activity.**

- **Cost-push factors, strong demand and base effects will drive annual inflation higher in H1 before declining to around low 40s at year end.**

- **We enter the year with a high external deficit.**

- **While the prospective slowdown in domestic demand will contribute to external rebalancing, restructuring efforts in the earthquake region may somewhat limit this.**

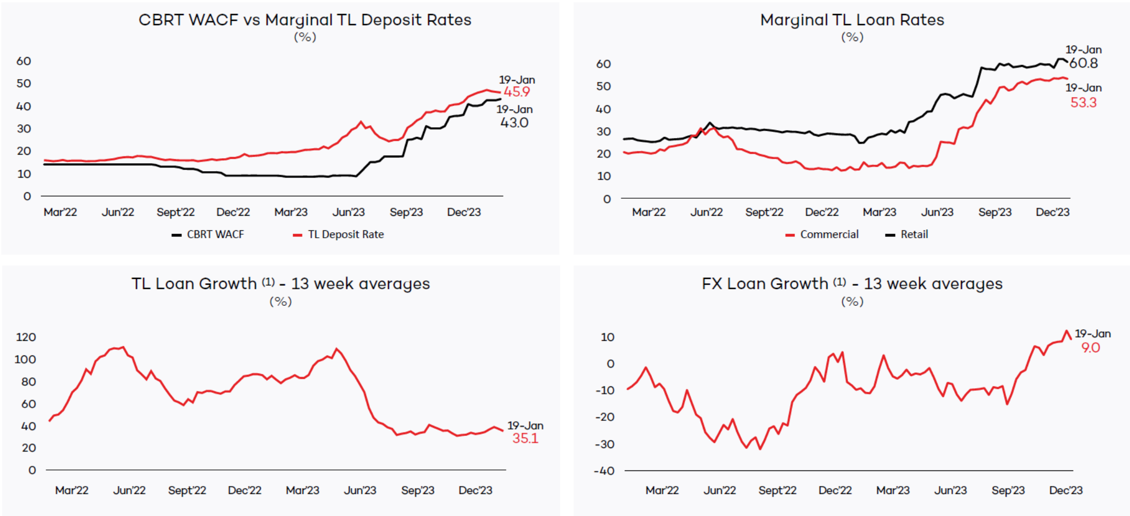
- **We project improvement in CAD from $47 bn in 2023 to $23 bn in 2024.**

- **Macro stabilization, particularly bringing inflation down to single digits, will not only require a tight monetary stance for an extended period but also continuation of the enhanced policy coordination.**

- **We expect a gradual easing in the ongoing financial regulations, particularly those regarding the FX market.**

- **Sustaining the ongoing progress in restoring predictability and confidence in policymaking is key to steer the economy toward a more balanced path.**

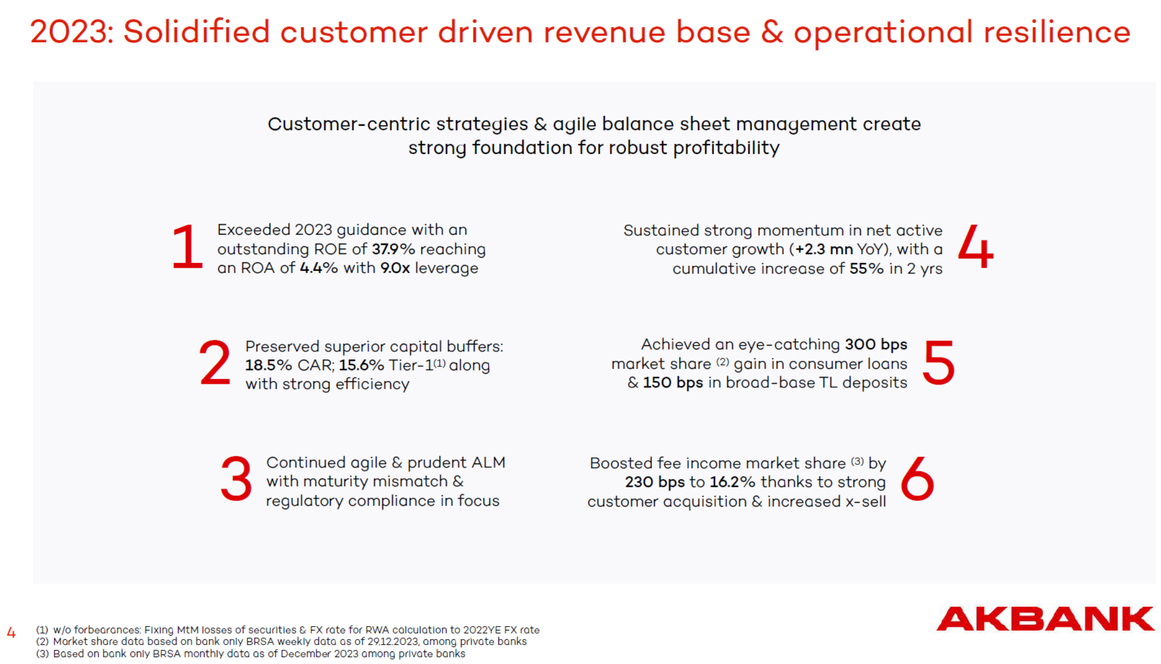
Banking Sector: Key indicators



3 Sources: BRSA & CBRT weekly data
ng participation banks

AKBANK

- **Despite the regulatory environment, banking sector profitability remained robust.**
- **Recent pivot in monetary policymaking and normalization of market interest rates have created a more conducive environment for core-banking activities by supporting positive margins.**
- **The challenges posed by the current macro backdrop are expected to ease toward the end of the year, once disinflation trend is maintained on a sustained basis.**
- **Loan growth is moderating toward the levels consistent with the macro-financial stabilization objectives of policy authorities.**
- **Banking sector remains well-capitalized and resilient.**
- **The prospective mild and gradual deterioration in asset quality is manageable, thanks to prudent provisioning.**
- **Moving onto our bank.**



- **I am delighted to share that Akbank has consistently demonstrated exceptional financial performance, solidifying its position as a leader in the banking industry.**

- **Our customer-centric strategies and agile balance sheet management have created solid foundation for strong sustainable profitability.**

- **As a result, despite the challenging macro and regulatory environment, we ended the year well-ahead of our guidance with 37.9% ROE and 4.4% ROA, while our leverage remained low at 9%.**

- **Our robust performance was driven by organic growth, where every business line contributed significantly.**

- **I am pleased to share that our efforts in retail banking have resulted in an impressive and sustained momentum, with 2.3 million net active customer growth, reflecting our commitment to excellence.**

- **This is on top of another 2.3 million net customer growth in 2022.**

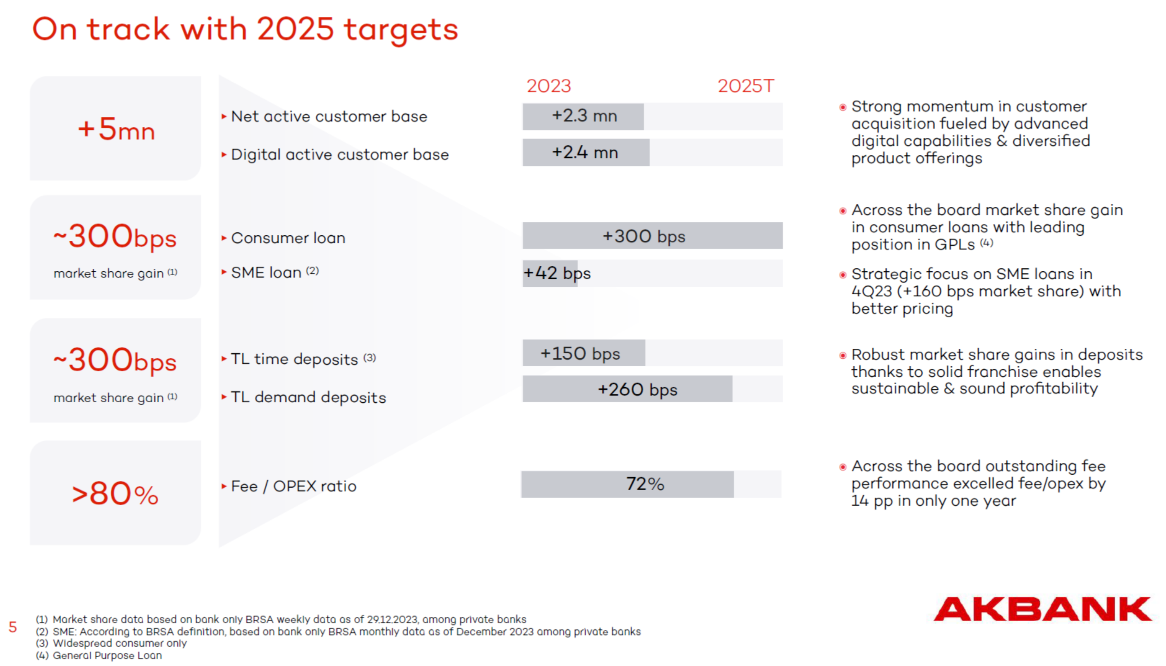
- **As a direct outcome of our focused efforts, there has been a remarkable 55% increase in our net active customer base over the last 2 years, along with increased cross-sell.**

