



We exist,

To chart the course of banking's future, energize the economy and enrich lives,

Foster financial well-being, advance technology and craft impactful solutions,

Preserve the environment, champion artistic diversity, uphold the dreams of youth

For 75 years, we have thrived on your trust

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About the Report

Akbank 2023 Integrated Annual Report

In addition to the environmental and social impact of our material issues, we also evaluated their financial impact and conducted a Double Materiality analysis for the first time this year.

As the first depository bank in Türkiye to make a long-term commitment to sustainable finance, we transparently demonstrate our contributions to the Sustainable Development Goals in all our activities.

We prepared our report in compliance with Türkiye Sustainability Reporting Standards (TSRS). As Akbank T.A.S. (Akbank), we continued issuing our sustainability reports, which we prepared annually in accordance with the Global Reporting Initiative (GRI) Standards Core Options starting as of 2009, with our first Integrated Report published in 2020. In 2021, we presented our first Integrated Annual Report, which included our financial and non-financial performance, to our stakeholders. Thus, with our sustainability performance, we have taken an important step towards leading the Turkish banking sector. We have prepared the 2023 Akbank Integrated Annual Report in line with global reporting standards and in accordance with the requirements of the Value Reporting Foundation (VRF), the Integrated Reporting Framework and the 'Basic' option of the GRI Standards, with respect to our financial and nonfinancial performance between 01.01.2023 and 31.12.2023. In addition, in our report, we have taken into consideration the Borsa Istanbul Sustainability Index Banking Sector Criteria, UNEP-FI Principles for Responsible Banking, the United Nations Global Compact (UN Global Compact) Task Force on Climate-Related Financial Disclosures (TCFD), and the Women's Empowerment Principles (WEPs).

Our assets and financial assets constitute the financial capital-focused information included in our report, in compliance with the Integrated Reporting Framework. Similarly, the capital produced corresponds to the real estate where we carry out our operations, such as ATMs, branches, our Head Offices and data centres. Intellectual capital refers to the applications and works in which we have intellectual property rights, such as digitalization

<u>(U</u>,

Financial Capital \rightleftharpoons

Manufactured Capital Intellectual Capital وك

Human Capital

Social and Relational

Capital



Natural Capital and innovation, which we, as Akbank, have been working on for many years. We discuss our employee-oriented corporate culture, which we place at the centre of our way of doing business, under the heading of human capital. We address the relations we establish with our stakeholders who have an important place in our value chain (our culture and arts activities and our work with non-governmental organizations), under the heading of social and relational capital. And last but not least, we share the details of all the natural resources (energy, water, electricity, etc.) we use to carry out our activities, under the heading of natural capital.

We included in the report the financial effects of the emerging risks and the actions taken to reduce the risks by filtering the risk analysis of 15 critical issues that we have determined as our focus points in our work. With this analysis, we identify the challenges and opportunities in the rapidly changing business world and develop stronger strategies for the future.

Our information on financial capital focus in our report in accordance with the Integrated Reporting Framework is formed by our financial assets and assets. Similarly, the produced capital corresponds to the immovables where we carry out our operations, such as ATMs, branches, our General Directorates, data centers. Intellectual capital refers to our applications and work that we have intellectual property rights for many years, such as digitization and innovation. We are considering our employee-oriented corporate culture, which we have placed at the center of our way of working, under the heading of human capital. We locate the relations we have established with our stakeholders, who have an important place in our value chain (cultural and artistic activities, work with nongovernmental organizations), in the social and relationship capital. Finally, we share all natural resources (energy, water, electricity, etc.) we use to carry out our activities in natural capital.

We include the financial impacts of the risks that arise by filtering the 15 critical issues we determined as the focus point in our work through a risk analysis screen and the actions taken to reduce risks. With this analysis, we identify the challenges and opportunities in the rapidly changing business world and develop stronger strategies for the future. In our report, there is a climate-related summary table in

accordance with the Responsible Banking Principles Report and the Climate-Related Financial Disclosure Task Force (TCFD) Recommendations created by the United Nations Environment Program Finance Initiative (UNEP FI), which we signed in June 2021 and also included in our first Integrated Activity Report.

We included our declarations regarding the Responsible
Banking Principles determined by the United Nations
Environment Program Finance Initiative (UNEP FI) in our report's
Sustainability Journey, Sustainable Financing, Ecosystem
Management, Human and Society, and Climate Change
headings. You can access the UNEP FI Responsible Banking
Principles Report Self-Assessment Form from our website.

You can access the GRI Content Index table of our report prepared in accordance with the GRI Standards from our website. You can also access the Mandatory Declaration List of the Integrated Report created under the Value Reporting Foundation from here. We create value for all our stakeholders with our focus areas of Sustainable Finance, People & Community, Ecosystem Management and Climate Change within the framework of the Sustainability Strategy. We share the value we create, supported by short, medium and long term goals, with you. Our report, where we detail our activities in Türkiye, includes performance data and does not cover affiliates and overseas companies. The employment data of our Malta branch has been reflected in our total employment performance.

For non-financial Selected Information environmental and social performance data, we received "limited" assurance service from PwC Independent Audit and Certified Public Accountant Financial Consultancy Inc. in the ISAE 3000 (Revised) and ISAE 3410 standards. The tag marked throughout the report shows the verified information within the scope of limited assurance service. You can find the Independent Assurance Statement containing the list and scope of the assurance receipt indicator from pages 548–553 of the report.

You can find the financial information audited by the same independent audit institution and the Independent Auditor Statements from pages 274-543 of the report.

You can send your questions, comments and suggestions about the report to the address investor.relations@akbank.com.



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Message from the Chairman



2023 was a special year in which we proudly celebrated both the 100th anniversary of our country and the 75th anniversary of Akbank. On 6 February 2023, we unfortunately experienced one of the biggest natural disasters in our country's history. I once again wish God's mercy to our citizens and colleagues who lost their lives in the earthquake, and my condolences to their relatives and to our entire country. We will continue to provide uninterrupted support during the reconstruction of the region, which we have been providing since the first day of the disaster.

2023 was a year in which efforts were made to contain the inflationary pressures that strengthened on a global scale in 2022. To this end, central banks of developed countries continued to raise interest rates. In addition to monetary tightening, headline inflation has recently declined rapidly as supply-side problems due to the pandemic and the Russian-Ukrainian war eased. However, due to the strong course of economic activity and labor markets, core inflation rates remained stubbornly above the 2% target of the central banks of the advanced countries. On the other hand, geopolitical developments caused financial markets to remain volatile throughout the year.

Global economic activity maintained its growth trend in 2023, despite the tight monetary policies of the central banks. International organizations estimate that the global economy grew by around 3.0% in 2023. While emerging economies grew faster than developed countries, European countries, our main trading partner among developed countries, diverged negatively. In 2024, global growth is expected to slow down slightly further due to the lagged effects of monetary tightening and the weak outlook in China. Under the soft landing scenario,

where inflation continues to decline without a sharp economic contraction, growth in 2024 is estimated at 2.9% by the OECD and 3.1% by the IMF. The European region is likely to remain relatively weak among developed

With the downward trend in inflation, markets price that the interest rate hike cycle of the central banks of developed countries has come to an end and the easing cycle in monetary policy will begin in 2024. Against this background, global risk appetite and risk premia in emerging economies are improving. The improvement in external financing conditions supports the tendency of financial and non-financial corporations in Türkiye to borrow in foreign currency.

In a challenging global conjuncture characterized by high uncertainty and volatility, Türkiye was hit by a devastating earthquake at the beginning of the year. After this catastrophe, the total economic cost of which was estimated by the Presidency of Strategy and Budget to be USD 103 billion, the Turkish economy managed to recover rapidly. In 2023, another important agenda and source of uncertainty for Türkiye was the elections. With the conclusion of the elections, an important political uncertainty was removed. Afterwards, with the change in the economic policy approach, a period of rebalancing was entered in which macro financial vulnerabilities started to

CBRT has raised the policy rate by a total of 36.5 points to 45.0% since June, while continuing to take selective credit and quantitative tightening decisions to support the monetary tightening process. Simultaneously, financial regulations for foreign exchange, credit and deposit



markets are gradually simplified. The steps towards policy normalization contribute significantly to the improvement in sovereign risk with the support of global conditions. In this context, 5-year CDS rates fell below 300 basis points. Credit rating agencies revised the country outlook from "negative" to "stable". This outlook encourages foreign capital inflows and increases the appetite for external borrowing.

Despite the negative effects of the earthquake, Turkish economy grew by 4.7% yoy in the first three quarters of the year. In 2023 as a whole, we estimate that growth was close to 4.5%. Domestic demand was the main driver of growth, especially due to the expansionary financial conditions in the first three quarters. External demand, on the other hand, remained relatively weak. We expect the recent tightening steps to provide a rebalancing in demand components in the upcoming period.

Due to strong domestic demand and weak external demand conditions, external balance posted a high deficit in 2023 as well. Exports increased by 0.6% y-o-y to USD 255.8 billion, while imports decreased by 0.5% y-o-y to USD 361.8 billion. The main drivers of the deterioration in the external balance were the strong momentum in retail loans and the real appreciation of the Turkish lira, as well as gold demand due to dollarization. Despite the favorable course of tourism and related services revenues, the current account deficit remained high. In 2023, the current account deficit became USD 45.2 billion.

Inflation was 64.8% at the end of 2023, close to the previous year. Inflation, which fell below 40% in the

first half of the year, started to increase again after the elections due to exchange rate and wage increases, as well as tax and administered price adjustments. We anticipate that annual inflation will continue to increase in the first half of the year due to the recent minimum wage and administered price increases and then decline due to base effects. In our baseline scenario, which envisages a controlled depreciation, a slowdown in loans and a moderate course in oil prices, we estimate that annual inflation will fall to 44% by the end of 2024. In this scenario, the CBRT's inflation forecasts of 36% for end-2024 and 14% for end-2025, and the high level of the FX-protected deposit (FXPD) stock, which is expected to be gradually eroded, point to an outlook in which the policy rate will remain high for a long time.

In 2023, the budget deficit reached TL 1.375 trillion, lower than the Medium-Term Program forecast (TL 1.633 trillion). The budget deficit projections in the Program, which are determined by the planned expenditures for the reconstruction of the earthquake zone, indicate that the public sector will adopt an expansionary stance in 2024. In fact, next year's primary budget deficit is projected to be 3.4% of GDP.

Loan growth is slowing down due to the tightening in financial conditions. In 2023, TL loans increased by 54% y-o-y. FX loans, on the other hand, decreased by 2.6% in USD terms. Due to the measures, FXPD stock declined to TL 2,626 billion (USD 89.5 billion) at the end of the year. Thus, the share of FXPD in total deposits declined to 17.7% from its peak level of 26.2% in August.

The first half of 2023 was a period in which the gap between Turkish Lira loan rates and funding costs narrowed, banks' appetite for lending decreased and maturities shortened. During this period, banks' net interest margin narrowed, while many regulations limiting core operating profitability were in effect. With the monetary tightening and simplification steps that started in June, increased policy predictability creates a more favorable ground for the healthy conduct of banking activities.

As the Turkish economy enters 2024 with high inflation, a high current account deficit and a low level of reserves, economic policies as a whole are taking stabilizing steps to reduce macro financial imbalances. Accordingly, we are entering a rebalancing process in which the increase in borrowing costs and deposit rates curb domestic demand, reduce dollarization, and improve the current account balance and inflation. In this process, the anticipated improvement in the global risk appetite due to the monetary policies of advanced economies will also have a positive impact on macro balances.

This transition process brings some challenges for the banking sector in the short term. Despite the increase in net interest margins compared to 2023H1, the slowdown in loan demand and the decline in the loan/deposit ratio may limit core operating profitability. The rise in interest rates is also likely to have repercussions on asset quality to some extent. In such a conjuncture, the positive thing was that the banking sector maintained its strong structure under the challenging conditions in 2023. While the sector's non-

performing loan ratio remained low at 1.6% as end of the 2023, the core capital adequacy ratio remained above the legal limit at 15.1%.

The establishment of an environment of macroeconomic stability in which inflation can be brought back to single-digit levels and predictability increases, will support the long-term growth potential of the financial sector by lowering the country risk premium, expanding external financing opportunities and improving the investment environment. The keys to our success will be to maintain our risk management-based approach by continuing to think in a scenario-based manner and to take timely steps by correctly reading the risks looming on the horizon. As Akbank, I believe that we will maintain our position at the top of the competition in this period with the experience we have gained in past volatile periods and our agile management approach.

Suzan Sabancı

Chairman of the Board of Directors

Message from the CEO

Dear Esteemed Stakeholders.

2023 will always be remembered as a pivotal year in our Bank's history because it not only marked our 75th anniversary but also the 100th anniversary of the Republic of Türkiye, which we proudly serve.

The fact that Akbank's momentous milestone coincided with the Republic of Türkiye's centenary celebrations gave a deeper significance to our institution's achievement. Our long history of contributing to the prosperity and stability of our country, as well as being an essential component of the Turkish economy, gives us tremendous pride.

Reflecting on our 75-year history, we can see that our commitment to excellence and unwavering loyalty to our customers have been the cornerstones of our success. From our humble beginnings on January 30, 1948, providing resources and support to cotton producers in Adana to our current position as a leading institution in the banking sector, each milestone has been a testament to our innovation, integrity and trust-oriented approach.

It is impossible to ignore the tragic events that affected all of us when evaluating 2023. 6 February earthquakes deeply shook the whole nation. While we all went through a very difficult process together, our only solace was to see the power of solidarity. Akbank has also been a part of this great solidarity since the first moments of the disaster. We will continue to support our community in the region's normalization process, not only with financial assistance but also with the goal of re-normalizing life.

As Akbank, our primary goal is to be the biggest supporter of Türkiye's future, dreams, and goals. We recognise that

our success as an institution goes hand in hand with responsibility. Therefore, in light of our environmental and social responsibilities, which are an important part of Akbank's culture, we strive to create added value in line with our sustainability strategy and targets.

Our dedication to Environmental, Social, and Governance (ESG) principles and our accomplishments demonstrate our commitment to not only meeting but also exceeding the expectations of our stakeholders and society as a whole. In this context, we are pleased to share that we have reached our target of "providing TL 200 billion sustainable loan financing by 2030", which we had set at the beginning of 2021.

Likewise, we are convinced that our expanding 'Green' and 'Social Credit' product range further underlines our commitment in this area. In 2023, we continued to offer green and inclusive solutions to our customers with products such as renewable energy, rooftop SPP solutions, Türkiye's first Blue Financing Product Package for tourism, maritime transport and port sectors, Türkiye's first SME Eco Transformation Package for SMEs focused on green transformation, our special package for women entrepreneurs, and our Eco-Friendly Vehicle Loan for retail and commercial customers.

We launched our Sustainable Deposit Product, which offers a sustainable cash management solution to our commercial customers, in 2023. Our product enables commercial customers to support the financing of projects that have a positive environmental and social





impact beyond their own fields of activity. Our sustainable deposit product, which will support social thematic areas such as earthquake zone funding and equal chances, represents a first in this regard.

A key component of Akbank's sustainability strategy is financial inclusion. In 2023, we made significant progress in this area by working with 28 banks worldwide to develop impact-oriented targets and a roadmap. We also set a three-year goal to increase the number of women customers.

With all these long-term and visionary efforts, we were named "Türkiye's Best Bank in Sustainable Finance" by Global Finance. We also achieved significant success in the Central and Eastern Europe region, winning the "Outstanding Leadership in Sustainability Transparency" award thanks to our transparency in sustainability, sustainable financing and environmental and social risk assessment processes, as well as the "Outstanding Sustainable Financing in Emerging Markets" and "Outstanding Leadership in Social Bonds" awards.

Our strong liquidity, robust capital, asset quality, and effective risk management are our greatest strengths as we prepare our country for a bright future, especially in terms of sustainability. With our innovative and excellence-oriented banking approach, coupled with the deep-rooted relationships we have established with our customers, and our focus on sustainable profitability, we have the opportunity to take steps that will carry Türkiye forward while maintaining the trust of all our stakeholders.

In 2023, the loan support we provided to the economy increased to a total of TL 1 trillion 201 billion with TL 962

billion in cash loans. Our deposits reached TL 1 trillion 293 billion, while our assets reached TL 1 trillion 905 billion. With our strong capital adequacy ratio of 21%, we continued to support the growth and development of the real sector. Akbank reported a consolidated net profit of TL 66 billion 496 million, after TL 20 billion 596 million tax provisions.

We aspire for our impact to be measured not only financially, but also by the positive change we inspire. With this in mind, our integrated annual report not only highlights our financial performance, but also underlines the role sustainability plays in our decision-making processes and our entire organisation. We present our report to you as a reflection of the work of our competent team, the trust our customers place in us and the resilience that has become synonymous with our organisation.

While our sector is undergoing a major transformation with a focus on ESG activities, another significant breakthrough is taking place in the field of digitalisation and technology. Though major and comprehensive changes are being observed in this area, Akbank is preparing for a future where banking goes beyond borders and becomes more integrated with the flow of daily life. We are working to build a future where personalised experiences supported by the latest technology and artificial intelligence redefine banking and take customer experience to new heights. Our approach is not focused on adopting what has already been done, but on setting standards, redefining the banking environment and enabling our customers to embark on a seamless, technology-driven financial journey with us. On this journey, we want our customers to experience the

innovative and practical financial services offered by Akbank in a holistic way.

Since its establishment, Akbank has expanded beyond traditional banking, proudly embracing a multifaceted commitment to society and creating a wide network of impact. Art, education, entrepreneurship, and volunteering activities are the most important pillars of this impact network.

With our conviction that art is an essential component of society, we have steadfastly pursued our artistic endeavours for numerous years. This year marked the joyous celebration of the 30th anniversary of Akbank Sanat. Over the years, Akbank Sanat has left an indelible mark on the cultural and artistic landscape, hosting numerous events annually, such as the Akbank Jazz Festival and Akbank Short Film Festival.

As an institution that acknowledging the transformative power of knowledge, we continue to undertake pioneering projects in the field of education. Through initiatives like the Akbank Youth Academy, a cornerstone of our educational efforts, we continued to equipping young people with the essential competencies needed for the evolving landscape of tomorrow's business world.

Recognizing the crucial role of nurturing innovation and fostering economic growth from the earliest stages, we are one of the most loyal supporters of entrepreneurship in Türkiye. Alongside our important programmes that we carry out together with Endeavour Türkiye, we have also placed entrepreneurship at the centre of Akbank culture. In 2023, through the Akbank+ programme, we invested

a total of USD 1 million to support our colleagues' entrepreneurial aspirations.

Furthermore, we have upheld our commitment to community engagement by continuing our volunteering efforts this year. Akbank employees, especially Akbank Volunteers and Akbank Redrunners, have undertaken meaningful initiatives across the country, standing by our society in collaboration with non-governmental organizations.

The future is full of opportunities for Akbank, and we are ready to shape it with the vision and determination that have defined us for the past 75 years. We extend our heartfelt gratitude to our customers, colleagues, and stakeholders whose unwavering trust and support us at every step.

Together for the future.

Kaan Gür CEO



Akbank Built Upon Your Trust

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Akbank and Our History In Brief

We were established as a privateequity commercial bank in Adana on January 30, 1948.

In 2023, we increased our credit support to our economy to a total of TL 757 billion, TL 616 billion of which was in cash.

O Employees +12,860

Total Number of
Customers 13.1 million



On January 30, 1948, we started our operations as Akbank by obtaining authorization to carry out all types of banking transactions with the permission given by the Council of Ministers in its decision dated 12.12.1947 and numbered 3/6710. Initially, our aim was to provide resources and support to cotton producers in Adana, as a private-equity commercial bank. We opened our first branch in Istanbul in Sirkeci on July 14, 1950. After the relocation of our Head Office to Istanbul in 1954, the number of our branches increased rapidly. We transitioned to automated systems in all banking transactions in 1963. After the IPO that took place in 1990 and the secondary public offering in 1998, we also started to operate through American Depository Receipts (ADR) on international markets.

We provide services to our customers in a wide range of activities including corporate and investment banking, commercial banking, SME banking, retail banking, payment systems, private banking, wealth management, and treasury operations. We also carry out activities in the insurance sector through our branches and act as an insurance agent on behalf of Aksigorta Co. and AgeSA Pension and Life Insurance Co.

Our subsidiaries include Akbank AG, AKLease, Ak Investment, Ak Asset Management and AkÖde Through our subsidiaries, we offer innovative product solutions for various financial needs of our customers. In addition, Akbank has noteworthy products and services that stand out in the national and international banking sector, such as Axess, Wings, and Private Banking.

Strong stance in the financial sector

Banking

Akbank Group's flagship in Europe is worth EUR 3,862 million in total assets and EUR 1,037 million in equity, and makes 6% contribution to net profit as of the end of 2023

AKBANK AG

Leasing

11.9% market share in net lease receivables(1)

AKLease

Brokerage Firm

Leader in corporate bond issuances (2) with 45% market share in 2023

One of the leading intermediary institutions in equity public offerings (3) with USD 1.9 bn transaction size btw 2011-2023

AKInvestment

Portfolio Management

Total AuM with TL 407 bn (4) & DPM with TL 62 bn AuM Pension fund management with TL 135 bn AuM, 17.8% market share Mutual fund management with TL 207 bn AuM, 11.6% market share

AKAssetManagement

23

E-Money and Payment Institution

AkÖde's first mobile application, Tosla, and AKÖde POS's Virtual POS and Link payment products, which were implemented for our corporate and individual commercial customers

AKÖde

Corporate Venture Capital

Established in the Netherlands on April 23, Akbank Ventures BV is one of the organizations that aim to invest in next-generation businesses with high growth potential, in order to support Akbank's strategic investments



Footnotes:

- (1) As of Nov '23
- (2) Excluding issuances of banks and affiliated companies. All data are based on BIST.
- (3) Excluding privatization transactions
- (4) Among private institutions

We continue our sustainability journey with a Social-Themed Syndicated Loan, which was launched for the first time in Türkiye in 2023.

While shaping the future from today together with young people, we are also laying the foundations for the transformation of the business world together.

In order to combat the climate crisis, we aim to become a "net-zero bank" by reducing the impact of our loan portfolio on climate change to zero by 2050.

With our wide service network and technological infrastructure, our bank provides services to more than 13.1 million net active customers through our headquarters in Istanbul, our Data and Life Centre, our 19 Regional Directorates in Türkiye, 705 branches, and 12 thousand 864 employees. Besides face-to-face services in our branches, we add value to our customers by investing in digital transformation and via Akbank Internet, Akbank Mobile, our Call Centre, 5,854 ATMs, and 771,206 POS terminals (including virtual POS). Our branch in Malta and our subsidiary Akbank AG in Germany also contribute to our international operations.

In 2020, within the scope of our sustainability strategy, we identified four main focus areas: Sustainable Finance, People & Community, Ecosystem Management, and Climate Change. In 2023, we fulfilled our commitment to provide TL 200 billion of sustainable loan financing to our country by 2030, which was a commitment that we made at the beginning of 2021. By increasing our credit support to our economy to TL 757 billion in 2023, we achieved our 2030 target this year, which placed us in a strong position in our sector. In 2023, the credit support we provided to our economy was TL 962 billion in cash. We increased it to TL 1 trillion 201 billion. Our total deposits have reached TL 1 trillion 293 billion and our assets reached TL 1 trillion 905 billion. With our strong consolidated capital adequacy ratio of 21%, we continued to support the growth and development of the real sector. This year, our Bank made a consolidated net profit of TL 66 billion 496 million, after TL 20 billion 596 million tax provisions.

We work with a long-term perspective and determination to leave a more liveable world to future generations. With our Environmental and Social Risk Framework, which we have developed to manage our environmental and social risk assessment processes, we integrate sustainability into our operations and banking processes.

Through our corporate culture that is based on the principles of diversity and inclusion, we support the participation of people with disabilities in work life; gender equality and equal opportunities; women's empowerment and volunteering activities, and equal opportunities in education. As a signatory of The Valuable 500 initiative, we are proud to be the first bank and organization from Türkiye to join the global initiative in this field. With the products and services we offer in the field of financial inclusion, we aim to strengthen our society financially and to ensure the participation of all our stakeholders, including disadvantaged groups, in the economy. At the same time, as a founding member of the United Nations Environment Programme Finance Initiative's Financial Health and Inclusion Commitment, we contribute to the work carried out in this area.

"With Akbank LAB", we reinforce our innovative banking culture by investing in pioneering projects and start-ups in the banking sector. In order to respond quickly to the changing needs of our customers and adapt to technological developments, we adopt a banking culture that is open to change and innovation. To maintain our leading position in the digital transformation of the banking sector in Türkiye, we are constantly improving our "Akbank Mobile" application.

In 2021, we added a new one to our community investments and established the Akbank Youth Academy. In this context, we act based on the principle of "starting the transformation together with the youth" and offer training in various fields to our young people in order to help them gain the necessary competencies for the future.

Bloomberg's Gender Equality Index is a list created to measure and report on the gender equality data of international companies. As of 2023, 484 companies are included in the index, which contains 70 questions on topics such as gender statistics, gender equality policy, and pay equality.

As Akbank, we are proud to have been a part of the Bloomberg Gender Equality Index for 3 years as a bank that is committed to gender equality and works undertaken in this field.

We review our activities and operational processes within the scope of the fight against climate change and we implement sustainable solutions that include efficiency, savings, and reduction efforts with the aim to reduce our environmental footprint. We report to national and international sustainability indices, have our efforts evaluated by third-party evaluators, and identify areas for improvement. In addition to reducing the greenhouse gas emissions from our operations, we also strive to become a "net-zero bank" by 2050 by eliminating the impact of our loan portfolio on climate change. In this context, we analyse the qualitative effects of risks and opportunities that could arise from climate change, on our customers' activities, and their quantitative effects on the loan portfolio, to determine which vulnerabilities may be closely connected to our loan portfolio.

We take into account the framework of the "Task Force on Climate-related Financial Disclosures" (TCFD) to understand the opportunities and risks connected to the vulnerabilities.

With our net-zero carbon roadmap and efforts, we aim to reduce our bank's impact on climate change and create a positive effect within the scope of management of risks in the field of climate change. In our net-zero preliminary assessment studies that we carry out for our customers in particular sectors, we enable our customers to identify sectoral opportunities at an early stage while reducing the possibility of being affected by potential transition risks, such as regulatory changes.

Our Vision, Our Mission, Our Core Values, Strong Foundations, Strategic Goals

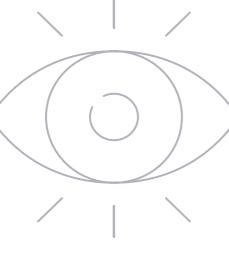
Our Vision

To be the leading bank that brings Türkiye into the future



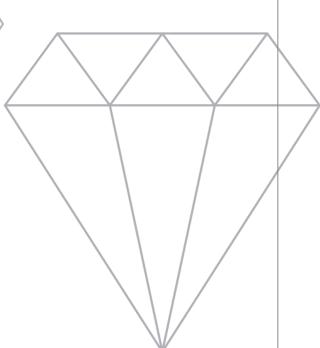
Our Mission

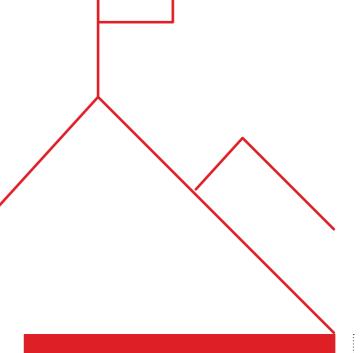
Creating superior and sustainable value for all our stakeholders through innovative solutions and reliable services



Our Core Values

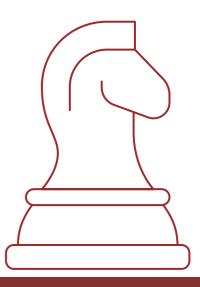
- We are built upon your trust
- · We exist with our clients
- We do what's right
- We stand out through innovation
- · We give back to society





Strong Foundations

- Strong, local majority shareholder,
- · Solid capital,
- Highly-qualified team,
- Prudent risk management and robust asset quality,
- · Proactive ALM and strong liquidity,
- Favorable cost base and high efficiency,
- · Stable and broad-based funding mix,
- Well-diversified and sustainable revenue generation,
- Innovative initiatives supporting the future of banking mindset



Strategic Goals

- Being the best bank in Türkiye in terms of customer experience and satisfaction
- Maintaining strong asset quality through efficient risk management
- · Preserving our competitive cost structure
- Ensuring a superior customer experience in all channels
- Enhancing customer value through innovative solutions
- Building the future of banking by investing in people, technology and advanced analytics



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Sustainable Financing

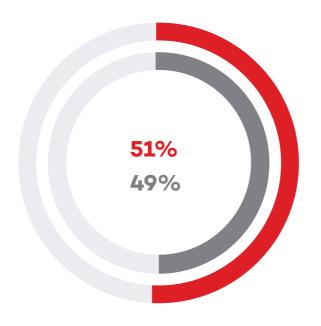
People &

Ecosystem Management Climate Change

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Our Shareholder Structure

We were established as a private equity commercial bank on January 30, 1948. In 2023, our 75th anniversary year, we continue to take innovative steps towards our corporate goals, backed by our strong partnership structure. As of 2023, our shares continue to be traded on the Istanbul Stock Exchange (BIST) with a 51% public float. Our Level 1 Deposit Certificates continued to be traded on the U.S. OTC Market in 2023. You can find our partnership structure as of December 31, 2023 in the graphic.



51%

Shares

49% Publicly Held

Hacı Ömer Sabancı Holding A.Ş., Affiliated Companies and Individuals*

*The partnership structure is calculated based on the "List of Shareholders of the Ordinary General Assembly Meeting" dated March 28, 2023.

Our Activities

Corporate and Investment Banking

International Banking and Institutional

As Akbank, we make a difference with our global network of correspondent banks and export credit institutions that are found in more than 130 countries. Thanks to this strong network, we are able to offer special services to our customers in foreign trade, payment transactions and letter of guarantee transactions in the international arena. Based on the approach of serving different purposes in every situation, we respond to the various investment needs of our customers and enable them to increase their competitive potential with medium and long-term resources. Our international reputation and the trust we have created make it easier for us to access alternative funding sources.

As of the end of 2023, we have a total wholesale borrowing balance of USD 5.3 billion, of which USD 2.6 billion is longterm and USD 2.7 billion is short-term, when classified by maturity. 59% of this amount is sustainability-themed, showing how successfully we can carry out a sustainable growth strategy.

Our syndicated loan, which we announced to the markets with a KAP (Public Disclosure Platform) disclosure on April 13, 2023, was renewed for USD 500 million with the participation of 30 banks from 16 countries. This loan will be used to finance the foreign trade transactions of our customers affected by the earthquake and will be the first socially-themed syndicated loan in Türkiye. The syndicated loan transaction with a maturity of 367 days took place at a cost of SOFR+4.25% and Euribor+4.00%.

Our other syndicated loan, which we announced to the markets with a KAP disclosure on October 27, 2023, was renewed for USD 600 million with the participation of a total of 36 banks from 18 countries, 13 of which are new banks. The cost of the sustainability-themed syndicated loan transaction with a maturity of 367 days, which took place with a record roll-over-ratio of 146%, was determined as SOFR+3.50% and Euribor+3.25%

In order to provide support to the earthquake zone, we have obtained USD 90 million from the EBRD and USD 60 million and EUR 10 million from the IFC.

In 2023, we were awarded the "Funding and Treasury Team of the Year" award at the Bonds, Loans & Sukuk Türkiye awards.



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In July, we issued USD 300 million Basel-III compliant subordinated (Tier-II) bonds. This bond, which can be recalled in the 5th year and has a maturity of 10 years, was held by the Asian Infrastructure and Investment Bank (AIIB) and International Finance Corporation (IFC) for a total of USD 150 million, including USD 75 million each. This issuance marked Akbank's second sustainable subordinated Eurobond issuance following its first issuance in 2021. We also issued a USD 150-million Basel-III compliant subordinated gender equality bond to the U.S. Development Finance Corporation (DFC). This bond is the first gender equality subordinated bond in the world.

Within the scope of SME support for green projects (renewable energy and energy efficiency) and women's entrepreneurship, we provided financing of USD 50 million from Proparco with a maturity of 7 years.

To support the earthquake zone, we provided funding of up to USD 90 million from the EBRD and USD 60 million and EUR 10 million from the IFC. In 2023, we issued 8 social bonds totalling USD 242 million, each with a maturity of 1 year.

Our New Business Vision

In the 2022-2023 period, we profoundly improved and expanded our business vision, which we began reshaping in 2021, and also enhanced the "Institutional Clients" function that we positioned as part of our relations with financial institutions. With this approach, we aimed to use our established relations to broaden our scope of work and collaboration, and uncover new potentials, particularly in corporate and commercial loans. This restructuring has yielded remarkable results in its initial years, and we are well on our way to making our relations more productive through product diversification.

We continue to work towards our goals of expanding our activities and creating new assets on the balance sheet, as well as using our liquidity and capital more efficiently.

Investment Banking

Throughout 2023, as Akbank, we placed more focus on sustainable investments. In the face of macro uncertainties leading to a diminished investment appetite, we continued providing financing for investors with robust balance sheets. In this context, we continued to provide support for the economy and new investments by providing long-term financing for corporate investments. Notably, this investment, which bolstered domestic production during a time of high imports, proved to be one of the prominent transactions in 2023.

In the infrastructure and energy sector, we financed projects where debt obligations were tied to purchase guarantees, and we integrated these projects into our portfolio. Additionally, we expanded our portfolio by extending financing support to the tourism, healthcare, aviation, mining, industry, and transportation sectors.

We provided value-added financing to tourism companies that bring foreign currency to our country.

We continued our financial backing for a low-cost, environmentally-friendly, and sustainable transportation network that improves the quality of transportation services in our country uninterrupted in 2023 as well. In 2023, we provided long-term financing of EUR 49 million and EUR 55 million to the Antalya Airport and Esenboğa Airport projects, respectively.

Our project finance loans for Borusan ENBW Energy Investments Inc. in the "Power Finance Deal of the Year" category and the Antalya Airport in the "Infrastructure Deal of the Year" category were deemed worthy of awards at the Bonds & Loans & Sukuk Awards, one of the most prestigious organizations in the sector.

As of 2016, in the energy sector, we have exclusively financed renewable energy generation projects. To reduce foreign dependence on energy, we closely monitored the sector's developing production technologies, changing regulations, and incentive packages, and we focused

on increasing capacity and investments in hybrid and self-consumption power plants. As part of our Bank's sustainability goals, we continued to maintain the strength of our renewable energy portfolio in 2023 by providing a total of USD 205 million in financing for new projects in the field of renewable energy in 2023.

The share allocated to renewable energy in our total portfolio reached 76%. As of 2023, the part of 3,163 MW of the energy projects we have financed so far is related to HEPP, 1,037 MW to WPP, 320 MW to GPP, 181 MW to SPP, and 21 MW to Biomass facilities.

Considering the financing and market dynamics affected by interest rate risks, we have aided our clients in minimizing their foreign exchange risks by better aligning loans with foreign exchange earnings and reducing portfolio risk.

Leveraging our sectoral experience in project financing transactions, we have speeded up our sustainable financing efforts across all segments of our bank and our subsidiaries, with our Sustainable Financing team which we established under Investment Banking.

In 2023, with our Project Financing loans, we continued to contribute to the Sustainable Development Goals. While 7% of our projects serve SDG 2, SDG 11, SDG 14, and SDG 15, 33% serve SDG 12, 40% serve SDG 8, and 47% serve SDG 7, SDG 9, and SDG 13.

You can find detailed information about our activities in sustainable financing transactions in our <u>"Sustainable Finance"</u> section.

Corporate Banking

As Akbank Corporate Banking, we contributed to the financial progression of local and multinational companies in 2023 and swiftly adapted to changing conditions.

Our team of experts provided financial solutions that enabled our clients to cope with the evolving global agenda, high inflation, and economic regulations. We have refined our products and services with the customer experience in mind and maximized customer satisfaction.

As Akbank Corporate Banking, we conducted our traditional digital economy webinars in Turkish and English 4 times this year, providing our customers with up-to-date information about the economic landscape and future predictions in the world and in Türkiye.

Through our excellent Service Centre strategy, we sustained our efforts to empower our team and enhance our working models, and to concentrate on digital transformation. To that end, our expert team attended an intensive training program that we commenced in partnership with Sabanci University and CEF.

Within the framework of our initiatives focused on customer experience, we regularly carry out updates to meet new needs.

In 2024, we continue to evaluate all our experiences as valuable data, and as we renew compatible with the digital world with a customer experience-focused strategy, we continue to focus on "risk advisory".

We continue to provide consultancy services to foresee possible risks of our customers and how to position themselves against these risks.

Commercial Banking

Through 135 mixed commercial branches, 15 commercial branches, and 19 regional directorates, our Commercial Banking team continuously supports our clients, helping them achieve their sustainable growth goals. We take pride in being a solution partner and providing valuable consultancy to improve our customers' business processes through regular visits.

In an environment of challenging macroeconomic conditions and high inflation, we prioritize the use of technology to ensure the sustainability of our products and services. We comply with legal regulations and focus on providing fast and high-quality services to Commercial Banking customers through various channels, simplified business processes, and digital solutions.

In response to the natural disasters and regional international events that occurred in 2023, we strategized according to the necessities of the period and provided fast financing opportunities to companies, especially in the earthquake zone. While dynamically and efficiently managing our loan portfolio, we quickly adapted to regulatory changes and consistently prioritized customer satisfaction.

We evaluate our customers through a sophisticated approach, based on their business activities, product trends, managerial characteristics, and sizes. Through our analytical studies, we identify the most suitable products for our customers' needs and continue our efforts towards product sales efficiency and after-sales.

Thanks to our broad network of correspondents, we increase the competitiveness of our companies in a competitive international environment, through the foreign trade activities we carry out in various regions of the world.

In 2023, we established a customer-centric goal. We hold one-on-one meetings with our customers to understand their needs and offer the most suitable solutions. We listen to their needs and expectations based on their use of digital banking, analyse such feedback, and work on determining and improving appropriate products. In this process, we have made considerable progress in developing products

through digital channels. Additionally, we initiated the 3rd phase of our Corporate Digitalization Project, which focuses on the digitalization of our products and services, updating of the Corporate Internet Banking screens, and the ERP solutions we will offer to our companies.

Through our customer visits, we continue to develop integrated solutions for customer needs. With this approach, we maintain our goal of ensuring customer satisfaction in a sustainable manner.

We continued to expand our quality portfolio base which we have built over many years. We continued to finance many renewable energy investments in energy efficiency. We have taken significant steps in studies that prioritized environmental, social, and governance issues. We are working to increase the inclination towards Sustainable Finance products, closely monitor the carbon emissions of our portfolio, and develop strategies.

As a bank, we continue with processes that will both increase the acquisition of new customers and improve the existing customer experience in Non-Cash Loans. We assist the field with potential customer studies and continue our efforts to streamline our processes with digitalization projects. In November 2023, we launched the practice of using letters of guarantee from the mobile channel. The Public Procurement Authority, the Customs Directorate, and Eximbank were issued electronic letters of guarantee in Turkish Lira and in foreign currency via Akbank Mobile and we began serving the SME and commercial segment.

With our Treasury team, we offer various solutions to our customers who want to be protected from exchange rate fluctuations, interest, and commodity price changes through treasury products suitable for changing market conditions.

We have identified value chains and begun work on the acquisition of these chains. As a Bank, we aim to create value for our customers, support them, and ensure cash flow to our Bank.

We continue to sell a comprehensive range of products to our Commercial Banking customers through the products of AkLease, Aksigorta, Ak Lease, Ak Asset Management and AgeSA, which are subsidiaries or affiliates of Akbank.

Consumer Banking and Digital Solutions

We renewed the organizational structure of our bank on a segment-based basis, focusing on customer needs and experiences to manage customer interactions comprehensively.

Consumer Banking

During the pandemic, digitalization gained traction due to changes in customer needs, consumption habits, and behaviours. This momentum continued post-normalization, with mobile banking becoming the principal channel in the sector. Our approach is to address customers' overall banking needs rather than individual products. This needed a review and redesign process through which our unwavering focus on our customers has been the foundation of our success in Retail Banking.

Our digital processes, designed to provide easy access to finance, are key in meeting credit needs 24/7 not only on our bank's digital channels but also on third-party platforms that our customers use. We continue to offer loans such as housing loans, vehicle loans, consumer loans, and overdraft accounts with interest rates suitable for the relevant period's conditions as well as fast and user-friendly loan utilization processes. By regularly enriching the scope of the credit limits prepared for our customers, we create limits for vehicle and housing loans and provide the necessary support for all credit needs.

The processes we have designed with our strategy, which aims to enable our customers to access credit through the platform whenever they need financing, make it possible to meet their credit needs 24/7.



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Against a backdrop of extensive regulations and potential challenges that make it hard for consumers to understand their limitations, we have successfully continued to offer the most suitable and accurate solutions to our customers. We persist in our efforts to meet our customers' cash needs by providing the best experience and the most effective campaigns. By expanding the means of access to credit beyond our bank's channels through partnerships with other companies, we have made it possible for consumers to access credit whenever they need it.

We have offered our customers in-store and online shopping credits to support them when they need it, and this year we have added the provision of cash loans to these services. We initiated business partnerships with Hepsipay in August and later expanded these partnerships with TOSLA and Paycell to implement consumer loan utilization processes through APIs. Through our current digital channels, we conduct special campaigns during periods when credit utilization is generally lower, and consequently we further increased our loan disbursement rate outside of our branches in 2023. As a result of these efforts, we ended the year as the top bank in consumer loans, although we ranked third at the beginning of the year.

We support our business partners' processes with the AKON - Vehicle system for vehicle loans at the point of sale. We upgraded the system last year and continued to expand the brand and dealer network in 2023. To encourage customer freedom in vehicle selection, we increased the number of our partner companies and provided pricing support.

We pioneered the sector by offering our customers a significant price advantage for housing loans with the "My-First-Home Housing Loan". During a stagnant period, we also provided advantageous pricing for housing loan requests referred to us by real estate agents, allowing us to support our real estate agents and expand our network in the housing sector. By carrying out marketing activities together with contracting companies, we have been able to introduce new opportunities both to our business partners and customers. We have also reshaped and improved our housing loan processes with the intention of providing a better customer experience.

Throughout 2022, there were several regulatory changes in the deposit market, primarily dominated by FX Protected Deposits. We swiftly adapted to these regulations in 2023 and continued to provide our customers with the most accurate solutions uninterruptedly. In the second half of the year, as the Central Bank of the Republic of Türkiye (CBRT) embarked on an interest rate hike-up process, we encouraged the conversion to Turkish Lira deposits by offering our customers high-yield alternatives through pricing policies that promote Turkish Lira deposits.

In line with our strategy to diversify our deposit base, we launched our e-deposit product with attractive features on our digital platforms. The results, indicating that stable pricing policies can alter habits even in customer segments with high branch usage, suggest that a more radical change can be expected in customer behaviour in the future.

In addition, we launched Türkiye's first 'Sustainable Deposit' product at the end of the year. The Sustainable Deposit product, which we have developed for our commercial customers, offers the opportunity to support projects that have a positive environmental impact and make a social difference. With this product, our customers will be able to support various environmental and social areas, from earthquake zone-financing, SMEs' access to finance, and blue finance, to renewable energy and circular economy. In this way, our commercial enterprises, which benefit from our extensive maturity options ranging between 92 and 365 days, will have the opportunity to contribute to the creation of resources that will be beneficial for their sustainability focus areas.

Our Special Privileges for Pensioners

Within the framework of our efforts to expand our SSIretired customer base, we managed to increase the number of our SSI-retired customers, which we already quadrupled in 2022, by over 20% in 2023. Throughout the year, we continued to make attractive promotional offers to our customers who wanted to receive their SSI pensions at our bank. We also allowed them to withdraw their salaries from their accounts two days before the due date of their salaries. Our customers who have a plus money-limit in their pension accounts and receive their salaries from our bank can benefit from this advantage. Our customers are offered the opportunity to use the existing surplus money limits interest-free in the period between two days before the salary due date and the salary payment date. In this way, our customers have the chance to easily and conveniently avoid the cash crunch experienced in the last days before their next pensions are due.

Private Banking for the Youth

It is among our priorities to be aware of the social and financial needs of young people so that they can be best prepared for the future and manage their own personal development process. To this end, we consider young people under two different categories, namely ""Ones to

Start Working Life" and "Ones Newly Started Working Life" and we offer solutions to meet their financial and social needs. Our goal is to make sure that they have financial knowledge as soon as they start their lives and are able to manage their budgets correctly. For this reason, we continue our efforts to increase the financial literacy awareness of young people.

In 2020, we renamed the "Akbank FAV" program, which provides a completely digital platform for university students, as "Undergraduate Akbanker". Thanks to this platform, we facilitate the financial access of university students between the ages of 18-26 by offering them free banking transactions and free overdrafts, while also giving them the opportunity to meet their social needs, through campaigns organised in cooperation with their favourite brands.

Compared to 2022, we achieved a 40% growth in the number of young customers, a 26% growth in the number of customers who are university students, and a 79% growth in the number of customers participating in the "Undergraduate Akbanker" program.

As "Akbank", we produce solutions to meet the financial needs of young people to help them build a future in line with their vision. By embracing the slogan "The Youth Are the Future", we offer inclusive advantages to young people in many products. We made it our mission to provide the financial opportunities necessary for young people to shape the future.

We continue to offer opportunities for young people's first loan needs.



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1-on-1 Banking

With our renewed and enriched "1-on-1 World of Privileges" program which offers our customers privileges in transactions, limits and banking products. we are expanding our value propositions in line with an understanding of privilege in all areas of life. These value propositions which are offered in many different areas such as travel, digital platforms, vehicle care, and dry cleaning aim to make our customers' lives easier and richer. Our "1-on-1 World of Privileges" program, which has a strong position in our "Akbank Mobile" application, enables our customers to access their benefits quickly and digitally. In 2024, we aim to increase the communication focus of the "1-on-1 Banking" brand and deepen our relations with our wealthy customers with the advantages we provide and the unique service model we employ. Our 1-on-1 and Retail Banking Managers take active part in this service model and provide remote, high-quality banking services centred around customer satisfaction, through My 1-on-1 Bank and 1-on-1 Specialist Hotline.

Our efforts to create tailor-made financial solutions and provide privileged services both in travel and in daily life with the new Wings programs are shaped by the needs and expectations of our customers. In this way, our customers with assets of TL 1 million or more can earn Miles with preferential rates from card expenditures and banking products through the Wings Black Plus Program. In addition, they can benefit from privileges such as free services in banking transactions and airport, hotel and restaurant discounts in daily life.

We continue to provide effective portfolio management services for our professional customers in professional groups and offer our service packages to meet their expectations at the highest level possible. By enriching our services offered to many professional groups such as notaries, doctors, dentists and lawyers, with the addition of new professional groups, we continue our 'tailor-made' practices that offer tailor-made services to our customers. These services include advising our foreign customers on their financial needs through our expat line and expat customer experts. While offering 1-on-1 Banking Privileges to our customers, we use our digital channels effectively.

We have the opportunity to offer a wide range of banking products, especially investment products, to fit every customer profile.

Bancassurance

Akbank Built Upon Your

In addition to meeting all the banking needs of our customers, we also meet the product needs in private pension, and life and non-life insurance, with the products of Aksigorta A.Ş. and AgeSA Hayat ve Emeklilik A.Ş., which are the leading companies in the sector.

The year 2023 was a challenging experience in many ways, especially around the time of the earthquake. However, we are focused on improving the living conditions of our insured customers affected by the earthquake. In order to deliver the coverage provided by insurance to our customers in the fastest way possible, we have created new processes together with the insurance companies we

As part of our strategy to integrate our sustainability vision into all our ways of doing business, we offer Home Insurance to ecological homeowners with advantageous premiums and Electric Vehicle Insurance products to electric vehicle owners suitable for their needs.

2023 was a year in which we enriched the variety of products and services we offer through Akbank Mobile with Bancassurance products. In this context, at the beginning of the year, we made the Insurance tab available on Akbank Mobile, and at the end of the year, we started to sell the product 'Private Pension System Agreement' through Akbank Mobile.

Thus, policyholders can now easily view and renew their policies via Akbank Mobile; customers in need of insurance can purchase a policy digitally or submit their requests for the same digitally. In addition, they can easily create a Private Pension Agreement for their children under the age of 18 as well as on their own behalf via Akbank Mobile.

Digital Banking

As Akbank, we aim to implement our digitalization strategy in all our services. We have already been making continuous efforts to integrate such strategy into our models and ways of doing business for a long time. As a result of the end-to-end digital process we implemented in May 2021 by putting customer needs and experiences at the centre of our process design, both natural persons and sole proprietorships can quickly become customers of our bank by easily downloading the Akbank Mobile application and entering their information.

We are growing rapidly by acquiring customers through digital platforms. In 2023, we continued our collaborations and customer acquisition campaigns, for which we maintained our leadership in the sector in 2022, and we managed to double the size of our customer base in the last year, reaching a total of 4 million customers. By the end of 2023, we had gained two-thirds of our new customers through digital platforms. We continue to pursue our goal of gaining customers through these channels by explaining the advantages of being a digital customer to the customers in all our communication channels.

Customers gained from digital channels +4 Million

Transactions made through Akbank Assistant +200







Akbank Mobile

As Akbank, we continue to develop the Akbank Mobile platform with the aim of becoming a "reliable financial advisor" for our users to manage their financial situation holistically and support their decision-making processes in addition to managing their daily banking transactions seamlessly. With the "For You" tab, which we made available on our mobile application in August, we aimed to facilitate the financial decision-making processes of our customers and to allow them to quickly make use of the benefits specific to their expenditures. The "For You" tab provides users with personalized insights and proactive solutions powered by Artificial Intelligence, making financial management a seamless experience. We hope this feature will provide valuable information to our users, helping them make more informed financial decisions comfortably.

We are proud of the fact that Akbank Assistant helps our users in 200 different transactions on our digital channels by actively using artificial intelligence algorithms. To facilitate communication, we serve our customers with the help of Akbank Assistant which has a 90% voice-recognition ability. This system which continues to develop and has more than 1 million monthly users is now equipped with voice communication feature. This allows our customers to complete their transactions by simply talking or to get help using the assistant as if they are talking to a customer service representative. Akbank Assistant now proactively supports customers and helps them with the necessary transactions.

In individual credit card applications, we have included auxiliary product options that are necessary in order for our customers to use their cards in the most beneficial way. When applying for a credit card on Akbank Mobile, our customers can now choose automatic bill collection option, reward-earning option, and insurance services. In this way, they can discover the advantages of Axess and Wings with these products. With the instant use feature of credit cards, we have enabled our customers to have additional cards issued for their loved ones immediately without waiting for a courier service. With this innovation, we have launched a new product that will help expand the size of our bank's customer

base, by introducing an additional card besides commercial and personal credit cards. Our redesigned card program and the remarkable Wings program have made it possible to carry out all processes from application to privilege tracking through Akbank Mobile. In order to support environmental awareness, we offered all card and POS holders the option of digital slips on Akbank Mobile. Thus, we both provided a fast-shopping experience and prevented thousands of rolls of paper from going to waste annually.

In order to help our customers with their financial needs, we have developed our POS Blocked Transfer product for all our commercial customers, including primarily the merchants. In order to meet the changing needs in international money transfers, we introduced our "Akbank Fast International" service to our customers in December, through which they can transfer money by using the Mastercard infrastructure, without using an intermediary institution. In order to enable our users to make their investments more consciously. we have added our Model portfolio service to our investment module, which allows them to follow the stock recommendations prepared by Ak Investment. In addition, we have started to offer our Private Pension System (PPS/ BES) product, which is among the different options in our insurance menu, to all of our customers. In addition to applying for PPS, our users can also easily manage their

In 2023, we continued to improve Akbank Mobile with new products and services that make a difference.

The number of monthly logins to Akbank Mobile increased by approximately 28%, compared to the end of 2022.

Within the scope of our corporate digitalization program, we updated our Corporate Internet Branch and Mobile platforms and made related infrastructure investments. As of 2023, Akbank Corporate Internet and Mobile platforms, with their simple and modern design, have launched an important service by simplifying the daily financial transactions of our customers. We aim to meet the wideranging product demands of legal companies through digital platforms, and to this end, we have transformed the Letter of Guarantee product applications into a completely digital process. By the end of the year, we plan to have virtual POS applications fully digitalized as well.

With the transformation of Akbank Corporate Internet and Mobile, our customers have fast and easy access to Cash Management products through Akbank Corporate Internet. Moreover, thanks to the Authorized User feature, they can update the internet and mobile transaction authorizations of their company and its existing users and add new users through the Corporate Internet and Mobile platforms without the need for a branch visit.

Through the authorized admin functions, our customers can immediately finalize their product applications through our digital channels and carry out their transactions without the need to go to the branch.

In 2024, we will continue to renew our Akbank Corporate Internet and Mobile channels with new features and improvements.

Thanks to these innovations, Akbank customers can carry out a large part of their daily banking transactions through digital channels. In 2023, the number of our digital customers exceeded 11 million. The number of monthly logins to our app increased by approximately 33%, compared to the end of 2022.

In addition to receiving and viewing information, our customers can also carry out their financial transactions primarily through our mobile channel. In this process, the number of our customers making financial transactions

through Akbank Mobile increased by 35% and the total number of financial transactions increased by 55%. Total payments made through Akbank Mobile increased by 33%. While the share of our digital channels in consumer loan sales approached 93%, almost 70% of our credit card sales took place through our digital channels. The share of our Akbank Mobile application in mutual funds increased by 8 points and its share in stock transactions increased by 16 points.

As a result, our customers who have switched to digitalization in their own processes have increased their interaction with our digital interfaces and especially with our mobile banking application, Akbank Mobile.

Open Banking

In 2021, as one of the top four banks in the sector, we started to offer open banking payment services as of January, which was before the compliance deadline determined by the Central Bank of the Republic of Türkiye, in line with the regulation about open banking payment services in Europe and the UK within the framework of PSD2 (Payment Services Directive 2).

We redesigned our Akbank API Portal application, which we launched in 2016, to focus on the Service Banking business model and the key needs of the ecosystem, with the relaunch efforts we carried out last year. Currently, we offer a total of 44 qualified banking APIs to developers. This is an indication of our efforts to expand our service range in terms of both quality and quantity.

At Akbank API Portal, we offer a wide range of qualified banking APIs and we continue to expand this range rapidly. This system is a crucial step to improve the efficiency, accessibility and innovation of financial services.



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Digital Banking Design Office

While we work to spread the design culture in all units, we also design new products and services in close cooperation with different teams. With the Akbank Design System approach and language unity studies, we ensure the integrity of all visual and textual design elements and create a consistent language. With an approach that puts user experience at the centre, we are constantly testing and improving all our work and refining the existing user experience. This is a process of continuous improvement to meet user needs and ensure ease of use. We target customer satisfaction at every stage and constantly update and improve our services, considering various user scenarios and needs. It is a significant advancement in Akbank's digital transformation journey, and we will continue to maintain and develop this approach.

ATMs

As Akbank, we have one of the largest ATM networks in Türkiye; we are easily accessible with 5900 ATMs spread over a wide geographical area. More than 200 million transactions take place at our ATMs every year, and 90% of cash transactions are made through our ATMs. While designing our ATMs with a focus on customer experience and with the aim of making them available to everyone, we took a holistic approach and offered personalized features. We have developed a strategy where all people, including customers of other banks, can easily use our ATMs, and we plan to continue implementing this strategy in the future.

Digital Customer Experience

As Akbank, we focus on customer experience at every step while designing all our services and products. This approach constitutes Akbank's main management model. Our sub-unit "User Experience Research & Design Strategy" supports a customer-focused product and design decisionmaking process. Through this unit, we ensure that customer needs and user data are handled in an integrated manner with our digital production processes. We organize our design and implementation phases by structuring user data and information in a strict manner. By shaping our data acquisition and design practices, we put customer data at the centre of our business development processes. And by constantly staying alert to business needs, we make new data-driven developments and help turn opportunities into action. With this approach, we create a business strategy that focuses on customer experience and we support the continuous development of our services and products.

As Akbank, we measure digital user experience in real time with the use of channel experience metrics and we develop solution proposals.

Payment Systems

From past to present, we have maintained our role as an innovative pioneer in all areas of banking. By the end of 2023, we were continuing our growth with 6.1 million card users, 7.7 million credit cards, 11.6 million debit cards, and over 600-thousand merchants. Thanks to MIM (Customer Contact Centre) and digital channels, we have achieved a significant success in credit card sales and have become one of the rapidly growing banks in retail banking credit cards in 2023. We have expanded the audience we reach with our unique offerings. For example, Axess "Multiplied chip-money" feature is unique in the industry, and millions of chip-coins have been gifted away through special campaigns such as earthquake donations and Black Friday.

With its renewed brand identity, flight program, and privileges introduced in 2022, the new Wings attracted great attention from customers and the number of our cardholder customers increased by 44%. Wings has offered a privileged experience to more than 100 thousand Wings customers who are included in the restaurant privileges program and can enjoy a culinary exploration with a 15% discount in all restaurants abroad. Wings cardholders have earned millions of Miles not only from credit card transactions but also from banking transactions, and with the Miles they earned, they bought more than 85 thousand tickets in 2023.

Commercial Cards

In 2023, we increased the number of our commercial credit card customers by 36%, to 417 thousand. We diversified our benefits and campaigns to meet the sectoral needs and daily expenditures of our customers.

Debit Cards

In 2023, Akbank Card's shopping turnover grew by 73%, and the number of active shopping customers increased by 12% and exceeded 3 million thanks to special campaigns carried out for Akbank Card. We reached out to our customers to emphasize that Akbank Card is not only an ATM card, but also a card that allows them to earn chip-money in shopping.



As of October, the sales of our card have increased 2.2 times with the innovations we have made.



Credit Card 7.7 Million
Debit Card 11.6 Million





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Registered Merchants

We continued to develop and expand the scope of our mobile payment application, Akbank Cebe POS, which we had launched in 2020. In 2022, we broke new ground in the banking sector and launched our Cebe POS (e-documented) product which offers e-sales/payment and invoice applications together. At the end of the year, we increased the number of our merchants to 636,941 and the number of POS terminals to 778,386.

Thanks to the collaborations and consumer-oriented campaigns we have developed, we have strengthened our merchant network and increased our merchant turnover market share to 8.86%. At the end of the year, we started offering the option of purchase in instalments, and rewards, to Axess cardholders at 402,437 thousand merchants.

In 2023, our bank's contactless POS network expanded rapidly. The number of POSs that can perform contactless transactions has exceeded 452 thousand and our turnover of contactless transactions through these POSs has reached TL 15.3 billion per month. The rate of terminals accepting payment via QR code was 84.30%.

Juzdan

Our Juzdan application which is a digitalized wallet and offers advantageous campaigns from various sectors has reached 40% more active users than last year.

With our customer-oriented campaign and branding efforts, users' campaign participation increased by 65%. Juzdan which offers a secure and fast payment experience was used 36% more with the Contactless payment or QR

payment option for purchases in both online and physical contracted stores. We continue to enhance the features and improve the user experience of Juzdan to provide more benefits and conveniences for our customers.

Customer Communication Centre

As the Customer Contact Centre, we have made 120 million customer contacts in 2023 through our trained and solution-oriented staff spread throughout Türkiye. While we provided fast and uninterrupted services to our customers with a 97% coverage rate, we ensured a high level of service by serving 87% of our customers in 30 seconds or less.

We can proactively understand our customers in the voice response system in incoming calls and increase the customer experience with the natural dialogue ability of the artificial intelligence-supported Akbank Assistant.

By increasing the variety of transactions in the voice response system by 25%, we enabled customers to complete their transactions without the need for a customer communication consultant.

At the same time, we provide informative guidance in our dialogues so that our customers can meet their needs through self-service by using Akbank Mobile in the voice response system.

By establishing expert teams in line with the needs of our customers, we direct the calls to the right team according to the reason for the call.

With these developments, both the voice response system and the services received by the customers from our representatives increase the customer experience day by day, and as a result, the rising trend of our NPS has continued even more strongly in the last 3 years.

With our Bank's Financial Business Intelligence, we have expanded the scope of the model in which customer needs are determined more accurately and effectively in incoming and outgoing calls, in order to provide more than one offer by focusing on the particular customer. By increasing our sales supported by new technologies, by 50% compared to 2022, we made 8% of our bank's consumer loan sales, 26% of our credit card sales, and 13% of our insurance sales through the Customer Communication Centre.

In addition; with a 45% increase, compared to the previous year, in digital customer acquisition practice which we implemented in 2021, we brought in 2 million 650 thousand new customers who wanted to become Akbank members, and we continued to acquire customers who wanted to become Akbank members, with a simple and smooth experience, by holding video calls with them whenever they want and wherever they are located.

In 2023, as the Customer Contact Centre, we have communicated with 110 million customers through our trained and solution-oriented staff spread throughout Türkiye.

Remote Customer Management

We offer portfolio management services to approximately 500 thousand customers who prefer to receive remote services from our CMB-licensed officers who are experts in their fields. Upon request, we also provide this service via video call.

We started to offer our one-on-one banking services to our retail banking customers through a remote customer management model. In this way, we enabled our retail banking customers to benefit from remote portfolio management services without the need to go to a branch.

With our remote service model, we have contacted more than 770 thousand customers and sold more than 80 thousand products in 2023, focusing on customer satisfaction.



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SME Banking

As Akbank SME Banking, we provide services to SMEs in approximately 650 branches across Türkiye through more than 1,200 expert customer representatives.

Considering the changes in the needs and consumption habits of our customers, we understand how important SMEs are in the digitalization process. We realize that SMEs are going through a critical transformation process and need more support from banks in this process. With this accurate observation in mind, we have determined our most important task to be the digitalization of all the financial processes of SMEs while ensuring that they continue their business without interruption.

While we aim to digitalize all the basic products and services that our SMEs will receive from our bank, we also aim to provide the necessary solutions and collaborations so that they can make their own ways of doing business more digital.

We share with our customers the Women's SME Package, which is special for woman entrepreneurs, and the SME Eco Transformation Package, which is the industry's widest service package for SMEs within the scope of sustainability.

With our vision of being a bank that supports technology start-ups, and start-ups at all stages, from their establishment to their global expansion, we started to provide services in Istanbul and Ankara as Akbank Venture Banking.

Awards

Our achievements in award programs organized by leading financial publications around the world clearly demonstrate our leading position in this industry. This year, we have achieved a significant success by winning many awards in various programs:

- As a result of the 2023 Euromoney Excellence Awards country and region survey, we were deemed worthy of the "Best Bank for SMEs in Central and Eastern Europe"
- We were selected as the "Best Bank for SMEs in Türkiye" at the 2023 Euromoney Market Leaders awards.
- We were selected as the "Best SME Bank in Europe (SME Financier of the year- Europe)" in the SME Finance Forum award organized by IFC.
- We won the bronze award in the 2023 Quorus "Best SME Bank of the Year" category.

- In the 2023 Globee award, we received the gold Leadership Award with the SME Win campaign and the Bronze Leadership Award with the Corporate Digitalization project.
- We won the silver award at the 2023 Stevie International Woman in Business Awards with the Women's SME Package in the field of Diversity and Inclusion.

Digitalization

With our Corporate Digital Transformation Project, which offers solutions to accelerate the business of SMEs, we have been providing our customers with fast and uninterrupted access to packages including banking products and non-banking advantages through the mobile channel since 2022. Our SMEs that apply for a POS, a Commercial Credit Card or a Commercial Loan via Akbank mobile can benefit from 16 different packages instead of just one product. In 2023, in addition to the packages offered, we also provided the opportunity to purchase Commercial Plus Money and Electronic Letter of Guarantee products via Akbank Mobile.

The digital activity rate of our SME customers is 82%, and we carry out 32% of Commercial Credit Disbursements and 17% of Commercial Credit Card sales through the mobile channel.

We aim to create a competitive advantage with our digital and advanced analytical competencies, such as our Corporate Digital Transformation Project, and we have started to reap the financial benefits of these efforts. Digital channels are standing out also in terms of SME Banking customer acquisition processes. In 2023, 33% of all newly-acquired SME customers were acquired through digital channels.

This year, we organized Digital Anatolia meetings hosted by TURKONFED for which we were one of the main sponsors. In these meetings, we focused on topics such as digital banking solutions for SMEs, industry transformation, and digital marketing and branding.

This year, we also visited our SMEs within the scope of our #KOBİdenSöylemesi series and listened to their growth stories and their explanations on how Akbank supported them in their journeys. These short films can be accessed from the link here.

Women's SMEs

We have collaborated with the European Bank for Reconstruction and Development (EBRD) and the Credit Guarantee Fund (CGF) to support woman business owners and entrepreneurs and facilitate their financial access. We offered our Women's SME Package to SMEs that have difficulty in creating collateral and whose owners or managers are women, with USD 100 million of EBRD resources and 80% CGF collateral support. With this package, we provide solutions to both the collateral problem and the need for financing, and we also provide the necessary mentoring, consultancy and training free of charge.

We expanded our customer base with our financial and non-financial products and services, increased the number of active women SMEs by 23% Compared to the previous year, and quadrupled our loan balance.

In 2024, with the aim of creating a mentoring model from which more woman entrepreneurs can benefit free of charge, we launched the BinYaprak Woman Entrepreneurs Mentorship Program together with Turkishwin on November 19, International Women's Entrepreneurship Day. Through this program, we offer 100 woman entrepreneurs from different provinces the opportunity to contribute to society and work with experienced mentors.

You can access the inspiring story of Egeyurt Group, one of our women-owned/managed SMEs we support, from the link here.

Venture Banking

We have completed our work aimed at providing customized services for start-ups and techno start-ups and we have opened special branches in Istanbul Maslak, Batı Ataşehir and Ankara Ümitköy, where we will offer these services.

In order to provide our services more quickly and effectively, we have collaborated with 8 technoparks/ science parks, 6 acceleration and incubation centres and 1 crowdfunding platform. In addition, we focused on identifying potential customers by filtering them according to the needs of the target audience, through our memberships on 4 different platforms.

This year, we sponsored the ITU Big Bang event and brought 17 entrepreneurs together with the relevant units within Akbank. For 2024, we have completed the sponsorship and

participation processes for 11 different events that will be attended by approximately 1000 people.

In the work we carried out jointly with Ak Asset
Management, we allocated a fund of USD 20 million as an
investment in our start-ups within the scope of Venture
Banking in 2024-2025. With Ak Asset Management Venture
Capital Fund, we provide support to start-ups that request
an investment of at least USD 300 thousand.

In order to support the rent payments and R&D project costs, we started to offer a series of product packages such as chip-money support to start-ups operating in technoparks and science parks, advantageous commission rates in virtual POSs, special budgets for salary agreements, advantageous commission rates for letters of guarantee, and zero-interest Plus Money. In addition, we offer loan options that are specially designed for Akbank entrepreneurs and suitable for loan approval processes for start-ups and technoentrepreneurs, by evaluating them according to their start-up business plans.

In our non-banking services, we provide special advantages to our entrepreneurs by cooperating with companies such as Microsoft, Kolektif House, Mükellef, Workhy, Usemagnetiq, Parachute, Aköde, Malogra, and MG Legal.

In 2024, we will continue to spread and expand the scope of our Venture Banking activities at full steam.

Guarantee Programs

While acting with our vision of shaping the future of Türkiye and with our sustainable growth strategy, increasing the export capacity of our country has become one of our most important goals. We continue to support our exporter SMEs with innovative products and services. Thanks to the IGE guarantee, we have made it even easier to access collaterals. We are effectively addressing the need of accessing collaterals, which is one of the most important problems faced by exporters. We provide financing to our SMEs within the scope of the 100th Anniversary Treasury Support Package. We continue to stand by all our SMEs that want to become stronger in the field of exports.

In addition, we finance our SMEs with the Credit Guarantee Fund, Treasury and Equity guarantees, and our bank equity. We are also working on advantageous packages in order to provide solutions to non-financial needs.

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E-commerce

We stand by SMEs that are suppliers of Hepsiburada, Yemeksepeti, N11, and Teknosa, which are Türkiye's leading online marketplaces, and offer them special privileges. For a period of one year, we collect the progress payments of Hepsiburada, Yemeksepeti and N11 suppliers through Akbank and give chip-money to these suppliers at a certain percentage of their monthly progress payment amounts. SMEs that collect their progress payments through Akbank for all marketplaces targeting our collaborations can make money transfers free of charge for 1 year. In addition, discounted POS commission rates, transaction fees, and chip-money rewards given to commercial credit card holders are other privileges we offer within the scope of the collaboration.

As part of the collaboration with Hepsiburada, we have also been organizing events called Hepsiburada My Business Partner Meetings since last year. This year, we organized another event in this context, where we provided information about the development of e-commerce and general economic data, while presenting to the SMEs participating in the event the details of the free and discounted banking services offered to Hepsiburada suppliers.

SMEs Are Winning

We have developed the "SMEs Are Winning" campaign specifically for Sole Proprietorships that will work with our Bank for the first time or have worked with us before but are not active customers anymore. SMEs which started to actively work with Akbank within the scope of the determined criteria have benefited from the advantages provided by our Business Unit. While our SMEs' customer satisfaction has increased within the scope of this win-win model, we have also taken an important step in this way in developing sustainable, long-term relations.

Transformation Academy

We established the Akbank Transformation Academy in order to digitalize and financially empower our SMEs. It supports our SMEs in financial and digital transformation with seminars, personalized training programs, and networking opportunities, helping them stay up to date

with hot topics. In addition, thanks to the academy, all our SMEs can benefit from various training programs. We started to offer these training programs in Ankara, Gaziantep, Sakarya, Malatya and Denizli provinces. In 2024, we plan to provide training and mentoring services to all our SMEs, especially on the topics of green transformation, women's SMEs, e-commerce, and export and entrepreneurs, and to provide discounted or free access to certain products and services. In this way, we will help our SMEs become stronger and achieve their strategic goals.

Cash Management

This year, as Akbank Cash Management, we have implemented innovations in money transfers. At the same time, we focused on creating a financing source suitable for market needs for our customers by increasing our existing collaborations with our products aimed at financing trade, and by making new collaborations.

We continued to provide solutions with our new products and collaborations in order to facilitate access to financing for all parties in the commercial ecosystem: customers, dealers, and suppliers. We have stood by our customers with our direct borrowing, supplier financing, e-discount, and digital payment guarantee products in order for our customers to be able to make their collections on time, to collect their forward receivables early, and most importantly, to ensure the smooth flow of cash.

With the aim of increasing and spreading the diversity of the products we offer in financing trade, this year, we started offering our "Cheque Factoring" product to customers who engage in trade with checks and invoices. We have added the feature of discounting invoices in foreign currency to our e-discount product, which we offer so that our customers' cash flow does not disrupt and they can provide early financing for their receivables. We expanded our product range in our collaborations with domestic and international financing platforms and signed cooperation agreements with 2 new platforms.

For our individual customers' international money transfers, we added a new alternative to our existing services through SWIFT and Western Union by introducing Akbank Fast International. With our new product, developed in collaboration with Mastercard, we offer individual customers

the possibility to freely transfer funds 24/7 to the USA, UK, Eurozone countries, and Switzerland. Thus, we have started to provide a fast and transparent alternative for customers in international money transfers. In domestic money transfers, as Akbank, after the payment with Easy Address, FAST, and TR QR Code, we became one of the first banks to implement the Payment Request product.

We have completely revamped our Cash Management screens on our Corporate Internet Branch. With our user-friendly and modern design, we aimed to elevate the user experience to the next level.

As Cash Management, we will continue to stand by our customers in 2024 as well, to facilitate, accelerate their payment, collection, and financing operations; and provide innovative solutions for them to efficiently manage their cash flows. We will continue to provide easy and fast solutions for new payment and collection types.

Foreign Trade

We continue to maintain our strong position in the industry, in line with our vision of producing digital solutions tailored to our customers' needs in foreign trade transactions. With our broad product range in foreign trade financing, our knowledge and experience of many years, our technological infrastructure, and our extensive international correspondent network, we provide our foreign trade services from all channels in a quality and customerfocused way. Our global trade specialists who are proficient in foreign trade instruments and legislation, continue to support our customers in traditional and structured foreign trade products. In 2024, we aim to improve our existing foreign trade menus at our Corporate Internet Branch with our customer-focused perspective; at the same time, we plan to add our new foreign trade functions to Akbank Corporate Internet.

In addition to bank-sourced loans, we continue to meet the financing needs of companies engaged in export and foreign exchange earning services and activities by brokering Turk Eximbank loans and export rediscount loans sourced from the Central Bank of the Republic of Türkiye (CBRT). With the post-shipment export credit, we discount the export receivables. We discount future receivables secured by a promissory note or bill under foreign bank

guarantees, provide receivable guarantees under factoring for their exports arising from open account sale of goods or services, and provide financing before their due date if needed. After the correct presentation of documents, we provide financing before the due date by discounting export credits opened to our exporters on a non-recourse basis. Our Germany-based affiliate, Akbank AG, continues to provide discounting services on a recourse and non-recourse basis with affordable resources, particularly to exporters targeting sales in Europe.

We signed the "Non-Term Export Credit Package" protocol, carried out with the participation of 11 banks through the Turkish Exporters Assembly (TİM). Within the framework of this protocol, we allocated a resource of USD 200 million and continue to support our exporters with these resources.

In 2023, we became the platinum sponsor of the GTR Türkiye Conference which has been one of the most important events in Türkiye in the field of foreign trade financing for 16 years. Major players in foreign trade, such as companies engaged in foreign trade, banks, fintechs, insurance companies, and investors participated in the event. We aim to increase Akbank's visibility in foreign trade with these events

In 2024, we aim to reach our exporters and potential exporters in different regions of Türkiye through physical and online events we will organize in Akbank Exporters Meetings. We are steadily moving towards our goal of being the first bank that comes to mind in foreign trade. We will continue to be the bank that plays a key role in promoting exports by increasing the support we provide to our customers.

We increased Akbank's visibility in foreign trade with the GTR Türkiye Conference, Sponsorships of IGE Export Financing Meetings Focused on Clusters and e-export trainings of the SME Transformation Academy.

Private Banking and Investment Services

In 2023, mutual funds managed by Ak Asset Management reached a fund volume of TL 200 billion with a growth rate of 135%. We managed to increase our market share to 13%. This situation led to an increase to TL 385 billion in the total asset under managed. In addition, we increased the number of qualified mutual fund clients by 82% compared to the previous year.

In 2023, the number of our investor customers increased by 57% compared to the previous year. 98% of our stock transactions, 95% of our foreign exchange transactions and 85% of our mutual fund transactions were carried out through our digital channels.

Akbank Wealth Management

2023 has been a year of increased interest in investment products. As Akbank Wealth Management, we focused on the growth and development potential of the Turkish capital markets this year. With our investments in digitalization, which is our main priority, we have been able to make a great impact on the growth in the investment market.

With the innovation and development efforts we started in 2019 and continued in 2023, we offer our customers an investment experience through the "Akbank Mobile" platform, where technological advancements stand out. Akbank Mobile continues to be an important channel for accessing all investment products.

As Akbank Wealth Management, we work together with our bank's subsidiaries Ak Investment and Ak Asset Management to facilitate the process of making investment decisions in line with our customers' investment preferences and expectations. In 2023, we continued to increase our product range in line with customer needs and market developments. The number of investors in mutual funds and stocks has increased rapidly, spreading across the base. We quickly adapted to the changing market conditions and customer preferences with our wide range of products. The mutual funds and different transaction channels offered by our subsidiaries Ak Asset Management and Ak Investment guided our customers' investment processes this year as well.

In 2023, thanks to Ak Investment's strong and expanding infrastructure, the rate of our customers performing stock transactions through digital channels increased to 96%. This year, we added foreign stock trading option to the Akbank Mobile platform, thus enabling our customers to trade in international markets through a single application.

With our innovative perspective, we strive to continuously improve the customer experience and continue to increase the scope of our services and product diversity.

In 2023, we revamped our Investor mobile app with a user-friendly interface and extensive features. Thanks to the renewed application featuring news, notifications, forecasts, research reports and technical analyses, our customers can

keep an eye on the markets in real time while they can easily perform stock, VIOP and Warrant transactions. Operating within the framework of Akbank's Sustainability Goals, the "Sustainable Investments Management" continued its activities uninterruptedly in 2023. This year, our sustainable investments fund volume reached TL 1.8 billion. Our market share increased to 17% in fund size and 35% in number of customers. We also expanded our product range in the field of sustainable investments in 2023. In the mutual funds category, we presented our new fund, Ak Asset Management Agriculture and Food Technologies Variable Fund, to our customers within the scope of sustainability.

We introduce to our customers products that contribute to a better and sustainable world. In the future, we will continue to launch many new sustainable investment products that will contribute to the development of our country and our customers and increase the welfare of individuals.

Akbank Private Banking

As Akbank Private Banking, we offer special services to our customers who have financial assets that are worth TL 5 million or more. While providing these services, we make use of Akbank Private Banking's well-equipped "Private Banker" team, our wide range of products in accordance with global standards, and our digital infrastructure.

In addition to our six branches across Türkiye, four of which are in Istanbul and the others in Ankara and Izmir, and two service points in Istanbul and Bursa, we offer high-quality, reliable and accessible financial services as well as value propositions that suit the lifestyles of our customers and their families.

As a result of working with the synergy created by Ak Asset Management, Ak Investment and Akbank Treasury, we respond to all investment needs and expectations of our customers from a single point.

Under the leadership of our digital infrastructure team, we strengthen the customer experience and use technological opportunities in the most effective way.

With the UHNW Service Model, we adopt a holistic service approach for our customers who have financial assets that are worth more than TL 100 million, and we aim to ensure the transfer of family assets from generation to generation, with personalized innovative solution proposals. In order to increase the competencies of our Private Bankers and to strengthen the perspective they share with our customers, we continue with the "Special Development Program" for financial and life culture.

As Akbank Private Banking, we believe that the services we offer to our customers constitute a whole, and we offer them the opportunity to benefit from these services in every aspect of their lives. What matters to us are not short-term gains, but long-term acquaintanceship and good relations. In this context, we carry out studies to protect family assets and values and to ensure their transfer them from generation to generation.

In 2015, we broke new ground in Türkiye and implemented the "Next Generation" program. This program aims to raise awareness among the youth consisting of high school and university students on the management of family assets, investment diversity, risk perception, global economy, and philanthropy.

We continue to provide investors with important information and keep them informed about the markets through Winvestors Investor Meetups. In our 'Influencers' meetings, we bring people who have made a worldwide impact in the fields of art, sports, or science, together with our customers.

In addition, we share the latest developments in art, technology, architecture, fashion, and music with our customers through our digital life culture platform called A-Journal.



Treasury

As the Treasury Business Unit, together with our teams in various units such as Trading, Balance Sheet Management, Treasury Marketing, Treasury Analytics and Project Management, and Economic Research departments, we continue to offer our solutions effectively and to stand out in the sector with our service quality.

Trading Department

We continue to be a leading player in the Turkish money markets with our ongoing trading volume and high level of activity. We contribute to the deepening of the market with our leading position in different markets. With our approach that focuses on customer needs, we make sure that we provide fair and fast pricing for all products offered by our Bank. By expanding the use of technology every day, we continue to be a leader in terms of capturing opportunities in the sector.