- **This has led to a substantial 230 bps market share gain in fee income among private banks.**

- **In line with our strategic ambition, during the year we gained 300 bps market share in consumer loans and 150 bps in broad-base TL deposits.**
- **Thanks to our achievements so far our journey continues with accelerated momentum while we remain committed to investing, innovating and growing.**

- **Retail Banking prevails a strategic focus area for us.**

- **While growing we remain as one of the best positioned banks, with our superior capital buffers, sound liquidity and solid efficiency.**



- **I am pleased to inform you that we are fully on track with our 2025 targets.**

- **I have already mentioned some of them in the previous slide.**

- **On top of this, it's worth to mention that we acted strategically in SME loans, where we gained 160bps market share during 4Q with better pricing environment.**

- **Perhaps most notably, our revenues derived from customers has been significantly strengthened.**

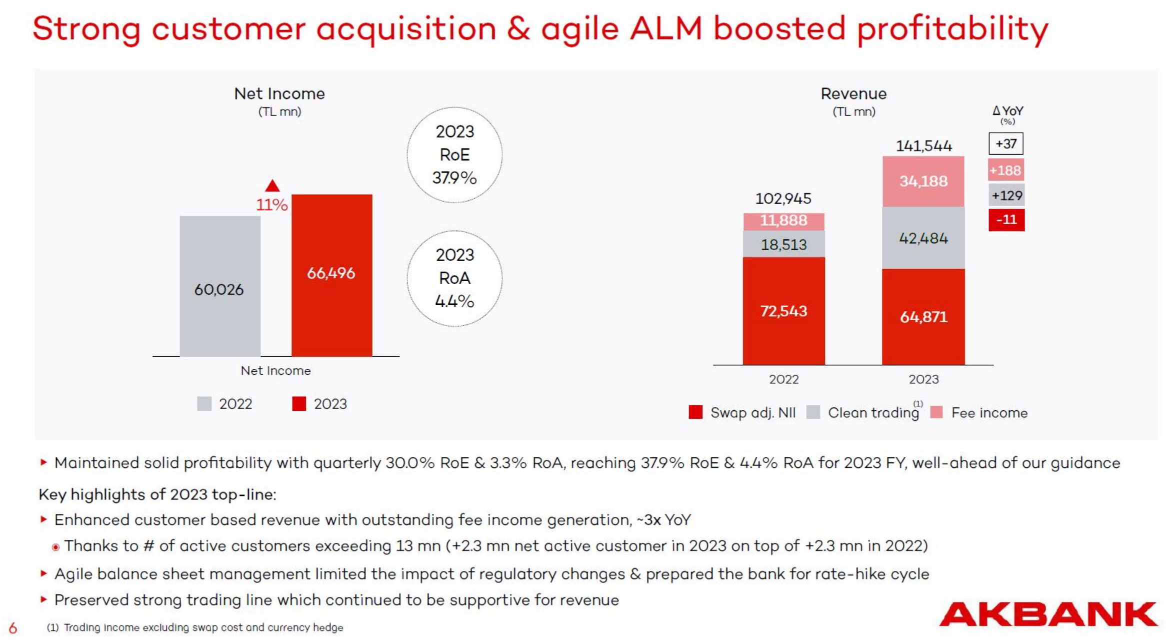
- **Our fee to opex ratio advanced by a remarkable 14 percentage points from 58% to 72% in just one year.**

- **Our bank's strength is derived from our agility, our proactive and prudent approach in balance sheet and risk management, coupled with our years of investments in our people.**

- **I'd like to take this opportunity to express my deepest gratitude to all of our people. Their commitment, passion and resilience is the driving force behind our success.**

- **Ebru will now provide insights regarding our 2023 performance.**

- **Following her presentation, I'll outline our 2024 guidance and will be available to address any questions together with Turker & Ebru.**



- **Thank you Kaan bey.**

- **As you have just mentioned we ended the year on a very strong note despite all the macro economic challenges and tight regulatory environment.**

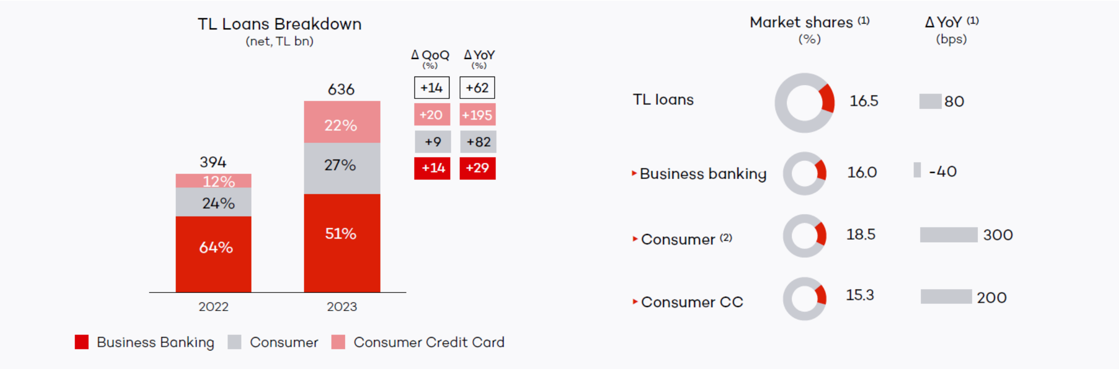
- **Our agility in balance sheet management as well as outstanding customer acquisition resulted in our fee income almost to triple year on year, and our net income to increase by 11% yoy to a robust 66 billion 4 hundred and 96 million in 2023.**

- **Accordingly, we ended the year with a substantial 37.9% RoE & 4.4% RoA, which is well ahead of our FY guidance.**

- **On a quarterly basis, we maintained a sound profitability with 15 billion net income, resulting in solid quarterly 30% RoE & 3.3% RoA.**

- **Moving onto the key drivers of our solid performance in more detail…**

Sound lending strategy with small tickets in focus



- Strong market share gain in TL loans led by small tickets & higher yielding loans while prudently managing quality of portfolio
  - c. 85% GPLs (3) pre-approved & c. 25% are to salary customers
  - Excellence in AI based consumer credit decision systems with almost 100% automated loan decision process
- In 1H23, the bank refrained to grow business banking loans due to unfavorable pricing environment
- In 4Q23, the bank strategically extended maturities, which will be margin supportive
  - Selectively grew in SME & installment business banking loans (2) while gaining 160 bps & 225 bps market share (1) respectively

7 (1) Market share data based on bank only BRSA weekly data as of 29.12.2023, among private banks
(2) Including over drafts
(3) General purpose loans

AKBANK

- **Our TL loans were up by 62% year-on-year, exceeding our full year guidance.**

- **Bank's motivation in high yielding small tickets continues at full pace.**

- **This motivation has resulted in a significant 82% yoy increase in consumer loans with broad-base 300 bps market share gain in the same period, among private banks.**

- **We grew an eye-catching 195% yoy in consumer credit cards, thanks to strong customer acquisition, as well as advanced analytics & technology being at the heart of our targeted marketing campaigns.**

- **Market share gain in consumer CCs was also noteworthy with 200bps during the year, again among private banks.**

- **As a side note, thanks to our 100% automated loan decision process with an excellence in AI based consumer credit models we are prudently managing the quality of the portfolio while growing.**

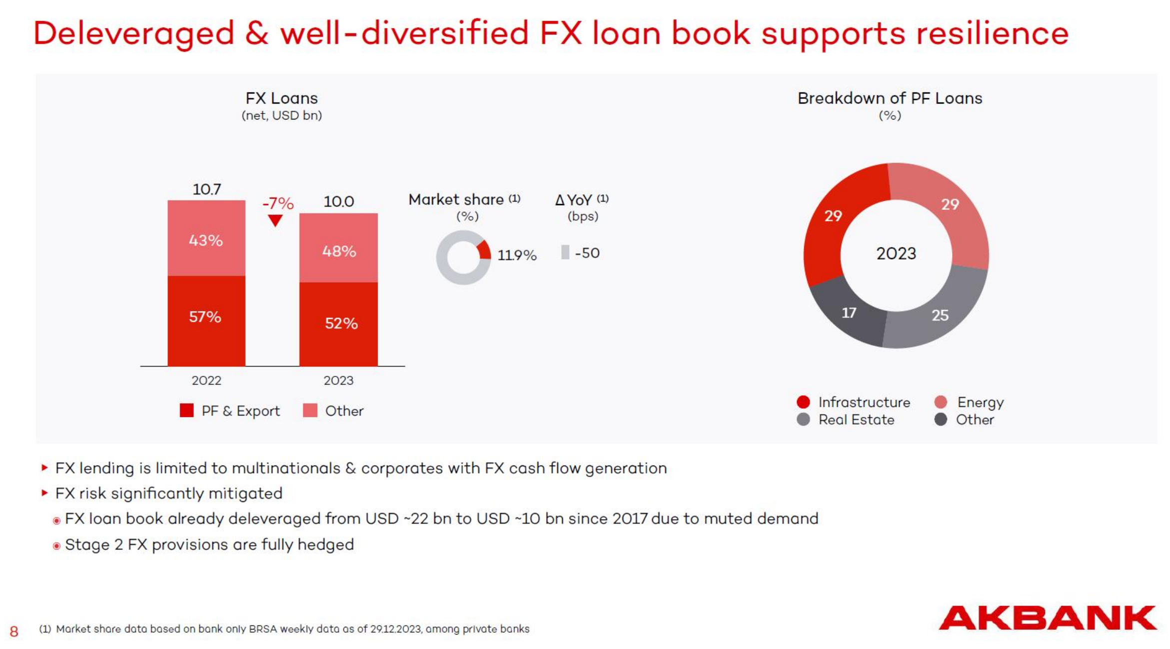
- **Also, please also note that 85% of GPLs are pre-approved and 25% are to salary customers.**

- **In 4Q23, while strategically increasing the maturities, we selectively grew in business banking loans, where we refrained to grow in the first half of this year due to regulatory pricing caps creating unfavorable pricing environment**

- **As the pricing environment improved, we increased our market share in SME and installment business banking loans significantly by 160 and 225 bps, respectively in 4th quarter alone.**

- **As for 2024, our growth ambition remains intact and we target to increase our market share further in small tickets while extending maturities and diversifying product mix.**

- **Our strategy is geared towards supporting and strengthening the margins.**



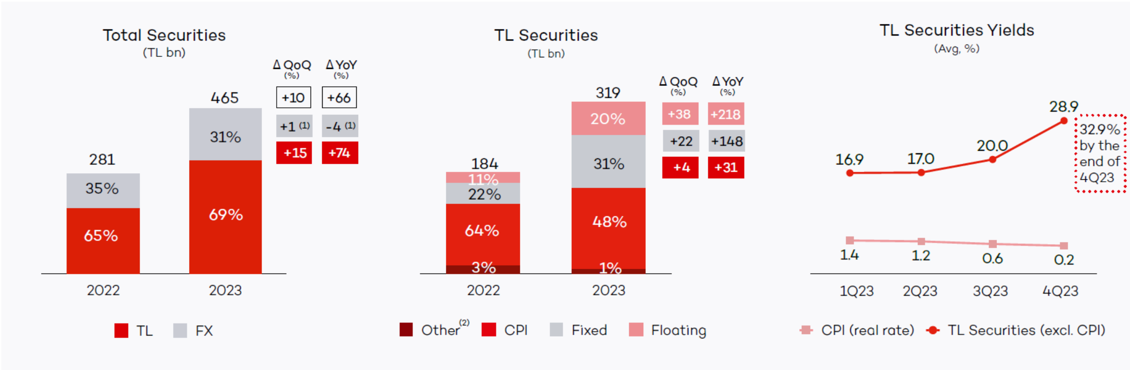
- **On the FX loan side, demand remained muted last year.**

- **Our net FX loans were down by 7% yoy to USD 10.0 bn.**

- **Considering our already deleveraged FX loan book, we expect to grow in 2024.**

- **FC part of the balance sheet has more favourable spreads, therefore any growth on this side would be margin supportive.**

High-yielding security positioning keeps balance sheet intact



- TL floating notes, which are mostly TLREF-indexed bonds with decent spread reached 20% of TL securities up strategically by 9 pp YoY
- Positive real yielding CPI-linker portfolio (TL 153 bn & 73% of equity) creates strong RoE contribution & hedge against inflation
  - Every +1% CPI has TL 1.1 bn NI and & +50 bps RoE impact
- Leading positioning in high-yielding corporate bonds in the sector with TL 31 bn (10% of TL securities)
  - Avg yield of 44% & less than 1-year maturity
- Purchase of fixed rate bonds at better rates for CBRT pledge utilized for further loan growth at favorable rates
- ~1/3 of total securities are FX & timely hedged against FED rate hikes

AKBANK

9 (1) In USD terms
(2) Equity products related with our brokerage company's daily transactions

Moving onto the securities side.

- **Interest rate risk management remains in focus for our securities positioning as well.**

- **Since the beginning of 2023, we have been increasing our positioning in TL floating notes. Accordingly, share of FRNs in total TL securities increased considerably by 9 pp to 20% in the same period.**

- **Our TL floating securities, majority of which are TLREF indexed bonds have a decent above market spreads and are NIM supportive.**

- **Having met the regulations proactively we were able to build our fixed rate TL securities book at favorable rates.**

- **Fixed rate bonds for CBRT pledge remain low.**

- **Please also keep in mind that we are proactively utilizing some of those bonds to grow selectively in order to enhance overall asset yield.**

- **Similar to first 9M, we continued to lead the sector in TL corporate bond purchases from primary issuances.**
- **Our high-yielding corporate bond portfolio, which has an average 44% yield stands at TL 31bn, or around 10% of our TL securities.**

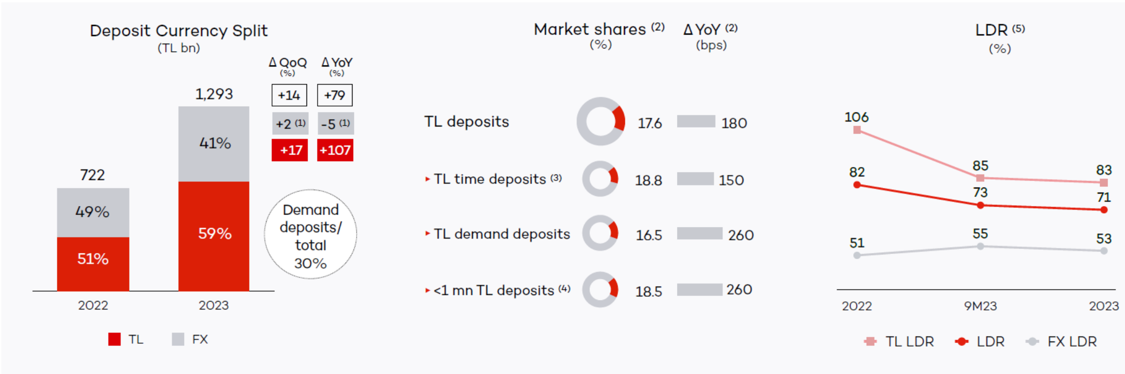
- **Our Treasury's proactive positioning in positive yielding CPI linkers will also be a differentiating factor this year considering the tightening spread between the policy rate and inflation.**

- **Our CPI-linker portfolio now stands at TL 153bn, which equates 73% of our equity and continues to help to mitigate negative impact of inflation while creating a solid ROE support.**

- **Please note that every 1% change in CPI has around TL1.1bn net income or 50 bps ROE impact.**

- **As shared in several occasions, our FC securities, which make up around one-third of total and were timely hedged against Fed rate hikes.**

Growth funded by solid small ticket customer deposits



- 68% of assets funded by sound deposit base
- Sticky & low cost TL time deposits (6) up +117% YoY with share in total TL time deposit at 66%
- TL demand deposits up by a solid +63% YoY
- Regulation induced low-level of TL LDR (down by 24 pp YoY to 83%) creates room for margin improvement

(1) In USD terms
(2) Market share data based on bank only BRSA weekly data as of 29.12.2023, among private banks
(3) Widespread consumer only
(4) Based on bank only BRSA monthly data as of December 2023
(5) Bank-only TL LDR includes domestic TL bond issuances and merchant payables
(6) Consumer & SME according to MIS segmentation

10 AKBANK

- **On the funding side, we continue to prioritize widespread and small ticket customer deposits to fund our growth.**