Balance Sheet Management Department

We aim to manage our balance sheets and income statements effectively by following our risk management principles. Within the scope of this goal, we use interest rate and currency swap transactions, structured derivative transactions and repo transactions to effectively manage our interest rate risks. Together with our Securities and Derivatives Group, we manage our Bank's Securities Portfolio in a multifaceted way. With the market-making role we play in the bonds market, we make valuable contributions to the financial stability of our country. In addition, our Asset-Liability Management team, which operates in different units for the business, is responsible for fund transfer pricing. We regularly monitor our balance sheets and make recommendations to the Asset-Liability Committee regarding situations where action should be taken.

Our Liquidity and Funding team manages our Bank's shortterm Turkish Lira and foreign currency liquidity, taking into account market conditions and all the tools we can use. In this context, we effectively make use of actions such as borrowing or investment in foreign currency and TL- based money markets, and of instruments such as Turkish Lira repo-reverse repo. We also use swap transactions to manage liquidity between different currencies. Acting in accordance with the Central Bank's monetary policies, we actively use the TL and foreign exchange markets and fulfil our Bank's reserve requirements in Turkish Lira and foreign currency. We carry out our activities by constantly and dynamically evaluating over-the-counter and organized market conditions.

Within the scope of our sustainable profitability principle, we continue to contribute to the protection of our flexible balance sheet composition with our meticulous pricing and effective interest rate risk management.

In line with the pricing policies we follow, we aim to ensure stability in the balancing process in the economy.

Treasury Marketing Department

We identify the needs of our customers in all segments and support them in hedging and in increasing their revenues, with products such as foreign exchange trading, derivatives, government and private sector bonds and bills, Eurobonds, and hedging. By using our strong technological infrastructure, we offer instant pricing for many Treasury products through digital channels and thus maximize customer satisfaction. By developing Treasury products in line with customer needs, we will continue to offer creative solutions and make a difference in the market.

Treasury Analytics and Project Management Department

Our treasury business unit teams take an active role in the satisfaction of the needs related to their business, in the coordination and implementation of product-focused and application-oriented projects, and in system improvements. At the same time, we support data-driven analysis, reporting and modelling processes. We believe that diversity, timeliness and sustainable business designs are important in our projects and development processes, and we consider them as priorities.

As a Treasury Business Unit that aims to meet the needs of today and of the future, we do not deviate from our goal of providing the most dynamic and effective solutions and support to our teams. In this way, we aim to help our business units achieve their strategic goals.

Economic Research

We closely follow domestic and foreign market developments and the progress of macroeconomic indicators, and work on analyses and forecasts. We regularly share our assessments and forecasts of economic data with both internal and external stakeholders, providing precise information on the latest developments. We make assumptions based on important economic data for our Head Office business units and the Holding; we develop forecasts for macroeconomic metrics with different maturities and prepare fact sheets on risks that may affect our forecasts and assumptions.

Periodically, we inform the Boards of Directors of Akbank and Sabancı Holding, foreign investors and our business partners about current economic developments and forecasts.

Credit Allocation

As Akbank Credit Allocation Business Unit, we meticulously evaluate loan applications in line with our Bank's credit policies and objectives. To this end, we carry out risk analyses, financial analyses, risk monitoring, scoring, and research processes in a detailed and accurate manner and contribute to the healthy growth rate of our Bank. We aim to maintain the high asset quality of our Bank through our dynamic practices that closely monitor economic developments and our evaluation policies and regular portfolio scans. We regularly visit customers at all levels and in every segment and respond quickly to customer demands with our competent credit committees. In 2023, we brought attention to new customer acquisition offerings by standardizing our loan processes and automating our processes. Considering changes in customer needs, sectoral innovations, and macroeconomic indicators, we plan to maintain our healthy growth target in 2024 as well.

We improved the quality of our retail loan portfolio in 2023 and acted in line with our growth target. In creating a strong and qualified portfolio, we used our management approach that employs data-driven and advanced analytical methods and our constantly-developing credit decision system infrastructures. We also regularly renewed our loan decision model, using machine learning algorithms and mathematical optimization. By continuing to focus on alternative data sources and adopting new analytical methods, we accelerated our automated decision systems in retail loan portfolio management and transitioned to next-generation infrastructures that can adapt more quickly to changes in economic conditions. In 2024, we will continue to maintain the quality of our portfolio and grow our retail loan portfolio with our data-driven, advanced analytics and technological approaches.



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Our Technological Infrastructure and Operations

Akbank Technology

As Akbank Technology, we work with the aim of providing our customers with fast, smooth, error-free, and the best experience by adopting the principle of continuous learning and development, applying the best practices of the modern times to our business practices without wasting time, and increasing our productivity day by day without compromising on durability and quality.

In order to achieve this goal and maintain our vision of being a pioneering bank that carries Türkiye into the future, we, as Akbank Technology, act in line with four basic principles.

- To provide the highest level of durability and service quality
- To provide an agile approach with modern technology and best engineering practices
- To ensure that our customers have innovative experiences that exceed their expectations
- To develop an ecosystem with innovative and digital products and services

With all these principles, we are building the Future of banking.

We completed the 2023 fiscal year with over 8,000 requests and 564 completed projects.

Cloud-Based Technology Transformation Journey

We continue our efforts to transform our application architecture into a cloud-based structure in order to ensure that the products and services we offer to our customers are seamless, fast, and high quality. With this transformation program, we are moving all of our reference architecture components to a more flexible, product-focused, robust, and high-performance application infrastructure. Together with our agile approach in working practices and our transition to cloud-based architecture, our project completion speed increased by 20%, and the number of completed projects increased by 31% compared to the previous year. Our transformation program, where we made significant progress in 2023, will continue with the same focus in 2024.

Technology Continuity Program

Within the scope of the Technology Continuity Program, we have completed our work to increase the resilience of application and infrastructure components and to make the capacity planning dynamic with an effective governance model so that our systems can provide uninterrupted services.

Resilience Program

With the Resilience Program we launched in the field of technology, we identified the efforts that needed to be made to increase the resilience of applications and integrations both in our main banking systems and in our channels and we established a regular close monitoring mechanism. We possess integrated control mechanisms to protect the system against unexpected, general, or product-specific loads. We have switched to topologies that will isolate applications in all layers on a channel and critical product basis. In the application architecture, we have implemented design patterns that will increase durability and protect the system at the time of load. We will continue to implement resilience initiatives through continuous monitoring and continuous improvement/tightening efforts.

Digital Sales and Service Models

We continue to develop our Next-Generation Sales and Service models within the scope of digitalization. In our Corporate Digitalization program, we will focus on the evolving digital needs of our corporate customers and continue to carry out different studies with the same vision next year. Here are some of the highlights of our innovations:

We have improved ourselves in the past years in order to be able to offer our commercial products with financial and non-financial advantages. This year, we have enriched our existing digital product sales infrastructure, along with our merchant, commercial credit card and commercial loan applications, with new products such as surplus money and virtual POS. With a focus on digital sales, we have enabled our corporate customers to receive letters of guarantee digitally.

In line with the feedback we receive from our customers, we will continue with our efforts to improve our process flows and digitalize new products.

In our branch application, we have started our transformation journey in the past years in line with the needs of our corporate customers. This year, we launched a special desktop for our managers. We have made our detailed cash flow and insight applications available to our branches for comprehensive customer analyses. With the paperless branch approach, we have increased the number of our functions included in the 'Complete with Mobile App.' approval structure that we offer for retail banking customers, sole proprietorships and corporate entities. To improve the digital experience of our corporate customers with the Corporate Internet Branch transformation, we both renewed the designs and started the transition to the new digital channel architecture created with the vision of cloud-based application development. Starting with functions such as the mostactively used homepage transactions, cash management, and company-user authorization transactions, we have made the switch to a more improved digital structure and we continue our transformation efforts at full tilt. We have completed the first and most important stage of our Corporate Mobile application transformation work which we started in order to provide our customers with a similar

experience to the one they have had with the Corporate Internet Branch in terms of design, and to switch to the new digital channel architecture. At the same time, we have enriched our offer infrastructure to increase our sales competencies in our Corporate Mobile application.

In accordance with the remote identification regulations, we have developed a digital acquisition process, which we designed end-to-end for our corporate customers, on our mobile application. In the first stage, we are making our process available for our customers that are single-shareholder limited liability companies. We will continue with the necessary work for the remote acquisition of other corporate customers next year.

Throughout the year, we continued to renew our Akbank Mobile application visually, functionally, and technologically in line with user experience and needs. In 2023, we launched 58 new features and refreshed 54 existing features. In addition to the transformation of our retail banking mobile application, we also continue to transform the corporate banking mobile application.

We are renewing our operational model to be leaner, digital, compatible with all channels, end-to-end, and customer-oriented. In 2023, within the scope of the Next-Generation Operations program, we continued with our work in relation to ATMs, merchants, cards, loans, Turkish lira payments, foreign currency payments, foreign trade, cheques, cash, official institutions, retail branch management, and customer service operations. With the studies carried out, we have improved the processes, increased customer and employee satisfaction, and improved compliance with SLA (Service Level Agreement) periods. In 2024, we will continue with our work in the critical areas we have identified within the scope of the program.

Using the infrastructure created for Enterprise CRM, we completed the transformation of 423 functions in 2023 and closed all functions on our old platform as of November.

We have carried out the necessary work to ensure that MIM communication consultants can respond to calls



received from all media types at appropriate times and can easily switch between media. In 2023, we activated the switch function to switch between inbound-outbound voice calls. Thus, it was ensured that communication consultants who received inbound calls also received outbound voice calls at appropriate times. Within the scope of smart call management, we aimed to provide the right sales representative to the right customer.

We continued with these efforts by reducing the call load of teams that do not have sales potential, by transferring their calls to teams with high sales power.

For the migration functions determined through the Voice Response System (IVR), we have ensured that customers gained mobile usage habits, by sending information, mobile transaction links and tutorial videos to customers suitable for mobile use.

Within the scope of IVR Voicebot Artificial Intelligence Studies, we provided the necessary integration for communication between Akbank Assistant's infrastructure and IVR in 2023. By using this infrastructure, we aim to satisfy the voice Assistant-related needs of users next year, through an assistant who will serve the users before the call is transferred to our customer representatives.

Ecosystems and Open Banking

We continue to expand Türkiye's first Open Banking application with our new collaborations. We are increasing the number of services we offer not only to corporate entities but also to third-party developers. By renewing our API gateway infrastructure, we have met our increasing service-display needs in a more durable way. Together with the portal, we have established more manageable collaborations with a larger ecosystem. Along with our B2B, service banking and public APIs, we will continue to provide value-added services to the ecosystem and to our customers.

In 2022, we implemented account information and payment initiation services within the scope of the Central Bank's regulations and in 2023, we continued with our work in parallel with this. In order to comply

with the second-phase regulations of the Central Bank, we have completed the necessary work for discrete Strong Authentication in Account Information Consent Creation and Payment Initiation services. In addition, with enhancements in Activity Notifications, we have ensured that changes in account transactions, which used to be transmitted once a day, are instantly transmitted and received.

Next-Generation Payment Systems

With the Debit and Credit Card New Campaign Transformation, we have enriched our campaign infrastructure by introducing additional features while transforming it into open systems and offering a much more effective campaign management system. With the Wings Program, we renewed our Wings cards and mileage program. By offering our customers Wings package programs according to their segments, we allowed them to benefit from special privileges (discounts, airport privileges, etc.). In this way, our Wings program has become almost unrivalled in the industry. On the Digital Cards side, we have introduced additional cards besides our existing digital cards. In addition, we renewed our card application system end-to-end on mobile and started to offer a very fast application evaluation process. We have also started to offer cross-sell products at the time of applications, such as automatic bill payment orders and plus money offers.

We have completed the development of our internal Virtual POS product. We continue with our efforts to spread the use of the product in the field by negotiating with our merchants and intermediary integration companies, and thus we make efforts to strengthen our e-commerce collaborations. We have developed an Android POS product and we continue with our negotiations with the Revenue Administration for the approval process of the operating entity. By offering a brand new experience with the CebePos SDK (Software Development Kit), we aim to receive payments without leaving the workplace applications.

Within the scope of AkÖde PF (Payment Facilitator), we worked on virtual POS and ÖKC (Payment Recording Device) initiatives, and AkÖde PF products can now be sold at Akbank branches. We aim to make our service

available to our customers by the end of December in order to sell virtual POSs through the mobile channel. With this initiative, we will stand out in the competition as the first bank in the sector to sell virtual POSs through mobile channel. And by selling ÖKCs through digital channels with Fuel Pump POS solutions, we continue to enrich our internal product range and strengthen our position in the sector in the field of POSs.

By enabling the creation of digital slips on our Akbank and Juzdan mobile applications, and allowing collection and display options in this manner, we have both contributed to the development of green finance in our country and created an archive where our customers can access their slips. By preparing our physical PF infrastructure, we have completed a study through which we introduced important new collaborations this year for Merchant Application flow to our bank.

To meet critical business needs more easily by renewing our payment systems infrastructure, we continue to work on the "Renovation of Credit Card, Loyalty, and Issuer Switch Systems", which is the first phase of the "Payment Systems Modernization" program.

Data Technologies and Governance

As Akbank, we effectively manage our corporate information assets with our data governance program and adopt a data-driven culture. Our 2023 activities include our goals to improve the data usage experience, increase transparency, strengthen quality, and enhance data-driven decision-making capabilities.

We have created a wide data ecosystem across our bank and achieved the data governance maturity we targeted. With this success, we enable correctly-managed data to produce more accurate decisions in systems. We continue our work with the goal of providing value-added services to our customers and perfecting their banking experience with high-quality and accurately-governed data.

In line with our Data Governance program, we strengthen our data infrastructure with the latest technologies. We continue our common layer enrichment efforts by deduplicated data definitions which are compatible with governance principles and offer integrated and intuitive

use. We support our employees with self-service and mobile tools so that they can use data effectively. Thus, we aim to enable data users to respond quickly to their own analysis needs without the need for other teams or technology teams. Thanks to our mobile application, which we offer to both field and head office teams, we make it easier for our business units to make tactical decisions by providing them with quick access to proven data.

As part of our data-driven culture, we protect the privacy of data at the highest level. We ensure data privacy and security by dynamically masking personal and sensitive data in analytical environments used in our Bank's strategic decision-making processes, in accordance with Personal Data Protection Law (PDPL), PCI/DSS, and Banking Legislation.

Advanced Analytics and Artificial Intelligence Technologies

We have made advanced analytics and artificial intelligence methods a part of our way of doing business. We continue to industrialize our Al models. By making MLOps practices a part of our work, we can quickly implement our artificial intelligence projects. In this way, we aim to proactively anticipate the needs of our customers and to continuously offer the right products and services. With data technologies, we create value for our customers and operational efficiency for our bank. By monitoring their channel usage, we can quickly support our customers who face difficulties. We can instantaneously detect ATM malfunctions, transaction times such as for withdrawal/deposit transactions, and the prevalence of problems in the channels, and ensure faster response thereto. By investing in text, voice and image-based artificial intelligence solutions, we deploy products that improve the experience of our customers. We ensure that functions such as Akbank Assistant, Voice Bot, IVR Bot, Selfie and login, and Customer Complaints classification are used with high success.



Infrastructure

Throughout 2023, we carried out our work with the goal of creating a modern, lean, and sustainable technology infrastructure in line with our bank's growth strategy. We have focused on durability, capacity-tracking and monitoring to maintain the superior level of service we provide to our customers. To ensure our service continuity, we keep on working to ensure that certain channels provide active services with a service-based Emergency Data Centre.

We will continue to constantly update our technological infrastructure and make the necessary investments to make sure that our customers have innovative experiences that exceed their expectations.

At the 2023 Future of Cloud & Al Summit, we were deemed worthy of awards in the Artificial Intelligence Category (Akbank Assistant), the Data and Advanced Analytics Category (Mobile ARGUS Stars Club), and the Machine Learning Category (Super-Fast Algorithm for Anomaly Detection).

Business Intelligence Applications: Argus

Within the scope of our finance transformation; our "Mobile ARGUS" application, which we developed as a digital and innovative solution and launched during the COVID-19 pandemic, won the first prize in the "Digital Pioneer" category at the IDC DX Awards 2020 as well as the "Best Data & Advanced Analytics Project" award at the CXO Media Future of Cloud & Al Awards in 2023.

Our mobile application which features efficient visuals that are specially designed for our managers offers screens that enable important data to be detected at first glance. Interactive objects and associated displays offer the opportunity to conduct analytical examinations from different perspectives and to review the details of summary data.

Over 130 billion data per day have been transformed into information by passing through data integrity and quality control processes, and various metrics of more than 10 thousand indicators are calculated in our 450 TB database and presented to approximately 9 thousand users through our mobile application in an analytical way.

With our application which has diversified and enriched screens according to current needs, we support managers at all levels in their decision-making processes with upto-date data. We meet the information needs through the mobile platform 24/7 in a high-quality, fast and easy manner and without time / place restrictions.

Our application is used intensively and actively in areas such as medium-term and strategic senior management decisions, daily operations, sales management, marketing activities, tactical decisions such as campaigns, and performance and productivity measurements. In this way, we maintain our competitive advantage by ensuring that fast and accurate decisions are made.

Profitability System

Our Profitability System, which is shown among the "best practices" in Europe and the USA, plays an important role in achieving our sustainable profitability goal and continues to be a guide with multidimensional measurements.

We use the results obtained from this system in our various decision processes, such as determining our managerial and marketing strategies, optimizing the services offered in the branches, and making our daily pricing decisions. These results serve as important criteria in performance success evaluations across Akbank.

Our Profitability System, which measures channels, customers, branches, and CRM profitability more effectively with its renewed infrastructure, processes approximately 35 billion data every day. Thanks to the system, we regularly analyse our profitability in different dimensions, on a daily and monthly basis.

Expense and Investment Management

As Akbank, we have been continuing to manage strategic expenses and investments using the zero-based budgeting methodology for nearly ten years. We actively carry out analyses and modelling studies to maintain our position as the most efficient bank in the sector. In line with the goal of achieving sustainable savings on expenses with the working groups we have formed throughout the Bank; we implement projects that provide significant productivity increases. In addition, we renewed our activity-based expense tracking processes and updated our application that provides information to users about expense management.

Budget

Our bank carries out an integrated, efficient, and dynamic budgeting process on a business unit, region, branch, and CRM basis. Along with our annual budget studies, we review the three-year strategic plans, set medium and long-term goals, and create relevant action plans. By updating our forecasts monthly and weekly for indefinite periods, we support the healthy financial development of our bank. Against economic cyclical changes, we monitor

the overall performance by comparing the financial and operational achievements with the budget, and we make revisions in the budget when necessary. By making effective performance measurements and creating reports for our business units and the field, we provide feedback and suggestions to improve the performance of our Bank.

Our Subsidiaries

AKBANK AG

In 2023, despite the macroeconomic developments in Germany, Europe, and Türkiye, Akbank AG continued to increase the satisfaction of our customers and employees and focused on stability in the rebalancing process in the economy. In 2023, we successfully achieved our goals of diversifying our fields of activity and maintaining our performance in the field of profitability.

Our bank's balance sheet for December 2023 was EUR 3.9 billion and its shareholders' equity was EUR1 billion. In the same period, our bank's capital adequacy ratio calculated in accordance with Basel III criteria was 32.1% and liquidity coverage ratio was 658%.

As Akbank AG, we continued to be the bank with the largest balance sheet among Turkish-owned banks in Germany with our strong capital structure. In 2023, our share in Akbank T.A.S's consolidated assets was 6.61%.

We have served our SMEs with a wide range of credit instruments. In 2023, when we continued our activities without compromising our asset quality and active risk management, we reached our deposit customers in Germany through digitalization.

As Akbank AG, we have strengthened our sustainability approach and started to implement our Environmental, Social and Governance (ESG) strategy. Within the framework of the European Union, we are taking effective measures on climate risk and sustainable finance. We have integrated sustainability into our effective risk management policies, operations, governance principles and financing products. Within the framework of the decisions taken by the Akbank AG Sustainability Committee, we follow our sustainability strategies and risk-opportunity management with concrete and measurable targets.

By modernizing our existing technological infrastructure, we are taking firm steps towards becoming a more digital bank. We attach immense importance to technology and cyber security measures, especially our mobile banking application, and we continue our work in this field at full steam.

AKInvestment

Showing a rapid and steady development, Ak Investment is a 100%-owned subsidiary of Akbank T.A.Ş. With our experienced sales team, rich research reports and customer-oriented service approach, we offer domestic and international capital market products to both our retail and corporate banking customers.

Within the scope of corporate finance activities, Ak Investment, one of the most preferred brokerage houses in the Turkish capital markets, offers brokerage services for public offerings. Since 2013, we have mediated a total of 17 IPOs and sales to corporate investors.

The total size of the 4 IPOs (Europower, Bien Yapı, Kale Seramik and Avrupakent REIT) completed in 2023 reached USD 575 million. Avrupakent REIT IPO, which was completed in December 2023, was the second largest IPO of 2023 with a size of USD 190 million.

With the increasing interest in capital market products throughout Türkiye, we reached 8.5 million investors with a rapid rise in 2023. In parallel with the increasing number of investors, Ak Investment became the institution with the most amount of assets under custody in 2023. Together with our 9 branches, central sales team and head office, we provide investor-friendly, high-quality, fast and reliable services in all capital markets.

With our "TradeAll" brand, we transmit all transactions of investors in domestic and international markets to the relevant markets safely, easily and quickly. In 2023, we maintained our trading volume leadership in the FX market, which we achieved with our TradeAll FX brand.

With our successful work in social media community management, we have communicated with more than 330,000 people through our TradeAll brand. As Ak Investment, we maintain an active presence on digital platforms and we will continue our activities in line with this goal and vision in 2024 as well.

AKAssetManagement

We are Türkiye's largest private portfolio management company with an total asset under management of TL 406.7 billion. In addition, our total asset under management in 2023 increased by 90% compared to the previous year.

The total value of our mutual funds increased by 135% compared to the previous year and reached TL 207 billion. We manage 64 pension funds founded by leading global pension companies such as AgeSA, Allianz and Axa. In this field, we continue to maintain our leading position among private institutions with a fund volume of TL 134.7 billion and a market share of 17.8%.

We increased our assets in the Corporate Banking and Retail Banking Portfolio Management business line by 39% in 2023, reaching TL 62.0 billion.

We constantly offer innovative products by focusing on the needs and expectations of our investors. In this context, we develop world-class next-generation products and services. While we take important steps on behalf of our sector in creating the world of the future with our investment products that we have developed with a sustainable finance approach, we create new investment options for our savings holders.

With the theme of 'The Future of Investment', we have implemented the "Plant a Seed for the Future" project with the Ak Asset Management Agriculture and Food Technologies Variable Fund, one of the newest members of the product family we have designed in areas that will transform the world of the future, ranging from new technologies, alternative energy, health, and tourism, to the ecording technology initiative that develops sustainable and innovative environmental technologies against the climate crisis.

We aim to reforest lost forest areas with "ecoDrone" unmanned aerial vehicles developed by Ecording. With "ecoDrone", we plant seeds produced by women who live in hard-to-reach areas and are directly affected by the negative effects of the climate crisis.

With the Agriculture and Food Technologies Variable Fund, we offer our investors the opportunity to invest in 20 global and domestic companies in the agriculture and food sector.

In this way, we ensure that our investors are partners in a high-potential investment opportunity and invest in a sustainable future.

Our Alternative Energy, Health Sector, Electric and Autonomous Vehicle Technologies and Agriculture and Food Technologies Funds have received ESG ratings from LSEG and MSCI, breaking new ground in Türkiye. In this context, we continue to increase ESG practices, thus contributing to Türkiye's sustainable growth and green transformation. We observe that the interest in thematic funds has clearly increased in Türkiye, as is the case in global markets. In line with these trends, we have the widest stock investment universe in Türkiye, which covers many constituents ranging from our country's exporter companies, domestic technology themes, and companies that pay high dividends, to the banking sector.

We offer the opportunity to invest in companies with high potential that we have selected with our VCIFs and similar products, which were created for the first time in Türkiye by Ak Asset Management.

With the Ak Asset Management Growth Companies Equity Fund (BUY), which we offer with a focus on direct growth investment, we became the first company to provide the opportunity in Türkiye to easily invest in the stocks of 30 companies selected from among the fastest growing companies in Türkiye.

Our Ak Asset Management Growing Companies Equity Fund invests in fast-growing Turkish companies that shape the future of Türkiye and operate in many different sectors such as energy, technology, agriculture, and automotive. Together with the stock exchange Borsa Istanbul, we present Türkiye's first growth-oriented stock index to our investors under the name of 'Borsa Istanbul Ak Asset Management Growing Companies Index'.

Our Ak Asset Management Value-Oriented Equity Fund is one of the newest products of our innovative approach to domestic equities. The fund offers an investment opportunity with the theme of 'value', which is one of the most basic strategies of equity investment in Türkiye. Ak Asset Management Value-Oriented Equity Fund (VAY) provides the opportunity to invest in 30 companies, selected according to the valuation criteria of the stock exchange,

with a single transaction. As Ak Asset Management, we again are the first in the industry to introduce our Agesa FonPro mobile application, through which we provide more than 300 thousand active users with the opportunity to manage their retirement savings.

This service, which was integrated into Akbank Mobile at the end of 2023 with our FonPro customer experience and "Ak Asset Management Robo Consultancy" model, enables us to increase new customer acquisition rates and deliver our highend products and services to a wider audience.

With the "Life Cycle Funds" under which asset allocation is made according to age and risk profile with a multi-asset strategy and which are offered to the participants through FonPro Leave it to the Experts, we continue to provide the services of active portfolio management in retirement to the masses in the easiest way.

In the global arena, our approach and successful fund management have earned the appreciation of international organizations. As of 2023, we have been selected as "Türkiye's Best Investment Management Company" by World Finance for the fifth year in a row. In addition, according to the IPE Top 500 list, we secured our place among the world's top 500 portfolio management companies this year.

AKLease

As Ak Lease, we are a 100%-subsidiary of Akbank. We offer leasing services for investments in various sectors, from production, construction, transportation, energy, and health, to logistics. With our innovative, long-term and cost-effective leasing solutions, we support our customers' investments, growth, and expansion into new markets.

In 2023, as Ak Lease, we maintained our leading position in the non-bank finance sector and increased our total net profit by 44% and total assets by 76%, compared to the end of 2022. With our 10 branches, we have created a widespread service network throughout Türkiye and we continue to serve investors with our solid financial structure, strong equity level, and expert staff. We created and implemented our sustainability strategy with the participation of all our stakeholders. By 2030, we aim to build our entire portfolio with investments suitable for green finance. In line with this goal, we support energy efficiency

and renewable energy projects with our sustainability-themed product called ECOLease.

Corporare

Governance

We prioritize the satisfaction of our employees. This year, we have achieved new successes with our employee satisfaction assessments. As a result of the assessment made by the Great Place to Work Institute, we positioned ourselves among the top employers in our third year. In addition, Kincentric, a company that provides human resources and management consultancy services, granted us a special award and we won the "Best Workplace" award twice. With ECOLease, we won the Circular Economy Bronze Award at the Corporate Responsibility Association of Türkiye's 'Organizations Adding Value to the Sustainable Development Goals' Awards. Furthermore, as part of our sustainability journey, we further strengthened our connections with our creditors in 2023.

In 2023, we continued our green financing investments with EUR 25 million from the European Bank for Reconstruction and Development (EBRD) and EUR 20 million from the Green Growth Fund (GGF). In 2021, we introduced ECOLease. Türkiye's first and only sustainability-oriented product in the leasing sector. We also supported our customers' energy efficiency and renewable energy investments with advantageous terms and payments. We are pleased to announce that, by the end of 2023, we have provided a total of USD 179 million in loans under the umbrella of ECOLease. We are delighted to have won the first and only award of the year in the leasing sector in the 'Financial Intermediary Institutions' category at the Sustainability Awards organized by the European Bank for Reconstruction and Development (EBRD). In addition, we were deemed worthy of the TurSEFF Excellence Award for the rooftop SPP financing transaction within the scope of the Turkish Sustainable Energy Financing Facility (TurSEFF). By making our software suitable for mobile use, we accelerated the completion speed of financial leasing transactions and thus took important steps in the digital transformation process.

As AKLease, we continue to take planned regulatory steps to meet the needs of our customers and employees, including all our stakeholders. And by continuing to achieve profitability, we contribute to the growth of our sector. In 2023, we managed to maintain our position among the

leading and exemplary companies in the sector with our stable and strong capital structure.

As AKLease, we established our AKLease Fleet brand in May 2023 and secured our place in the operational leasing sector. By the end of 2023, our fleet park consisted of 1,066 units. We continue to grow with our developments in operational, process-related and IT infrastructure and aim to create a 'green' fleet in this area. With our sustainability-centred efforts, we aim to leave a more sustainable world to next generations. Through our continuous support for investments, we maintain our position as a complementary power for economic growth and development.

AKÖde

With Tosla, which we put into service in 2019, we appeal to a wide age group, starting with young people. This platform allows users to meet their financial needs in a simple and fast way. At the end of 2022, with the capabilities brought by our Payment Provider/Payment Facilitator (PF) status, we started to offer our first product, AKÖde POS, which initially targeted SMEs and the commercial customers segment, through digital application processes. Our virtual POS and payment link services are also included in this service.

In 2023, in addition to the merchant network, we launched our first physical product, Cash Register POS. We have also started to offer our "Tosla Credit Payment Gateway" product, by which businesses can offer their customers loans from various banks and institutions in bulk with a "single integration" to their payment pages.

In all our services, we aim to enable both our merchants and end users to access our services from a single platform in a way that will improve their user experience.

Through Tosla, we offer our users the advantages of the open banking service model. In this way, Tosla users can view multiple bank accounts on the same platform and initiate payment orders. We also offer secure and fast login function with FacelD.

Our users have the opportunity to top up their Tosla accounts by taking loans from different banks or charging

the relevant amounts to their phone bills. These top-ups can be used for payments with digital or physical cards. In addition, the users can make bill payments, load money into other brands' applications, and purchase digital codes through our application.

As of 2023, our users can also transfer money from their Tosla accounts to IBANs of different banks. In our Tosla application, which also includes the "Game Mode" and "No Blank" features, we constantly take the service experience to the next level and stand out with innovations.

As AKÖde, we embodied our passion for sustainability in 2023 in the form of an environmentally-friendly product "Tosla Starter Package". This product played an important role in reducing the use of plastic cards. After purchasing the starter package from contracted markets and stores, users can register with Tosla and use the Turkish Lira gift amounts for both digital card purchases and in-app payments.

As of 2021, our plastic card holders and card envelopes have started to be produced from recycled materials in line with Akbank's sustainability approach. Since October 2022, we have been automatically giving free digital Tosla Cards to our users who log in to the Tosla application. In this way, we organize campaigns to spread the use of environmentally-friendly digital cards and encourage our users to use contactless payment methods such as QR and NFC.

As AKÖde, we reached more than 3,500 merchants and a turnover volume of TL 2 billion in our first business year with our POS product. We carefully monitor users' feedback and developments in the financial sector and aim to provide the fastest and most appropriate solutions to all customer segments.

Our goals for 2024 include maximizing the satisfaction with our services, facilitating customers' access to financial products, and providing cost advantages. In addition, we aim to offer products that our customers may not prioritize or that have investment costs, from a single point. By taking an innovative approach with all our brands, we will create added value with financial and non-financial products that we will integrate into this platform. With artificial intelligence-supported services, we aim to transform

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the lives of merchants on a platform that can make their lives easier and where our customers can receive holistic services.

Sustainability strategy, targets, relevant applicable policies, and highlights of 2023

- In 2023, we launched our Cash Register POS product for our merchants. And in 2024, we aim to become widespread among the Micro/SME/Commercial Corporate audience.
- Our cash register POS products offer Hugin-branded devices with a fast installation warranty. With our Cash Register POS product, which we offer to our merchants, we collect the POSs of 5 different banks on a single device with a single integration.
- Thanks to our Tosla Credit Payment Gateway product, businesses can add the "Pay with Credit" option to their customers' payment pages. This allows customers to compare and pay for purchases from banks integrated with AKÖde, by comparing special loan offers on a single screen. By providing a bridge service added to banks' shopping loan APIs, our Tosla Credit Payment Gateway product offers the opportunity to work with all integrated banks, without the need to integrate with the systems of different banks separately.
- We received approval from the CBRT to expand our activities for subparagraphs E (Bill payment), F (Initiation of Payment Order) and G (Account Viewing), and we passed the BKM (Interbank Card Centre) certification process and introduced bill payment and open banking services to our users. These services allow users to access many bill payment services such as electricity, water, natural gas and mobile phone bill payments through the Tosla application. In addition, thanks to the open banking service, users can add their accounts held with different banks to the Tosla application, view these accounts on a single screen, and initiate payment orders by tracking their transaction history.

AKBANK VENTURES

With its well-established position in the sector and its in-depth knowledge and experience in financial markets, Akbank has been supporting new ideas through its inhouse entrepreneurship and open innovation programs since 2016. The Bank brings this experience to a global level through Akbank Ventures BV, Akbank's international corporate venture capital entity. Established in April 2023 and headquartered in the Netherlands, Akbank Ventures BV has a capital of USD 100 million.

The main objectives of Akbank Ventures BV can be summarized as follows:

- To gain financial return by investing in next-generation companies with high growth potential,
- To support Akbank's activities and create strategic benefits by investing in the future,
- To increase Akbank's geographical diversity through global investments.

In 2023, Akbank Ventures BV has committed on a global scale to a leading growth-stage private equity fund based in the U.S. and another U.S.-based private equity fund focused on fintech.

The Company's 2024 goals include continuing to invest in private equity and venture capital funds and starting to invest in start-ups that offer strong growth opportunities and can create strategic value. The geographical areas it covers include the USA and Europe. Akbank Ventures BV's achievement of these goals will increase the bank's development and diversity on a global scale.

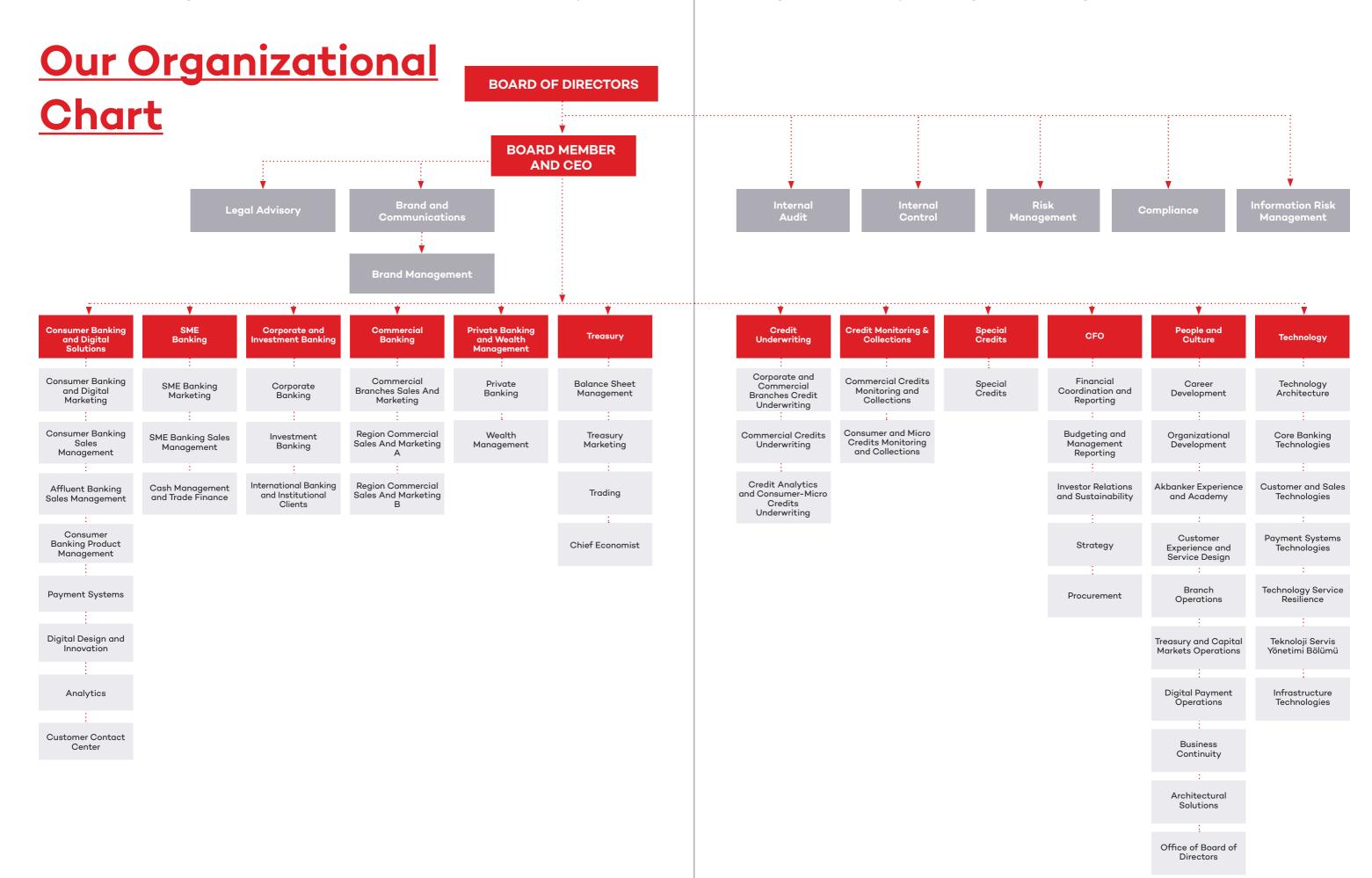
The Economic Value We Create

As of the end of 2023, the economic value we have created increased by 23%, reaching TL 83,526 million.

We believe that the economic value we create as a result of our activities will continue to increase exponentially with the participation of our stakeholders. The economic value we create through the payments we make to our employees, the society, the government, investors, and suppliers also increased by 23% compared to a year ago and reached 83,526 million TL.

Economic Value Created and Distributed (Million TL)	2021	2022	2023
Direct Economic Value Generated	65,598	164,962	316,677
a) Incomes	65,598	164,962	316,677
Distributed Economic Value	41,644	97,210	233,151
b) Operating Costs	5,982	12,734	28,469
c) Employee Remuneration and Other Benefits	3,537	6,894	17,003
d) To Shareholders and Funders	28,338	56,170	170,925
e) Payments to the Government	3,778	21,385	15,979
f) Community Investments	9	27	774
Protected Economic Value	24,314	67,753	83,526

Financial





Messages from Top

Akbank Built Upon Your Trust Corporare Governance Our Sustainability Journey Sustainable Financing People & Community

Ecosystem Management Climate Change Financial Information Annexes

Highlights and Awards of 2023



January February

Open Banking: A new era has begun: all bank accounts can now be managed through Akbank Mobile.

With this innovation we offer to our customers through Akbank Mobile, we enable our customers to add their accounts held with different banks to Akbank Mobile, view their account balances and details, and perform money transfer transactions.

Akbank continues to work for the disaster area, with a support of 650 million TL.

In addition to its contribution of TL 650 million to the implementation of permanent solutions in the earthquake zone, Akbank offers financing support worth TL 10 billion for its customers in the disaster zone.

'Akbank for Youth' Stands by Young Akbank Customers to Make All Their Dreams Come True

Young Akbank customers between the ages of 18 and 26 can easily meet their initial financing needs; young customers who use their first consumer loans from Akbank with advantageous interest rates do not pay allocation fees not only for their first loans, but also for the consumer loans they will use from Akbank for the next 3 years.

Global Finance

March

World's Best Private Bank Awards 2023 (March)

Central and Eastern Europe's Best Private Banking Unit in Providing Digital Solutions to Its Clients

Türkiye's Best Private Banking Unit

Euromoney

Euromoney Global Private Banking Awards 2023 (March)

Türkiye's Best Domestic Private Banking Unit

Global Finance

World's Best Banks Awards 2023 (March)

Best Bank in Türkiye

April May June

Türkiye's First Socially Themed Syndicated Loan from Akbank

Our syndicated loan, which will be used to finance the foreign trade transactions of our customers affected by the earthquake, is Türkiye's first social syndicated loan.

We have published Türkiye's Most Comprehensive Sustainable Finance Framework

We continue to develop our sustainable financing practices in line with international financial institutions, investors and current market expectations. Accordingly, we have updated the Sustainable Finance Framework, which serves as a basis for defining criteria and methods in the field of sustainable finance.

Professional Wealth Management (PWM)

Wealth Tech Awards 2023 (May)

Central and Eastern Europe's Best Private Banking Unit for Digital Customer Service

Global Finance

Sustainable Finance Awards 2023 (June)

Türkiye: Türkiye's Best Bank in Sustainable Finance

Central and Eastern Europe Region: Outstanding Leadership in Transparency in Sustainability Activities, Outstanding Leadership in Sustainable Finance in Emerging Markets, Outstanding Leadership in Social Bonds

Akbank Issues USD 300 Million Sustainable and Gender Equality Subordinated Bonds

Akbank and the European
Bank for Reconstruction and
Development have signed a loan
agreement of up to USD 90
million to support the disaster
area affected by the February 6
earthquakes.



Messages from Top Management

Akbank Built Upon Your

Corporare

Governance

Our Sustainability Journey

Sustainable Financing

People & Community Ecosystem Management Climate Change Financial Information **Annexes**

July **August** September

Euromoney

Awards for Excellence 2023 (July)

Best SME Banking in Central and Eastern Europe

Best Bank in Türkiye

Best Bank for SMEs in Türkiye

Türkiye's Best Bank in Digital Solutions

Best Bank for ESG in Türkiye

Akbank's 'Hopeful Future' **Movement Started**

Within the scope of the Akbank's 'Hopeful Future' Movement, young people in Hatay, Kahramanmaraş, Adıyaman, Gaziantep and Malatya will have personal development opportunities through interactive events such as stop motion animation and photography workshops. In addition, with the 1-on-1 meetings within the scope of Akbank Youth Academy - Introduction to Competence Programs, young people will be offered the opportunity to shape their careers by addressing visionary issues during the project. A wide range of topics such as innovation and entrepreneurship, cyber security, cloud technologies, artificial intelligence, metaverse, Web 3.0, data science and gender equality will be discussed with the training sessions that will contribute to the knowledge and experience of young people in this field.

Akbank celebrates the 100th anniversary of the Republic. We celebrated the Historical Journey with a Special Commercial Film for the Year.

Akbank added value to nature with the digital slip application it launched.

Akbank makes the digital slip application available to all POS and card users. In this context, Akbank employees can log in to the Akbank Mobile application and select their slip preferences in printed or digital form. This new feature prevents millions of rolls of paper per year from going to waste, while allowing easy-archiving and viewing of the entire transaction history via the mobile application.

October November

Akbank SME Banking and İhracatı Geliştirme A.Ş. broke new ground with the "IGE-**Akbank Green Transformation** Guarantee Support Package". Thanks to the cooperation with IGE; for the first time in the sector, a guarantee institution and a bank are launching a product hand in hand for green transformation.

PWM & The Banker

Global Private Banking Awards 2023 (November)

Türkiye's Best Private Banking Unit

December

Euromoney

Market Leaders 2023 (December)

'Sector Leader' in Türkiye in the fields of 'Digital Solutions', 'Corporate Banking' and 'Corporate Social Responsibility'

"BinYaprak Women Entrepreneur Mentoring Program" starts with the support of Akbank The "BinYaprak Women Entrepreneur Mentoring Program", implemented in cooperation with Akbank and TurkishWIN, offers a strong support model specially designed for woman entrepreneurs.

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Ordinary General Assembly Meeting Agenda

2023 Ordinary General Assembly Meeting Agenda

- 1. Opening and formation of the Meeting Council,
- 2. Reading and discussion of the 2023 Annual Report of the Board of Directors,
- 3. Reading of the 2023 Auditors Report,
- 4. Reading, discussion and approval of the Financial Statements of 2023,
- 5. Approval of the Board Member elected to the Board of Directors for the remaining period,
- 6. Release of liability of the members of the Board of Directors,
- 7. Decision on the appropriation of 2023 annual profit, depending on the permission to be obtained and the completion of the procedures.
- 8. Decision on affording the Special Fund regarding the revaluation transaction made in accordance with the Duplicate Article 298 and the Paragraph (Ç) of the Tax Procedure Law from the Extraordinary Reserves
- 9. Appointment and determination of the tenure of the Members of the Board of Directors,
- 10. Determination of the compensation of the Members of the Board of Directors,
- 11. Appointment of the Auditors,
- 12. Providing information regarding the donations made in 2023,
- 13. Determination of the Bank's donation limits for 2024.
- 14. Authorization of the Board of Directors in connection with matters falling within the scope of articles 395 and 396 of the Turkish Commercial Code.
- 15. Providing information regarding the updated Bank Remuneration Policy,
- 16. Providing information regarding the Board of Directors Diversity Policy,
- 17. Providing information to shareholders on the share buy-back program initiated with the decision of the Board of Directors dated 16.02.2023 and ended on 31.12.2023

Compliance Opinion Regarding Annual Integrated Report

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ON THE BOARD OF DIRECTORS' ANNUAL REPORT ORIGINALLY ISSUED IN TURKISH



To the General Assembly of Akbank T.A.Ş.

L. Opinion

We have audited the annual report of Akbank A.Ş. (the "Bank") and its subsidiaries for the 1 January - 31 December 2023 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Bank's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set consolidated and unconsolidated financial statements and with the information obtained in the course of independent audit.

2. Basis for Opinion

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA") and the scope of "Regulation on Independent Audit of Banks" published on the Official Gazette No.29314 dated 2 April 2015. Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Bank in accordance with the Ethical Rules for Independent Auditors (including International Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our

3. Our Audit Opinion on the Full Set Consolidated and Unconsolidated Financial Statements

We expressed opinion in the auditor's report dated 1 February 2024 on the full set consolidated and unconsolidated financial statements for the 1 January - 31 December 2023 period.

4. Board of Director's Responsibility for the Annual Report

The Bank management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102, Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") and "Regulation on Principles and Procedures Regarding Preparation and Promulgation of Annual Reports by Banks" published in Official Gazette No.26333 dated 1 November 2006 are as follows:

a) to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly;

b) to prepare the annual report to reflect the Bank's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report, financial position is assessed in accordance with the financial statements. Also, in the report, developments and possible risks which the Bank may encounter are clearly indicated. The assessments of the Board of Directors in regard to these matters are also included in the report.

- c) to include the matters below in the annual report:
- events of particular importance that occurred in the Bank after the operating year
- the Bank's research and development activities,
- financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Banking Regulation and Supervision Agency, Ministry of Customs and Trade and other relevant institutions.

5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of the TCC, Communique and "Regulation on Independent Audit of Banks" published on the Official Gazette No.29314 dated 2 April 2015 provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated and unconsolidated financial statements of the Bank and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated and unconsolidated financial statements and with the information obtained in the course of audit

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PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Zeynep Uras, SMMM Independent Auditor

Istanbul, 29 February 2024





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Akbank Corporate Governance

We are strictly committed to the Corporate Governance Principles determined by the Capital Markets Board We take pleasure in earning the trust of our stakeholders through each of our employees rigorously following and internalizing our Ethical Principles.

As one of Türkiye's leading and deeply-rooted institutions, we work to create long-term value with our strong corporate governance structure and practices. We adopt sustainable and responsible banking principles as we add to our financial successes. At the same time, aware of being a public company, we comply with all legal regulations at both national and international levels with the aim of providing high returns to our investors and shareholders. We maintain our activities in full compliance with corporate governance principles, collaborating with all our stakeholders. We effectively manage our risks and opportunities in both the short and long term with our professional corporate management approach. We handle our corporate governance activities under the following subjects:

- Our Relations with Shareholders
- Our Disclosure and Transparency Policy
- Duties, Responsibilities and Rights of our Board of Directors
- Our Relations with Stakeholders

We continue our efforts to develop trust-centered and sustainable communication with our stakeholders, considering their views and expectations, which is one of the basic principles of corporate responsibility, stakeholder communication. We regularly inform our stakeholders through many platforms such as Akbank Internet Site, Akbank Investor Relations Internet Site, Akbank branches, Customer Communication Center, Public Disclosure Platform, and social media, and share our environmental-social and financial value creation performance with the public through our annually published reports. We give our shareholders the opportunity to use their voting rights in person or through a representative at our General Assembly Meetings. In addition, we increase

participation and provide the opportunity to vote by offering the chance to attend meetings through our Electronic General Meeting System. We take pride in having a trust-centered reputation in front of our stakeholders, with the contribution of our Ethical Principles, which each of our employees follows with dedication. At the same time, we make a difference with our performance, which is highly efficient in our sector. Through our Ethics Line, we effectively monitor the ethical attitudes and behaviors of our employees within and outside the bank.

In line with our understanding of Diversity and Inclusivity, we strengthen our professional corporate culture by selecting qualified individuals without discrimination.

In accordance with our strategies, values, and vision, our priority is to integrate innovative and forwardlooking young people into our Bank and place them in positions where they can create value within our organization. In this way, we aim to be in a constant process of development with our employees. We emphasize our commitment to universal principles related to human rights, working conditions, the environment, and a clean society in Türkiye, as well as the support we provide as a signatory to the United Nations Global Compact (UN Global Compact). Over this long process, we have become an institution that creates value at both national and international levels through our sustainable activities. With the integrated report we present during the year, we share the value we create and our pioneering steps towards carrying Türkiye to a sustainable future. Since the day we were founded in the Turkish banking sector, we have been leading the understanding of corporate governance and stand out with our good practices in the sector.

We proudly and happily experience being the bank which is:

2003 – The first to publicly announce its dividend policy,

2004 – The first to announce its Corporate Governance Principles on its website

2005 - The first to buy back its founding shares,

2007 - Signed the United Nations Global Compact

2010 - Published the Global Compact Report,

- The first among deposit banks to publish its sustainability report according to GRI standards,
- Supported the implementation of the Carbon Disclosure Project (CDP) in Türkiye,

2018 – Among the pioneer banks that published the Digital Trust Principles,

2019 – Selected as "The World's Best Digital Bank" within the scope of "Awards for Excellence 2019 - Excellence Awards 2019" by Euromoney, one of the world's reputable financial publishing groups,

2020 – Issued the first Green Bond during the COVID-19 pandemic

2021 – Among the founding members of the UNEP FI Financial Health and Inclusiveness Commitment

2022 – Declared its commitment to be a "Net Zero Bank" by 2050

2023- Already achieved the goal of providing TL 200 billion of sustainable financing by 2030.



Our Board of Directors

Suzan Sabancı - CBE -Chairman

Suzan Sabancı is the Chairman of Akbank. Ms. Sabancı is also a board member of Sabancı Holding and a member of the Board of Trustees of Sabancı University and the Sabancı Foundation. In 2009, Ms Sabancı founded the Akbank International Advisory Board and currently serves as its chairman.

Suzan Sabancı began her career in banking in 1986 and joined Akbank as Executive Vice President in charge of Treasury in 1989. Having specialized in Treasury and Risk Management, she has been active in these two subjects since 1993. In 1997, she was named Executive Board Member for Treasury and International Banking Relations. Ms Sabancı was appointed as Executive Board Member to oversee the bank-wide change and transition program in 2001. She was named Chairman in March, 2008.

Ms. Sabancı is a member of the Institute of International Finance Board of Directors and Emerging Markets
Advisory Board, Harvard University's Global Advisory
Council, Harvard Business School's Global Leaders Circle,
and an emeritus member of the Harvard Business School's
Middle East and North Africa Advisory Board. Suzan
Sabancı is also co-chair of the New York-based AmericanTurkish Society, as well as a member of the Global Board
of Advisors at the Council on Foreign Relations (CFR),
the Board of Managing Directors of Venetian Heritage,
Inc, and the Cultural and Social Affairs Committee of the
Serpentine Council respectively.

From 2010 to 2014, Suzan Sabancı served as the chairman of the Turkish-British Business Council for two terms. From 2009 to 2016, Ms. Sabancı sat on the Global Board of Advisors of Chatham House and she is currently a member of the Chatham House Chairman's Circle. In 2012, Her Majesty Queen Elizabeth II awarded Ms. Sabancı the title of "Commander of the Most Excellent Order of the British Empire (CBE)" in recognition of her proactive and influential contributions to the development of Türkiye-UK relations. Having previously served as an Advisory Board Member for The Prince's Charities, Ms. Sabancı is currently a Patron of Prince's Trust International, a highly prestigious charity organisation set up by King Charles III, then The

Prince of Wales, in 1976 and aimed at promoting the development of young people.

Suzan Sabancı is strongly committed to corporate social responsibility activities and assumes various positions in the fields of culture, education, and the promotion of entrepreneurship. Between 2014 and 2018, Sabancı acted as the Advisory Board President of the Women on Board Association Türkiye, dedicated to promoting social development by increasing female representation on boards. She is a founding member and board member of the leading high-impact entrepreneurship movement. Endeavor Türkiye, a founding and honorary member of the Women Entrepreneurs Association of Türkiye, and chairman of the Executive Advisory Board and member of the board of patrons of the Contemporary Istanbul Art Fair. Ms. Sabancı acted as Luxembourg's Honorary Consul in Istanbul between 2005 and 2022 for 17 years. In 2014, Ms. Sabancı was given the Order of Civil Merit (Orden del Mérito Civil) of the Kingdom of Spain by King Felipe VI of Spain for her contributions to the relations between the two countries and for her support to the cultural convergence.

Suzan Sabancı holds a BA in Finance from Richmond College in the UK and an MBA from Boston University in the USA. Ms. Sabancı has two children.

Hakan Binbaşgil - Vice Chairman and Executive Board Member

Hakan Binbaşgil is the Vice Chairman and Executive Board Member of Akbank. Binbaşgil also serves as the President of the Banking Group and Executive Committee Member of Sabancı Holding, Chairman of Akbank AG and Chairman of Akbank Ventures BV.

Mr. Binbaşgil, who served as CEO at Akbank for nearly 12 years between 2012 and 2023, commenced his tenure with Akbank in 2002, assuming the role of Executive Vice President responsible for Change Management. In 2003, he became the Executive Vice President overseeing Retail Banking and in 2008, he ascended to Deputy CEO. Starting in 2002, he spearheaded a multitude of initiatives encompassing strategic direction setting, restructuring,

digitalization, technology, corporate identity, change management, talent building and cultural transformation. Prior to joining Akbank, Binbaşgil worked as a Management Consultant in the London and Istanbul offices of Accenture, and as Executive Vice President in a different private sector bank.

Binbaşgil has an extensive history of leadership roles, having held the positions of chairman and board member across numerous respected domestic and international organizations. Additionally, he has held the office of Term President at the Institut International D'Etudes Bancaires (IIEB), a prominent institution comprised of member banks from across Europe.

After graduating from Robert College, Hakan Binbaşgil graduated from Bosphorus University, Faculty of Mechanical Engineering. Binbaşgil later received master's degrees in business administration and finance from LSU.

Ahmet Fuat Ayla - Executive Board Member

Ahmet Fuat Ayla was elected as Executive Board Member in charge of credits as of 12 July 2017. Ahmet Fuat Ayla joined Akbank as Corporate Branch Manager in 2002, became the Senior Vice President in charge of Corporate and Commercial Credits Approval Unit in 2005 and was appointed as Executive Vice President in charge of Corporate and Commercial Credits Approval in 2007. Before joining Akbank, Ahmet Fuat Ayla worked in marketing and sales department positions at Head Office and branches at different private sector banks. Ahmet Fuat Ayla is a graduate of Middle East Technical University, Faculty of Economics and Administrative Sciences, Department of Business Administration.

Eyüp Engin - Member

Eyüp Engin joined Akbank in 1978 as an Assistant Internal Auditor. Following his auditing assignment, Eyüp Engin served as Department Head in Treasury, International Banking and Overseas Financial Institutions. He was appointed as the Executive Vice President in charge of Corporate Banking in 1996 and after 1998, Engin continued to serve as Executive Vice President in charge of International Banking and Overseas Financial Institutions Marketing.

Eyüp Engin was appointed to the position of Head of Internal Audit in 2007 and during 2007-2019 he served on Boards of Directors of Bank's subsidiaries as the President of Audit Committee. A graduate of Middle East Technical University, Faculty of Economics and Business Administration, Engin served as Executive Board Member between March 2019 and March 2020 and as Vice Chairman and Executive Board Member between March 2020 and October 2023. He is currently serving as a Board Member.

Yaman Törüner - Member

Yaman Törüner became a member of the Board of Directors in March 1998. Having served as a Member of Parliament between 1995 and 1999, Yaman Törüner also served as a Minister of State in 1996. Between 1990 and 1994, Yaman Törüner served as the President of the Istanbul Stock Exchange and from 1972 until 1990 he worked in various administrative positions within the Central Bank of Türkiye, also serving as the Governor of the Central Bank of Türkiye between February 1994 and January 1996

Emre Derman - Member

Emre Derman has led numerous large cross-border transactions in Türkiye as a partner with the international law firm White & Case between 1989 and 2008. In addition to his work in Türkiye he has worked in the New York and London offices of the firm and also in former Soviet Union and Eastern European countries during his term as a lawyer for the EBRD in 1994 to 1995. A former board member of Akbank in 2010, Derman has served as a Managing Director and the Senior Country Officer of JP Morgan in Türkiye between 2011 and 2014. He is a member of various organizations relating to education and yacht racing and serves as a freelance consultant. Derman holds an LL.B. from Istanbul University Law School and an LL.M. from Harvard Law School.



Orhun Köstem - Member

Orhun Köstem received his bachelor's degree from Middle East Technical University Mechanical Engineering Department in 1991 and completed his MBA program at the same university. He also has a master's degree in Finance and Corporate Law from Bilgi University.

Mr. Köstem joined Anadolu Group in 1994 and held various management positions until 2008. In 2008, he was appointed as the CFO of Efes Breweries International and in 2009 continued his career as Corporate Finance Coordinator of Anadolu Group. Mr. Orhun Köstem pursued his career in Coca-Cola İçecek where he worked from 2010 to 2016 as the CFO and from 2017 to 2018 as the Regional Director responsible for Middle East and Pakistan. Mr. Köstem served as the CFO of Anadolu Efes between 2019 and 2021. Mr. Köstem is the Group CFO of Sabancı Holding since July 1, 2021. He is also the Chairman of Carrefoursa, Vice Chairman of Sabancı İklim Teknolojileri, Supervisory Board Member of Cimsa Sabancı Cement BV and Member of the Board of Directors of Kordsa, Enerjisa Enerji and Enerjisa Üretim.

Mr. Köstem is one of the three authors of the book "A Window to Capital Markets: The A to Z of Public Offering and Investor Relations" published in 2009. In 2016, 2019, 2020 and 2021 he was listed among "Türkiye's Most Influential 50 CFOs", according to a research conducted by BMI Business School in collaboration with DataExpert. He was awarded as Türkiye's Best CFO in the Investor Relations Awards organized by Thomson Reuters Extel in 2011 and 2013, while he was also honored with the "Best CFOs" by Sell Side analysts in Consumer Sector in Emerging EMEA by Institutional Investor Magazine and Institutional Investor Research Group in 2020. Mr. Köstem ranked as Best CFO for the Institutional Investor 2022 Emerging EMEA Equity Awards, among industrial institutions. He also named among C-Suite Series -Fortune CFO 2022 list. He is also a member of CFA Society and CFO Network of the World Business Council for Sustainable Development (WBCSD).

Tuğrul Belli - Member

Tuğrul Belli started his professional career at Iktisat Bank's Corporate Finance Department in 1990. He started serving as General Secretary at Turkish Bank in 1994, and participated in the foundation of Turkish Yatırım in 1997, a subsidiary of the bank. He served as a Member of the Board of Directors of the company until 2005, and also served as General Manager for a period. He still serves as an Economics Advisor at Turkish Bank. Belli taught at İstanbul Ticaret University on "Banking Management" between 2006 and 2012. Belli has been an op-ed columnist of Dünya Daily since 2008. An alumni of American Robert College, he holds an undergraduate degree from London School of Economics and Political Science, and a graduate degree from CUNY Baruch College.

Levent Demirağ - Member

Levent Demirağ joined Sabancı Holding as a Consultant in 1994, became Financial Affairs Director in 2007, and served as the President of Financial Affairs, Accounting and Investor Relations from May 2010 to September 2021. He also served as a member of the board of directors in Sabancı Holding group companies. He has Sworn-in Certified Public Accountant and Independent Auditor certificates. Levent Demirağ graduated from Ankara University, Faculty of Political Sciences in 1980 and worked as a tax inspector at the Ministry of Finance before joining the Group.

Kaan Gür - Board Member and CEO

Kaan Gür, with over 30 years of experience in the banking sector, obtained his degree from Gazi University's Faculty of Banking and Insurance and an Executive MBA from the Middle East Technical University. He began his career in a prominent private sector bank, holding positions such as Branch and Regional Manager in Corporate, Commercial, and SME Banking, later transitioning to the role of Director of SME Marketing Coordination.

In 2011, Gür joined Akbank as the Executive Vice President of SME Banking. From 2013 to 2017, he served as the Executive Vice President of the Commercial Banking segment, overseeing the Cash Management and Trade Finance departments. During this period at Akbank, he also held the positions of Chairman of AK Lease and Vice Chairman of AK Investment, both Akbank subsidiaries. Between 2017 and 2023, Gür assumed the role of CEO and Board Member at another private sector bank, leading transformations across various areas, including corporate,

technological, and cultural sectors. As of October 2023, Gür has assumed the position of CEO and Board Member of Akbank. Kaan Gür is also Vice Chairman of the Supervisory Board of Akbank AG and a member of the Supervisory Board of Akbank Ventures BV.

Advisor to the Board of Directors and Chairman of the Inspection Board

Erol Sabancı - Consultant to the Board

Erol Sabancı served as a member of the Akbank Board of Directors between 1967 and March 2018. For a decade beginning from March 1998 Erol Sabancı was the Chairman of the Board of Directors. He has been a Consultant to the Board of Directors since March 26, 2018. Erol Sabancı also serves as Vice Chairman of the Board of Directors of Sabancı Holding.

Savaş Külcü - Chairman of the Inspection Board

joined Akbank in 1998 as an Assistant Internal Auditor. After taking various responsibilities in Internal Audit division, he served, as Deputy Head of Internal Audit for 10 years, and as the Head of Internal Control and Compliance Department for 2. 5 years. Savaş Külcü was appointed to the position of Head of Internal Audit in 2019. He is also Board Member and Chairman of the Audit Committee of Bank's subsidiaries Aklease, Ak Asset Management and Aköde Elektronik Money and Payment Services. Külcü has a B.Sc. degree in Economics

from Boğaziçi University; recevied MBA degree from Sabancı University and master's degree in Accounting and Auditing from Işık University. Savaş Külcü holds, CIA (Certified Internal Auditor), CAMS (Certified Anti-Money Laundering Specialist), CAMS – FCI (Advanced Financial Crimes Investigator), CGSS (Certified Global Sanctions Specialist) and CDPSE (Certified Data Privacy Solutions Engineer) certificates. He is also a CPA (Certified Public Accountant) licensed by The New Hampshire Board of Accountancy in USA. Mr Külcü is fluent in English, German, Dutch, Arabic and also speaks Indonesian and Malay.



Trust

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Sustainable Financing

People & Community Ecosystem Management Climate Change

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Our International Advisory Board

Suzan Sabancı, CBE- Chairman

Hamid Biglari - Member

Hamid Biglari is currently Senior Partner and Chairman of Asset Management & Financial Services at RedBird Capital Partners, a global private equity firm. In that capacity, he helps to oversee the financial services investment portfolio and is also involved with the firm's strategic growth initiatives globally.

From 2017 through 2022, he was a senior executive at Point72 Asset Management, a global hedge fund, responsible for global equities trading and portfolio analytics.

From 2000 to 2013, he was a senior executive at Citigroup, ending his tenure there as Vice Chairman & Global Head of Emerging Markets, responsible for Citi's business portfolio across both Consumer and Corporate & Investment Banking in 78 emerging market countries. He was a member of Citigroup's Operating Committee and held various senior management roles throughout his 13-year tenure at the institution, including Chief Strategy Officer of Citigroup, Chief Operating Officer of the Citi's global investment bank and trading business, and Global Head of Investment Banking for Financial Institutions. Prior to joining Citigroup, Hamid was a Partner at McKinsey & Company, where he co-led the Firm's investment banking consulting practice. Prior to that, he was a theoretical nuclear physicist at Princeton University's Plasma Physics Laboratory, the nation's leading center for controlled thermonuclear fusion research.

Hamid sits on the Board of Directors of SparkCognition, a global provider of enterprise AI solutions. He is a member of Council on Foreign Relations and a Vice-Chair of Asia Society's Board of Trustees. He also sits on the President's Advisory Council and Advisory Board of the Bendheim Center for Finance at Princeton University. While at Citigroup, he was a member of the US-China Business Council. From 2013 to 2015, he was a Board member of Avolon Holdings, the global jet leasing company, and Chair

of its Compensation Committee, until its sale to HNA Group.

An Iranian-American, Hamid was awarded the Ellis Island Medal of Honor in 2009, given for outstanding contributions to the United States by immigrants. He holds a Ph.D. degree in Astrophysical Sciences from Princeton University...

Lubna Olayan - Member

Lubna S. Olayan is Chair of the Executive Committee of Olayan Financing Company (OFC), the holding company for The Olayan Group's trading, real estate, investment, consumer, and industrial-related operations in the Gulf region. She also chairs the board of Olayan Saudi Holding Company (OSHCO), an OFC affiliate through which consumer and industrial-related operations are conducted, as well as chairs and sits on the board of a few of its companies.

In 2004, Ms. Olayan became the first woman to join the board of a Saudi publicly listed company when she was elected to the board of Alawwal Bank. In 2018, following the merger of Alawwal with SABB, the Saudi affiliate of HSBC, she was elected and still serves as Chairman of the newly merged entity.

Ms. Olayan is also currently a member of several international advisory boards, including those of Akbank, Allianz SE, and Bank of America. Ms. Olayan is a trustee of MIT, a Chairman Emeritus at the Asia Business Council and a member of the panel of senior advisors at the Council on Foreign Relations. In addition to serving as President of the Suliman S. Olayan Foundation Ms. Olayan Chairs Alfanar, a UK-based charity that is one of the first venture philanthropy organizations in the Arab world. In 2020, Ms. Olayan took on the role of Chair of the B20 Trade & Investment Taskforce, during Saudi Arabia's Presidency of the G20 and has most recently been appointed Chairman of the Saudi-Greek and the Saudi Swedish Business Councils.

Ms. Olayan holds an MBA from Indiana University, a BS from Cornell University and an honorary Doctorate of Law from Trinity College.

Dante Roscini - Member

Dante Roscini holds the MBA Class of 1952 Chair at the Harvard Business School, where he teaches Business, Government, and the International Economy. He joined the faculty in 2008 and has published extensively on sovereign debt, monetary policy, central banking, and international investment. He is the Chairman of the European Economic Policy Forum at the Harvard Center for European Studies. He holds an MBA from Harvard and a summa cum laude Laurea degree in Nuclear Engineering from the University of Rome.

Before returning to HBS, Professor Roscini spent twenty years in investment banking with senior positions at three top US bulge bracket firms in New York and London. He was Head of European Capital Markets for Goldman Sachs, Head of Global Equity Capital Markets, and Head of the European Capital Markets and Financing Group for Merrill Lynch, where he was also a member of the Capital Commitments Committee and the Managing Directors Promotions Committee. Finally, he was Country Head of Italy, Chairman of European Capital Markets for Morgan Stanley, and a board member of Morgan Stanley International Bank. Prior to his investment banking career, Prof. Roscini worked as a researcher in nuclear archaeometry at the University of Rome, as a design engineer and project manager with Westinghouse Electric Corp. in the US, and as a management consultant with the Boston Consulting Group in Paris.

He has been a member of the board or advisory board of numerous industrial and financial companies, including several publicly listed in the US and Europe. He is a senior fellow of the Foreign Policy Association and of the Atlantic Council, a member of the American Economic Association, National Association for Business Economics, and Centro Studi Confindustria. He was awarded the title of Officer of the Order of the Star of Italy by the President of the Italian Republic.

Lorenzo Bini Smaghi - Member

Lorenzo Bini Smaghi is currently the Chairman of Société

He is also the Chairman of the Pecci Museum of Contemporary Art in Prato.

He is Honorary Professor at University College London' Policy Lab and CEPR Distinguished Fellow. He is Honorary President of the Italian Alumni of the University of

From June 2005 to December 2011 he was a Member of the Executive Board of the European Central Bank. Over the last 20 years he held several positions as Chairman of the board (Italgas, SNAM and SACE) and member of the Board (Finmeccanica, MTS, the European Investment Bank, Morgan Stanley International and Tages Holding). He was Visiting Scholar at Harvard's Weatherhead Center for International Affairs and the first Chairman of Fondazione Palazzo Strozzi, a cultural institution in Florence.

He started his career in 1983 as an Economist in the Research Department of the Banca d'Italia. He moved in 1994 to the European Monetary Institute to head the Policy Division, preparing for the creation of the ECB. In 1998 he was appointed Director General for International Affairs in the Italian Treasury.

He holds a Bachelor's Degree in Economics from the Université Catholique de Louvain (Belgium), a Master's degree from the University of Southern California and a Ph.D in Economics from the University of Chicago.

He is author of several articles and books on international and European monetary and financial issues (available in www.lorenzobinismaghi.com), in particular "Austerity: European Democracies against the Wall" (CEPS, July 2013), "33 false verità sull'Europa" (Il Mulino, April 2014) and "La tentazione di andarsene: fuori dall'Europa c'è un futuro per l'Italia?" (Il Mulino, May 2017).



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Tom de Swaan - Member

Tom de Swaan was appointed to the Supervisory Board of ABN AMRO Bank N.V. as Chair and member effective 12 July 2018 and reappointed effective 20 April 2022 for a period of four years. His term of appointment will expire upon the closing of the annual general meeting in 2026. Tom started his career at De Nederlandsche Bank N.V. (DNB) in 1972. In 1983, Tom became a Deputy Member of the Board in charge of DNB's accounting, legal and banknote departments. Two years later, he was appointed as a full Member of the Governing Board. In 1992 he moved over to the regulatory and policy side of DNB as the Governing Board Member responsible for Banking Supervision. In this capacity he became a member and subsequently Chair of the European Monetary Committee's Banking Supervisory Committee, and member and subsequently Chair of the Basel Committee for Banking Supervision.

In 1999, Tom joined the Managing Board of ABN AMRO as Chief Financial Officer and Chief Risk Officer. While at ABN AMRO he continued his international activity on the policy and regulatory side. In 2000 he became a nonexecutive member of the board of the Financial Services Authority in the UK. In 2006, Tom stepped down from his executive role at the bank and held various non-executive positions at GlaxoSmithKline, DSM, Ahold and Van Lanschot Bankiers, an executive position at Zurich Insurance Group (CEO a.i.), as well as a variety of other boards and advisory functions in banking and other sectors. On the not for profit side Tom was Chair of the Supervisory Council of the Antoni van Leeuwenhoekziekenhuis/Netherlands Cancer Institute until 1 June 2019 and member of the Board of the Foundation Premium Erasmianum until 24 May 2022.

He has a Master's Degree in Monetary and Macro Economics, University of Amsterdam (1972)

Paul Raphael - Member

Paul was Executive Vice Chairman at UBS from 2018 to 2021. He joined UBS in 2010 initially as Head of Global Emerging Markets and later served as UBS' Head of Wealth Management for Europe, Middle East, Africa and Latin America where he managed USD 450 billion of client assets and over 3,000 employees across four continents.

Before joining UBS in 2010, he spent six years at Credit Suisse, including three years in Hong Kong as Head of Investment Banking for the Asia Pacific region. Before joining Credit Suisse, Paul spent 10 years with Merrill Lynch in London and Paris and eight years at Salomon Brothers in New York in various M&A and capital markets roles.

Paul is a member of the advisory board of LIFE where he was founding chairman and a member of the Special Advisory Council of International Crisis Group. He is also a member of international advisory board of Akbank. He has a degree in economics from the University of Maryland and an MSC in management from MIT Sloan School of Management.

Yuval Atsmon - Member

Yuval Atsmon is a Senior Partner at McKinsey & Company, focused on serving TMT and Consumer clients on growth transformations with increased focus on tech, digital, and AI enablement. A graduate of the Tel Aviv University Law School and of Harvard Business, Yuval joined McKinsey in 2002, and has worked across multiple continents, including in China, out of the Shanghai office between 2006 and 2012. Amongst various roles he has had at the firm, he has been the leader McKinsey's global Growth and Innovation practice, China Strategy Practice and the Global TMT Knowledge and Capabilities agenda. He is currently supervising all finance for McKinsey sector and

functional practices, a member of McKinsey global Core Leadership Team and Europe's Operating Committee. In addition is the Chair of McKinsey Centre for Strategy Innovation where he is leading the firm's effort to scale the usage of Al across all strategy work.

Between 2017 and 2019, Yuval also spent two years as Chief Customer Officer of Globality (the world's first global premium B2B services marketplace, leveraging an innovative AI platform) where he expanded Globality's customer base, and built a strong team to support the Fortune 500 companies and the service providers working alongside them. Yuval is also prolific author, writing regularly for the McKinsey Quarterly and other publications.

Kaan Gür - Member

Hakan Binbaşgil - Member

Ahmet Fuat Ayla - Member



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Kaan Gür - Board Member and CEO

Kaan Gür, with over 30 years of experience in the banking sector, obtained his degree from Gazi University's Faculty of Banking and Insurance and an Executive MBA from the Middle East Technical University. He began his career in a prominent private sector bank, holding positions such as Branch and Regional Manager in Corporate, Commercial, and SME Banking, later transitioning to the role of Director of SME Marketing Coordination.

In 2011, Gür joined Akbank as the Executive Vice President of SME Banking. From 2013 to 2017, he served as the Executive Vice President of the Commercial Banking segment, overseeing the Cash Management and Trade Finance departments. During this period at Akbank, he also held the positions of Chairman of AK Lease and Vice Chairman of AK Investment, both Akbank subsidiaries. Between 2017 and 2023, Gür assumed the role of CEO and Board Member at another private sector bank, leading transformations across various areas, including corporate, technological, and cultural sectors. As of October 2023, Gür has assumed the position of CEO and Board Member of Akbank. Kaan Gür is also Vice Chairman of the Supervisory Board of Akbank AG and a member of the Supervisory Board of Akbank Ventures BV.

Bülent Oğuz - Executive Vice President - SME Banking

Bülent Oğuz joined Akbank in March 2003 and served as Vice President and Senior Vice President of SME and Consumer Banking respectively. Oğuz was appointed as Executive Vice President in charge of SME Banking in July 2013. He served as Executive Vice President of Retail Banking between November 2018 and December 2021. He has been in charge of SME Banking since January 2022. Bülent Oğuz is the Vice Chairperson of AkÖde and a Board Member of Ak Lease. Before joining Akbank, Oğuz held various managerial positions at Corporate Banking and Loans divisions at different private sector banks. Oğuz is a graduate of Middle East Technical University, Political Science and Public Administration and holds an Executive MBA degree from Sabancı University.

Burcu Civelek Yüce - Executive Vice President - Consumer Banking and Digital Solutions

Burcu Civelek Yüce joined Akbank in 2006 and respectively served as Senior Vice President of Strategy Department, Executive Vice President of Human Resources and Strategy, and Executive Vice President of Strategy, Digital Banking and Payment Systems. She has acted as the Executive Vice President of Consumer Banking and Digital Solutions since January 2022. Prior to joining Akbank, she worked in international management consulting and technology companies. Burcu Civelek Yüce has a B.Sc. degree in Industrial Engineering and an MBA degree from Boğazici University, both first in rank. She also participated in courses at Harvard Business School and Koc University. Yüce acts as the Chairperson of Aköde Elektronik Money and Payment Services, Board Member of Aksigorta, Agesa, Sabancı Ageas Health Insurance., Sabancı DX, Akbank Ventures BV, Ak Asset Management, IWF Türkiye and MMA EMEA and Endeavor Türkiye.

Ege Gültekin - Executive Vice President - Credit Monitoring and Collections

Ege Gültekin joined Akbank in February 2015 as Executive Vice President in charge of Credit Monitoring and Collections. Before joining Akbank, Ege Gültekin held various senior management positions at different banks and asset management companies. Ege Gültekin is a graduate of Middle East Technical University, Department of Faculty of Economics and Administrative Sciences and holds a Master's degree from John Hopkins University, Faculty of Engineering, Department of Information and Telecommunication Systems. Gültekin is also Board Member of Aklease and Chairman of Kredi Kayit Bürosu(KKB).

Levent Çelebioğlu - Executive Vice President - Corporate & Investment Banking

Levent Çelebioğlu joined Akbank in May, 2015 as Executive Vice President in charge of Corporate and Investment Banking. Prior to joining Akbank, he held various senior management positions at different private sector banks. Çelebioğlu is also the Vice Chairman of Akbank AG and Chairman of Aklnvestment. Additionally, he is Chairman of TUSIAD Banking Group. Levent Çelebioğlu is a graduate of 9 Eylul University, Faculty of Economics, Monetary Economics & Banking Department.

Türker Tunalı - Chief Financial Officer (CFO)

Türker Tunalı joined Akbank in September 2008 as Senior Vice President in charge of Financial Coordination and International Reporting. Prior to joining Akbank, he held various managerial positions since 1999. He was appointed as Executive Vice President (CFO) in charge of Financial Coordination in October 2017. Tunalı is also a member of Corporate Governance Committee. Tunalı is the Vice Chairperson of Ak Investment, also a Board Member and Audit Committee Chairperson of Akbank AG, a member of the Supervisory Board of Akbank Ventures BV, Board Member of AkLease and AkÖde. Türker Tunalı is a graduate of Boğaziçi University, Department of Business Administration and is a CFA charterholder since 2006.

Yunus Emre Özben - Executive Vice President - Credit Allocation

Yunus Emre Özben, joined Akbank in October 2005 as Assistant Manager in Project Finance Division after working at various financial & capital market companies from 1996 onwards. Promoted as Senior Vice President in charge of Investment Banking in March 2011 Mr Özben was finally appointed as Executive Vice President in charge of Credit Allocation in August 2018. Emre Özben is the Vice Chairman of AkLease, in addition to his chairman status at AkInvestment and Turkiye Securitization Company. Özben is a graduate of Marmara University Business Administration and holds an executive MBA degree from Sabancı University.

Zeynep Öztürk - Executive Vice President - Special Credits

Zeynep Öztürk, after working at various companies in the sector since 1990 joined Akbank in January 2011 as Senior Vice President in charge of Commercial Credits Monitoring and afterwards worked as Senior Vice President in charge of Corporate And commercial monitoring and collection, and Head of Special Restructring Consulting respectively. Zeynep Öztürk was appointed as Executive Vice President in charge of Special Credits in January 2019. Zeynep Öztürk is a graduate of METU Business Administration and received MBA degree from İhsan Doğramacı Bilkent University.

Gamze Şebnem Muratoğlu - Executive Vice President - Treasury

Sebnem Muratoglu is Executive Vice President in charge of Treasury since January 2019. She has been with Akbank since 1995 and was previously Chief Risk Officer of the bank. Prior to that she held various different positions in the areas of risk management and treasury within Akbank. Sebnem Muratoglu is Chairperson of Ak Asset Management, Member of Akbank AG Supervisory Board and Board Member of Ak Lease. She is a graduate of University of Kent Economics, holds a Master's degree from Macquarie University and participated in courses at Harvard Business School. Sebnem Muratoglu holds Financial Risk Manager (FRM) certificate since 2003. She is also a member of Women on Board Association Türkiye (WOB Türkiye) holding independent board membership certicate.