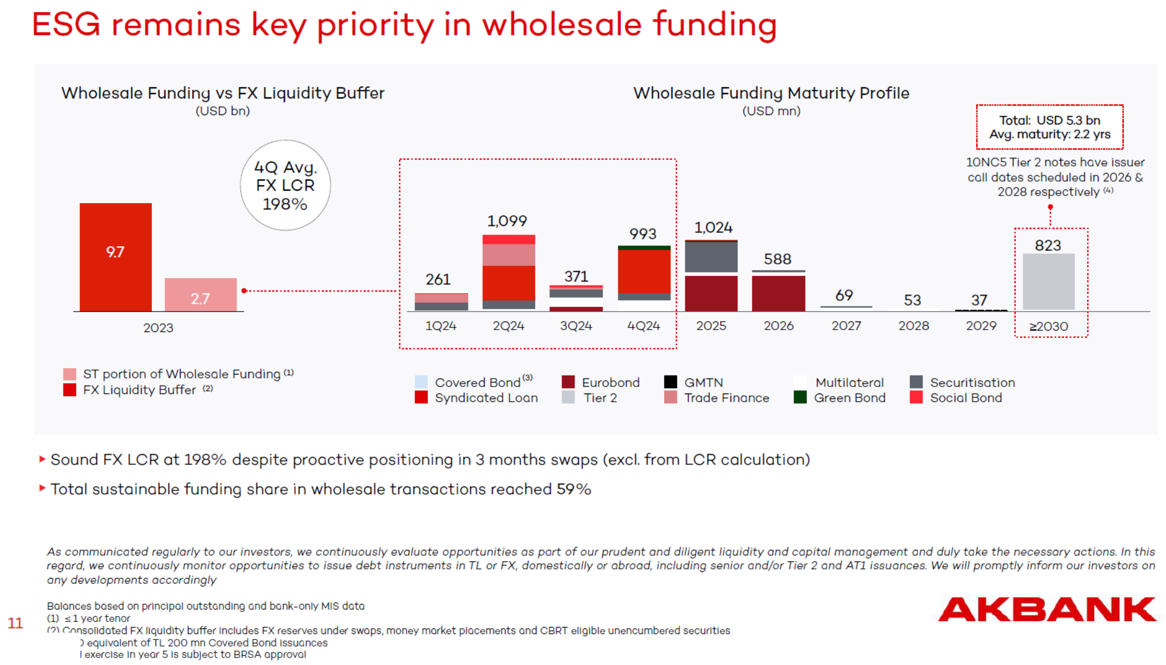
- **Our total TL deposits, where we gained 180 bps market share among private banks, were up by 79% yoy.**

- **Thanks to our sound customer franchise and our success in gaining further 2.3 mn customers in 2023, our market shares in below 1 mn TL deposits has increased considerably by 260 bps YoY.**

- **Our market share in zero cost TL demand deposits was also up by an outstanding 260 bps in the same period.**

- **Our success in gaining significant market share in broad-based TL deposit last year will be especially important for NIM evolution this year.**

- **Please also keep in mind that regulation induced low-level of TL LDR, down substantially by 24 pp to 83% last year, creates significant room for margin improvement going forward.**

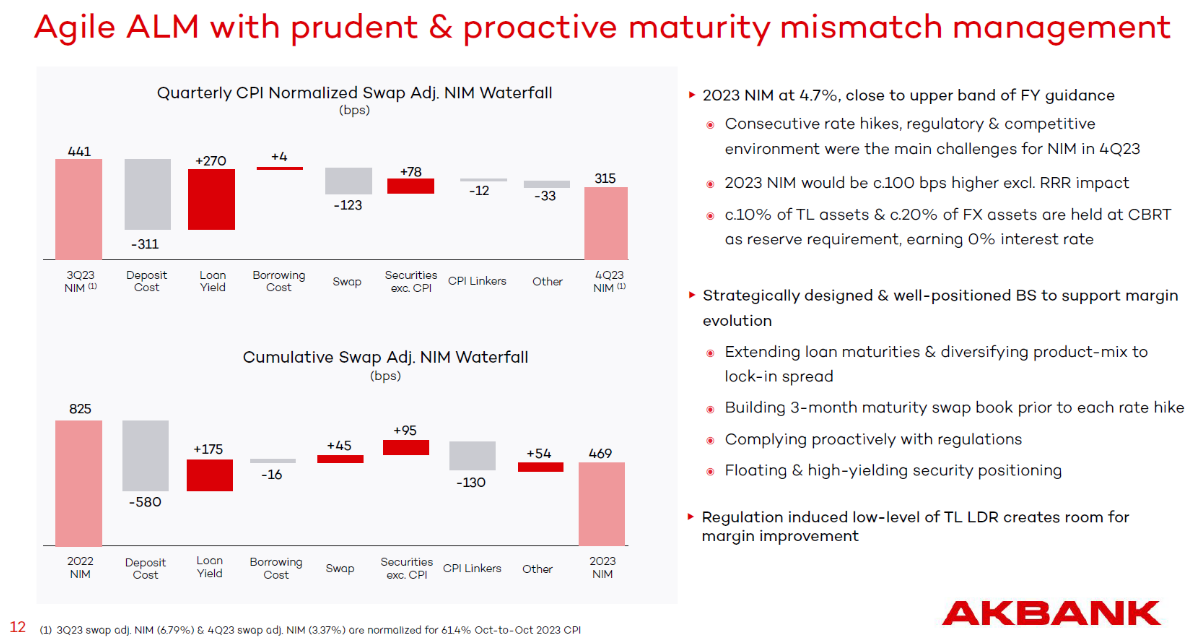


- **Managing the maturity profile of the wholesale funding book efficiently with differentiating funding solutions is a priority for the bank.**

- **We have a very solid FX liquidity buffer of USD9.7bn, whereby USD2.7bn is ST, indicating a liquidity buffer above 3.5x.**

- **In addition to our sound FX liquidity, we have succeeded to increase the share of sustainable transactions in our wholesale funding book to 59%, including the first gender themed Tier 2 globally.**

- **Hence, I am happy to share we are well on track with our 2030 sustainable wholesale funding target of 100%.**



- **Despite the regulatory environment which put significant pressure on margins last year, we ended the year with 4.7% swap adjusted NIM, close to the upper band of our guidance.**

- **There is no doubt that our agile ALM with prudent and proactive maturity mismatch management as well as our solid customer deposit franchise have been the key enablers of this success.**

- **Please keep in mind that our swap adjusted NIM for 2023 would be even around 100 bps higher, adjusted for the impact of reserve requirement rules.**

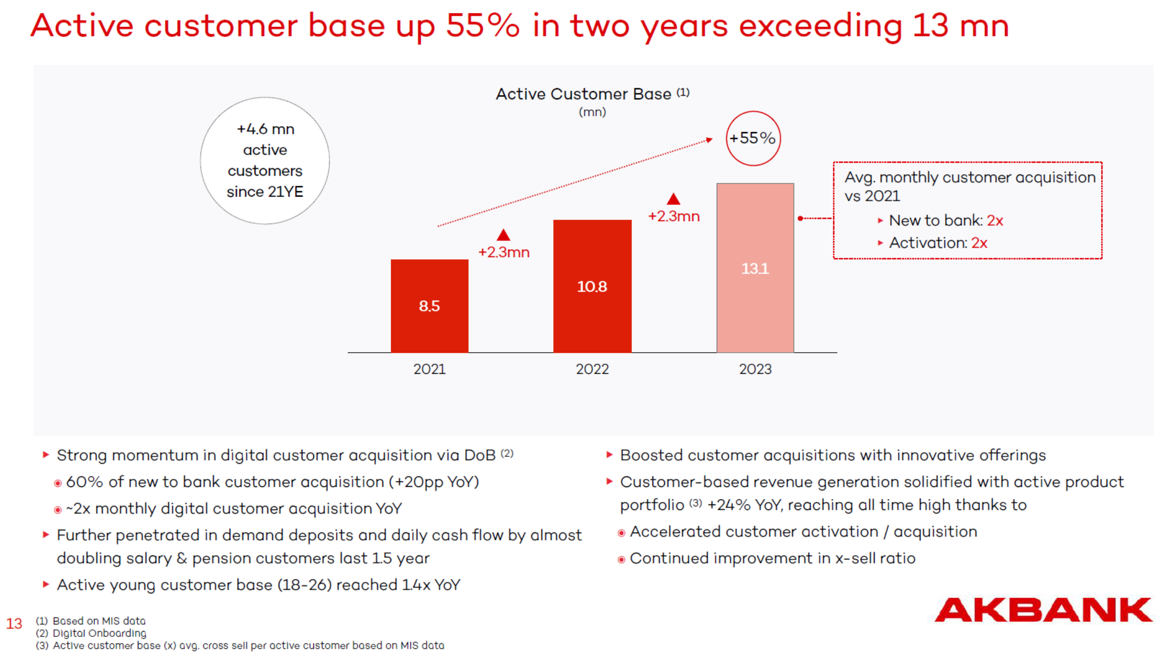
- **Note that 10% of our TL assets and 20% of FX assets are held at CBRT as reserve requirement and earn 0% interest.**

- **In terms of quarterly margin evolution, impact of reserve requirement regulation is even more remarkable with around 250 bps for 4Q swap adj. NIM alone.**

- **This increase implemented in reserve requirements goes hand in hand with the authorities' aim in unwinding the fx-protected deposit scheme**

- **As for 2024, our strategically designed and sound balance sheet will continue to be supportive for NIM evolution.**
    - **We have been proactively extending the loan maturities since third quarter of last year with a well-diversified product mix, prioritizing high-yielding and/or installment loans to lock-in spread.**
    - **Our strategically built 3-month maturity swap book prior to each rate hike continued to be beneficial for funding cost as well.**
    - **Please also note that our proactive compliance with the regulations helped us further enhance our broad-based small-ticket TL deposits while creating room to benefit from lower reserve requirement ratios via extending maturities.**

    - **Last but the not least, our strong floating and high-yielding security positioning will help minimize margin pressure.**



- **I mentioned earlier, our momentum in customer acquisition continues at full pace.**

- **Our active customer base reached 13.1 million, up around 55% yoy, with an impressive 2.3mn net active customer increase.**

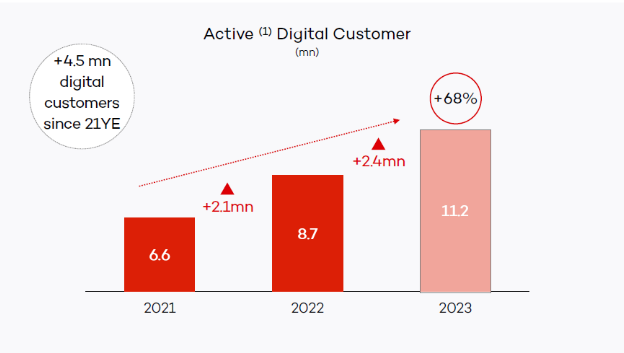
- **This is on top the noteworthy 2.3 million net customer growth in 2022.**
- **Similar to first 9 months, 60% of our new to bank customers were acquired via digital onboarding, emphasizing the robustness of our digital capabilities.**

- **We continuously leverage digital onboarding and revamp our value proposition in a comprehensive manner for young customers.**

- **Our active product portfolio, a function of active customer base and average cross-sell per customer, has excelled close to 24% yoy thanks to accelerated customer activation and acquisition as well as persistent improvement is x-sell.**

- **Our expanding active young customer base solidifies the sustainability of our revenue generation from our customer-centric strategies in the years ahead.**

Increased digital migration solidifies sustainable customer-based revenue growth



In 2023

35x
Monthly avg mobile login frequency per customer

x2
Digital customer x-sell compared to non-digital

70%
Credit Cards sold through digital channels

83%
Time deposit account openings through digital channels

90%
GPLs sold through digital channels

96%
Digital channel migration of transactions (2)

- Sustainable fee generation supported by
  - Digital customer base & average traffic per active customer, which are both at their highest levels
- Active digital customers log into Akbank Mobile application more than once a day enabling x-sell opportunities

14 (1) Based on MIS data. Active: Login in last 3 months
(2) Including financial transactions such as money transfers, payments & investment, excl. viewing & cash transactions

AKBANK

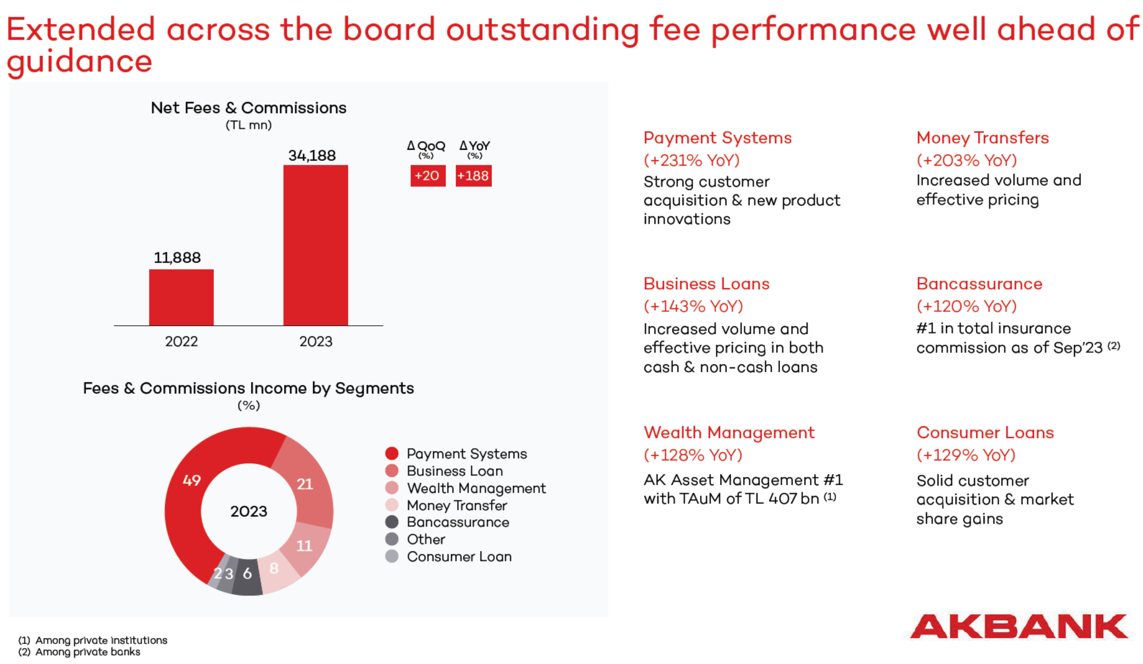
- **Our numbers consistently demonstrate the impact of our digital strategy, crafted around our customer’s journey.**

- **We exceeded 11 million digital customers, achieving 68% increase in 2 years.**

- **Digital penetration is up by 7 pp since the end of 2021 to 85% while migration of transactions to the digital channels have already reached 96%.**

- **A digital customer enters our mobile app 35 times a month, so more than once a day, playing a significant role both in our sustainable fee income generation as well as asset quality evolution.**

- **While the digital channels have secured a visibly striking share in credit card sales with 70%, GPLs with 90% and time deposit account openings with 83%.**



- **On the fee & commission income side, exceeding our full year guidance, we achieved a remarkable 188% yoy growth.**

- **All business lines contributed significantly with some phenomenal achievements during the year.**

- **Examples include….**

    - **We were the fastest growing private bank in consumer CCs in terms of number of credit cards issued while also achieving the highest market share in consumer purchase volume.**

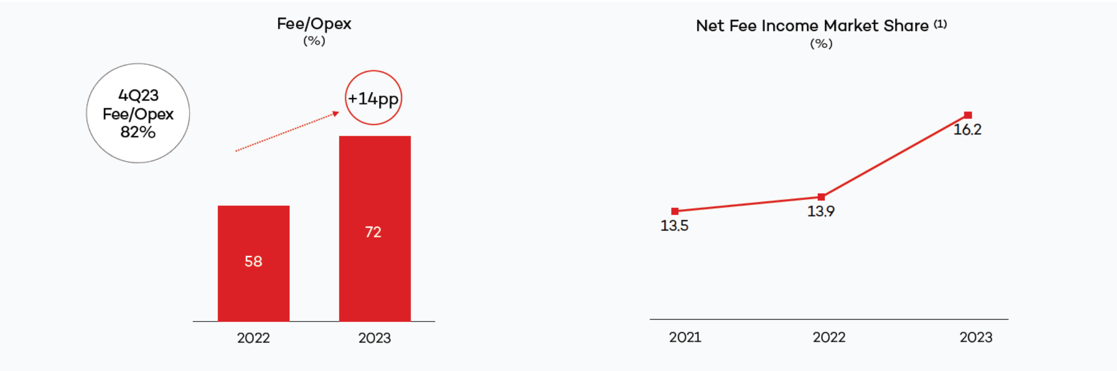
    - **Moreover, this success extends beyond consumer CCs, as were also fastest growing private bank in terms of number of commercial CCs issued.**

    - **And, among top 2 fastest growing banks in market share of acquiring volume.**

    - **On the bancassurance side, we not only maintained our top position in total insurance commissions but also attained the highest market share gain in credit-linked life insurance among private banks.**

    - **Additionally, our subsidiary Ak Asset Management secured the position of market leader in wealth management among private institutions with total AuM of TL 407 bn.**