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Pınar Anapa - Executive Vice President - People and Culture

Pınar Anapa joined Akbank in 1999 and after taking various responsibilities in Internal Audit division, she worked as Deputy Head of Internal Audit between 2007-2014. Anapa started to serve as Career Development Senior Vice President in 2014, and she has been serving as Executive Vice President in charge of People and Culture since June 2019. Her areas of responsibility cover career development, organizational development, training, architectural solutions and operations. Pınar Anapa is a graduate of METU Economics and received an Executive MBA degree from Sabanci University in 2006. Anapa is also a Board Member of Akbank AG and Women in Technology Association.

Gökhan Gökçay - Executive Vice President -Technology

Gökhan Gökçay joined Akbank in May 2017 as Senior Vice President of Dijital Banking and Payment Systems Technologies Department. After taking on different roles in the Technology and Operations business family, in January 2023, he was appointed as Executive Vice President in charge of Technology. Gökçay started his career as a software engineer in 1992, held the positions of managing partner and department head of leader banks and consultancy firms in Türkiye and Europe in the field of Financial Technologies. Gökhan Gökçay is a graduate of Boğaziçi University, Department of Computer Engineering. He has a master's degree from the same department.

Cetin Düz - Executive Vice President - Commercial **Bankina**

Çetin Düz joined Akbank in 2004 and after taking various responsibilities in Internal Audit division, he worked as Deputy Head of Internal Audit between 2014-2015. He was appointed as Executive Vice President of AKLease in charge of Credit Allocation in August 2015. He worked as General Manager of AKLease since 2019 January. Çetin Düz was appointed as Akbank Commercial Banking Executive Vice President and Chairman of

Aklease in February 2023. Çetin Düz graduated from Boğaziçi University, Department of Political Science and International Relations and he holds an Executive MBA degree from Sabancı University.

Dalya Kohen - Executive Vice President- Private Banking and Wealth Management

Dalya Kohen joined Akbank in 2010 and after taking various responsibilities in Private Banking Division she worked as Senior Vice President of Private Banking between 2018-2023. As of May 2023, she was appointed as Executive Vice President in charge of Private Banking and Wealth Management. Dalya Kohen is also a Board Member of Ak Asset Management. Prior to joining Akbank, she worked in the Treasury Department of another private sector bank. Dalya Kohen is a graduate of Boğaziçi University, Department of Economics.

Beril Alakoç - Head of Branding and Communication

Beril Alakoç has worked in international companies since 1998 and started to work as Head of Branding and Communication in October 2021. Alakoc received a bachelor's degree in Economics from the University of Kent and completed her master's degree in marketing at the University of West of England. She is a member of Interactive Advertising Association, Advertisers Association, and Private Sector Volunteers Association.

Berna Avdan - General Counsel

Berna Avdan started to work at Akbank in August 2021. Before joining Akbank, she worked in the field of law at various private sector banks. A graduate of Ankara University Faculty of Law, Avdan completed her LLM degree in Information and Technology Law at Bilgi University and on International Issues at New York University. She is a board member of Aksandık.

Board Committees





















Audit Committee

The Audit Committee conducts auditing and oversight activities on behalf of the Board of Directors. Specifically, the Audit Committee assists the Board of Directors in executing its responsibilities with regard to the matters stipulated below:

- · Ensuring the effectiveness and adequacy of the internal control, risk management and internal audit systems,
- Overseeing the functioning of the internal control, risk management, internal audit, accounting and reporting systems in compliance with related legislation as well as the integrity of the resulting information,
- Conducting the initial assessment to assist the Board of Directors in selecting independent auditors and regularly monitoring the activities of the independent auditors selected by the Board of Directors,
- Ensuring that the internal audit activities of companies that are subject to consolidated audit under the Banking Law are conducted on a consolidated basis and facilitating their coordination,
- Notifying the Board of Directors of issues that may undermine the sustainability and credibility of the Bank's business and/or may lead to breach of applicable law and internal regulations of the Bank.

The Audit Committee receives regular reports from all units created under the internal control, internal audit and risk management systems as well as from independent auditors regarding execution of their respective duties. It is incumbent on the Committee to notify the Board of Directors of issues that may undermine the sustainability and credibility of the Bank's business and/or lead to breach of applicable law and internal regulations of the Bank. The Bank's subsidiaries have also formed audit committees. Akbank's Audit Committee monitors the operations and activities of the subsidiaries' audit committees.

Unless excused, all Committee members attend the scheduled meetings. Audit Committee members do not have a set term of office. The Audit Committee convenes at least four times each year.

Eyüp Engin, Chairman Levent Demirağ, Member



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Corporate Governance Committee

The duties, authorities and responsibilities of the Corporate Governance Committee include:

- Attaining, overseeing and communicating the Bank's compliance with the Corporate Governance Principles,
- Scoping and overseeing relationships with investors as well as authorized bodies such as the Capital Markets Board (CMB) and Borsa Istanbul (BIST),
- Ensuring and overseeing the establishment of an honest and transparent communications platform with the Bank's stakeholders,
- Formulating the Code of Ethics and overseeing compliance,
- Supervising the activities of the Shareholder Relations
 Unit
- Creating a transparent system for determining, evaluating and training suitable candidates for the Board of Directors, and conducting efforts to determine policies and strategies related to this issue,
- Monitoring, auditing and reporting remuneration practices are conducted by Members of the Remuneration Committee on behalf of the Board of Directors,
- Determining, maintaining and monitoring policies regarding all corporate social responsibility projects, including culture and art activities,
- Ensuring and supervising that the Bank's Annual Report, website, and similar publicity channels are prepared in conformity with the Corporate Governance Principles,
- Supervising the preparation of the Sustainability Report,
- Ensuring and supervising that necessary actions are taken to protect the Bank's brand and reputation.
- The Corporate Governance Committee convenes twice a year.

Hakan Binbaşgil, Chairman Yaman Törüner, Member Türker Tunalı, Member

Board Members **Hakan Binbaşgil** and **Yaman Törüner** are also Members of the Remuneration Committee.

Credit Committee

The Credit Committee is the ultimate executive body to ratify lending decisions. The Committee assesses loan proposals that are cleared by headquarters in terms of their compliance with legislation, banking principles and objectives, and lending policies of the Bank. Credit Committee members do not have a set term of office. The Credit Committee convenes on an as-needed basis.

Ahmet Fuat Ayla, Chairman Hakan Binbaşgil, Member Kaan Gür, Member

Executive Risk Committee

The Executive Risk Committee is responsible for developing risk policies, determining appropriate methods for measurement and management of risks, setting commensurate risk limits and monitoring their performance. All risk policies formulated are documented in writing and incorporated with the overall long-term strategy of the Bank. The Committee convenes twice a year.

Hakan Binbaşgil, Chairman Ahmet Fuat Ayla, Member Kaan Gür, Member

<u>Changes in Our Organizational</u> <u>Structure During the Year</u>

As of January 20, 2023, Nesip İlker Altıntaş resigned from his position as Executive Vice President of Technology and Operations, and on the same date, Gökhan Gökçay was appointed as the Executive Vice President of the newly established Technology Business Unit.

As of January 20, 2023, Pinar Anapa, who had served as the Executive Vice President of People and Culture, was appointed to the Branch Operations, Treasury and Capital Markets department. She continues to serve as the Executive Vice President of People and Culture, assuming the responsibilities of Operations, Digital Payments Operations, Customer Experience and Service Design, and Business Continuity. As of January 31, 2023, Mehmet Tugal resigned from his position as Executive Vice President of Commercial Banking. As of February 1, 2023, Çetin Düz was appointed as Executive Vice President of Commercial Banking. As of May 1, 2023, Alp Keller resigned from his position as Executive Vice President responsible for Private Banking and Investment Services Business Unit. And again as of May 1, 2023, Dalya Kohen was appointed as Executive Vice President of Private Banking and Investment Services.

In line with the decision taken by our Board of Directors; as of October 2, 2023:

- Mr. Sabri Hakan Binbaşgil, who has been serving as the General Manager of our Bank since 2012, was appointed as the Vice Chairman of the Board of Directors and Executive Director.
- Mr. Eyüp Engin was appointed as a Member of the Board of Directors.
- Mr. Cenk Kaan Gür was appointed as the General Manager.
- The resignation of Mr. Özgür Demirtaş, a member of the Board of Directors, was accepted.

Summary Board Report

As Akbank, we maintained our leading position in the Turkish banking sector in 2023 thanks to our strong balance sheet, effective risk management, customeroriented approach, and solid and long-term relations. In 2023, our consolidated gross profit was 87,092 million TL, our consolidated net profit was 66,496 million TL, our return on equity was 37.9%, and our return on assets was

Our consolidated total assets amounted to 1 trillion 905 billion TL, our cash loans amounted to TL 962 billion, and our deposits amounted to 1 trillion 293 billion TL. Our capital adequacy ratio remained at a very high level of 21%, well above the recommended ratio of 12% in the Turkish banking sector.

Our Bank's goal is to create sustainable and high value for all its stakeholders in all areas of banking. We will continue our efforts and investments in the coming period in order to grow effectively by taking our successful performance in 2023 to the next level with a sustainability strategy as our focus. We would like to thank our employees, partners and social stakeholders for their contributions and support.

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Our Policies

Corporate Governance Policies	Our Approach
Ethical Principles	By following the principles that have been established, we shape all our transactions, conduct and decisions and guide our progress.
Anti-Bribery and Anti-Corruption Policy	We aim to fully comply with anti-bribery and anti- corruption laws and regulations, clean banking rules, ethical standards, and universal instructions.
Dividend Policy	We distribute a maximum of 40% of the distributable profit in cash and/or stock.
Disclosure Policy	We establish close and transparent communication with our shareholders.
Gift and Hospitality Policy	We maintain strict policies against giving and receiving gifts.
Remuneration Policy	We follow a management approach that complies with the BRSA and CMB Corporate Governance Principles.
Donation and Contribution Policy	In accordance with the Capital Markets Law and the Banking Law, we donate up to a maximum of 0.4% of equity.
Compensation Policy	We ensure full compliance with the Labour Law.
Diversity and Inclusion Policy	We aim to create a corporate culture that is participatory, free, and open to different thoughts. We are working to create opportunities to unleash the human potential of our country.
Human Rights Policy	We aim to create a modern and respectful business environment and to convey human rights approaches and principles. This includes the understanding of the importance of displaying a sensitive attitude towards human rights in our relations with all our stakeholders and acting in line with these principles.
Supplier Code of Conduct	As Akbank, we act in accordance with the policies and ethical rules specified in all procurement processes.
Zero Tolerance Policy towards Violence	We believe in the importance of individual safety and the importance of feeling safe both at home and at work. In this context, we fight against all forms of violence and abuse, which are the elements that most undermine trust.

Corporate Governance Policies	Our Approach
Cookie Policy	We aim to provide convenience for users who visit our website and to further improve our operations.
Internal Control and Supply Chain Compliance Program Policy	In accordance with Borsa Istanbul regulations, we carry out studies on the procedures and principles of our bank's Internal Control and Supply Chain Compliance Program.
Akbank Disclosure Text on Processing of Personal Data	In accordance with the principle of privacy and protection of the fundamental rights and freedoms of natural persons, we take all the necessary measures in the processes of storing, processing and transmitting personal data in accordance with the legislation.
Occupational Health and Safety Policy	In line with our values, we pay attention to public interest and respect the right of individuals to pursue a healthy and safe life. We consider creating and maintaining a safe and healthy working environment as an indispensable part of our responsibilities and activities.
Risk Policy	In the practices and conduct of our bank and our employees towards customers, we act by considering the interests of the customers as well as observing the legal regulations.
Environmental and Social Policies	Our Approach
Akbank E&S Risk Framework	We evaluate the environmental and social risks of the commercial activities of all our customers to whom we provide loans. We also collaborate with them to continuously improve their environmental and social performance.
Sustainable Finance Framework	While financing our sustainability projects, we taken int consideration our green and social compliance criteria accordance with international export standards.
Environmental Policy	We continue to work in a performance-oriented manner to manage the risks and opportunities that arise within the scope of combating climate change and protecting the environment. In this process, we aim to create the right governance structure and control systems.

Our Affiliates

Eser Okyay - AKLease CEO

Eser Okyay joined Akbank in 2002 at Internal Audit
Division as an Assistant Auditor. Between 2007 and
2019, Okyay served as Commercial Banking Sales and
Marketing Manager, Commercial Banking Marketing
and Sales Manager, Branch Manager, and Regional
Manager. Okyay, was working as Senior Vice President of
Commercial Banking until he was appointed as AKLease
General Manager and Board Member in 2023 February.
After graduating from TED Ankara College, Eser Okyay
graduated from METU Political Science and Public
Administration. Okyay, also holds Executive MBA degree
from Boğaziçi University.

Mehmet Ali Ersarı - Ak Asset Management CEO

Graduated from Middle East Technical University Civil Engineering department, Ersarı completed his MSc in Civil Engineering at the same university and his MBA at Bilkent University. Before joining Ak Asset Management as Executive Vice President in 2008, he served as Treasury Director of ABN Amro Bank. Mehmet Ali Ersarı has held senior management positions in leading financial institutions for more than 25 years.

Mehmet Tugal - Chairman of the Managing Board /

Mehmet Tugal joined Akbank AG as Chairman of the Managing Board and Chief Executive Officer on March 6th, 2023.

Prior to joining Akbank TAS, he held a number of management positions in various private sector banks. He has been an integral part of Akbank TAS since he started to work in the Corporate Branch at Akbank TAS

in September 2005 and served as the Corporate Branch Manager and the Department Head in the Commercial Banking Business Unit, respectively. He worked as Akbank Commercial Banking Executive Vice President from 2017 to 2023. Along with his responsibilities in Akbank TAS, he was the Chairman of the Board of Directors of AkLease, Vice Chairman of the Board of Ak Investment Menkul Değerler A.Ş., and Member of the Board of Endeavor Türkiye Active Entrepreneur Support Association.

Mehmet Tugal holds a Bachelor of Business Administration from Bilkent University and an MBA from Central Michigan University. He attended various training programs including Harvard Business School and Euromoney.

Mert Erdoğmuş - Ak Investment CEO

Mert Erdoğmuş was appointed as CEO of Ak Investment in January 2015. Before joining Ak Investment he worked in different positions in banks and financial institutions for more than 20 years. Erdoğmuş graduated from Istanbul University, Department of Business Administration in English, and received an MBA from Bloomsburg University of Pennsylvania.

Emel Arseven - AkÖde CEO

Emel Arseven joined Akbank in 2000 at Internal Audit division. After taking various responsibilities in Product Management, Direct Banking and Akbank Academy between 2006 and 2017, she started to serve as Digital Banking Senior Vice President in 2017. Since the beginning of 2022, Arseven has been assigned as the CEO of Aköde and chairperson of TÖDEB (Türkiye Ödeme ve Elektronik Para Kuruluşları Birliği). Emel Arseven is a graduate of METU Economics and received an Executive MBA degree from Sabanci University.

Information on People and Organizations from Which We Receive Support Service

No	Company Name	Service Details	
1	AGT Hızlı Kurye Hizmetleri A.Ş.	Courier Services (Contracted Company for Card Distribution Services)	
2	Aköde Elektronik Para ve Ödeme Hizmetleri A.Ş	Submission of Requests for Consumer Loan Applications to the Bank	
3	Amaris Teknoloji İstanbul Danışmanlık Limited Şirketi	Mobile Asset Management Enrichment	
4	Assistt Rehberlik ve Müşteri Hizmetleri A.Ş.	Call Centre Services (Outbound, Inbound)	
5	Atos Müşteri Hizmetleri A.Ş.	Call Centre Services (Outbound, Inbound)	
6	Austria Card Türkiye Kart Operasyonları A.Ş.	Card and chip supply, card personalization services	
7	BHL TÜRKİYE TEKNOLOJİ ANONİM ŞİRKETİ	Services of Forwarding Requests Regarding Loan/ Credit Card Applications to the Bank	
8	Bilge Adam Bilgisayar ve Eğitim Hizm. San. Tic. AŞ.	Test-Environment Monitoring and Operation Services Windows, MacOS, Mobil Sistemler Admin Hizmeti	
		Windows, MacOS, Mobile Systems Admin Services	
		ATM Electronic Journal Management	
		ATM Remote Password Management	
9	Bilişim Bilgisayar Hizmetleri A.Ş. (Banksoft)	Banksoft Clearing and Appeal System	
		ISS/IAS Systems	
		Arçelik cash register integrated Pos application development	
10	Bilkay Danışmanlık ve Destek Hizmetler A.Ş.	These are the support services received for Document Barcoding, Scanning, Separation, Data Entry, Communication and Control works and data entry of Power of Attorney documents	
11	Brinks Güvenlik Hizmetleri A.Ş.	Effective Foreign Currency Transportation Services	
		Call Centre Services (Outbound, Inbound, Chat)	
12	COMDATA Teknoloji ve Müşteri Hizmetleri A.Ş.	Call Centre Services (Collection calls)	
		Customer Satisfaction Calls	



No	Company Name	Service Details			
NO	Company Name	Service Details			
		Call Centre Services (Outbound, Inbound)			
13	CMC İletişim ve Çağrı Merkezi Hizm. A.Ş. (M Plus)	Call Centre Services (Collection calls)			
		Digital Wallet, GMU (Secure Financial Application) and Virtual Pos Operation Services			
14	Cyberwise Siber Güvenlik Ticaret A.Ş.	Application Whitelisting, Software Purchase and On-Site Support Services			
15	Desmer Güvenlik Hiz. Tic. A.Ş.	Cash Operation services			
16	DSM Türkiye Teknoloji Hizmetleri A.Ş. (Trendyol)	Trendyol Shopping Loan			
17	D Ödeme Elektronik Para ve Ödeme Hizmetleri A.Ş. (Hepsipay)	Hepsipay Cash Credit Application API / Hepsipay Cash Credit Integration			
18	D-Market Elektronik Hizmetler ve Ticaret A.Ş. (Hepsiburada)	Hepsiburada Shopping Credit			
19	DIP Bilgisayar Yazılım Ticaret A.Ş.	Data Warehouse applications, software development and maintenance services			
20	E-Kart Elektronik Kart Sistemleri San. ve Tic. A.Ş.	Card and chip supply and card personalization services			
21	Elite Consulting Bilişim ve Danışmanlık Hizmetleri Ltd. Şti.	Data Architecture Operational Support			
22	Eretim Bilgisayar Hizmetleri ve Dan. Ltd. Şti.	Argus Application (Cognos Reporting) Software Development Maintenance			
23	Etcbase Yazılım ve Bilişim Teknolojileri A.Ş.	Legal Tracking System			
24	Evren Yönetim Danışmanlığı ve Bilişim Tekn. Paz. Ltd. Şti.	Axess and Free Card Website Maintenance and Update			
25	Evrensel Yazılım Teknolojileri Bilişim San.ve Tic. Ltd. Şti.	Foreign Trade Applications – Next-Generation Operations (YTO)			
26	Fineksus Bilişim Çözümleri Tic. A.Ş	Swift applications development and software maintenance			
		Swift BUCP Back Up Connectivity Packs Services			
27	Forcerta Bilgi Teknolojileri A.Ş.	Outsourcing within the scope of user authorizations management			
28	Fu Gayrımenkul Yatırım Danışmanlık A.Ş	Mortgage Establishment, Discharge/Cancellation and Increase, and Encumbrance Transactions			
29	Genbil Yazılım Ticaret ve Sanayi A.Ş.	Recruitment System Software Development Services			
30	Global Bilgi Pazarlama Danışmanlık ve Çağrı Servisi Hizmetleri A.Ş	Call Centre Services (Outbound, Inbound)			
31	G Teknoloji Bilişim Sanayi ve Ticaret A.Ş	Legal Reporting Infrastructure Renewal Project			
32	Hangisi İnternet ve Bilgi Hizmetleri A.Ş. (Hangikredi)	Services of Forwarding Requests Regarding Loan/Credit Card Applications to the Bank			
		Physical Archive Storage Services			
33	Hobim Arşivleme ve Basım Hizmetleri A.Ş.	Statement, Letter, etc. Printing and Enveloping Services			
		Separation, reading, reporting and destruction of returned statements			

No	Company Name	Service Details			
34	ICterra Bilgi ve İletişim Teknolojileri San. ve Tic. A.Ş.	Mobile Campaign Enrichment			
	16 14 1 10	Fund management app			
35	Infina Yazılım A.Ş.	Portfolio custody app			
36	İnnova Bilişim Çözümleri A.Ş	Virtual Pos Infrastructure Services Procurement			
		General Framework Agreement-Mobile Modernized Payment System and Internet Branch Corporate Digitalization			
37	Innovance Bilgi Teknolojileri A.Ş.	Axess Mobile Function Enhancement			
		Next-Generation Operation (Operative Decom) Program			
38	Karbil Yazılım ve Bilişim Teknolojileri Tic. A.Ş.	Vera Cash Register Integrated POS Application Development			
39	KA Dijital İnternet Pazarlama Reklamcılık Dan. ve Bilişim Tic.Ltd.Şti	Wings Website and Axess Mobile Application Management and Maintenance			
40	Key Yazılım Çözümleri A.Ş.	Development and maintenance of the EKON application that evaluates the suitability of appraisal reports			
		E-Mortgage Application Software Development Services			
41	Kibele İletişim Sistem ve Servisleri Tic. Ltd. Şti.	Enterprise ERP Project - Additional Consulting and Application Development Services			
42	Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	Insurance Applications Development Services (Formerly: Basic Banking Application Development and SSM (Sales Service Model) Services)			
		Cash Management Products Operational and Technical Support Services Procurement			
43	Komtaş Bilgi Yönetimi Danışmanlık ve Ticaret A.Ş.	Data Governance Consulting Services			
44	KKB Kredi Kayıt Bürosu A.Ş.	New ODM (Emergency Centre) KKB (Credit Bureau) Anadolu Data Centre Space Utilization Services			
45	Kurye Net Motorlu Kuryecilik Ve Dağıtım Hizmetleri A.Ş.	Contracted card distribution services			
46	Link Tera Bilgi Teknolojileri Anonim Şirketi	Murex Maintenance Services			
47	Loomis Güvenlik Hizmetleri A.Ş.	Effective Foreign Currency Transportation Services			
		akbankinvestorrelations.com Design & Development			
48	Luckyeye Bilgisayar Tanıtım Hizm.Yay. ve Tic.A.Ş.	Sustainable Investments Website Design, Development and Maintenance Services			
49	Metis Bilgisayar Sistemleri San. ve Tic. A.Ş. (Teleperformance)	Call Centre Services (Collection calls)			
		Credit, Treasury and Investment Applications Software Development Services			
50	Mirsis Bilgi Teknolojileri A.Ş.	Cash Management Applications Software Development Services			
		General Framework Agreement-Enterprise Architecture and Infrastructure Application Development Support Services			

(\leftarrow)	\rightarrow	Messages from Top
		Management

No	Company Name	Service Details			
		General Framework Agreement-Corporate and Security Applications Software Development Services			
50	Mirsis Bilgi Teknolojileri A.Ş.	IT Core Banking Applications Software Development Services			
		General Framework Agreement-Personal Loan MF Offload			
51	Mobtech Yazılım Danışmanlık San. ve Tic. A.Ş.	Corporate Conversion Sourcing			
52	MOS Bilişim Danışmanlık Sanayi ve LTD (Master of Service Academy)	Software Asset Management Services Procurement			
53	MUREX SAS	Murex Treasury Applications Development and Software Maintenance			
54	MTM Holografi Güvenlikli Basım ve Bilişim Tekn. San. Tic. A.Ş	Cheque Printing Services			
55	Netaş Telekomünikasyon A.Ş	Procurement of testing services within the scope of Akbank Applications			
		Payment Systems Modernization Project Testing Services			
56	NCR Bilişim Sistemleri Ltd. Şti.	Call Centre (Genesys, Vidyo) applications and Omagic application development and software maintenance			
30	NOR BIIIŞIIII SISTEITIIEII ELU. ŞU.	APTRA VISION (ATM hardware fault monitoring) application development and software maintenance			
57	MAGICLICK Teknoloji A.Ş.	Akbank.com and Yatirim.akbank.com Design and Development Services			
58	MAGICLICK ARGE A.Ş.	Akbank.com and Yatirim.akbank.com Design and Development Services			
59	NETA YAZILIM ANONİM ŞİRKETİ	App Development Purchase			
60	Novosoft Yazılım Teknolojiler Bilişim Sanayi ve Tic. A.Ş.	Archive management system development and software maintenance			
		General Framework Agreement-Business Objects Reporting application, development and software maintenance			
61	NTT Data Business Solutions Bilgi Sistemleri A.Ş	Pos Applications Software Development and Testing Processes Services			
		General Framework Agreement-MF Offloading ATM Cobol Programs Conversion to Java			
62	Oredata Yazılım Ltd. Şti.	Software development services for the inclusion of trial balances in the system			
63	OBSS Teknoloji A.Ş.	Mobile Banking Software Development			
03	ODOU TEKNOLOJI A.Ģ.	Modernization of Payment Systems MPos Sourcing			
64	Pax Teknoloji ve Pazarlama Anonim Şirketi	s920 POS software development			
		3D Secure Operations Over BKM (ACS) Software Development and Maintenance Services			
65	Payten Teknoloji A.Ş.	Arrangements of Chip Money and Foreign Currency Transactions in Virtual POS/Akpos terminal applications and Virtual Pos Transactions			
		Card Storage (MSU) Services			
		In-House Virtual Pos MPI/3DSS Purchasing Services			

No	Company Name	Service Details		
66	Plastikkart Akıllı Kart İletişim Sistemleri San. ve Tic. A.Ş.	Card and chip supply and card personalization services		
67	Proasist Elektrik Mekanik Teknik Hizmetler Sanayi ve Ticaret A.Ş.	Data Centre Technical and Mechanical Security and Facility Management Services		
68	Prometeia SPA Merkezi İtalya İstanbul Merkez Şubesi	Treasury Monitoring System Software Development and Maintenance Services		
69	Prozek Bilişim Çözümleri Ltd. Şti.	Maintenance, development support and consultancy services of applications running on the Domino system		
70	Protel Bilgisayar A.Ş.	Secure Financial Implementation Services		
71	Platin Bilişim A.Ş.	Procurement of Operational Services for Backup Infrastructure		
		Outsourcing Services for Enterprise Vault Software		
		Outsourcing Services for Enterprise Vault Software		
72	Sabancı Dijital Teknoloji Hizmetleri A.Ş.	SAP/HR implementation, development, and maintenance		
		E-invoice integration, maintenance and repair services		
		Automatic outbound and SMS sending		
73	Sestek Ses ve İletişim Bilgisayar Teknolojileri San. Tic. A.Ş.	Automatic Voice Search		
		Collection, Collection Reminder Call		
74	Smartin Bilgi Teknolojileri Hiz Tic Ltd Şti	Tibco Application Operational Services Outsourcing Services		
		Single POS Field Services		
75	Seri Bilgi Teknolojileri ve Destek Hizm. ve Tic. Ltd.Şti	IT Hardware Maintenance Field Services		
		Outsourcing within the Scope of User Authorization Management Activities		
76	Software Arge Sanayi ve Ticaret A.Ş.	Qliksense Frontend Mashup Development Services		
77	Tempo Çağrı Merkezi ve İş Süreçleri Dış Kaynak Hizmetleri Tic. A.Ş.	Call Centre Services (Outbound, Inbound)		
78	Tana Sayunana ya Ciiyaalik Sistamlari Sanayi A S	Private security personnel outsourcing		
76	Tepe Savunma ve Güvenlik Sistemleri Sanayi A.Ş	Private security personnel outsourcing		
79	Tepe Servis ve Yönetim A.Ş.	General Archive Centre Support Services		
80	Turkcell Ödeme ve Elektronik Para Hizmetleri A.Ş. (Paycell)	Customer Loan Applications Submission Services via API		
04	LIGO Dilinim Cint Ltd Cti	Call Centre Banking Software Development Services		
81	UCS Bilişim Sist. Ltd. Şti.	Outbound Centralization		
82	VBT Yazılım A.Ş.	Commercial Credit Card New Value Propositions-Card Payment Systems Applications Services Procurement		



No	Company Name	Service Details		
83	Vega Bilgisayar Hizmetleri Ltd. Şti.	VRM- Vega Report Centre		
		Akpos terminal applications software		
84	Verifone Elektronik ve Danışmanlık Ltd. Şti.	Hugin - Verifone Cash Register Integrated POS application software development		
		Internet Banking Software Development Services		
0.5	V	Enterprise CRM Transformation		
85	Veripark Yazılım A.Ş.	Mobile Asset Management Enrichment		
		Corporate Conversion Sourcing		
		Call Centre Services (Collection calls)		
86	Webhelp Çağrı Merkezi ve Müşteri Hizmetleri A.Ş.	Call Centre Services (Outbound, Inbound)		
87	Worldline Ödeme Sistem Çözümleri A.Ş.	Akpos terminal applications development and software maintenance		
88	Zenn Bilişim Teknolojileri San.ve Tic. A.Ş.	SYS implementation, development and software maintenance		
89	32BİT Bilgisayar Hiz.San.ve Tic. Ltd. Sti.	Bulk Transmission of Instant Foreign Exchange Transactions		
		Software Development Services		

Transactions with the Risk Group That Our Bank is Included In

Our loyalty report covers all kinds of banking transactions in accordance with the Bank's relations with the risk group to which the Bank belongs, within the framework of the normal bank-customer relations and under market conditions. Detailed disclosures regarding these transactions will be made available in the Consolidated Document to be made public as of December 31, 2023.

Non-existent Financial Statements, Explanations and Footnotes thereto and Independent Auditor's Report are included in footnote VII of the fifth chapter of the Independent Auditor's Report. In addition, such information is included in the Consolidated Financial Statements, Explanations and Footnotes thereto and footnote VII of the fifth chapter of the Independent Auditor's Report.

Our Affiliation Report

Our affiliation report covers all kinds of banking transactions in accordance with the Bank's relations with the risk group to which it belongs, within the framework of the normal bank-customer relations and under market conditions. Detailed explanations regarding these transactions are included in the Unconsolidated Financial Statements, Explanations and Footnotes to be disclosed to the public as of December 31, 2023, and footnote VII of the fifth chapter of the Independent Auditor's Report. In addition, such information is included in the Consolidated Financial Statements, Explanations and Footnotes thereto and footnote VII of the fifth chapter of the Independent Auditor's Report. The Board of Directors of Akbank has prepared an Affiliation Report for the 2023 operating year on the relations of our Company's controlling shareholder and its subsidiaries, with the companies affiliated with the

controlling shareholder, in accordance with Article 199 of the Turkish Commercial Code No. 6102.

The conclusion of the report is given below. The necessary explanations regarding the transactions we, as Akbank, have made with related parties are included in footnote VII of the Fifth Chapter of the Explanations and Footnotes to the Consolidated Financial Statements. In the Report prepared by the Board of Directors of Akbank, it is stated as follows: "The legal transactions made by our Bank with the controlling company Hacı Ömer Sabancı Holding A.Ş. and Sabancı Group Companies are stated above. There is no financial loss incurred by our bank due to its inclusion in the group of companies. All transactions have been concluded in accordance with market precedents and within the framework of the usual customer relations."

Report On Compliance with Corporate Governance Principles

	COMPLIANCE STATUS					EXPLANATION		
	Yes	Partial	No	Exempted	Not Applicable			
1.1. Facilitating the exercise of shareholder r	1.1. Facilitating the exercise of shareholder rights							
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.	х							
1.2. Right to obtain and review information								
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X							
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							
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.	x							
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X							
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.			х			Article 65 of the Articles of Association states "Right to Participate in Meeting". According to this, the General Shareholders' Meeting is not held open to public nor to the stakeholders.		

		COMPLIANCE STATUS				EXPLANATION
	Yes	Partial	No	Exempted	Not Applicable	
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					
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 twentieth the outstanding shares and expand the scope of the minority rights.			х			There are no members elected by minority rights in the Board of Directors of the Bank. Minority rights are not determined as less than one twentieth of the Bank's capital in the Articles of Association of the Bank. Meanwhile, utmost attention is paid to the use of minority rights in conformity with the Turkish Commercial Code (TTK) and Capital Markets Board (SPK) regulations.
1.6. Dividend right						
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					
1.7. Transfer of shares						
1.7.1 - There are no restrictions preventing shares from being transferred.	Х					



Messages from Top Management

Corporare Governance Our Sustainability Journey

Sustainable

Financing

People & Community Ecosystem Management Climate Change Financial Information

Annexes

		СОМ	PLIAN	ICE STAT	rus	EXPLANATION
	Yes	Partial	No	Exempted	Not Applicable	
2.1. Corporate website		1				
2.1.1 The 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.	х					
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 stakeholders						
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.	Х					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	х					
3.2. Supporting the participation of the stal	kehold	ers in t	he cor	poration	's manage	ement
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/ manuals), regulate the participation of employees in management.	х					
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	Х					

Akbank Built Upon Your

Trust

		СОМ	PLIAN	ICE STAT	rus	EXPLANATION
	Yes	Partial	No	Exempted	Not Applicable	
3.3. Human resources policy				•		
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for 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 organizes 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.	Х					
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					
3.4. Relations with customers and suppliers						
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.	Х					
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					



Messages from Top Management

Trust

Akbank Built Upon Your <u>Corporare</u> Governance Our Sustainability Journey

Sustainable

Financing

People & Community Ecosystem Management

Climate Change

Financial Information

Annexes

		СОМ	PLIAN	NCE STAT	rus	EXPLANATION
	Yes	Partial	No	Exempted	Not Applicable	
3.5. Ethical rules and social responsibility						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	х					
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.	х					
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					
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.	х					
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.	х					
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.		х				The Bank has insured itself against any damages resulting from unintentional errors by members of senior management, with an upper limit of USD 75 million.

		COMPLIANCE STATUS			EXPLANATION	
	Yes	Partial	No	Exempted	Not Applicable	
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			Although the Bank's Chairman of the Board of Directors is a woman, the target rate and time for the rate of female members on the Board of Directors has not been determined. In 2023, the rate of female members on the Bank's Board of Directors is 10%.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	Х					
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.	x					
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.	х					
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					It is stated in the Bank's Articles of Association that the Members of the Board of Directors cannot carry out any commercial transaction with the Bank, personally or indirectly, on their own behalf or on behalf of someone else, unless they receive permission from the General Assembly. In this regard, the provisions of Article 396 of the Turkish Commercial Code regarding the prohibition of competition and the Banking Law are reserved.

		СОМ	PLIA	NCE STAT	rus	EXPLANATION
	Yes	Partial	No	Exempted	Not Applicable	
4.5. Board committees						
4.5.5 - Board members serve in only one of the Board's committees.			х			Some board members serve in more than one Board committee This enables increased coordination between different Board committees.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	х					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.	х					
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	Х					YKÖB onay alındı.
+.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.			х			Board members are selected in General Assembly Meeting on a yearly basis. There is not any special performance evaluation conducted at the board level.
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.			х			The loans provided by Akbank to be used by the Board members are limited through a framework specified by the Article 50 of the Banking Law. No other loans are extended to the Board members outside thi framework.
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.			х			This is disclosed as a total amount in the Annual report. In 2023, TL 512 million financial benefits were provided to the Group's senior management.

The Corporate Governance Compliance Report (URF), Corporate Governance Information Form (KYBF) and Sustainability Principles Compliance Report documents approved by our Bank's Board of Directors can be accessed from the links below on the Public Disclosure Platform:

https://www.kap.org.tr/en/Bildirim/1253220 https://www.kap.org.tr/en/Bildirim/1253219 https://www.kap.org.tr/en/Bildirim/1253994

Corporate Governance Compliance Information Form

1. SHAREHOLDERS						
1.1. Facilitating the Exercise of Shareholders Rights						
The number of investor meetings (conference, seminar/etc.) organized by the company during the year	he Investor Relations and Sustainability Department participated in a total of 24 domestic and foreign investor conferences/roadshows in 2023, carried out investor meetings virtually or face-to-face with senior management attendance, and also organized 1 face-to-face domestic investor & analyst event with the participation of top management. During these meetings, 712 people were met in 296 meetings. In addition, we have continued to respond promptly and effectively to numerous queries conveyed by investors and analysts throughout the year via telephone and email.					
1.2. Right to Obtain and Examine Information						
The number of special audit request(s)	None.					
The number of special audit requests that were accepted at the General Shareholders' Meeting	None.					
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/en/Bildirim/1120703					
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Both in Turkish and English					
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	None					
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)	None					
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)	None					
The name of the section on the corporate website that demonstrates the donation policy of the company	https://www.akbankinvestorrelations.com/en/corporate-governance/detail/Donation-and-contribution-policy/170/310/0					
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/en/Bildirim/269794					
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	None					
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	There was no participation from unindentified stakeholders for the Ordinary General Assembly Meeting held for the year 2023.					

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Corporare Governance

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Whether the shares of the company have differential voting rights	No
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	-
The percentage of ownership of the largest shareholder	40.75%
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
If yes, specify the relevant provision of the articles of association	-
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	https://www.akbankinvestorrelations.com/en/corporate-governanc detail/Dividend-policy/165/287/0#::text=Provided%20that%20 no%20adverse%20conditions,40%25%20of%20the%20 Bank's%20 distributable
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	-
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not	-

GENERAL MEETINGS	
General Assembly Meeting Date	28.03.2023
The number of information requests received by the company regarding the clarification of the agenda of the General Assembly Meeting	0
Shareholder participation rate to the General Assembly Meeting	67.52%
Percentage of shares directly present at the GSM	0.06%
Percentage of shares represented by proxy	67.52%
Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	https://www.akbankinvestorrelations.com/tr/images/pdf/28032023_olagan_genel_kurul_toplantisi_zapt%C4%B1_imzasiz.pdf
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	469
The link to the related PDP general shareholder meetingnotification	https://www.kap.org.tr/tr/Bildirim/1128793

1. Corporate website	https://www.akbankinvestorrelations.com/en/			
Specify the name of the sections of the website providing the nformation requested by the Principle 2.1.1.	https://www.akbankinvestorrelations.com/tr/kurumsal-Yonethttps://www.akbankinvestorrelations.com/tr/kurumsal-Yonetim/detay/Sermaye-ve-ticaret-sicil-bilgileri/294/508/556im/detay/Sermaye-ve-ticaret-sicil-bilgileri/294/508/556			
Kurumsal internet sitesinde doğrudan veya dolaylı bir şekilde bayların %5'inden fazlasına sahip olan gerçek kişi pay sahiplerinin listesinin yer aldığı bölüm	https://www.akbankinvestorrelations.com/tr/akbank-hakkinda/deta Ortaklik-yapisi/282/518/0			
ist of languages for which the website is available	Both in Turkish and English			
2. Annual Report				
he page numbers and/or name of the sections in the equested by principle 2.2.2.	e Annual Report that demonstrate the information			
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	2023 Annual Report, pages 76, 77, 78, 79, 153			
o) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	2023 Annual Report, pages 89, 90			
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of coard meetings in a year and the attendance of the members to these meetings	2023 Annual Report, page 118			
The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the egislation which may significantly affect the activities of the corporation	2023 Annual Report, pages 266-273			
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	2023 Annual Report, pages 149-150			
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 burchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	-			
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 contribution to the capital exceeds 5%	2023 Annual Report, pages 58-62			
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 activities that arises social and environmental results	2023 Annual Report, pages 214-223			

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	https://www.akbankinvestorrelations.com/en/corporate- governance/detail/Compensation-policy/171/311/0						
The number of definitive convictions the company was subject to in relation to breach of employee rights	505						
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Board of Internal Control						
The contact detail of the company alert mechanism.	etik@akbank.com, 02123857777						
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management							

Trust

Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies.	None
Corporate bodies where employees are actually represented	None

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 bank has a succession plan for the key management positions and it is developed with the Board.
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.	https://www.akbankinvestorrelations.com/tr/kurumsal-Yonetim/detay/ Cesitlilik-ve-kapsayicilik-politikasi/615/1505/0
Whether the company provides an employee stock ownership programme	There is no 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.	https://www.akbankinvestorrelations.com/en/images/ pdf/Akbank_ Diversity_and_inclusion.pdf
The number of definitive convictions the company is subject to in relation to health and safety measures	None.

3.5. Ethical Rules and Social Responsibility

The name of the section on the corporate website that

Any measures combating any kind of corruption including

demonstrates the code of ethics

embezzlement and bribery

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.	https://www.akbankinvestorrelations.com/en/images/ pdf/Akbank_ Diversity_and_inclusion.pdf

krm-etik-ilkelerimiz-ing-web.pdf

https://www.akbankinvestorrelations.com/en/images/pdf/2018-0307-

https://www.akbankinvestorrelations.com/en/corporate- governance/detail/Anti-Bribery-Anti-Corruption- policy/164/502/0

Date of the last board evaluation conducted	-
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	-
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Suzan Sabancı - Chairman Sabri Hakan Binbaşgil - Vice Chairman and Executive Board Member, responsible for overseeing all activities of the Bank, member responsib for Internal Systems, member responsible for Compliance Program Ahmet Fuat Ayla - Executive Board Member, responsible for overseeing and management of lending activities
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	Akbank's Audit Committee held 4 meetings in 2023. Board of Internal Auditors, Board of Internal Control, Board of Compliance, Board of Ris Management and Board of Information Risk Management regularly report on Committee Meetings and their related activities as well.
Faaliyet raporunda iç kontrol sisteminin etkinliğine ilişkin değerlendirmenin yer aldığı bölümün adı veya sayfa numarası	Report of the Audit Committee can be found on page 146 of Akbank Annual Report 2023
Name of the Chairman	Suzan Sabancı
Name of the CEO	Cenk Kaan Gür
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	None
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	None
Number of women members and percentage	1 - 10%

Messages from Top Management

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Corporare Governance Our Sustainability Journey Sustainable Financing People & Community Ecosystem Management Climate Change Financial Information Annexes

COMPOSITION OF BOARD OF DIRECTORS

Name-Surname	Real Person Acting on Behalf of Legal Person Member	Gender	Title	Profession	The First Election Date To Board	Whether Executive Director or Not	Positions Held in the Company in theLast 5 Years	Current Positions Held Outside the Company
Suzan Sabancı	-	Female	Chairman of the Board	Banker	22.09.1997	Non- Executive	Chairman of the Board and Executive Director	H.Ö. Sabancı Vakfı - Trustee Committee Member, H.Ö. Sabancı Holding A.Ş Member of the Board, Sabancı Üniversitesi - Trustee Committee Member
Sabri Hakan Binbaşgil	-	Male	Deputy Chairman of the Board and Executive Director	Banker	5.01.2012	Non- Executive	Member of the Board and CEO	Akbank T.A.Ş. Mensupları Tekaüt Sandığı Vakfı - Chairman, Akbank AG - Chairman of the Supervisory Board, Akbank Ventures BV - Chairman of the Supervisory Board, H.Ö. Sabancı Holding A.Ş Executive Committee Member and Banking Unit President
Ahmet Fuat Ayla	-	Male	Executive Director	Banker	12.07.2017	Executive	Executive Director	-
Eyüp Engin	-	Male	Member of the Board	Banker	25.03.2019	Non- Executive	Deputy Chairman of the Board and Executive Director, Head of Board of Audit	-
Şakir Yaman Törüner	-	Male	Member of the Board	Banker	17.03.1998	Non- Executive	Member of the Board	Basın Konseyi - High Advisory Board Member

Whether She/ he has at least 5 Years of Experience in Audit, Accounting and/or Finance or not	Share in Capital (%)	The Share Group that the Board Member Representing	Independent Board Member or not	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	Committees Charged and Task
Yes	0.63	-	Dependent Member	-			-
Yes	-	-	Independent Member	-			Executive Risk Committee Chairman, Corporate Governance Committee Chairman, Credit Committee Member.
Yes	-	-	Dependent Member	-			Credit Committee Chairman, Executive Risk Committee Member.
Yes	-	-	Independent Member	-			Audit Committee Chairman
Yes	-	-	Dependent Member	-			Corporate Governance Committee Member.

Messages from Top Management

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COMPOSITION OF BOARD OF DIRECTORS

Name-Surname	Real Person Acting on Behalf of Legal Person Member	Gender	Title	Profession	The First Election Date To Board	Whether Executive Director or Not	Positions Held in the Company in theLast 5 Years	Current Positions Held Outside the Company
Emre Derman	-	Male	Member of the Board	Banker	26.03.2010	Non- Executive	Member of the Board	Turcas Petrol A.Ş Independent Board Member, Dragut Limited - Member of the Board, Eczacıbaşı Holding A.Ş. - Member of the Board
Nusret Orhun Köstem	-	Male	Member of the Board	Banker	28.03.2022	Non- Executive	Member of the Board	H.Ö. Sabancı Holding A.Ş Group CFO, CarrefourSA Carrefour Sabancı Ticaret Merkezi A.Ş. Chairman, Kordsa Teknik Tekstil A.Ş Member of the Board, Enerjisa Üretim Santralleri A.Ş Member of the Board, Enerjisa Enerji A.Ş Member of the Board, Sabancı İklim Teknolojileri A.Ş Deputy Chairman of the Board, Sabancı Building Solutions BV Supervisory Board Member
Mehmet Tuğrul Belli	-	Male	Member of the Board	Banker	23.03.2020	Non- Executive	Member of the Board	Sera Filmcilik San. Tic. A.Ş Member of the Board, Turkish Bank - Economics Advisor
Levent Demirağ	-	Male	Member of the Board	Banker	28.03.2022	Non- Executive	Member of the board	Ak Finansal Kiralama A.Ş. – Member of the board
Cenk Kaan Gür	-	Male	Member of the Board and CEO	Banker	2.10.2023	Executive		Akbank AG - Deputy Chairman of the Supervisory Board, Akbank Ventures BV - Member of the Supervisory Board

Whether She/ he has at least 5 Years of Experience in Audit, Accounting and/or Finance or not	Share in Capital (%)	The Share Group that the Board Member Representing	Independent Board Member or not	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	Committees Charged and Task
Yes	-	-	Dependent Member	-			-
Yes	-	-	Dependent Member	-			-
Yes	-	-	Independent Member	-	Considered		-
Yes	-	-	Independent Member	-			Audit Committee Member
Yes	-	-	Dependent Member	-			Credit Committee Member Executive Risk Committee Member

4. BOARD COMMITTEES-II

4. Meeting Procedures of the Board of Directors	
Number of physical board meetings in the reporting period (meetings in person)	5 physical, 1 online meeting
Director average attendance rate at board meetings	90% (for the year 2023)
Whether the board uses an electronic portal to support its work or not	None
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	Information to directors, as per the board charter, is provided around 3 days ahead of the board meeting
The name of the section on the corporate website that demonstrates information about the board charter	Information about the board charter is detailed in Articles of Association of Akbank (Article 27&31) https://www.akbankinvestorrelations.com/en/corporate-governance/detail/Articles-of-association/37/13/0
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	External commitments for board members are allowed in accordance with regulatory restrictions.
.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented.	'Akbank Annual Report 2023, on pages 89-90
Link(s) to the PDP announcement(s) with the board committee charters	The information regarding the Board Committees is at the Bank's website: https://www.akbankinvestorrelations.com/en/corporate- governance/list/Board-committees/549/1170/0

.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)	https://www.akbankinvestorrelations.com/tr/kurumsyonetim/liste/Yonetim-kurulu-komiteleri/543/1166/
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)	https://www.akbankinvestorrelations.com/en/corpor governance/list/Board-committees/549/1170/0
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)	-
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)	https://www.akbankinvestorrelations.com/en/corpor governance/list/Board-committees/549/1170/0
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)	https://www.akbankinvestorrelations.com/en/corpor governance/list/Board-committees/549/1170/0
.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)	Akbank Annual Report 2023, on page 91
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	-
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 report)	Akbank Annual Report 2023, on page 108

BOARD COMMITTEES-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
Options: 1-Audit Committee 2- Corporate Governance Committee 3- Nomination Committe) 4- Committee of Early Detection of Risk 5-Remuneration Committee) 5-Other			1-Yes, 2-No	1- (Board member) 2-(Not board member)
Audit Committee	-	Eyüp Engin	Yes	Board member
Audit Committee	-	Levent Demirağ	No	Board member
Corporate Governance Committee	-	Hakan Binbaşgil	Yes	Board member
Corporate Governance Committee	-	Yaman Törüner	No	Board member
Corporate Governance Committee	-	Türker Tunalı	No	Not board member
Remuneration Committee	-	Hakan Binbaşgil	Yes	Board member
Remuneration Committee	-	Yaman Törüner	No	Board member
Other	Credit Committee	Ahmet Fuat Ayla	Yes	Board member
Other	Credit Committee	Hakan Binbaşgil	No	Board member
Other	Credit Committee	Kaan Gür	No	Board member
Other	Executive Risk Committee	Hakan Binbaşgil	Yes	Board member
Other	Executive Risk Committee	Ahmet Fuat Ayla	No	Board member
Other	Executive Risk Committee	Kaan Gür	No	Board member

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%	1 online, 3 physical meetings	-
Corporate Governance Committee	-	67%	0%	2 physical meetings	-
Credit Committee	-	33%	0%	Convening on an as- needed basis.	-
Executive Risk Committee	-	33%	0%	2 physical meetings	-

Sustainability Principles Compliance Framework

		COMPLIANCE			CE		
		Yes	No	Partial	Irrelevant	Explanation	Information on Publicy Disclosed Information
A. Ge	neral Principles						
41. S	trategy, Policy, and Targ	ets					
A1.1	Material environmental, social and corporate governance (ESG) issues, risks and opportunities by the board of directors of the partnership have been determined.	х					https://www. akbankinvestorrelations. com/ en/sustainability/ detail/Our-sustainability- strategy/61/51/0 https://www. akbankinvestorrelations. com/en/ sustainability/ detail/Akbanks- sustainability- governance/204/339/0
A1.2	Short and long-term targets set within the scope of ESG policies have been disclosed to the public.	Х					https://www. akbankinvestorrelations. com/en/ sustainability/ detail/Akbanks- sustainability- commitments/74/54/0
A2. In	nplementation/Monitori	ng					
A2.1	The committees and/ or units responsible for implementing 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.	х					https://www. akbankinvestorrelations. com/en/ sustainability/ detail/Akbanks- sustainability- governance/204/339/0 2023 Integrated Annual Report, pages, 157-159
	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.	x					2023 Integrated Annual Report, pages, 157-159
A2.2	In line with the ESG targets, implementation and action plans were created and disclosed to the public.	х					2023 Integrated Annual Report, pages, 177

		COMPLIANCE			CE		
		Yes	No	Partial	Irrelevant	Explanation	Information on Publicy Disclosed Information
A2.3	The ESG Key Performance Indicators (KPI) and the level of reaching these indicators on a yearly basis were disclosed to the public.	х					2023 Integrated Annual Report, pages, 170-175 https://www. akbankinvestorrelations. com/en/sustainability/ year-list/Sustainability- reports/60/0/0
A2.4	Activities to improve the sustainability performance of business processes or products and services have been disclosed to the public.	х					2023 Integrated Annual Report, pages, 170-175
A3. F	Reporting			1			
A3.1	In the annual reports, information regarding the sustainability performance, targets and actions of the partnership is given in an comprehensible, accurate and sufficient manner.	х					https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0
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.	х					2023 Integrated Annual Report, pages 160-161, 170-175, 177 https://www. akbankinvestorrelations. com/en/ sustainability/ detail/Akbanks- sustainability- commitments/74/54/0
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.	х					2023 Integrated Annual Report, pages, 149-150
A4. \	erification						
A4.1	ESG Key Performance metrics by the partnership have been verified and publicly disclosed by an independent third party.	Х					2023 Integrated Annual Report, pages, 530-535

			COM	1PLIAN	CE		
		Yes	No	Partial	Irrelevant	Explanation	Information on Publicy Disclosed Information
B. En	vironmental 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.	х					https://www. akbankinvestorrelations. com/en/ images/pdf/ Environmental-Policy-of- Akbank.pdf 2023 Integrated Annual Report, pages, 93
B2	The scope of the report, the reporting period, the reporting date, and the limitations on the reporting conditions were disclosed to the public regarding the environmental reports prepared to provide information on environmental management.	х					https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0
В3	It is included in A2.1.	Х					
В4	Environmental targets included in the rewarding criteria within the scope of performance incentive systems based on stakeholders (such as members of the Board of Directors, managers, and employees) have been disclosed to the public.	х					2023 Integrated Annual Report, pages, 157
B5	Integration of material environmental issues into business goals and strategies has been publicly disclosed.	x					2023 Integrated Annual Report, pages, 165-169
В6	It is included in A2.4.	Х					
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, suppliers and customers.	х					2023 Integrated Annual Report, pages, 164-181 https://www. akbankinvestorrelations. com/en/ corporate- governance/detail/ Supplier-code-of- conduct/638/1619/0
В8	Participation in the policy- making processes of environmental institutions and non-governmental organizations and the collaborations with these institutions were disclosed to the public.	х					2023 Integrated Annual Report, pages, 162-175

			COM	1PLIAN	CE		
		Yes	No	Partial	Irrelevant	Explanation	Information on Publicy Disclosed Information
В9	Environmental indicators (GHG emissions (Scope-1 (Direct), Scope-2 (Indirect), Scope-3 (Other)), information on air quality, energy management, water and wastewater management, waste management, biodiversity impacts) are periodically disclosed to the public on a comparable basis.	х					2023 Integrated Annual Report, pages, 549-550 https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0
B10	Details of the standard, protocol, methodology, and base year used to collect and calculate data have been made public.	х					2023 Integrated Annual Report, pages, 255 https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0
B11	Compared to previous years, the increase or decrease of environmental indicators for the report year has been disclosed to the public.	х					https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0 2023 Integrated Annual Report, pages, 174-175,
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					https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0 2023 Integrated Annual Report, pages, 177
B13	A strategy to combat the climate crisis has been created and the planned actions have been publicly announced.	х					https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0 https://www. akbankinvestorrelations. com/en/ corporate- governance/detail/ Policies/34/10/0

publicly announced.

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Financial

			COM	IPLIAN	CE		
		Yes	No	Partial	Irrelevant	Explanation	Information on Publicy Disclosed Information
	Programs or procedures have been established and publicly disclosed in order to prevent or minimize the potential negative impact of products and/or services on the environment.	х					https://www. akbankinvestorrelations. com/en/images/pdf/ Akbank-ES-Risk- Framework.pdf
B14	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.			х		Akbank takes commitments from all suppliers to comply with its ethical principles and sustainability policies and continues to encourage compliance with the UN Global Compact.	2023 Integrated Annual Report, pages, 242-243
B15	The environmental benefits and cost savings of initiatives and projects aimed at reducing environmental impacts have been disclosed to the public.			х		The actions, projects, and initiatives undertaken to reduce the environmental impact are being disclosed in our Bank's annual sustainability reports. The environmental benefits and cost reductions of these actions in question are planned to be disclosed in the upcoming period.	https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0
B16	Energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) data are disclosed to the public as Scope-1 and Scope-2.	х					https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0
B17	Public disclosure was made about the electricity, heat, steam and cooling produced in the reporting year.	х					https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0
B18	Studies on increasing the use of renewable energy and the transition to zero or low carbon electricity have been made and publicly appayinged	х					2023 Integrated Annual Report, pages, 255-257

			COM	IPLIAN	CE		
		Yes	No	Partial	Irrelevant	Explanation	Information on Publicy Disclosed Information
B19	Renewable energy production and usage data is publicly disclosed.	х					2023 Integrated Annual Report, pages, 255-256
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.	х					2023 Integrated Annual Report, pages, 257
B21	Water consumption (if any, amounts of water drawn from underground or above ground, recycled and discharged sources) and procedures have been disclosed to the public.	х					https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0
B22	Any carbon emissions of operations or activities whether it is included in the pricing system (Emission Trading System, Cap & Trade or Carbon Tax) has been disclosed to the public.				х	Our operations and activities are not part of a carbon pricing system	
B23	Information on carbon credits accumulated or purchased during the reporting period has been disclosed to the public.				х	As there are no transactions on carbon credits, no information is disclosed on the issue.	
B24	If carbon pricing is applied within the partnership, the details are disclosed to the public.				х	As there are no transactions on carbon credits, no information is disclosed on the issue.	
B25	The platforms where the partnership discloses its environmental information are publicly disclosed.	x					https://www. akbankinvestorrelations. com/ en/sustainability/ year-list/Sustainability- reports/60/0/0

Trust

			COM	1PLIAN(CE		
		Yes	No	Partial	Irrelevant	Explanation	Information on Publicy Disclosed Information
C. So	ocial Principles			,			
C1.1	Universal Declaration of Human Rights, ratified by TürkiyeTürkiye A Corporate Human Rights and Employee Rights Policy has been established to cover ILO Conventions and other relevant legislation, those responsible for the implementation of the policy have been identified, and the policy and those responsible have been disclosed to the public.	х					https://www. akbankinvestorrelations. com/en/ corporate- governance/detail/Human- rights- policy/620/1523/0
C12	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					https://www. akbankinvestorrelations. com/en/ corporate- governance/detail/Human- rights- policy/620/1523/0 https://www. akbankinvestorrelations. com/en/ corporate- governance/detail/ Diversity-and- inclusion- policy/614/1504/0
C13	Sensitive to certain economic, environmental, social factors segments (low-income segments, women, etc.) or minority The measures taken along the value chain in respect of the rights/equal opportunities have been disclosed to the public.	х					https://www. akbankinvestorrelations. com/en/ corporate- governance/detail/Human- rights- policy/620/1523/0 https://www. akbankinvestorrelations. com/en/ corporate- governance/detail/ Diversity-and- inclusion- policy/614/1504/0 https://www. akbankinvestorrelations. com/en/ corporate- governance/detail/ Policies/34/10/

			COM	IPLIAN	CE		
		Yes	No	Partial	Irrelevant	Explanation	Information on Publicy Disclosed Information
C14	Developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor were disclosed to the public.	х					https://www. akbankinvestorrelations. com/en/ corporate- governance/detail/Human- rights- policy/620/1523/0 2023 Integrated Annual Report, pages, 193, 210-213
	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.	х					https://www. akbankinvestorrelations. com/en/ corporate- governance/detail/Human- rights- policy/620/1523/0 2023 Integrated Annual Report, pages, 198-207
C1.5	Mechanisms for employee complaints and dispute resolution were established, and dispute resolution processes were determined.	х					2023 Integrated Annual Report, pages, 204-205
	Activities carried out within the reported period to ensure employee satisfaction were disclosed to the public.	х					2023 Integrated Annual Report, pages, 198-208
	Occupational health and safety policies have been established and made available to the public.	х					ISG Politikası
C1.6	In order to prevent occupational accidents and protect health, precautions and accident statistics are made public.	х					2023 Integrated Annual Report, pages, 212-213
C1.7	Personal data protection and data security policies have been established and disclosed to the public.	х					https://www. akbankinvestorrelations. com/en/ corporate- governance/detail/ Policies/34/10/0
C1.8	Ethics policy is established and disclosed to the public.	Х					https://www. akbankinvestorrelations. com/ en/corporate- governance/detail/Ethical- principles/29/8/0



Messages from Top Management

Akbank Built Upon Your Trust

Corporare Governance Our Sustainability Journey Sustainable Financing People & Community Ecosystem Management Climate Change Financial Information Annexes

			COM	IPLIAN	CE		
		Yes	No	Partial	Irrelevant	Explanation	Information on Publicy Disclosed Information
C. S	osyal İlkeler						
C1.9	Community investment, social responsibility, financial inclusion and financing within scope of access studies are explained.	х					2023 Integrated Annual Report, pages 214-238
C1.10	Information meetings and training programs were organized for employees on ESG policies and practices.	х					2023 Integrated Annual Report, pages, 192

G2. S	takeholders, International	Framework	s & Initiatives	
C2.1	The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed to the public.	х		https://www.akbank.com/ en-us/Content/Pages/ bat-customer-complaint: arbitration-board.aspx Customer Satisfaction Policy
C2.2	Information about the communication with stakeholders (which stakeholder, subject and frequency) is publicly disclosed.	х		2023 Integrated Annual Report, pages, 180-181
C2.3	International reporting standards adopted in reporting are explained.	х		2023 Integrated Annual Report, pages, 8
D2.4	Principles adopted regarding sustainability, signatory or members of international organizations, committees and principles have been disclosed to the public.	х		2023 Integrated Annual Report,- Annexes
C2.5	Improvements have been made and studies have been carried out in order to be included in the sustainability indices of Borsa Istanbul and/or international index providers.	х		2023 Integrated Annual Report, pages, 177

			COM	1PLIAN	CE		
		Yes	No	Partial	Irrelevant	Explanation	Information on Publicy Disclosed Information
D. C	orporate Governance Pri	nciples					
D1	Opinions of stakeholders were sought in the determination of measures and strategies in the field of sustainability.	х					2023 Integrated Annual Report, pages, 164-165
D2	Social responsibility projects, awareness activities and trainings have been carried out to raise awareness about the issue of sustainability and its importance.	х					2023 Integrated Annual Report, pages, 214-221



Integrated Risk Management and Regulatory Compliance

Through advance analyses of risks and opportunities, the steps we will take are determined by our Board of Directors; we make these analyses through our Risk Management System which is implemented in cooperation with our Audit Committee and Senior Risk Committee.

Thanks to our multidimensional risk management approach, we managed to keep risks at the most appropriate levels in 2023.

In order to maximize our ability to fulfil our responsibilities to our customers on time, we continuously monitor our reserves through the internal capital adequacy assessment process (ISEDES) and other stress tests we perform on the basis of risk type.

As Akbank, we maintain our multidimensional approach that includes risk management, compliance with legal regulations, and environmental-social impact analyses on key issues, such as balance sheet management, capital allocation, portfolio/investment preferences, and new product and operating decisions, while continuing to give direction and momentum to our activities in line with our long-term strategies and goals. Through advance analyses of risks and opportunities, the steps we will take are determined by our Board of Directors; we make these analyses through our Risk Management System which is implemented in cooperation with our Audit Committee and Senior Risk Committee. Our Risk Management Department continues to report directly to our Board of Directors. We examine our risks within the framework of basic risk categories (credit, market, interest, liquidity, and operational risks) and take a holistic approach by sharing the details of the steps to be taken for each of them with all our units and employees. As in every reporting year, in 2023 as well, the Risk Management Department, the Internal Control Department, the Compliance Department, the Audit Board and the Information Risk Management Department took an active role in taking the expected actions by assuming the coordination and evaluation responsibilities in the best way possible. Thanks to our multidimensional risk management approach, we managed to keep risks at the most appropriate levels in 2023.

As Akbank, our management and decision-making mechanisms operate effectively with the committees we have formed on a subject-oriented basis. Participation in committees takes place at the level of the Board of Directors and/or the General Manager/Deputy General Manager. Our Audit Committee was established for the purpose of managing the powers and responsibilities of internal audit, internal control, risk management and legal

compliance activities separately but in harmony with each other. It ensures that the activities in our Bank are carried out safely and without interruption through the monitoring of the audit institutions.

For detailed information about our 2023 Audit Committee Report and the departments affiliated to our Audit Committee, you can review the <u>Audit Committee Report</u> section of our Annual Report.

We actively manage risks by incorporating internationally-accepted risk management regulations and models into our business processes. The simulations, scenarios, analyses, calculations, stress tests and other studies we carry out within the framework of risk management play a decisive and supportive role in the strategic decisions taken by the Board of Directors and the Senior Management of our Bank.

Taking into account the current market conditions, we increased the number of stress tests we applied and calculated the effects of crises of different severity, on capital and equity adequacy ratios. In this way, we aim to make sure that our Bank gains an identity that is more resistant to shocks. In order to maximize our ability to fulfil our responsibilities to our customers on time, we continuously monitor our reserves through the internal capital adequacy assessment process (ISEDES) and other stress tests we perform on the basis of risk type. At the same time, as a bank whose systematic functionality is important, we annually update the "Prevention Plan" which includes the planning process for the measures that can be taken in the case of stress, and share it with the BRSA. Mevzuat ve metodolojilerin yanında çalışanlarımızın Temiz Bankacılık İlkeleri'ne uyumlu hareket etmesini destekleyerek, Bankamızın değerini koruyor ve hem müşterilerimiz hem de paydaşlarımızla birlikte daha sürdürülebilir ilişkiler inşa ediyoruz.

Since 2011, the suitability of all our products and services that are offered has been evaluated by our New Product and Service Evaluation Committee which includes the managers of all units involved in the product development process.

Risk appetite structure and management, as well as the processes of identification, evaluation and monitoring of risks, are shaped according to the Bank's strategies, and we follow national/international methodologies in our work. In addition to external factors such as markets, intra-sector competition and legislative changes, the Bank's risk appetite, which is determined in line with its vision and mission, strategic goals, and medium-term plan, provides feedback on whether the existing and planned capital is sufficient for the bank's business plans, even in adverse scenarios. In the management of risk appetite, risk limits, regulations, procedures, and timely, accurate and comprehensive reporting to senior management, play an important role. Compliance with the risk limits determined annually for banks and their subsidiaries is closely monitored according to regulations and changing market conditions and is dynamically managed through impact analyses and action planning.

By supporting our employees to act in accordance with the Clean Banking Principles, as well as legislative requirements and methodologies, we protect the value of our Bank and build more sustainable relations with both our customers and stakeholders.

We aim to proactively assess and manage the activities we finance,

New Product and Service Evaluation Process

In addition to the risks identified for our existing products and activities, we also conduct risk assessments for our newly developed products and services. Possible financial, legal, operational and reputational risks of our new products or services, the practices to be followed in measuring and managing them, and the control mechanisms are determined with the participation of our relevant units. Since 2011, the suitability of all our products and services that are offered has been evaluated by our New Product and Service Evaluation Committee which includes the managers of all units involved in the product development process.

After the comprehensive evaluation of the committee members and the latest opinion received from the Internal Control Department, we launch our new products and services that are approved by our Board of Directors.

The risk categories determined by our Audit Committee and the Senior Risk Committee as a result of the evaluations made with the Board of Directors are as follows:

Market and Counterparty Credit Risk

In addition to setting limits by measuring the market risks encountered as a result of changes in the market prices of exchange rates, stocks and interest rates within the framework of internationally accepted models, we constantly monitor compliance with these limits.

In order to monitor market risks, we set limits on the basis of risk metrics, portfolio structure, transaction type, maturity and currency. At the same time, we manage the model development and validation processes by constantly following market developments.

While our Board of Directors regularly reviews the limits; the Risk Management Department, assigned by the Board,

is responsible for making the necessary changes in line with our strategies and market conditions. In the Market Risks Committee, important issues in terms of market risks are discussed at the meetings held at the Senior Management level and the necessary actions are taken.

We monitor the highest value that the derivative transactions in our customers' portfolios can reach according to possible future market prices, under the heading of counterparty credit risks. In addition, we calculate credit valuation adjustments, using parameters based on the internal model. APKO (Asset-Liability Committee) and the Market Risk Committee serve as committees that are involved in the management of market risks.

Liquidity Risk

We have established a liquidity management framework to provide the liquidity resources needed to meet our legal responsibilities to our depositors, contractors and funding creditors in a timely manner. We are protected against the negative effects that liquidity risk may create, by our strong capital structure, extensive deposit base and diversified domestic and foreign borrowing resources. In addition; we can use the Central Bank, Takasbank Money Market, BIST Repo Market, limits allocated by banks, and liquid securities portfolio, as additional sources of liquidity, when necessary. We are prudent in foreign currency liquidity management and use swap transactions effectively as well as having sufficient reserves to fully meet our liquidity needs. We constantly monitor our liquidity status with the liquidity stress tests we perform at regular intervals. Stress test results guide our liquidity risk management policy and strategy. We manage our liquidity risks in line with our liquidity risk approach set out in the framework policy. The Market Risk Committee, APKO and, where necessary, the Liquidity Emergency Management Committee serve as committees that are involved in the management of liquidity risks.

with the Environmental and Social Risk Framework in terms of environmental and social risks.

Interest Rate Risk

Within the framework of the policy approved by the Board of Directors, we follow the risk limits set to control and limit risks while effectively managing the level of interest rate risks. We perform sensitivity analyses on the effects of fluctuations in interest rates in the financial statements of our Bank's interest-sensitive assets and liabilities. We closely monitor and measure, and report on the interest rate sensitivity and scenario analyses prepared to identify and manage the structural interest rate risks that we may be exposed to due to potential maturity mismatch in the balance sheet structure. In these analyses, we analyse the effects of the economic value change approach and changes in interest rates, on the bank equity from a longterm perspective, while calculating the changes that may occur in the bank's short-term net interest income, and interest-rate-sensitive non-interest income/expense, by applying shocks to interest rates. Our committees involved in interest rate risks are APKO and the Market Risk Committee.

Credit Risk

We manage all our banking products that pose credit risks with the help of our proactive credit policies and procedures. We use internal ratings and scores calculated by the internal models we have developed to regularly monitor the quality of our existing loan portfolio, evaluate new loan requests, and determine the provisions to be set aside for loans. We develop all the models used in loan processes within the scope of a certain procedure, validate them simultaneously, and monitor their performance continuously.

Again, to control and closely monitor our credit risks, we set limits at many different levels such as company, group, sector and country. At the same time, we closely follow global developments and carry out innovative studies. We increase the efficiency of these processes by adapting machine learning techniques to our model development

and validation processes. In accordance with TFRS-9 standards, we perform Expected Credit Loss Provisions calculations daily and follow the changes. On a monthly basis, we report the amount and rate changes of the provisions calculated both by the model and with expert opinion and examine the reasons for the changes. In addition, we monitor and measure the risks related to non-performing receivables in detail and holistically. In this context, we ensure that quality is assured by performing second-line checks on the classification, monitoring, restructuring, depreciation, deregistration, and reporting of problematic receivables.

We carry out all model development and validation studies of the parameters that are evaluated as inputs to the Expected Credit Loss Provisions calculations. We simulate the impact of regular model update work and other parameter changes in the system. We carry out system calculations and checks of the figures of the provisions. Our committees involved in the management of credit risk are the Credit Committee, APKO, and the Retail Credit Committee.

We aim to proactively assess and manage the activities we finance with the Environmental and Social Risk Framework in terms of environmental and social risks. We examine the environmental and social risks of our customers in terms of environmental and social impacts, climate risks, production processes, product and service quality, governance structure, and relations with stakeholders. While reducing the consequences of transactions with high negative environmental and social impacts in lending, with appropriate management plans, we make sure to prioritize projects with positive environmental and socioeconomic impacts, such as renewable energy investments, environmentally-friendly technology projects, circular economy investments, resource efficiency, waste management, gender equality, access to basic social services, and employmentgenerating investments.

Operational Risk

Another area that we consider in the risk category in terms of our core activities is operational risks. We consider the inability to act in accordance with the time periods and conditions prescribed by both the Senior Management and our employees, the oversight of errors and irregularities as a result of disruptions in the control of our business processes, errors and disruptions in our information technology systems, and natural disasters and other external factors, as the sources of our operational risks. In the management of our operational risks which are related to all risk categories, and especially the legal risks and compliance risks, we effectively make use of mechanisms such as monitoring of internal loss data, differentiated and diversified controls, key risk indicators, scenario analyses, and underwriting. The Operational Risk Committee, which was established in 2011 at the level of our Senior Management, not only discusses important issues in terms of operational risks in its regular meetings, but also effectively monitors the actions taken.

Our other committees involved in the management of operational risks are the Audit Committee, Information Security Committee, Business Continuity and Information Systems Continuity Committee, Information Risk Management Committee, Internal Committee, Customer Experience and Clean Banking Committees, Compliance Committee, External Service Management Committee, and the New Product/Service Evaluation Committee.

To avoid legal risks, we consider error-free and complete work in compliance with the legislation as our main priority. Our various units are involved in following the legal regulations related to banking, ensuring compliance with the legal regulations in our systemic infrastructure, business processes, rules, and restrictions, in order to comply with developments and changes.

Other Risks

Other risks our bank may be exposed to include information technology and information risks, fraud risks, reputation risks, climate change risks, clean banking risks, strategic risks, exchange risks, business risks, model risks, transfer risks and residual risks. Below you can find explanations on the types of risks that stand out among other risks:

Reputation Risk

Reputation risk is among the risks that are important for our sustainability management. All Akbank members, especially our Board of Directors, are responsible for the management of reputational risks. In this context, we have determined and prepared our policies and practices in important areas, such as full compliance with legal regulations, development of trust-based relations with stakeholders, and effective and quick resolution of our customers' complaints. In this regard, we consider our Ethical Principles as important guidance.

Climate Change Risk

While the average temperature increase is expected to reach 1.5 degrees in 2030*, the importance of the strategies and actions to be taken for climate change and the destructive effects it may cause is increasing for companies. Within the scope of the management of the climate change risk, which we consider as a component of financial risks; we have created a methodology to be used in the Internal Capital Adequacy Assessment Process (ISEDES) studies in order to identify, measure and monitor the climate change risk. By including the quantified climate risk score in the risk appetite indicators, we monitor the status of the portfolio's climate risk score according to the determined threshold values. We have

also set our risk limits under which the climate change risk will be monitored.

Clean Banking Risk

As Akbank, we define Clean Banking Risk as a risk emerging from our unfair practices or conduct that affect our stakeholders, customers and markets, resulting in customer damages, financial penalties or loss of reputation. Within the scope of Clean Banking, we take into consideration the interests of customers as well as legal regulations in our practices and conduct towards our customers. We believe that the Clean Banking Principles are very important for better management of operational and reputational risks, elimination of possible legal risks, and sustainable customer relations.

Privacy and Information Security Risk

Privacy and Information Security are considered as one of the primary risks for organizations today. With digital transformation, the fact that value-added services can be offered to users online at any time, and that the services offered are open to the whole world, naturally increase digital risks. With this transformation, digital trust has become an important concept, and institutions need to manage privacy and information security risks well in order to ensure digital trust.

In a world full of rapid changes, we implement the necessary governance and business models in order to handle information security and privacy correctly, to keep up with changes, and to give the required importance to the risks that emerge with innovation.

Within the scope of the management of the climate change risk, which we consider as a component of financial risks; we have created a methodology to be used in the Internal Capital Adequacy Assessment Process (ISEDES) studies to identify, measure and monitor the climate change risk.

^{*} United Nations Intergovernmental Panel on Climate Change (IPCC) 2021 Report



Data Privacy and Security

Information Security Management

Ensuring information security, managing information risks and protecting our customers against fraudulent incidents are among our priorities. In this area, we do not confine ourselves just to the framework drawn by laws and regulations and we simply aim to do even better than what is prescribed and mandatory.

We ensure that strategies regarding information security and fraud risks are managed directly by the Board of Directors at the highest level. The Head of Information Risk Management, a member of the Senior Management with experience in IT and cybersecurity, reports directly to the Board of Directors. Akbank is one of the few companies in the world to implement this organizational model and is also the first bank in the Turkish banking sector to do so. This model gathers information security risks and fraud risks, which are very interrelated with each other, under one roof; it provides the opportunity to separate them from other technology risks. This separation facilitates an effective, holistic and independent risk management approach to risks. As part of this structure, these risks are managed with the involvement of the bank's senior management.

To ensure cyber security and manage the risk of fraud, we have created an "Information Risk Management Strategy". We regularly update this strategy every year and whenever there are significant changes in threats and we operate it in a way that is approved by the board of directors. With this operating model, we also provide the necessary organizational and technical structure for the governance of risks.

We design the governance structure of information risks in our Information Security Policy and in the documents

supporting the policy. This policy covers all units, products and processes of the Bank and its subsidiaries. Under this policy, all standards are established based on best practices and are periodically reviewed and updated according to the status of threats, technological developments, and business needs.

The Bank's Information Security strategy and policies, as well as the Bank's risks, are regularly reviewed by the Information Security Committee chaired by the Board of Directors. We believe in the importance of sectoral cooperation and intelligence-sharing against cyber and fraud threats. While we continue our active membership in FS-ISAC in the international arena as well as in different formations in the national arena, we receive services from leading global companies that provide intelligence services.

We have a 24/7 operational centre that is in place to monitor, respond and resolve cyber and fraud threats. We lead the sector with our investments in innovative technologies in this field. Technology platforms that use big data, artificial intelligence and machine learning technologies make the defence and detection mechanisms against complex threats effective. We plan security technology investments in a way that allows redundancy against system errors. In addition, the security technologies are updated online through global intelligence networks. In addition to preventing cyber and fraud threats, we also attach importance to capabilities and processes to overcome incidents with the least amount of damage.

We are aware that we offer our services and products within an ecosystem that includes our affiliates and business partners. In accordance with our policies, we carry out the necessary evaluation and inspection activities within the scope of the services received from third parties. With risk scoring applications, we also

monitor the security levels of the companies that provide services.

We consider the security of new services, and the technology infrastructures and processes that enable these services, as a factor at the design stage. In this way, we are able to offer services with reduced risks at the outset.

We authorize access to information within the scope of the 'lowest level of authorization' requirement. We apply additional restrictions on accessing and processing data, including masking, monitoring, and blocking methods. We prepare the necessary plans against data leakage, fraud, and responses to incidents that affect business continuity, and we periodically test the relevant plans.

Our business model ensures that our maturity level in these areas is regularly measured, and areas of improvement are identified. In this context, we regularly receive audit services from leading international independent audit companies. BRSA, which is the local regulatory authority, imposes certain regulations in terms of management of information risks. These regulations which are based on the ISO 27001 and COBIT frameworks require our Bank to be compliant to manage information risks. Compliance with the regulations is audited by independent auditor firms and reported to BRSA.

For the Cyber Security Centre and Fraud Risk
Management, we work with internationally specialized
technology and system providers. We regularly conduct
reviews and tests on Cyber Security and Fraud to improve
the maturity and effectiveness of our risk management
technologies and processes.

With both our internal resources and the services we receive from companies that are experts in their fields, we carry out continuous system and application vulnerability scanning activities. We carry out periodic control activities with the information risk control unit, which operates independently under the Bank's Board of Directors.

We take the necessary administrative and legal actions within the framework of our disciplinary regulation in the cases of violation of information and data security by the personnel, such as missing information, damages to account confidentiality, damages to the system, and activities that will create vulnerability against cyber and fraud threats.

We carry out awareness training activities on Information Security and Cyber Threats for our bank and subsidiary employees. In this way, we try to minimize the share of the human factor in information risks. These awareness activities are updated periodically. When a new highrisk threat occurs, we update the activities immediately, without waiting for the periodical update time.

We carry out regular studies to increase the awareness of our customers against the risks during the use of banking products. In addition to our customers, we also offer our partners digital insurance packages which protect them against cyberattacks and fraud incidents such as identity theft, password theft, malware, etc. With these efforts, we ensure that our customers' risks and damages arising from cyber and fraud threats are minimized.

We take maximum precautions to ensure that our customers can make secure banking transactions from the devices they use to receive financial services. We keep malware detection mechanisms activated on our customers' mobile devices. When we receive a warning from these mechanisms, we contact our customers and inform them about what needs to be done.



In 2023, 7,920 of our employees received a total of 3,442 hours of training on the protection of personal data.

Customer Data Privacy

In the globalizing and digitalizing world, we, as Akbank, prioritize fraud and cyber risk management. We adopt the principle of managing these risks in the most effective way at the bank, shareholder, business partner, customer, and sector level. We enforce all laws on our digital platforms, especially when it comes to compliance with the requirements of the Personal Data Protection Law and the Banking Regulation and Supervision Agency. To keep customer data secure, our technology is periodically evaluated by control teams and certified independent auditors. In addition, we offer secure banking services to our customers with our highest level of security measures, taking best practices as a reference.

Regarding the confidentiality and security of personal data, we take technical and administrative security measures to protect against unauthorized access, damage, loss or disclosure. These measures include systemic access controls, data access controls, secure transfer controls, business continuity controls, and other organizational controls. We inform our customers about the purpose of processing of personal data, to whom and for what purpose the processed personal data can be transferred, the method of collecting personal data and the legal reason therefor, and about certain other rights. We use the customers' personal data to provide them with privileged services with their explicit consent, within the scope of service disclosure or other legal grounds specified in the law. Our customers can withdraw their consents at any time.

We have established an Information-Sharing Committee to ensure that customer data are shared with third-party stakeholders in accordance with regulations, and we carry out technical studies about this issue and establish organizational and process-oriented management mechanisms.

In addition, we launched the Test Data Management (TDM) project in 2020, aiming to use customer data securely and to improve the applications in this field. We have implemented a Test Data Management product that protects customer privacy by anonymizing real customer data. We have ensured that our business development teams have access to test data on an ongoing basis, and within this framework, we have redesigned the relevant technology and processes for self-service test requests. In 2023, we continued our efforts to develop the TDM processes.

In 2022, within the Legal Consultancy Department, we established the KVRS - Governance Unit which focuses on complying with legal regulations on Personal Data Protection Law, Competition Law, Sustainability, and the Regulation on the Sharing of Confidential Information. This unit provides support for the processing and sharing of personal data in accordance with the legislation, the prevention of data breaches, and the compliance of processes with the law. The KVRS Governance Unit works with various committees to ensure full legal compliance in the Bank and in its subsidiaries with the legislation.

To ensure the security and confidentiality of customer data, we are working on the "Dynamic Data Masking Dissemination Project". In this project, we aim to ensure that analytical studies are carried out safely and that collective data access is protected by providing data masking as per the query structure. We carry out a process for the integration of the dynamic masking structure into analytical reporting environments (such as BO, SAS). We plan to expand the scope of the project and further develop it in the coming years.

Our Internal Audit Infrastructure

With our internal control system application, we carry out our activities effectively, efficiently and in accordance with legal regulations.

Our Control and Audit Infrastructure

With our application operated within the scope of internal control activities, we carry out our activities effectively, efficiently and in accordance with legal regulations. Accordingly, we protect our assets and aim for the continuity of a holistic accounting and financial reporting system. At Akbank, all of our employees take responsibility for the effective maintenance of our Bank's internal control system and infrastructure. In addition, our Audit Committee is also tasked with assisting the activities of the Board of Directors.

To comprehensively monitor the tax liability created by our activities, our Bank's internal bodies, such as the Inspection Board and the Compliance and Internal Control Departments work with great care to perform internal audit and internal control and to ensure compliance. With all the direct and indirect taxes we pay, and especially the Corporate Tax, we regularly position ourselves among the institutions that pay the highest taxes to the Republic of Türkiye. Considering the impact of the Tax element on the "Development" strategy of the country, we are aware of the contributions that thorough management of this element will make to the development of the country and subsequently to the development of our Bank's field of activity. We embrace the importance of the subject in every department of our Bank.

Our Internal Control Department

Our Internal Control Department assumes a critical responsibility in assessments of the design and operation of the control systems of the bank's business processes. In this context, it is responsible for the correct execution of our activities, and their effectiveness and efficiency, in compliance with legal and internal regulations. Our Internal Control Department, which plays an important role in the management of risks in operational, legal, reputational and clean banking issues, helps us keep the losses arising from operational risks at low levels.

Control processes are also carried out in different areas such as the design of systemic control processes and the integrity and reliability of financial reporting systems. In addition, the possibility of misconduct by our employees is routinely evaluated with the monitoring systems designed and developed within our Internal Control Department. As part of the technological innovations concerning our Bank, and our digital transformation process, we update this system regularly to make it more efficient.

Our Board of Inspectors

Our Board of Inspectors is responsible for the internal audit of our Bank's activities. In this regard, it carries out risk-oriented audit activities with a holistic and integrated perspective that covers all units, processes and activities. It is among the duties of our Board of Inspectors to evaluate the compliance of the transactions carried out in our branches with internal and external regulations, and to investigate, examine and liquidate the risks that have occurred or are likely to occur in the branches, units and affiliates due to negligence, misconduct, fraud, corruption and similar reasons,. In addition to these, studies are carried out on issues such as information processing and data security. By fully complying with the legislation published by international regulatory authorities (OFAC, EU, UN, etc.), we carry out our audits in this field and work in coordination with our Compliance Department in the necessary areas. In addition to the legal authorities, our Board of Inspectors is also responsible for examining and resolving possible irregularity notifications received from within the institution (including the Ethical Banking Hotline) and from customers, in detail. In addition, auditing the reliability of our Bank's information systems is also among the duties of this Board. The results of the activities of our Board of Auditors, Internal Control Department and Compliance Department are regularly monitored and evaluated by the Audit Committee and the Board of Directors.

We carry out all our business processes in line with international banking regulations and local legal regulations. We take effective measures in the field of preventing the laundering of proceeds of crime and the financing of terrorism. In this context, the measures and principles that are aimed at identifying, grading, monitoring, evaluating and preventing possible risks are implemented by taking into account the obligations regarding the recognition of the customer. Our Bank fully

complies with the regulations published by international regulatory authorities (OFAC, EU, UN, etc.), and our Compliance Department carries out inspections in this area.

All of our employees who are in contact with our customers, including the employees of our Brand and Communications Department, are responsible for the compliance of our bank's communication activities with laws and regulations. As Akbank, we attach great importance to the protection of the privacy of our customers' information and adopt high ethical standards in all our product promotion, sales and marketing communication activities, including advertising and sponsorships. In the promotion of products and services, our Bank carries out all business processes related to customer relations management in the light of an open information policy in order to prevent customers from losing their rights.

The Business Continuity and Emergency Management System which is implemented across our Bank is carried out in accordance with the ISO 22301:2019 Social Security Business Continuity Management System standard. The Business Continuity Committee, which meets at least twice a year, is responsible for monitoring and directing the work carried out within the scope of the Business Continuity and Emergency Management System.

In addition, in line with the ISO 22301:2019 standard, we continued to implement the Business Continuity Management Program also in 2023 in order to ensure the continuity of our critical business processes, to make them operational within the stipulated downtimes in the case of disruptions, to prevent customer losses, and to protect the corporate reputation.

Our Compliance Department

This department ensures compliance with the regulations within the scope of the Law on Prevention of Laundering Proceeds of Crime and the related legislation and ensures that efforts are made to fully comply with national and international regulations on financial crime risks. As part of its efforts within the scope of preventing financial crime risks, and by taking international standards into consideration, the department carries out the establishment and implementation phases of protective and preventive policies and control standards for the prevention of laundering, terrorism financing, international financial sanctions, bribery, and corruption.

Within the scope of the specified regulations, we act with a 'financial group' corporate policy approach that covers all our domestic and international units in the planning of our efforts to ensure legal compliance. Our units and employees assume the necessary responsibilities within the framework of this policy. We carry out regular and comprehensive training activities in order to increase the awareness of our employees about compliance with regulations within the scope of financial crime risks and to update their knowledge.

Since the establishment of the financial group structure in 2021, the procedures regarding compliance controls, which have been established in accordance with the legislation and international best practice examples within the scope of the financial group governance structure, have continued to be developed in accordance with the requirements of the legislation and best practice examples. As of April 2022, with the Financial Group Compliance Technologies unit established within our department, development efforts continue in terms of the analysis and adaptation of new technological solutions, for the purpose of ensuring compliance with our Bank's obligations to combat financial crimes.

We continue to identify the areas of improvement and take action in these areas by measuring Clean Banking communication and awareness within the organization, with the help of a survey covering all our employees who come into contact with our customers.

Ethical and Clean Banking

With our internal audit and internal control practices, we aim to identify and prevent existing and potential risks and to develop solutions. If a violation of our anti-bribery and anti-corruption policy is detected during the audits, we impose sanctions in accordance with the provisions of the Bank's Disciplinary Regulation, as a result of the investigations of the Board of Inspectors. If the violation of said policy is confirmed through the investigations conducted on the organizations from which we receive external services and with which we have business partnerships, we inform the Board of Inspectors and terminate our business relations with the organizations that are identified as a result of the examinations of the Board of Inspectors. All our employees are subject to our Anti-Bribery and Anti-Corruption Policy.

You can find our <u>Anti-Bribery and Anti-Corruption Policy</u> on our website.

In 2023, we continued our Clean Banking efforts, which we carry out to observe the interests of our customers as well as the legal regulations in the practices and conduct of our Bank and its employees towards customers. To manage Clean Banking within the framework of the principles determined in our Bank, to make this concept widespread across the organization, and to adopt it as a working principle, we have implemented many practices in the fields of corporate culture, training, communication, new product/service processes, and customer complaint management.



Akbank Built Upon Your

Trust

We held meetings with our 7 Regional Directorates to share our findings on Clean Banking practices, to receive feedback, and to adapt our processes accordingly. We carried out 1 focus group study with our branches during the year. On two separate occasions in 2023, we rewarded our successful employees who combined their high performance with their awareness and sensitivity about Clean Banking and thus contributed positively to customer satisfaction.

We ensure that our bank complies with applicable anti-bribery and anti-corruption laws and regulations, clean banking, ethical principles, and universal rules, in all countries where it operates. We continue to work in full compliance with our obligations regarding the prevention of financial crimes. In order to avoid negative situations, we make sure to manage our relations with our stakeholders by paying attention to our Conflict of Interest Policy, to evaluate our customers, transactions, products and services with a risk-based approach, to determine our strategies, relevant control mechanisms and measures, operating rules, and responsibilities to reduce possible risks, and to raise awareness of all our employees on these issues.

You can access our Ethical Principles on our website.

In line with our policy, we aim to prevent the placement and laundering of proceeds of crime, the origin of which are bribery and corruption crimes, to detect and eliminate any environment that may pave the way for bribery and corruption crimes among our bank's employees, customers and business partners, to the broadest extent possible, and to fulfil the obligations and commitments related to bribery and corruption crimes. In the countries where we operate, we protect our bank against legal risks and reputational risks with the policies we have developed against corruption and bribery risks, taking into account the legislation of the countries where our customers, suppliers, business partners, and correspondent banks with which we cooperate are located, as well as our national legislation, and we ensure that our relations with our customers and 3rd parties are established based on trust.

We carry out our assessments in terms of the risks that may arise within the scope of certain services involving high level of confidentiality, through control and analysis studies carried out within the scope of persons defined as Politically Exposed Persons (PEP), and the persons related to them, and through studies carried out within the scope of risk-posing sectors and business lines and within the scope of the services we provide to our customers. As part of our monitoring and control efforts on financial crime risks, the number of incidents that were associated with corruption and were subjected to investigation corresponds to 0.01% of our studies in this field. As a result of our audit report which we prepared this year and previously disclosed in our annual report, we determined that there has not been any corruption case within our Bank until the date of the report.

We aim to increase the sensitivity of our employees about our understanding of ethics and reliability by providing them with special training on corruption and financial crimes. Although most of our training sessions that are focused on preventing corruption and bribery are aimed at our branch employees, all of our employees receive training on topics such as Ethical Principles, Information Security, Data Leakage, and Personal Data Protection Law. We also provide in-class training sessions on International Embargo/Combating Proceeds of Crime and online training thereon for our employees of the relevant Head Office and branches. We constantly update the topics and contents of our training sessions on preventing corruption, in line with the developments and needs in this context. Critical training sessions such as on topics of risk-posing transactions at toll booths, document security, detection and prevention of the crime of fraud, and operational risk are provided by assigning them to the appropriate target audiences.

Ethics Hotline

Our employees and stakeholders have the opportunity to report to us the situations which they think involve an ethical violation, via our etik@akbank.com e-mail address and our phone line at 212 385 7777 during working hours. After the notifications received by the Ethics Hotline are evaluated, they are forwarded to the relevant teams if necessary. Our employees have the right to submit their reports anonymously through our Ethics Hotline and to keep their identities and information confidential.

Notifications received through the Ethics Line are forwarded to the deputy general manager level managers of the relevant business units and/or the Board of Inspection, according to the content of the notification. Employees who make the notification can keep their identities confidential or request that it not be shared, in which case the processes are advanced without sharing the identity of the person who made the notification. 73 notifications received on the Ethics Line in 2023 have been evaluated.



Audit Committee Report

Audit Committee Evaluation on Operations of Internal Control, Internal Audit, Risk Management Systems and Activities in 2023 Akbank Audit Committee held 4 meetings in 2023. At these meetings, Akbank Audit Committee worked to fulfil its duties and responsibilities, which are listed on page 78 of the annual report.

Internal audit, internal control, risk management and legal compliance activities at the Bank are carried out by the Inspection Board, Internal Control Department, Compliance Department, Risk Management Department, and the Information Risk Management Department, duties and responsibilities of which are separated and which report directly to the Board of Directors, and are organizationally independent from but working in coordination with each other.

Evaluating the internal systems established to cover all branches and units and subsidiaries subject to consolidated audit and ensuring the continuity of their functioning, adequacy and effectiveness are among the top priority responsibilities of the Akbank Board of Directors. Within the scope of internal systems, the duties and responsibilities of the Board of Directors are carried out by the Board of Directors, Audit Committee, Senior Risk Committee, Internal Audit, Internal Control, and the Officer in charge of Risk Management activities and Internal Systems.

Inspection Board made significant contributions to the management of risks that may arise from the Bank's activities, the compliance of transactions, practices, systems and models with internal and external legislation, the improvement of service quality, efficiency and performance, the improvement of cost management, the protection of assets, and the protection of the Bank's reputation and brand value.

Planning and executing its activities with a risk-oriented perspective and in line with legal obligations, Inspection Board evaluates possible risks in branches, subsidiaries, Head Office units and all Bank activities and practices, identifies areas that are open to development and improvement, and ensures compliance with internal control, risk management and corporate governance examines whether it is effective and sufficient. Reporting of the findings reached as a result of the audits is not the only process that is followed, and all kinds of recommendations for development and improvement as well as for reinforcing the internal systems, and valueadded suggestions are also made, and the outcome of the actions taken in relation to them is monitored effectively and continuously.

Inspection Board carries out its internal audit activities in accordance with the International Internal Audit Standards and Professional Ethics rules determined by the International Institute of Internal Auditors (IIA). As a matter of fact, as a result of the Quality Assurance Evaluation Study carried out by the independent external evaluation, it has been confirmed that the efficiency, quality and value-added to the institution of internal auditing are at the level of International Internal Audit Standards. Inspection Board uses technology intensively in every field in order to continuously develop and improve its activities, creates certification and training opportunities for the professional development of inspectors, and makes sure to contribute to the Bank with its experienced. trained, qualified and equipped human resources. As a result of the audits and evaluations carried out in 2023, no significant factor has been identified that may adversely affect the Bank's operations and prevent it from fulfilling its obligations. It has been determined that the Bank's internal control, risk management and corporate governance are working successfully and effectively, operations are generally low-risk, financial and legal

reports are correct, and the legislation is complied with. As a result, the internal audit system is effective and successful in preventing, detecting and eliminating risks with its risk-oriented approach, qualified human resources, intensive use of technology, experienced and prudent management, thanks to its strong, experienced and competent management staff.

The main purpose of the Internal Control Department is to ensure that the Bank's activities are carried out effectively and efficiently in compliance with the laws and other regulations within a strong internal control environment. In this context, control testing activities were carried out by internal control employees who are competent and experienced in their fields, in branches and Head Office units, both locally and centrally, supported by smart monitoring systems.

In the studies carried out; the internal control system continued to be continuously developed and updated, technical competency assessments were made for the companies that received support services, and local/central control tests were carried out at the Bank branches determined with a risk-oriented approach. Studies carried out by the Internal Control Department made significant contributions to keeping the losses arising from operational risks at low levels, and to the continuation of our activities in an effective, efficient, regulatory and effective control environment.

The Compliance Department ensures that our Bank is fully compliant with the Banking Law and its sub-regulations, regulations on Competition Law and Protection of Personal Data, the responsibilities of the Precious Metals Supply Chain Internal Control and Compliance Officer, and the national and international regulations on financial crime risks. In its works within the scope of prevention of financial crime risks, by taking into account international

standards, it establishes and implements protective and preventive policies and control standards for the prevention of money laundering, financing of terrorism, international financial sanctions, bribery and corruption. Within the scope of the regulations, in the planning of our efforts to ensure legal compliance, we act with the Financial Group Compliance Program approach, which covers all our domestic and foreign units, and our units and employees undertake the necessary responsibilities within the framework of the Financial Group Institution Policy. Regular and comprehensive training activities are carried out in order to increase the awareness of our employees on legal compliance and to update their knowledge.

The Compliance Department, which has an important function in the management of our legal compliance and reputational risk, is responsible for taking effective measures against money laundering and financing of terrorism, maintaining monitoring and control activities, monitoring developments regarding international financial sanctions, taking preventive measures, controlling risky business and transactions and in this context. This year, it continued to provide consultancy, direction and solution suggestions to the bank management and business units in the business, transaction and related regulations regarding risks. In this context, the Compliance Department assumes important roles and responsibilities in developing and presenting our new banking products and services designed with our current activities in line with the banking legislation. The Financial Group Compliance Program and the Competition Group Compliance Program, which includes both banks and financial group companies to cover our activities, were implemented in 2021. Our efforts to implement the subjects in our areas of responsibility at the Financial Group continue, and the KVK Compliance Program is planned to be implemented by the Group.

Corporare

Governance

The Risk Management Department continued its efforts to calculate and report the risks that the Bank may be exposed to in the most reliable way, within the framework of the materiality criterion, thanks to effective risk management measurements and techniques. Financial and economic developments in our country and world markets, Basel Principles and other international regulations and developments in the field of risk management were followed and improvements were made in current practices. Stress tests were renewed with different scenario analyses and assumptions, especially considering the fluctuations and developments in market conditions in the recent period, and vulnerabilities that may arise were measured. In addition, regulatory changes and temporary regulations were followed closely, impact analyses were carried out, and necessary systemic arrangements were made to ensure the consistency of reporting.

The Risk Management Department, with its qualified and qualified staff, increases its contribution to the Bank by closely following the changes and innovations in internationally accepted risk management principles, regulations and models.

Analyses, calculations, simulations, scenarios, stress tests and other studies carried out within the scope of risk management provide continuous and systematic input to the strategic decision process of the Bank's Board of Directors and senior management and support the decision-making mechanism.

The 2023 ISEDES report, which was prepared under the coordination of the Risk Management Department, and the validation and audit reports related to the report were evaluated and approved by the Audit Committee, and the 2023 ISEDES report set was sent to the BRSA following the approval of the Board of Directors. In addition, the "Measure Plan" study and audit report requested by the BRSA from systemically important banks were submitted to the Agency after receiving the approval of the Board of Directors as of the end of June 2023.

Bank information risk and fraud risk management activities are carried out by the Information Risk

Management Department. Within the scope of activities, there are processes related to monitoring, detection, measurement, system management, reduction, control, and reporting of information security and external fraud risks. Information Risk Management Department determines policies, manages and implements security systems in order to ensure that the information processed within the Bank or shared and managed with external parties on the Bank's information systems is reliable, complete, traceable, consistent and in a way that meets the Bank's requirements and control activities. In addition, all kinds of external fraud (fraud) monitoring, detection, prevention and reduction activities are also carried out by the Information Risk Management Department.

Within the scope of information, risk controls are carried out by the Information Risk Management Department, BRSA legislation and COBIT, ISO, ITIL, COSO, NIST, PCI DSS etc. Studies are carried out for the controls created based on international standards. The controls take a broad view of information technology and utilize best practices and robotic automation opportunities when implementing controls.

Studies carried out by the Information Risk Management Department made significant contributions to keeping the risks arising from information systems and external fraud risks at manageable levels, and to establish an effective control environment for the Bank's activities to be carried out effectively, efficiently, safely and in compliance with the legislation.

When the activities and functioning of Akbank's internal control, internal audit, legal compliance and risk management systems in 2023 are evaluated in general; it is thought that the studies carried out are quite successful, effective, value-added, qualified and satisfactory.

Eyüp Engin - Chairman of the Audit Committee **Levent Demirağ -** Audit Committee Member

Information About the Legal Actions Against the Bank

In the 2023 operating year, we did not face any lawsuit of this nature.

1. Action for the cancellation of the administrative fine imposed by the competition board

As stated in our statements on the Public Disclosure Platform dated 21.11.2011 and 05.08.2019; as a result of the investigation initiated against 12 banks, including Akbank T.A.Ş., and 2 companies operating in the field of financial services, with the decision of the Competition Board dated 02.11.2011 and numbered 11-55/1438 - M, and the decision of the Competition Board dated 08.03.2013 and numbered 13-13/198-100; it was determined that 12 banks, including our Bank, reached an agreement between 21.08.2007 and 22.09.2011 on the joint determination of "interest rates, fees, and commissions for deposits, loans and credit card services" and thus violated the Law on Protection of Competition. Administrative fines were imposed against these 12 banks pursuant to Article 5.1.b of the Regulation on Fines for violation of Article 4 of the Law on Protection of Competition, and an administrative fine of TL 172,165,155 was imposed against our Bank. The fine amount in question was paid as TL 129,123.866 with a 1/4 discount. On 13.09.2013, our Bank filed a lawsuit for annulment of this decision of the Competition Board and the refund of the fine paid. This case was rejected by the 2nd Administrative Court of Ankara on 05.12.2014, the rejection decision was appealed to the Council of State as of 09.04.2015, and our appeal request was made to the 13th Administrative Court of the Council of State. It was rejected by the decision of the Civil Chamber dated 16.12.2015 and numbered 2015/2974 and 2015/4612. On 01.07.2016, our Bank made a request for correction of the decision before the Council of State,

the decision of the local court was reversed in favour of our Bank, and it was decided to send the case file to the Ankara 2nd Administrative Court, which issued the first decision, for a new decision, However, the Ankara 2nd Administrative Court did not comply with the decision of the Council of State to overturn it and insisted on its previous decision. This decision was appealed by our Bank at the Board of Administrative Litigation Chambers of the Council of State on 02.08.2019. On 31.05.2021, the Board of Administrative Litigation Chambers of the Council of State accepted our Bank's request for appeal and decided to overturn the insistence decision of the Ankara 2nd Administrative Court, which was the subject of the appeal. The Competition Authority applied for correction of decision regarding this decision granted by the Council of State Administrative Litigation Chambers. However, the requests for correction of the Decision were denied. The case was re-evaluated by the 2nd Administrative Court of Ankara, and it was decided to cancel the administrative fine in favour of our Bank and to refund the amount paid with interest. Although an appeal was filed by the respondent Competition Authority against the decision of the Ankara 2nd Administrative Court; with the decision of the 13th Chamber of the Council of State dated 26.10.2022, which was served on our Bank on 23.01.2023, the appeal of the respondent Competition Authority was rejected, and the decision of the Ankara 2nd Administrative Court was upheld. The respondent Authority filed a revision against the decision of the Council of State. The Council of State rejected the defendant Authority's request for correction of the decision and the decision became final. In this way, this case was finally concluded in favour of our Bank and the amount of the administrative fine paid was refunded by our Bank.



2. Action for the cancellation of the administrative fine of the Ministry of Trade

As stated in our statements on the Public Disclosure Platform dated 26.09.2016 and 25.12.2020; in 2014, the Ministry of Trade's Guidance and Inspection Directorate, together with other banks in the sector, audited our Bank's contracts and practices "within the framework of the Law No. 6502 on Consumer Protection and related implementing regulations". As a result of the investigation, an administrative fine of TL 116,254,138.00 was imposed on the Bank. 1/4 of the relevant fine was paid in advance as TL 87,190,603.50 before applying for a legal remedy, and a lawsuit was filed on 24.10.2016 before the Administrative Court with the request for cancellation of said fine. On 13.02.2019, the Court decided to dismiss the case. We appealed the decision. The Regional Administrative Court decided to obtain an additional report from the experts and denied the adverse issues in the report. The Regional Administrative Court rejected our request for appeal. We have appealed to the Council of State, and the outcome of this appeal is pending.

Explanations regarding the administrative or judicial sanctions imposed on the bank and the members of the governing body due to practices contrary to the provisions of the legislation

In 2023, administrative fines with a total amount of TL 16,045,369 were served on our Bank by the regulatory and supervisory authorities. These fines were paid as TL 12,034,026.75 in 2023 through write-off of expenses by taking advantage of the advance payment discount.

Statement of Responsibility

Statement of responsibility for the Integrated Annual Report and Corporate Governance Reports for the period January 1, 2023 - December 31, 2023

The Integrated Annual Report for the period 01.01.2023 - 31.12.2023 prepared by our company in accordance with the Communiqué on Financial Reporting Principles in the Capital Markets (Communiqué) numbered II-14.1 of the Capital Markets Board (CMB) and the Corporate Governance Reports consisting of the Corporate Governance Compliance Report (KYUR) and the Corporate Governance Information Form (KYBF), which were prepared in accordance with the Capital Markets Board's (CMB) decision dated 10.01.2019 and numbered 2/49, were submitted to our review pursuant to Article 9 of the Communiqué;

- a) Integrated Annual Report and Corporate Governance Reports have been reviewed by us,
- b) Within the framework of the information we have as per our scope of duty and responsibility in the Bank, the Annual Report and the Corporate Governance Reports do not contain any untrue statement on important matters or any deficiencies that may result in misleading information as of the date of the disclosure,
- c) Within the framework of the information we have as per our scope of duty and responsibility in the Bank; We disclose to the public that; The Integrated Annual Report, prepared in accordance with the Communiqué, honestly reflects the development and performance of our Company, as well as the financial position of those within the scope of consolidation, together with the significant risks and uncertainties faced, Corporate Governance Reports provide sufficient information to our stakeholders about our corporate governance practices in line with the criteria determined in the Corporate Governance Principles and relevant regulations of the CMB, and we declare that we are responsible for the statements made

Eyüp Engin C. Kaan Gür
Audit Commitee Chairman CEO

in Gür Türker Tunalı
EO Deputy CEO



Our Credit Tracking Applications

At Akbank, we have an integrated Credit Monitoring and Tracking process consisting of credit evaluation, analysis, reporting, early warning, monitoring, and follow-up systems designed in accordance with the relevant article of the Banking Law, BRSA regulations and International Banking Standards.

This process, which has been approved by our Board of Directors, operates according to the main policy text and detailed workflow texts adapted to this text. The job and role descriptions for each business step in this process are clearly included in our relevant policy document. All our employees involved in the credit monitoring and follow-up process have access to the policy document. Our monitoring and follow-up organization works under a separate deputy general manager in the bank, reporting to the general manager and at the same time to the executive director of the board of directors responsible for loans.

We provide all the necessary restructuring facilities to all our customers, whether they are retail banking, corporate, or commercial customers, who have problems in their loan repayments or who we consider to be likely to experience problems, within the limits determined by the banking authority in the country and in accordance with our bank's credit policies.

It is among our main priorities that our personnel involved in credit monitoring and follow-up operations complete all the necessary vocational training sessions in accordance with their field of expertise. In addition, every year, in accordance with our Bank's "training" and "personal development" strategies, our credit monitoring and follow-up team can participate in training programs, conferences and other internal or external activities determined for them for professional or personal development, at the rate of quotas determined.

Other Disclosures Regarding Corporate Governance

Declaration of Independence by Tuğrul Belli, Independent Member of the Board of Directors

"I am a candidate to serve as an "independent member" on the Board of Directors of Akbank T.A.Ş. (THE Company) within the scope of the criteria set out in the legislation, articles of association and the Corporate Governance Principles announced by the Capital Markets Board. I declares as follows:

a) In the last five years, in terms of the relations between the company, the partnerships in which the company has management control or significant influence, the shareholders who hold the management control of the company or have significant influence in the company, and the legal entities over which these shareholders have management control, and myself, my spouse and my relatives by blood and marriage up to the second degree, there has been no employment relation involving a managerial position which would require the assumption of important duties and responsibilities; more than 5% of the capital or voting rights or preference shares are not owned jointly or individually, and no significant commercial relationship has been established,

b) In the last five years, in companies where the company has purchased or sold significant amount of services or products within the framework of the agreements made, especially in relation to audit (including tax audit, legal audit, and internal audit), rating and consultancy services for the company, I have not been a shareholder (with a shareholding of 5% or more), a member of the board of directors, or a manager who would assume important duties and responsibilities.

c) I have the professional training, knowledge and experience to properly fulfil the duties I will undertake due

to being an independent member of the board of directors, ¢) I am not currently working full-time in public institutions and organizations and I will also not work in such places if I am elected as an Independent Board Member,

- d) According to the Income Tax Law (G.V.K.) dated 31/12/1960 and numbered 193, I am deemed a resident of Türkiye,
- e) I have strong ethical standards, professional reputation and experience that allow me to make positive contributions to the activities of the company, maintain my impartiality in conflicts of interest between the company and the shareholders, and make decisions freely by considering the rights of stakeholders,
- f) I will be able to devote enough time to the affairs of the company to follow the operation of the company's activities and fully satisfy the requirements of the duties I have assumed
- g) I have not been a member of the board of directors of the company for more than six years in the last ten years,
- g) I do not serve as an independent member of the board of directors in more than three of the companies in which the same person, company, or the shareholders who hold the management control of the company have management control, and in more than five of the companies traded on the stock exchange in total,
- h) I have not been registered and announced on behalf of the legal entity that is elected as a member of the board of directors."



<u>Our</u> Sustainability <u>Journey</u>

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Messages from Top Management Akbank Built Upon Your

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Journey

Sustainable Financing People & Community

Ecosystem Management Climate Change Financial Information Annexes

Our Sustainability Management and Our Strategic Focus Areas

We assume fundamental responsibility in Türkiye's transition to a sustainable economy.

We integrate sustainability into our business model and increase the value we create day by day by considering our strategic focus areas of Sustainable Finance, People & Community, Ecosystem Management and Climate Change, international and local initiatives, global trends, and the expectations and opinions of our stakeholders.

Akbank's Bifocal Strategy

Run the Bank

Strong customer acquisition

Effective asset liability management

Risk&return focused sustainable sound growth

Robust digital infrastructure & best-in-class efficiency

Solid regulatory compliance



Crafting the Future

Superior customer experience

Advanced analytics & excellence in digital

'Open Banking' initiatives

Investment in new business areas& future of work

Reduction in environmental footprint & increased positive impact

Our Sustainability Committee

We ensure that the activities, and performance of our activities, carried out with the permanent members of our Sustainability Committee Executive Board Member, Independent Board Member, CEO, CFO, Senior Vice President of Investor Relations & Sustainability are monitored and reported on behalf of the Board of Directors. Our committee meets at least 2 times a year and our Investor Relations and Sustainability Department, which is responsible for the bank's overall sustainability coordination and follow-up, prepares our meeting agenda and the operational status of the decisions taken.



The Investor Relations & Sustainability Department:

- Coordinates Bank-wide efforts to achieve common sustainability goals , with a holistic approach,
- Periodically re-evaluates and develops its sustainability strategy, and identifies important issues with prioritization analyses.

Duties of the Sustainability Committee

- Carrying out the necessary studies within the framework of our Bank's sustainability strategy, material areas and targets, and increasing our sustainability performance,
- Integrating sustainability into all our ways of doing business, and identifying the relevant risks and opportunities,
- Ensuring that our bank proceeds in harmony with the Sustainability Principles and other relevant pieces of legislation, and that the legislation is monitored and communicated,
- Following-up national and international legislation and standard approaches related to environmental and social risks taken into account in the Bank's lending process,
- Informing the Board of Directors of opinions and suggestions regarding the Bank's activities in the field of sustainability,
- Determining and supervising the relations with national and international organizations and authorized institutions, within the framework of sustainability,
- Establishing and overseeing an honest and transparent platform for communication with our bank's stakeholders on sustainability,
- Ensuring the preparation and supervision of reports covering sustainability activities and performance indicators, our corporate website, and similar promotional channels, in accordance with the Corporate Governance Principles and Sustainability Principles.

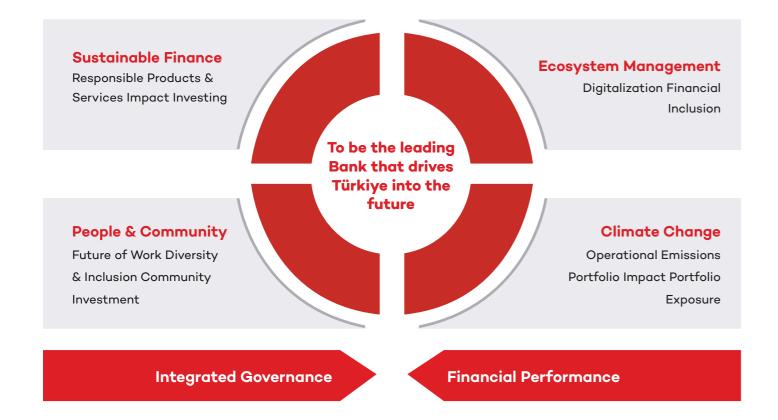
Our 4 committees (Sustainable Finance, Ecosystem Management, Climate Change, and People & Communities) which continue to work in coordination with our Investor Relations and Sustainability Department, meet regularly with our representatives from the functions under the leadership of our relevant Executive Vice Presidents.

We see sustainability as a part of our corporate culture and take important steps to strengthen internal sustainability awareness. We keep Akbank employees informed about new developments by sharing monthly "Sustainability Bulletins" consisting of developments from around the world, Türkiye, and our Bank. While evaluating the agenda on sustainability-related issues, we share current developments with all our stakeholders, on the Akbank Sustainability Medium page where we shed light on the rapid economic and social transformation.

2023 Sustainability Committee Decisions

We carry out improvements and make adjustments in sustainability actions and activities in parallel with the feedback given by our Sustainability Committee. Decisions made in 2023:

- Initiation of the project to develop a roadmap for our Bank's 2050 Net Zero Target
- Revision of the target of providing TL 200 billion in Sustainable Financing by 2030
- 3. Consultation for gender pay gap studies



Why Sustainable Finance?

According to the OECD, an average of USD 6.9 trillion should be invested annually until 2030 for sustainability issues such as reducing inequalities, preventing climate change, and ensuring prosperity. In addition, according to the Bloomberg report, sustainability assets are expected to exceed USD 50 trillion by 2025. This accounts for more than one-third of the projected USD 140.5 trillion in total global assets. These opportunities are increasing in parallel with the sensitivity of investors, especially those who are in their twenties or thirties, toward sustainability-themed products, and issues such as climate change and inequality.

To meet such a large financing need, banks like us, which are pioneers in the field of sustainability, have great responsibilities. As financial institutions, we act as an important driving force in Türkiye's transition to a sustainable economy and we will play an active role in this transformation. As Akbank, we aim to increase the amount of sustainable financing support we offer and our products year by year to accelerate Türkiye's transition to a sustainable economy.

You can access our work in this focus area in the <u>Sustainable Finance</u> section of our report.

Why People & Community?

Employing a qualified workforce has become one of the most critical issues of today. Brain drain, which is defined as the migration of the educated and qualified workforce from the country to developed countries, has closely concerned our country in recent years. The most important result of brain drain for countries is that, while the development of the countries experiencing this migration slows down, the development of the countries that receive migration increases rapidly. According to the 12th Development Plan of the Office of the President of the Republic of Türkiye, qualified human resources will be one of the important elements of the stable growth envisaged during the planning period. Increasing the qualifications of the workforce and including women and young people in employment by equipping them with the necessary skills in the labour market are among the main priorities. In 2028, the Unemployment Rate in the Labour Market is expected to fall to 7.5%, the Employment Rate to reach 52.5%, and the Labour Force Participation Rate to 52.5%.

You can access our work in this focus area from the People & Community section of our report.

Why Ecosystem Management?

Ecosystem management is a method that helps banks adapt and quickly deliver innovative solutions in an everevolving world. As in the rest of the world, the banking sector in our country is constantly developing and changing. At the heart of this change and development are the development of customer experience, improving data management, and accelerating innovation, in which ecosystem management plays a critical role. As Akbank, we have adopted an ecosystem architecture approach to best respond to customer expectations and to create a broad ecosystem involving a wide range of stakeholders. This approach enables the development of many products and services to meet the expectations of all types of customer segments and expands the bank's access to financial solutions.

You can access our work in this focus area from the Ecosystem Management section of our report.

Why Climate Change?

According to the 2024 Global Risks Report prepared by the World Economic Forum, environmental risks continue to be a priority as in the previous year. The majority of respondents say they are worried about extreme weather events in the coming years. Extreme weather events due to climate change, loss of biodiversity, damage to the ecosystem, resource scarcity, and pollution constitute 5 of the 10 most important risks expected to be encountered in the next decade. In addition, according to the World Bank's 2022 report, Türkiye needs an investment of USD 165 billion until 2040 only for the focus area of climate change and green transformation. In line with this information, banks must monitor all the effects that may occur inside-out and outside-in, and that may affect the impact of their portfolios on climate change and the impact of the climate change on their portfolios.

The Carbon Emission Trading System to be established in Türkiye, additional funds and liquidity opportunities that can be accessed through special sustainability products, and possible incentives that can be provided by the public are also among the opportunities for us.

You can access our work in this focus area from the <u>Climate Change</u> section of our report.

<u>Development of Our</u> <u>Sustainability Efforts</u>



Akbank was the first bank to announce its dividend policy to the public. We became the first bank to publish its Corporate Governance Principles in its annual report.



We became the first bank to announce its Corporate Governance Principles on its website.



We became the first Turkish bank to sign the United Nations Global Compact. Collaboration started with Endeavor, an international nongovernmental organization established to contribute to economic development by supporting active entrepreneurs in developing countries.



The Corporate Governance and Social Responsibility Committee (KYSSK) was established under the Board of Directors.



We became the first Turkish bank to publish the United Nations Global Compact Progress Report.

We drew attention to the issue of environmental transparency by supporting the implementation of the Carbon Disclosure Project (CDP) in Türkiye.

We became the first Turkish deposit bank to publish its Sustainability Report in accordance with the Global Reporting Initiative (GRI) Principles.

As the first and only company from Türkiye to be included in the 2010 Global 500 Report of the Carbon Disclosure Project, it was included in the World Industry Leaders category with its high score.

Akbank Energy-Friendly Loan was launched.



We became a signatory of the Cancun and Durban declarations prepared at the United Nations 2010 and 2011 Climate Change Summits.

Akbank Volunteering System was launched.



In addition to banking products and services, we launched the "Savings Campaign" supported by a social responsibility project against the savings deficit, which is an important obstacle in front of Türkiye's development.



In order to create a new roadmap to combat global climate change, we signed the declaration calling on the parties to fight climate change, which was put up for signature at the COP21 Conference of Parties (COP) in Paris.



Centre of Excellence in Finance (CEF), an important initiative in the field of education, started its activities in coordination with Akbank and Sabancı University.



Akbank LAB was launched to establish the Banking of the Future today.



Within the scope of the digital transformation process, it published the Digital Trust Principles.

Participated in the updating of the Sustainable Finance Declaration signed in 2017 together with the UN Global Compact working group.



Akbank reduced the Environmental and Social Impact Assessment limit to USD 20 million in line with the UN Global Compact Türkiye sustainable financing declaration, of which it is a signatory.



We reduced the Environmental and Social Impact Assessment limit to USD 10 million in order to better manage the impacts of the projects it finances.



We published the Sustainable Finance Framework.

We was included in the Bloomberg Gender Equality Index. It became the first bank and institution from Türkiye to join The Valuable 500.

UNEP became a supporter of the FI Principles for Responsible Banking and TCFD.

By reconsidering its sustainability strategy, it became the first deposit bank in Türkiye to announce long-term targets in the field of sustainable finance.



We set a goal of becoming a Net-Zero Bank by 2050.

We updated the Environmental and Social Risk Framework



As part of our commitment to the United Nations Principles for Responsible Banking, we aimed to support financial resilience and sustainable business growth by increasing the number of female customers at an annual rate of 10% until 2025.

We successfully exceeded our sustainable financing target of TL 200 billion by the end of 2023 and increased our target to TL 800 billion.

We updated our Sustainable Finance Framework with the new and Türkiye's first green, blue and social thematic areas and prepared the most comprehensive framework in Türkiye.

We launched Türkiye's first 'Sustainable Deposit' product to our customers in the last months of the year.

Our Material Issues

With our vision of "to be the Leading Bank That Carries Türkiye into the Future", we continue our efforts to observe the Sustainable Development Goals by taking the opinions of our stakeholders. Considering the changing standards and international developments, we reviewed our material issues for 2023 through stakeholder surveys and departmental interviews. For our Double Materiality Analysis, which we prepared for the first time this year, we consulted the following parties for their opinions:

- · International Financial Institutions
- Investors
- Employees
- Customers
- · Non-Governmental Organizations

While determining our material issues, we prepared the survey results covering stakeholder opinions, developments in current sustainability reporting standards, global trends, our bank's long-term vision, best practice examples, and the Sustainability Accounting Standards Board (SASB) Financial Services - Commercial Banking sector material issues. On the vertical axis of our matrix, we included the importance of the effects of the material issues. In this context, we compiled the results from the perspectives of magnitude, scope and manageability of the impact of the material issues. On the other hand, on the horizontal axis, we showed the financial magnitudes of the risks contained in the material issues. To determine the financial effects of all risks, we met with the relevant department managers and listed the actions taken by our bank to eliminate these risks.

Significant differences are observed in our matrix compared to last year:

The "Financing & Investment Decisions Considering ESG Criteria" material topic has been added under our Sustainability Finance focus area, under the guidance of the Sustainability Accounting Standards Board (SASB).

-The Innovation topic has been updated as "Digitization and Innovation".

The "Financial Inclusion" topic has been expanded to include "Financial Literacy" and "Thematic Banking".

- -The scope of the "Data Privacy and Security" topic has been expanded and moved from the focus area of "Ecosystem Management" to the focus area of "Integrated Governance".
- -The material topics of "Talent Management", "Future of Work", "Employee Satisfaction and Engagement" and "Human Rights" have been combined under a single umbrella and added to the matrix as the "Employee-Oriented Corporate Culture" material topic.
- -The "Sustainable Procurement" material topic has been removed from the matrix due to its low impact and share in operations within the company.
- -The "Climate Change" material topic, under the Climate Change theme, has been updated as "Environmental Footprint" and will be followed only in measuring operational impacts.
- -The material topic of "Financial Stability and Regulation" has been updated as "Financial Performance".
- -The material topics "Brand Reputation" and "Clean Banking" have been combined under the title of "Ethical & Clean Banking".



FINANCIAL IMPACT



Sustainable Finance

- 1. Responsible Products & Services
- 2. Impact Investing
- Financing & Investment
 Decisions That Consider ESG
 Criteria



Ecosystems Management

- 4. Digitalization & Innovation
- 5. Customer Experience & Journey
- 6. Financial Inclusion



People & Community

- 7. Employee Oriented Corporate Culture
- 8. Diversity & Inclusion
- 9. Community Investments



Climate Change

- 10. Portfolio Impact & Exposure
- 11. Our Environmental Footprint



Integrated Governance

- 12. Integrated Risk Management
- 13. Financial Performance
- 14. Ethical & Clean Banking
- 15. Data Privacy & Security



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Corporare Our Sustainability Governance **Journey**

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Our Strategic Focus Area	Material Issue	Sustainability Impacts	Importance for Akbank	Governance and Detailed Information
	Employee- Oriented Corporate Culture	An employee-oriented corporate culture ensures workforce sustainability of organizations by increasing productivity and satisfaction in the workplace. Focusing on the development and improvement of employees fosters innovation in the workplace, which in turn improves the sustainability of operations. Additionally, making employees feel valued and engaged strengthens corporate reputation and brand value, which contributes to overall business sustainability.	Talent management includes activities that will increase employee development, satisfaction and loyalty.	Employee-Oriented Corporate Culture Remuneration Policy Compensation Policy Zero Tolerance Policy Towards Violence Human Rights Policy
People & Community	Diversity and Inclusion	Diverse perspectives from people from diverse backgrounds foster innovation and help organizations find creative solutions to environmental and social problems. An inclusive workplace increases employee satisfaction and engagement, which contributes to workforce sustainability. Creating an environment where all individuals are evaluated, included and supported equally strengthens the social responsibility aspect.	It covers the activities organized to maintain a corporate culture that is participatory, free and open to different ideas.	Diversity and Inclusion Diversity and Inclusion Policy
	Community Investments	Education and entrepreneurship programs expand economic prosperity and the potential customer base, and cultural and artistic investments increase local loyalty and strengthen reputation. Investments in culture and arts demonstrate banks' commitment to local communities and strengthen their reputation.	It includes education, entrepreneurship, culture, arts and volunteering activities provided to ensure social development.	Community Investments

Our Strategic Focus Area	Material Issue	Sustainability Impacts	Importance for Akbank	Governance and Detailed Information
	Impact Investing	Economic fluctuations or uncertainties in the invested sectors can be a potential risk for impact investing. These risks can often be managed through careful consideration of various investment options and strategic risk management practices. Creating investment strategies by taking into account long-term ESG criteria instead of short-term financial returns contributes to sustainable growth by revealing opportunities as well as risks.	To investors with different assets and risk expectations in order to enable customers to invest in projects in environmental, social and governance areas; It covers the various investment options offered, such as mutual funds, bonds or stocks.	Impact Investing
Sustainable Finance	Responsible Products and Services	Using financing instruments that comply with green and social criteria strengthens the business model while reducing environmental and social impacts. Such products and services enable the bank to meet changing international standards and investor expectations in sustainable financing practices.	As a bank, it covers sustainable financing tools provided in accordance with green and social criteria.	Responsible Products and Services Sustainable Financing Framework
	Financing & Investment Decisions That Consider ESG Criteria	Making financing and investment decisions that consider ESG criteria helps maintain long-term stability. In addition to legal compliance, the adoption of ethical and environmentally responsible practices enhances the bank's reputation and attracts morally conscious investors and customers. Additionally, such practices provide better protection against environmental and social risks and thus support business continuity and success.	It includes identifying environmental and social risks and/or opportunities that may arise as a result of the financing provided, managing them effectively and providing financing in accordance with human rights.	Financing & Investment Decisions Considering ESG Criteria Akbank Environmental and Social Risk Framework Policy



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Our Strategic Focus Area	Material Issue	Sustainability Impacts	Importance for Akbank	Governance and Detailed Information
	Digitalization & Innovation	Innovative and digital solutions provide the potential to significantly improve efficiency, speed and service quality. It also increases financial inclusion by providing access to a broader customer base. On the other hand, digitalization and innovation also positively contribute to energy use and environmental impacts resulting from operations.	It includes innovative and digital solutions implemented to accurately analyze changing trends and customer expectations and to provide an easy, simple, technology-oriented, original and practical banking experience with special solutions, as well as to grow the entrepreneurship ecosystem.	<u>Digitalization</u> & Innovation
Ecosystem Management	Customer Experience and Journey	Responding quickly and effectively to customer needs and demands increases customer loyalty, increases the bank's competitiveness in the market and adapts to the evolving digital age.	It covers the work carried out to analyze and improve the level of service provided.	Customer Experience and Journey
	Financial Inclusion	Serving a broader customer base increases income diversity, contributes to social equality and supports economic growth and stability.	It includes customers' access to beneficial financial products and services such as transactions, payments, savings, credit and insurance that meet their needs and are delivered in a sustainable and responsible manner.	Financial Inclusion
	Portfolio Impact & Exposure	Creating a portfolio that is resistant to risks arising from climate change and adopting an investment strategy that is sensitive to climate change and environmental factors prevents possible risks, strengthens the bank's reputation	It covers the impact of the bank portfolio due to climate change and the positive/negative effects of climate change.	Portfolio Impact & Exposure
Climate Change	Environmental Footprint	and has a positive impact on its future financial sustainability. Environmental footprint reduction efforts reduce emissions, increase energy efficiency and combat climate change. It ensures the business continuity of the bank by increasing resilience against risks arising from extreme weather	It covers emissions, energy, waste and water management from the bank's operations, together with eco- efficiency initiatives the	Our Environmento Footprint Environmento policy

Akbank Built Upon Your

Trust

Our Strategic Focus Area	Material Issue	Sustainability Impacts	Importance for Akbank	Governance and Detailed Information
	Integrated Risk Management	Integrated risk management maintains stability and mitigates possible financial shocks, while proactive management of operational and financial risks, as well as significant environmental risks such as the climate crisis, increases the bank's capacity to continue on its path and achieve its goals while maintaining business continuity and customer confidence.	It covers risk management, compliance with legal regulations, and environmental and social impact analysis on key issues such as balance sheet management, capital allocation, portfolio/investment preference, new product and activity decisions, in line with long-term strategies and goals.	Integrated Risk Management and Legal Compliance Internal Control and Supply Chain Compliance Program Policy
Integrated Governance	Financial Performance	Solid financial base supports all other sustainability efforts of the bank. Effective balance sheet management and capital allocation strengthen the ability to maintain capabilities even in complex market conditions. Additionally, high financial performance increases the bank's capacity to invest in sustainability projects and achieve social, environmental and governance (ESG) goals.	It covers the bank's balance sheet management, capital allocation, portfolio/ investment preference, legal compliance, new product and activity decision, financial volume and performance during the year.	Financial Information Dividend Policy
	Ethical and Clean Banking	Ethical and clean banking protects and strengthens corporate reputation. Full compliance with laws and ethical rules eliminates the risk of compliance with regulations and prevents possible penalties. Additionally, by increasing the satisfaction and loyalty of customers and employees, it strengthens the bank's relationships with its stakeholders and supports a sustainable business model.	It covers the work carried out to ensure that the bank's and its employees' practices and behaviors towards customers are taken into account, in addition to legal regulations, as well as customer benefits, and the employees' compliance with ethical rules and policies within the operations.	Ethical and Clean Banking Gifts and Hospitality Policy Anti-Bribery and Anti-Corruption Policy Conduct Risk Policy
	Data Privacy and Security	Keeping customer and employee data secure enables an organization to protect its reputation and meet its legal responsibilities, while strong data security practices reduce the risk of cyber attacks and data breaches, increasing business continuity and financial resilience.	It covers the efforts to ensure the necessary technical and administrative security to protect personal data against unauthorized access, damage, loss or disclosure by providing legal requirements.	Data Privacy and Security Cookie Policy Akbank Disclosure Text On Prosessing of Personal Data

Our Goals, Sustainability Performance and Contributions to the Sustainable Development Goals

At Akbank, we contribute to the United Nations Sustainable Development Goals (UN SDGs) with our projects and works that we implement in line with our focus areas and materiality issues.

Our Areas of Focus and Material Issues	Our Goals	KPI's	2021	2022	2023	Our Contributions as Akbank	Related SDG
SUSTAINABLE FINANC	CE-SUSTAINABLE FII	NANCE FOR GREEN AN	D INCLUSIV	E TRANSFOR	RMATION		
 Responsible Products & Services Impact Investing Financing & 	 Providing 200 billion TL of sustainable financing by 2030. 	Number of projects with environmental and social impact assessment	14	10	16	We successfully exceeded our 200 billion TL target by the end of 2023. ⁽¹⁾ • We exceeded our TL 200 billion Sustainable Financing goal for 2030 and raised it to TL 800 billion.	7 AFFORDABLE AND CLEANENERBY 8 ECONOMIC GROV
Investment Decisions That Consider ESG Criteria	To reach a sustainable investment fund balance of 15	Number of projects rejected due to environmental and social impact assessment	25	20	18	 Customized Sustainable Financing products (Türkiye's first Sustainable Deposit Product, Digital and Financial Solutions Focused on Sustainability in the Agricultural Supply Chain) The volume of ESG-themed funds reached TL 3.2 billion with 174 thousand investors. (165% increase in the number of investors compared to 2022) (2) 	9 NOUSTRY INFORMATION 13 CLIMATE ACTION 4 ACTION
	billion TL AuM by the year 2030. • Increasing sustainability-	Number of site visits to projects due to environmental and social impact assessment	27	24	25	 Sustainable Financing Framework was updated in April with a Second Party Opinion. Completed ESG, sustainable finance and climate change trainings for all corporate and commercial branch employees. The share of sustainability-related transactions in total borrowing is 59%.	15 UFE ON LAND
	related borrowing by the year 2030.	Amount of investment in renewable energy projects	USD 1,321 million	USD 1,097 million	USD 1,039 million	 A total of USD 300 million in sustainability-linked and gender equality-themed Tier 2 (global first gender-themed Tier 2) transactions, with investments from AIIB, DFC, and IFC. Türkiye's first social-themed syndication loan will provide USD 500 million in support for financing foreign trade transactions affected by the earthquake. 	
		Installed capacity we finance according to renewable energy project types	"HPP 3,163 WEP 1,037 GEP 320 SEP 181 Biomass 9 Total 4,722 MW"	"HPP 3,163 WEP 1,037 GEP 320 SEP 181 Biomass 21 Total 4,722 MW"	"HPP 3,163 WEP 1,682 GEP 320 SEP 190 Biomass 21 Total 5,376 MW"	 Issuance of 8 social bonds totaling USD 243 million with a maturity of 1 year. Proven leadership by Global Finance 4 awards including "Leadership in Sustainable Finance" (1) These are non-consolidated management reporting data. They include green (e.g., renewable energy, clean transportation, etc.) and social (e.g., access to basic services, women-owned SMEs) loans that are in complian with the Sustainable Finance Framework, as well as Eurobonds and syndication acquisitions of the Sustainabl Social Eurobond ESG type. 	
		The rate of renewable energy themed loans in energy production projects	84%	83%	82%	(2) The thematic funds of Ak Asset Management are as follows: Health Sector Innovative Companies Fund, Alternative Energy Fund, Electric and Autonomous Vehicle Technologies Fund, Venture Capital Investment Fund, and Agesa's ESG-themed fund: Sustainable Equity Pension Fund.	



Messages from Top

social return

on community

investments.

Enhance the

volunteering

in community

investments.

impact of Akbank

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Trust

Corporare Governance

97%

7.02%

Close to

1,000

40%

100%

7.21%

Close to

1,000

35%

100%

6.16%

More than

1,000

37%

Our Sustainability Journey

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Our Areas of Focus and Material Issues	Our Goals	KPI's	2021	2022	2023	Our Contributions as Akbank	Related SDG
PEOPLE & COMMU	NITY-WE ARE TAK	ING STEPS TO EMP	OWER PEOF	PLE AND CO	OMMUNITY		
• Employee=Oriented Corporate Culture	To enhance the effectiveness of	Percentage of female employees	53%	52%	52% 🗸	We strengthened the culture of Diversity and Inclusion • We appointed our new Diversity and Inclusion Leader (Deputy General Manager of SME	4 QUALITY 5 GENDER EQUALITY
Diversity & Inclusion Community	investments in our employees.Increase the	Training time provided per employee	35	33	32	Banking). • "The Red Book," prepared to support Akbank's cultural transformation, was published. • As part of the Role Model Akbank initiative, a mentorship program	O DECENT WORK AND 10 REDUCED

Akbank Beautiful Tomorrows Movement

· Support for youth through financial literacy programs

programs through the Youth Academy

- Established a long-term collaboration with the Community Volunteers Foundation in cities affected by the earthquake.
- Supported the healing and future preparation of young people through art, technology,

We reached 61,000 youths this year and a total of 135,000 since 2020 with mentorship

Actively supported regions affected by earthquake

- · Supported fundamental needs such as shelter, heating, and nutrition.
- · Provided solutions for relocation and housing for our employees in the affected regions.
- · Maintained our operations seamlessly with our digital and technological infrastructure.
- · Prioritized the hiring of young people in the disaster-stricken areas in our recruitment processes.







ECOSYSTEMS MANAGEMENT-OUR INNOVATIVE PRODUCTS AND SERVICES SUPPORTING **COMPANIES AND FINANCIAL HEALTH**

The return rate of

employees who have

Number of employees

internal volunteering

female employees in

senior management

used maternity and

parenting leave

Employee

activities

turnover rate

participating in

Percentage of

• Digitalization & Innovation

· Community

Investments

- Customer Experience & Journey
- Financial Inclusion
- · To popularize digital and innovative products and services.
- Increase the number of financially empowered individuals by 2030.
- Increase the number of womenowned SMEs by 10% annually until 2025.
- 11.2 million Number of digital 6.6 million 8.7 million banking users user user user Percentage of personal loans 84% 82% 90% provided through mobile channels The share of credit cards sold through 52% 54% 70% digital channels Number of startups connected and 311 197 745 evaluated

We have set our financial health and inclusivity target

· Under the commitment of the UN Principles for Responsible Banking, the goal is to support financial resilience and sustainable business growth by increasing the number of female customers by 10% annually by 2025(1)

We empower SMEs by providing financial and non-financial support

- · A resource of USD 50 million from Proparco for the Eco Transformation Package
- · An industry first: Special Finance Support backed by Export Development Co. (İGE)
- Collaboration with leading technology and e-commerce companies (SolarVis, which supports the digitization of solar energy producers)
- Akbank Bin Yaprak Women Entrepreneur Mentorship Program has started receiving applications

We have strengthened the sustainable entrepreneurship ecosystem

- We have implemented our Entrepreneurship Banking solutions. (e.g., Offering investment opportunities to entrepreneurs with Ak Portföy Venture Capital Investment Fund)
- The second term of Akbank+, Türkiye's first full-time spin-off program, has started.
- · More than 1,000 start-ups were engaged and more than 700 start-ups were interviewed.
- · The Boost the Future acceleration program, in cooperation with Endeavor Türkiye, started for the 5th time.
- (1) UN Principles for Responsible Banking Financial Health and Inclusion Commitment Summary Report













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Our Areas of Focus and Material Issues	Our Goals	KPI's	2021	2022	2023	Our Contributions as Akbank	Related SDG
CLIMATE CHANGE ENVIRONMENTAL	E-WE ARE MANAG	ING CLIMATE RIS	K WHILE RED	UCING OUR	1		
Portfolio Impact & Exposure Environmental Footprint Pootprint	To become a net zero bank by 2050 by reducing our operational and portfolio emissions	Water Consumption Scope 1 Emmisions Scope 2 Emmisions Scope 3 Emmisions	144,450 m³/year 11,102* ton CO ₂ e 24,300 ton CO ₂ e 10,169 ton CO ₂ e	184,583 m³/year 12,485* ton CO ₂ e 15,415 ton CO ₂ e 11.195 ton CO ₂ e	170,542 m³/year 11,932 ton CO ₂ e 0 ton CO ₂ e 9,971 ton CO ₂ e	Steps Towards Becoming a Net Zero Bank by 2050 We reduced our operational emissions by 82% compared to the 2019 baseline in 2023. Aligned with the 1.5°C scenario, we set our target for intermediate emission reduction. Aim to achieve a 90% reduction in Scope 1 and Scope 2 greenhouse gas emissions by 2030. Since the beginning of 2023, 100% of the electricity we use comes from renewable sources. We continue to enhance capacity in energy efficiency and waste management. ISO 50001 (Energy Management) & 14001 (Environmental Management) training was completed in 251 branches (out of 562 total). Decarbonization of Portfolio Emissions We calculated Scope 3 Category 15 emissions using the PCAF (Partnership for Carbon Accounting Financials) methodology for various asset classes, including corporate, commercial, and SME loan portfolios. We identified intermediate emission reduction targets for priority carbon-intensive sectors. Digital tools were provided to customers for calculating their carbon footprints. Workshops were organized to raise awareness among our customers about the Border Carbon Adjustment Mechanism. Location and sector-specific climate risks were analyzed for all Project Finance loans. (') Leakage emissions have been revised with accurate values compared to the previous calculation and reflected in the table. (1) Partnership for Carbon Accounting Financials (PCAF)	7 AFFORDABLE AND CLIMATE 13 CLIMATE 15 UFE ON LAND

Our Affiliates' Sustainability Commitments and Actions

AKBANK AG	Our subsidiary Akbank AG, which continues its activities in Germany , has committed to becoming a net-zero bank by 2050.
AKLease	AKLease is the first and only company in the leasing industry in Türkiye to come up with a sustainability product called ECOLease, by embracing a life understanding that attaches importance to investing in the future. You can access its sustainability awareness film from the link.
AK Portföy	Under the umbrella of "Investments of the Future", Ak Asset Management invests in the future of Türkiye by offering Alternative Energy, Health, Electric and Autonomous Vehicle Technologies, Agriculture, and Food Technologies funds to savers. You can review the details of its work from the link.
AKÖde	Launched in 2019, Tosla solves the financial needs of young people who are not included in the banking system, in an easy, fast and interactive way.
AK Yatırım	The green public offering, mediated by a consortium of 41 members led by Ak Investment, took place in April 2023.

Ak Investment follows more than 100 actions every year with all Akbank employees and increase its sustainability performance over the years. It successfully carried out 93.9% of its sustainability actions this year. As a reward for the high efforts, it has made in the focus on sustainability in recent years, it increased its score to level A this year in the MSCI rating, which measures the resistance of companies to long-term environmental, social and governance (ESG) risks. Together with the devoted work of all its employees, it will continue to play a leading role in our country's transition to a low carbon economy, achieving net zero targets and social development.

As a reflection of its successful sustainability performance, Ak Investment's MSCI ESG rating has increased by 3 notches since 2021, reaching level A.

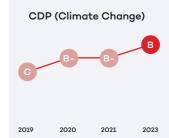
Our transparent and comprehensive approach is reflected in our ESG rating results

Inc	lices	MSCI 🌐	REFINITIV 🔫	Bloomberg Gender Equality Index	SUSTAINALYTICS	**CDP	Sustainable Fitch
Ra	nge	AAA/CCC	A+/D-	0-100	0-40+	A/D-	1-5
Sc	ore	А	А	78.01	15,4 (Low Risk)	В	3
				Progress	S		

MSCI BBB BBB Nov19 Mgr21 Oct21 Dec22 Dec23







OUR FOCUS AREAS AND MATERIAL ISSUES	OUR GOALS	DEVELOPMENT IN 2023
Sustainable Finance		
Responsible Products &	Provide TL 200 billion of sustainable financing by 2030	By the end of 2023, our total Sustainable Financing reached TL 226 billion, thus we have reached our 2030 target. We have updated our 2030 target to TL 800 billion.
Services Impact Investing	To increase the balance of sustainable investment funds to TL 15 billion AuM by 2030	By the end of 2023, our ESG themed funds reached TL 3.2 billion AuM.
	Increasing debt related to sustainability by 2030	Our debt amount related to sustainability reached 59% by the end of 2023.
People & Community		
-Diversity & Inclusion	Implementing the necessary actions in the upcoming period to improve the observed wage differences based on categories with our equal pay for equal work policy	In 2023, Akbank employees' wage data were evaluated by a third-party independent organization from the perspective of equal pay for equal work.
Ecosystems Management	t .	
-Financial Inclusion	Increase the number of female SMEs by 10% annually by 2025.	We increased it by 23% in 2023 compared to 2022. ✔
Climate Change		
Doutfolio Impact C Expenses	Peneming a net zero hank by reducing and	We reduced our Scope 1 and Scope 2 emissions by 82% compared to the 2019 base year.
Portfolio Impact & Exposure Environmental Footprint	Becoming a net zero bank by reducing our operational and portfolio emissions by 2050.	We worked on the 2030 and the intermediate period targets. We aim to announce the detailed plan to the public in 2024.

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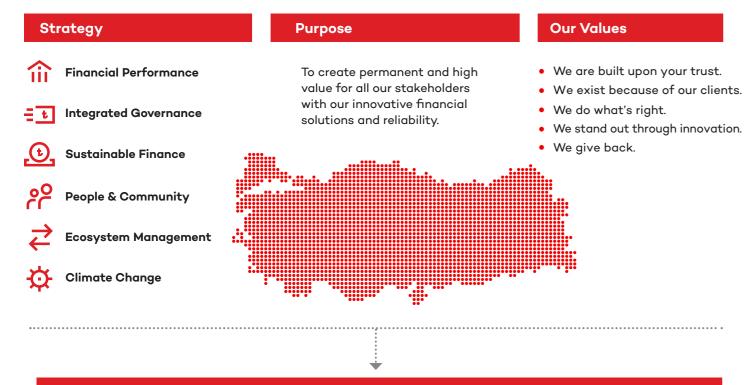
Z W

ΕР

Middle

Low

Our Value Creation Model



Our Core Banking Activities

Corporate and **Investment Banking**

We make a difference with our network of correspondent banks and export credit agencies in 130 countries around the world, sustainable investments and High collateral value for investors with strong balance sheets We focus on providing financing.

Commercial **Banking**

We support our customers with 15 commercial branches. 136 mixed commercial branches and our Commercial Banking team focused on relationship management, and strive to bring their arowth to a sustainable structure.

Consumer Banking and **Digital Solutions**

We constantly renew our service models, ways of doing business, and always keep our interaction points with our customers up-to-date.

SME **Banking**

We provide services to SMEs with more than 1,200 expert customer representatives in approximately 650 branches across Türkiye.

Private Banking and Wealth Management

It has introduced important innovations since the day it was founded, positioning our Bank among the most important players in the market in the field of Investment Services.

Our Affiliates

AKBANK AG

AKÖde

AKAssetManagement

AKInvestment

AKLease

AKBANK VENTURES

How Do We Create Value?

- **Human Capital**
 - Employee-focused corporate culture
 - · Diversity and inclusion efforts

• Financial Capital

- · Strong equity capital and strong financial structure
- · Sustainable and widespread funding base
- Products and services for different expectations

Intellectual Capital

• Innovation and digitalization studies

Natural Capital

- · Environmentally friendly banking approach
- **Manufactured Capital**
- · Digital and technological infrastructure
- Modern, widespread branch and ATM network
- **Social and Relational Capital**
- · Strong relationships with stakeholders

LONG-TERM VALUE CREATED

Outputs



Financial Capital

- 4.4% Return on assets
- 24 monitoring studies within the scope of Environmental and Social Impact Assessment
- 18 Sustainable Finance products and services



Manufactured Capital

- Number of new generation Akbank branches: 606
- +771 thousand POS terminals
- · Disabled access applications in 102 branches, tactile surface applications in 659 branches



Intellectual Capital

- · 11.2 million digital customers
- 90% Consumer loans provided through digital channels
- 16 projects implemented within Akbank LAB



Natural Capital

- 82% reduction in Scope 1 and Scope 2 emissions compared to 2019
- · Our MSCI ESG score is A
- · We have been in the BIST Sustainability Index since 2014



Social and Relational Capital

- 11.2 million active customers
- Performance of over 150 artists at Akbank Jazz Festival

High

• More than 61,176 young people reached with Akbank Youth Academy



Human Capital

- 37% of women working in senior management
- 2,063 new jobs
- 32 hours of training per person

Our Strong Stakeholder Interaction

Relevant Stakeholder	Collaboration Focus	Akbank's Responsibility	Communication Frequency	Related Material Topic
Shareholders, Investors, Analysts	Constant communication with shareholders, investors, and analysts	Informing shareholders, investors, and analysts in writing and verbally	Continuously	 Responsible Products and Services Digitalization and Innovation Impact Investing
Employees	Employee motivation and satisfaction	Projects oriented to ensure employee satisfaction	Continuously	Employee-Oriented Corporate Culture
Customers	Customer satisfaction	Product and service development activities to ensure customer satisfaction	Continuously	Customer Experience & Journey Ethical and Clean Banking
International Financial Institutions	ESG-focused communication with international financial institutions	To comply with environmental and social standards defined by international financial institutions	Continuously	Financial Inclusion Portfolio Impact& Exposure Responsible Products and Services Impact Investing
Legislators and Regulators	Full compliance with laws and regulations	To closely follow the developments and legislative changes related to the banking sector	In the case of need	Data Privacy and Security

You can find the details of our strong stakeholder interaction here.

You can find the list of memberships we have here.

Relevant Stakeholder	Collaboration Focus	Akbank's Responsibility	Communication Frequency	Related Material Topic
Suppliers	Value-creating, transparent, sustainable, reliable, and high-quality business relations with suppliers	To monitor the sustainability performance of suppliers in procurement processes	In the case of need	Data Privacy and Security
University Youth	Benefit-oriented communication with the university-age youth	To develop projects for the wishes, opinions, and expectations of young people	Continuously	Community Investments Impact Investing
Local Community	Reaching out to the local community within the scope of providing social benefit	Developing products and services and projects that touch the local community	Continuously	Community Investments Impact Investing
Non- Governmental Organizations	Collaborations with NGOs	To develop social contribution projects in collaboration with NGOs	In the case of need	Community Investments Impact Investing
Media	Constant communication with national and international media	Preparing press conferences and bulletins about products and services	In the case of need	Community Investments



Sustainable Financing

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Responsible Products and Services

We have updated our Sustainable Finance Framework with new green, blue and social thematic areas.

As of 2023, we have reached our target of TL 200 billion Sustainable Finance by 2030. We have updated our 2030 target as TL 800 billion.

We aim to become a "net-zero bank" by 2050 by zeroing out the impact of our loan portfolio on climate change.

Within the framework of sustainability trends, we continue to develop our current practices in the field of sustainable finance in line with the expectations of international financial institutions, investors, and the current market. We have updated our Sustainable Finance Framework, which we published in 2021, in 2023, together with green, blue, and social thematic areas, which will be a first in Türkiye. We have added new areas to our framework such as adaptation to climate change, green hydrogen, hybrid maritime transportation vehicles, and financing investments that support the redevelopment of the earthquake zone. With our updated framework, we use green and social criteria to categorize the projects to which we provide sustainable financing in accordance with international principles. With our framework, we issue bonds that comply with the ICMA (International Capital Market Association) Green Bond Principles, Social Bond Principles and Sustainability Bond Guide. In addition, we provide green and social loans that are aligned with the LMA (Loan Market Association) Green Credit Principles and Social Credit Principles. We assess the compliance of our framework with the ICMA Harmonized Impact Analysis Criteria and the IFC's (International Finance Corporation) Blue Finance Guideline.

In order to evaluate our contribution to the Sustainable Development Goals in a transparent and measurable manner, we analyse the environmental and social positive impact we create with our sustainable financing loans. In the renewable energy category, we contributed to the reduction of approximately 130 thousand tCO2e with the project financing loans we provided in 2023. In 2023, we supported nearly 170 thousand retail banking, SME, commercial and corporate banking customers, including 1707 Women-Owned/Managed SMEs, 1645 Young SMEs and 19 Entrepreneurial SMEs, with the social loans we provided in the earthquake zone.

We have identified the priority sectors we will focus on in our journey to become a Net Zero Bank and the 2030 sectoral carbon reduction targets for these sectors.

To increase the awareness of our corporate, commercial, and mixed commercial branches in the field of sustainable finance, we have completed our basic 'sustainability'. 'sustainable finance', and 'introduction to climate change' training sessions in 100% of our corporate and commercial branches and more than half of our mixed commercial branches. On the customer side, we are aware that it is important to raise awareness about green transformation. For this reason, in addition to financing within the scope of our services, we closely follow national and international regulations in the field of sustainability and inform our customers about obligations such as reporting carbon emissions and carbon tax to be brought by the regulations. To this end, we held our Carbon Border Adjustment and Green Transformation Workshop in 2023. In parallel with our workshop, we convey to all our commercial customers, especially our SME customers, who are highly sensitive to market risks, the reporting and tax liabilities they will potentially be exposed to within the scope of the Carbon Border Adjustment Mechanism (CBAM), and we continue to guide our customers for carbon reduction and support our customers to maintain their competitiveness in international markets. We categorize our sustainable finance products and services under the headings of "climate change mitigation", "climate adaptation", and "transformation finance", taking into account the segment and sector distinction. We work with our strategic partnerships and clients to calculate, report, track, offset, and reduce the carbon footprint for our financing activities under these

We have expanded our Sustainable Finance Ecosystem with our strategic partnerships with different stakeholders.

In line with our goal of "becoming a Net Zero Bank by 2050", we have started to work on the decarbonisation of our portfolio. In addition to climate finance, we have also focused more comprehensively on transformation finance. In particular, we monitor the efforts of our carbon-intensive sector customers in the area of net zero commitments and closely monitor the carbon footprint of all our commercial loans. We have identified the priority sectors we will focus on in our journey to become a Net Zero Bank and the 2030 sectoral carbon reduction targets for these sectors. We plan to publish the 2030 carbon reduction targets we have set for priority sectors in 2024.

We encourage our customers in aluminium, fertilizer, chemical, automotive, plastic, textile sectors, which have a high environmental footprint, primarily in carbonintensive sectors such as cement, iron and steel, and energy, to make green transformation, considering sectoral demands, trends and best practices. We offer suggestions to our customers who need green investments

We continue to work for green technology investments and clean transportation in carbon-intensive sectors, especially energy efficiency and renewable energy, by focusing on regulations, technology, and market expectations, which are among the transition risks that our portfolio will be affected by.

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categories.

Strategic Partnerships

Our Climate Finance Acceleration Program (CFA) Collaboration:

As one of the main stakeholders of the UK Government's Climate Finance Acceleration (CFA) Program, which aims to contribute to Türkiye's fight against climate, we have been actively participating in the program since 2021. In order to ensure the integration of the program into our country, as Akbank, we are taking our role in the program one step further. We evaluate the requirements in order to contribute to increasing the preference rates of the selected projects in the investment decisions of financiers from Türkiye and the international arena. This year, while the projects focused on circular economy and sustainable production, such as waste recovery and upcycling, and the production of 100% recyclable products, the program also included sustainability and climate resilience in agriculture, renewable energy storage, and decarbonization projects. In addition to consultancy in the fields of gender equality and social inclusion, capacitybuilding support was provided to the selected projects in areas such as developing financial models and promoting materials effectively.

Our Collaboration with İhracatı Geliştirme A.Ş. (IGE)

We are carrying out important studies that will strengthen our exporters, provide competitive advantage by ensuring the green transformation of our customers, and increase the sustainability performance of our customers in the EU market. In collaboration with İhracatı Geliştirme A.Ş. (IGE), we developed the IGE Equity - Akbank Green Transformation Guarantee Support Package. Thanks to the Green Transformation Guarantee Support Package, which is a first in Türkiye, we have created affordable term loan opportunities for SMEs with IGE guarantee support in their green transformation journey. In this way, while encouraging our SME customers to make the investments necessary for green transformation; we also supported them to increase their competitiveness in the international market within the framework of the European Green Deal.

Our Collaboration with the Sustainability Working Group of the Banks Association of Türkiye

As Akbank, we play an active role in the Sustainability Working Group of the Banks Association of Türkiye and the Green Asset Ratio Working and Sub-Working Groups established within the scope of developing a set of criteria for calculating the green asset ratio (YVO), which is defined as a basic performance indicator for the banking sector, and establishing methodologies in order to increase the accuracy and transparency of the data within the scope of sustainability and to compare the sustainability performance. As an output of these efforts, the Banking Regulation and Supervision Agency (BRSA) has prepared the Draft Communiqué on the Green Asset Ratio and taken the first step to measure the contribution of banks to the financing of environmentally sustainable economic activities. In accordance with the Draft Communiqué on the Green Asset Ratio, we, as Akbank, have started our efforts to classify our assets as eligible and compliant assets and to monitor them in the digital environment. In addition, we also apply Do No Significant Harm to the Environment (DNSH) and Minimum Safeguard (MS) criteria for loans in our portfolio that are described as green/social within the scope of Akbank's Sustainable Financing Framework.

Digital Innovation Partnerships

We are aware that with developments such as the EU Green Deal, the Paris Agreement and Türkiye's 2053 net-zero target, the need for digital products and services within the scope of green transformation has increased in all sectors, and digital tools have become critical for data-driven management of sustainability performance. In this context, we provide free digital services on corporate carbon footprint reporting and ESG assessment to certain customers. In 2024, we aim to bring sustainability and climate change into a broader focus through our non-financial services and accelerate the innovative solutions we offer to our customers.

We launched Türkiye's first 'Sustainable Deposit' product to our customers in the last months of 2023.

While transforming our banking products with a focus on sustainability, we continue our pioneering work in the field of deposits and conventional banking products. With our sustainable deposit product, we provide our commercial customers with the opportunity to create resources for projects that provide both social benefits and have a positive impact on the environment at the same time. With this product, we simultaneously support a wide range of projects of our customers, from access to basic services, empowerment of women-owned/managed SMEs, the reconstruction of the earthquake zone, and circular economy, to clean transportation. Thus, Akbank's commercial enterprises can benefit from a wide range of maturity alternatives ranging from 92 days to 365 days, and can be a part of fundraising that touches projects that have a positive environmental and social impact at the same time.

Green Financing

In our customers' sustainability journeys, we help our customers develop with products, services and strategic partnerships that we can support end-to-end. In 2023, we continued to strengthen our sustainable finance activities by adding our Sustainable Deposit product, which provides sustainable cash management solutions to our customers, and our digital sustainability services to our 16 sustainable finance loan products. We supported our customers in their journey to transition to low carbon with our Renewable Energy Credit, Low Carbon Economy Transition Loan and Rooftop SPP Investment Loan. While our Transition to Low Carbon Economy Loan product serves our Corporate, Commercial and SME segments; we have strived to ensure that our roof SPP loan serves all segments.

With the Roof SPP Investment Loan, we have established business partnerships with Türkiye's leading engineering, procurement and installation companies for the green transformation of our customers.

We continue to strengthen our sustainable financing activities with our Sustainable Deposit product, which offers a sustainable cash management solution to our customers.

- With our Transition to a Low Carbon Economy
 Loan, we supported the activities of carbonintensive sectors that primarily export products to
 EU countries to reduce their carbon footprints. We
 encouraged them to take action to turn the risks
 and obligations they may encounter within the
 framework of SKDM into opportunities.
- To serve their goal of access to affordable, reliable, sustainable and modern energy for all, we have supported our inherently green customers operating in renewable energy generation. Our project finance loan of Borusan ENBW Enerji Yatırımları A.Ş. was deemed worthy of an award in the category of "Power Finance Deal of the Year" at the Bonds & Loans & Sukuk Awards, one of the most prestigious events in the sector.
- With our sustainable financing framework, which we updated this year, we have detailed our inherently green-company criteria with a proportional approach based on current market practices. With our new criteria, we evaluate all of the financing we provide to our customers who derive at least 90% of their revenues from activities that are parallel with our framework, and the part of the financing we provide to our customers who derive at least 50% of their revenues from activities that are parallel with our framework, under sustainable financing. With this approach, we are also able to provide green loans to customers who are below the 90% threshold but are growing by increasing their environmental positive impact. Following our update, we increased our communication with our customers to identify our customers who are making a positive impact on the environment, such as clean production and circular economy, electric charging systems under clean transportation, and renewable energy technology producers, and expanded our pool of companies that are green by nature.

We increased our sustainable project finance loans 3.6 times compared to 2022.

We are the first and only bank in the sector with the Blue Financing product, which we have prepared to minimize the environmental footprint in the tourism, port and transportation sectors.

The SME Eco Transformation
Package is the most
comprehensive product package
offered in this segment that
promotes green transformation!