Fee/Opex excelled thanks to accelerated customer acquisition



- On track with our strategic target to increase **fee/opex** ratio (> 80% by 2025) thanks to strong momentum in customer acquisition
  - Quarterly fee/opex ratio already > 80% since 3Q23 carrying cumulative figure to 72% (up 14 pp YoY)
- Fee chargeable customer base reached a new all time high in 4Q23, enhancing our fee income market share by 230 bps to 16.2% (1)
- In 2024, fee income growth is expected to outpace opex increase, once again further boosting fee/opex ratio

16 (1) Based on bank only BRSA monthly data as of December 2023 among private banks

AKBANK

- **You can see on this slide that our dedicated investments through cycles, as well as strong momentum in customer acquisition have resulted in remarkable 230 bps market share gain in fee income among private banks in just one year.**

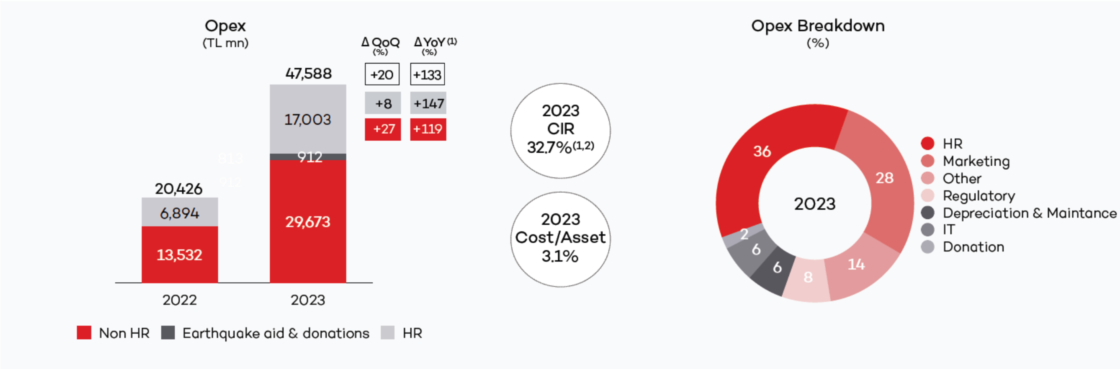
- **Resulting in cumulative fee/opex ratio to boost by 14 percentage points to 72%, in just one year.**

- **As shared earlier, we are well on track with our strategic target to increase fee/opex ratio above 80% by 2025.**

- **As proof, our quarterly fee/opex ratio already reached above 80% levels in the third and fourth quarter of last year.**

- **This year we target to improve further our fee/opex ratio thanks to all time high fee chargeable customer base and strong x-sells.**

CIR remains best-in class



- Low opex base provides a leverage in inflationary environment
- In 2024, cost discipline to remain in focus

(1) Excluding earthquake aid & donations opex increased by 129% YoY resulting in 32.1% CIR in 2023
(2) CIR calculation excludes FX gain from hedge position related with stage 1&2 provisions

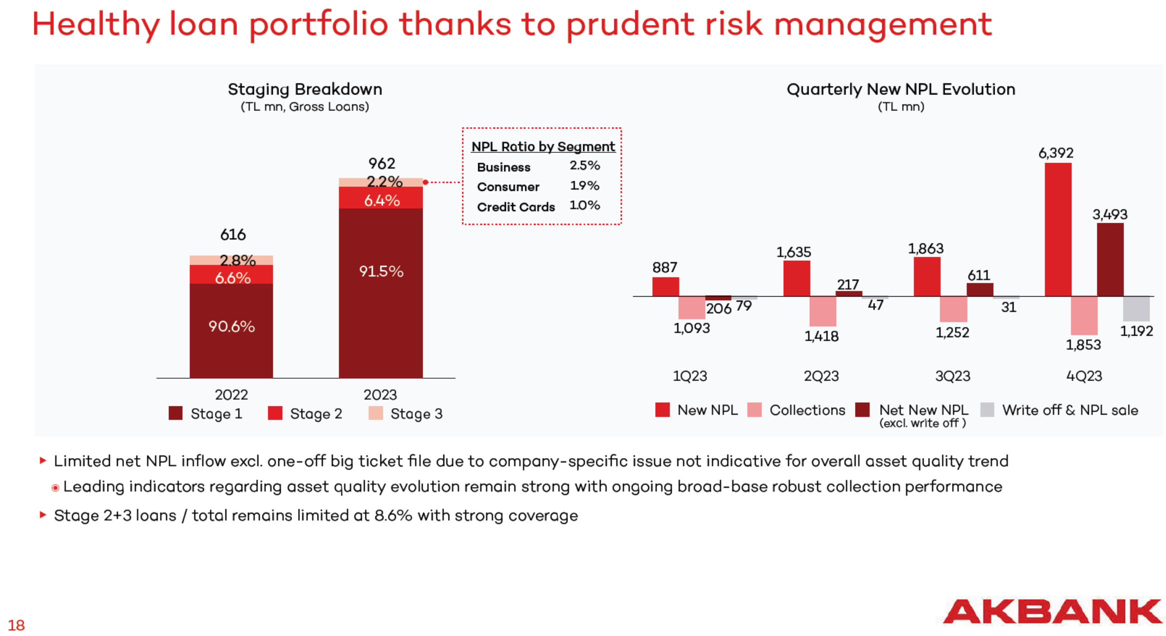
AKBANK

- **Our opex was up 20% QoQ, carrying cumulative yoy increase to 133% last year.**

- **However, thanks to our enhanced customer based revenues and sustained cost discipline, our CIR closed the year at a commendable 32.7%, meeting our full year guidance.**

- **Leveraging our relatively low opex base, we attain notable competitive edge and enhanced adaptability, particularly in times of inflation.**

- **Meanwhile, our cost to assets remains intact at 3.1%.**



- **Moving onto asset quality, our loan portfolio continues to perform well with robust and broad based collection performance.**

- **While leading indicators for the asset quality remains strong thanks to our prudent risk management and healthy loan portfolio composition.**

- **Please note that our net NPL inflow into stage 3 is limited excluding a sector wide one-off big-ticket file that migrated into stage 3. The related company, operates in construction sector has its own company specific issues and isn't an indicator for overall asset quality trend.**

- **We completed the year with a low 2.2% NPL ratio, in line with our FY guidance of below 3%.**

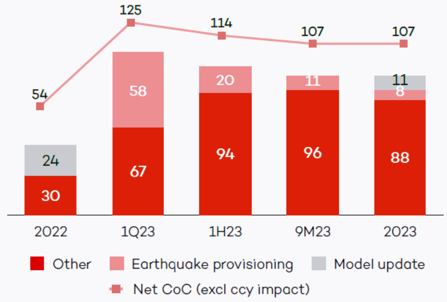
- **Share of stage 2 + 3 in our gross loans – which would be deemed potentially problematic, continued to be limited at 8.6%, with strong coverage.**

CoC performance underlines proactive provisioning

Provision Build & Coverages

(%)	2022	2023
Stage 1 Coverage	0.7	1.1
Stage 2 Coverage	16.4	16.6
Stage 3 Coverage	67.6	62.1
Stage 2+3 Coverage	31.6	28.0
Total Provision Build [1] (TL bn)	21.9	32.5
Free Provisions (TL mn)	1,400	1,400

Net CoC (excl ccy impact) Breakdown
(bps)



- Coverages remain strong for all stages reaching total provisions of TL 32.5 bn excluding free provisions
  - Adjusted for NPL sale, stage 3 coverage would be c.200 bps higher
- Net total CoC (excl. ccy impact) at 107 bps, 11 bps o/w is model recalibration & 8 bps o/w is earthquake provisioning
- FX provisions are hedged
- 2024 Net CoC (excl ccy impact) is expected to remain < 150 bps

19 (1) Excluding free provisions

AKBANK

- **Our proactive approach in provisioning and the robustness of our loan portfolio are clearly reflected in the evolution of our CoC.**

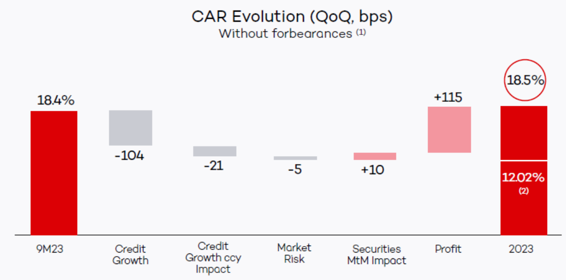
- **We ended the year at 107 bps net COC, excluding currency impact, consistent with the provided guidance.**

- **Please note that 11 bps is related with IFRS model update for mass segment and 8 bps is for the proactive earthquake provisioning.**