Our Sustainable Finance Products and Services: 18 •/

- With our Blue Financing Product Package, which includes our Blue Tourism, Blue Port and Blue Transportation Loans, we support our customers to reduce their negative environmental impacts within the scope of both reducing the effects of climate change and adapting to climate change, and we always encourage them to increase their sustainability performance. Within the scope of Blue financing, we continue our activities for the protection of our seas by encouraging our customers to take special measures against activities that have a negative impact on marine biodiversity. As of the end of 2023, 96% of the total risk balance of the loans in our Project Financing hotel portfolio consisted of the projects we followed within the scope of Blue Financing.
- With our agricultural loans that fall within the scope of Sustainable Financing, we support energy and resource efficiency in agriculture, and we provide Drip Irrigation Loans in order to prevent wild irrigation, ensure efficient irrigation, and protect water resources.
- We have designed 6 sustainable financing products included in the "SME Eco Transformation Package", which we have implemented in order to support our SME customers in their green transformation journey and to meet their financing needs, in order to accelerate the transition of our SMEs to a low-carbon economy, to develop their climate adaptation strategies, and reduce their carbon emissions.
- In addition to commercial solutions, we also offer financing solutions for our retail banking customers for the widespread growth of low-carbon mobility. With the Eco-Friendly Vehicle Loan we offer in the retail banking and commercial banking segments, we support electric and hybrid vehicle purchases and sustainable choices in the field of clean transportation.

In accordance with our sustainable financing framework, we evaluate the financing we provide for 'Almost-Zero Energy Buildings', according to the building energy class under green loans.

As of the end of the year, the share allocated to renewable energy in our total portfolio reached 76%. As of 2023, 3,163 MW of the energy projects we have financed were HEPP, 1,682 MW were WPP, 320 MW were GPP, 190 MW were SPP, and 21 MW were Biomass facilities. As of the end of 2023, the number of renewable energy projects we supported was 187.

Project 2023	Total Installed Power (MW)	
НРР	3,163	428
WPP	1,682	436
GES	320	130
SPP	190	33.9
BPP	21	9.8
Sum	5,376 🟏	1,039

^{*} As of the end of 2023, living loans, cash and non-cash loans are included.

Türkiye's first syndicated social loan was granted in April 2023 with an amount of USD 500 million for trade finance transactions in the earthquake zone.

Social Financing

With our new social criteria in our Sustainable Financing Framework, we closely monitor the financing we provide to our women-owned/managed, entrepreneur, and young SME customers operating in developing provinces. We prioritize supporting our women-owned/managed SMEs in order to eliminate discrimination on the basis of gender and to implement, strengthen and promote equality.

With our Sustainable Finance Framework, which we published in 2023, we continued to work for the qualified development of Türkiye by expanding redevelopment or restructuring activities in the disaster aid category. As part of our efforts in which we have taken responsibility for the region since the first moments of the earthquake in Türkiye, we have implemented Türkiye's first social-themed syndicated loan. We have created a resource of USD 500 million for the financing of the foreign trade transactions of our customers affected by the disaster.

You can find detailed information about the opportunities we offer to our SMEs in the <u>Ecosystem Management</u> section of our report.

You can review our sustainable financing products that we provide on Corporate, Commercial, SME and retail banking categories on the <u>Sustainable Finance section</u> of our website.

Financing & Investment Decisions Considering ESG Criteria

Within the framework of our responsible banking approach and sustainability vision, we strive to increase our positive impact on nature and our society while reducing our environmental footprint in all our activities.

We apply the Environmental and Social Management System to all our commercial customers.

With the Environmental and Social Management System (ESMS) and Environmental and Social Impact Assessment (ESIA) System, which we have developed to identify and effectively manage environmental and social risks and/or opportunities that may arise as a result of the financing we provide in the light of the Akbank Environmental and Social Risk Framework, we provide our customers with services/products on environmental, social, and governance issues, climate change, supply chain management, legal compliance, resource management, employee rights, public health and safety, expropriation, biodiversity, and cultural heritage. Within the scope of ESMS, we have been determining the Environmental and Social Risk rating with the IT improvements made on the loan offer screens of all our customers with commercial activities since 2022, and we have been systematically monitoring due diligence, remedial action assignments and assigned actions.

We submit the loans we provide in line with our policy to the approval of the Credit Committee within our Board of Directors or the Credit Allocation Unit authorized by our Board of Directors. Regarding the financing transactions within the scope of ESIA, our expert technical team informs the allocation teams and the Credit Committee about the environmental and social risk of the transaction and the measures to be taken. Our policy, which is reviewed every year in line with the approval of our Board of Directors and evolving needs, is revised in accordance with current national and international conditions and standards.

We examine new investment loans with an investment amount of more than USD 10 million and very high-risk projects ('Category A Project List') in the ESIA system, which is more detailed than ESMS, according to best practices and standards. We classify new investment projects (or loan requests) for which financing is requested, as Very High (A), High (B1), Medium (B2) or Low Risk (C) by evaluating them in the light of their potential environmental and social impacts. Within the scope of the "List of Non-

Financeable Activities", we evaluate all commercial loans that we have disbursed without considering the amount limit, with systemic checks. In 2023, as a result of these efforts, we rejected 18 out of 451 loan applications because they were included in the 'Non-Financeable Activities List'. By including a total of 16 projects within the scope of Environmental and Social Impact Assessment in 2023, we categorized 2 projects as category A (very high), 5 projects as category B1 (high), 7 projects as category B2 (medium) and 2 projects as category C (low) risk. The sectors in which the evaluated projects are located are Retail (1), Real Estate (3), SPP (3), WPP (1), generation (4), infrastructure (3), and energy (1). In addition, we have carried out a total of 25 environmental and social risk monitoring studies for our ongoing infrastructure, energy and generation projects, which we carry out with field monitoring and online meetings in accordance with today's conditions.

We comprehensively review all project financing loans in the ESIA system and work with independent consultants according to the risk assessment of the project. We base our decisions on impacts on elements such as employment and working conditions, resource management and pollution control, expropriation, public health and safety, biodiversity and cultural heritage. We check compliance with the internationally valid UN Universal Declaration of Human Rights, the International Labour Organization's (ILO) basic conventions that set standards in areas such as child labour, collective bargaining agreements, unionization, forced labour, equal opportunity, and labour rights, which have been ratified by our country. In the event of prohibited activities under these frameworks, we undertake not to finance the proposed activity without conducting an advanced environmental and social assessment.

In parallel, as of 2023, we are strengthening our assessments of environmental and social risks specific to renewable energy investments. In the supply of photovoltaic cells used in solar power plants, we contribute to sustainable financing processes by increasing our measures against forced labour and child labour. By developing our workflows and

systemic processes to this end, we are updating our control mechanisms to meet global requirements in this area to ensure that green growth continues in a way that respects people and nature.

We make evaluations with the aim of minimizing our impacts on wildlife, animal welfare and biodiversity. We check whether the proposed project is carried out in areas of critical importance for endangered species before making a financing decision, and we do not finance activities such as the trade of endangered species. In the cases where it is understood that there are impacts on biodiversity in the projects we finance, we question the existence of a biodiversity action plan. In the cases where the biodiversity action plan does not exist, we demand that it be prepared and implemented by experts. Through these reports, we determine the possible impacts of the project on aquatic, terrestrial and avionic species, determine the mitigation measures to be taken to reduce the impact, monitor the success level of the mitigation measures through monitoring studies, and ensure that regular monitoring is carried out with key performance indicators.

You can find our practices on managing climate change risk in credit decisions and studies at the portfolio level in the Portfolio Impact & Exposure section.

Responsible Lending and Financial Access

By offering digital solutions, we streamline our customers' daily banking transactions and increase financial access by facilitating transactions. In addition to sustainable production and consumption, we also support innovative and social enterprises.

We add the requirements of our Environmental and Social Credit Policies to the General Credit Agreements and revise the relevant fields in the contract with our updated policy articles.

We issued USD 300 million

Equality-themed bonds.

USD 235 million.

syndicated loans.

of Sustainability and Gender

We issued 8 Social Bonds totalling

We provided USD 50 million in

funding for green projects and

We secured funding from the

affected by the earthquakes.

to our country by renewing our

We set our sustainable funding

share target as 100% for 2030.

EBRD and IFC to support areas

We continued to provide resources

women's entrepreneurship.

We work with many international financial institutions

Development (EBRD), the European Investment Bank

Financial Development (DFC), the Asian Infrastructure

Investment Bank (AIIB), and Proparco and Finance in

Motion (FiM) to strengthen our sustainable financing

supports. In July, we issued a total of USD 150 million,

Infrastructure Investment Bank and the International

Finance Corporation, of a 10-year Basel-III compliant

subordinated bond with a 5th-year recall option. Both

transactions are sustainable subordinated eurobonds.

gender equality bond with a maturity of 10 years, with

At the same time, we completed the issuance of a

an option to recall in the 5th year, to the American

Corporation for International Financial Development.

in underdeveloped provinces of Türkiye as consumer

The funds were provided to women customers residing

loans and to be used by women-owner/managed SMEs.

This issuance is the first gender equality subordinated

In 2023, we issued 8 social bonds with a maturity of 1

We provided a 7-year term resource of USD 50 million

SMEs for green projects (renewable energy and energy

efficiency) and women's entrepreneurship. The project

falls under the scope of the United Nations Sustainable

from Proparco within the scope of our support to

We aim to contribute to goals 5 (Gender Equality), 7 (Affordable and Clean Energy), 8 (Decent Work

year with a total amount of USD 243 million.

bond in the world.

Development Goals.

million in funding from IFC

USD 150 million Basel-III compliant subordinated

such as the International Finance Corporation

(IFC), the European Bank for Reconstruction and

(EIB), the American Corporation for International

including USD 75 million of shares to the Asian

Sustainable Borrowing

Our Policy Practices Enabled by **Developing Competencies and**

We provide our personnel with the skills they need in order to ensure that environmental and social risks can be evaluated effectively, to develop practices in accordance with current international standards and to keep our knowledge up-todate. In 2023, 1 employee from our Environmental and Social Credit Policies (ESKP) team attended the Green Growth Fund (GGF) - Green Finance Expert training, while 1 employee attended the TCFD The Climate Risk Management course online. While 3 of our ESCP team members participated in the UNEPFI "Principles for Responsible Banking Nature Target Setting Guidance Launch" webinar, 2 of our employees attended the IFC and WEESG- "How to Finance Renewable

In addition, we continued to contribute to official institutions and organizations and to take an active role in various activities for stakeholders, including but not limited to the following.

- Guidelines on the Establishment of the Green Asset Ratio (YVO) of the Turkish Banking System - Banks Association of Türkiye (TBB),
- Content study on the title of No Significant Harm to the
- Preparation of Green Taxonomy Reporting Guidelines in Türkiye and Identification of Potential Users and Beneficiaries Project Closing Meeting - Republic of Türkiye Ministry of Environment, Urbanization and Climate
- 'Banking of the Future' lecture with Akbank Akbank &

In addition, we shared our experience on this subject on a podcast channel where we received an invitation regarding

Click on the link to access the related podcast.

make it a part of the corporate culture.

Awareness

Energy Projects" training.

- Environment Banks Association of Türkiye (TBB),
- Yeditepe University Collaboration

Akbank Environmental Sustainability Practices.

In addition, in 2023, we revised our ESMS and ESIA e-learning training sessions by adding current policy practices and requirements within the scope of Environmental and Social Credit Policies. In 2024, we aim to continue our efforts by increasing its impact in order to disseminate our policy and

Sustainability-Related Borrowing

On April 13, 2023, with the participation of 30 banks from 16 countries, we secured our renewed syndicated loan of USD 500 million to be used in the financing of foreign trade transactions of our customers affected by the earthquake. This transaction is the first socially themed syndicated loan in Türkiye. On October 27, 2023, with the participation of 36 banks from 18 countries, we provided a sustainabilitylinked syndicated loan of USD 600 million with a rollover rate of 146%.

Institution	Amount (Million USD)	Share
AIIB (Asian Infrastructure Investment Bank)	175	16%
DFC (American International Financial Development Organization)	233	21%
EBRD (European Bank for Reconstruction and Development)	272	24%
EIB (European Investment Bank)	114	10%
IFC (International Finance Corporation)	235	21%
Proparco	50	4%
Finance in Motion	40	4%
Sum	1,119	100%

As of the end of 2023, our total foreign borrowing amount of USD 5.3 billion, of which USD 2.6 billion was longterm and USD 2.7 billion was short-term, is an important indicator reflecting this. The fact that 59% of this amount is sustainability-themed shows that we have successfully implemented our sustainable growth strategy.

The total amount of financing we provided from abroad within the scope of the Sustainable Financing Framework was USD 1,632 million. Among the projects whose scope is social, there are financial supports for our SMEs, regional development and employment, and development studies; we consider studies such as renewable energy, clean transportation, and sustainable management of natural resources in the category of green projects.

and Economic Growth), 9 (Industry, Innovation and Infrastructure), and 13 (Climate Action). In order to contribute to the earthquake zone, we signed a loan agreement for an amount of up to USD 90 million from the EBRD. We secured USD 60 million and EUR 10



Messages from Top Management Akbank Built Upon Your

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Ecosystem Management Climate Change Financial Information Annexes

<u>Impact-</u> <u>Investing</u>

As the first Turkish bank among deposit banks to set long-term targets in this regard, we are committed to increasing our sustainable investment fund balance to TL 15 billion AuM by 2030.

Compared to 2022, ESG-themed funds reached TL 3.2 billion with a 165% increase in the number of investors and 174 thousand investors.

We support the impact-investing ecosystem by creating investment solutions that allow our clients to channel their savings into eco-friendly companies and activities. As more and more investors evaluate their savings, we consider which projects their investments contribute to with a high level of sustainability sensitivity. We encourage investors in Türkiye to invest in areas and companies that will benefit the entire planet.

In 2023 and beyond, we want to raise awareness about impact-investing in Türkiye and expand our sustainable product options in a wide variety of ways.

Sustainable Investments

In order to enable our customers to invest in projects in the fields of environmental, social and governance, we provide investors with different asset and risk expectations; we offer a variety of investment options such as mutual funds, bonds/bonds or stocks.

At the beginning of 2021, to allow investment in the future of our world, our country and our economy; we presented Ak Asset Management Investment Funds, which consist of the themes of Alternative Energy, Health and Domestic and Foreign High Technology, to savers under the umbrella of "Investments of the Future". In 2022, we increased our diversity by adding Electric and Autonomous Vehicle Technologies and Agriculture and Food Technologies funds to our Fund portfolio. All four of our sustainabilitythemed funds received ESG ratings from Refinitiv and MSCI, breaking new ground in Türkiye. In addition to all these, we have added the Sustainability Equity Pension Investment Fund, which can evaluate its savings in the stocks of companies that are sensitive to sustainability and is managed by Ak Asset Management, to our reports. We aim to continue to develop and continue sustainability assessment studies made by independent organizations for our investment funds in the coming period.

Ak Asset Management Agriculture and Food Technologies Variable Fund allows investors to invest in 20 companies such as the world's largest fertilizer producers, agricultural technologies, multinational companies such as food processing and food trade companies, and Türkiye's agricultural machinery. The investment objective of the Fund is to invest in the fields of agriculture and food technology, which have become popular recently, within the framework of the demand supported by the increase in the world population and rising living standards.

With the Ak Asset Management Health Sector Fund, which is the first fund to invest in the theme of health; we have enabled investors to easily invest in 20 selected global companies in the fields of pharmaceuticals, vaccines, biotechnology, genetics, and advanced health technology. Ak Asset Management Health Sector and Alternative Energy Investment Funds were the first funds in Türkiye to be evaluated by Refinitiv (London Stock Exchange Group), one of the world's leading financial data providers, according to ESG criteria.

Ak Asset Management Electric and Autonomous Vehicle Technologies Variable Fund is a fund that invests in companies operating in areas such as electric and autonomous vehicle production, semiconductor used in these vehicles, batteries, charging technologies, and software. The investment purpose of the fund is to enable easy investment in companies that produce products and solutions in and around the rapidly growing electric vehicles sector, autonomous/automated driving technology.

You can access detailed information about the Mutual Funds of the Future on the <u>websites of Ak Asset</u>
<u>Management</u> and <u>Akbank</u>.



People & Community

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Employee-Oriented Corporate Culture

As Akbank, we have been carrying out numerous activities since the day we were founded, within the scope of our vision of being the leading bank that carries Türkiye into the future. We recognize that qualified manpower plays a critical role in ensuring a sustainable economy. In this regard, we consider preparing our employees for the business life of the future and providing them with the necessary competencies as one of our primary goals and responsibilities. We design development programs to increase the employment participation and access to training and development programs of not only our employees, but also young people, women, disabled people, and people who have been away from business life for a long time.

In addition to education and development, we also try to contribute to the cultural development of the society with our initiatives in the field of culture and arts, and we increase our contributions in this field with new projects and activities every year.

In addition to our effective competitiveness, we continue to make a difference in our sector with our expert and competent staff.

With Our Qualified Human Resources

- Working with the most competent and best candidates in their field,
- Continuously enriching our corporate culture, which is nourished by different voices, participatory, innovative, values people and encourages continuous learning, and thus adds value to our customers, business partners and society,
- Investing in people and ensuring continuous development in order to prepare our employees for the business life and competencies of the future,
- To encourage and reward superior and sustainable performance with our performance management that emphasizes transparency, fair and equal opportunity,
- Creating a teamwork that encourages taking initiative and working together harmoniously,
- By increasing the happiness and loyalty of our employees we aim to establish long-term business relationships.

These goals guide us in determining our human and cultural strategies, policies and principles and in creating value for our stakeholders.

Employees;

The average experience in the banking sector is approximately

11.85 years

Average experience at Akbank

10.56 years

Average age

37,27

Investing in the Skills and Competencies of the Future

In this rapidly changing world, we focus on our education and training activities in order to invest and develop today for the expertise and competencies of the future, and to increase performance. We view the versatility of our employees as one of the golden rules of catching up with the age and keeping up and implement career and development programs supported by big data.

Through our competence, career, and development analysis programs, we determine the target competencies for over 1.800 unique tasks within our bank, considering the future trends and new era's needs. We regularly request all our employees to evaluate their own levels in defined target and future competencies. Thanks to this program, we have over one million employee skill data.

We analyze this big data to determine the skill requirements, job-to-job and employee-to-job compatibility scores in the breakdowns we want. By defining personalized Career Maps, Career Opportunities, and development journeys for employees, we prepare them for the competencies of the future and design a career process that is equal, fair, open and transparent for all our employees.

Thanks to the renewed Career Opportunities, every Akbank employee can see the job opportunities we publish outside that are suitable to their areas of expertise and plan their careers effectively. They can compare how the job postings match with their competencies and expertise. The transparency of the system allows them to effectively track the application process. They can create a notification about the position they are interested in through the system and be proactively informed if there is an opening. Also, they can make an education request about the requirements of this position by marking the "I want to improve myself" option in suitable job postings. Akbank employees can see different tasks they can transition compatibly in their careers in a live manner through the Career Maps screens. In this way, each employee can manage their own career journey more effectively and prepare better for the future of business life.

We published a total of 333 internal postings in 2023. We conducted one-on-one meetings with 372 people who were compatible with the job criteria and made job changes for 112 candidates found positive as a result of the interviews.

We design the development programs for social and cognitive competencies under the "Geleceğin Aynası Akbanklı" program. We offer tools that will support our employees' personal development, improve their social and cognitive skills, and turn their potential into performance.

The Future Mirror Akbankli primarily offers all Akbank members a set of new tools for them to discover themselves, evaluate their strengths and areas of development. Within the scope of the program, our Leaders evaluate their own team members through the "Takımın Aynası" application every three years, while Akbank members evaluate themselves through the "Bugünün Aynası" application.

199

Akbank members are thus taking ownership of their own development by closely monitoring the development of their own personal skills and abilities.

What differentiates the program from other competency development programs is that it offers a "personalized" development opportunity for each Akbank member and stands out with the motto "development does not only mean training".

In addition to structured training programs within the scope of the program, each Akbank member contributes to their personal development and careers by preparing a personalized individual development plan. In 2023, approximately 10 thousand of our employees had the opportunity to improve their skills by working on an individual development plan.

For technical skills, we diversify the "Center of Excellence" programs and create new skill centers. We have implemented the resilience and business continuity program in addition to fields such as advanced analytics, design-focused thinking, and open banking included in the program. We continued our work for the "Zero Gravity" program, covering entrepreneurship and preparation for disruptive transformation topics, which we aim to bring different and innovative perspectives on work, processes, and experiences by supporting the innovation ecosystem. Again in 2023, we designed and implemented the Behavioral Science Program in order to discover the key points of effective communication and persuasion, to design more effective experiences, products, processes and interfaces, and to guery research results and analytical models.

With our Future of Work approach;

With the 'Akbank+ Program', which is a first in Türkiye, we provide employees with the opportunity to work on venture ideas full time. In 2023, more than 100 employees applied to the program with their innovative ideas. The in-house entrepreneurs selected for the program worked full time for over six months within the Akbank LAB to implement their initiatives. As a result of the evaluation by the Akbank+ Investment Committee carried out in the final stage of the program, a USD 500,000 investment decision was made for each of the initiatives, Waste Log and Voltla, which respectively digitized waste processes and improved the experiences of electric vehicle owners.

As the first and only National Education Partner for the globally conducted 10Million.Al project of the Global Al Hub, we supported this global corporate social responsibility project, which aims to provide access to quality education in Türkiye's youth in areas such as artificial intelligence, deep learning, machine learning, and data analysis, through Akbank Youth Academy.

At the same time, development needs are determined on a personal and expertise basis in training journeys triggered by technical competencies. In this context, we offered technical development initiatives in 99 different competency areas to 382 people in 2023. With this method, as a bank, we can clearly reveal our strengths and areas of development in terms of competencies and invest in the right place.

With our multidisciplinary approach, for Akbank members to experience different career paths and gain new competencies, we included nearly 450 of our employees in different business processes in 5 different short-term rotation programs in 2023, allowing them to gain new experiences and perspectives. In this way, we both ensure the development of understanding and harmony within the institution and between departments and support our culture of learning from each other.

This year we designed our long-term in-house rotation program, Patika. With Patika, Akbank members can gain experience in units and positions different from their current ones for 3 or 6 months, and thanks to the acquired competencies, they can transition to these positions with Career Opportunities.

Within the framework of intensive development programs, we support Akbank members to allocate time for their personal or professional development with the Development Hour application, which they can determine at any hour once a week. In this way, we aim to contribute to the career development of our employees by encouraging continuous learning.

With Education Analytics, we offer personalized development solutions fed by learner- and need-based data. In 2023, we launched a brand-new study to support our development culture, make the passion for learning continuous, and perfect the learning experience: the "Development Score".

The "Development Score" is an indicator of the actions Akbank members have taken or are expected to take for their development, determined. The scores that Akbank members receive from actions they take for their development in many different criteria such as completion of mandatory trainings defined for them due to bank and regulation requirements; participation rates in career training throughout their professional working lives at Akbank; time allocated for their development in resources in the unlimited training catalog of Akbank Academy; continuity of the time allocated for the development hour; participation in peer learning practices as internal trainers, coaches, mentors, and more, determine the Akbank members' "Development Score". This score is directly proportional to the learning motivation of Akbank members. As of 2023, we plan to generalize the Development Score application, which we implemented in the pilot team, throughout the Bank as of 2024.

Number of Employees Benefiting from Training

12,469

Specialty

99

Number of Virtual Classrooms

2,494

Average Education Per Capita

32 hours

Dynamic sales development program

In the Dynamic Sales Development Program, we aim to gain a customer-oriented and versatile perspective with our platform, which has many different learning models from games to virtual hands-on classes. With the Next-Generation Sales Development Coaching application, which focuses on the competency development of sales teams, we share with our employees a sales cycle that covers the entire sales process and the competencies that must be possessed at every stage of this cycle.

In 2023, we held one-on-one development meetings with approximately 2,100 CRM sales coaches working with the Retail Banking and Digital Solutions, SME Banking, and Commercial Banking Business Unit. In addition, we have started the Next Generation Sales Development Coaching process for Corporate Banking teams. In this way, we aim to improve the skills of our sales teams and enable them to offer more effective solutions to customers.

We continue to support the documentation of our employees' competencies related to their duties with national and international certificates. On the other hand, we continue to provide development opportunities such as individual training/seminars, platform memberships, professional coaching, mentoring, technical/personal development training, certificate programs. In 2023, we diversified and continued the master's programs determined in connection with the person's duty, including Executive MBA (EMBA).

We support our Next-Generation Leadership Program, which we offer to improve our Bank's leadership competencies, with in-class training sessions, as well as pre- and post-school studies and survey applications. In this context, we have expanded the target audience by including executive-level leader candidates in the program in 2023.

With our Case Club program, we focus on developing leadership competencies by examining the successful leadership practices of world-renowned companies through award-winning cases from Harvard Business School.

To contribute to the development of leadership competencies, we offer the Psychological Trust Environment e-learning module to our employees in order to create and strengthen a psychological trust environment. With this module, we aim to focus on the importance of psychological trust by supporting their development in the field of leadership. In 2023, we have come a long way in the development of our 12,469 employees with 2,494 virtual classrooms and an average of 32 hours of training per person.

Undertaking the mission of supporting our managers to be empathetic, reassuring, and inclusive leaders; we designed Biblio, a personal development application that enables theory to meet practice. Biblio contains summaries of the most important points of the published content on the most current topics and practices, compiled from many different sources, and suggestions for action that will ensure that these trends are applied to daily practices. With this application, leaders can closely follow the most up-to-date trends.

For nine years, we have been implementing our Switch Reverse Mentoring practice to enable experienced leaders to gain different perspectives from young mentors, to support managing generational differences, and to adapt to the competencies of the future age by following new trends. The program covers mentoring made by young Akbank employees who have completed a maximum of 3 years, to experienced leaders such as DGM, Department Heads and Regional Managers. Announcements are made by email every year and applications are received through our intranet. After the evaluations, mentors are selected. In the program that lasts for 6 months with 6 meetings, conversations are held in focus areas such as technology, innovation, corporate culture and social media. Our mentors are given trainings on the 6 agenda topics determined in advance, conversations are held, and books are sent

Improving Employee Experience

Recruitment

Within the framework of our recruitment policy, all individuals, regardless of religion, language, race, gender, age who are open to continuous learning and development, innovative and in harmony with our values, can become members of the Akbank family under our equal opportunity approach and processes designed in parallel with this.

In 2023, a total of 179 young people interned at our bank.

In 2023, a total of 2,063 new Akbank members joined us. 35% of the new members are fresh university graduates.

Career and Development

Our career and development processes are designed and implemented with a focus on investing in the talents and competencies of the future. (Such as Investing in the Talents and Competencies of the Future)

Performance Management

In this reporting year, as well, we conducted performance evaluations with all our employees.

We monitor the individual experience and performance of our employees through a transparent, responsive, development-oriented, and flexible Performance Management System, with the aim of effectively managing them in line with our corporate goals.

We set KPIs for the performance of our field employees for 3-month periods and distribute the targets at this frequency. During the period, we review the KPIs and their weights according to bank strategies, targets, and market conditions, and we perform performance evaluations twice a year.

In 2023, we launched the Objectives and Key Results - OKR performance process as a pilot to change the KPI-based performance management system of the Head Office employees. With OKR, which will be spread to all Head Office employees in 2024, we aim to adopt a common goal perspective and transition to a more effective, transparent, agile, and feedback-focused performance structure.

Establishing a clear link between bank goals and employee goals, allowing employees to revise goals in line with the Bank's strategies by agreeing with their managers according to evolving conditions, putting performance results more clearly, transparently, and objectively during the period, employees being able to closely monitor their own performance, managers monitoring the performance of their teams are among the main benefits of the OKR structure.

Remuneration and Fringe Benefits

In remuneration, an equal pay for equal work policy is implemented, considering the jobs for which employees take responsibility. We consider both internal and external factors to protect our high-performing employees and bring new talents to our company, and we follow an equal, fair and encouraging process. Our entry level remuneration policy is implemented in all our branches and service points in the same way.

With the performance-based bonus system, we aim not only to encourage both individual and team performance, but also to play an effective role in achieving corporate goals and to create sustainable added value.

In this context, we reward our employees based on their performance. The Performance Bonus application is determined subject to the approval of our Bank's Board of Directors and the realization of our Bank's targets. We pay a Performance Bonus once a year to employees working in the Head Office units and twice a year to Region and Branch employees (including Specialist Lines, UST and One-to-One Banking employees) based on their performance. In addition, there is also a long-term bonus system called the Leadership Bonus for Akbank leaders, which is indexed to the value of Akbank shares.

Along with a series of advantages such as foreign language compensation, remote work support payments, ticket payments that we offer to our employees, we also provide various fringe benefits that vary depending on the duty locations (safe compensation, vehicle and fuel limit, OGS/HGS, mobile phone etc.). In addition, we offer rights such as migration compensation, goods transportation fee, death and injury compensation, natural disaster aid in the category of social aids to our employees.

In 2023, Akbank employees' wage data was evaluated by an independent 3rd party organization with the perspective of equal pay for equal work. In this context, considering criteria such as start date of the job, last change of duty level, grade, it was concluded that the wages of male and female employees in equivalent positions do not differ according to gender.

Below is the end-of-year salary comparison table by category for the end of 2022 and 2023, evaluated by an independent 3rd party, based on the median.

	2022	2023
Senior Management	1.04	1.11
Middle Management	1.09	1.13
Other	0.95	0.94
Total (1,2,3)	0.81	0.84

1: It is based on base fixed salaries. 2: Senior Management: Department Heads and equivalent positions; Middle Management: GM Managers, Regional Managers, Branch Managers, and equivalent positions; Other: Other positions (Dir., Dir2, YY, Authorized and equivalent positions) 3: Technology roles have not been included in the calculations.

As of 2023, 7,749 of our employees were covered within the scope of the Private Pension System (PPS).

The differences observed by category are affected by variables such as the number of employees, experience, scope of duty, and performance results, and do not represent the pay gap between female and male employees. It has been committed that there is no gender-based wage discrimination in our bank's salary policies, salary determination is made based on the characteristics of the job, all HR practices are operated in this parallel, and criteria such as job descriptions, performance, competence are taken as basis, and no gender-based payment is made.



Another program we offer our employees is the Individual Retirement System, which supports our employees in saving and maintaining their current living standards even after retirement.

Rewards

We utilize various reward mechanisms to encourage individual achievements, effective and efficient team work, a shared work culture, and adherence to cultural behavior principles.

In line with this:

The Person-to-Person and Team-to-Team Thank You awards are used for Akbank employees to thank each other and their teams for their support during their work. The 10 Number Akbanklı award is given to reward performances that make a difference. Clean Banking award is developed to promote behavior adherence to banking principles during our work. Various applications such as the Star Club are used to reward high performance in the field.In 2023, a total of 4,665 Akbank

employees received over 13,750 material and experience rewards through these applications.

In addition to these, to encourage gaining experience at the bank and to thank long-serving Akbank employees, we give the İz Bırakan Akbanklı Awards to our employees completing their 10th, 15th, 20th, 25th, 30th, and 35th years.

The total assets of the Foundation reached

TL 8,263 million

The number of members to whom pensions were allocated increased to

14,517

TL 2,129 million

was paid to pensioners, the disabled, widows, and orphans.

Health aid amounted to

TL 759 million

during the year.

Effective Listening and Continuous Improvement of Experience

We believe in the power of one-on-one communication and the importance of continuous feedback for improving the Akbank employee experience. With this perspective, we listen to our employees' ideas and receive feedback from them through different channels throughout the year. We conduct Employee Engagement Surveys and pulse surveys throughout the year to assess Akbank employees' satisfaction and factors affecting their experiences. In these surveys, we cover topics significant in terms of bank policies, such as HR practices, working dynamics, diversity and inclusivity.

After a detailed analysis of the survey results in different segments (gender, experience, position, age etc.), we determine the areas for improvement and actions specific

to the bank, unit or team, and have in-depth and detailed discussions with Akbank employees. In 2023, we met with a total of 9,446 Akbank employees in different activities such as workshops, career interviews, field visits, and coffee chats, and received their feedback.

We organize special events for our remote Technology and Customer Communication Center employees to maintain our culture, foster a common work consciousness, and communicate strategies and goals. In 2023, approximately 2,500 Akbank employees participated in these events. Additionally, in our "How Does It Work?" webinar series where we detailedly present HR practices and answer Akbank employees' questions, a total of 6,113 Akbank employees participated in 2023, while 710 Akbank employees shared their opinions and suggestions on our "We'd Like to Hear Your Suggestions" page on our intranet.

We use our 360 Feedback system to receive feedback from Akbank employees about their colleagues and leaders. With this structure, we facilitate all Akbank employees to give feedback to each other, regardless of their role. Through this, we aim to spread a culture of feedback, turn it into a daily routine, trigger learning from each other, provide feedback areas suitable for every situation, and strengthen team bonds with a transparent feedback environment within the team.

Work-Private Life Balance

We strive to create different channels to help our employees develop in their social lives as well. Through our Akbank Meetings event, we bring expert figures on various topics together with Akbank employees to increase their awareness. Through the Akbank Family Academy platform, Akbank employees and their families, regardless of blood ties, can take advantage of various development opportunities in specified focus areas. The Academy offers content on child development, parenting, physical and emotional healthy living, STEM for children, culture & art, as well as special content on diversity, inclusivity, and environment-focused sustainability. While organizing events such as online seminars, workshops, certification programs for different age groups from birth to old age with specialists in the field, they can also benefit from our e-learning pool according to their needs. In 2023, we held 58 events at My Akbank Family Academy, reaching nearly 5,200 participants.

Work-Private Balance and a 'For Your Wellness'

With the "For Your Wellness" healthy life program, we implement practices that will support the physical, mental, emotional, social, digital and intellectual well-being of all our stakeholders. In this context, Akbank employees can use the Wellbees well-being application free of charge. In the Wellbees application, there are video/ written content, podcasts and competitions that support well-being in different areas such as health, sports, professional development, personal development, relations, budget management, and travel. At the same time, Akbank employees can get free expert support for their psychological and physical health by holding one-on-one meetings with sports consultants, dietitians and psychologists. We also manage our employee clubs at Akbank through Wellbees. We have a total of 26 clubs from different fields such as Theater Club, Underwater Club, Nature Sports Club, and Dance Club. In addition, we collect suggestions from all our employees through our "For-Your-Wellness Ambassadors", and shape and implement our actions together. Within the scope of special discount agreements for our employees, we made more than 100 collaborations in 2023 in order to meet the needs of technology, grocery products, education, and domestic consumption products more easily. In order to share the details of all the applications with our employees, we have created awareness with our nearly 260 communication activities and "For Your Wellness" messages.



Hale İlik

SME Banking Sales Management Department

For me, being an Akbank employee who has celebrated Akbank's 75th anniversary means working in a reputable organization that has a deep-rooted history and has been serving customers for many years. I think I work in an institution that can enable me to prepare myself for the future personally and professionally. Akbank is an institution that creates development opportunities, develops talents by investing in new technologies, continues to grow steadily, and most importantly, continuously increases the welfare of its employees, and offers the opportunity to work on new projects by bringing together internal equality, diversity and inclusion practices, and different perspectives and experiences. As an Akbank employee who has worked in this institution for many years, I believe that this approach has continuously improved me. I am very pleased to be a member of Akbank.

We make a point of celebrating our employees' special moments and do so in a way that provides social benefit. For example, on Mother's Day and Father's Day in 2023, we made donations to Darüşşafaka and KAÇUV on behalf of Akbank parents and organized celebrations focused on social benefit. We also send an email to our employees on their birthdays, offering a choice of three non-profit organizations, and we make a donation to the NGO chosen by the employee as a meaningful birthday gift. In addition, we offer our employees one day of birthday leave which they can use within their birth month.

In the case of adoption, we grant eight weeks of leave to a parent for children under the age of three.

Future Work Life

We work according to three different working models: remote, hybrid, and office-based, and we take advantage of the flexibility and productivity opportunities these models offer. 50% of our Head Office teams work remotely, and 13% work in a hybrid model. Our colleagues who work in remote and hybrid work models can work from different cities within the country on the days they work remotely.

Upon the request of our employees, we allow them to use breastfeeding leave 1 day a week. We also give 10 working days of paid leave to our male employees whose spouses have just given birth.

The new working models we have designed in line with the changes in working life and the evolving expectations of our colleagues support our corporate culture.

In addition to this, they can plan working hours flexibly and choose from three different time slots. Our colleagues, together with their teams and managers, can make flexible work plans and plan their workload according to their needs. This way, they can establish work-life balance.

For our remote working colleagues, rituals for working together have been established to maintain corporate culture and loyalty, ensure team cooperation, and facilitate the adaptation of new employees to the bank and the team. A new generation co-working space has been created in Kadıköy for our employees to carry out these rituals. We are transforming the Sabancı Center with new architectural designs to make it compatible with new generation workspace trends and the Akbank culture. In this context, we are making various innovations such as an open office environment to increase collaboration, meeting rooms of different sizes to support working and learning together, modular and ergonomic desks and chairs to support our employees' well-being, and we are removing Manager and Director offices to support open and transparent communication.



Dilan Lacin

Sustainable Finance Investment Banking Division

I am happy to work in a well-established bank that is aware of its responsibilities towards the environment and society and creates value to this end. Thanks to both my managers and Akbank's corporate culture, which not only enables professional development, but also encourages it, I have had the opportunity to participate in numerous training sessions and events in my Akbank journey. Akbank is a bank that integrates employee expectations and the transformation in the sector into its own dynamics. Thanks to hybrid and flexible working models, I believe that my colleagues and I, who are all devoted and aim to achieve something better every day, can work with a customer and result-oriented approach.

In the case of significant changes in our employees' employment contracts, we comply with the notice and notification periods specified in relevant regulations, which vary according to their seniority. As a bank, we have detailed discussions with our employees without putting any pressure on them during their departure processes, and we assess the reasons for leaving on an individual basis. We determine improvement actions based on the findings from these assessments. We thank exiting employees for their contributions to the bank by making a donation to TEMA, and we aim to continue supporting them in their careers by communicating with them within the first six months of their departure. We also gift our leaving employees membership to the Akbank Family Academy and encourage them to attend events and training.

Within the framework of existing legal regulations, we do not interfere in our employees' processes of joining or leaving a union. Employees can freely exercise their rights to organize, join a union and enter into a collective bargaining agreement. The bank's announcement regarding this matter is available on the human resources portal.

Akbank Culture

Considering the future work dynamics, behaviors and cultural codes, we start each new day by thinking about how we can contribute to making it better. The handbook titled "Akbank's Red Book", which guides us on this journey, strengthens our culture and details the culture, attitudes, and behaviors of the future, offering behavior principles and prescriptions that all Akbank employees can adopt. Among the behaviors in this book are a total of 19 Akbank actions, including "We respect diversity and differences, we value cultural values and preferences.", "We believe in pluralism, not hierarchy, we know that different thoughts lead us to the right decisions.", "We care about our state of being good as humans".

These behaviors are discussed in the Leadership Workshops and Bootcamps that are specially designed for our leaders to create a better Akbank experience and to disseminate the behaviors in the Akbank's Red Book. To date, we have come together with nearly 200 Akbank leaders in more than 15 workshops. We will implement similar practices with all Akbank employees in 2024; supporting Akbank employees in acquiring future cultural behaviors. With this perspective, we align both our way of doing business and our way of thinking with the new world.

Diversity & Inclusion

In 2021, we prepared our policy in which we explain our Understanding of Diversity and Inclusion at Akbank, and we update it regularly.

In 2022, we also created our guide which includes our projects and works that we have implemented based on our goals in line with our Akbank Diversity and Inclusion Policy, and we update it every year.

We believe that differences and diversity are one the main factors that add richness to our organization. As Akbank, we assume responsibility for a sustainable future where people are embraced without being marginalized, where there are no inequalities, and where people from all walks of life can easily participate in economic activities. We prioritize diversity and inclusion, and within the framework of our policy, we place gender equality at the centre of our business culture. By signing the United Nations' "Women's Empowerment Principles (WEPs)", we aim to ensure that women take part in economic life in all sectors and at all levels. In this context, we monitor the ratio of female employees in our Bank under different categories, including at management level, in income-generating positions, and in STEM (Science, Technology, Engineering, and Mathematics) tasks. In addition, we never include discriminatory statements in our job advertisements, and we do not exclude disabled individuals or men from business life due to obligations such as driver's license requirements or completion status of mandatory military service.

We have prepared the Guide to Inclusive Language in the Workplace to reflect gender equality in our spoken language. With this guide, through an inclusive language in which all genders are equally represented, regardless of language, religion, race, ethnicity or disability, all individuals benefit equally from resources and opportunities and assume equal roles; we aim to create an inclusive structure where balance is observed in decision-making processes and stereotyping is questioned, and we regularly conduct communication activities in relation to the correct use of language. We have prepared the Child Development Guide for Akbank parents. With this guide, we aim to emphasize the importance of consciously addressing parents' responsibility to be sensitive to gender equality in raising children, and to provide a resource with simple but effective examples.

In addition, we are among the members of the "30% Club" which aims to increase the effectiveness of women in senior management with a ratio of 57% as the percentage of female employees who report directly to the CEO.

57%

Proportion of Female Employees reporting directly to the CEO

37% \/

Female Employee Rate (%)

52% \/

Rate of Female Employees in Executive Management(%)

56%

Proportion of female employees in income generating positions

33%

Proportion of female employees in technology teams

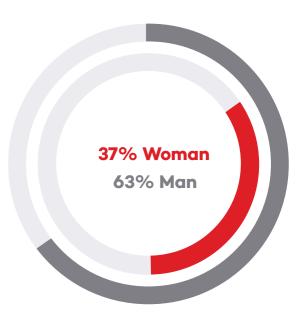
44% 1

Rate of Female Employees Working in STEM Roles (%)

You can access our Women's Empowerment Principles (WEPs)
Progress Report and GRI Content Relation table <u>here</u>.

You can access the organizations we are a member of in line with Diversity and Inclusion from our <u>Memberships</u> section.

Senior Management Gender Distribution



For the 3rd time, we have been selected for the Bloomberg Gender Equality Index (GEI), one of the most comprehensive studies conducted worldwide to measure the performance of companies that are committed to gender equality.



For the position of Executive Vice President of Diversity and Inclusion, we appoint a manager to monitor the bank's diversity and inclusion performance and to take the appropriate steps. This responsibility is shared among the Deputy General Managers for 2-year periods.

In line with our understanding of diversity and inclusion, we are aware of how important it is for individuals to feel safe and peaceful in their home and work environments. That is why we take a firm stance against all forms of violence and abuse that undermine trust. Within our bank, we have an "Ethics Hotline" that encourages the adoption of these values and establishes a healthy reporting process. This hotline quickly evaluates negative situations that our employees cannot resolve within their own teams, and any notified conduct that conflicts with our ethical understanding and works on eliminating the source of the risk situation. With our Zero-Tolerance Policy, we aim to create a safe and supportive work environment for all our employees. Within the framework of the goal of preventing violence and the zero-tolerance principle, we have determined certain processes against all kinds of violent conduct. In addition, we are committed to supporting our employees with the "Zero-Tolerance for Violence Hotline".

Within the scope of the Zero-Tolerance for Violence training sessions, we provided training to 6,747 people. We also have a Human Resources Processes Feedback Evaluation through which our employees can share their feedback with the People and Culture teams.

The "Zero-Tolerance Support Line" was launched in 2022 to monitor cases of domestic violence and workplace violence. In 2023, 15 notifications of psychological violence, discrimination and harassment were received through this line, and the action process for 11 of them was concluded.

Within the scope of our "Barrier-Free Akbank" project, we identify our areas of improvement on a more accessible working environment for our disabled colleagues.

In 2022, we carried out evaluations covering our Head Office buildings and pilot branches. Considering different types of obstacles, we identified our architectural development areas in our working environments and created our action plans. We will continue to follow these action plans in 2023.

Within the scope of our Disability Access project, we conducted a special survey for the disabled employees in our bank, analysed the results, identified our areas of improvement, and determined our suggestions for improvement. In 2024, we aim to implement the improvement suggestions we have determined.

In 2023, we reached 11,255 people with the foster Disability Awareness and Inclusive Communication training program we implemented.

With the aim of reducing inequalities and enabling our customers with disabilities to benefit from our services in the most effective way, we are making efforts to provide ease of access to our branches and ATMs. You can find detailed information about the high-quality services and products we provide to our customers, including disadvantaged groups, through all our channels, in the Financial Inclusion section.

As Akbank, we allow parents whose children will receive their report cards at school to spend time with their children, and we also allow parents with children who have just started school to share this excitement with them in the first days of school. With the 'Start Again' program, we offer mentoring support to female employees who return to work after maternity leave, to ensure their rapid adaptation. With the Guide to Gender Equality in Child Rearing, we provide guidance to parents to raise their children in a way that is free from gender prejudices and respectful of diversity.

The first bank and institution to join The Valuable 500 from Türkiye

Membership to the UN Women Unstereotype Alliance

Within the scope of the "İkinci Bahar" Project, we made 45 recruitments in 2023 to support the employment of women who had to take a break from their careers for a certain period and want to return to business life.

With the 'Role-Model Women of Akbank' Program, we aim to create a value network for women for an inclusive future both inside and outside the bank. In this context, the program, which includes webinar training sessions, inspiring women's meetings, and project studies for women's empowerment, aims to expand the social impact area of the participants through a mentoring process. At the end of 2023, 59 people were reached, and male employees were also included in the program with an emphasis on gender equality. With the 'Let's Kids Explore' project, which was carried out by the first group of the same year, 90 disadvantaged girls were provided with equal opportunities and training was provided in 5 different art disciplines (Creative Drama, Contemporary Dance, Philosophy for Children, Percussion, and Visual Arts). In the sustainability phase of the program, we aim to support children who want to continue with the project by bringing them together with the right organizations in line with their interests.

As Akbank, we focus on the goal of enriching information resources by organizing Wikimarathons with young people with the support of expert consultant partners, for concepts that are not found on or are missing from Wikipedia on social issues. After the Wikimarathons conducted within the scope of Gender Equality, we are planning to hold Wikimarathons in 2024 on the topic of Women in Business Life, Women in STEM Fields, and Gender Equality in Education.

In 2023, as part of our diversity and inclusion approach, we became the founding supporter of the 'Mentor for Million Women' Program, which brings young women who are either university students or workers and are between the ages of 15-25, together with industry leaders. We continue to shed light on the lives of young women through our nearly 80 volunteer Akbank mentors.



Our Occupational Health and Safety Practices

The number of employees and subcontractors involved in the occupational health and safety system is 19,105. 67% of these people are Akbank employees and 33% are subcontractor employees.

In 2023, within the framework of the Integrated Management System, an interim audit was carried out in 26 different locations for the ISO 45001 Occupational Health and Safety Management System. In addition, certification processes were successfully completed for a total of 258 locations. With these achievements, the number of certified branches as of 2023 has reached 563 in total.

In line with our Occupational Health and Safety Policy, we are committed to maintaining a safe and healthy work environment and adopt it as a responsibility to continuously comply with national and international legal requirements. We implement our OHS processes completely under the supervision of the Senior Management. In our Headquarters buildings, Occupational Safety experts and workplace physicians work within the People and Culture Unit. Our OHS Board organizes quarterly meetings to monitor the processes and ensures the participation of representatives such as the Employer's Representative, OHS Specialist, Workplace Physician, HR/Social Affairs Representative, and Employee Representative. Many developments such as accidents, training, audits, and measures to be taken on a quarterly basis are presented to the Akbank Board of Directors with the OHS Information Report which includes detailed information. To protect the health of our employees, their suitability for work during the recruitment phase is evaluated by our workplace physicians with an employment examination. In the continuation of their employment, our employees are periodically screened by our workplace physicians and the continuity of their wellbeing is ensured.

Against the negative effects of factors that threaten occupational safety and human health, we adopt a proactive approach in all our working environments and carry out preliminary hazard analyses. The identified risks are graded using the Fine-Kinney Method and we decide on control measures. Based on the results of hazard and risk analyses, we create Risk Assessment and Emergency Plans. To ensure and maintain a safe and healthy working environment, regular site inspections are carried out by Occupational Health and Safety (OHS) professionals at all our locations. We periodically update risk assessments by constantly reviewing the follow-up of actions and the effectiveness of measures.

Through the "Occupational Health and Safety Notification" screen, the Head Office and field teams can quickly report dangerous situations, near-misses and work accidents encountered in our bank's work areas. In this way, the

necessary precautions are taken without wasting time and the root causes of the accidents are analysed for the prevention of bigger accidents that may occur in the future.

The safety of all our employees and stakeholders is our priority. As an indication of this commitment, we were awarded at the "International Safety Awards", one of the most prestigious occupational health and safety awards in the world. We communicate information about our OHS policies and practices to our employees through Bizbize Akbank portal, Kolektif, Akbank Academy, and main mailing channels. In addition, we try to raise the awareness of our employees by sharing OHS-themed widgets every month.

At Akbank Academy, we organize face-to-face and remote OHS training sessions monthly. We share information on disaster awareness, a topic that is naturally on everyone's minds lately, content on occupational safety in remote work, OHS Basic e-learning content, and other informative content. We offer OHS talks and educational videos through academia and wellbees. While we regularly inform our employees about epidemics/pandemics or important diseases on the Aksandık website, we also continue with our disaster training sessions with fire and earthquake drills carried out regularly.

In 2023, we reinforced the occupational health and safety awareness of a total of 3,087 employees through our face-to-face training sessions and e-learning that we provided to our employees

The number of our employees participating in OHS training in 2023 was 3.087

Number of places where interim audits were carried out within the scope of ISO 45001 in 2023: 26 Locations

Number of places whose certification process was completed in 2023: 258 Locations

the sector.

the final day.

and offer long-term and project-

At Akbank Youth Academy, we create

structured Competency Development Programs with strategic collaborations

based training sessions where we bring young people together with experts in

Community Investments

We have been supporting social transformation and progress initiatives in our country for 75 years.

In 2023.



Youth Academy Total Number of Activities and Training Programs: 45



Youth Academy
Total Number of
Participants: 61,176



Art investments: TL 45 million

In 2023, we calculated the social impact of each of our projects in our community investments focus areas with the "Social Return on Investment" (SROI) methodology*1. The SROI values of the Youth Academy in the field of education, the CaseCampus project in the field of entrepreneurship, the Akbank Jazz Festival in the field of Culture and Arts, and the Good State of the City in the field of volunteering were 3.16, 3.89, 2.23, and 4.38, respectively. With the SROI value of each of our projects above the threshold of 1, we have shown the valuable contribution and success of our projects, and we have also identified the areas of improvement and drawn up a forward-looking action map in order to further increase our social impact.

CaseCampus

Social return of every TL 1 investment made in CaseCampus

3.89

Akbank Jazz Festival

Social return of every TL 1 investment made in CaseCampus

2.23

 * A SROI value at the rate of 1:1 means Turkish Lira 1 social value is created for each Turkish Lira 1 investment. From this point of view, the SROI rates calculated on the basis of the rate of 1:1 indicate the success of the

Training

As Akbank, we continue to increase the competencies of university students through our work within the framework of the Youth Academy, with a belief that the right development investments for people will benefit the corporate processes, continuity, stakeholders, and society. We aim to provide young people who will take an active role in the business world of the future with new competencies such as artificial intelligence, advanced analytical thinking, robotics, and design-oriented thinking within the scope of developing technologies and changing business processes, and to this end, we collaborate with various social enterprises or institutions.

Under the umbrella of Akbank Youth Academy, we support young people to learn through experience, with introductory competency training sessions, structured long-term competency development programs, as well as practical programs and activities. In addition, we continue to offer internships and part-time or full-time career opportunities at Akbank to young people who participate in and successfully complete the programs. To date, we have organized 130 events and training programs with the participation of 135,140 people from all 208 universities spread across Türkiye. Together with these participants, 59% of whom were women and 41% were men, we reached over 61,000 young people in 2023. We plan to continue with our training programs in the coming years.

Held in 2023, the 14th Akbank Thinking Club event, we focused on "How can financial health apps help personal financial goals while protecting user privacy?" We provided training and mentoring support to students to develop their ideas and projects. The projects were evaluated by a jury consisting of experts from different sectors and leaders from Akbank. As a result of the evaluation, the winner of 2023 won the Harvard Summer School award. With this success, the total number of members whom Akbank Thinking Club has sent to Harvard Summer School in 14 years has reached 34.

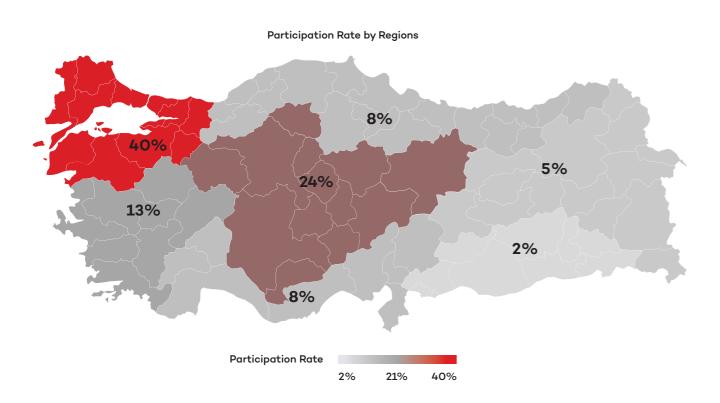
We met with university students for the second time in 2023 through the Akbank Youth Academy's program for University Clubs, Akbank on Campus. We provided training and mentorship support for the members or board members of university clubs and organizations to develop their ideas towards solving a problem they observed on their campus or their environment, as a team, related to one of the three categories. 3 successful projects of our university students who came up with ideas in the categories of Entrepreneurship and Innovation, Sustainability and Social Impact, and Digital and Technology, and turned their ideas into projects, were rewarded because of a jury evaluation on

In 2023, we launched the Akbank Youth Academy website. On our website, we share announcements about the training sessions and programs of Akbank Youth Academy, and young people can submit their applications by becoming a member of our website. At the same time, we offer the opportunity to follow our blog posts containing detailed information about our training and programs. In cooperation with Akbank and Yeditepe University, we presented practical examples of modern banking to Akbank leaders as a 3-credit and 14-week elective course in the Department of International Finance.

For university students to have internship experiences in different institutions and to diversify this experience with different perspectives, we have implemented our rotational internship program through the collaboration of Akbank, Eczacıbaşı Group, and Fazla, under the coordination of Başlangıç Noktası (Platform of the Turkish Informatics Foundation). Within the scope of this program, students had the chance to do an internship in one of the fields of Data Science, Digital Marketing, and Software, in line with their preferences. Online video training content specific to the selected field was presented by experts on the Enocta platform.

The students included in the program embarked on a journey either remotely or physically in line with their own preferences and started to experience the dynamics of different sectors by doing internships in 3 different companies for 3 months. The first group started their internship at Akbank on August 1st. In 2023, 2 groups experienced the Out-of-the-Box internship program.

The distribution of training participation by regions for the year 2023



The 3rd semester of our 10-month program continues at full speed with 20 students in order to trigger a transformation in business life, with a focus on 21st-century competencies, through our agency which is the first private-sector institution in Türkiye to implement the Fellowship Program for young people.

With our 1-on-1 training sessions that we carried out in partnership with Microfon, we reached many university students from different regions of Türkiye and aimed to raise their awareness on current prominent issues such as career, artificial intelligence, cyber security, metaverse, cloud technologies, innovation and entrepreneurship, analytics, climate crisis and sustainability, and gender equality in society. In 2023, we carried out 1-on-1 training sessions with the participation of 39 Akbank Volunteers and Leaders and 11 guests who are experts in their fields, reaching 15,818 students.

By promoting inclusivity, diversity, and access to highquality adult education and training opportunities, we have begun work to support earthquake victims as they reintegrate into the workforce. After the earthquake on February 6, 2023, we established a co-working space to offer social interaction opportunities to young people and to allow them to do their research and homework and prepare for exams with unlimited internet, laptop and tablet support, along with access to a library of 3,000 books, with the contributions of our business partners such as Microfon, Sodexo, Türkonfed, and Vodafone.

Within the scope of the 'Hopeful Future' Movement organized in collaboration with Akbank and the Community Volunteers Foundation, we offered personal development opportunities to young people with interactive activities such as stop-motion animation and photography workshops in Adıyaman and Hatay. In addition, we met with young people in Artificial Intelligence 1-on-1 training and psychochat sessions within the scope of Akbank Youth Academy programs. As Akbank Transformation Academy, we continued our training sessions also in 2023 to stand by SMEs. We held our first training in Gaziantep, one of the earthquake zones. We then completed our training sessions for SMEs

In 2023, a total of 5,847 hours/5200 people used the Akbank Ailem academy.

in Sakarya, Ankara, Malatya, and Denizli. The training sessions took place with physical participation for the first two days and then continued online. Participants who successfully complete the training will be able to benefit from the Akbank SME advantage package.

Through its certificate programs, conferences, seminars and research, and its YouTube channel, CEF plays a mediating role in creating dialogues between academics, financial market actors, and investors. In this way, CEF also contributes to the development and deepening of financial literacy in Türkiye. A total of 450 people participated in 8 certificate programs held in 2023. Again in 2023, 2 seminars were held online. A total of 29 videos were published on the CEF Youtube channel, including 23 training videos and 6 live broadcasts. Based on the World Bank's Global Findex database, 3 reports have been published that examine financial inclusion trends in the world, financial health in Türkiye, financial access, use of financial services, and how carbon emissions for companies in Türkiye change over time and across sectors.

A total of 28,910 people have been reached since 2016 through seminars, conferences, Youth Academy, and CEF training sessions and certificate programs.

Being aware of the importance of investing in children of preschool age, as an organization that supports the 1 Million Books project implemented under the leadership of Prof. Selçuk Şirin (P.h.D.), we donated 60 thousand books to 10 thousand families. With this special book set, we contributed to the project that aims to ensure that every child has their very own library. We delivered the books we donated to state hospitals, non-governmental organizations and families in various regions of Türkiye. In this way, we contributed to the society by taking part in this project which aims to enable the children to gain the habit of reading and to create a passion for books at an early age.

At the same time, we started to share the "Child Development and Gender Equality Guide", which we prepared with the contributions of Kadir Has University Gender and Women's Studies Research Centre, with Akbank members who have children as of 2022, together with a set of 1 million books.

Entrepreneurship

We continue with our efforts of expanding and developing our programs that contribute to both the ecosystem and the in-house innovation culture, with the activities we carry out within Akbank LAB.

Our CaseCampuses Bootcamp Live Program, which we organized in cooperation with Endeavor under the guidance of Akbank LAB, includes 3rd and 4th-year university undergraduate students, graduate students, and young people who have graduated from these programs in the last five years, and are under the age of 30, who consider entrepreneurship as a career option. We provide young people with content such as case studies, entrepreneurship and innovation workshops, and investor and entrepreneur meetings, and enable them to get to know the entrepreneurship ecosystem better. To date, we have met with more than 600 university students.

The StartUpCampus Program, which has been continuing since 2018 in partnership with Endeavor Türkiye's Akbank business, continues to provide support to start-ups, under the theme of "Boost the Future" since 2021 with its enhanced content and mentor network. With Boost the Future, we offer support to tech start-ups for scaling up their business and growing internationally, through a 10-week online program. The 12 technology entrepreneurs accepted to the program participate in training sessions and workshops specially designed to carry their companies into the future and have the opportunity to collaborate closely with Akbank LAB throughout the process.

With the Akbank+ Program, Akbank employees have the opportunity to develop their own business ideas and establish their own ventures with the support of Akbank.



Aslihan Kurul Türkmen Secretary General of Endeavor

Melisa Özerdim

Endeavor Association Deputy Secretary General

Akbank, which has been an important business partner and supporter of Endeavor for many years, shapes the future of Türkiye with its projects in the field of entrepreneurship. This partnership between the two organizations goes beyond financial support and moves forward with the goal of expanding the cooperation and creating a sustainable ecosystem. In this context, Akbank, which provides a wide range of services to many different types of customers, from university students to earlystage entrepreneurs, supports Endeavor's mission and makes significant contributions to the goal of maximizing Türkiye's entrepreneurial potential. In this way, Akbank and Endeavor have signed a strong business partnership in which many projects have been successfully implemented. The acceleration programs, learning initiatives and events arising from this partnership make significant contributions to Türkiye's entrepreneurship ecosystem. Therefore, Akbank's collaboration with Endeavor is of great importance in maximizing Türkiye's entrepreneurial potential.

Our Culture and Art Activities

As Akbank Sanat, we have carried out important projects in the field of culture and art for years and we celebrated our 30th anniversary in 2023. Through our efforts, we both reach art enthusiasts and aim to preserve the local and universal heritage by passing it on to future generations.

While we continue to support all kinds of projects that express value to society, we also ensure the continuity of our activities to nurture people's love for art and culture.

As Akbank Sanat, we organize more than 700 events every year that leave a mark on the art world with their innovative and visionary identity. We hosted four different exhibitions in 2023. The Digital Intuitions Exhibition took place from December 2022 to April 2023 under the coordination of Helena Nikolone. The exhibition guestioned the language of new media art and internet culture, as well as the philosophical and technical dimensions of Artificial Intelligence. In the exhibition, the impact of Artificial Intelligence on contemporary art, individuals, culture, and society was examined in detail. Within the scope of the exhibition, works by young artists, which include creative experiments at the intersection of technology and art, as well as works from world-renowned new media artists and projects created by coding experts, researchers, and Machine Learning enthusiasts, were shared with the visitors.

In May/July, the exhibition "Expanded Cinema: The Poetics of Perception", curated by Lara Kamhi, was presented to the attention of visitors. This exhibition consisted of works by three prominent directors and three film professionals from three different generations of Turkish cinema. In the exhibition, site-specific and experience-oriented cinematic works produced by directors and film professionals were exhibited. In addition, a comprehensive film screening program featuring the films of the directors was hosted as part of the exhibition.

We maintain our leading role in the development of contemporary art in Türkiye and we reach large masses and continue our support. In all areas in which we operate, we focus especially on young people and young artists and aim to offer a rich program.

In November 2023, "Akbank 41st Today's Artists Award" Exhibition was organized. A total of 1050 young artists and students applied to our exhibition competition curated by Ferhat Özgür and their works were reviewed. As a result of the evaluation of the jury members, the works of 19 young artists were included in the exhibition. During the exhibition, various side events such as lectures and artist talks were held on the concept of 'Conatus', which was the concept of the exhibition.

As Akbank Sanat, we celebrated our 30th anniversary with a special exhibition titled "A Space of Insight: Akbank Sanat and 30 Years". Our exhibition, which opened on December 6, brought to light 31 different exhibitions we had organized in the past and the stories of these exhibitions. The exhibition was curated by Hasan Bülent Kahraman and the concept and design processes were undertaken by Bülent Erkmen. The exhibition hosted visitors who followed the evolution of both Akbank Sanat and Türkiye's visual arts and ran until January 20, 2024. In 2023, Akbank Sanat, which hosts events from different disciplines, continued its "Philosophy Seminars" and "Cinema Psychiatry Seminars", which attracted great interest. In addition, with the "Contemporary Art and Curation" program, which lasted for 7 months, we offered a comprehensive international education platform on curatorship.

Centre.

We also implemented the Design Idea Club, History Talks in Our Theatre, and the seasonal talk programs titled Art and Technology, which are about different disciplines.

In 2023, we hosted the "Acting Workshop" every Saturday under the moderation of Ömer Akgüllü, with the participation of names such as Derya Alabora, Erdem Şenocak, Nur Sürme, and Şerif Erol, as instructors. The workshop dealt with the four basic components of acting: Body Awareness, Rhythm of the Stage, Text, and Acting Techniques.

In addition, in 2023, we launched the interview series titled "Psychology and Art", hosted by Alper Hasanoğlu and Cengiz Arca and attended by guests such as Mine Söğüt and Ayfer Tunç, and examined the relationship between mental illnesses and art.

The workshop titled "Objects, Needs and Tricks", which reflected on sustainability and the consequences of excess consumptions, continued every month.

As part of the concert series dedicated to Akbank Sanat's 30th anniversary, we hosted Alper Maral & Mert Topel-Control Voltage Project in January and İmer Demirer Trio in December.In addition, we organized the "Jazz Listeners Club" within the framework of the Jazz-All-Year-Round event. With the Children's Workshops Program, Akbank Sanat introduced a series of colourful and creative workshops for children. Inspired by different disciplines and alternative artists every Saturday, we have provided 120 children with free and creative access to art-filled workshops every month.

As Akbank Sanat, we continued to present Dance Workshop events to the audience in 2023 under the umbrella of "Dance Always". For the purposes of interdisciplinary interaction, we have brought dance, as a part of life, together with many of our other projects, from our exhibitions to our festivals. Our Contemporary Dance Technique and Contemporary Ballet Technique classes continued regularly on weekdays

and weekends, with beginners, intermediate, and advanced levels. With more than 45 years of ballet experience, master name Cem Ertekin started to give workshops every Tuesday and Thursday on weekdays. Throughout the year, local and foreign choreographers and dancers prepared dance performances titled "Moment", "Meeting", "Mode", "Breathing", and "Encounters". Important choreographers such as Sofia Casprini, Andrea Hackl, Svetlin Travis, Emrecan Tanis, and Daphnis Kokkinos gave workshops to the dancers.

In 2023, we've added a new piece to our prestige books series, "Art on the Streets: The 50 Most Influential Street Artists of our Time."

Akbank Jazz Festival, which we have been organizing for 33 years and has been one of the longest-running art projects in Türkiye, attracted great attention this year with its colourful and rich program that includes different styles of jazz. Our goal in the 33rd year was organizing 33 special concerts. From September 23 to October 8, we hosted the performances of nearly 150 artists from the global and Turkish jazz scene in 23 different venues. During the festival, we also included terrace concerts and dance performances under the theme of "Dance Always in the Jazzy State of the City". In the event conducted under the project consultancy of Hülya Tunçağ, the songs that have become a cult in pop and rock genres since the 70s were reinterpreted by 13 female jazz artists with jazz arrangements specific to the festival. With the children's workshops we organized within the framework of Akbank Jazz Festival, we introduced children to the colourful world of jazz. In our talks program, we discussed the topics of "Comprehending Space through Music", "Listening Club: A Piece That Reminds You of Where You Belong", "Continents of Jazz", and "Afro-Cuban Jazz: Its History and Present". At the end of the festival, we managed to reach a large audience consisting of a total of 15 thousand people.

The short film, which is an important part of cinema for us, was introduced to movie enthusiasts at the Akbank

Short Film Festival. The festival, which we organized for the 19th time between May 12 and May 2, 2023, was a platform where 2,237 short films from 71 countries applied. It featured "Festival Shorts", "Shorts from the World", "Short to Feature", "Experiences", "Documentary Cinema", "Perspective", "Special Screening", "Forum", and "Young Perspectives" sections. In addition to many films that took part in international festivals, the Türkiye premieres of many movies also took place as part of the festival. In total, we presented 81 short and 3 feature films from 33 countries. In 2023, to celebrate the 50th anniversary of Akbank Children's Theatre, we continued the musical "Peter Pan and Neverland" as a co-production with Zorlu Performing Arts

We believe that we have made great contributions to the development of contemporary art in our country, and for this reason, we have been supporting Contemporary Istanbul for 18 years. Contemporary Istanbul, which presents contemporary art to large audiences and brings it to the fore in the culture and art agenda, has turned into a global contemporary art event with us as the main sponsorship. As Akbank Sanat, we are celebrating the 18th edition of Contemporary Istanbul, which took place at Tersane Istanbul between September 25 and October 01, 2023. In this edition, we hosted the exhibition "Belki De Bir Şakadır" curated by Hasan Bülent Kahraman. Inspired by Milan Kundera's novel "Şaka", the exhibition showcased the works of Ardan Özmenoğlu and Fırat Engin.

Volunteering

At Akbank, we take our Volunteering Policy as a basis while carrying out our volunteering activities. Through our Akbank Volunteers platform, which we launched in 2012, we continue to develop projects in coordination with our customers, business partners and other key stakeholders, and create an impact on our stakeholders. With nearly 1000 Akbank Volunteers working with local people, NGOs, and local governments to develop high value-added projects in many areas from health to education and produce solutions for those in need. With our digital platform, which we launched in 2022, our volunteers can create their own projects and get involved in the projects they want. We also measure our impact with the reports we regularly receive from the platform.

In 2023, Akbank directed its social responsibility and volunteering efforts to the regions affected by the February 6 earthquakes.

Akbank has developed various projects especially for young people and children in the earthquake-affected regions and has focused all its social responsibility activities on these disaster areas. In the light of the urgency specific to the earthquake and among the groups that needed to be supported, the focus areas of education, health, women and children, and the environment stood out.

In the wake of the February 6 earthquakes, Akbank is strengthening its efforts for social and financial recovery in the region with the Akbank 'Hopeful Future' Movement. Launched in cooperation with the Community Volunteers Foundation, the Akbank 'Hopeful Future' Movement will support young people in 5 provinces to heal and prepare for the future through art, technology, and science. The goal is to reach five thousand young people through a mobile centre where young people can be inspired by science, art and technology, gain next-generation talents and receive psychosocial support. In addition to experts from Akbank and TOG, Akbank Youth Academy, Akbank Sanat and Good State of the City volunteers also take part in the Akbank 'Hopeful Future' Movement. Thus, young people are supported and prepared for the future through strong collaboration.



With the aim of focusing on the needs of the earthquake zone and healing the wounds, Akbank launched a campaign for the children in the region with the Support to Life Association, which has been working to support the people affected by the disaster since the first day of the earthquake. It has met the stationery needs of the children in the region and delivered OKI bags full of school supplies and various toys as well as HIJI bags containing basic hygiene products to the children in the disaster area to support the psychosocial activities. Thanks to the campaign launched through the Talent Pool, 200 sets of bags were sent with the donations collected from Akbank volunteers.

- -On April 23, through the Support to Life Association, Akbank Volunteers delivered the toys produced, to the children in the provinces affected by the earthquake in Hatay, along with their beautiful messages. Sleeping buddies were sewn for young children in two separate events at Sabancı Centre and Akbank Banking Centre. 70 people attended the event.
- Akbank Volunteers came together at the adoption and volunteering event held at Haytap Bursa Retirement Animal Farm to provide or help find a home for our animal friends who survived the earthquake and became homeless. It contributed to both our animal friends' adoption processes and the process of finding them new homes, as well as their care, feeding and cleaning needs. 30 people attended the event, and 4 of our furry friends found a new home.
- Akbank Redrunners, who runs every year in the pursuit of good deeds and who collected the most donations at a single time, reaching the highest number of donors, and made marathon-history as the most crowded corporate running team, ran for the earthquake victims this time. Within the scope of the Runatolia (Antalya) Marathon held on March 5, with the participation of Akbank RedRunners, this time, donations were collected for UNICEF Türkiye's "İçimizi Isıtan Adımlar" project for the earthquake victims. 38 team runners participated in the run to raise funds.



Ayşe Kırımlı

General Manager of Community Volunteers
Foundation

Akbank is not only a business partner for the Community Volunteers Foundation, but also an important supporter who understands the real importance of social benefit provided to young people. Within the scope of our 7-year collaboration, Akbank, which has introduced young people to the concept of social responsibility and has not spared its support, has been with us in our goal of creating value for many people affected by the disaster. Our collaboration with Akbank, which sees social responsibility as a social benefit, is invaluable to us. Akbank creates great economic and social value for us by supporting the empowerment of young people and supporting their social responsibility projects. Thanks to our collaboration, we have contributed to the social responsibility experience of young people with the Good State of the City project, and we have been a part of their initiatives that will make an impact on society in the future. In addition, after the February 6 earthquakes, we have launched a Mobile Support Centre in collaboration with Akbank and stood by the young people affected by the disaster. With the contributions of Akbank, we continue to support young people and their development through various workshops and training programs held at this centre. Our Mobile Support Centre, which set off from Adıyaman, its first stop, has reached more than 2,000 people to date. Our main goal is to mitigate the negative effects of the earthquake and contribute to the recovery process by reaching tens of thousands of children and young people with the 'Hopeful Future' Movement, by reaching other earthquake zones one by one.

Additionally, our team collected TL 121,580.00 from 408 donors for TEMA Foundation's "Forest Fires Education and Awareness, Before It's Too Late" project at the November 5 Istanbul Marathon.

After the 'Hopeful Future' Movement was implemented following the earthquake on February 6, in collaboration with Akbank Community Volunteers Foundation (TOG), action was taken for the children affected by the disaster in Hatay. In line with the field needs received from TOG, a "Smiling Gifts Workshop" was organized for over 600 young people to put a smile on their faces. Gift packages consisting of winter coats, scarves and beret sets, prepared by nearly 300 Akbank employees through collaboration with TOG, gave 608 children living in the container city in Hatay a reason to smile.

In 2023, the amount of expenditure we made within the scope of culture and art events and sponsorships was 56 million TL. In addition, our aid and donation expenditure amounted to 729.2 million TL.



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<u>Digitalization</u> <u>and Innovation</u>

In addition to virtual pos, we offer SMEs our financial package that includes affordable interest loans and commercial credit cards with special campaigns.

With our bank's strong digital technology infrastructure and collaborations in the fields of innovation, we increase added value by creating a positive impact on our stakeholders. By analyzing changing trends and customer expectations correctly, we strive to create an easy, simple and practical banking experience with personalized solutions. With our 85% digital penetration rate and our cultural transformation program that supports digital transformation, we have had a year in which we continued to provide quality services to our customers without interruption.

Within the scope of our solution partnership with FinTechs, we offer an affordable platform to businesses that want to operate in online commerce with IdeaSoft, an e-commerce infrastructure provider that offers web and mobile-based software solutions. In addition to virtual pos, we also offer SMEs a financial package that includes affordable interest loans that can contribute to their working capital and a commercial credit card with special campaigns that can be used for product purchases. With the "Secure Payment System" we have implemented, we eliminate the risk of carrying cash in second-hand vehicle sales transactions, and ensure that the motor vehicle transfer registration transactions and the sales price transfers occur simultaneously and safely.

In 2023, we continued our robotic process automation efforts, which we started in 2018 with the aim of creating more value-added jobs, thereby improving the experience and reducing the operational workload of our employees in many areas of expertise, including ATMs, POSs and merchants, credit cards, money transfers, insurance, and internal system controls, with approximately 20 virtual colleagues and 2 awards, including awards won at international competitions.

Our Instant Digital Use Cards

In 2020, we continued our digital transformation journey, which we started by launching Türkiye's first and the world's third instant digital personal credit card, by adding the same feature also to our debit and commercial credit cards. Our cards. which can be used for both internet shopping and in-store mobile payments before the physical card reaches the customer, accounted for 45% of our sales in 2023. In 2021, we introduced the pay-by-chip-money feature to our mobile applications, allowing all purchase costs to be written-off with the chip-money earned. Thus, our customers can easily write-off their spending via mobile by using their chip-money after their purchases. In 2022, we gifted millions of chipmoney in hundreds of thousands of transactions with the multiplying chip-money feature through Jordan

Akbank Cebe POS

With Akbank Cebe POS, we enable merchants to receive their credit card or mobile payments easily and securely with a PIN code without the need for any additional device, thanks to the POS application that they can download to their smartphones with Android operating system. With Akbank Cebe POS, our customers can perform all transactions that can be made from a fixed POS. Moreover, as a first in the banking sector, we launched our Cebe POS (e-documented) product, which we announced in 2022 and which combines e-sales/payment and invoice applications.

Digital Slip

We have taken our environmental awareness one step further with our digital slip feature. Our customers who have all cards and POSs contribute to preventing thousands of rolls of paper annually from going to waste, by choosing digital slips from Akbank Mobile.

Juzdan

In 2022, we completely renewed Axess Mobile which we had launched in 2017 and turned it into a brand new 'bank-independent' digital wallet, called Juzdan, which has banking functions such as cash advances and instalment advances, and which is much more than a campaign application. With the Juzdan application where debit and credit cards of all banks operating in Türkiye can be added, we remove barriers in payments and bring an open and reliable platform to the world of payments. With the Pay with Juzdan feature, we enable our users to complete their payments at contracted merchants with a single click, without the need to enter their card information repeatedly, and by using options such as credit and instalment payments. In 2023, we expanded Pay with Juzdan points by 3.5 times and enabled 3 times more users to use our feature for their payments compared to last year.

The Centre of Our Innovation Efforts: Akbank Innovation Centre

We launched the Akbank Innovation Centre (Akbank LAB) in order to develop innovative projects for the needs of our business units and to achieve the goal of perfecting customer experience with financial solutions that will carry Akbank into the future. With this structure, we are preparing our Bank for the technology of the future by evaluating collaboration options with players in the entrepreneurship ecosystem. We embrace innovation as a part of our culture and take steps to support the innovation ecosystem in Türkiye. We keep Akbank employees informed of new developments by sharing bank-wide 'Innovation Bulletins' consisting of global developments, and share our evaluations on developments in the field of financial technology and innovation, as well as Akbank LAB's current activities on our Akbank LAB Medium account. With our nexTalk events, which we hold live on Youtube, we talk to experts in the sector about our focus areas.

With Akbank LAB, we design our ideas, which we have developed in line with our focus areas and goals, in order to implement them in value-added financial services. After the evaluations, we test the feasibility of the successful ideas by passing them through the "PoC" (proof of concept) stage, and assess the gains for our Bank and our customers. In this context, we have disseminated and implemented 16 of the 40 projects in which we have conducted proof-of-concept studies in many areas such as machine learning, blockchain, artificial intelligence, big data, facial recognition, and customer experience.



Akbank+

With Akbank+, we enable in-house entrepreneurs to work on their ideas on a fulltime basis. While the personal rights of the participants as Akbank employees continue, all participants can also pursue their activities as full-time entrepreneurs. Within the scope of the program, 6 ideas worked on by Akbank employees are studied for the "empathy", "identification" and "idea generation" steps of the design-thinking methodology during a 10-week incubation phase, and then 3 ideas determined by the presentations to be made to Akbank's Investment Committee move on to the second phase of the program in 14 weeks and turn into MVPs in line with the "prototype" and "test" steps. We are implementing the program together with GOOINN, which provides consultancy services in the field of innovation and entrepreneurship. In addition, once the business models of the participants are clarified, we create an advisory board that will provide mentorship to them in the process of MVP development and their investment journey.

With the ReFi Türkiye program, we are positioning our Bank at the intersection of finance, technology and impact ecosystems.

In this context, the Akbank LAB Innovation Centre People and Culture team, Waste Log, which digitalizes waste processes in the first period of the Akbank+ Program, and Voltla, which improves the experience of electric vehicle owners, received an investment of 500 thousand USD from Akbank. Following the successful completion of the first term, the second term of the program continued with the development of the business ideas of 15 inhouse entrepreneurs of Akbank. In 2023, 5 business ideas from different focus areas were included in the program. With the interim presentation to be held in the coming days, 3 business ideas will continue to the next phase of the program, the Entrepreneur Journey Phase.

ReFi Türkiye

We have completed the 2nd edition of the ReFi Türkiye program, which focuses on Regenerative Finance and which we have carried out through the Social Innovation Platform, imece. In this content, by using Web3 technologies, we seek finance-based solutions by focusing on global problems that affect our lives, especially issues such as climate change, environmental pollution, and carbon emissions.

Click here for all the details of the program: refiturkiye.com

This year, we continued our efforts to increase literacy in this field by providing various content to the ReFi Türkiye program, which focuses on Regenerative Finance and which we have carried out with the Social Innovation Platform, imece. As part of these efforts, we have published the ReFi Türkiye video series, the ReFi Türkiye Report, and an ecosystem map.

The "ReFi Türkiye Interview Series", published on Akbank's Youtube channel, consists of three main topics. The video series, which bring together experts in sustainability, impact, blockchain, finance, and ReFi, have focused on social and environmental meta-crises and the age of

regeneration as its first main topic. The second main topic was the history of money, which dealt with the basics and uses of blockchain technology. The questions "What is ReFi?", "Why ReFi?", and "Why Türkiye?" were answered under the third main heading.

With the ReFi Ecosystem Maps in Türkiye and abroad, we have brought together the constituents of the ecosystem, which include institutions, projects and individuals within the scope of the Graphcommons platform, and the ReFi environment, in a visible and discoverable way.

In addition, in collaboration with Sabancı University's Centre of Excellence in Finance, we introduced the Web3 economy to 50 young professionals working in different sectors ranging from law to digital fashion, with the "Web3 Economy Training".

You can access the ReFi Turkey video series broadcasted on the Akbank YouTube channel from the link <u>here</u>.

Click here to access the ReFi Türkiye report, which is a guide on Regenerative Finance, where all the outputs of the past period are presented: rapor.refiturkiye.com

Akbank Hackathon: DisasterTech

This year's Akbank LAB Hackathon focused on developing solutions to protect and save lives before, during, and after natural disasters. Akbank Hackathon: DisasterTech event, organized in collaboration with Akbank LAB and imece with 176 different teams to which nearly 500 people applied in total, kicked-off online on October 14, 2023. Within the scope of the event, 33 teams that were selected worked on various projects. In the Akbank Hackathon: DisasterTech event; developers, software developers, designers and students interested in this field aimed to develop innovative solutions for disaster management. The teams focused on developing



safer and more resilient disaster management systems by using the technology.

In the finals of the competition held on October 22 at the Sabancı Centre, 10 different ideas were presented to the jury for evaluation. PharGen-Z, City Guard and Terappim were ranked among the successful projects. In the jury of the Akbank Hackathon: DisasterTech event. where the theme of finance, impact and technology was the focus area, Akbank Retail Banking and Digital Solutions Executive Vice President Burcu Civelek Yüce and Akbank People and Culture Executive Vice President Pınar Anapa represented the finance pillar; Esra Arslan, Member of the Board of Directors of Needs Map, and Gülşah Eker, Solution Mapping Manager of UNDP Accelerator Lab; Cavit Yantac, Deputy General Manager of Microsoft Türkiye Customer Experience, and Duygu Ates, Deputy General Manager of Microsoft Türkiye Financial Services and Government Customers Sales. took part in the technology expertise area.

As a result of the evaluations made by the jury members, the first team among the Akbank Hackathon: DisasterTech finalists won 100 thousand TL, the second team 60 thousand TL, and the third team won 40 thousand TL.

PharGen-Z: The team's 'Medicine Cabinet' project was based on the idea of creating a platform for patients to quickly and easily access the medicines they need during disasters. In this context, patients and pharmacists were brought together directly or through medication requests with the application developed. At the same time, it was ensured that pharmacists delivered to the patients the medicines they needed in the right quantities and in a coordinated manner.

City Guard: The team developed the Sense Earth project to detect damaged buildings and areas after a disaster, with modules and sensors. With Sense Earth, it is possible to quickly detect collapsed buildings, blocked roads or bridges that have become unusable. Thus, it focuses on supporting disaster management processes.

The goal was to prevent post-disaster injuries and loss of life by placing modules and sensors working with solar energy and satellite internet at strategic locations.

Terappim: With the Terappim mobile application, physiotherapists can create a personal exercise program for the patients based on the movements in the movement library. In addition, the application allows movements to be performed in a controlled manner with patient-pose estimation technology. Thus, the team focuses on alleviating the workload of post-disaster healthcare personnel.

At the same time, experts from Akut Foundation, Atölye, DNDLAB, Impact Hub Ankara, Civic Space Action Network, Neighbourhood Disaster Volunteers, Menthol Protocol, Teyit.org, Tider, TOG, and YUVA, including volunteering Akbank members, supported the development of project ideas with their insights and experience.

Endeavor: We continued to contribute to the entrepreneurship ecosystem with Endeavor. With the collaboration of Endeavor Türkiye and Akbank, the CaseCampus Program 7 took place on January 24–26, 2023. The event, which took place with 75 entrepreneurs, hosted case studies and interviews.

Boost The Future: The start-up acceleration program 'Boost the Future' has completed its 5th term. At the Boost the Future Demo Day event, next-generation start-ups, investors and entrepreneurs who had received intensive mentorship and training support for 3 months came together. 12 entrepreneurs including names such as Defy, ELYT, Finsmart, Guul Games, Jobtogo, Octobus, PvX, Ruuf, Selfprof, Shipicons, UrClimate, and Waste Long attracted attention with their artificial intelligence-supported solutions from different sectors such as fintech, gaming, and retail, and received support to step in to the international arena.

Financial Inclusion

With a focus on financial inclusion, our goal is to design all our products and services in the simplest and most understandable way.

Our chatbot Akbank Assistant has an average usage rate of more than 1 million times per month, and our smart search function in our mobile application has an average of more than 6 million uses per month.

According to the statistics of the World Bank, approximately 70% of the population in Türkiye consists of people who have bank accounts. About half of this segment consists of people who are "semi-banking savvy", that is, people who use 1 or 2 products in their relations with banks, make an average of 2 or fewer transactions per month, and who cannot really benefit from the services of the financial system.

Although many of our customers are switching to digitalized systems, our customers in a certain age range still prefer to use physical channels for their financial transactions. Our young customers, on the other hand, have rapid access to financial instruments with digitalized products and services, and have the potential to improve their financial literacy.

With this awareness, as Akbank, we have been radically renewing Akbank Mobile since 2019 in order to meet the digital interaction needs of our customers in the most effective way. Our customers can quickly access their daily banking needs from the homepage. With our bank's chatbot "Akbank Assistant" and our smart search functions, our customers can access more than 300 functions in our mobile application. With Akbank Assistant or Search and Assistant menu, they can easily access the transactions they are looking for within the application.

At Akbank Mobile, we try to keep financial terms in the background by anticipating the mistakes our customers may make. Our focus is to highlight content that meets the needs of our customers and make our language more user-friendly.

With the services we offer, our customers can consolidate and view their other bank accounts on the Akbank platform, monitor their financial status holistically and easily manage their accounts from a single platform. In addition, we are working to bring our banking services to a wider audience with our work within the scope of the Service Banking business model introduced to the sector by the Banking Regulation and Supervision Agency (BRSA). We aim to increase the financial inclusion of our existing and potential customer ecosystem with need-oriented financial solutions positioned at the interfaces of our business partner Fintechs and non-financial players.



Messages from Top

Akbank Built Upon Your Trust Corporare Governance Our Sustainability
Journey

Sustainable Financing People & Community

Ecosystem Management Climate Change Financial Information Annexes

We offer financial notifications and more than 45 tutorial videos to our customers through our website, YouTube and many channels to more than 35 million people per month from Akbank Mobile.

We continue to offer advantages for young people's first loan needs.

Financial Literacy

With Akbank Mobile, we support both our retail banking and SME customers to become individuals with better financial health, while raising awareness about their financial situation with the renewed 'For You" tab. We facilitate financial management with the smart suggestions and insights we offer.

We published our 10-episode podcast series, in which we discussed financial literacy, behavioural finance, inflation, investment, financial technologies and many other topics, and which was moderated by Attila Köksal, President of the Financial Literacy Association and was broadcast in cooperation with Aposto.

You can access our podcast series through the link.

Environmental Card

With our project that is conducted under the leadership of Axess and covers all Akbank credit and debit cards, we produce our commercial and retail banking cards from recycled plastic, which can be used digitally and instantly, and other materials such as envelopes and holders are produced from FSC® certified papers. As of the end of 2021, we set a goal to reduce the consumption of natural resources and environmental impact by recycling and reusing materials as much as possible, and as of today, our customers use nearly 30 million green cards and we have reduced the use of plastic.

Youth Banking

We are aware of the social and financial needs of young people in order to prepare them for the future in the best way and help them improve themselves in all areas. As Akbank, we consider young people under two different categories, namely "Those Who Are about To Start Out in Life" and "Those Who Have Just Started Out in Life". We aim to increase the loyalty of groups by providing value propositions that meet different financial and social needs. We make sure that young people are informed about financial issues when they start out in life and that they can make the right decisions about their budgets. For this purpose, we continue to work intensively to increase the level of "financial literacy" so that young people can turn to the right-investments and savings.

In 2020, we changed the name of the "Akbank FAV" program, which offers a completely digital experience for university students, to "Undergraduate Akbanker", and we are facilitating the access of university students between the ages of 18-26 to financial transactions by offering them free banking transactions and free overdraft accounts. We increased the number of our young customers by 1.4 times compared to 2022. The number of university students has increased 1.2 times, and the number of customers participating in the program we offer to university students has increased 1.9 times.

As Akbank, we develop solutions to meet the financial needs of young people in order to help them shape the future. Embracing the slogan "The Youth are the Future", we offer young people inclusive benefits in many products.

Our TOSLA Application

We continue to work on our digital application TOSLA, which we developed with the slogan "The social state of money". In our second year, we offered many options to students, young professionals and young workers with the Tosla application. In this context, we provide discounts on various digital channels such as TV series/movies, music, online shopping, and face-to-face shopping. We have expanded the options we offer to Tosla users with the collaborations of Istanbulkart, Zorlu PSM, Community Volunteers Foundation (TOG), Starbucks, and HelpSteps.

You can find detailed information about our Tosla application in our section where <u>AkÖde activities</u> are explained.

We continue to provide the skills necessary for correctly communicating with our disabled employees and customers, through the "Sign Language" training offered to our field employees and the "Inclusive and Barrier-Free Communication" e-training offered to all the employees of our bank.

All disabled accessibility applications are available in our 98 branches.

Our Accessible Banking Approach

We have signed an important collaboration deal with BlindLook, a social enterprise that develops technologies for the visually-impaired, as we care about all our customers' access to banking services with equal opportunities. Thanks to BlindLook's voice simulation technology, our visually-impaired customers have started to use Akbank Mobile and the internet more comfortably. In addition, with the work we started in 2023, we continue with the integration process so that our hearing and visually-impaired customers can access all banking contracts and request forms on the website with audio and sign language options.

Disabled access applications	s
Tactile surface application 659 branches	Induction loop system 117 branches
Anti-slip tape application 659 branches	Guidance to emergency exit equipped with sound and lighting features 95 branches
Disabled call button 113 branch	Braille handrail lettering 111 branches



BlindLook Stakeholder Insight

We consider the collaboration between BlindLook and Akbank very valuable in line with our vision of equal services and our principle of providing an accessible world for all. We see Akbank not only as one of our EyeBrands; we see it as a valuable brand with a large user base and long history. As BlindLook, we would like to carry out various communication activities with Akbank in order for this collaboration to reach a wider audience. During our ongoing collaboration with Akbank, we believe that awareness has increased within the company and we believe that attention has been paid to the balance of inclusivity. The disadvantages of being blind in social life are eliminated in the Akbank ecosystem and the scope of the egalitarian approach policy is expanded with Akbank.

Our SME Inclusion and Thematic Banking

Green Transformation

It can be said that the chemical, automotive, plastics and textile sectors, as well as carbon-intensive sectors such as cement, iron and steel, energy, aluminium, and fertilizer, which have a high environmental footprint, also have a potential in terms of green transformation.

The carbon border tax covers the cement, iron and steel, energy, aluminium, fertilizer, and hydrogen sectors. These sectors will also affect customers who are engaged in EU exports. In this context, when we look at the exporting sectors that will be subjected to carbon tax obligation in the first stage in 2026, it is seen that approximately 50% of the production of the iron-steel and aluminium sectors, approximately 20% of the production of the cement sector, 7% of the production of the fertilizer sector, and 1% of the production of the electricity sector are involved in exports.

According to the SHURA Energy Transformation Centre's report "Financing the Energy Transition in Türkiye in the Context of the New Green Deal", Türkiye's investment need for energy transformation in the 2022-2030 period is calculated to be USD 135 billion and its financing needs are approximately USD 107 billion. In addition, according to the World Bank's 2022 report, an investment of USD 165 billion is required until 2040 just for Climate Change and Decarbonization in Türkiye.

In the light of all these issues, we have taken action to ensure that all SMEs evaluate the risks and opportunities they will face due to the Carbon Border Regulation and increase their competitiveness. We introduced the SME Eco Transformation Package, which is the first and most comprehensive package specially designed for SMEs within the scope of sustainability in the sector. With this package, we aim to comprehensively encourage and finance activities aimed at reducing the carbon footprint of SMEs and reducing their energy costs. We aim to provide financing to SMEs with various loan products



that serve different purposes within the scope of green transformation.

We arrange these loans, which we offer with a maturity of 36 months, according to the cash flow of the customers and we apply different interest rates depending on the sustainability performance of each project. We also aim to provide financing under favourable conditions with the funds we receive from the funding institution called Finance in Motion. In addition, we offer the "IGE-Akbank" Green Transformation Guarantee Support Package" for SMEs with the guarantee of İhracatı Geliştirme A.Ş. (IGE). The "IGE-Akbank Green Transformation Guarantee Support Package" aims to meet the financing needs of SMEs exporting goods and services and contribute to the green transformation process. While the IGE guarantee provides collateral solutions to SMEs in the use of loans, Akbank provides financing support to SMEs in many areas such as renewable energy, energy and resource efficiency, and circular economy, with the SME Eco Transformation Package. With the "IGE-Akbank Green Transformation Guarantee Support Package", SMEs can receive loans of up to 18.8 million TL, with a maturity of up to 24 months and with 80% IGE guarantee support, in their green transformation journey.

Thanks to this collaboration with IGE; for the first time in the sector, a guarantee institution and a bank have launched a product hand in hand for green transformation. Previously, there had been products created by different guarantee institutions together with all banks, but this product only covers IGE, and Akbank as the only bank.

In 2024, we aim to be the biggest supporters of SMEs in their green transformation journey. In this context, we enable SMEs to identify their current status and areas of development with carbon footprint measurement and company ESG analysis applications. At Akbank, we are aware that financial health and inclusion are one of our most important areas of impact. In this context, as one of 28 banks worldwide, we are delighted to be a

founding signatory of the UNEP FI Financial Health and Inclusion Pledge, which aims to promote financial health and inclusion in collaboration with the United Nations Environment Programme Finance Initiative (UNEP FI).

As a signatory to the first-of-its-kind initiative, Akbank has committed to regularly disclosing measurable targets and our performance in line with financial health and inclusion, over 18 months. In this context, we aim to achieve an annual growth rate of 10% in the number of our female SME customers by 2025. In line with the Sustainable Development Goals, and Türkiye's 11th goal which is in accordance with the Development Plan, we aim to provide products that will encourage the sustainable growth of our women owned/managed SME customers by increasing their financial resilience.

In 2023, we took action with the European Bank for Reconstruction and Development (EBRD) and the CGF to support woman business owners and entrepreneurs and facilitate their access to finance. Within the scope of the Financing and Consultancy Support Program for Women's Enterprises, we offered our "Women SME Package", which is the first and most comprehensive package specially designed for SMEs within the scope of sustainability, with USD 100 million of EBRD resources and 80% CGF collateral support, to SMEs whose founders or managers are women who have difficulty in creating collateral. With this package, we not only provide a solution to the collateral problem, but also provide the necessary mentoring, consultancy and training free of charge after the financing needs are met.

In addition, we are involved in a project with Proparco that will promote green projects and women's entrepreneurship in Türkiye. With the funding we receive from Proparco, we aim to further expand our support to SMEs for women's entrepreneurship. With this goal, we contribute to the Gender Equality Goal No. 5, which is among the United Nations Sustainable Development Goals.

With the aim of switching to a mentoring model that will benefit more women entrepreneurs free of charge, we announced the BinYaprak Women Entrepreneur Mentorship Program with Turkishwin on November 19, International Women's Entrepreneurship Day. With the relevant program, we will provide social benefit and offer 100 women entrepreneurs in different provinces the chance to work with experienced mentors.

You can access the inspiring story of Egeyurt Group, one of our women-owned/managed SMEs we support, from the link below.

https://youtu.be/Ow2Mgo2xVEk

In addition, Akbank Venture Banking started to provide services in Istanbul and Ankara with our vision of being a bank that supports technology start-ups and start-ups at all stages, from establishment to global expansion; it offers financial and non-financial products and services, and grows the entrepreneurship ecosystem.

For detailed information, please read the <u>Venture</u> <u>Banking</u> section.



SME Stakeholder Opinion: Ayşe Yıldız

Thanks to our existing experience and the training we receive from Akbank, our operational processes are carried out faster and more efficiently. In terms of the projects we carry out, we find Akbank's contribution to be very positive. We appreciate Akbank's innovative, sustainable and solution-oriented approach and rapid adaptation to new situations. We would like to thank Akbank and its team for their support.



Customer Experience & Journey

We continue to make a difference in employee and customer experience with next-generation technologies. We continue to design end-to-end next-generation customer and employee experiences based on customer, employee and corporate expectations.

While supporting digitalization, automation, simplification and mobility with our design principles we have determined, we also carry out different studies to increase sales and improve the general experience.

In line with our bank's future vision and based on our E2E service design studies; we design new and flexible business models, carry out new process and experience studies for many customer segments, support these experiences with next-generation technologies, and continue to create the most optimum and innovative business models with new service points.

Next-Generation Sales and Service Design

In addition to the transformation of branches and call centres with our Next-Generation Akbank vision, we carry on with our continuous improvement activities while changing the daily way our operations are conducted, with the transformation of the operation centre. In parallel with the increasing number of customers and transactions, we continue our journey by supporting our operation teams with next-generation technological solutions in order not to compromise on our service quality. In addition, while designing Retail and SME Banking services and products end-to-end, we continue to develop our branch, operation and head office business models and support them with digital solutions.

We continue our efforts to increase the experience and efficiency of our ATMs, which are among our critical service points that enable our customers to receive self-service whenever and wherever they want.

While, with our robot software and the increased number of robots, we perform the transactions that are suitable for automation within the bank faster and more accurately, we expand the area of influence of automation with next-generation technological solutions and ensure that our customers receive fast and uninterrupted services. In this way, we provide additional resource support to our institution by directing our employees to more value-added and specialized jobs.

Improvements for You

In 2023, we continued the "Improvements for You" program, which has been going on for 9 years. With nearly 150 studies focused on digitalization, employee and customer satisfaction, and efficiency, we have made more than 2,500 improvements within the scope of the program so far.

1001 Idea Suggestion System

With the "1001 Idea Suggestion System", which is an important part of our innovation culture, we have been evaluating the suggestions of our employees and customers for more than 15 years. We also reward those who make suggestions with our gamification campaign covering our bank's employees. To date, we have implemented more than 3 thousand of the accepted suggestions of nearly 8 thousand employees.

"For you" - Analytics-Assisted Change Management

With "Integro", our core banking sales service platform, which we use in critical business changes that affect employee and customer experience, we have made it possible to track the interaction and behaviour of our employees and customers. In 2023, we added 8 suggestions on 5 topics. With the "For You" platform designed for sustainable development, we will continue to enrich Analytical Change Management, which includes social learning, rewarding, and appreciation, with different scenarios and insights in the coming years.

In 2024, we will continue our efforts to integrate the customer experience at every point we come into contact with our customers.

With all these activities that we carry out by putting customer satisfaction at the centre of our focus areas, our bank's overall net promoter score (NPS) increased by 1 point in 2023 compared to 2022.

Akbank Design Office

In 2023, we implemented many improvements in our branch banking application, Integro, which we customized according to the needs and expectations of corporate roles in 2022. While enriching the corporate Integro functionally, we have developed it with analytical competencies compatible with mobile and corporate internet branch. The experience we have created with our corporate Integro project has earned us the IF Design Award, one of the most prestigious design competitions in the world.

In addition, in 2023, it was deemed worthy of the IF Design Award in Kolektif, our internal communication platform where we developed its functional display and processes.

In addition, we have upgraded Biblio, our personal development and leadership mobile application, which has been in use by our leaders since 2022, to a version that offers personalized recommendations with analytical data.

<u>Customer Experience</u> <u>Management</u>

In 2023, we carried out our experience measurements with the CATI (telephone) method in order to learn the experience of our customers who receive services through our Bank's channels (Branch, Mobile Banking, Internet Banking, and ATM), and the impact of the experience. We continued to monitor our experience (NPS, CSAT) measurements through the Customer Experience Management Platform we launched in 2017. We also continued to monitor the satisfaction levels of our customers with our channel and segment-based competitive research.

In addition to our online surveys conducted via phone, SMS and digital channels in order to track the experience of our customers, we implemented the survey method via IVN in

2023. Furthermore, in 2023, we have also enabled surveys to be conducted through our ATM channel.

Again in 2023, while continuing to measure the experience of our customers in terms of products, with Customer Journey-Based Experience Measurement research, we implemented the "I Want to Be a Customer" and "I Want to Be a Merchant" journey studies. In 2024, we aim to implement the "I Want to Evaluate My Money" and "I Want to Buy a Commercial Card" journey research. Also in 2023, we enriched our feedback collection channels and added new channel and product measurement processes, increasing the amount of feedback we received from our customers by approximately 50% compared to last year.

With all our innovative applications, we won 5 experience awards in different categories from 3 events we participated in during the year. We carried out 20 different ad-hoc research projects in which we evaluated our customers' satisfaction levels and opinions on various issues such as product usage habits.

In 2024, we will work on new experience metrics and analytical models that will enable us to examine the experience we will provide to our customers in the list of critical products and services, in more detail and end-to-end.

Our Customer-Oriented Service Management

As Akbank; in line with our OKR (Objective Key Results) goal of "Providing the Best Customer Experience", we resolve our customers' complaints, objections and requests about our products and services independently of the channel, with a centralized and end-to-end approach from a single point within legal compliance periods. We receive complaints from 1.1% of our active customers, and we conclude more than 90% of the complaints at the first point of contact. We effectively use artificial intelligence, robotic applications and analytical indices in the solution process. In order to steadily improve the quality of experience and services

we offer to our customers, we have started automatic reporting and monthly monitoring in order to make the SLA management strategy implemented throughout our Bank more customer-oriented, transparent and inclusive. With the new model, we closely monitor the stations and the E2E targets that we need in order to quickly improve the customer experience on Qlik Sense, and we continue to collaborate with all our stakeholders to take action and enhance the experience.

During the year, we share the developments regarding customer complaints, expectations and needs, which are carefully monitored by our senior management, on a monthly basis with the relevant corporate body of our bank, and on a quarterly basis with the Customer Experience and Clean Banking Committee, the Audit Committee and the relevant official institutions (TBB/BRSA). We renew our ISO 10002:2018 Customer Complaint Management quality certificate annually with the audit carried out by BSI.

In addition to our branches, Mobile and Internet Banking applications, ATMs, and Customer Contact Centre, we learn about the experience and feedbacks of our customers who receive services for customer complaints, with the "CES (Customer Effort Score Measurement)" method, and follow the developments.

Moreover, as Akbank, we periodically report the categories of complaints and our service quality 4 times a year due to the consolidation and reporting of customer complaint data shared with the public for the "Customer Complaint Management" activity carried out by the Banks Association of Türkiye (TBB).

Developments related to customer complaint management processes for our products and services are monitored and supervised by our Audit Board and Internal Control Departments, which report to the Board of Directors. Within the scope of legal compliance-oriented issues and when necessary, compliance performance is monitored by the Compliance and Information Risk Management Departments.

Our Purchasing Approach

By supporting our local suppliers, who are one of the main players in our economy, we aim to contribute to the economy of the country and the region and to build the future of our business on solid foundations.

In our operations, we particularly strive to work with local suppliers in our procurement processes. Thus, by supporting our local suppliers, who are one of the main players in our economy, we aim to contribute to the national and regional economy and build the future of our business on a solid foundations.

We receive commitments from our suppliers against situations contrary to human rights such as child labour and forced labour, and we follow these principles while continuing our joint activities.

By managing our procurement activities in line with our sustainability policies, we eliminate the risk of our bank being exposed to negative external influences. We carry out transparent and explainable operations within the scope of our procurement activities, which we conduct by following our ethical principles, and we maximize the contributions we make and the value we create.

Total Suppliers

2,360

Local Suppliers

1,851

Total Supplier Payment

TL 13.2 Million

Local Supplier Payment

TL 12.3 Million

Number of New Suppliers

110

As Akbank;

- We act in accordance with our published policies and ethical rules in all our procurement processes,
- In order to evaluate the work and working conditions of the third-party employees we receive services, within the scope of their commitments to international organizations, we strive to provide them with the relevant letters of undertaking and annual questionnaire forms,
- Our units authorized to make procurements determine the general ethical rules to be followed by the suppliers in their work and share these rules with
- In order to prevent conflicts of interest, our Bank's Purchasing Department and our departments authorized to make procurement carry out an effective mechanism,
- We receive statements from our suppliers regarding the implementation of all elements in the United Nations Global Compact by our suppliers,
- In the provision of products and services, we give priority to suppliers working with systems that are more sensitive toward society and the environment,
- Within the scope of the needs of our Business
 Units and the interests of our Bank, we consider the purchase of products and/or services that provide the optimum balance of quality and price, from our suppliers who can meet the needs of the demanders, as the main priority,
- We purchase all kinds of products and services in line with the financial powers determined by our Board of Directors.



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Journey

Sustainable Financing People & Community

Ecosystem Management <u>Climate</u> <u>Change</u> Financial Information Annexes

We are actively incorporating our measures to combat climate change into our bank's strategy and are making this one of our high-material issues.

We will become a "Net-Zero Bank" by 2050 in a way that minimizes the impact of all our activities, including our loan portfolio, on climate change.

Industrial development increases environmental pollution and the accumulation of greenhouse gases in the atmosphere every year. In the World Economic Forum's 2023 Global Risks Report, Climate Action Issues are stated as the most critical risk in the short, medium and long term. The consequences of climate change expose all ecosystems in nature to irreversible effects such as extreme weather events, melting of glaciers, rise in sea water levels, and increase in the acid level in water resources. We consider this issue as one of the four key areas of our sustainability strategy. While we continue to effectively manage the negative effects of climate change, we resolutely continue our fight against climate change based on our responsibility to future generations.

With the roadmap we have determined under the leadership of our Sustainability Committee and in line with our strategic focus areas, we are one step closer to our goals every day thanks to the active participation of our relevant teams. Using the Environmental and Social Risk Framework, we evaluate all of our loans and check whether the commercial loans violate our "List of Non-Creditable Activities" policy. In addition, we meticulously examine every detail, from the water consumption of the trees in our bank's garden to the environmental impact of the exterior and interior paint materials of our buildings, and take precautions when necessary.

In order to protect the environment and manage climate change risks, the right governance structures and control systems need to be established; you may access our <u>environmental policy</u>, which we prepared last year in the light of our performance-oriented studies, on our website.

The scope of the Declaration on Sustainable Finance, which was prepared by the United Nations Global Compact and which we signed in 2017, was expanded in 2021. Along with the new principles, we have also committed to helping our customers reduce their carbon footprint with innovative products, by establishing innovative sustainable finance mechanisms, better explaining climate-related risks and opportunities to our stakeholders, and collaborating with other banks.

In line with the fight against climate change, we have set targets in many areas such as energy consumption, greenhouse gas emissions, paper and water use, and technological waste recycling, and we are implementing different projects and practices to achieve these goals.

Portfolio Impact & **Exposure**

By 2050, we will zero our carbon emissions from our loan portfolio.

In 2023, we calculated our trade credit portfolio emissions using the PCAF (PCAF Global **Greenhouse Gas Accounting** and Reporting Standard for the Financial Sector) methodology.

Climate Risk and Our Portfolio

Within the scope of Akbank's Environmental and Social Risk Framework, we carry out our analyses of the effects of climate change, and the sectors and transactions that may be affected by the physical and transition risks of these changes. In the Environmental and Social Risk Framework, we have committed not to finance new coal-fired power plant projects (TES), coal-fired power plant capacity increases, and new coal mine investments in all segments.

We do not support the production or trade of forestry products if they are not managed sustainably. We emphasize the necessity of minimizing tree felling, and if cutting is inevitable, we evaluate the number of trees that will be affected and the need for the existence of a plan to compensate for the forest area to be destroyed. At the same time, we assess the possible greenhouse gas emissions and carbon cost of projects with high carbon emission potential.

For our customers, especially those operating in sectors that have a high impact on climate change and cause intense greenhouse gas emissions and are evaluated by the Environmental and Social Impact Assessment Team, we assess:

- the senior management's responsibility on climate
- the commitments on climate change,
- · the short, medium and long-term strategic targets for reducing greenhouse gas emissions,
- · reporting on targets, and
- the emission data of the last three years and the existence of various emission control mechanisms, and we monitor the emission amounts of customers and projects.

In order for our clients to manage the climate change impacts in their projects, we pay attention to include information on the physical and transition risks of climate change as defined by the Task Force for Climate-Related Financial Disclosures (TCFD), in independent consultant reports, for all category-A and category-B large-scale projects included in our ESIA process. For high-risk customers and projects, we ask our clients to create action plans to combat climate change, and we follow the processes closely.

In addition to environmental issues such as emission reduction, working conditions, pollution prevention and resource efficiency, public health and safety, and biodiversity, we require the evaluation of sustainability impacts on cultural heritage and local peoples in our projects. Through periodic monitoring, we aim to increase our customers' ability to manage these impacts.

In addition to collecting data on biodiversity impacts in ESIA assessed projects, we implement various management plans for clients to manage high-risk impacts. The Alliance for Zero Extinction (AZE) does not finance new investments in designated areas, but proposes measures to address biodiversity impacts.

Within the scope of blue finance, we encourage our customers to take precautions against activities that may harm aquatic biodiversity. In addition, we maintain our goal of protecting the nature through renewable energy practices and environmental compliance activities within our bank.

Our Portfolio's Climate Change <u>Impact</u>

In line with our goal of becoming a net-zero bank by 2023, we have calculated our trade loan portfolio emissions using the PCAF (PCAF Global Greenhouse Gas Accounting and Reporting Standard for the Financial Sector) methodology, under four main asset groups::

- · Commercial Loans
- · Project Financing Loans
- · Motor Vehicle Loans
- · Commercial Real Estate Loans

In parallel with international initiatives, we have identified the carbon-intensive sectors with priority for decarbonization in our loan portfolio and worked on medium-term emission reduction targets.

In accordance with the EU Green Deal and the Carbon Border Adjustment Mechanism, we have worked closely with our customers to inform them about the reporting of carbon emissions and the obligations such as carbon tax, and to support our customers in their transformation processes.

We offered a free digital carbon footprint calculation service to our customers operating in carbon-intensive sectors to guide them in their decarbonization journey.

In 2024, we will develop sectoral strategies for the decarbonization of carbon-intensive sectors, which we prioritize. We will work much more closely with our customers on their decarbonization journey.

As Akbank, we aim to create value for the transformation of our customers by focusing on the 2050 net zero carbon target we announced in 2022.

We will continue to support our customers in these sectors by providing sustainable financing loan products and services for the financing needs of sectors such as energy, cement, iron and steel, aluminium, and fertilizer. In addition, we aim to provide innovative non-financial services to our customers through collaborations and stakeholders.

In 2023, we closely followed the net zero carbon targets and strategies of our customers operating in the iron and steel, cement, energy, textile, tourism, and oil and natural gas sectors, and continued preliminary assessment studies within the scope of net zero carbon strategies for our customers in these sectors.

Through these efforts, we aim to help our customers identify sectoral opportunities early and reduce the risks of being affected by possible transition risks. In our loan portfolio, we prioritize the determination of the processes of identifying, evaluating and managing risks and opportunities related to climate change. As Akbank, we aim to reduce our impact on climate change with our net-zero carbon roadmap and studies, as well as to reduce the risks of our customers being affected by possible transition risks such as regulatory changes, and to support them in their transformation processes. We also prioritize the processes of identifying, evaluating and managing risks and opportunities related to climate change in our loan portfolio. In this context, we conducted an analysis study to examine the potential exposure of assets in the Investment Banking project finance portfolio to the effects of physical climate change in 2023.

In accordance with our Bank's ESIA processes, we request climate change risk assessments from our customers in projects where we deem the same necessary. In this context, in 2023, we selected a reference region and carried out studies with certain wind and solar energy producers to evaluate the effects of climate change on the infrastructure of power plants.

These assessments analyse climate models and ThinkHazard data at the locations of the projects,

taking into account trends in climate events in recent years and projections for future decades. We evaluate the effects of climate events such as heat, hail, storms, floods and droughts on infrastructure by considering physical risks in line with the Equator Principles IV and the recommendations of the "Task Force on Climaterelated Financial Disclosures" (TCFD). We aim to reduce the levels of exposure to risks by determining mitigation measures against risks, planning maintenance periods, increasing employee competencies, updating emergency management plans, taking out insurance, and strengthening water transition structures against excessive rainfall caused by climate change.

As one of the transition risks associated with climate change, it is considered that legal risks may occur during the transition to a low-carbon economy. As an example of this scope, it has become quite possible for companies operating in energy-intensive sectors to be carbon tax payers.

Asset-Level Physical Climate Risk Analyses of the Project Finance Portfolio

In 2022, we examined the quantitative effects of risks and opportunities arising from climate change on our loan portfolio, taking into account the framework of the "Task Force on Climate-related Financial Disclosures" (TCFD). During the study process, we developed scenario details by identifying the vulnerabilities in the Representative Concentration Routes (RCPs) and Shared Socioeconomic Routes (SSPs) scenario models that will affect our portfolio the most, and by making a detailed evaluation of the political, economic, social, technological, environmental and legal aspects for temperature increases of 1.5 and 3.5 degrees.

Physical

- Excessive rainfall and increasein weather events
 (acute)
- Natural forest fires (acute)
- Increase in heat waves (acute)
- Biodiversity loss (chronic)
- Water scarcity chronic droughts, low water level, etc. (chronic)
- Temperature increase (chronic)
- Sea level rise (chronic)
- Land scarcity, and soil erosion and degradation (chronic)

Legal and Regulatory

- Mandatory labelling
- Greenhouse gas regulations/ pricing of emissions
- Litigation exposure
- Regulations / pricing in water use

Market

- Reduction of
- insurance capacity
- Change in business partners' expectations
- Resource scarcity
- Change in consumer expectations

Reputational

- · Loss of reputation
- Lack of visibility of brand commitment to combat climate change

Technological

- CCUS (Carbon Capture, Utilization and Storage) feasibility
- New low-carbon development technologies

Social

 Increase in social problems (migration, diseases, modern slavery)

Taking into account the stated results and scenario details, we organized a workshop with the relevant teams within the Bank. Based on the results of the climate risk analysss conducted at the loan portfolio level, we evaluated the qualitative risk and opportunity levels that each vulnerability will create for the relevant sectors, and we created a sectoral heat map as a result of the workshop.

In 2023, we conducted an analysis on the effects of physical climate change by focusing on the geographical locations of the assets in our Bank's project financing portfolio. With this study, we first determined the sectoral exposure levels by evaluating the risks in the sectoral heat map. We aim to support our customers in assessing their exposure to climate change risks, and in adapting and taking the necessary actions. We also emphasize the importance of creating adaptation plans by assessing project-based climate change risks before providing services to new customers.

Within the scope of the study, we primarily classified our customers according to infrastructure, production, real estate, mining, retail, solar power plants (SPP), hydroelectric power plants (HPP), wind power plants (WPP), geothermal power plants (GPP), biomass power plants (BPP), and fossil fuel-based energy sectors. In the next stage of the study, we determined which climate change vulnerabilities will have what effects on which sectors. The 4 climate change vulnerabilities identified are:

- Excessive rainfall and increase in weather events
- · Increase in heat waves
- Acute drought
- · Chronic water scarcity water stress

Using the data obtained from the models prepared by the Intergovernmental Panel on Climate Change (IPCC), we evaluated which climate change vulnerabilities would affect the assets in the project financing portfolio on a district basis. We conducted the study based on the effects of a scenario in which fossil fuel-based growth continues (SSP5), and a scenario (SSP1) which represents a transition towards sustainable practices with zero carbon emissions in 2050.

With this assessment, we aim to ensure that climate change risks are effectively included in credit decision-making mechanisms, that they are an important factor in the location selection of customers' projects, and that we contribute to taking measures to mitigate adverse climate-related conditions that will occur in the near future.

Using the IPCC Interactive Atlas, our evaluation on the basis of geographical regions for climate change SSP1-2.6 and SSP5-8.5 scenarios in our country is given in the Table of Effects of Climate Change on the Basis of Geographical Regions. We conducted our evaluation by checking the "Consecutive Dry Days" model for changes in acute drought, the "Number of Days over 35 Degrees" and "Cooling Day Degrees" models for changes in heat waves, the "Standardized Precipitation Index" model for changes in chronic drought, and the "Maximum 1-Day Precipitation" model for changes in extreme rainfall and weather events.

As a result of the study, we evaluated the effects in the country according to geographical regions in terms of the identified vulnerabilities. While it was determined that the Black Sea region was the region that could be least affected by climate change, we observed that there may be a negative impact on all vulnerabilities in the Central Anatolia and Marmara regions.

We found that the maximum 1-day rainfall, which is associated with an increase in extreme rainfall and weather events, is modelled to be higher in all regions and will be one of the most important climate change impacts. We also determined that the number of consecutive dry days associated with acute drought will increase in all regions except the Aegean, Black Sea and South-eastern Anatolia regions. We have identified that the standard precipitation index associated with chronic drought will increase in all regions of our country except the Black Sea, Eastern Anatolia, and South-eastern Anatolia regions, and an increase in heat waves is expected in all regions except the Black Sea region.

Climate Parameters	Climate Scenarios	Marmara	Aegean	Mediterranean Region	Central Anatolia	Black Sea Region	Eastern Anatolia	South Eastern Anatolic
Number of dry	SSP1	Negative	Positive	Negative	Negative	Neutral	Negative	Positive
days in a row	SSP5	Negative	Positive	Negative	Negative	Neutral	Negative	Positive
Standard	SSP1	Negative	Negative	Negative	Negative	Positive	Positive	Neutral
Precipitation Index	SSP5	Negative	Negative	Negative	Negative	Positive	Positive	Positive
Number of days over 35°C	SSP1	Negative	Negative	Negative	Negative	Neutral	Negative	Negative
	SSP5	Negative	Negative	Negative	Negative	Neutral	Negative	Negative
Cooling Day	SSP1	Negative	Negative	Negative	Negative	Neutral	Neutral	Negative
Degrees (CDD)	SSP5	Negative	Negative	Negative	Negative	Neutral	Neutral	Negative
Maximum rainfall	SSP1	Negative	Neutral	Positive	Negative	Negative	Negative	Negative
for 1 day	SSP5	Negative	Neutral	Positive	Negative	Negative	Negative	Negative

^{*}The evaluation was carried out taking into account the climatic parameters.

As a result of our analysis based on the geographical locations of 197 assets in our Bank's Investment Banking Project Financing portfolio, you can examine the distribution of project locations that will be exposed to climate change impacts according to selected scenarios and identified vulnerabilities in the table below. When we examine the analysis outputs given in the table, we can see that the climate change vulnerabilities of the assets in the project locations in our Project Financing portfolio are mostly in terms of 'increase in extreme rainfall and weather events' and 'increase in heat waves (Number of days over 35 degrees).

We have determined the project locations that are likely to be adversely affected by climate risk. While performing the analysis, we used low-resolution data layers from the WGI Interactive Atlas Application. However, we will continue to perform more detailed analyses using high-resolution data layers and detailed topography studies of the study area. We aim to publish our report, which includes the details of the analysis and results, in 2024.



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Distribution of Project Locations Predicted to Be Adversely Affected by Climate Risk on the Basis of Scenario and Vulnerability

Number of Project Locations Predicted to Be Ne Affected			
Vulnerabilities	SSP 1-2.6	SSP 5-8.5	
Increase in extreme rainfall and weather events	144	157	
Increase in heat waves (Days when the temperature is above 35°C)	132	130	
Increase in heat waves (Number of Days in Need of Cooling)	35	35	
Drought (acute)	67	62	
Chronic water scarcity/water stress	59	61	

^{*} Total number of project locations is 197.

Calculation of Capital Requirement

In order to emphasise the increasing importance of climate change-related risks in our capital calculations and to support our goal of becoming a net-zero bank by 2050, we have decided to highlight the risk of climate change, in capital requirements from 2023 onwards. In this context, as of 2023, we also take into account the capital that should be allocated for the risk of climate change in the COMEDES (Internal Capital Adequacy Assessment Process) studies.

The sectors that will be exposed to possible carbon costs within the scope of the "Emission Trading System Regulation" are the sectors that are found to be risky in terms of transition risks in the heat map created together with the consultant firm. Using the heat map study created as a result of examining the risks related to climate change on a sectoral basis, we determined a methodology to calculate the capital that should be allocated to cover the risk of climate change. In this way, we were able to quantify the impact of climate change risk and calculate the capital requirement that should be allocated for the relevant type of risk.

Risk Appetite Indicators

We also included the quantified climate risk score in the risk appetite indicators. We monitor the status of the climate risk score of the portfolio according to the determined threshold values.

Determination of Risk Limits

Within the scope of managing and monitoring climate change risks, we have integrated risk limits into our Bank's risk limit framework for monitoring purposes. We use the following criteria when determining these limits on a sector-by-sector basis:

Under the "Emission Trading System", sectors that may be exposed to potential carbon costs are sectors identified as risky in terms of transition risk in the heat map created in collaboration with the consulting firm.

We aim to review the limitations and guiding principles in line with the legal regulations and developments to be published in 2024.

Our Environmental Footprint

We actively integrate the measures we take with a focus on climate change, into our bank's operations, and we consider them to be of high importance among our material issues.

By conducting a study in 2023, we set a target to reduce Scope-1 and Scope-2 greenhouse gas emissions by 90% by 2030 compared to the 2019 base year, in accordance with the Paris Agreement 1.5 degree scenario and the SBT-i methodologies for our emissions from our operations.

We consider climate change as a material issue by adopting an environmentally-friendly business model in our operations. In terms of our goal, set in 2021, in relation to becoming a carbon neutral bank by 2023 by zeroing our emissions from our operations, we have updated the target date of this goal as 2025, taking into account the developments globally and in Türkiye.

How Will We Become a Zero Carbon Emission Bank?

- By consciously using the energy, water and paper we consume
- By investing in renewables
- By raising awareness of our employees on climate change
- By integrating resource efficiency into our operations

When we look at the greenhouse gas emissions from our operations, we have reduced our emissions from electricity consumption within Scope 2 with renewable energy purchases every year, and eventually zeroed them by switching to 100% renewable energy purchases as of 2023.

In line with our Net Zero target, we have developed a roadmap for 2030 for the sources with the highest emissions within Scope 1.

In addition, as Akbank, we focus on reducing energy consumption by increasing energy efficiency in all our buildings, including our branches, in order to reduce greenhouse gas emissions.

In this context, with the Ak-E4 (Akbank Industry 4.0) project we started in 2021, we remotely control and report our consumptions such as electricity, water, natural gas, and diesel fuel. With the Solar Power Plant installed on the roof of Akbank Banking Centre, we achieved a production of 428,640 kWh in 2023. This amount covered approximately 5% of the electricity production of the part of our campus outside the Data Centre.

In order to reduce our greenhouse gas emissions, we continue our efforts in coordination with our Architectural Solutions, Information Technologies and Sustainability teams. In order to reduce our greenhouse gas emissions in 2024, we aim to replace LED luminaires in 100 branches. Thus, compared to 2023, we predict that there will be 45% energy savings in the lighting-related electricity consumption of these branches. In addition, by replacing 300 air conditioners in 2024, we anticipate to save approximately 52% in air conditioning-related energy consumption in the locations where replacements will be made.



Akbank Data Center

Through our Akbank Data Center, we are able to monitor the carbon footprint of all our operations. This building has become the focal point of our efforts to be carbon neutral, a goal the foundations of which we have been laying since 2010. In the construction of our LEED Gold (Leadership in Energy and Environmental Design)-certified data centre, we use "free cooling" technology in order to increase energy efficiency.

We collect rainwater, store it in very large underground tanks (190 thousand litres), and use it as needed in accordance with LEED Gold standards. We use energy-efficient LED lighting solutions to illuminate our entire structure. In addition, we have chosen only water-efficient tree varieties for landscaping, and by applying a special paint to the roof of the building, we prevent it from emitting heat to the environment.

We have continued with full speed this year on the Integrated Management System work covering ISO 14001 Environment, ISO 50001 Energy Efficiency, and ISO 45001 Occupational Health and Safety Management Systems we started in 2021. Our Head Office, Akbank Banking Center, our Silivri Archive building, and 562 branches have completed the installation, operation, and audit processes of our Integrated Management System. By 2024, we aim to include all of Akbank's locations under the Integrated Management System. Furthermore, this year again, we carried out our accreditation and certification processes with international validity through an independent certification institution.

Our data center, with an energy efficiency ratio of 1.4, has the best available ratio for a building of similar size in Istanbul.

Our Approach to the Impact of Climate Risk on Our Operations

In 2023, we inspected our Data Centre, Head Office building, and Ankara Credit Bureau Emergency Centre, to determine the impact of climate risks on our operations. In line with our investigations, we discussed with our internal and external stakeholders the steps taken against disasters that may lead to business interruptions, such as earthquakes, fires and floods, and the current circumstances. We will continue to assess the environmental, physical and disaster risks on a regional scale by expanding our field trips in the coming period, including visits to our Regional Directorates. This is a step towards our goal of identifying the elements that can impact business continuity.

In addition, we closely monitor the impact of climate change and extreme weather events on a global scale in line with our own fields of activity. In this context, we will continue to monitor the risks that threaten our employees, customers and campuses by including them in our agenda in 2024. In the future, we will assess not only our bank and its subsidiaries, but also our critical suppliers' response plans and capabilities against climate change and extreme weather events.

By 2024, we aim to cover all our Akbank locations within the scope of the Integrated Management System.

In 2023, the share of renewable energy in the electricity we use in all our locations was 100%

We achieved 40% energy savings with environmentally-friendly air conditioning changes in 2023

We plan to achieve 50% energy savings with LED luminaire replacements in 2024

Compared to the 2019 base year of our target, which we set in accordance with SBTi methodologies, we achieved a total reduction of 82% in Scope-1 and Scope-2 emissions by 2023.

Location	Current Consumption of Luminaires to be Converted to LED (kwh), after LED Replacement	Consumption (kWh)	Consumption Amount Saved (kWh)	Savings Rate (kWh)
Branches	1,546,776.00	848,232.00	698,544.00	45%

Emission Coverage	Total Emission (tCO ₂ e)	
Scope 1	11,932	~
Scope 2	0	~
Scope 3	9,971	Y



in food service.

Our Recycling-Oriented Environmental Approach

Savings achieved from terminating the practice of single-use plastics

We separate wastes on-site in

order to direct them to recycling.

In order to fulfil our responsibilities in waste management, we collect waste such as used paper, plastic, glass, and metal in special boxes and direct them to recycling. We classify and collect various types of waste such as batteries, cells, paper, oil, toner, and fluorescent in special boxes. In addition, thanks to the grease traps located between the waste water line of our dining hall kitchen and the city sewer line, we collect waste oils and send them to recycling stations for recycling. Toner cartridges collected from all our buildings, including our branches, are also recycled. We communicate with the recycling companies through the Integrated Environmental Information System and receive the relevant waste from Akbank Banking Centre. We transport the metal and electrical components of electronic goods that do not meet the criteria of our bank, to the appropriate recycling facilities, and put them back into circulation. In line with the demands, we also make certain devices available through grants.

Since 2021, we have been implementing the practice of separating our waste within the framework of the 'Zero Waste Management System', in accordance with the Zero Waste Regulation in our Headquarters building in Sabancı Centre. As a result of this practice, we were entitled to receive the Zero Waste Basic Level Certificate.

Our Water Consumption

As a result of our activities and business processes, we focus on using natural resources in the most efficient way. We use the water we obtain from city networks, in our cleaning activities and irrigation of our green areas. At Akbank Data Center, we store rainwater in underground warehouses and use it in reservoirs and green area irrigation, when needed. In our business units, we use municipal water and therefore there is no specific water source that is affected by our water consumption. Within the scope of our Integrated Management System studies, we started to monitor wastewater discharge for our Bank. Within this framework, we implement periodic tests and monitoring measurements for wastewater.

We monitor our water consumption with annual and monthly follow-ups. As of the end of the year, we consolidate all data and check the consumption amounts for the accuracy of the data. In 2023, our total water consumption in all our buildings was approximately 171 million tons. With the aim of reducing our water consumption, we monitor the total amount of water drawn through invoices, via photocell. To this end, we changed all our faucets to photocell. We use sensor-type faucets in sinks. In order to reduce wastage/leaks, we monitor faults on a daily basis in all areas and respond to malfunctions immediately afterwards.

You can review our Environmental Performance Indicators in our <u>Appendices</u> section.

We identify environmental (water stress, drought and river flood risks) as well as regulatory and reputational risks for our Data Center, Akbank Banking Centre, Head Office and Silivri Archive buildings, by using the World Resources Institute's (WRI) Aqueduct tool.



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Financial Information and Risk Management

<u>Summary Financial Results of 2023 and the Bank's Future Expectations</u>

In 2023, Akbank continued its growth in line with its healthy profitability target with its strong balance sheet and robust asset quality, based on its strategies. The strong momentum we caught in gaining customers via segment-based strategies and competitiveness of digital capabilities did not slow down in 2023. With the 2.3 million net active customers we gained in 2023, we managed to increase our net active customer base by 55% in the last 2 years. We doubled the customer acquisition and customer activation ratio compared to 2021. While realizing 60% of the new customer acquisition via digital channels, our innovative applications such as "Juzdan" and "Tosla" continued to support the growth. In 2023, in addition to the continuing strong momentum in customer acquisition, we continued to increase our cross-selling ratios as well, thus approximately tripling net fee and commission revenues compared to the previous year.

We raised our consolidated assets to the level of TL 1 trillion 905 billion in 2023. In the same period, our loans reached TL 1 trillion 201 billion, of which TL 962 billion was cash. The total deposit of our bank reached to the level of 1 trillion 293 billion TL.

In 2023, we increased our private sector market share by 300 basis points and our SME loans market share by 42 basis points, thanks to the strong market share gains achieved in all segments in consumer loans in line with our growth targets. Similarly, in line with our widespread deposit targets, we increased our private sector market share in TL term deposits and under 1 million TL term deposits by 150 basis points and 260 basis points, respectively.

In 2023, when fluctuations were observed in both our country and global markets, we continued to carry out our activities in this area in compliance with international standards by maintaining our effective and cautious risk management approach.

Thanks to our solid financials and strong position in the sector, we continued our support for the national economy in 2023, with long-term resources secured from abroad. While our total external resources reached USD 5.3 billion, we maintained our robust capital structure during this period, with a strong consolidated capital adequacy ratio of 21.0%.

Summary of the 2023 Expectations of Our Bank	2024G	2023
Turkish Lira Loan Growth	~ 40%	61.5%
FC Loan Growth (US)	Increase	-6.9%
Net Interest Margin (Swap adjusted)	~ 4%	4.7%
Net Fee and Commission Increase	> 80%	188%
Increase in Operational Expenses	~ Mid inflation	133%
Operational Expenses/Income	Middle 30% level	32.7%
Non-Performing Loans Ratio	~ 2%	2.2%
Net Loan Cost (excluding currency effect)	< 150 bps	107 bps
Equity Profitability	> 30%	37.9%

Assessment On Financial Condition, Profitability, And Ability To Pay

The Bank continues its activities with high profitability and safeguards the strong level of its equity. The free equity of the Bank with a very small portion of its equity directed to fixed investments such as fixed assets and subsidiaries is at high levels and is made use of in interest-earning assets.

Akbank has a capital adequacy standard ratio above the minimum rate determined in the relevant legislation and a high level of liquidity that can pay its debts under all market conditions, with its strong capital structure, thanks to its effective risk management.

Credit Rating Notes

Outlook	Positive
Long-term Local Currency Counterparty Risk	B3
Long-term FC Counterparty Risk	B2
Long-term Local Currency Bank Deposit	B3 (Positive)
Long-term FC Bank Deposit	B3 (Positive)
Senior Unsecured	В3
Baseline Credit Assessment	p3
Adj. Baseline Credit Assessment	p3

Fitch (22 September 2023)	
Long Term Foreign Currency IDR	B- / Stable Outlook
Long Term Local Currency IDR	B / Stable Outlook
Short Term Foreign Currency IDR	В
Short Term Local Currency IDR	В
Viability Rating	b
National Long Term Rating	A+(tur) / Stable Outlook
Long Term Senior Unsecured Notes	B-
Subordinated notes	CCC+



Messages from Top Management

Five-Year Summary Financial Information

Five-Year Summary Consolidated Financial Information (million TL)	2019	2020	2021	2022	2023
Total Assets	387,172	478,317	762,798	1,147,294	1,904,769
Loans	226,776	279,233	396,750	616,109	962,081
Deposit	244,712	292,519	453,551	721,562	1,292,914
Equity Capital	54,362	62,924	75,959	153,606	211,219
Net Profit	5,352	6,260	12,127	60,026	66,496

Five-Year Summary Unconsolidated Financial Information (million TL)	2019	2020	2021	2022	2023
Total Assets	360,501	446,101	708,911	1,075,186	1,789,174
Loans	203,834	253,319	353,372	560,350	870,106
Deposit	224,054	268,570	413,261	679,325	1,218,108
Equity Capital	54,382	62,919	75,955	153,600	211,195
Net Profit	5,417	6,267	12,126	60,024	66,479

Remarks On Post-Balance Sheet Events

Remarks on post-balance sheet events are available in the Unconsolidated Financial Statements drawn up as of 31 December 2023 to be disclosed to the public, the Related Disclosures and Footnotes, and footnote IX of the fifth section of the Independent Auditor's Report. In addition, the information in question is included in the Consolidated Financial Statements, Related Disclosures and Footnotes, and footnote IX of the fifth section of the Independent Auditor's Report.

Auditor's Report



CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ON THE EARLY RISK IDENTIFICATION SYSTEM AND COMMITTEE ORIGINALLY ISSUED IN TURKISH

To the Board of Directors of Akbank T.A.Ş.

1. We have audited the early risk identification system and committee established by Akbank T.A.Ş. ("Bank").

Board of Directors' Responsibility

2. Pursuant to subparagraph 1 of Article 378 of Turkish Commercial Code ("TCC") No. 6102; Board of Directors is required to form an expert committee, and to run and to develop the necessary system for the purposes of early identification of causes that jeopardize the existence, development and continuity of the Bank; applying the necessary measures and remedies in this regard; and managing the related risks.

Auditor's Responsibility

3. Our responsibility is to reach a conclusion on the early risk identification system and committee based on our audit. Our audit was conducted in accordance with TCC and "Principles on Independent Auditor's Report on the Early Risk Identification System and Committee" issued by the Public Oversight Accounting and Auditing Standards Authority. Those principles require us to identify whether the Bank established the early risk identification system and committee or not and, if established requires us to assess whether the system and committee is operating or not within the framework of Article 378 of TCC. Our audit does not include evaluating the adequacy of the operations carried out by the management of the Bank in order to manage these risks.

Information on the Early Risk Identification System and Committee

4. The Bank established the early risk identification system and High Priority Risk Committee and it is comprised of 3 permanent members and other participants. The Committee has submitted the relevant reports for the period 1 January – 31 December 2023 to the Board of Directors that had been prepared for the purpose of early identification of risks that jeopardize the existence of the Bank and its development, applying necessary measures and remedies in this regard, and managing the risks.

Conclusion

5. Based on our audit, it has been concluded that Akbank T.A.Ş.'s early risk identification system and committee is sufficient, in all material respects, in accordance with Article 378 of TCC.

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müsavirlik A.S.

Zeynep Uras, SMMM Independent Auditor

Istanbul, 28 February 2024

Important Legislative Regulations Published or Implemented in 2023

Name of Arrangement	Explanation	Link
CBRT Securities Maintenance Practice	Various changes have been made to the Securities Maintenance (SM) practice in 2023, and the current situation is summarized below. 1. SM by the type of loan, has been abolished as of November 2, 2023. 2. According to credit growth, the threshold value in SM has been determined as 2.5% for commercial loans, 3% for consumer loans and 2% for vehicle loans, excluding loans extended to tradesmen, investment, export, agricultural, OIZs and consumer loans. 3. According to the loan interest rate, the annual compound interest/profit share rate of the newly opened loans' subject to SM, will be; -1.4 times higher than the annual compound reference rate announced by the CBRT for export and investment credits, - 2 times higher than the annual compound reference rate announced by the CBRT for consumer loans extended to consumers. Commercial loans are exempted from this application. Securities will be established at a rate of 150% for newly opened loans and on a loan basis between the two notification dates.	HDDPS://W.DCMP.GOV. DR/PPS/CM/Connect/DR/ TCMP+DR/Main+Menu/ Banga+Hakinda/Mevsuwat/ Bangasilic/
BRSA Decisions No. 10655 and 10656 on the loan-to-value ratio and risk weights to be applied in second homes	According to the relevant decisions of the BRSA; in the second and subsequent housing purchases, if the consumer, their spouse or children under the age of 18 have at least one residence; Reduction of the ratio of the maximum loan amount to the value of the house taken as collateral by 75 percent in loans to be extended to consumers for the purpose of acquiring housing and in housing collateralized loans excluding vehicle loans will be applied. One hundred and fifty percent risk weight will be applied to the loans to be extended to these loans from the date of the decision. In addition, it is explained how to determine the status of housing ownership in these decisions.	https://www.bddk.org.tr/ Mevzuat/Liste/56
BRSA's Decision dated 04.09.2023 and numbered 10659 on the Proper Disbursement of Loans	According to these decisions; For Risk Center notifications arising from Independent Audit Company articles that do not comply with the time and form requirements, if the correct letter showing compliance with the thresholds is received, it can be corrected before the Risk Center with the code "Elimination of time and content discrepancies".	https://www.bddk.org.tr/ Mevzuat/Liste/56

Name of Arrangement	Explanation	Link
Regulation On Loan Operations Of Banks	It is a new Regulation and brings some changes such as The Account Status Certificate and the applications of additional documents that are required to be obtained by banks.	https://www.resmigazete.gov. tr/eskiler/2023/12/20231221-3 htm
Regulation On Determination of Risk Groups and Credit Limits	It is a new Regulation; hence includes changes in risk groups and credit limit calculations.	https://www.resmi- gazete.gov.tr/eskil- er/2023/12/20231221-4.htm
Communiqué on Supporting the Conversion to Turkish Lira Deposit and Participation Accounts (No: 2021/14)	Various amendments were made to the Communiqué in 2023 within the scope of the Liraization Strategy.	https://www.mevzuat.gov. tr/mevzuat?Mevzuat- No=39118&MevzuatTur- =9&MevzuatTertip=5
BRSA Letter dated January 31, 2023 Containing the Changes Regarding the Capital Adequacy Calculation	Regarding the BRSA's Decision dated 31/1/2023 and numbered 10496 and the Regulation on Measurement and Assessment of Capital Adequacy of Banks; - In the calculation of the amount based on credit risk; until a Board Decision to the contrary is taken, instead of the CBRT exchange rate of 31.12.2021, usage of the CBRT exchange rate as of 30.12.2022 shall be applied. This exchange rate can be used when calculating the amounts of monetary assets and nonmonetary assets other than items in foreign currency measured in terms of historical cost, valued in accordance with Turkish Accounting Standards and the relevant special reserve amounts. - The turnover limit regarding the definition of SMEs applied as 220,000,000 TL for 2022 is determined as 500,000,000 TL for domestic SMEs, and the use of the definition of SME used by the banking authority of the country where the SME is located in the calculation of capital adequacy for SMEs residing abroad. - Retail credit limit in the first sentence of subparagraph (c) of the second paragraph of Article 6 determined as 20,000,000 TL.	https://www.mevzuat.gov. tr/mevzuat?Mevzuat- No=21192&MevzuatTur- =7&MevzuatTertip=5
Communiqué (No: 2023/3) Amending the Communiqué on the Printing Method of Cheque Books and the Determination of the Amount That Banks Are Obliged to Pay to Cheque Holders (No: 2010/2)"	The "Communiqué (No: 2023/3) Amending the Communiqué on the Printing Method of Cheque Books and the Determination of the Amount Banks Are Obliged to Pay to Cheque Holders (No: 2010/2)" was published in the Official Gazette on 28.01.2023 and entered into force on 31.01.2023. The amount for which the Bank is responsible and the amount of liability for cheques that were printed in accordance with the Communiqués published before the date of publication of the Communiqué and bounced were increased from TRY 3,600 to TRY 6,000.	https://www.resmi- gazete.gov.tr/eskil- er/2023/01/20230128-11. htm
Communiqué on Supporting the Conversion of Foreign Currencies of Companies into Turkish Lira (No: 2023/5) and Implementation	The purpose of the Communiqué is to regulate the procedures and principles regarding the support to be provided to companies in the event that their foreign currencies are sold to the CBRT and converted into Turkish lira time deposits and participation accounts, and subsequently, the Implementation Instruction entered into force.	HDDPS://WDCMP.GOV. DR/PPS/CM/Connect/DR/ TCMP+DR/Main+Menu/ Banga+Hakinda/Mevsuat

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Name of Arrangement	Explanation	Link
BRSA Decision (No: 10525) on Loan-to-value ratio and maximum loan amount (LTV) to be applied in housing loans and housing collateralized loans	With the BRSA Decision dated 24.02.2023 and numbered 10525; The table that determines the ratio of the loan amount to the value of the house taken as collateral has been updated in loans to be extended to consumers for the purpose of acquiring housing and in housing collateralized loans excluding vehicle loans. Accordingly; • The maximum value of 10 million TL has been changed to 20 million TL for 1st hand houses, • The practice of not being able to give loans to 1st hand houses over 10 million TL has been abolished and it has been allowed to give loans at certain rates for houses over 20 million TL, • For 2nd hand houses, the upper limit of 10 million TL has been preserved, • The first limit value of 500 thousand TL for 2nd hand residences has been changed to 1 million TL and • The rates to be determined according to the energy classes have been increased in general. • On the other hand; it is regulated that the loans to be extended within the scope of the "New Housing Finance Program" are not subject to the determinations made within the scope of this Decision.	https://www.bddk.org.tr/ Mevzuat/Liste/56
Communiqué on Support to be Provided to Deposit and Participation Accounts in Foreign Currency or Turkish Lira of Legal Entities with Foreign Currency Obligations (No: 2023/6)	With the Communiqué published in the Official Gazette dated March 30, 2023, the "Communiqué on the Support to be Provided to the Deposit and Participation Accounts in Foreign Currency or Turkish Lira of Legal Entities with Foreign Exchange Obligations (Number: 2023/6)" entered into force; within the scope of the obligations of domestic resident legal entities with foreign currency obligations, the procedures and principles regarding the support to be provided to foreign currency conversion or deposit and participation fund accounts in Turkish Lira are regulated.	https://www.resmi- gazete.gov.tr/eskil- er/2023/03/20230330-4. htm
Circular No. 2023/1 on the Criteria to be Met for Identity Verification and Transaction Security in Electronic Banking Services and the Establishment of Contractual Relations in Electronic Environment"	The BRSA has published the Circular on the Criteria to be Met for Identity Verification and Transaction Security in Electronic Banking Services and the Establishment of Contractual Relations in Electronic Environment ("Circular"). The Circular has been prepared in order to clarify how the provisions regarding identity verification in the legislative regulations made by the BRSA will be applied uniformly and to eliminate any hesitations that may be experienced regarding the provisions regarding identity verification.	https://www.bddk.org.tr/ Mevzuat/Liste/50
BRSA Decision on the Change of Limits on Vehicle Loans	The Board Decision dated 27.04.2023 and numbered 10586 published on the BRSA's website. Accordingly; The current amount and maturity arrangements have been amended as follows for "electric motor vehicles produced by taxpayers who manufacture electric motor vehicles in Türkiye as a result of the R&D activities they have carried out in Türkiye. • Amount, rate and maturity limits between 900 thousand TL and 2 million 800 thousand TL have been determined for the final invoice value, • It has been regulated that loans cannot be given for vehicles with a final invoice value of more than 2 million 800 thousand TL.	https://www.bddk.org.tr/ Mevzuat/Liste/56
BRSA Letter on the Electronic Issuance of Expenditure, Cash Payment and Receivable	With the letter of the Banks Association of Türkiye dated 12.05 2023, BRSA's letter numbered E-77574904-010.99-85407 on "Electronic Issuance of Expenditure, Cash Payment and Receivable Documents" has been sent to the banks. The document contains information about how the slips used for	https://www.bddk.org.tr/ Mevzuat/Liste/56

card holders and member merchant copies in shopping are not recyclable,

considering the amount of paper used and that it causes an environmental

used in the production of these documents from abroad causes foreign

period. It also states the situations when paper slips may not be issued.

problem, and the procurement of raw materials, POS devices and spare parts

currency outflow from our country and expenditure documents are not kept by

card holders as a result of the increasing contactless payments in the recent

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Name of **Explanation Arrangement** Small and Medium-Sized In the Official Gazette dated 25.5.2023, the "Regulation on the Definition, **Enterprises Regulation** Qualifications and Classification of Small and Medium-Sized Enterprises" was repealed and replaced by the "Regulation on Small and Medium-Sized Enterprises". Accordingly; · Balance sheet thresholds in SME definitions have been increased. There has been no change in the employment thresholds of enterprises. • With the said Regulation, changes have been made to the criteria regarding SME business types (independent, joint or affiliated enterprise). · In addition, businesses that will not be considered as SMEs are specified (such as universities, some public institutions). • It is regulated that if the enterprises exceed any of the criteria taken into account when determining the SME qualification with the data of the last two accounting periods, they will lose their SME quality, and the enterprises that fall below the said criteria with the data of the last accounting period will gain the qualification of SMEs. · It has been regulated that the business classes will be determined by the data of the last accounting period and this date is detailed according to the declaration period of Corporate and Income Tax payers. · The regulation entered into force on the date of publication. Communiqué Amending the Regulation on the Calculation of the **Net Stable Funding** Rate of Banks and the Communiqué on the **Financial Statements** and Related Explanations and Footnotes to be Publicly Announced by the Banks It is stated that the third paragraph and Article 27 of the Regulation and the Communiqué will enter into force on 1/1/2024, and the other provisions of the Regulation will enter into force on the date of publication. Regulation Amending the **Regulation on Remote Identification Methods** and Establishment of **Contractual Relations in Electronic Environment** to be Used by Banks Decision on the Amendment of the Annex to the Decision of the Council of Ministers dated 28/8/1998 and numbered 98/11591 on the Determination of the

The "Regulation on the Calculation of the Net Stable Funding Rate of Banks" was published in the Official Gazette dated 26.5.2023 and entered into force and the "Communiqué on the Amendment of the Communiqué on the Financial Statements and Related Explanations and Footnotes to be Publicly Announced by the Banks published the format of the net stable funding rate template calculated in accordance with the said Regulation. The main purpose of the Regulation is; To determine the procedures and principles to ensure that banks provide stable funding in order to prevent the funding risk that they may be exposed to on a consolidated and non-consolidated basis in the long term from causing their liquidity levels to deteriorate.

The "Regulation Amending the Regulation on Remote Identification Methods and Establishment of Contractual Relations in Electronic Environment to be Used by Banks was published in the Official Gazette dated May 25, 2023. The regulation entered into force on 1/6/2023.

htm

Within the scope of the Turkish Commercial Code No. 6102, the inclusion of remote customer acquisition of legal entities operating as commercial companies, the regulations regarding the design of the remote identification process in accordance with Article 4 of the Regulation on the Accessibility of Banking Services, and the authorization of the BRSA to use artificial intelligence-based systems in remote identification are important changes.

> Hattapus://vv.mevjuayat.gov.tr/

Tax Rates on Banking and Insurance Transactions in Article 33 of the Expense Taxes Law No. 6802 (Decision Number: 7345)

Pursuant to the decision, the BITT rate applied to consumer loans has been increased from 10% to 15%



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Name of Arrangement	Explanation	Link
BRSA Decision No. 10630 dated 31.07.2023	The decision states that; when calculating the capital adequacy standard ratios in accordance with the Regulation on the Measurement and Assessment of Capital Adequacy of Banks, the risk weight of consumer loans (including overdraft accounts), personal credit cards (including credit card expenditures and cash withdrawals), vehicle loans for the acquisition of passenger vehicles to be extended to consumers, vehicle collateralized loans and financial leasing transactions has been increased to 150% for loans extended after the decision date.	https://www.bddk.org.tr Mevzuat/Liste/56
	Loans extended to residents in the earthquake zone are exempted from this decision.	
Communiqué (Order No: 24) Amending the General Communiqué of the Financial Crimes Investigation Board (Order No: 19)	The Communiqué (Order No: 24) Amending the General Communiqué of the Financial Crimes Investigation Board (Order No: 19) ("Communiqué") was published in the Official Gazette dated 11 August 2023. Important amendments have been made to the MASAK General Communiqué No. 19. The purpose of The Communiqué is to regulate the procedures and principles regarding remote identification methods to be used for the verification of customer identity for the implementation of the Law No. 5549 on the Prevention of Laundering Proceeds of Crime; the legal person customer has also been included, new definitions have been added and the issues regarding the remote identification of real and legal persons have been specified and updated.	https://www.resmi- gazete.gov.tr/eskil- er/2023/08/20230811-4 htm
TBB letter dated 29.08.2023 and numbered 9198-Regarding digital slip documents	In response to the application made by the Revenue Administration dated 29.08.2023, in response to the application made by the UTBA, it was stated that the banking information under the financial information should be removed from the ÖKC integrated receipts, the ID information to be produced to identify the banking slip information should be included under the financial information, and if necessary, the Revenue Administration should be given the opportunity to query and view these documents through the ID information, and the necessary transactions regarding the processing of the ID information of the POS devices to the POS It was considered appropriate for the UTBA to give instructions to the institutions such as the Bank and similar institutions to make the device by the institutions that own the device and to provide assistance to the ÖKC manufacturers by the relevant institutions during these transactions.	https://www.bddk.org.t Mevzuat/Liste/50
TBB letter dated 29.08.2023 and numbered 9198-Regarding digital slip documents	In the letter of the Revenue Administration dated 29.08.2023, in response to the application made by the The Banks Association of Türkiye, it was stated that the banking information under the financial information should be removed from the payment recorder device integrated receipts, the ID information to be produced to identify the banking slip information should be included under the financial information, and if necessary, the Revenue Administration should be given the opportunity to query and view these documents through the ID information. Additionally, it has been assessed that it is appropriate for Banks Association of Türkiye to give instructions to the institutions such as banks etc. regarding the necessary transactions related to the processing of the ID information of POS devices to the PRDs by the POS device owner institutions and to provide assistance to the PRD manufacturer companies by the relevant institutions during these transactions.	https://www.tcmb.gov.t wps/wcm/connect/TR/ TCMB+TR/Main+Menu Banka+Hakkinda/ Mevzuat/ Odeme+Sistemleri/

Name of **Explanation** Link Arrangement Regulation Amending the In the Official Gazette dated 07.10.2023 and numbered 32332; The https://www.tcmb.gov.tr/ **Regulation on Payment** "Regulation Amending the Regulation on Payment Services and wps/wcm/connect/TR/ Services and Electronic Electronic Money Issuance and Payment Service Providers ("Regulation") TCMB+TR/Main+Menu/ Money Issuance and has been published. Some of the important changes introduced by the Banka+Hakkinda/ **Payment Service** Regulation are as follows: Mevzuat/ **Providers** · With the Regulation, the digital wallet service is defined and the terms of Odeme+Sistemleri/ service are detailed. Services that are not payment services but facilitate payment are considered as qualified services and it is regulated that these services can be provided. Rules have been introduced regarding payment service providers that have a controlling relationship between them. The framework of the activity limits of the organizations has been determined and their fields of activity have been expanded. · In the event that all kinds of administrative and judicial requests regarding the rights and receivables of payment service users before the institution are received by the banks where the protection account is kept, if the bank has information about the final ownership of the payment funds/emoney funds on the basis of the customers of the institution, it must be fulfilled, limited to the relevant payment fund/fund, and the bank must inform the relevant institution without delay. In cases where the payment service provider issuing payment instruments issues payment instruments in accordance with more than one card system organization and the customer requests the payment instrument to be issued to a specific card system organization in a defined manner, a regulation has been introduced stating that the payment instrument must be issued in accordance with the card system institution of the customer's choice. It is regulated that the payment service provider that accepts card-

Amendments made by the CBRT to the Communiqué on the **Procedures and Principles** Regarding the Fees That **Banks Can Collect from Commercial Customers** and the Communiqué on the Procedures and **Principles Regarding the** Fees to be Collected from **Financial Consumers**

The CBRT amended the Communiqué on the Procedures and Principles Regarding the Fees to be Collected by Banks from Commercial Customers and the Communiqué on the Procedures and Principles Regarding the Fees to be Collected from Financial Consumers. While banks can charge 50 percent more than the maximum EFT/ FAST tariffs for EFT/FAST transactions made after 16:00 on weekdays and on weekends, this additional fee has been abolished. Accordingly; As of 1.12.2023, a maximum fee tariff will be applied to all EFT/FAST transactions, regardless of time or day.

into force on the day they were published.

based payment instruments is obliged to ensure that the devices, hardware and software used in its acceptance activities are compatible with the card systems established by systemically important payment system operators authorized to carry out card system establishment activities and that payment instruments issued in accordance with these infrastructures can be used in the merchants where it provides services. The regulation regarding the customer's request for the card system establishment that the payment instrument will be issued, and the regulation on the compatibility of the devices, hardware and software used in the acceptance of the card-based payment instrument with the card systems installed by systemically important payment system operators, entered into force on 31.03.2024, other amendments entered

In addition, 2 TL per page is charged from commercial statements. The fee application has also been changed as "the amount paid to third parties cannot exceed the reasonable price of the service if the service is provided within the bank".

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Link

Name of Explanation Link

BRSA Decision dated 12/12/2023 and numbered 10747 on Amendments to SRR Calculation According to the BRSA decision;

In the event that the net valuation differences of the securities owned by the banks in the portfolio of "Securities with Fair Value Difference Reflected in Other Comprehensive Income" as of 01.01.2024 are negative, these differences will not be taken into account in the amount of equity to be calculated in accordance with the Regulation on Banks' Equity published in the Official Gazette dated 05.09.2013 and numbered 28756 and to be used for the capital adequacy ratio.

In addition, pursuant to the Regulation on the Measurement and Assessment of the Capital Adequacy of Banks published in the Official Gazette dated 23.10.2015 and numbered 29511, specified in the Board Decision dated 31.01.2023 and numbered 10496; In the calculation of the amount based on credit risk; to be applied as of 01.01.2024 instead of the CBRT exchange rate of 30.12.2022 when calculating the amounts of monetary assets and non-monetary assets other than items in foreign currency measured in terms of historical costs, valued in accordance with Turkish Accounting Standards and the relevant special reserve amounts; It has been decided to use the CBRT exchange rate for 26.06.2023.

Mevzuat/Liste/50

https://www.bddk.org.tr/

Communiqué (No: 2023/38) Amending the Communiqué on the Procedures and Principles Regarding the Fees That Banks Can Collect from Commercial Customers (No: 2020/4)

The amendments made in the said Communiqué are as follows: -The calculation method of the reference rate has been changed.

- In the Communiqué on the Procedures and Principles Regarding the Fees That Can Be Collected by Banks from Commercial Customers, it is regulated that the monetary limits and maximum fees determined as fixed will be increased by the Central Bank of the Republic of Turkey every year at the annual consumer price index increase rate announced by the Turkish Statistical Institute as of the end of the previous year, and the banks will be notified on the first business day following the announcement of the said rate. This regulation entered into force on 4/1/2024.
- A provision has been added to the Communiqué stating that the reference rate cannot exceed 3.11 percent.
- A temporary article has been added with the Communiqué and it has been regulated that the monetary limits and maximum fees determined as fixed in the Communiqué on the Procedures and Principles Regarding the Fees That Can Be Collected from Commercial Customers will be determined by the Central Bank of the Republic of Turkey for 2024 and will be notified to the banks on the first business day following the announcement of the 2023 year-end annual consumer price index by the Turkish Statistical Institute. This regulation entered into force on 4/1/2024 and the other provisions on the date of publication.

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Communiqué (No: 2023/39) Amending the Communiqué on the Procedures and Principles Regarding the Fees to be Collected from Financial

Consumers (No: 2020/7)

The Communiqué on the Procedures and Principles Regarding the Fees to be Collected from Financial Consumers regulates that the monetary limits and maximum fees will be increased by the CBRT at the annual consumer price index increase rate announced by the Turkish Statistical Institute as of the end of the previous year, and banks will be notified on the first business day following the announcement of the said rate.

In addition, a temporary article has been added to the Communiqué and it has been regulated that the monetary limits and maximum fees in the Communiqué on the Procedures and Principles Regarding the Fees to be Collected from Financial Consumers will be determined by the Central Bank of the Republic of Turkey for 2024 and notified to the banks on the first business day following the announcement of the 2023 year-end annual consumer price index by the Turkish Statistical Institute. The Communiqué entered into force on 4/1/2024.

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Law No. 6802

Legislative Amendments

Encouraging Conversion

of FX Deposits to TL Time

on Currency Protected

Products and

Deposits

Amendments to Article

29/1 of the Expense Tax

Article 29/1 of the Expense Taxes Law No. 6802 stipulates some amendments, and it is stated that the exemption of the loans extended within the scope of housing financing and the money received in favor of the insurance transactions specified in the article from the BSMV paves the way for the acquisition of more housing than the basic need, and the exemption of the loans related to housing acquisitions that exceed the purpose of meeting the need for housing and the money received due to the insurances made regarding these loans It is excluded from its scope. The limitation is for housing loans used directly or through cooperatives by those who own the registered house as of the date of use of the loan.

Within the scope of the Monetary Policy and Liraization Strategy, the regulations regarding Currency Protected Accounts and Conversion Accounts (CCC), which are used to support liraization in commercial life, were amended many times in 2023. Some of the important changes that stand out are; the date on which real or legal persons making the related transactions on their balances in their accounts, the interest rate to be applied to the products, the premium payments to be made for these products and the inclusion of these accounts in the the scope of guarantee for loans. In addition, the CCC accounts belonging to the Ministry of Treasury and Finance were transferred to the CBRT on 17.7.2023 and it was stipulated that CCCs opened after this date could

not be shown as loan collateral.

https://www.tcmb.gov.tr/ wps/wcm/connect/TR/ TCMB+TR/Main+Menu/ Banka+Hakkinda/ Mevzuat/ Operasyon+Mevzuat/



Ekler

AKBANK T.A.Ş.

PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS AND RELATED DISCLOSURES AT 31 DECEMBER 2023 TOGETHER WITH INDEPENDENT **AUDITOR'S REPORT**

(Convenience translation of publicly announced unconsolidated financial statements, related disclosures and auditor's review report originally issued in Turkish, See Note. I.b of Section three)

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT **ORIGINALLY ISSUED IN TURKISH** (See Note I of Section Three)

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Akbank T.A.Ş.