- **Despite our solid loan growth, our coverage remains strong with an additional loan loss provision build of TL 11 bn, carrying total provision book to TL32.5bn, excluding our TL 1.4bn free provision.**

- **Looking forward, we are confident that our robust provision build and solid collateral values as well as proficiency in digital capabilities will minimize the need for additional provisions.**

Superior capital buffers remain as significant competitive advantage



20.7% CAR excl. temp. RW increase (3)

+510 bps YoY profit contribution

Sensitivity of Solvency Ratios (not linear) (4)
- 10% TL depreciation: 40 bps
- 100 bps TL interest rate increase: 7 bps (5)
- 1% NPL increase: 25 bps

(%, TL bn)	CAR	Excess Capital (6)	Tier 1	Excess Tier 1 (6)	CET-1	Excess CET-1(6)
Without forbearances	18.5%	84.7	15.6%	73.0	15.6%	92.6
With forbearances (1)	21.0%	103.4	17.9%	90.5	17.9%	107.7

(1) Fixing MtM losses of securities & FX rate for RWA calculation to 2022YE FX rate
(2) Min Basel III required: Including buffers (Capital Conservation Buffer: 2.50%, D-SIB Buffer: 1.50% Countercyclical Capital Buffer: 0.02%)
(3) BRSA implemented higher RW for newly generated consumer CCs, GPLs (from 75% to 150%) & comm. loans excl. SME, export, investment (from 100% to 200%)
(4) Diminishing sensitivity for higher amount of changes
(5) Sensitivity calculation includes 20 bps real rate change for CPI-linkers (FVOCI)
(6) Basel III min. requirements: CAR: 12.02%, Tier-1: 10.02%, CET-1 8.52%

20

AKBANK

- **Our total capital, Tier 1 and CET 1 ratios without forbearances remain robust at 18.5% and 15.6%, respectively.**

- **Our sound profitability was reflected onto our capital position as our internal capital generation added a solid 115 bps to our total capital QoQ, reaching a cumulative 510 bps for the year.**

- **Worth to note that, adjusted for the temporary Risk Weight increases applied by BRSA, our Capital would be even 220 bps higher at an outstanding 20.7%.**

- **To give share sensitivity, the first 10% depreciation in TL results in around 40 bps decrease in our capital ratios while the impact diminishes for higher amount of changes.**

- **And, 100 bps increase in TL interest rate results in a 7 bps decline in our solvency ratios, again with diminishing impact.**

- **Strong capital buffers persist as a shield against unprecedented challenges and market fluctuations, offering significant resource for sustainable profitable growth.**

2023: Strong delivery on guidance

	2023 Guidance	2023
TL Loan Growth	~ 40%	61.5%
FX Loan Growth (in USD)	Low-single digit	-6.9%
NIM (swap adj.)	4-5%	4.7%
Net fees&com. growth	~ 60%	188.0%
Opex increase	Improvement (1)	133.0%
Cost/ income (1)	Low 30%'s	32.7%
NPL (2)	< 3%	2.2%
Net total CoC (excl. ccy impact)	~ 100 bps	107 bps
ROE	~ 30%	37.9%

Key Takeaways

Momentum across all business lines & subsidiaries continued as we advance in innovative offerings, using AI & cutting-edge technology while investing in our people

2.3 mn Net active customer growth	4.4% ROA	72% Fee/opex
18.5% CAR (3)	15.6% Tier-1 (3)	96% Digital channel migration of transactions (4)
57% Women in CEO's direct reports	A MSCI sustainability score	TL 226 bn Sustainable financing (5)

4Q23 Cheat sheet

(1) Indicates lower increase YoY compared to 2022
(2) CIR calculation excludes FX gain from hedge position related with stage 1&2 provisions
(3) w/o forbearances: Fixing MtM losses of securities & FX rate for RWA calculation to 2022YE FX rate
(4) Including financial transactions such as money transfers, payments & investment, excl. viewing & cash transactions
(5) As of 2023

21

AKBANK

- **On this slide, you may find the summary of our solid 2023 performance.**

- **Though there were challenges on the opex side, the revenue generation capabilities of the bank, including the outstanding performance in fee generation, led to a robust FY ROE that exceeded our guidance.**

- **As for our non-financial performance, I am very delighted to share that the result of our sustainability activities and transparency practices have been reflected to our ESG rating scores in various ESG Ratings & Indexes.**

- **One of the highlights on this slide is our MSCI ESG rating which increased to A with the devoted bank-wide efforts we have carried out since 2021.**

- **This marks a 3 level increase just in 2 years.**

- **We will continue to play a leading role in our country's transition to a low-carbon economy, to achieve net zero targets**

while investing in talent management and keeping our financial performance intact.

- **Kaan Bey the floor is yours for our 2024 guidance.**

2024: Harnessing the power of our past successes for another year of superior performance

2024 Guidance

TL Loan Growth	~ 40%
FX Loan Growth (in USD)	Increase
NIM (swap adj.)	~ 4%
Net fees & com. growth	> 80%
Opex increase	~ Avg inflation
Cost/ income [1]	Mid-30%'s
NPL	~ 2%
Net total CoC (excl. ccy impact)	< 150 bps
ROE	> 30%

Top-positioning in the sector

- Centering sustainable & sound profitability with customer-driven revenue growth in focus
- Conducting superior customer acquisition while deepening customer relations & bolstering customer retention
- Leading the industry with agility in services & differentiated product offerings

Constant dynamism

- Crafting the future of banking with non-stop investments
- Leveraging efficient deployment of solid capital & effective management of skilled talent
- Continuing to create value for the Turkish economy

22 (1) CIR calculation excludes FX gain from hedge position related with stage 1&2 provisions

AKBANK

- **As Ebru just summarised, we ended 2023 on a very strong note and we will be capitalizing our achievements for the next chapter in our success story.**

- **We remain dedicated to leverage our strong capital buffers as well as our skilled talent for further growth.**

- **Our focus remains on superior customer acquisition, coupled with a commitment to deepening our existing relationships.**

- **We target to expand further our footprint in retail segment on top of significant market share gains achieved in high-yielding small ticket loans as well as broad based TL deposits.**

- **Our 360-degree customer oriented holistic organization structure, agility in services with advanced digital solutions, as**

well as wide range of product offerings will continue to be supportive factors.

- **For this year, we expect to grow around 40% in TL loans. Which will once again be driven by healthy market share gains in consumer & SME segments.**

- **In 2024, given our already deleveraged FX loan book, we may observe some increase.**

- **Without any doubt, major challenge will be in the margin evolution of the sector, considering low loan demand, which limits asset repricing as well as regulatory environment.**

- **We expect our swap adjusted NIM to remain solid at around 4% in 2024, despite potentially low contribution from CPI linkers.**

- **Our all-time high fee chargeable customer base and increasing x-sell will continue to be supportive for fee income growth.**

- **We therefore target above 80% growth in our fee income for this year on top of 188% achieved in 2023.**

- **More importantly, in 2024 we expect our fee income growth to exceed opex growth again, yielding further improvement in fee/opex ratio.**

- **With our solid revenue generation, we guide for our cost to income to remain best in class at mid-thirties.**

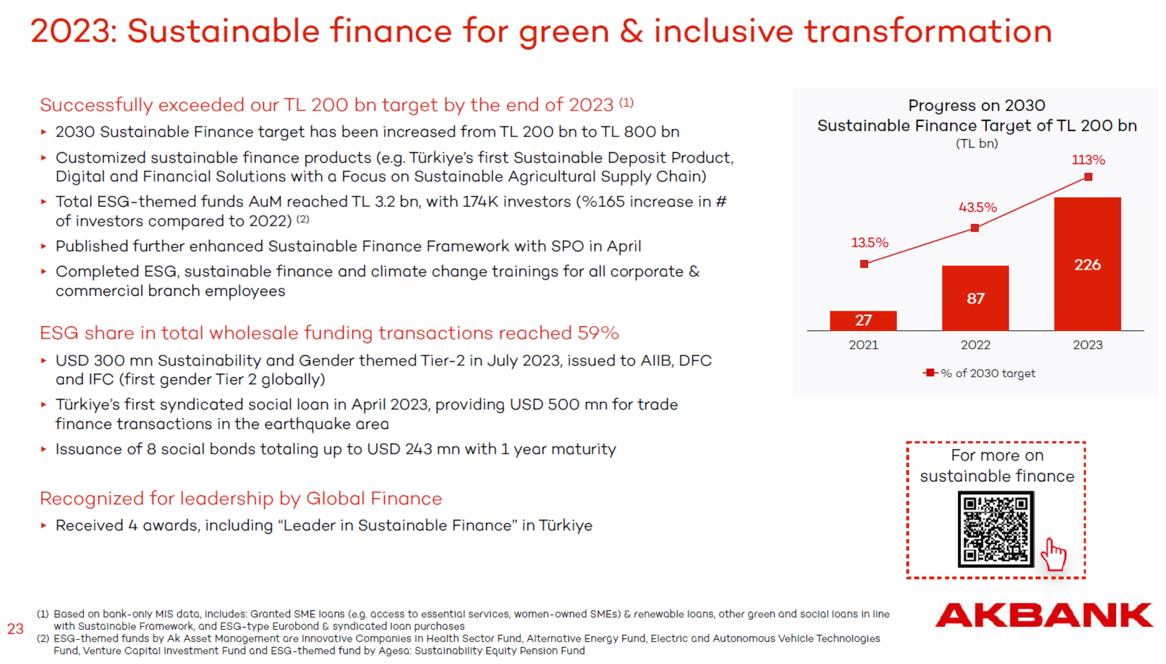
- **For 2024, given our prudent risk approach and excellence in AI based loan decision models we believe there won't be a material increase in NPL inflows, therefore we expect our NPL ratio to remain around 2%.**

- **Accordingly, our robust provision build and solid collateral values will limit the need for additional provisions.**

- **We expect our net CoC excluding currency impact to remain below 150bps.**

- **As a result, we are aiming to achieve a sound above 30% ROE for the FY, limiting the differential with expected inflation.**

Now Ebru will share a few highlights regarding our successful ESG Journey…after which we will be more than happy to answer your questions….



Thank you Kaan Bey

- **Starting with sustainable finance, our commitment continues in providing further resources to facilitate the transition to a low carbon and inclusive economy.**

- **I am pleased to inform you that we have already exceeded our 2030 target in sustainable finance by the end of last year and have now quadrupled our 2030 SF target to 800 bn TL.**

- **In addition, during the year, our ESG-themed funds received good interest from our customers, where we achieved 165% yoy increase in the number of investors in these funds.**

2023: Innovative products & services to enhance businesses and financial health

Set target for financial health and inclusion

- Achieving a growth rate of 10% per year in the number of women-led business customers to increase financial resilience and support sustainable business growth by 2025 under the scope of UN PRB financial health and inclusion commitment [1]

Empowered SMEs with financial and non-financial support

- USD 50 mn secured from Proparco for Eco Transformation Package
- First in industry: Special Financing Support backed by Export Development Cooperation – İGE
- New partnerships with leading technology and e-commerce companies, such as SolarVis (a B2B company supporting digitalization of solar energy providers)
- Launched Akbank BinYaprak Women Entrepreneur Mentorship Program

Fostered sustainable entrepreneurship ecosystem

- Introduced Entrepreneurship Banking Solutions (Including offering investment opportunities to entrepreneurs with Ak Asset Management Venture Capital Fund)
- Commenced the second term of Türkiye's 1st full time spin-off program Akbank+
- Interacted with +1000 start-ups and interviewed +700 start-ups
- Boost the Future, an accelerator program supporting entrepreneurs started in partnership with Endeavor Turkey (5th year)

For more on how we empower SMEs [2]

24

(1) United Nations PRB Commitment to Financial Health and Inclusion – Summary Report
(2) ESG Presentation (pg.14)

AKBANK

- **As for our ecosystem management, I am proud to share that we became among the 28 banks globally as founding signatory of UN Financial Health and Inclusion Commitment.**

- **For this commitment, we disclosed our financial inclusion measurable target, which is to achieve a growth rate of 10% per annum in the number of women-led business customers until 2025.**

- **This goes hand in hand with our efforts to increase financial resilience and support sustainable business growth.**

- **In addition, we fostered sustainable entrepreneurship ecosystem by implementing Akbank+ intrapreneurship Program for our people. This is Türkiye's 1st full time spin-off program, which allows Akbankers to work on their entrepreneurial ideas full-time.**

2023: Empowering our people and communities

Further strengthened D&I culture

- New Chief Diversity Officer announced (SME Banking EVP)
- Akbank's "Red Book" launched to support collaborative and diverse cultural transformation
- Mentoring program under Role Model Akbank

Akbank Academy reached 61K young people (135K since 2020)

- Support our youth with leading education and financial literacy programs

Bright Tomorrows Movement

- A long term collaboration with Community Volunteers Foundation in earthquake-affected cities
- Supporting young people to heal and prepare for the future through art, technology and science

Active support for humanitarian efforts in disaster-struck areas

- Supported priority needs such as shelter, heating and nutrition
- Provided relocation and accommodation for employees in the area
- Facilitated uninterrupted operations thanks to our superior digital and technological capabilities
- Prioritized youth from the disaster struck area in our hiring processes

For more, please see our D&I policy

For more on D&I

25 AKBANK

- **As for our people & community pillar, Akbank Academy continued to support young people with its leading education and financial literacy programs, reaching 61K young people in 2023, totalling 135k since the program was initiated in 2020.**

2023: Advance efforts to mitigate environmental footprint & manage climate risk

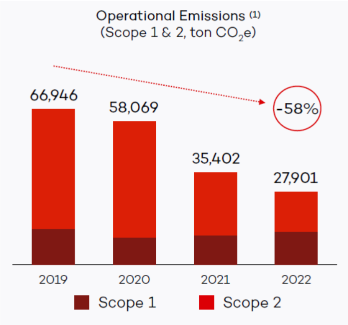
Steps towards becoming a Net Zero Bank by 2050

Decarbonization of our operational emissions

- %58 reduction in our operational emissions in 2022 since base year 2019
- Set interim emission reduction target in line with 1.5°C scenario: Reduce absolute Scope 1 and Scope 2 GHG emissions %90 by 2030 from 2019 base year
- 100% of bank's electricity sourced from renewable resources since the beginning of 2023
- Extended capacity building in energy efficiency and waste management
  - ISO 50001 (Energy Management) & 14001 (Environmental Management) trainings completed in 251 branches in 2023 (562 branches in total)

Decarbonization of our portfolio emissions

- Calculated Scope 3 Category 15 emissions in line with PCAF methodology for various asset classes covering corporate, commercial and SME loan portfolio
- Set interim emission reduction targets for prioritized carbon intensive sectors
- Offered digital tools to our customers to calculate their own carbon footprint
- Organized workshops to increase our customers' awareness on Carbon Border Adjustment Mechanism
- Spatial climate risk analysis for PF portfolio: Addressing location and sector-specific climate risks for all PF loans



For more, please see our integrated report

26 (1) Fugitive emissions are revised from the previous calculation due to accurate values and this has been reflected to Operational Emissions graph. In addition, calculation of 2023 operational emissions are under progress.

AKBANK

- **Last year was a milestone year for us in terms of our 2050 Net 0 Bank target where we worked in detail on our decarbonisation roadmap of our portfolio and operational emissions.**

- **For our decarbornisation roadmap of our operational emmissions, we have set an interim emission reduction target in line with 1.5°C scenario which is to Reduce absolute Scope 1 and Scope 2 GHG emissions by %90 until 2030…taking 2019 as a base year**

- **For our portfolio emissions**
  - **We have calculated our financed emissions in line with PCAF methodology for various business segments**
  - **And we have set interim emission reduction targets for prioritized carbon intensive sectors**
  - **We will announce our detailed plan soon.**

2024: Continue our ESG roadmap aligned with 2030 SDGs

Sustainable Finance

- Support decarbonization by engaging with customers and product innovation
- Continue to focus on ESG-linked funding
- Diversify ESG-themed investment products

Ecosystem Management

- Support green transformation of SMEs and empower women-owned SMEs
- Offer financial and non-financial services to SMEs and individuals
- Further strengthen entrepreneurship, youth and accessible banking

People & Community

- Continue efforts for a more diverse & inclusive workplace with a focus on women, youth, vulnerable groups
- Continue to create social impact with community investment initiatives
- Support our youth with leading volunteering and education programs

Climate Change

- Execute decarbonization roadmap for portfolio and operations, with interim targets to reach net zero by 2050
- Continue 100% electricity sourcing from renewable resources
- Expand ISO 50001 & 14001 certificates to include all branches

AKBANK

- **This year, while continue to actively work on our roadmap, with our focus remaining on ESG data, reporting and the impact we create.**

Kaan Bey the floor is yours for closing remarks.

- **Thank you Ebru.**
- **Built upon your trust, Akbank stands as a symbol of confidence.**
- **With our experience in many cycles, I am fully confident in our people's capacity and execution to deliver our 2024 guidance I shared earlier.**
- **Once again, I would like express my ample gratitude to all our people, for their outstanding efforts.**
- **I would also like to thank all our stakeholders for consistently placing their trust and confidence in us.**
- **Keep well and look forward to meeting you all soon.**