Audit of the Unconsolidated Financial Statements

Opinion

We have audited the accompanying unconsolidated financial statements of Akbank T.A.Ş. (the "Bank"), which comprise the statement of unconsolidated balance sheet as at 31 December 2023, unconsolidated income statement, 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 for the year then ended and the notes to the unconsolidated financial statements and a summary of significant accounting policies and unconsolidated financial statement notes.

In our opinion, the unconsolidated financial statements present fairly, in all material respects, the unconsolidated financial position of the Bank as at 31 December 2023, and its unconsolidated financial performance and its 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 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Board 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 the "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements" section of our report. We hereby declare that we are independent of the Bank in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the unconsolidated financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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 independent 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 Matters

How Our Audit Addressed the Key Audit Matter

Impairment of loans in accordance with TFRS 9

The Bank has total provision for impairment of TL 32.083.343 thousand in Within our audit procedures, we assessed policies and respect to loans of TL 870.105.637 thousand which represent a significant portion of the Bank's total assets in its unconsolidated financial statements as at 31 December 2023. Explanations and notes related to provision for impairment of loans are presented section III part VII-e, section III part VIII. section IV part II-h, section IV part II-l, section IV part II-j, section IV part X-c, by the Bank in line with its governance, policies and procedures. section V part I-f and section V part II-h in the accompanying unconsolidated financial statements as at 31 December 2023.

The Bank recognizes provisions for impairment in accordance with "TFRS 9 Financial Instruments" requirements in line with the "Regulation on the Procedures and Principles for Classification of Loans and Provisions to be Provided" as published in the Official Gazette dated 22 June 2016 with number 29750. TFRS 9 is a complex accounting standard which requires assessed together with our related specialists methodologies considerable judgement and interpretation. These judgements are key in used in the models with respect to segmentation, life time the development of the financial models built to measure the expected credit losses on loans recorded at amortized cost. In addition, the operation of the models requires large data inputs that are generated through more than one system and the accuracy and completeness of the data are key in the determination of expected credit losses on loans. Impairment We have carried loan review on a selected sample of loans with allowances are calculated on a collective basis for portfolios of loans of a similar nature and on individual basis for significant loans taking into account Management's best estimate at the balance sheet date and historical losses incurred.

Our audit was focused on this area due to existence of complex estimates and information used in the impairment assessment such as developing In addition, for non-performing loans and other significant loans macro-economic scenarios and their weightings, current conditions, historical loss experiences; the significance of the loan balances; the appropriateness of classification of loans as per their credit risk (staging) in accordance with applicable regulation and the importance of determination of the associated impairment allowances. Timely and correctly identification of loss event and the level of judgements and estimations made by the management have significant impacts on the amount of impairment provisions for loans. Therefore, this area is considered as key audit matter.

procedures together with the overall governance established by the Bank with respect to classification of loans and estimation of impairment in-line with the TFRS 9 framework. We have tested the design and operating effectiveness of controls implemented

Together with our modelling specialists, we have evaluated and tested the methodologies used in building impairment models in line with the requirement of TFRS 9 and the Bank's policies for the significant portfolio of loans. We have tested model calculations through re-performance together with our modelling specialists on a sample basis. We have independently expected credit losses, losses given default and use of macroeconomic expectations, life time expected credit losses, losses

the objective to identify whether the classification of loans is performed appropriately in accordance with the applicable regulation, whether the loss event had occurred and whether the provision for impairment has been recognized in a timely manner within the TFRS 9 framework.

that are subject to individual assessment based on the Bank policies, we have evaluated the appropriateness of specific impairment provision with supportable input. Based on our discussions with the Bank management, we have evaluated and challenged whether the key assumptions and other judgements. underlying the estimation of impairment were reasonable.

We have reviewed the appropriateness and sufficiency of disclosures made in the financial statements of the Bank with respect to loan and related impairment provision.

Key Audit Matters

How Our Audit Addressed the Key Audit Matter

Valuation of Pension Fund Obligations

The Bank has booked provision amounting to TL 1.045.849 thousand for Pension Fund Liabilities in the accompanying unconsolidated financial statements as at 31 December 2023. Explanations on Valuation of Pension Obligations are presented in the section III part XVII-b and section V part II-h of the Pension Fund assets. in the accompanying unconsolidated financial statements.

The Bank's Personnel Pension Fund Foundation ("Pension Fund") is established in accordance with the Social Security Law numbered 506 article No 20 and is within the scope of Funds to be transferred to the Social Security Institution ("SSI"). The President of the Republic of Turkey is authorized to determine the transfer date. The total obligation of the fund is estimated using separate methods and assumption for benefits to be reasonableness of assumptions and evaluation made by the transferred and for non-transferrable benefits. The valuations of the pension obligations require significant judgement and technical expertise in choosing appropriate assumptions. The Bank's management uses external In addition to the above procedures, we evaluated the adequacy actuarial consulting firm for the purpose of valuations of pension of the disclosures made with respect to Pension Fund in the obligations

The reason we focused on this area during our audit is; uncertainty of the transfer date, the importance of the actuarial and economic assumptions such as technical interest rate determined by the law that regulate the transfer conditions, salary increases, demographic assumptions used in the valuation of pension obligations and the significant impact that may arise from the possible change in the assumptions used in the evaluation of pension fund liabilities.

Within our audit, we tested on a sample basis the accuracy of the retired and employee data supplied by the Bank management to the external consulting firm for the purpose of evaluation pension obligation. In addition, we have verified the existence and values

We checked whether significant changes in actuarial assumptions used in calculation, employee benefits in the year, plan assets and liabilities, and laws and regulations related to valuations exist, and tested significant changes.

Through use of actuarial specialists, we assessed the external actuaries in the calculation of the liability.

accompanying unconsolidated financial statements.



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4. Responsibilities of Management and Those Charged with Governance for the Unconsolidated Financial Statements

The Bank management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the BRSA Accounting and Financial Reporting Legislation, and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are 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.

5. Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is 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 independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements 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 unconsolidated financial statements.

As part of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in 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.
- Assess the 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 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 independent 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 unconsolidated 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 provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also 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.

B. Other Responsibilities Arising From Regulatory Requirements

- 1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC")

 No. 6102 and that causes us to believe that the Bank's bookkeeping activities concerning the period from 1 January to 31 December 2023 period are not in compliance with the TCC and provisions of the Bank's articles of association related to financial reporting.
- In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

Additional Paragraph for Convenience Translation

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 December 2023. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müsavirlik A.S.

Zeynep Uras, SMMM Partner

Istanbul,1 February 2024



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CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS, RELATED DISCLOSURES ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

THE UNCONSOLIDATED FINANCIAL REPORT OF AKBANK T.A.Ş. AS OF 31 DECEMBER 2023

Address : Sabancı Center 34330, 4. Levent / İstanbul

Telephone : (0 212) 385 55 55 Fax : (0 212) 319 52 52 Website : <u>www.akbank.com</u>

E-mail : http://www.akbank.com/tr-tr/genel/Sayfalar/lletisim-Formu.aspx

The unconsolidated financial report, prepared in accordance with "Communiqué on the Financial Statements and the Related Policies and Disclosures to be Publicly Announced" as regulated by the Banking Regulation and Supervision Agency, is consist of the sections listed below.

• Section One - GENERAL INFORMATION ABOUT THE BANK

• Section Two - UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK

• Section Three - EXPLANATIONS ON ACCOUNTING POLICIES

Section Four
 INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK
 Section Five
 INFORMATION AND DISCLOSURES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS

• Section Six - OTHER EXPLANATIONS

Section Seven - INDEPENDENT AUDITOR'S REPORT

The accompanying unconsolidated financial statements and notes to these financial statements which are expressed, unless otherwise stated, in thousands of Turkish Lira (TL), have been prepared based on the accounting books of the Bank in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, and the related appendices and interpretations on these, and have been independently reviewed.

1 February 2024

Suzan SABANCI Eyüp ENGİN Levent DEMİRAĞ Cenk Kaan GÜR Türker TUNALI Gökhan KAZCILAR Chairman of the Head of the Member of the CEO Executive Vice Senior Vice Board of Directors Audit Committee Audit President President Committee

Contact information of the personnel in charge of addressing questions regarding this financial report:

Name-Surname / Title : Gökhan KAZCILAR / Senior Vice President

Phone No : (0 212) 385 55 55 Fax No : (0 212) 325 12 31 SECTION ONE

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AKBANK T.A.S.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

SECTION ONE GENERAL INFORMATION ABOUT THE BANK

I. BANK'S FOUNDATION DATE, START-UP STATUS, HISTORY REGARDING THE CHANGES IN THIS STATUS:

Akbank T.A.Ş. ("the Bank" or "Akbank") was established on 30 January 1948 as a private commercial bank, in accordance with the decision of the Council of Ministers, No.3/6710 and is authorized to perform all economic, financial and commercial activities which are allowed by the laws of the Turkish Republic ("T.C."). The status of the Bank has not changed since its foundation.

II. EXPLANATION ABOUT THE BANK'S CAPITAL STRUCTURE, SHAREHOLDERS OF THE BANK WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS (IF ANY) AND THE GROUP THAT THE BANK BELONGS TO:

The Bank's shares have been quoted on the Borsa Istanbul ("BIST") since 1990. In 1998, 4,03% of the outstanding share capital of the Bank was offered and sold in an international offering outside of Turkey in the form of Ordinary Shares and American Depository Receipts ("ADRs"). As of 31 December 2023, approximately 51% of the shares are publicly traded, including the ADRs (31 December 2022: 51%).

The major shareholder of the Bank, directly or indirectly, is Sabancı Group.

III. EXPLANATION ON THE BOARD OF DIRECTORS, MEMBERS OF THE AUDIT COMMITTEE, PRESIDENT AND EXECUTIVE VICE PRESIDENTS, IF AVAILABLE, SHARES OF THE BANK THEY POSSESS AND THEIR AREAS OF RESPONSIBILITY:

<u>Title</u>	Name	Responsibility Chairman of the Board of Directors	Education
Chairman:	Suzan SABANCI		Graduate
Board of Directors:	S. Hakan BİNBAŞGİL A. Fuat AYLA Eyüp ENGİN Ş. Yaman TÖRÜNER Emre DERMAN N. Orhun KÖSTEM Mehmet Tuğrul BELLİ Levent DEMİRAĞ C. Kaan GÜR	Vice Chairman and Executive Board Member Executive Board Member Board Member Board Member Board Member Board Member Board Member Board Member Board Member Board Member Board Member	Graduate Undergraduate Undergraduate Undergraduate Graduate Graduate Graduate Undergraduate Graduate
CEO: Head of Internal Audit: Executive Vice Presidents:	C. Kaan GÜR C. Kaan GÜR Savaş KÜLCÜ Bülent OĞUZ H.Burcu CİVELEK YÜCE Ege GÜLTEKİN Levent ÇELEBİOĞLU GÖKhan GÖKÇAY Çetin DÜZ Türker TUNALI Dalya KOHEN Yunus Emre ÖZBEN Zeynep ÖZTÜRK ŞARSEL Gamze Şebnem MURATOĞLU Pınar ANAPA	Head of Internal Audit SME Banking Consumer Banking and Digital Solutions Credit Monitoring and Follow-up Corporate and Investment Banking Technology Commercial Banking Financial Management Private Banking and Wealth Management Credit Allocation Special Credits Treasury People and Culture	Graduate Graduate Graduate Graduate Graduate Graduate Undergraduate Graduate Undergraduate Undergraduate Undergraduate Undergraduate Undergraduate Graduate Graduate Graduate Graduate Graduate Graduate Graduate
Internal Audit Committee:	Eyüp ENGİN	Head of the Audit Committee	Undergraduate
	Levent DEMİRAĞ	Member of the Audit Committee	Undergraduate

The shares of individuals above are insignificant in the Bank.

Sustainable People & Ecosystem Climate Financial Annexes
Financing Community Management Change Information

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.S.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

IV. INFORMATION ON THE INDIVIDUAL AND CORPORATE SHAREHOLDERS HAVING CONTROL SHARES OF THE BANK:

	Share Amounts	Share	Paid-in Capital	Unpaid
Name/Commercial Title	(Nominal)	Percentages	(Nominal)	Portion
Hacı Ömer Sabancı Holding A.Ş.	2.119.027	40,75%	2.119.027	-

V. INFORMATION ON THE BANK'S SERVICE TYPES AND FIELDS OF OPERATION:

The Bank's core business activities consist of consumer banking, SME banking, commercial banking, corporate-investment banking and private banking and wealth management, foreign exchange, money markets, securities transactions (treasury transactions) and international banking services. In addition to regular banking operations, the Bank also provides insurance intermediary services as an agency of Aksigorta A.Ş. and AgeSA Hayat ve Emeklilik A.Ş. As of 31 December 2023, the Bank has 704 branches dispersed throughout the country and 1 branch operating abroad (31 December 2022: 710 branches and 1 branch operating abroad).

As of 31 December 2023, the Bank has 12.864 employees (31 December 2022: 12.717).

VI. EXISTING OR POTENTIAL, ACTUAL OR LEGAL OBSTACLES TO IMMEDIATE TRANSFER OF SHAREHOLDER'S EQUITY BETWEEN PARENT BANK AND ITS SUBSIDIARIES OR REPAYMENT OF DEBTS:

None.

AKBANK T.A.S. I. UNCONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2023 (STATEMENT OF FINANCIAL POSITION)

	ASSETS	Note		(31/12/2023)			PRIOR PERIOD (31/12/2022)	
		(Section Five)	TL		Total	TL	FC	Tota
	FINANCIAL ASSETS (Net)		341.998.090	343.205.668	685.203.758	147.844.008	228.509.557	376.353.565
.1	Cash and Cash Equivalents		132.743.819	209.562.848	342.306.667	26.564.458	134.027.828	160.592.286
.1.1	Cash and Balances with Central Bank	(I-a)	128.922.940	168.476.585	297.399.525	23.686.721	103.846.022	127.532.74
.1.2	Banks	(I-d)	2.415.767	41.087.171	43.502.938	1.423.105	30.182.611	31.605.71
.1.3	Money Markets		1.409.959	-	1.409.959	1.459.782	-	1.459.78
.1.4	Expected Loss Provision (-)		4.847	908	5.755	5.150	805	5.95
.2	Financial Assets at Fair Value Through Profit or Loss	(І-Ь)	4.648.351	2.053.235	6.701.586	2.188.078	947.850	3.135.92
.2.1	Government Debt Securities		262.359	446.295	708.654	146.840	164.826	311.66
.2.2	Equity Instruments		-	1.096.752	1.096.752	-	555.909	555.90
.2.3	Other Financial Assets		4.385.992	510.188	4.896.180	2.041.238	227.115	2.268.35
.3	Financial Assets at Fair Value Through Other Comprehensive Income	(I-e)	158.019.425	112.865.465	270.884.890	87.872.549	76.998.106	164.870.65
.3.1	Government Debt Securities		127.142.989	84.233.584	211.376.573	82.359.177	57.983.499	140.342.67
.3.2	Equity Instruments		111.938	109	112.047	96.962	109	97.07
.3.3	Other Financial Assets		30.764.498	28.631.772	59.396.270	5.416.410	19.014.498	24.430.90
.5	Derivative Financial Assets	(I-c, l-l)	46.586.495	18.724.120	65.310.615	31.218.923	16.535.773	47.754.69
.5.1	Derivative Financial Assets at Fair Value Through Profit or Loss		19.019.287	16.764.593	35.783.880	12.404.259	14.473.293	26.877.55
.5.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income		27.567.208	1.959.527	29.526.735	18.814.664	2.062.480	20.877.14
I.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		774.517.600	228.397.149	1.002.914.749	477.776.995	159.214.550	636.991.54
2.1	Loans	(I-f)	654.144.867	215.960.770	870.105.637	408.925.740	151.424.448	560.350.18
2.2	Lease Receivables	(I-k)	-	-	-	-	-	
2.3	Factoring Receivables		-	-	-	-	-	
.4	Other Financial Assets Measured at Amortised Cost	(I-g)	147.021.986	17.894.029	164.916.015	86.174.530	11.980.146	98.154.67
	Government Debt Securities		147.021.986	16.284.267	163.306.253	86.174.530	10.660.402	96.834.93
	Other Financial Assets		-	1.609.762	1.609.762	-	1.319.744	1.319.74
2.5	Expected Credit Loss (-)		26.649.253	5.457.650	32.106.903	17.323.275	4.190.044	21.513.319
II.	ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED							
	OPERATIONS (Net)	(l-q)	475.836	-	475.836	565.378	-	565.37
1.1	Held for Sale Purpose		475.836	-	475.836	565.378	-	565.37
1.2	Related to Discontinued Operations		-	-	-	-	-	
٧.	EQUITY INVESTMENTS		9.892.099	36.779.103	46.671.202	4.810.233	18.736.762	23.546.99
.1	Investments in Associates (Net)	(I-h)	19.528	-	19.528	18.957	-	18.95
.1.1	Associates Valued Based on Equity Method		-	-	-	-	-	
.1.2	Unconsolidated Associates		19.528	-	19.528	18.957	-	18.95
.2	Subsidiaries (Net)	(I-i)	9.872.571	36.779.103	46.651.674	4.791.276	18.736.762	23.528.03
.2.1	Unconsolidated Financial Subsidiaries		9.872.571	33.788.565	43.661.136	4.791.276	18.736.762	23.528.03
.2.2	Unconsolidated Non-Financial Subsidiaries		-	2.990.538	2.990.538	_	-	
.3	Joint Ventures (Net)	(I-j)	-	-	-	-	-	
.3.1	Joint Ventures Valued Based on Equity Method		-		_			
.3.2			-	-	_	_	-	
<i>i</i> .	PROPERTY AND EQUIPMENT (Net)	(I-m)	23.923.581	67.943	23.991.524	15.089.012	38.270	15.127.282
ń.	INTANGIBLE ASSETS (Net)	(I-n)	3.767.983	-	3.767.983	2.652.021	-	2,652,02
.1	Goodwill	V	-	_	-		_	
.2	Other		3.767.983	-	3.767.983	2.652.021	-	2.652.02
/II.	INVESTMENT PROPERTY (Net)	(I-o)	-	-			-	
nii.	CURRENT TAX ASSET	1. 5,	-	-		-	-	
х.	DEFERRED TAX ASSET	(I-p)	_	54.509	54.509	_	192,285	192.28
ί.	OTHER ASSETS (Net)	(I-r)	23.534.284	2,560,329	26,094,613	19.130.112	627.272	19.757.38
••	attien Good to fland	(1-1)	20.004.204	2.000.027	20.074.010	.,	J27.272	
	TOTAL ACCETS		1.178.109.473	611.064.701	1.789.174.174	667.867.759	407.318.696	1.075.186.455
	TOTAL ASSETS		1.178.109.473	611.064.701	1.789.174.174	667.867.759	407.318.696	1 1175 THA 45

Sustainable People & Financing Community

Ecosystem Management Climate Change

<u>Financial</u> <u>Information</u> Annexes

AKBANK T.A.Ş.

I. UNCONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2023 (STATEMENT OF FINANCIAL POSITION)

(Amounts are expressed in thousands of Turkish Lira (TL).)

	LIABILITIES	Note		(31/12/2023)			PRIOR PERIOD (31/12/2022)	T.1.1
I.	DEPOSITS	(Section Five)	768.418.686	FC 449.689.640	Total 1,218,108,326	TL 370.352.913	FC 308.971.849	Total 679.324.762
ii.	FUNDS BORROWED	(II-a) (II-c)	152,127	94,676,379	94.828.506	217.420	64.179.340	64.396.760
III.	MONEY MARKETS	(11-0)	1.723.365	88.108.017	89.831.382	26,207,940	27.821.915	54.029.855
IV.	SECURITIES ISSUED (Net)	(II-d)	886.663	38.574.096	39.460.759	2.716.114	19.723.455	22.439.569
4.1	Bills	(11-0)	-	-	-	2.710.114		-
4.2	Asset Backed Securities		_	_	_	_	_	_
4.3	Bonds		886.663	38.574.096	39.460.759	2.716.114	19.723.455	22.439.569
٧.	FUNDS		-	00.074.070	07.400.707	2.710.114	17.720.400	22.407.507
5.1	Borrower Funds		_	_	_	_	_	_
5.2	Other		_	_	_	_	_	_
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		_	_	_		_	_
VII.	DERIVATIVE FINANCIAL LIABILITIES	(II-b, II-g)	11.839.039	2.666.577	14.505.616	11.239.687	3.212.323	14.452.010
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss	(11-0, 11-9)	10.986.566	2.666.577	13.653.143	10.745.211	3.212.322	13.957.533
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		852.473	2.000.377	852.473	494.476	1	494.477
VIII.	FACTORING LIABILITIES		032.473	_	032.473	4/4.4/0	-	4/4.4//
IX.	LEASE LIABILITIES (Net)	(II-f)	1.385.912	_	1.385.912	799,166	_	799,166
χ.		(II-t) (II-h)		4.045.847			005 000	
	PROVISIONS	(II-N)	6.436.777	1.015.716	7.452.493	5.270.485	395.003	5.665.488
10.1	Restructuring Provisions		0.100.700	-	0.100.700	0.100./77	-	0.100 /77
10.2	Reserve for Employee Benefits		3.188.733	-	3.188.733	2.183.677	-	2.183.677
10.3	Insurance Technical Provisions (Net)		0.010.011	1.015.71/	. 0.0 7.0	2.007.000		0 /01 011
10.4	Other Provisions	*** **	3.248.044	1.015.716	4.263.760	3.086.808	395.003	3.481.811
XI.	CURRENT TAX LIABILITY	(II-i)	10.466.914	676.460	11.143.374	10.191.104	478.156	10.669.260
XII.	DEFERRED TAX LIABILITY LIABILITIES FOR ASSETS HELD FOR SALE AND RELATED TO THE	(II-i)	1.176.576	-	1.176.576	3.027.248	-	3.027.248
XIII.								
	DISCONTIUED OPERATIONS (Net)		-	-	-	-	-	-
13.1	Held for Sale Purpose		-	-	-	-	-	-
13.2	Related to Discontinued Operations		-			-		
XIV.	SUBORDINATED DEBT INSTRUMENTS	(II-j)	-	23.736.225	23.736.225	-	16.800.082	16.800.082
14.1	Loans		-	-	-	-	-	-
14.2	Other Debt Instruments			23.736.225	23.736.225	-	16.800.082	16.800.082
XV.	OTHER LIABILITIES	(II-e)	40.780.050	35.569.528	76.349.578	24.271.242	25.711.129	49.982.371
XVI.	SHAREHOLDERS' EQUITY	(II-k)	223.315.430	(12.120.003)	211.195.427	161.430.206	(7.830.322)	153.599.884
16.1	Paid-in capital		5.200.000	-	5.200.000	5.200.000	-	5.200.000
16.2	Capital Reserves		5.400.628	-	5.400.628	5.400.628	-	5.400.628
	Share Premium		3.505.742	-	3.505.742	3.505.742	-	3.505.742
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3			1.894.886	-	1.894.886	1.894.886	-	1.894.886
16.3	Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or I		13.087.125	732.263	13.819.388	8.001.283	677.895	8.679.178
16.4	Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		26.006.961	[12.852.266]	13.154.695	26.733.806	(8.508.217)	18.225.589
16.5	Profit Reserves		107.141.776	-	107.141.776	56.070.405	-	56.070.405
16.5.1	Legal Reserves		2.777.395	-	2.777.395	1.903.795	-	1.903.795
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		92.840.620	-	92.840.620	53.991.428	-	53.991.428
16.5.4	Other Profit Reserves		11.523.761	-	11.523.761	175.182	-	175.182
16.6	Income or (Loss)		66.478.940	-	66.478.940	60.024.084	-	60.024.084
16.6.1	Prior Periods' Income or (Loss)		-	-	-	-	=	-
16.6.2	Current Period Income or (Loss)		66.478.940	-	66.478.940	60.024.084	-	60.024.084
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1.066.581.539	722,592,635	1.789.174.174	615.723.525	459.462.930	1.075.186.455

The accompanying explanations and notes form an integral part of these financial statements.

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Corporare Governance Our Sustainability Journey

Sustainable

Financing

People & Community

(Amounts are expressed in thousands of Turkish Lira (TL).)

Ecosystem Management Climate Change

<u>Financial</u> <u>Information</u> Annexes

AKBANK T.A.Ş. II. Unconsolidated off-balance sheet commitments as of 31 december 2023

			(CURRENT PERIOD			PRIOR PERIOD	
		Note (Section Five)	TL	(31/12/2023) FC	Total	TL	(31/12/2022) FC	Total
A. OFF-	BALANCE SHEET COMMITMENTS (I+II+III)	(Section 1 ive)	1.194.734.938	1.270.203.828	2.464.938.766	523.387.252	1.007.840.124	1.531.227.376
I.	GUARANTEES AND WARRANTIES	(III-a-2, 3)	138.583.846	98.558.038	237.141.884	68.059.558	72.542.148	140.601.706
1,1 1.1.1	Letters of Guarantee Guarantees Subject to State Tender Law		113.289.751 1.658.437	69.361.626 9.038.030	182.651.377 10.696.467	51.739.505 1.375.563	44.729.387 6.044.920	96.468.892 7.420.483
1.1.2	Guarantees Given for Foreign Trade Operations		1.030.437	4.176.045	4.176.045	1.373.303	2.582.504	2.582.504
1.1.3	Other Letters of Guarantee		111.631.314	56.147.551	167.778.865	50.363.942	36.101.963	86.465.905
1.2	Bank Acceptances		-	745.358	745.358	4.785	190.323	195.108
1.2.1 1.2.2	Import Letter of Acceptance Other Bank Acceptances		-	745.358	745.358	4.785	190.323	195.108
1.3	Letters of Credit		2.878.946	24.718.638	27.597.584	2.058.977	19.240.609	21.299.586
1.3.1	Documentary Letters of Credit		2.878.946	21.251.899	24.130.845	2.058.977	16.898.022	18.956.999
1.3.2	Other Letters of Credit		-	3.466.739	3.466.739	-	2.342.587	2.342.587
1.4 1.5	Prefinancing Given as Guarantee Endorsements		-	-	-	-	-	-
1.5.1	Endorsements to the Central Bank of Turkey		-	-	-	-	_	-
1.5.2	Other Endorsements		=	=	-	-	=	-
1.6	Purchase Guarantees for Securities Issued		-			-	40.454	10 (51
1.7 1.8	Factoring Guarantees Other Guarantees		6.046.843	20.987 3.707.261	20.987 9.754.104	5.349.753	12.651 8.363.051	12.651 13.712.804
1.9	Other Collaterals		16.368.306	4.168	16.372.474	8.906.538	6.127	8.912.665
II.	COMMITMENTS	(III-a-1)	531.122.949	33.841.838	564.964.787	154.279.332	15.161.502	169.440.834
2.1	Irrevocable Commitments		520.235.045	33.841.838	554.076.883	152.086.287	15.161.502	167.247.789
2.1.1 2.1.2	Asset Purchase Commitments Deposit Purchase and Sales Commitments		7.672.829	25.007.842	32.680.671	1.025.346	6.826.708	7.852.054
2.1.3	Share Capital Commitments to Associates and Subsidiaries		=	=	-	-	=	-
2.1.4	Loan Granting Commitments		35.691.022	5.555.705	41.246.727	23.069.404	8.330.744	31.400.148
2.1.5	Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6 2.1.7	Commitments for Reserve Requirements Commitments for Cheque Payments		7.436.908	-	7.436.908	4 523 116	-	4.523.116
2.1.8	Tax and Fund Liabilities from Export Commitments		4.748	_	4.748	5.260	_	5.260
2.1.9	Commitments for Credit Card Limits		395.206.857	-	395.206.857	106.067.149	-	106.067.149
2.1.10	Commitments for Credit Cards and Banking Services Promotions		296.301	-	296.301	125.777	-	125.777
2.1.11 2.1.12	Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12	Payables for Short Sale Commitments of Marketable Securities Other Irrevocable Commitments		73.926.380	3.278.291	77.204.671	17.270.235	4.050	17.274.285
2.2	Revocable Commitments		10.887.904	-	10.887.904	2.193.045	-	2.193.045
2.2.1	Revocable Loan Granting Commitments		10.887.904	-	10.887.904	2.193.045	-	2.193.045
2.2.2	Other Revocable Commitments	****	-	4 407 000 070	4 //0 000 005	-	-	4 004 407 007
III. 3.1	DERIVATIVE FINANCIAL INSTRUMENTS Hedging Derivative Financial Instruments	(III-b)	525.028.143 62.769.058	1.137.803.952 187.235.576	1.662.832.095 250.004.634	301.048.362 31.550.734	920.136.474 137.049.473	1.221.184.836 168.600.207
3.1.1	Fair Value Hedges		17.778	87.169.530	87.187.308	20.741	57.422.029	57.442.770
3.1.2	Cash Flow Hedges		62.751.280	100.066.046	162.817.326	31.529.993	79.627.444	111.157.437
3.1.3	Foreign Net Investment Hedges					-		
3.2 3.2.1	Trading Derivative Financial Instruments		462.259.085 63.297.449	950.568.376 83.064.394	1.412.827.461 146.361.843	269.497.628 41.831.750	783.087.001 63.823.351	1.052.584.629 105.655.101
3.2.1.1	Forward Foreign Currency Buy/Sell Transactions Forward Foreign Currency Transactions-Buy		60.576.350	14.549.396	75.125.746	40.929.678	13.131.610	54.061.288
3.2.1.2	Forward Foreign Currency Transactions-Sell		2.721.099	68.514.998	71.236.097	902.072	50.691.741	51.593.813
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates		376.539.735	647.260.296	1.023.800.031	193.562.550	568.870.277	762.432.827
3.2.2.1	Foreign Currency Swap-Buy		27.374.531	276.633.110	304.007.641	19.963.353	219.565.005	239.528.358
3.2.2.2	Foreign Currency Swap-Sell Interest Rate Swap-Buy		213.119.316 68.022.944	134.152.198 118.237.494	347.271.514 186.260.438	128.901.159 22.349.019	139.793.964 104.755.654	268.695.123 127.104.673
3.2.2.4	Interest Rate Swap-Sell		68.022.944	118.237.494	186.260.438	22.347.017	104.755.654	127.104.673
3.2.3	Foreign Currency, Interest Rate and Securities Options		7.067.971	103.625.116	110.693.087	15.707.125	54.269.717	69.976.842
3.2.3.1	Foreign Currency Options-Buy		3.514.800	41.052.557	44.567.357	14.853.112	9.143.046	23.996.158
3.2.3.2	Foreign Currency Options-Sell Interest Rate Options-Buy		3.553.171	41.157.531 10.707.514	44.710.702 10.707.514	854.013	22.589.883 11.268.394	23.443.896 11.268.394
3.2.3.4	Interest Rate Options-Buy		-	10.707.514	10.707.514	-	11.268.394	11.268.394
3.2.3.5	Securities Options-Buy		-	-	-	-	-	-
3.2.3.6	Securities Options-Sell		-	-	-	-	-	-
3.2.4.1	Foreign Currency Futures		13.826.069 12.608.317	13.153.072 965.958	26.979.141	17.799.388	17.211.205 1.519.274	35.010.593 17.686.319
3.2.4.1	Foreign Currency Futures-Buy Foreign Currency Futures-Sell		1.217.752	12.187.114	13.574.275 13.404.866	16.167.045 1.632.343	15.691.931	17.324.274
3.2.5	Interest Rate Futures		-	-	-	-	-	-
3.2.5.1	Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2	Interest Rate Futures-Sell		4 505 0 / 4	100 //5 /00	10 / 000 050		70.010.451	70 500 077
3.2.6 B CUST	Other FODY AND PLEDGES RECEIVED (IV+V+VI)		1.527.861 2.510.019.354	103.465.498 1.755.491.535	104.993.359 4.265.510.889	596.815 1.649.986.327	78.912.451 1.105.560.976	79.509.266 2.755.547.303
IV.	ITEMS HELD IN CUSTODY		205.121.893	254.395.334	459.517.227	120.301.657	145.032.321	265.333.978
4.1	Customer Fund and Portfolio Balances		92.793.271	50.169.719	142.962.990	46.396.383	12.805.794	59.202.177
4.2	Investment Securities Held in Custody		3.541.000	46.076.331	49.617.331	3.422.376	28.918.489	32.340.865
4.3	Cheques Received for Collection		93.932.362	14.871.043	108.803.405	59.865.366 9.930.098	9.750.401	69.615.767
4.4 4.5	Commercial Notes Received for Collection Other Assets Received for Collection		13.867.424	21.961.541	35.828.965	7.730.078	14.741.077	24.671.175
4.6	Assets Received for Public Offering		-	-	-	-	-	-
4.7	Other Items Under Custody		987.836	121.316.700	122.304.536	687.434	78.816.560	79.503.994
4.8 V	Custodians PLEDGES RECEIVED		652.704.545	412 047 470	1 044 574 745	432.902.956	280.114.115	712 017 074
V. 5.1	Marketable Securities		652.704.545 491.163	413.867.170 9.914.264	1.066.571.715 10.405.427	432.902.956 481.495	280.114.115 5.799.505	713.017.071 6.281.000
5.2	Guarantee Notes		1.796.175	3.034.689	4.830.864	1.004.209	2.039.754	3.043.963
5.3	Commodity		1.342.000	699.620	2.041.620	842.908	653.844	1.496.752
5.4	Warranty		/15 050 /50	2/2 015 50/	750 1/7 0//	2/7/02 2/2	222 / 52 0 / /	/01 0/7 000
5.5 5.6	Immovables Other Pledged Items		415.252.458 233.822.749	342.915.506 57.303.091	758.167.964 291.125.840	267.693.248 162.881.096	223.653.844 47.967.168	491.347.092 210.848.264
5.7	Pledged Items-Depository		-	-				2.0.040.204
VI.	ACCEPTED BILL, GUARANTEES AND WARRANTEES		1.652.192.916	1.087.229.031	2.739.421.947	1.096.781.714	680.414.540	1.777.196.254
	TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		3.704.754.292	3.025.695.363	6.730.449.655	2.173.373.579	2.113.401.100	4.286.774.679

The accompanying explanations and notes form an integral part of these financial statements

AKBANK T.A.Ş.
III. UNCONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2023

INTEREST INCOME	127.815.468 6 66.507.535 - 282.414 0 536.015 1 192.015 1 60.165.274 2 27.487 6 21.443.232 38.694.555
Interest on Reserve Requirements	282.414 536.015 192.015 60.165.274 27.487 6 21.443.232 38.694.555
1.3 Interest on Banks IIV-a-2 2.6382 2.64312 1.6 Interest on Many Market Transactions 2.4411. 1.5 Interest on Many Market Transactions IIV-a-3 90.111.1 1.5 Interest on Many Market Transactions IIV-a-3 90.111.1 1.5 Interest on Many Market Transactions IIV-a-3 90.111.1 1.5 Interest on Many Market Transactions 40.122.6 Interest on Marketable Securities Portfolio (IIV-a-3) 107.5 107.	536.015 5 192.015 6 60.165.274 7 27.487 6 21.443.232 6 38.694.555
Interest on Maney Market Transactions	5 192.015 60.165.274 7 27.487 6 21.443.232 6 38.694.555
Interest on Markelable Securities Portfolio IV-a-3 90.111.1	60.165.274 27.487 6 21.443.232 6 38.694.555
16.15	27.487 5 21.443.232 6 38.694.555
1.5.2 Fair Value Through Other Comprehensive Income	21.443.232 38.694.555
1.5.3 Measured at Amortised Cost 1.6 Financial Lease Interest Income 1.7 1.6 1.7	38.694.555
1.6 Financial Lease Interest Income	
1.7	-
INTEREST EXPENSE (-)	
2.1 Interest on Deposits (IV-b-4) 140.110.2 2.2 Interest Expense on Money Market Transactions 6.284.9 2.4 Interest Expenses on Money Market Transactions (IV-b-3) 3.908.0 2.5 Interest on Descentities Issued (IV-b-3) 3.908.0 2.5 Interest on Descentities Issued 182.2 2.6 Other Interest Expenses 6.06.5 III. NET INTEREST INCOME (I - II) 3.3547.17 IV. NET INTEREST INCOME (I - II) 3.3547.17 IV. NET INTEREST INCOME (I - II) 3.3824.4 4.1 Fees and Commissions Received 3.889.6 4.1 Non-cash Loans 4.1824.4 4.1.1 Non-cash Loans 4.1 4.2.2 Other 4.2 4.2.1 Non-cash Loans (IV-c) V. DIVIDEND INCOME (IV-c) 17.86 4.2.2 Other (IV-c) 17.86 4.2.2 Other (IV-c) (IV-d) 37.117.86 5.1 Trading Gains / Losses) on Secu	7 132.215
2.2 Interest on Funds Borrowed [IV-b-1] 5.951.7 2.3 Interest Expense on Money Market Transactions (IV-b-3] 3.908.0 2.4 Interest on Securities Issued (IV-b-3] 3.908.0 2.5 Interest on Leases (IV-b-3] 3.908.0 2.6 Other Interest Expenses (IV-b-3] 3.908.0 2.5 Interest on Leases (IV-b-3] 3.908.0 3.6 III. NET INTEREST INCOME (I - II) (IV-b-3] (IV-b-3] (IV-b-3] 3.0832.4 (IV-b-3] (IV-b-3] (IV-b-3] (IV-b-3] 3.0832.4 (IV-b-3] (IV-b-3] (IV-b-3] (IV-b-3] 3.0832.4 (IV-b-3] (IV-b-3] (IV-b-3] (IV-b-3] (IV-b-3] 3.0832.4 (IV-b-3] (IV-b-3) (I	50.943.763
2.3 Interest Expense on Money Market Transactions 6.284.97 2.4 Interest on Securities Issued [IV-b-3] 3.986.0 2.5 Interest on Leases 182.2 2.6 Other Interest Expenses 606.5 III. NET INTEREST INCOME (I - II) 30.826.4 IV. NET FEES AND COMMISSIONS INCOME 30.822.41 4.1 Fees and Commissions Received 38.897.6 4.1.1 Non-cash Loans 18.62.4 4.1.2 Other 8.037.2 4.2.1 Non-cash Loans 4.1 4.2.2 Other 8.037.2 4.2.2.1 Non-cash Loans 4.807.2 4.2.2 Other 8.037.2 4.2.2.1 Non-cash Loans (IV-c) 17.80 4.2.2 Other (IV-c) 17.80 4.2.2 Other (IV-c) 17.80 4.2.2 Other (IV-c) 17.80 4.2.2 Other (IV-c) 17.80 5.3 Foreign Exchange On Securities (IV-c)	38.408.677
2.4 Interest on Securities Issued (IV-b-3) 3.988.0 2.5 Interest on Leases 182.2 2.6 Other Interest Expenses 606.5 III. NET INTEREST INCOME (I - II) 63.547.17 IV. NET FEES AND COMMISSIONS INCOME 30.882.41 4.1 Fees and Commissions Received 38.869.6 4.1.1 Non-cash Loans 1.862.4 4.1.2 Other 37.007.1 4.2.1 Non-cash Loans 4.1 4.2.2 Fees and Commissions Paid (-) 8.037.2 4.2.1 Non-cash Loans 4.1 4.2.2 Other 8.037.2 4.2.1 Non-cash Loans [IV-c] 17.80 4.2.2 Other [IV-c] 17.80 V. DIVIDEND INCOME [IV-c] 17.80 V. DIVIDEND INCOME [IV-c] 17.40 4.2.2 Other [IV-c] 17.117.58 5.1 Trading Gains / (Losse) on Securities [IV-c] 17.117.58 6.1 T	2.598.141
2.5 Interest on Leases 182.2 2.6 Other Interest Expenses 606.5. III. NET INTEREST INCOME (I - II) 636.5. IV. NET FEES AND COMMISSIONS INCOME 30.832.41 4.1 Fees and Commissions Received 38.89.6. 4.1.1 Non-cash Loans 1.862.4 4.1.2 Other 37.007.1 4.2.1 Non-cash Loans 4.1 4.2.2 Other 80.37.2 4.2.1 Non-cash Loans (IV-c) 4.2.2 Other 80.37.2 4.2.1 Non-cash Loans (IV-c) 4.2.2 Other 80.37.2 4.2.1 Non-cash Loans (IV-c) 4.2.2 Other (IV-c) 7.2.4 Trading Gains / ILosses) (IV-c) 8.0.3.2 (IV-c) 17.80 9.1 Trading Gains / ILosses) (IV-d) 37.117.5s 1.1 Trading Gains / ILosses) (IV-d) 4.383.3 1.2 Gains / ILosses, Ilosses) (IV-d) 4.37.39 1.1 Trading Gains / ILosses, Ilosses, Ilosses,	4.104.135
2.6 Other Interest Expenses 606.5 III. NET INTEREST INCOME [1-II] 63.367.17 V. PEFES AND COMMISSIONS INCOME 30.82.41 4.1 Fees and Commissions Received 38.869.6 4.1.1 Non-cash Loans 1.862.4 4.2.2 Fees and Commissions Paid [-] 8.037.2 4.2.1 Non-cash Loans 4.1 4.2.2 Other 8.033.0 V. DIVIDEND INCOME [IV-c] 17.80 V. DIVIDEND INCOME /(LOSS) (Net) [IV-d] 37.17.58 6.1 Trading Gains / (Losses) on Securities 4.838.3 6.2 Gains / (Losses) on Derivative Financial Transactions [IV-d] 37.17.58 6.1 Trading Gains / (Losses) on Derivative Financial Transactions [IV-d] 4.838.3 6.2 Gains / (Losses) on Derivative Financial Transactions [IV-d] 4.838.3 6.2 Gains / (Losses) on Derivative Financial Transactions [IV-d] 6.137.93 7.1 OTHER OPERATING INCOME (ILOSS) (III-II-IV-IV-IV-IV-IVI) [IV-d] 137.652.29	3.605.253
III. NET INTEREST INCOME (I - II) 30.832.41 30.832.41 41. 50.55 and Commissions Received 30.832.41 41.12 50.55 and Commissions Received 37.007.11 42.22 50.55 and Commissions Paid [-] 37.007.11 42.22 50.55 and Commissions Paid [-] 37.007.11 42.22 50.55 and Commissions Paid [-] 37.007.11 42.22 50.55 and Commissions Paid [-] 37.007.11 42.22 50.55 and Commissions Paid [-] 37.007.11 42.22 50.55 and Commissions Paid [-] 37.007.12 42.21 50.55 and Commissions Paid [-] 37.007.12 42.22 50.55 and Commissions Paid [-] 37.007.12 42.22 50.55 and Commissions Paid [-] 37.007.12 42.22 50.55 and Commissions Paid [-] 37.007.12 50.	109.794
IV. NET FEES AND COMMISSIONS INCOME 30.832.41 4.1 Fees and Commissions Received 38.867.6 4.1.1 Non-cash Loans 1.862.4 4.1.2 Other 37.007.1 4.2.1 Non-cash Loans 4.1 4.2.2 Tother Commissions Paid (-) 8.033.0 4.1.4 Non-cash Loans (IV-c) 6.1 Non-cash Loans (IV-c) 7.2 Uther 8.033.0 4.2.2 Other (IV-c) 17.80 4.2.3 Non-cash Loans (IV-c) 17.80 4.2.4 (IV-c) IV-d 4.1 4.2.2 Other (IV-c) 17.80 4.2.3 (IV-c) IV-d 37.117.58 6.1 Trading Gains / (Losses) on Securities (IV-d) 4.838.3 6.2 Gains / (Losses) on Derivative Financial Transactions (IV-d) 4.838.3 6.2 Gains / (Losses) on Derivative Financial Transactions (IV-d) 6.157.29 VII. OTHER OPERATING INCOME (IV-d)	2.117.763
4.1.1 Fees and Commissions Received 38.869.66 4.1.1.2 Non-cash Loans 1.862.4 4.1.2 Fees and Commissions Paid (-) 8.037.2 4.2.1 Non-cash Loans 4.1 4.2.2 Other 8.037.2 V. DIVIDEND INCOME (IV-c) 17.80 V. TRADING INCOME /(Losse) on Securities (IV-d) 37.117.58 6.1 Trading Gains / (Losses) on Derivative Financial Transactions (IV-d) 37.117.58 6.2 Gains / (Losses) on Derivative Financial Transactions 2.405.2 6.3 Foreign Exchange Gains / (Losses) 2.405.2 6.3 Foreign Exchange Gains / (Losses) (IV-e) 6.137.93 7.1 OTHER OPERATING INCOME (III+IV+V+V+V+V+VII) (IV-e) 6.137.93 YII. OTHER PROVISION EXPENSES (-) (IV-f) 15.658.93 X. OTHER PROVISION EXPENSES (-) (IV-f) 15.658.93 X. OTHER PROVISION EXPENSES (-) (IV-g) 29.135.09 XIII. NET OPERATING EXPENSES (-) (IV-g) 29.135.09 XIII. NET OPERATING EXPENSES (-) (IV-g) 29.	76.871.705
4.1.1 Non-cash Loans 1.862.44 4.1.2 Other 37,007.1 4.2 Fees and Commissions Paid (-) 8.037.2 4.2.1 Non-cash Loans 4.1 4.2.2 Other 8.033.0 V. DIVIDEND INCOME (IV-c) 17.80 V. DIVIDEND INCOME /(LOSS) (Net) (IV-d) 37.117.58 6.1 Trading Gains / (Losses) on Securities 4.838.3 6.2 Gains / (Losses) on Derivative Financial Transactions (IV-d) 37.117.58 6.1 Trading Gains / (Losses) on Derivative Financial Transactions (IV-d) 4.838.3 6.2 Gains / (Losses) on Derivative Financial Transactions (IV-d) 6.137.93 7.2 Groins / (Losses) on Derivative Financial Transactions (IV-d) 6.137.93 8.1 Croing Exchange Gains / (Losses) (IV-d) 6.137.93 VIII. OTHER OPERATING INCOME (III-III-III-III-III-III-IIII-IIII-III	10.315.549
4.1.2 Other 37.007.1 4.2 Fees and Commissions Paid (-) 8.037.2 4.2.1 Non-cash Loans 4.1 4.2.2 Other 8.033.0 V. DIVIDENDI INCOME (IV-c) 17.80 VI. TRADING INCOME /(Loss) (Net) (IV-d) 37.117.58 6.1 Trading Gains / (Losses) on Securities 4.838.3 6.2 Gains / (Losses) on Derivative Financial Transactions (IV-d) 4.379.3 6.3 Foreign Exchange Gains / (Losses) (IV-e) 4.379.3 VIII. OTHER OPERATING INCOME (IV-e) 6.137.93 VIII. GROSS OPERATING INCOME (IIII+V+V+VI+VII) (IV-e) 137.652.92 IX. EXPECTED CREDIT LOSS (-) (IV-f) 15.658.93 X. OTHER POPERATING EXPENSES (-) (IV-f) 15.658.93 XII. PERSONNEL EXPENSE (-) (IV-g) 29.135.09 XIII. NETE OPERATING INCOME/(LOSS) (VIII-X-X-XI-XII) (IV-g) 29.135.09 XIII. NET OPERATING EXPENSES (-) (IV-g) 77.146.68 XIV. EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER XV. <td>13.662.846</td>	13.662.846
4.2.1 Fees and Commissions Paid (-) 8.037.2 4.2.1 Non-cash Loans 4.1. 4.2.2 Other 8.033.0 V. DIVIDEND INCOME (IV-c) 17.80 VI. TRADING INCOME /(LOSS) (Net) (IV-d) 37.117.58 6.1 Trading Gains / (Losses) on Derivative Financial Transactions 2.405.2 6.3 Foreign Exchange Gains / (Losses) (IV-e) 6.137.93 VIII. OTHER OPERATING INCOME (IV-e) 6.137.93 VIII. GROSS OPERATING INCOME (III+IV+V+V+V+VII) 137.652.92 X. OTHER PROVISION EXPENSES (-) (IV-f) 15.660.93 X. OTHER PROVISION EXPENSES (-) (IV-f) 15.640.03 XIII. PERSONNEL EXPENSE (-) (IV-g) 29.135.09 XIII. NET OPERATING EXPENSES (-) (IV-g) 29.135.09 XIII. NET OPERATING EXPENSES (-) (IV-g) 29.135.09 XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII) (IV-g) 29.135.09 XIV. INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED 77.146.48 XIV. INCOME/(LOSS) ON RET MONETARY	
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4.2.2 Other 8.033.0 V. DIVIDEND INCOME (IV-c) 17.80 VI. TRADING INCOME /(Losses) on Securities 4.838.3 6.2 Gains / (Losses) on Derivative Financial Transactions 2.405.2 6.3 Foreign Exchange Gains / (Losses) 29.873.9 VIII. OTHER OPERATING INCOME (IV-e) 6.137.93 VIII. GROSS OPERATING INCOME (III+V+V+VI+VII) 137.652.92 IX. EXPECTED CREDIT LOSS (-) (IV-f) 15.658.93 X. OTHER PROVISION EXPENSES (-) (IV-f) 15.640.00 XII. OTHER OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII) (IV-g) 29.135.09 XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII) (IV-g) 29.135.09 XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII) (IV-g) 29.135.09 XIV. EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER XV. INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED 7.299.42 XVI. INCOME/(LOSS) ON NET MONETARY POSITION (IV-i) 84.445.91 XVIII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII++XVI) (IV-i) 11.873.4	
V. DIVIDEND INCOME (IV-c) 17.80 VI. TRADING INCOME (LOSS) (Net) (IV-d) 37.117.88 6.1 Trading Gains / [Losses] on Securities 4.838.3 6.2 Gains / [Losses] on Derivative Financial Transactions 2.405.2 6.3 Foreign Exchange Gains / [Losses] (IV-e) 6.137.93 VIII. OTHER OPERATING INCOME (IV-e) 6.137.93 VIII. GROSS OPERATING INCOME (III+IV+V+VI+VII) (IV-f) 137.652.92 IX. EXPECTED CREDIT LOSS (-) (IV-f) 15.658.93 X. OTHER PROVISION EXPENSES (-) (IV-f) 15.640.00 XII. PERSONNEL EXPENSE (-) (IV-g) 29.135.09 XIII. OTHER OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII) (IV-g) 29.135.09 XIV. EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER IV-g 77.146.48 XV. INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD (IV-g) 34.445.91 XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII++XVI) (IV-I) 34.445.91 XVIII. <td></td>	
VI. TRADING INCOME /LOSS) (Net) (IV-d) 37.117.58 6.1 Trading Gains / (Losses) on Securities 4.838.3 6.2 Gains / (Losses) on Derivative Financial Transactions 2.405.2 6.3 Foreign Exchange Gains / (Losses) 29.873.9 VII. OTHER OPERATING INCOME (IV-e) 6.137.93 VIII. GROSS OPERATING INCOME (III+IV+V+VI+VII) (IV-e) 6.137.93 VII. EXPECTED CREDIT LOSS (-) (IV-f) 15.658.92 IX. EXPECTED CREDIT LOSS (-) (IV-f) 15.640.00 XII. PERSONNEL EXPENSE (-) (IV-g) 29.135.09 XIII. OTHER OPERATING EXPENSES (-) (IV-g) 29.135.09 XIII. OTHER OPERATING INCOME/LLOSS) (VIII-IX-X-XI-XII) (IV-g) 29.135.09 XIV. EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER XV. INCOME/LLOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED 7.299.42 XVI. INCOME/LLOSS) ON NET MONETARY POSITION (IV-i) 84.445.91 XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII++XVI) (IV-i) 11.873.4	
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6.2 Gains / (Losses) on Derivative Financial Transactions 6.3 Foreign Exchange Gains / (Losses) 79.873.93	
Act Common Comm	
VII. OTHER OPERATING INCOME (IV-e) 6.137.93 VIII. GROSS OPERATING INCOME (III+IV+V+VI+VII) 137.652.92 IX. EXPECTED CREDIT LOSS (-) (IV-f) 15.658.93 X. OTHER PROVISION EXPENSES (-) 72.41 XII. PERSONNEL EXPENSES (-) (IV-g) 29.135.09 XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XIII) 77.146.48 XIV. EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER 77.146.48 XV. INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED 77.299.42 XVI. INCOME/(LOSS) ON NET MONETARY POSITION (IV-i) 84.445.91 XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII++XVI) (IV-i) 84.445.91 XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (XIII++XVII) (IV-j) 11.873.41 18.1 Current Tax Provision 11.873.41 13.855.2 18.3 Deferred Tax Expense Effect (-) 7.761.61 XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) (IV-k) 66.478.94 XVIII. Income from Non-current Assets Held for Sale	
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XI. PERSONNEL EXPENSE (-) 15.640.00 XII. OTHER OPERATING EXPENSES (-) (IV-g) 29.135.09 XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII) 77.146.48 XIV. EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER XV. INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD 7.299.42 XVI. INCOME/(LOSS) ON NET MONETARY POSITION (IV-i) 84.445.91 XVIII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII++XVI) (IV-i) 17.966.97 18.1 Current Tax Provision 11.873.4 18.2 Deferred Tax Expense Effect (+) 13.855.2 18.3 Deferred Tax Income Effect (-) 7.761.6 XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) (IV-k) 66.478.94 XXX. INCOME FROM DISCONTINUED OPERATIONS Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations 20.11 Income from Other Discontinued Operations	
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XIV. EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER XV. INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD XVII. INCOME/(LOSS) ON NET MONETARY POSITION XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII++XVI) ITAX PROVISION FOR CONTINUED OPERATIONS (±) 11.873.4 18.1 Current Tax Provision 11.873.4 18.2 Deferred Tax Expense Effect (+) 18.3 Deferred Tax Income Effect (-) 7.761.6 XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) XIX. INCOME FROM DISCONTINUED OPERATIONS 20.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 10.3 Income from Other Discontinued Operations	12.800.004
XV. INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD 7.299.42 XVI. INCOME/(LOSS) ON NET MONETARY POSITION XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII++XVI) (IV-i) 84.445.91 XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±) (IV-j) 17.966.97 18.1 Current Tax Provision 11.873.4 18.2 Deferred Tax Expense Effect (+) 18.3 Deferred Tax Income Effect (-) 7.761.6 XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) XIX. INCOME FROM DISCONTINUED OPERATIONS 20.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations	76.186.667
BASED ON EQUITY METHOD XVI. INCOME/(LOSS) ON NET MONETARY POSITION XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII++XVI) (IV-i) 84.445.91 XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±) (IV-j) 17.966.97 18.1 Current Tax Provision 11.873.4 18.2 Deferred Tax Expense Effect (+) 13.855.2 18.3 Deferred Tax Income Effect (-) 7.761.6 XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) (IV-k) 66.478.94 XIX. INCOME FROM DISCONTINUED OPERATIONS 20.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations	
XVI. INCOME/(LOSS) ON NET MONETARY POSITION XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII++XVI) (IV-i) 84.445.91 XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±) (IV-j) 17.966.97 18.1 Current Tax Provision 11.873.41 18.2 Deferred Tax Expense Effect (+) 13.855.2 18.3 Deferred Tax Income Effect (-) 7.761.61 XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) (IV-k) 66.478.94 XIX. INCOME FROM DISCONTINUED OPERATIONS 20.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations	0.000.005
XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII++XVI) (IV-i) 84.445.91 XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±) (IV-j) 17.966.97 18.1 Current Tax Provision 11.873.41 18.2 Deferred Tax Expense Effect (+) 13.855.2 18.3 Deferred Tax Income Effect (-) 7.761.61 XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) (IV-k) 66.478.94 XIX. INCOME FROM DISCONTINUED OPERATIONS 20.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations	3.073.735
XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±) (IV-j) 17.966.97 18.1 Current Tax Provision 11.873.41 18.2 Deferred Tax Expense Effect (+) 13.855.2 18.3 Deferred Tax Income Effect (-) 7.761.6 XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) (IV-k) 66.478.94 XIX. INCOME FROM DISCONTINUED OPERATIONS 10.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations	
11.873.4 18.1 Current Tax Provision 11.873.4 18.2 Deferred Tax Expense Effect (+) 13.855.2 18.3 Deferred Tax Income Effect (-) 7.761.6 XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) XIX. INCOME FROM DISCONTINUED OPERATIONS 20.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations	
13.855.2 18.3 Deferred Tax Income Effect (+) 13.855.2 18.3 Deferred Tax Income Effect (-) 27.761.6 XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) XIX. INCOME FROM DISCONTINUED OPERATIONS 20.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations	
18.3 Deferred Tax Income Effect (-) XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) XIX. INCOME FROM DISCONTINUED OPERATIONS 20.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations	
XVIII. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII) (IV-k) 66.478.94 XIX. INCOME FROM DISCONTINUED OPERATIONS 20.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations	
XIX. INCOME FROM DISCONTINUED OPERATIONS 20.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations	6.354.423
 20.1 Income from Non-current Assets Held for Sale 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations 	60.024.084
 20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures 20.3 Income from Other Discontinued Operations 	
20.3 Income from Other Discontinued Operations	-
·	-
YY FYPENSES FOR DISCONTINUED OPERATIONS (_)	-
AL ENGLS FOR DISCONTINUED OF ERATIONS (-)	
21.1 Expenses for Non-current Assets Held for Sale	
21.2 Loss from Sales of Associates, Subsidiaries and Joint Ventures	
21.3 Expenses for Other Discontinued Operations	
XXI. PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XIX-XX) (IV-I)	
XXII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±) (IV-j)	
23.1 Current Tax Provision	
23.2 Deferred Tax Expense Effect (+)	
23.3 Deferred Tax Income Effect (-)	
XXIII. CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII) (IV-k) XXIV. NET INCOME/(LOSS) (XIX+XXIV) (IV-l) 66.478.94	- 60.024.084
Earning/(Loss) per share (in TL full) 0,127	4 0,11543

The accompanying explanations and notes form an integral part of these financial st

AKBANK T.A.Ş.

IV. UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (TL).)

	CURRENT PERIOD	PRIOR PERIOD
	(31/12/2023)	(31/12/2022)
I. CURRENT PERIOD INCOME/LOSS	66.478.940	60.024.084
II. OTHER COMPREHENSIVE INCOME	77.056	18.831.085
2.1 Not Reclassified Through Profit or Loss	5.147.950	4.833.771
2.1.1 Property and Equipment Revaluation Increase/Decrease	5.492.106	7.317.241
2.1.2 Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3 Defined Benefit Plan Remeasurement Gain/Loss	(675.320)	(1.776.350)
2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss	(2.481)	(9.257)
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	333.645	(697.863)
2.2 Reclassified Through Profit or Loss	(5.070.894)	13.997.314
2.2.1 Foreign Currency Translation Differences	13.115.517	4.452.298
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other		
Comprehensive Income	(14.199.821)	13.431.770
2.2.3 Cash Flow Hedge Income/Loss	(970.011)	2.555.107
2.2.4 Foreign Net Investment Hedge Income/Loss	(10.489.392)	(3.815.477)
2.2.5 Other Comprehensive Income Items Reclassified Through Profit or Loss	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	7.472.813	(2.626.384)
III. TOTAL COMPREHENSIVE INCOME (I+II)	66.555.996	78.855.169

 $\label{thm:company} The \ accompanying \ explanations \ and \ notes \ form \ an \ integral \ part \ of \ these \ financial \ statements.$

nn 1447. CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 DE CEME UNIS are expressed in thousands of Turkish Lira (TLL).		3ER 2023	Accumulate	
5 §	ANDAIN LASS.	SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 3	TurkishLi	

xpressed in thousands of Turkish Lira (TL)).					Accumulated	Other Comprehensiv	Accumulated Other Comprehensive Income or Expense Not	Accumulated 0th	er Comprehensive Incom	Accumulated Other Comprehensive Income or Expense Reclassified through				
	Note (Section Five) Paid-in Capital	Share ital Premiums	Share Cancellation	Other Capital Reserves	Accumulated Accumulated Revaluation Remeasureme Increas/Decre ntelani/Luse Other Capital ase of Property Defined Benefit Reserves and Equipment	Accumulated Cla Remeasureme and I It Gain/Loss of Other efined Benefit N Plan	Other (Investments Valued by Equity Hethod in Other Communicated Accumulated Classified Through Profit or Los Revaluation Reneasuremen and Other Communicated Accumulated Amounts of Increase/Decre in Gain/Loss of Other Comprehensive Income Items are of Property Defined Benefit Not Rectassified Through Other and Equipment Plan Profit or Loss)	Foreign Currency Fi Translation Differences G	nanc Vatu	Other (Cash Flow Hedge Gain/Loss, Accumulated Investments Valued by Equity Revaluation and/Or Hethed to hether Comprehensive Remeasurement Income Classified Through Protit or Standard Assets a Fair Amounts of Other Comprehensive Value Through Other Income Hens Rectasified Through omprehentive Income Other Profit or Lossi	we Hedge Gain/Loss, nots Valued by Equity Actioned by Equity and Through Feronic or through Fordit or ther Accumulated ther Comprehensive Prior Period Other Profit or Loss) Profit or Loss)	Prior Period rofit or (Loss)	Current Period Profit or (Loss)	Total Shareholders' Equity
0														
d Balance	5.200.000	000 3.505.742		1.894.886	9.019.730	[1.666.660]	1.326.108	13.626.116	8.565.935	[3.966.462]	56.070.405		60.024.084	153.599.884
d Accounting Policy Changes Made According to TAS 8			•				•					•		
ctions														
nanges in Accounting Policies														
ning Balance (I+II)	5.200.000	000 3.505.742		1.894.886	9.019.730	[1.666.660]	1.326.108	13.626.116	8.565.935	[3.966.462]	56.070.405	٠	60.024.084	153.599.884
nsive Income					5.512.044	[361,613]	[2.481]	13.115.517	[10.429.259]	[7.757.152]			66.478.940	966.522.996
by Cash														
by Internal Sources							35.547							35.547
nflation adjustment difference														
ds to Shares														
ebt Instruments														
ase by Other Changes					[43.287]		•				43.287			
LO LO											51.028.084		[60.024.084]	[8.996.000]
	[V-a]						•						[8.996.000]	[8.996.000]
serves											51.028.084		[51.028.084]	

→ = 2.2.2 **=** 5.3.2 ± ± 5.3.3 ± ± 1.1.1 ± 1.1.2 ± 1.1.2 ± 1.1.3 ±

The accompanying explanations and notes form an integral part of these financial statements

Akbank 2023 Integrated Annual Report

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AKBANK T.A.S. Y. UNCONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2022	EQUITY FOR THE PERIOD END	ED 31 DECEMB	ER 2022						
(Amounts are expressed in thousands of Turkish Lira (TL)).				Accumulated Other Compreher	nsive Income or Expense Not A	Accumulated Other Comprehensive Income or Expense Not Accumulated Other Comprehensive Income or Expense Reclassified through	ne or Expense Reclassified through		
					Other (Investments Valued by		Other (Cash Flow Hedge Gain/Loss,		
					Equity Method in Other	Accumulated	Accumulated Investments Valued by Equity		
					Comprehensive Income Not	Revaluation and/or	Revaluation and/or Method in Other Comprehensive		
				Accumulated Accumulated	Accumulated Accumulated Classified Through Profit or Loss	Remeasurement	Remeasurement Income Classified Through Profit or		
				Revaluation Remeasureme an	Revaluation Remeasureme and Other Accumulated Amounts of	Foreign Gain/Loss of the	Gain/Loss of the Loss and Other Accumulated		
	Note		Share	Increase/Decre nt Gain/Loss of Other Comprehensive Income Items	ther Comprehensive Income Items	Currency Financial Assets at Fair Amounts of Other Comprehensive	Amounts of Other Comprehensive		
	(Section	Share	Cancellation	Share Cancellation Other Capital ase of Property Defined Benefit Not Reclassified Through Other	Not Reclassified Through Other	Translation Value Through Other Income Items Reclassified Through	Income Items Reclassified Through	Prior Period Currel	Curre
	Five) Paid-in Capital	Premiums		Profits Reserves and Equipment Plan	Profit or Loss)	Differences Comprehensive Income		Other Profit or Loss) Profit Reserves Profit or (Loss) Profit	Profit

	Note (Section Five) Paid-in Capital		Share Premiums	Share Cancellation Profits	Accumulated Accumulated Reneasureme Revaluation Remeasureme Increase/Decre int Gain/Loss of Other Capital as of Property Defined Reserves and Equipment Plan	Accumulated Accumulated Remeasureme Remeasureme Increased Decre inflain/Loss of increased Property Defined Benefit Reserves and Equipment Plan	Accumulated temeasureme t Gain/Loss of O efined Benefit Plan	Other (Invostments Valued by Chen (Invostments Valued by Chen (Invostments Valued by Chen (Invostments Valued by Chen (Invostments Valued by Chen (Invostments Valued by Chen (Invostments Valued by Chen (Invostments Valued by Chen (Invostments Valued by Chen (Invostments Valued by Chen (Invostments Valued by Chen (Invostments Valued of C	Foreign Currency Fi Translation Differences Co	Accumulated Revaluation and/or Revaluation and/or Currency Enancial Assets at Fair Translation Value Trousia Other Uniforences Comprehensive Other Uniforences Comprehensive Neces	Other (Cash Flow Hedge Gain/Lass, Accumulated Investment Valued Py Equity Revaluation and/or Hende in Other Comprehensive Remeasurement Income Clasteried Through Profit or Foreign Gain/Loss of the Loss and Other Accumulated Currency Flametial Assets at Fair Amounts of Other Comprehensive Friendsdalon Value Through Other Income Henns Reclassified Through Inferences Comprehensive Income Henns Reclassified Through	Profit Reservee	Prior Period	Current Period Shareho Profit or (Loss)	Shareho
Balance		5.200.000	3.505.742		1.894.886	2.997.832	[356.691]	1.334.001	9.173.818	[1.725.442]	[3.220.101]	45.024.998		12.125.908	75.95
Accounting Policy Changes Made According to TAS 8															
ons nges in Accounting Policies															
Ing Balance (I+II)		5.200.000	3.505.742		1.894.886	2.997.832	[356.691]	1.334.001	9.173.818	[1.725.442]	[3.220.101]	45.024.998		12.125.908	75.95
sive Income						6.152.997	[1.309.969]	[9.257]	4.452.298	10.291.377	[746.361]		•	60.024.084	78.85
y Cash													•	•	
y Internal Sources								1.364					•		
lation adjustment difference													•	•	
s to Shares															
tinstruments						. !									
e by Other Changes						131.099						131.099			
												10.914.308		[12.125.908]	11.21
	/v-a													11.211.600	11.21
rves												10.914.308		[10.914.308]	
nce (I+II+III++X+XI)	100	5.200.000	3.505.742		1.894.886	9.019.730	(1.666.660)	1.326.108	13.626.116	8.565.935	(3.966.462)	56.070.405		60.024.084	153.59

AKBANK T.A.Ş. VI. UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2023 (Amounts are expressed in thousands of Turkish Lira (TL)).

		Note (Section Five)	CURRENT PERIOD (31/12/2023)	PRIOR PERIOD (31/12/2022)
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit before changes in operating assets and liabilities		35.395.493	12.109.581
1.1.1	Interest received		159.261.937	77.938.548
1.1.2	Interest paid		(129.897.166)	(46.149.742)
1.1.3	Dividend received Fees and commissions received		17.804	32.338
1.1.4 1.1.5	Other income		41.536.298 7.243.605	14.081.661
1.1.6	Collections from previously written-off loans and other receivables		6.661.664	3.903.880
1.1.7	Cash Payments to personnel and service suppliers		(17.112.891)	(6.964.236)
1.1.8	Taxes paid		(15.217.524)	(12.156.830)
1.1.9	Other		(17.098.234)	(18.576.038)
1.2	Changes in operating assets and liabilities		123.049.755	30.125.530
1.2.1	Net Increase/Decrease in Financial Assets at Fair Value Through Profit or Loss		(3.542.272)	15.829.836
1.2.2	Net (increase) / decrease in due from banks and other financial institutions		5.927.779	8.938.673
1.2.3	Net (increase) / decrease in loans		(309.633.986)	(220.296.965)
1.2.4	Net (increase) / decrease in other assets		[171.429.733]	(76.440.736)
1.2.5	Net increase / (decrease) in bank deposits		23.880.887	1.965.784
1.2.6	Net increase / (decrease) in other deposits		489.450.532	259.942.395
1.2.7	Net Increase/Decrease in Financial Liabilities at Fair Value Through Profit or Loss		-	-
1.2.8	Net increase / (decrease) in funds borrowed		29.623.263	10.426.579
1.2.9	Net increase / (decrease) in payables		-	-
1.2.10	Net increase / (decrease) in other liabilities		58.773.285	29.759.964
I.	Net cash provided from banking operations		158.445.248	42.235.111
В.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash provided from investing activities		[168.640.152]	(52.054.063)
2.1	Cash paid for acquisition of investments, associates and subsidiaries		(2.589.175)	(70.000)
2.2	Cash obtained from disposal of investments, associates and subsidiaries		-	-
2.3	Purchases of property and equipment		(5.968.997)	(4.112.971)
2.4	Disposals of property and equipment		39.285	63.083
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(154.650.438)	(79.364.378)
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income		48.341.076	28.078.861
2.7	Purchase of Financial Assets Measured at Amortised Cost		(29.728.244)	(12.928.334)
2.8 2.9	Sale of Financial Assets Measured at Amortised Cost Other		5.337.086 (29.420.745)	6.056.237 10.223.439
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net cash provided from financing activities		13.564.565	(10.716.437)
3.1	Cash obtained from funds borrowed and securities issued		49.016.541	29.888.261
3.2	Cash used for repayment of funds borrowed and securities issued		(25.716.356)	(38.979.583)
3.3	Issued equity instruments		(20.710.000)	(00.777.000)
3.4	Dividends paid		(8.996.000)	(1.211.600)
3.5	Payments for finance leases		(739.620)	(413.515)
3.6	Other		-	-
IV.	Effect of change in foreign exchange rate on cash and cash equivalents	(VI-b)	16.026.165	11.958.820
V.	Net increase in cash and cash equivalents (I+II+III+IV)		19.395.826	(8.576.569)
VI.	Cash and cash equivalents at beginning of the period	(VI-a)	35.180.102	43.756.671

The accompanying explanations and notes form an integral part of these financial statements.



Akbank Built Upon Your Trust Corporare Governance Our Sustainability Journey Sustainable Financing Ecosystem Management Climate Change Financial Information Annexes

AKRANK T A S

VII. PROFIT APPROPRIATION STATEMENT

(Amounts are expressed in thousands of Turkish Lira (TL)).

		CURRENT PERIOD (31/12/2023)	PRIOR PERIOD (31/12/2022)
I.	DISTRIBUTION OF CURRENT YEAR INCOME		
1.1	CURRENT YEAR INCOME	84.445.910	79.260.402
1.2	TAXES AND DUTIES PAYABLE	17.966.970	19.236.318
	Corporate Tax (Income Tax)	11.873.408	19.823.331
	Income Withholding Tax	-	-
1.2.3	Other taxes and duties	6.093.562	(587.013
A.	NET INCOME FOR THE YEAR (1.1-1.2)	66.478.940	60.024.084
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}]]	66.478.940	60.024.084
1.6	FIRST DIVIDEND TO SHAREHOLDERS (-)	-	260.000
1.6.1	To Owners of Ordinary Shares	-	260.000
1.6.2	To Owners of Privileged Shares	-	-
	To Owners of Preferred Shares	-	-
	To Profit Sharing Bonds	-	-
	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 (-)	-	8.736.000
	To Owners of Ordinary Shares	-	8.736.000
	To Owners of Privileged Shares	-	-
	To Owners of Preferred Shares	-	-
	To Profit Sharing Bonds	-	-
	To Holders of Profit and (Loss) Sharing Certificates SECOND LEGAL RESERVES (-)	-	-
	STATUTORY RESERVES (-)	-	-
	EXTRAORDINARY RESERVES	-	50.147.140
	OTHER RESERVES		873.600
	SPECIAL FUNDS	-	7.344
II.	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	-	-
	To Owners of Preferred Shares	-	-
	To Profit Sharing Bonds	-	-
	To Holders of Profit and (Loss) Sharing Certificates	-	-
2.4	DIVIDENDS TO PERSONNEL (-)	-	-
2.5	DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III.	EARNINGS PER SHARE (*)		
3.1	TO OWNERS OF ORDINARY SHARES	0,128	0,115
3.2	TO OWNERS OF ORDINARY SHARES (%)	12,8	11,5
3.3	TO OWNERS OF PRIVILEGED SHARES	-	-
3.4	TO OWNERS OF PRIVILEGED SHARES (%)	-	-
IV.	DIVIDEND PER SHARE		
4.1	TO OWNERS OF ORDINARY SHARES	-	0,017
4.2	TO OWNERS OF ORDINARY SHARES (%)	-	1,7
4.3	TO OWNERS OF PRIVILEGED SHARES	-	-
4.4	TO OWNERS OF PRIVILEGED SHARES (%)	-	-

(*) Amounts are expressed in TL.

NOTES

[1] Authorized body for profit appropriation of the current period is the General Assembly. On the preparation date of these financial statements, yearly ordinary meeting of the General Assembly has not been held yet.

(2) Profit appropriation is being done according to unconsolidated financial statements

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. SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

SECTION THREE EXPLANATIONS ON ACCOUNTING POLICIES

I. EXPLANATIONS ON BASIS OF PRESENTATION:

People &

Community

a. The preparation of the financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on Accounting Applications for Banks and Safeguarding of Documents:

The unconsolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Law numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), in case where a specific regulation is not made by BRSA, "Turkish Financial Reporting Standards" ("TFRS") and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA"). The format and content of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements" and "Communiqué On Disclosures About Risk Management To Be Announced To Public By Banks" and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Law, Turkish Commercial Code and Turkish Tax Legislation.

The unconsolidated financial statements have been prepared in TL, under the historical cost convention except for the financial assets and liabilities carried at fair value. Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.

The preparation of unconsolidated financial statements in conformity with TFRS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates, which include the fair value calculations of financial instruments and impairments of financial assets are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement. Assumptions and estimates that are used in the preparation of the accompanying financial statements are explained in the following related disclosures.

Explanation for convenience translation to English:

The differences between accounting principles, as described in these preceding paragraphs and accounting principles generally accepted in countries in which unconsolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in these unconsolidated financial statements. Accordingly, these unconsolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

b. Accounting policies and valuation principles used in the preparation of the financial statements:

Accounting policies and valuation principles adopted when preparing financial statements are in line with the legislation, communiqué, explanation and circular released by BRSA concerning accounting and financial reporting, and, for matters which are not regulated by the foregoing, with the provisions of TAS/TFRS (together "BRSA Accounting and Financial Reporting Legislation) put into force by Public Oversight.

Public Oversight Accounting and Auditing Standards Authority ("POA"), with its announcement dated 23 November 2023, applied that the financial statements of businesses applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting in Hyperinflationary Economies ("TAS 29"), however, institutions or organizations authorized to regulate and supervise in their own fields may determine different transition dates for the applying of TAS 29. Based on this announcement of POA, BRSA, with its decision dated 12 December 2023 and numbered 10744, decided that the financial statements dated 31 December 2023 of banks and financial leasing, factoring, financing, savings financing and asset management companies should not be subject to the inflation adjustment required within the scope of TAS 29. In accordance with the BRSA's decision dated 11 January 2024 and numbered 10825, it has been decided that banks and financial leasing, factoring, financing, savings financing and asset management companies will be applied inflation accounting as of 1 January 2025. Accordingly, the Bank has not applied the inflation accounting required by TAS 29 in its financial statements for the year ended 31 December 2023.



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II. EXPLANATIONS ON STRATEGY OF USING FINANCIAL INSTRUMENTS AND EXPLANATIONS ON FOREIGN CURRENCY TRANSACTIONS:

The Bank's core business activities include consumer banking, SME banking, commercial banking, and corporate-investment banking and private banking and wealth management, foreign exchange, money markets, securities transactions (Treasury transactions) and international banking services. By nature, the Bank's activities are principally related to the use of financial instruments. As the main funding source, the Bank accepts deposits from customers for various periods and invests these funds in high quality assets with high interest margins. Other than deposits, the Bank's most important funding sources are equity, marketable securities issued, money market borrowings and mostly borrowings from foreign financial institutions. The Bank follows an asset-liability management strategy that mitigates risk and increases earnings by balancing the funds borrowed and the investments in various financial assets. The main objective of asset-liability management is to limit the Bank's exposure to liquidity risk, interest rate risk, currency risk and credit risk while increasing profitability and strengthening the Bank's equity. The Asset-Liability Committee ("ALCO") manages the assets and liabilities within the trading limits on the level of exposure placed by the Executive Risk Committee ("ERC").

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 transactions are recognized in the income statement under the account of "Net foreign exchange gains/losses".

As of 31 December 2023, foreign currency denominated balances are translated into TL using the exchange rates of TL 29,4382 and TL 32,5739 for USD and EURO respectively.

III. EXPLANATIONS ON EQUITY INVESTMENTS:

Investments in associates and subsidiaries are accounted in accordance with the "Turkish Accounting Standard on Consolidated and Separate Financial Statements Standard" ("TAS 27").

Subsidiaries are accounted by using the equity method as described in the "Turkish Accounting Standard for Investments in Associates and Joint Ventures" ("TAS 28"). The carrying value of subsidiaries with the equity method is reflected to the financial statements considering the Bank's share of the net assets of the subsidiary. While the Bank's share on profits or losses of subsidiaries are accounted in the Bank's income statement, the Bank's share in other equity of financial subsidiaries are reflected in the Bank's shareholders' equity. Dividend income from those subsidiaries are accounted by reducing the book value of the subsidiary.

Non-financial associates are stated with their cost values at the financial statements in accordance with the "Turkish Accounting Standard on Consolidated and Separate Financial Statements Standard" ("TAS 27"). The right to receive dividends from non-financial subsidiaries is reflected to the income statement.

IV. EXPLANATIONS ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS:

The Bank's major derivative instruments consists of foreign currency and interest rate swaps, cross currency swaps, currency options and currency forwards.

The Bank classifies its derivative instruments as "Derivative Financial Assets and Derivative Financial Liabilities Measured at Fair Value Through Profit and Loss" in accordance with "TFRS 9 Financial Instruments" (TFRS 9).

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts at their contractual values.

Derivative instruments are remeasured at fair value after initial recognition. In accordance with the classification of the derivative instrument, if the fair value of a derivative financial instrument is positive, it is recorded to the account "Derivative Financial Assets Measured at Fair Value Through Profit and Loss" or "Derivative Financial Assets Measured at Fair Value Through Other Comprehensive Income"; if the fair value difference is negative, it is disclosed in "Derivative Financial Liabilities Measured at Fair Value Through Profit and Loss" or "Derivative Financial Liabilities Measured at Fair Value Through Other Comprehensive Income". Differences in the fair value of trading derivative instruments are accounted as income/loss from derivative financial transactions under "trading income/loss" item in the income statement. The basis on accounting of derivative instruments for hedging purposes are explained in Note XI of Section Four. The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

As of 31 December 2023, the Bank has no embedded derivative instruments (31 December 2022: None).

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V. EXPLANATIONS ON INTEREST INCOME AND EXPENSE:

Interest income and expenses are recognized in the income statement by using the "Effective interest rate method". Starting from 1 January 2018, the Bank has started to calculate interest accrual on non-performing loans. Net book value of the non-performing loans (Gross Book Value – Expected Credit Loss) are rediscounted with effective interest rate and recognized with the gross book value of the non-performing loan. Non-performing loans rediscounts are evaluated on customer basis and are discontinued if there is in case of low collectibility.

VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSES:

Fees and commission income/expenses are primarily recognized on an accrual basis or "Effective interest rate method" and TFRS 15 "Revenue from Contracts with Customers" according to the nature of the fee and commission, except for certain commission income and fees for various banking services which are recorded as income at the time of collection. Contract based fees or fees received for services such as the purchase and sale of assets on behalf of a third party or legal person are recognized as income at the time of collection.

VII. EXPLANATIONS ON FINANCIAL ASSETS:

The Bank categorizes its financial assets as "Fair Value Through Profit/Loss", "Fair Value Through Other Comprehensive Income" or "Measured at Amortized Cost". Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 Issued for classification and measurement of the financial instruments published in the Official Gazette No. 29953 dated 19 January 2017 by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than "Financial Assets at Fair Value Through Profit or Loss", transaction costs are added to fair value or deducted from fair value.

Classification and measurement of financial assets

According to TFRS 9 requirements, classification and measurement of financial assets will depend on the business model within which financial assets are managed and their contractual cash flow characteristics whether the cash flows represent solely payments of principal and interest.

Assessment whether contractual cash flows are solely payments of principal and interest:

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, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank will consider the contractual terms of the instrument. This will include 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 Bank consider:

- 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
- Features that modify consideration for the time value of money e.g. periodic reset of interest rates.

The Bank fulfills the on-balance sheet classification and measurement criteria by applying the procedures described above for all financial assets.

Upon initial recognition each financial asset will be classified as either fair value through profit or loss, amortised cost or fair value through other comprehensive income.

The Bank recognize a financial asset into financial statements when it becomes a party to the contractual terms of a financial instrument. During the first recognition of a financial asset into the financial statements, business model determined by Bank management and the nature of contractual cash flows of the financial asset are taken into consideration.

When the business model determined by the Bank management is changed, all financial assets affected by this change are



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reclassified and the reclassification is applied in the future. In this case, no adjustment is made for the gain, loss or interest rates previously recognized in the financial statements.

a. Financial assets at the fair value through profit or loss:

"Financial assets at fair value through profit/loss" are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and interest at certain date; that are either acquired for generating a profit from short-term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement.

b. Financial Assets at Fair Value Through Other Comprehensive Income

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial asset with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates, they are classified as fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Interest income calculated with effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement.

"Unrealized gains and losses" arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the income statement of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the "Accumulated other comprehensive income or expense to be reclassified through profit or loss" under shareholders' equity. When these securities are collected or disposed of, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement.

Equity instruments classified as financial assets at fair value through other comprehensive income are accounted at their fair values. Exceptionally, cost can be an appropriate estimation method in determining fair value. This is only possible if there is insufficient recent information on the measurement of fair value or if fair value can be measured by more than one method, and the cost reflects the fair value estimate in the best way. In the case of using this method, the accumulated fair value differences will not be reflected in the income statement.

During initial recognition the Bank can choose in an irrevocable was to record the changes of the fair value of the investment in an equity instrument that is not held for trading purposes in the other comprehensive income. In the case of this preference, the dividend from the investment is taken into the financial statements as profit or loss.

c. Financial Assets Measured at Amortized Cost:

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortized cost.

Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs which reflect the fair value of those instruments and subsequently recognized at amortized cost by using effective interest rate method. Interest income obtained from financial assets measured at amortized cost is accounted in income statement.

"Fair value through other comprehensive income" and "measured at amortized cost" securities portfolio of the Bank include Consumer Price Indexed (CPI) Bonds. These securities are valued and accounted using the effective interest rate method based on the real coupon rates and the reference inflation index at the issue date and the estimated inflation rate. 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. The Bank also sets the estimated inflation rate accordingly. The estimated inflation rate used is updated as needed within the year.

At the end of the year, the real inflation rate is used.

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d. Derivative Financial Assets:

The major derivative instruments utilized by the Bank are foreign currency and interest rate swaps, cross currency swaps, currency options and currency forwards.

Derivative financial instruments of the Bank are classified under "TFRS 9 Financial Instruments" ("TFRS 9"), "Derivative Financial Assets Designated at Fair Value through Profit or Loss".

Payables and receivables arising from the derivative instruments are recorded in the off-balance sheet accounts at their contractual values.

Derivative transactions are valued at their fair values subsequent to their acquisition. In accordance with the classification of derivative financial instruments, if the fair value is positive, the amount is classified as "Derivative Financial Assets Designated at Fair Value Through Profit or Loss" or "Derivative Financial Assets Designated at Fair Value Through Other Comprehensive Income", if the fair value is negative, the amount is classified as "Derivative Financial Liabilities Designated at Fair Value Through Profit or Loss" or "Derivative Financial Liabilities Designated at Fair Value Through Other Comprehensive Income". The fair value differences of derivative financial instruments are recognized in the income statement under trading profit/loss line in profit/loss from derivative financial transactions. The principles for the recognition of derivative transactions intended for hedging purposes are disclosed in the note numbered XI of Section Four. The fair value of derivative instruments is calculated by taking into account the market value of the derivatives or by using the discounted cash flow model. When inactive market conditions exist, observable inputs used in the determination of fair values are adjusted using appropriate assumptions and considering the volume and level of activity in the markets.

e. Loans

Loans are financial assets that have fixed or determinable payments terms and are not quoted in an active market. Loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortised cost using the "Effective Interest Rate (internal rate of return) Method".

1. Loans measured at amortised cost:

These financial assets are divided into three categories depending on the gradual increase in credit risk observed since their initial recognition:

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 is 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 is transferred to Stage 2. Impairment for credit risk is 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 expected credit losses are recognized.

2. Loans measured at fair value through profit or loss:

Loans at fair value through profit and loss, terms of the contract for loans, if at certain dates it does not result in cash flows involving interest payments arising from the principal and principal balances, it is recorded at fair value and is subject to fair value assessment following the recognition. Gains and losses resulting from the valuation are included in profit/loss accounts.

In certain circumstances cases, restructuring or altering the contractual cash flows of a financial instrument may result in the disposal of the existing financial asset in accordance with TFRS 9. A revised financial asset is considered as a new financial asset when the change in the financial asset is once excluded from the financial statement and the revised financial asset is recognized in accordance with TFRS 9.

The Bank assesses whether the new financial asset contains solely payments of principal and interest when the new conditions for the instrument have determined that there are significant changes compared to the initial conditions in the relevant



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In the event that the contractual conditions for the financial asset do not result in cash flows that include solely payments of principal and interest on certain dates, the related financial asset is recognized with its fair value and is subject to valuation.

Significant increase in credit risk:

If the credit risk of financial assets determined to be significantly increasing, afore-mentioned assets are transferred to the stage II. For stage I loans expected loss (provision) amounts are calculated for 1-year and for stage II loans expected loss (provision) is calculated for the remaining life of the loan.

In addition, the key considerations in determining whether a significant increase in the credit risk of financial asset and transferring it to stage 2, but are not limited with these, the following;

- Past due date is 30 or more
- Restructuring of loans
- If the loan classified as under follow-up
- Assessment of significant increase in the probability of impairment based on rating notes.

Definition of increase in the probability of default is the comparison between the probability of default on loan's opening date, obtained from bank's internal rating-based credit rating models and probability of default on reporting date. If the loan's estimated probability of default on reporting date exceeds the threshold values determined, it is considered to be worsening of the probability of default.

Definition of Default:

The Bank considers that there is a default on the relevant debt in the following two cases:

- 1. Objective Default Definition: It means that the debt is overdue by more than 90 days. The definition of default, which is applicable to the Bank and its consolidated financial institutions, is based on the criteria that the debt is overdue by more than 90 days.
- 2. Subjective Default Definition: It means the determination that the debt will not be paid. If it is determined that the borrower cannot fulfill its debts related to the loan, regardless of whether there is a balance in delay or the number of days of delay, the debtor is considered in default.

Write-off Policy:

Within the framework of the provisions of the "Regulation Amending the Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions for These" published in the Official Gazette dated 6 July 2021 and numbered 31533 the portion of the loans that are classified under "Fifth Group-Loans with a Loss Qualification" and for which a lifetime expected loan loss provision or special provision is made due to the default of the borrower, for which there are no reasonable expectations for the recovery of the loans, within the scope of TFRS 9, as of the first reporting period (interim or year-end reporting period) following their classification in this Group, deducted from the records within the period deemed appropriate by the bank, taking into account the situation of the debtor. In determining the cluster within this scope, the following indicators are used;

- In the corporate, commercial, SME and consumer segment follow-up portfolio, with very low or no collection expectation
- Monitored in the 5th group as of the last reporting period,
- Having a provision rate of 90% or more,
- No active payment plans
- No Credit Guarantee Fund (CGF) secured loan

Loans and provision ratio of 100% all abusive and fraudulent tracking accounts are included in the deletion of the active account.

The process of write-off the loans is an accounting practice and does not result in waiving the right to receivable regarding the related loans. Existing administrative and legal follow-up processes regarding the loans deducted from the record are continued. Partial write-off transactions mean that the financial asset will be repaid at a certain rate by the debtor, and the remaining amount after the payment or the part within the Bank that is classified under group 5 and has no reasonable expectations for its recovery will be removed from the financial statements. Regarding the write-off (asset disposal) process; the effect of the amount written off during the period and the amount written off on the NPL ratio is disclosed in the footnotes of the financial statements.

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VIII. EXPLANATIONS ON EXPECTED CREDIT LOSSES:

The Bank allocates impairment for expected loss on financial assets measured at amortized cost and measured at fair value through other comprehensive income.

As of 1 January 2018, the Bank recognize provisions for impairment in accordance with TFRS 9 requirements according to the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated 22 June 2016 numbered 29750. The expected credit loss estimates are required to be unbiased, probability-weighted and include supportable information about past events, current conditions, and forecasts of future economic conditions.

Expected Credit Loss (ECL) Calculation – Input and Forecasting Methodologies

Expected Credit Loss (ECL) is calculated as 12 months or lifetime, depending on whether there is a significant increase in credit risk after initial recognition or whether an asset is considered as a credit loss. Expected Credit Loss is calculated by using the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) components.

- Exposure at Default: Specifies the amount of risk that the borrower should pay in case of default. It is kept in the system by constantly calculated until the maturity of the borrower. The amount of extra risk that can be incurred in the event of default is included in the calculations by using the credit conversion rate (CCR) calculated for the irrevocable commitment products.
- Probability of Default (PD): PD indicates the probability of default due to inability of the borrower to meet its debt obligations. It has been calculated for 12 months or lifetime depends on increase on borrower's credit risk. Calculation of the lifetime default rate is carried out by drawing the actual default rate figures to the long term using various functions, based on historical data.
- Loss Given Default (LGD): In case of default of the borrower, Loss Given Default has been calculated as dividing Expected Credit Loss to Exposure at Default (EAD). LGD models includes data such as product type, customer segment, collateral structure, customer repayment performance.

Expected Credit Loss is calculated over the remaining maturity using the PD, LGD and EAD components. Calculated values are discounted on a monthly basis using the original effective interest rate or an approximate value of the discount rate. The expected credit loss value is calculated for all customers over the maturity period. However, for those who do not have a significant increase in credit risk, the 12-month ECL is taken into account, and for those with a significant increase in credit risk, the ECL value calculated over the remaining period is taken into account.

Within the scope of TFRS 9, models of Probability of default (PD), Lost given default (LGD) and Exposure at default (EAD) have been developed. The models used by the IRB "(Internal Rating Based Approach)" are taken into account when creating these models. The models developed under TFRS 9 have a detailed segment structure. Loans that have similar characteristics are segmented in order to reflect the expected credit losses collectively in financial reports. When creating the segmentation structure, the following information of the loans is taken into consideration.

- 1. Customer type (retail or corporate / commercial)
- 2. Product type
- 3. IRB rating notes /scores
- 4. Customer credit performance
- 5. Collateral type
- 6. Collection Period
- 7. Exposure at default

In addition, in the calculation of Expected Credit Loss in accordance with TFRS 9, certain part of commercial and corporate loans are subject to individual assessment on a customer basis due to internal policies. This calculation is made by discounting the expected cash flows from the customer or the collateral sales to their present value with the effective interest rate. Within the scope of individual evaluations, regional developments are also taken into account as well as sectoral risks.

The Bank has reflected the possible effects of the earthquake in February in its financial statements in the calculation of the expected credit loss for its loans, taking into account the reasonable and supportable information.



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Macro-economic indicators are taken into account in determining the PD component in the expected credit loss calculation. Future macroeconomic forecasts are reflected in the ECLs using more than one scenario.

The risk parameters used in the TFRS 9 calculations include prospective macroeconomic information. While macroeconomic information is included, models and estimates reflecting the relationships between model risk parameters and macroeconomic variables are taken into consideration. The main macroeconomic indicator of these estimation models are the Gross Domestic Product (GDP) growth rate. Macroeconomic estimation models include more than one scenario and the related scenarios are taken into account in the expected credit loss calculations.

Expected credit loss calculations are reviewed at least once a year, the macroeconomic model used in the process has been revised and scenario weights has been no revised during the reporting period.

- The expected credit loss calculation is made by considering 3 different scenarios the best, the worst, and the base.

Within the scope TFRS 9, macroeconomic expectations directly affect provisions (Expected Credit Loss-ECL). Related impact is realized when the default ratio of the Bank moves the default rate calculated for each maturity up or down. The main parameters of default ratio model are macroeconomic variables and the provision figures change when prospective estimations are revised.

The PD values subject to the ECL calculation have been obtained for the following portfolios.

Consumer/Commercia	Portfolio
Retail	Consumer
Retail	Automotive
Retail	Mortgage
Retail	Credit Card
Retail	Overdraft Account
Commercial	Micro
Commercial	Company
Commercial	Commercial
Commercial	Corporate

In prospective expectations, 3 scenarios are being used as the base, the worst and the best. Final provisions are calculated by weighting on the possibilities given to the scenarios.

IX. EXPLANATIONS ON OFFSETTING FINANCIAL INSTRUMENTS:

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 recognized amounts and there is an intention to collect/pay the related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously.

X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS:

Securities subject to repurchase agreements ("Repos") are classified as "Financial assets at fair value difference through profit or loss", "Financial assets at fair value difference through other comprehensive income" and "Measured at amortized cost" in the balance sheet according to the investment purposes and measured according to the portfolio of the Bank to which they belong. Funds obtained under repurchase agreements are accounted under "Funds provided under repurchase agreements" in liability accounts and differences between the sale and repurchase prices determined by these repurchase agreements are accrued evenly over the life of the repurchase agreement using the "Effective interest (internal return) method".

Funds given against securities purchased under agreements to resell ("Reverse repos") are accounted under "Receivables from money market" in the balance sheet. The difference between the purchase and resell price determined by these repurchase agreements is accrued evenly over the life of repurchase agreements using the "Effective interest rate method".

As of 31 December 2023, the Bank has marketable securities amounting to TL 2.409.719 (31 December 2022: TL 1.733.498).

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XI. EXPLANATIONS ON ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (NET):

Property and equipment held-for-sale consist of tangible assets that were acquired due to non-performing receivables, and are accounted in the financial statements in accordance with the regulations of "Turkish Financial Reporting Standard for Assets Held for Sale and Discontinued Operations (TFRS 5)".

The Bank has no discontinued operations.

XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS:

The Bank has no goodwill.

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 depreciation and the provision for value decreases.

Intangibles are amortized over three to fifteen years (their estimated useful lives) using the straight-line method. The useful life of the asset is determined by assessing the expected useful time of the asset, technical, technological and other kinds of wear and tear and all required maintenance expenses necessary to utilize the economic benefit from the asset.

XIII. 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. Subsequently, property and equipment is carried at cost less accumulated depreciation and provision for value decrease.

The Bank has started to account properties under the tangible assets with their revalued amount instead of cost values in accordance with "TAS 16 Plant and Equipment". The revaluation difference arising from the valuations made by the appraisal firms authorized by Capital Markets Board ("CMB") and BRSA is accounted in Investment Properties Revaluation Differences line under the Shareholders' Equity.

As of each reporting date, the Bank evaluates whether there is any indication that its assets may be impaired; If such indication exists, it estimates the recoverable amount of the related asset in accordance with TAS 36 - Impairment in Assets and if the recoverable amount is below the book value of the related asset, it reserves provision for impairment.

Depreciation is calculated over the cost of property and equipment using the straight-line method over estimated useful lives. The estimated useful lives are stated below:

Buildings 50 years
Vault 5-50 years
Transportation Vehicles 5-7 years
Other property and equipments 3-15 years

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 revenue.

Expenditures for the repair and renewal of property and equipment are recognized as expense. The capital expenditures incurred in order to increase the capacity of the tangible asset or to increase the future benefit of the asset are capitalized on the cost of the tangible asset. Capital expenditures include the cost components that increase the useful life, or the capacity of the asset, increase the quality of the product or decrease its costs.

XIV. EXPLANATIONS ON LEASING TRANSACTIONS:

With the "TFRS 16 Leases" standard which became effective as of 1 January 2019, the difference between the operating lease and financial lease was removed and the lease transactions were started to be recognised under "Tangible Fixed Assets" as an asset (tenure) and under "Liabilities from Leasing" as a liability.

The Bank assesses whether the contract has the quality of a lease or whether the lease includes the transaction at the beginning of a contract. In case the contract is transferred for a certain period of time to control the use of the asset defined for a price, it is either leased or includes a lease. The Bank reflects the existence of a right of use and a lease liability to the financial statements at the effective date of the lease.



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Right of use assets:

The right to use asset is first recognized by cost method and includes:

- a) The initial measurement amount of the lease obligation,
- b) the amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease;
- c) all initial direct costs incurred by the Bank

When applying the cost method, the existence of the right to use:

- a) accumulated depreciation and accumulated impairment losses are deducted and
- b) Measures the restatement of the lease obligation at the restated cost.

The Bank applies the provisions of depreciation regulated under the TAS 16 Tangible Assets Standards, while depreciating the rights of use assets.

The Lease Obligations:

At the effective date of the lease, the Bank measures its leasing liability at the present value of the lease payments not paid at that time. Lease payments are discounted using the Bank's average borrowing interest rates.

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease.

After the effective date of the lease, the Bank measures the leasing liability as follows:

- a) Increase the book value to reflect the interest on the lease obligation
- b) Reduces the book value to reflect the lease payments made and
- c) The book value is measured to reflect reassessments and restructuring, or reflect to fixed lease payments as of revised nature.

The interest on the lease liability for each period in the lease period is the amount calculated by applying a fixed periodic interest rate to the remaining balance of the lease liability.

Lease agreements for vehicles and ATMs, which are determined as low value by the Bank with short-term lease agreements with a duration of 12 months or less, have been evaluated within the scope of the exemption granted by the standard.

XV. EXPLANATIONS ON PROVISIONS AND CONTINGENT LIABILITIES:

Provisions and contingent liabilities are accounted in accordance with the "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets" ("TAS 37").

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. A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the periodicity principle.

A liability is recognized as a contingent liability where a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of more than one events not wholly within the control of the Bank; or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability and disclosed in the footnotes.

XVI. EXPLANATIONS ON CONTINGENT ASSETS:

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

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become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements in which the change occurs.

XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS:

a. Employment termination benefits and vacation rights:

Obligations related to employment termination and vacation rights are accounted in accordance with "Turkish Accounting Standard for Employee Rights" ("TAS 19").

Under the Turkish Labor Law, the Bank and its subsidiaries operating in Turkey are required to pay a specific amount to the employees who have retired or whose employment is terminated other than the reasons specified in the Turkish Labor Law. According to the related regulation, the Bank is obliged to pay termination benefits for employees who retire, quit for their military service obligations, who have been dismissed as defined in the related regulation or who have completed at least one year of service. The reserve for employment termination benefits represents the present value of the estimated total reserve for the future probable obligation of the Bank arising from this liability. In accordance with TAS 19, actuarial gains and losses are recognized in equity.

b. Retirement Rights:

The Bank's personnel are members of the "Akbank T.A.Ş. Personnel Pension Fund Foundation" ("Pension Fund") established in accordance with the Social Security Law numbered 506, temporary article No.20. Defined Benefit Obligations have been determined as of year ends by an independent actuary in accordance with the 38th article of the Insurance Supervisory Law and the "Actuarial Regulation" based on the same article.

Temporary 23rd article paragraph ("the paragraph") 1 of the Banking Law No 5411 published in the Official Gazette no. 25983 dated 1 November 2005 envisaged that Banks would transfer their pension funds to the Social Security Institution ("SSI") within three years following the publication date of the Banking Law, and regulated the principles of this transfer. The first paragraph of the related article was rescinded as from the 30 June 2007, the publication date of the decision of the Constitutional Court dated 22 March 2007. The reasoned decree regarding the rescission of the mentioned paragraph was published in the Official Gazette numbered 26731, dated 15 December 2007.

Following the publication of the reasoned decree of the Constitutional Court, Turkish Grand National Assembly commenced to work on a new law regarding the transfer of the members of funds to the Social Security Institution; the related articles of the Social Security Law ("New Law") numbered 5754 regarding the transfer of the funds, were ratified by the TGNA General Meeting on 17 April 2008 and came into effect following the publication in the Official Gazette numbered 26870, dated 8 May 2008.

The main opposition party had appealed to the Constitutional Court for the cancellation of some of the articles of the New Law including transfer of the Funds to the SSI on 19 June 2008. The Constitution Court has dismissed the appeal with the decision taken in the meeting dated 30 March 2011. The reasoned decision has been published in the Official Gazette numbered 28156 dated 28 December 2011.

The New Law was requiring that present value of post-employment benefits at the transfer date shall be calculated by a commission consisting of the representatives of SSI, Ministry of Finance, Undersecretariat of Treasury, Undersecretariat of State Planning Organization, BRSA, SDIF and banks and funds, by using a technical discount rate of 9,8 percent taking into consideration the transferrable contributions and payments of the funds including any monthly payment differences paid by the funds above the limits within the framework of SSI regulations. Accordingly the transfer required by the New Law was to be completed until 8 May 2011. According to the decision of the Council of Ministers published on the Official Gazette dated 9 April 2011 no. 27900, the time frame for related transfer has been extended for two years. Within the postponement right granted to the Council of Ministers through the change in the first clause of the 20th provisional article of the "Social Insurance and General Health Insurance Law no. 5510" published on the Official Gazette no. 28227 dated 8 March 2012, the transfer process has been postponed for one more year with the decision of the Council of Ministers published in the Official Gazette no. 28987 dated 30 April 2014. The Council of Ministers has been authorized to determine the transfer date 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 on the Official Gazette dated 23 April 2015 and numbered 29335. According to paragraph (I) of Article 203 of Law no. 703 which published on the Official Gazette no. 30473 dated 9 July 2018, the phrase, placed in 20th provisional article of Social Insurance and General Health Insurance Law no.5510, "Council of Ministers" is authorized to determine the date of transfer to the Social Security Institution has been replaced with "President".

According to the New Law, following the transfer of the members of the fund to the SSI, the funds and institutions will continue to



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provide the non-transferrable social benefits and payments which are included in the articles of association of the fund.

The total liabilities of the pension fund are calculated using separate methods and assumptions for the benefits to be transferred and the additional benefits that will remain the responsibility of the pension fund.

The Bank has recognized a provision for the technical deficit determined by a report prepared by a registered actuary using actuarial and economic assumptions based on the best estimates for other non-transferable benefits; taking into account the transfer assumption for transfer-based benefits and the technical interest rate and provisions set out in the New Law as explained above, and accounted for in accordance with "TAS 19 - Employee Benefits".

XVIII. EXPLANATIONS ON TAXATION:

a. Current Tax:

As of 31 December 2023, the current corporate tax rate is 30%. The corporate tax rate has been permanently increased to 25% for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies in accordance with the publication of the Law No. 7394 in the Official Gazette dated 15 April 2022. However, with the Law No. 7456 published on 15 July 2023, the rate has been increased to 30% in order to be applied to the cumulative bases included in the declarations to be submitted as of 1 October 2023; Starting from the temporary corporate tax return for the period 1 January 2023 – 31 December 2023, the corporate tax rate will be applied as 30% in the upcoming periods.

The corporate tax rate is applied to tax base which is calculated by adding certain non deductible expenses for tax purposes and deducting certain exemptions (like dividend income) and exclusion of deductions on accounting income. If there is no dividend distribution, no further tax charges are made.

Dividends paid to non-resident corporations, which have a place of business in Turkey or are resident corporations, are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 10%. An increase in capital via issuing bonus shares is not considered as profit distribution and thus does not incur withholding tax.

Corporations calculate advance tax with their current rate on quarterly profits and pay until the evening of the same day by declaring until the 17th day of the second month following that period.

Advance tax paid by corporations which is for the current period is credited against the annual corporation tax calculated on their 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.

A 75% portion of the capital gains derived from the sale of equity investments and a 50% portion of the capital gains derived from the sale of immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special fund account under liability for five years. However, with the Law No. 7456 published on 15 July 2023, this exception has been abolished for real estate to be acquired after the publication date of the decision; If the real estates acquired before this date are sold after the effective date of the decision, 25% of the real estate sales revenue will be exempt from corporate tax.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns until the last day of the following fourth month after the closing of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year following the date of filing 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.

Current tax, related to items recognized directly in equity is also credited or charged directly to equity.

As of the end of the 2021 calendar year, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/A of the Tax Procedure Law. However, with the regulation made with the Law No. 7352 dated 20 January 2022, the application of inflation adjustment in the calculation of corporate tax was postponed to 2023. According to this; TPL financial statements for the 2021 and 2022 accounting periods have not been subjected to inflation adjustment, and the TPL financial statements dated 31 December 2023 have been subjected to inflation adjustment in a way that will not affect corporate tax base. Additionally; With the law number 7491 published in the Official Gazette numbered 32413 dated 28 December 2023, banks, payment and electronic money institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will be subject to inflation adjustments in the 2024 and

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2025 accounting periods. It is regulated that the resulting profits or losses will not be taken into account in determining the corporate tax base.

The amendments in duplicate Article 298/Ç and temporary Article 32 of the Tax Procedural Law allows for the permanent and temporary revaluation of companies. Accordingly, as of the beginning of the 2022 accounting period, our Bank first updated the value of its fixed assets recorded in company assets as per temporary Article 32 of the Tax Procedural Law, and then revalued them in accordance with duplicate Article 298/Ç of the Tax Procedural Law. As a result of these transactions, the Tax Procedural Law depreciation amounts subject to corporate income tax are calculated using the updated, revalued amounts. As per the relevant legislation, increased value amounts are recognised in a special fund account under equity.

b. Deferred Tax:

The Bank calculates and reflects deferred tax in accordance with the provisions of "Turkish Accounting Standard for Income Taxes" ("TAS 12") for taxable temporary differences that arise between the book value of an asset or liability and its tax basis determined in accordance with the tax legislation. Deferred tax is calculated over 30% as of 31 December 2023 (31 December 2022: 25%).

Deferred tax liabilities are recognized for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilized.

Deferred tax asset had not been provided over provisions for possible risks and general loan loss provisions according to the circular of BRSA numbered BRSA.DZM.2/13/1-a-3 and dated 8 December 2004. Deferred tax rate calculation has started to be measured over temporary expected provision losses differences according to TFRS 9 articles from 1 January 2018. Deferred tax calculation is not made for free provisions. In accordance with the temporary Article 33 of the Tax Procedure Law, in the financial statements dated 31 December 2023, tax effects arising from the inflation adjustment of corporate tax are included in the deferred tax calculation as of 31 December 2023.

Deferred tax assets and liabilities are presented on a net basis by considering the domestic and foreign branches' financial statements separately.

Deferred tax, related to items recognized directly in equity is also credited or charged directly to equity.

XIX. EXPLANATIONS ON BORROWINGS:

Debt instruments with different characteristics such as syndicated and securitized borrowings and post-financing obtained from foreign financial institutions, marketable securities issued in domestic and foreign markets and money market borrowings are major funding source of the Bank. Mentioned borrowings are carried initially at acquisition cost and subsequently recognized at the discounted value calculated by using the "Effective interest rate method".

XX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES:

There is no share certificate issuance in 2023

XXI. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES:

Avalized drafts and acceptances shown as liabilities against assets are included in the off-balance sheet commitments.

XXII. EXPLANATIONS ON GOVERNMENT GRANTS:

As of 31 December 2023 and 31 December 2022, there is no government grant for the Bank.

XXIII. EXPLANATIONS ON SEGMENT REPORTING:

An operating segment is a component of an entity:

- a. that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- b. whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and,



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c. for which discrete financial information is available.

Reporting according to the operational segments is presented in Note XIII of Section Four.

XXIV. 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.

Under the Turkish Commercial Code, legal reserves consist of first legal reserve and second legal reserve. First legal reserve, appropriated at the rate of 5%, until the total reserve is equal to 20% of issued and fully paid-in share capital. Second legal reserve, appropriated at the rate of 10% of distributions in excess of 5% of issued and fully paid-in share capital, but Holding companies are not subject to such transaction. According to the Turkish Commercial Code, legal reserves can only be used to compensate accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

The Ordinary General Assembly Meeting of the Bank was held on 28 March 2023. In the Ordinary General Assembly, it was decided to distribute TL 8.996.000 cash dividend over the TL 60.024.084 net income from 2022 operations to the Bank's shareholders. It was also resolved in the General Assembly to transfer TL 7.334 to special funds account under other capital reserves, to allocate TL 873.600 as legal and TL 50.147.140 as extraordinary reserves.

XXV. EARNINGS PER SHARE:

Earnings per share disclosed in the income statement are calculated by dividing net profit for the period by the weighted average number of shares outstanding during the related period concerned.

	Current Period	Prior Period
	31 December 2023	31 December 2022
Net Profit for the Period	66.478.940	60.024.084
Average Number of Issued Common Shares (Thousand)	520.000.000	520.000.000
Earnings Per Share (Amounts presented as full TL)	0,12784	0,11543

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("Bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period. 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 issued in 2023 (2022: None).

XXVI. RELATED PARTIES:

Parties defined in Article 49 of the Banking Law No.5411 are deemed as related parties. Transactions with related parties are presented in Note VII of Section Five.

XXVII. CASH AND CASH EQUIVALENT ASSETS:

For the purposes of the cash flow statement, cash includes cash effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and cash equivalents include interbank money market placements, time deposits at banks with original maturity periods of less than three months and investments on marketable securities other than common stocks.

XXVIII. RECLASSIFICATIONS:

None.

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SECTION FOUR

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK

I. EXPLANATIONS ON EQUITY:

Total capital amount and Capital adequacy ratio have been calculated in accordance with the "Regulation on Equity of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy of Banks". Additionally, calculated according to BRSA regulations dated 21 December 2021, numbered 9996 and 31 January 2023, numbered 10496. As of 31 December 2023 based on recent regulation changes;

1) In the calculation of the amount based on credit risk, the CBRT exchange rate for 31 December 2022 can be used when calculating the valuation amounts in foreign currency,

2) In case the net valuation differences of the securities owned by banks and acquired before 21 December 2021 in the "Securities at Fair Value through Other Comprehensive Income" portfolio are negative, these differences may not be taken into account in the equity amount.

As of 31 December 2023, taking into consideration the above-mentioned regulations, the current period equity of the Bank has been calculated as TL 240.450.498 (31 December 2022: TL 173.886.957), and the capital adequacy ratio is 21,92% (31 December 2022: 24,92%). This ratio is above the minimum ratio required by the legislation.

a. Information about total capital items:

	Current Period 31 December 2023	Amounts related to treatment before 1/1/2014(*)
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	7.094.886	
Share issue premiums	3.505.742	
Reserves	107.141.776	
Gains recognized in equity as per TAS	45.628.598	
Profit	66.478.940	
Current Period Profit	66.478.940	
Prior Period Profit	-	
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within		
profit for the period	49.037	
Common Equity Tier 1 Capital Before Deductions	229.898.979	
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in		
accordance with TAS	17.719.895	
Improvement costs for operating leasing	223.431	
Goodwill (net of related tax liability)		
Other intangibles other than mortgage-servicing rights (net of related tax liability)	3.767.983	3.767.983
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	0.707.700
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	3.088.341	
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected	0.000.041	
loss amount exceeds the total provision	_	
Gains arising from securitization transactions	_	
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities		
Defined-benefit pension fund net assets		
Direct and indirect investments of the Bank in its own Common Equity		
Shares obtained contrary to the 4th clause of the 56th Article of the Law		
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope		
of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the		
Bank		
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope	_	
of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of		
the Bank		
Portion of mortgage servicing rights exceeding 10% of the Common Equity	_	
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of	-	
Banks	-	
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions		
outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	
Excess amount arising from mortgage servicing rights	-	
Excess amount arising from deferred tax assets based on temporary differences	-	
Other items to be defined by the BRSA	-	
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	
Total Deductions From Common Equity Tier 1 Capital	24.799.650	
Total Common Equity Tier 1 Capital	205.099.329	



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	Current Period 31 December 2023	Amounts related to treatment before 1/1/2014 (*)
ADDITIONAL TIER I CAPITAL	Of December 2020	1/1/2014()
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	
Debt instruments and premiums approved by BRSA	-	
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	
Additional Tier I Capital before Deductions	-	
Deductions from Additional Tier I Capital		
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with		
compatible with Article 7.	-	
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank		
Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial		
Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	
Other items to be defined by the BRSA	-	
Transition from the Core Capital to Continue to deduce Components	-	
Goodwill and other intangible assets and related deferred tax liabilities which will not be 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 (-)	-	
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available [-]	-	
Total Deductions From Additional Tier I Capital	•	
Total Additional Tier I Capital	<u> </u>	
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	205.099.329	
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	23.349.255	
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	10.000.007	
Provisions (Article 8 of the Regulation on the Equity of Banks)	12.032.937	
Tier II Capital Before Deductions	35.382.192	
Deductions From Tier II Capital		
Direct and indirect investments of the Bank on its own Tier II Capital (-) Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions	-	
declared in Article 8.		
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of	-	
consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank		
Consolidation where the paint twins 10% of less of the issued common share capital exceeding 10% of Common Equity of the bank [-]		
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside	_	
the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common		
the scope of constitution where the bank owns 10% of those of the issued common share capitat exceeding 10% of common		
Other items to be defined by the BRSA [-]	_	
Total Deductions from Tier II Capital	_	
Total Tier II Capital	35.382.192	
Total Capital (The sum of Tier I Capital and Tier II Capital)	240.481.521	
Deductions from Total Capital	240.401.021	
Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	_	
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the		
Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years		
Other items to be defined by the BRSA (-)	31.023	
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Deducted Components	31.023	
The Sum of net long positions of investments (the portion which exceeds the 10 % of Banks Common Equity) in the capital of banking,		
financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10%		
of the issued common share capital of the entity which will not be 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	_	
The Sum of net long positions of 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, where the bank does not own more than 10% of the issued common		
share capital of the entity which will not be 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		
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the	-	
scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity,		
mortgage servicing rights, deferred tax assets arising from temporary differences which will not be 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		
tier i capitation the purposes of the first sub-paragraph of the rivorsional Article 2 of the Regulation of Danks. Own Funds		

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

Ecosystem

Management

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Current Period 31 December 2023	Amounts related to treatment before 1/1/2014(*)
TOTAL CAPITAL		
Total Capital	240.450.498	
Total Risk Weighted Amounts	1.096.848.584	
Capital Adequacy Ratios		
Core Capital Adequacy Ratio [%]	18,70%	
Tier 1 Capital Adequacy Ratio (%)	18,70%	
Capital Adequacy Ratio (%)	21,92%	
BUFFERS		
Total additional Common Equity Tier 1 Capital requirement ratio (a+b+c)	2,51%	
a) Capital conservation buffer requirement (%)	2,50%	
b) Bank specific total common equity tier 1 capital ratio [%]	0,01%	
c) Systemic significant bank buffer ratio (**) [%]	0,00%	
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 [%]	10,70%	
Amounts below the Excess Limits as per the Deduction Principles		
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the		
bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or		
less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Amount arising from mortgage-servicing rights	-	
Amount arising from deferred tax assets based on temporary differences	[1.122.067]	
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	20.032.461	
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	12.032.937	
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the		
Communiqué on the Calculation	_	
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	-	
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	_	

^[*] Amounts in this column represents the amounts of items that are subject to transition provisions in accordance with the temporary Articles of "Regulations regarding to changes on Regulation on Equity of Banks" and taken into consideration at the end of transition process.

^[**] Systemically Important Bank Buffer ratio represented as 0.00% since it is necessary to fill systemically Important Bank Buffer Ratio for systematic important banks that are not obligated to prepare consolidated financial statements in accordance with the "Systemically Important Banks Regulation, Article 4 paragraph 4".



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Amounts related to

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CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Prior Period 31 December 2022	Amounts related to treatment before 1/1/2014(*)
COMMON EQUITY TIER 1 CAPITAL		., .,, ,
Paid-in capital following all debts in terms of claim in liquidation of the Bank	7.094.886	
Share issue premiums	3.505.742	
Reserves	56.070.405	
Gains recognized in equity as per TAS	36.560.844	
Profit	60.024.084	
Current Period Profit	60.024.084	
Prior Period Profit	-	
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within		
profit for the period	13.490	
Common Equity Tier 1 Capital Before Deductions	163,269,451	
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	384	
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in		
accordance with TAS	7.514.331	
Improvement costs for operating leasing	89.961	
Goodwill (net of related tax liability)	-	
Other intangibles other than mortgage-servicing rights (net of related tax liability)	2.279.464	2.279.464
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	4.036.445	
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected		
loss amount exceeds the total provision	-	
Gains arising from securitization transactions	-	
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	
Defined-benefit pension fund net assets	-	
Direct and indirect investments of the Bank in its own Common Equity	-	
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope		
of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the		
Bank	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope		
of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of		
the Bank	-	
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	_	
Excess amount arising from mortgage servicing rights	-	
Excess amount arising from deferred tax assets based on temporary differences	_	
Other items to be defined by the BRSA	_	
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	_	
Total Deductions From Common Equity Tier 1 Capital	13.920.585	
Total Common Equity Tier 1 Capital	149.348.866	

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[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

	Prior Period 31 December 2022	Amounts related to treatment before 1/1/2014 (*)
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	
Debt instruments and premiums approved by BRSA	-	
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	
Additional Tier I Capital before Deductions	-	
Deductions from Additional Tier I Capital		
Direct and indirect investments of the Bank in its own Additional Tier I Capital Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank	_	
Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial		
Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	
Other items to be defined by the BRSA	-	
Transition from the Core Capital to Continue to deduce Components	-	
Goodwill and other intangible assets and related deferred tax liabilities which will not be 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 (-) Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	
Total Deductions From Additional Tier I Capital	-	
Total Additional Tier I Capital	<u>_</u>	
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	149.348.866	
TIER II CAPITAL	147.040.000	
Debt instruments and share issue premiums deemed suitable by the BRSA	16.695.703	
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	
Provisions (Article 8 of the Regulation on the Equity of Banks)	7.899.126	
Tier II Capital Before Deductions	24.594.829	
Deductions From Tier II Capital		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank [-]	_	
Ortion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common		
Equity of the Bank	-	
Other items to be defined by the BRSA (-)	-	
Total Deductions from Tier II Capital	-	
Total Tier II Capital	24.594.829	
Total Capital (The sum of Tier I Capital and Tier II Capital)	173.943.695	
Deductions from Total Capital		
Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	-	
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the		
Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	E/ 700	
Other items to be defined by the BRSA (-) In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Deducted Components	56.738	
The Sum of net long positions of investments (the portion which exceeds the 10 % of Banks Common Equity) in the capital of banking,		
financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10%		
of the issued common share capital of the entity which will not be 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	-	
The Sum of net long positions of 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, where the bank does not own more than 10% of the issued common		
share capital of the entity which will not be 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	-	
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the		
scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not be deducted from Common Equity		
morniage servicing clones, deterred lax assets arising from temporary differences which will not be deducted from Common Equity		



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CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

	Prior Period 31 December 2022	Amounts related to treatment before 1/1/2014(*)
TOTAL CAPITAL		
Total Capital	173.886.957	
Total Risk Weighted Amounts	697.843.971	
Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	21,40%	
Tier 1 Capital Adequacy Ratio (%)	21,40%	
Capital Adequacy Ratio (%)	24,92%	
BUFFERS		
Bank specific total Common Equity Tier 1 Capital Ratio	2,51%	
a) Capital conservation buffer requirement (%)	2,50%	
b) Bank specific counter-cyclical buffer requirement [%]	0,01%	
c) Systemic significant bank buffer ratio (**) (%)	0,00%	
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 [%]	13,40%	
Amounts below the Excess Limits as per the Deduction Principles		
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the		
bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or		
less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Amount arising from mortgage-servicing rights	-	
Amount arising from deferred tax assets based on temporary differences	[2.834.963]	
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	10.756.607	
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	7.899.126	
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the		
Communiqué on the Calculation	-	
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	-	
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	=	
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	

^(*) Amounts in this column represents the amounts of items that are subject to transition provisions in accordance with the temporary Articles of "Regulations regarding to changes on Regulation on Equity of Banks" and taken into consideration at the end of transition process.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

b. Information about instruments that will be included in total capital calculation:

	Current Peri 31 December 20
Details on Subordinated Liabilities:	
Issuer	AKBANK T.A
Identifier(s) (CUSIP, ISIN vb.)	XS2355183091 / US00971YAJ
	Subject to British Common Law and in terms of certain articles to Turki
Governing law (s) of the instrument	Regulations. It is issued within the scope of the Debt Instruments Disclosure
	the Capital Markets Board and the Regulation on Equities of Banks of the BRS
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	
Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidat
Instrument type	Subordinated Liabilities (Securities
Amount recognized in regulatory capital (Currency in mil, as of most recent reportin date)	9 14.716 million TL (in full TL amou
Nominal value of instrument	14.716 million TL (in full TL amou
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number
Issuance date of instrument	22 June 20
Maturity structure of the instrument (demand/maturity)	Matur
Original maturity of the instrument	Maturity date: 22 June 20
Issuer call subject to prior supervisory (BRSA) approval	γ
Optional call date, contingent call dates and redemption amount	There is an early repayment option on 22.06.2026. The reimbursement amount 14.716 million TL (in full TL amoun
Subsequent call dates, if applicable	
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fix
Coupon rate and any related index	8,6
Existence of any dividend payment restriction	No
Fully discretionary, partially discretionary or mandatory	No
Existence of step up or other incentive to redeem	No
Noncumulative or cumulative	Noncumulati
Convertible or non-convertible into equity shares	Honoumatan
If convertible, conversion trigger (s)	No
If convertible, fully or partially	No
If convertible, conversion rate	No
If convertible, mandatory or optional conversion	No
If convertible, type of instrument convertible into	No
If convertible, issuer of instrument to be converted into	No
Write-down feature	110
With down reduit	Due to the losses incurred, where the Bank is at the point at which the BRS
	may determine pursuant to Article 71 of the Banking Law that: (i) its operating
	license is to be revoked and the Bank is liquidated or (ii) the rights of all of i
	shareholders (except to dividends), and the management and supervision of the
If bonds can be written-down, write-down trigger(s)	Bank, are to be transferred to the SDIF on the condition that losses are deducti
	from the capital of existing shareholders (occurrence of either condition mean
	the issuer has become non-viable), or (iii) it is probable that the Issuer w
	become non-viable; then the bonds can be written-dow
If bond can be written-down, full or partial	Partially or fu
If bond can be written-down, permanent or temporary	Continuous
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanism
Position in subordination hierarchy in case of liquidation (instrument type	In priority of receivables, it comes after the debt instruments which are no
immediately senior to the instrument)	subordinated loar
In compliance with article number 7 and 8 of "Own fund regulation"	The instrument is in compliance with article number
Details of incompliances with article number 7 and 8 of "Own fund regulation"	The instrument is not in compliant with article numbered

^(**) Systemically Important Bank Buffer ratio represented as 0.00% since it is necessary to fill systemically Important Bank Buffer Ratio for systematic important banks that are not obligated to prepare consolidated financial statements in accordance with the "Systemically Important Banks Regulation, Article 4 paragraph 4".



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CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

	Current Period 31 December 2023
Details on Subordinated Liabilities:	01 5000111501 2020
Issuer	AKBANK T.A.Ş
Identifier(s) (CUSIP, ISIN vb.)	XS2611747234
Governing law (s) of the instrument	Subject to British Common Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Debt Instruments Disclosure of the Capital Markets Board and the Regulation on Equities of Banks of the BRSA.
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	No_
Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidated
Instrument type	Subordinated Liabilities (Securities)
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	2.208 million TL (in full TL amount)
Nominal value of instrument	2.208 million TL (in full TL amount)
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number)
Issuance date of instrument	25 July 2023
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	Maturity date: 25 July 2033
Issuer call subject to prior supervisory (BRSA) approval	Yes
Optional call date, contingent call dates and redemption amount	There is an early repayment option on 25.07.2028. The reimbursement amount is 2.208 million TL (in full TL amount)
Subsequent call dates, if applicable	-
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	9,6%
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down.
If bond can be written-down, full or partial	Partially or fully
If bond can be written-down, permanent or temporary	Continuously
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms.
Position in subordination hierarchy in case of liquidation (instrument type	In priority of receivables, it comes after the debt instruments which are non-
immediately senior to the instrument)	subordinated loans.
In compliance with article number 7 and 8 of "Own fund regulation"	The instrument is in compliance with article number 8.
Details of incompliances with article number 7 and 8 of "Own fund regulation"	The instrument is not in compliant with article numbered 7.

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AKBANK T.A.Ş.

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

	31 December 2023
Details on Subordinated Liabilities:	
Issuer	AKBANK T.A.
Identifier(s) (CUSIP, ISIN vb.)	XS2659197151/ XS2611752317
Governing law (s) of the instrument	Subject to British Common Law and in terms of certain articles to Turkisi Regulations. It is issued within the scope of the Debt Instruments Disclosure of the Capital Markets Board and the Regulation on Equities of Banks of the BRSA
Regulatory treatment	the outside Harriote Board and the Hegatation on Equition of Barriot of the Brior
Subject to 10% deduction as of 1/1/2015	N
Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidate
Instrument type	Subordinated Liabilities (Securities
Amount recognized in regulatory capital [Currency in mil, as of most recent reporting date]	·
Nominal value of instrument	4.416 million TL (in full TL amount
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number
Issuance date of instrument	25 July 2023
Maturity structure of the instrument (demand/maturity)	Maturit
Original maturity of the instrument	Maturity date: 25 July 203
Issuer call subject to prior supervisory (BRSA) approval	Yes
Optional call date, contingent call dates and redemption amount	There is an early repayment option on 25.07.2028. The reimbursement amount is 4.416 million TL (in full TL amount
Subsequent call dates, if applicable	in the till deal to distribute the first at the distribute to
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	9,69
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down
If bond can be written-down, full or partial	Partially or full
If bond can be written-down, permanent or temporary	Continuousl
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	In priority of receivables, it comes after the debt instruments which are non- subordinated loans
In compliance with article number 7 and 8 of "Own fund regulation"	The instrument is in compliance with article number 8
Details of incompliances with article number 7 and 8 of "Own fund regulation"	The instrument is not in compliant with article numbered 7



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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Current Period 31 December 2023
Details on Subordinated Liabilities:	OT December 2020
Issuer	AKBANK T.A.Ş
Identifier(s) (CUSIP, ISIN vb.)	XS2611752663
Governing law (s) of the instrument	Subject to British Common Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Debt Instruments Disclosure of the Capital Markets Board and the Regulation on Equities of Banks of the BRSA.
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	No
Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidated
Instrument type	Subordinated Liabilities (Securities)
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	2.208 million TL (in full TL amount)
Nominal value of instrument	2.208 million TL (in full TL amount)
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number)
Issuance date of instrument	25 July 2023
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	Maturity date: 25 July 2033
Issuer call subject to prior supervisory (BRSA) approval	Yes
Optional call date, contingent call dates and redemption amount	There is an early repayment option on 25.07.2028. The reimbursement amount is 2.208 million TL (in full TL amount)
Subsequent call dates, if applicable	-
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	9,6%
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: [i] its operating license is to be revoked and the Bank is liquidated or [ii] the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or [iii] it is probable that the Issuer will become non-viable; then the bonds can be written-down.
If bond can be written-down, full or partial	Partially or fully
If bond can be written-down, permanent or temporary	Continuously
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms.
Position in subordination hierarchy in case of liquidation (instrument type	In priority of receivables, it comes after the debt instruments which are non-
immediately senior to the instrument)	subordinated loans.
In compliance with article number 7 and 8 of "Own fund regulation"	The instrument is in compliance with article number 8.
Details of incompliances with article number 7 and 8 of "Own fund regulation"	The instrument is not in compliant with article numbered 7.

c. The difference between Total Capital and Equity in the unconsolidated balance sheet mainly arises from expected credit loss provisions arising from loans classified under stage I and stage II and subordinated loans. In the calculation of Total Capital, up to 1,25% of expected credit loss from stage 1 and stage 2 over the credit risk amount and subordinated loans with nominal amounts, by reducing 20% each year if the remaining maturity is 100% less than 5 year, are taken into consideration as Tier II Capital. Additionally, the losses reflected to equity under TAS which is subject to deduction from TIER I capital are determined by excluding the losses from cash flow hedging. On the other hand, in the calculation of the Total Capital, improvement costs for operating leases followed under tangible assets in the balance sheet, intangible assets and related deferred tax liabilities, other items defined by the regulator are taken into consideration as amounts deducted from Total Capital.

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II. EXPLANATIONS ON CREDIT RISK:

a. Credit risk is the risk that the counterparties may be unable to meet the terms of their agreements. This risk is monitored by reference to credit risk ratings and managed by limiting the aggregate risk to any individual counterparty, group of companies and industry. Credit risks are determined for each individual customer, enterprise, business group and risk groups separately. While determining credit risk, criteria such as the customers' financial strength, commercial capacities, sectors, geographic areas and capital structure are evaluated. Analyses of the financial position of the customers are based on the statements of account and other information in accordance with the related legislation. Previously determined credit limits are constantly revised according to changing conditions. The type and amount of collateral and guarantees to be obtained are specified on a customer basis during the determination of credit limits.

During loan extensions, limits determined on a customer and product basis are essentially followed up; information on risk and limits is closely monitored.

For daily treasury operations limit allocation and follow-up is performed by the Treasury. Business Unit.

Credit worthiness of loan and other receivable debtors are watched regularly and in line with related regulations. In case of an increase in credit debtor's risk level credit limits are re-determined or additional guarantee is taken. For new credit accounts, account follow-up documents are taken in accordance with the related regulation.

The explanations on definition of overdue and impaired loans and information related to impairment and loan loss provisions are provided in Note X-c-4-a of Section Four.

	Current Period Risk	
Risk Classifications	Amount (*)	Average Risk Amount
Conditional and unconditional receivables from central governments and Central		_
Banks	588.233.934	477.066.309
Conditional and unconditional receivables from regional or local governments	423.536	97.268
Conditional and unconditional receivables from administrative bodies and non-		
commercial enterprises	9.381.955	3.567.660
Conditional and unconditional receivables from multilateral development banks	-	-
Conditional and unconditional receivables from international organizations	-	-
Conditional and unconditional receivables from banks and brokerage houses	174.906.709	173.444.066
Conditional and unconditional receivables from corporates	521.008.848	504.946.993
Conditional and unconditional receivables from retail portfolios	767.136.459	540.787.866
Conditional and unconditional receivables secured by mortgages	67.882.102	55.790.366
Past due receivables	7.914.477	5.387.835
Receivables defined under high risk category by BRSA	149.577.808	94.058.559
Collateralized securities	-	-
Securitization positions	-	-
Short-term receivables from banks, brokerage houses and corporate	-	-
Investments similar to collective investment funds	5.225.598	1.815.291
Equity security investments	47.635.261	35.959.545
Other receivables	60.619.806	56.355.080
Total	2.399.946.493	1.949.276.838

^[*] The figures represent total risk amounts before Credit Risk Mitigation and before credit conversion factor.



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- **b.** Control limits exist on forward transaction and option agreements and other positions that are held in terms of similar other agreements. Credit risk born out of these types of instruments is managed together with market risk.
- **c.** The risks of the forward, option and other similar type agreements are followed regulary and as deemed necessary based on the credit risk, the risks are tried to be minimized.
- **d.** Non-cash loans turned into cash loans are included in the same risk group as overdue cash loans which are not collected upon maturity. Credit risk management is applied for all positions involving counterparty risk. Rescheduled or restructured loans are followed in their relevant groups until all receivables from the loans are collected. Monitoring also continues until the receivables from the loans are completely collected.
 - The Bank considers that long-term commitments are more exposed to credit risk than short-term commitments, and points such as defining risk limits for long-term risks and obtaining collateral are treated in a wider extent than short-term risks.
- **e.** The Bank's banking activities in foreign countries and credit transactions do not constitute an important risk in terms of the related countries' economic conditions and activities of customers and companies.
- When considered within the financial activities of other financial institutions, the Bank as an active participant in the national and international banking market is not exposed to significant credit risk concentration.
- As seen in the Bank's balance sheet, the ratio of loans under follow-up to total loans is 2,4% (31 December 2022: 3,0%).
- **f.** 1. The proportion of the Bank's top 100 and 200 cash loan customers' in total cash loans is 30% and 35% respectively. [31 December 2022: 35% and 43%].
 - 2. The proportion of the Bank's top 100 and 200 customers' non-cash loan balances in total non-cash loans is 44% and 55%.[31 December 2022: 52% and 63%]
 - 3. The proportion of the Bank's top 100 and 200 customers' cash and non-cash loan balances in total balance sheet assets and non-cash loans is 15% and 19% respectively. (31 December 2022: 19% and 24%)
- g. The Bank provided a general exceeded credit loss provision (Stage 1 and Stage 2) amounting to TL 19.225.099 (31 December 2022-TL 10.074.318)

h. Information on loan types and expected credit loss provisions:

	Commerci	al Loans	Consume	er Loans	Credit	Cards	Tota	al
Current Period- 31.12.2023	Balance	Excpected Credit Loss	Balance	Excpected Credit Loss	Balance	Excpected Credit Loss	Balance	Excpected Credit Loss
Loans	506.836.389	18.010.171	178.320.096	5.236.080	184.949.152	8.837.093	870.105.637	32.083.344
Stage 1	448.468.478	1.734.926	164.734.435	1.861.377	174.830.420	5.469.579	788.033.333	9.065.882
Stage 2	42.681.677	7.048.021	10.326.001	1.019.873	8.345.899	2.091.324	61.353.577	10.159.218
Stage 3	15.686.234	9.227.224	3.259.660	2.354.830	1.772.833	1.276.190	20.718.727	12.858.244
Financial Assets	480.713.802	489.923	-	-	-	-	480.713.802	489.923
Other	39.139.173	119.358	-	-	-	-	39.139.173	119.358
Non-Cash Loans	237.141.884	645.396	-	-	-	-	237.141.884	645.396
Stage 1 and 2	231.039.337	198.080	-	-	-	-	231.039.337	198.080
Stage 3	6.102.547	447.316	-	-	-	-	6.102.547	447.316
Total	1.263.831.248	19.264.848	178.320.096	5.236.080	184.949.152	8.837.093	1.627.100.496	33.338.021

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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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i. Information on the expected credit loss of loans: (***)

	Stage 1	Stage 2	Stage 3
Opening (31 December 2022)	3.466.203	6.608.115	11.388.324
Additions (*)	4.150.128	638.963	3.054.850
Disposal (**)	(819.992)	(452.875)	(1.091.048)
Effect of change in foreign exchange	91.525	2.526.693	-
Stage 1 and 2 movement			
Loans classified under Stage 1 in two periods (Model effect)	895.506	-	-
Loans classified under Stage 1 in two periods (Change in balance effect)	1.326.107	=	-
Transfers from Stage 1 to Stage 2 (Stating and balance change effect)	(157.273)	1.801.092	-
Loans classified under Stage 2 in two periods (Model effect)	=	(42.568)	-
Loans classified under Stage 2 in two periods (Change in balance effect)	=	(255.700)	-
Transfers from Stage 2 to Stage 1 (Stating and balance change effect)	137.485	(571.102)	=
Stage 3 movement			
Transfers from Stage 1 to Stage 3	(23.807)	-	1.615.003
Transfers from Stage 2 to Stage 3	=	(94.281)	362.007
Transfers from Stage 3 to Stage 2	=	880	(47.628)
Transfers from Stage 3 to Stage 1		=	(2)
Loans classified under Stage 2 in two periods			(1.073.952)
(Change in balance and model effect)	=	=	(1.0/3.732)
Write-offs	=	=	(303.240)
Sold Portfolio effect	=	=	(1.046.070)
Closing (31 December 2023)	9.065.882	10.159.217	12.858.244

^(*) Loans which are not included in the loan portfolio as of 31 December 2022 and included in the loan portfolio and calculated provisions as of 31 December 2022.

j. Information on movement of loans:

	Stage 1	Stage 2	Stage 3	Total
Opening (31 December 2022)	503.450.642	39.992.562	16.906.984	560.350.188
Additions	554.369.083	18.098.787	5.914.775	578.382.645
Disposals	(321.288.185)	(11.024.710)	(3.481.261)	(335.794.156)
Sold portfolio	-	-	(1.046.070)	(1.046.070)
Write-offs	-	-	(303.240)	(303.240)
Transfers to Stage 1	2.406.664	(2.406.664)	-	-
Transfers to Stage 2	(3.192.413)	3.206.863	(14.450)	-
Transfers to Stage 3	(2.101.983)	(640.006)	2.741.989	-
Foreign exchange effect	54.389.525	14.126.745	-	68.516.270
Closing (31 December 2023)	788.033.333	61.353.577	20.718.727	870.105.637

^(**) Loans which are included in the loan portfolio and calculated provisions as of 31 December 2022 but which are not included in the loan portfolio as of 31 December 2023.

^[***] In the calculations the transitions between the records in both periods have been considered by making additions and disposals.

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k. Information on debt securities, treasury bills and other eligible bills:

Current Period - 31 December 2023	Financial Assets at Fair Value Through P&L	Financial Assets at Fair Value Through Other Comprehensive Income	Financial Assets Measured at Amortised Cost	Total
Moody's Rating				
Aaa	-	-	-	-
A1, A2, A3	-	-	-	-
Baa1, Baa2, Baa3	-	-	-	-
Ba1	-	-	-	-
Ba2	-	-	-	-
Ba3	-	-	-	-
B1, B2, B3	816.510	269.343.563	164.916.016	435.076.089
C and lower than C	6.037	-	-	6.037
NR	-	-	-	-
Total	822.547	269.343.563	164.916.016	435.082.126

Prior Period - 31 December	Financial Assets at Fair Value Through P&L	Financial Assets at Fair Value Through Other Comprehensive Income	Financial Assets Measured at Amortised Cost	Total
Moody's Rating				
Aaa	8.216	10.866.459	-	10.874.675
A1, A2, A3	-	-	-	-
Baa1, Baa2, Baa3	-	-	-	-
Ba1	-	-	-	-
Ba2	-	-	-	-
Ba3	-	-	-	-
B1, B2, B3	326.981	152.372.710	98.154.675	250.854.366
C and lower than C	2.217	-	-	2.217
NR	-	129.843	-	129.843
Total	337.414	163.369.012	98.154.675	261.861.101

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l. Profile on significant risks in significant regions:

								,										
Domestic	582.684.982	423.508	9.052.036			37.882.093	443.017.435	272.330.055	63.316.352	7.914.408	147.642.951		1		5.225.598		60.619.806	1.630.109.224
European Union Countries	5.547.852			1	,	71.518.990	1.698.945	32.583	14.602	19	11,229		1	1				78.824.220
OECD Countries(***)				1	,	9.179.954		1.271	1.507	2	453		1	1				9.183.187
Off- Shore Regions					,	2.180.434	•	21			245		1	1				2.180.700
USA. Canada	•				,	18.199.470	50.840	8.562	9.090	60	1.067		1			•		18.266.047
Other Countries	•	٠	1	٠	,	6.279.402	1.131.703	16.004	9.921	29	3.188		٠	٠	1	1	1	7.440.247
Investment and																		
associates, subsidiaries																		
and joint ventures	•		•	٠		•	•	•	•	•	•	٠	1	٠	•	47.635.261	•	47.635.261
Undistributed Assets /																		
Liabilities(***)			•			1		•	•									•
Total	588.232.834	423.508	9.052.036	$ \cdot $	$\left . \right $	145.240.343	445.898.923	272.388.496	63.348.472	7.914.476	147.659.133	$ \cdot $	$ \cdot $	$ \cdot $	5.225.598	47.635.261	60.619.806	1.793.638.886
Prior Period (**)								Risk Categories (*)	es (*)									
31 December 2022	-	2	8	4	D.	9	7	8	٥	10	=	12	5	7	15	16	17	Total
Domestic	339.593.630	70.956	745.529	1		24.881.736	334,446.976	138.245.120	39.706.287	5.582.145	74.118.538		1	1	1.176.544	1	44.286.820	1.002.854.281
European Union Countries	6.350.509	•	•	٠	,	66.135.932	1.538.410	46.781	12.092	82	3.287		1	٠	•	•	•	74.087.096
OECD Countries(***)	•	•	•	٠	,	7.345.166	22	3.356	2.323	•	195		1	٠	•	•	•	7.351.062
Off- Shore Regions	•	•	•	٠	,	248	118.400	14	•	2	•		1	٠	•	•	•	118.664
USA, Canada	7.746.107	•		1		12.307.395	•	4.329	9979	٠	177		1	1			•	20.064.474
Other Countries	•	1		•	,	1.264.313	1.447.016	20.285	6.787	17	741		1	٠	•	1	•	2.739.159
Investment and																		
associates, subsidiaries																		
and joint ventures	1	1	1	1	,	1	1	1	1	1	1	,	1	1	1	24.105.665	1	24.105.665
Undistributed Assets /																		
Liabilities(****)	•	•	•		,	•	•	•	•	•	•	ı	1	٠	•			•
Total	353.690.246	70.956	745.529		,	111.934.790	337.550.824	138.319.885	39.733.955	5.582.249	74.122.938		٠		1.176.544	24.105.665	44.286.820	1.131.320.401

<u>.</u> .	Conditional and unconditional receivables from central governments and Central Banks	6	Conditional and unconditional receivables secured by mortgage
2.	Conditional and unconditional receivables from regional or local governments	10.	Past due receivables
რ	Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	Ξ.	Receivables defined under high risk category by BRSA
4.	Conditional and unconditional receivables from multilateral development banks	12.	Collateralized securities
2	Conditional and unconditional receivables from international organizations	13.	Securitization positions
.9	Conditional and unconditional receivables from banks and brokerage houses	14.	Short-term receivables from banks, brokerage houses and corp
7.	Conditional and unconditional receivables from corporates	15.	Investments similar to collective investment funds
œ	Conditional and unconditional receivables from retail portfolios	16.	Equity security transactions
		17.	Other receivables
	(***) EU countries, OECD countries other than USA and Canada		
	(****) Assets and liabilities that are not distributed according to a consistent principle		

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m. Risk Profile according to sectors

Carrent Period (**)																		
31 December 2023	-	7	e	4 5	•	7	•	٥	5	Ξ	12	13 1,	14 15	16	17	4	5	Total
Agricultural			3.785			980.509	807.682	547.686	4964	154.198			1	1		2.222.447	276.377	2.498.824
Farming and																		
raising livestock		1	3.785			2.708	435.818	374.993	2.349	59.378	,	,		1	1	879.031	•	879.031
Forestry		1	1			977.788	365.268	168.870	249	93.630	,	,		1	1	1.329.428	276.377	1.605.805
Fishing	•	•	•		•	13	96.296	3.823	2.366	1.190		,			٠	13.988	•	13.988
Manufacturing	•	1	8.003.834		•	165.306.330	20.504.046	12.628.528	718.919	10.870.710	,	,		•	•	151.200.273	66.832.094	218.032.367
Mining	•	1	213		•	21.223.798	3.099.165	2.353.324	65.459	1.107.648	,	,		•	•	16.655.005	11.194.602	27.849.607
Production	•		8.003.621	1	•	103.972.277	17.107.648	10.165.590	293.680	9.612.868	,	,		,	•	120.846.468	28.309.216	149.155.684
Electricity, Gas,																		
Water	•		•	1	•	40.110.255	297.233	109.614	359.780	150.194				•		13.698.800	27.328.276	41.027.076
Construction		1	629		•	63.849.118	7.040.375	4.742.745	4.121.385	3.679.390				•		35.577.742	47.855.930	83.433.672
Services	248.722.019	423.508	804.375		145.068.485	211.522.086	70.807.913	26.237.282	1.810.476	31.748.053			- 4.350.893	43.688.322	8.798	470.108.984	315.083.226	785.192.210
Wholesale and			400.963			91.835.541	45.766.378	16.165.571	303.695	17.170.013						156.671.022	14.971.139	171.642.161
Hotel, Food, Beverage																		
Services	•	•	1.149		•	13.984.777	4.298.222	3.621.760	574.292	1.092.710	,	,		•	•	10.997.630	12.575.280	23.572.910
Transportation and																		
relecommunication			84.459			9.626.800	7.455.046	1.495.290	23.054	4.492.890						19.586.698	3.590.841	23.177.539
Financial	248.720.928		19		145.068.485	80.597.923	317.758	809.846	741.559	3.241.221			- 4.350.893	43.678.177	8.798	246.843.861	280.691.788	527.535.649
Real Estate and																		
Lending Services	09	•	10.695		•	705.331	1.027.697	353.642	9.778	173.714	,	,		•	•	2.262.530	18.387	2.280.917
Selfemployment		732 500	77 07			10 400 400	37C 74E 0	9 551 041	152 001	002 607 7				10 175		25 527 20E	1 205 511	24 052 714
Education Service	1.031	453.300	168.604			350.494	703.266	183.036	1.762	97.223				2		1.378.208	127.208	1.505.416
Health and social			90.300			3 998 818	2 483 281	1 056 276	3 445	992 782						6.821.830	1 803 072	8.626.902
Other	339.510.815	'	239.383		171.858	4.240.880	173.228.480	19.192.231	1.258.732	101.206.782			- 874.705	3.946.939	60.611.008	628.138.643	76.343.170	704.481.813
Total	588.232.834		423.508 9.052.036		145.240.343	445.898.923	272.388.496	63.348.472	7.914.476	147.659.133			- 5.225.598	47.635.261	60.619.806	1.287.248.089	506.390.797	1.793.638.886

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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2

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31 DECEMBER 2023

1.00 1.00								THE PERSON NAMED IN											
Lock Inc. In Inc. 1	31 December 2022	-	2	6	4		7	•	6	1	11	12			16	17	1	5	Total
Fig. 10 Fig. 12 Fig.	Agricultural		٠	1	ĺ		- 582.731	539.718	437.237	4.541	73.000					1	1.446.786	190.442	1.637.228
k	Farming and																		
133 846 879 70 556 7 1575 87 138 84 177 175 18 4 4 177 175 18 4 18 18 18 18 18 18 18 18 18 18 18 18 18	raising livestock			-			- 10.951		256.934	1.629	21.544					•	601.745	5.247	606.992
131 14 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Forestry			•			- 571.780		175.921	465	50.989				•		832.454	185.195	1.017.649
133.846.899 70.956 14.335.40 11.64.984 8.08.886 6.134.03.84 8.0.816.89	ishing	٠		•				5.291	4.382	2.447	467				•	1	12.587	•	12.587
Fig. 133 846 899 70 956 592 775 - 1 10 359 056 187 183 184 184 184 184 184 184 184 184 184 184	anufacturing	٠	•	92.550			- 144.393.620	11.641.854	8.788.586	1.133.430	8.001.539				•	•	114.099.198	59.952.381	174.051.579
as, a constant and a	ining	٠	•	•			- 19.228.959	1.876.817	1.234.304	163.348	661.049				•	•	13.454.002	9.710.475	23.164.477
ash, in the control of the control o	oduction	•	1	92.550			- 92.577.869	6	7.179.289	318.458	6.950.191				•	1	89.711.828	26.980.573	116.692.401
133 846,899 70 956 592,757 - 110,359,050 135,902,582 39,742,65 18,019,356 220334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,624 2.20334 199,893 2.804,904 2.20334 199,893 2.804,904 2.20334 199,893 2.804,904 2.20334 199,893 2.804,904 2.20334 199,893 2.804,904 2.20334 199,893 2.804,904 2.20334 199,893 2.804,904 2.20334 199,893 2.804,904 2.2034,904 2.2034,904 2.204,9	ectricity, Gas,						000	000	000	* 1.	000						000		
133846.899 70,956 592.757 - 110.359.050 135.902.882 39.742.265 18174.69 20.797.244	ter		1	l			- 32.386.772	190.993	3/4.443	420.1.624	390.299						10.933.368	23.261.333	34.194.701
133.846.899 70.956 592.757 - 110.359.0560 135.902.882 39.974.265 18.019.355 1.817.469 20.797.244 231.557.785 - 231.557.785 - 110.359.0560 135.902.882 39.974.265 18.019.355 1.817.469 20.797.244 231.557.785 211.186 211.186 211.184.883 3.899.460 66.944 66.9718 3.753.98 231.547.7 2.341.770 3.053.41 47.557.7 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5581 1.775.249 2.5781 1.776.394 2.244.51 1.7	nstruction			264			- 51.450.011	3.869.643	3.222.314	1.949.803	2.804.621					•	23.536.510	39.760.446	63.296.956
Esale and Trade	vices	133.846.899	70.956	592.757		. 110.359.05		39.974.265	18.019.355	1.817.469	20.797.244		,		23.557.785	1	268.505.031	216.433.331	484.938.362
Free Developers Part Services	nolesale and ail Trade			221.186			- 53.944.946		10.488.914	445.502	12.775.889				1		94.831.968	9.264.798	104.096.766
pportation and continuition and continuition and services 133.845.177 - 157.607 - 111,934.790 15.518 191.480 669.944 669.918 11.795.279 - 11176.544 11.714.394 11.714	el,Food,Beverage vices			256			- 13.136.745		3.053.411	495.239	195.107						8.249.192	10.973.336	19.222.528
Incisit train the control of the con	ansportation and		1	30.780			11.834.883	3.899.460	873.209	25.581	1.795.279						10.315.807	8.143.385	18.459.192
Judioria (1320-80) 1/7 - 150 - 110,337,130	ancial	0000				0 0		000	0	0	000				0		007	0 0	
State and social and social assistance and s	tutions	133.845.17/		130		. 110.359.05		191.480	007.744	007.718	3.733.787				73.348.211		133.404.439	186.106.411	317.510.650
employment 691 70.956 138.381 6.723.888 4.792.571 1.716.394 138.623 1.722.636 9.574 14.655.853 657861 657861 184.535 1.722.636	at Estate and ding Services		1	6.351			1.444.591	504.734	338.145	25.203	143.677				1		2.380.264	82.437	2.462.701
1.031 - 38.066 279.587	f employment rice	691	70.956	138.381			- 6.723.888		1.716.394	138.623	1.722.636				9.574		14.655.853	657.861	15.313.714
th and social 157,607	ucation Service	1.031	,	38.066			- 279.587		180.190	1.627	128.434	ı	,		•	1	888.816	184.535	1.073.351
28.2.23 - 13.007 - 2.064.99 1.377.48 15.77 - 2.064.45 1.007.58 - 1.176.54 54.786 44.286.820 346.917.917 60.478.359 - 1.176.54 54.786 47.86.820 346.917.917 60.478.359 383.890.246 74.65.59 - 111.934.790 337.550.82 138.319.885 39.733.955 5.582.249 74.122.938 1176.544 24.105.645 44.286.820 754.505.442 376.814.959	alth and social			t t			0		0	i i	0						0	L	
21764334 - 57657 - 111,934,790 327,550,824 138,319,885 39,733,955 5,582,249 74,122,938 1176,544 24,105,465 44,286,820 754,505,442 376,814,959	vices	- 600		157.607					699.148	15.776	282.235	ı		1 20 20 4	1 00	- 000	3.778.692	1.020.568	4.799.260
353.690.246 70,956 745.529 111,934,790 337.550.824 138.319.885 39,733.955 5.582.249 74,122.938 1,176,544 24,105,645 44,286,820 754,505,442 376,814,959	er	219.843.347		29.657		1.5/5./4		82.294.405	7.266.463	9//.006	47.446.534			1.1/6.544	247.880	44.286.820	346.717.917	60.478.339	407.376.276
	_	353.690.246	70.956	745.529		111.934.790			39.733.955	5.582.249	74.122.938					44.286.820	754.505.442	376.814.959	1.131.320.40

Past due receivables
Receivables defined under high risk category by BRSA
Collateralized securities
Securitization positions
Short-term receivables from banks, brokerage houses and corporate
Investments similar to collective investment funds
Equity security transactions
Other receivables
10. 17. 17. 17. 17.

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CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

n. Term distribution of risks with term structure (*):

			Time to	Maturity		
31 December 2023				6-12		
Risk Categories	1 month	1-3 months	3-6 months	months	Over 1 year	Unallocated
Conditional and unconditional receivables from central					-	
governments and Central Banks	9.497.303	222.093.124	16.966.048	10.097.964	329.578.395	-
Conditional and unconditional receivables from regional						
or local governments	25.382	-	3.019	10.983	384.124	-
Conditional and unconditional receivables from						
administrative bodies and non-commercial enterprises	203.943	2.816.429	5.425.664	402.099	203.901	-
Conditional and unconditional receivables from						
multilateral development banks	-	-	-	-	-	-
Conditional and unconditional receivables from						
international organizations	-	-	-	-	-	-
Conditional and unconditional receivables from banks						
and brokerage houses	53.576.929	24.532.612	19.944.807	22.764.406	24.421.589	-
Conditional and unconditional receivables from						
corporates	50.560.276	63.525.169	44.568.086	92.085.150	195.160.242	-
Conditional and unconditional receivables from retail						
portfolios	4.050.664	8.650.910	19.444.489	47.746.535	192.495.898	-
Conditional and unconditional receivables secured by						
mortgages	1.897.968	4.162.461	3.717.705	15.917.777	37.652.561	-
Past due receivables	-	-	-	-	-	7.914.476
Receivables defined under high risk category by BRSA	4.374.640	8.517.030	8.096.257	45.939.370	80.731.836	-
Collateralized securities	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses						
and corporates	-	-	-	-	-	-
Investments similar to collective investment funds	5.225.598	-	-	-	-	-
Equity security investments	-	47.635.261	-	-	-	-
Other Receivables	-	-	-	-	-	60.619.806
Total	129.412.703	381.932.996	118.166.075	234.964.284	860.628.546	68.534.282

^(*)It represents the risk amounts before credit risk mitigation and after conversion to credit.

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

o. Explanations regarding risk categories mentioned in 6th clause of Capital Adequacy Measurement and Evaluation Communiqué:

Climate

Change

Ratings given by Fitch Ratings are used in determining risk weight class of the counterparties. Countries' credit note is considered all risk class of receivables from central governments and Central Banks. The ratings of Fitch Ratings are used for Banks and Corporate Receivables asset class and are limited to receivables that have counterparties abroad. If the risk weight class solely consists of receivables from central governments and central banks, the credit ratings of the countries are taken into account. The ratings given by JCR-ER are used for TL receivables whose counterparty is corporate asset class. "Credit Quality Degrees" corresponding to the grades of Fitch Ratings and JCR-ER are given in the table below.

Credit Quality Degrees	Fitch	JCR-ER
1	AAA and AA-	AAA and AA-
2	A+ and A-	A+ and A-
3	BBB+ and BBB-	
4	BB+ and BB-	BBB+ and BB-
5	B+ and B-	DD below
6	CCC+ and below	BB- below

p. Risk amounts according to risk weights (*):

31 December 2023	0%	10%	20%	25%	35%	50%	75%	100%	150%	250%	Other Risk Weights	Deducted from Equity
Risk Weights												
Amount Before Crea												
Risk Mitigation	588.077.752	-	109.707.743	-	-	109.795.612	280.251.172	431.472.822	109.666.540	-	39.197.542	-
Amount After Credit												
Risk Mitigation	591.333.324	-	109.698.735	-	28.682.613	137.569.393	239.663.168	405.632.296	109.360.981	-	39.197.542	-

^(*)Excludes counterparty credit risk and securitization positions.



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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

q. Miscellaneous information regarding important sectors or counterparty type:

	L	oans (*)	Provisions (*)
	Impaire	d Receivables	
31 December 2023	Significant Increase in	Credit-Impaired Losses (Stage	Expected Credit Loss
Sectors/Counterparties	Credit Risk (Stage II)	III / Specific Provision)	Provisions
Agricultural	22.932	18.335	18.134
Farming and raising livestock	17.855	9.758	10.573
Forestry	4.681	2.900	4.143
Fishing	396	5677	3418
Manufacturing	8.492.016	2.842.696	4.447.992
Mining	1.321	5.241	5.137
Production	2.453.927	1.570.142	1.878.192
Electricity, Gas, Water	6.036.768	1.267.313	2.564.663
Construction	21.096.202	8.776.321	6.934.958
Services	4.985.020	4.264.862	3.562.631
Wholesale and Retail Trade	1.222.758	1.671.564	1.538.039
Hotel, Food, Beverage Services	3.276.127	680.929	962.412
Transportation and			
Telecommunication	233.757	86.687	74.678
Financial Institutions	17.090	1.406.561	668.104
Real Estate and Lending Service	47.454	46.244	46.551
Self Employment Service	92.435	298.655	185.445
Education Service	18.545	9.136	12.002
Health and social services	76.854	65.086	75.400
Other	26.757.407	4.816.513	8.053.747
Total	61.353.577	20.718.727	23.017.462

^(*) Breakdown of cash loans

r. Information related to impairment and loan loss provisions:

		Provisions recognised during the	Provision	Other measurements	Closing
31 December 2023	Opening Balance	period	reversal	(*)	Balance
Stage 3 Provisions	11.388.324	5.031.861	(2.212.631)	(1.349.310)	12.858.244
Stage 1 and 2 Provisions	10.074.317	11.568.380	(2.417.598)	-	19.225.099

^(*) Consists of write-offs and sold portfolio from non-performing loans.

s. Risk involved in counter-cyclical capital buffer calculation:

31 December 2023

31 December 2023			
	Private sector credit	Risk Weighted Equivalent	
Country of ultimate risk	exposures in banking book	trading book	Total
Turkey	792.103.111	8.890.306	800.993.417
Ireland	1.590.689	9.410	1.600.099
Russian Federation	532.652	3.433	536.085
Isle of Man	297.600	-	297.600
Other	520.843	5.040	525.883

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

III. EXPLANATIONS ON CURRENCY RISK:

The difference between the Bank's foreign currency denominated and foreign currency indexed assets and liabilities is defined as the "Net Foreign Currency Position" and is the basis of currency risk. Foreign currency denominated assets and liabilities, together with purchase and sale commitments, give rise to foreign exchange exposure. The Bank keeps the foreign exchange exposure amount within the limits set by the ERC. The ERC, taking into account the economic conditions and market developments, sets a limit for the size of a foreign exchange exposure.

Those limits are individually determined and followed for both the net overall foreign currency position and for the foreign exchange exposure. Derivative financial instruments like forward foreign exchange contracts and currency swaps are used as tools for foreign exchange exposure management.

The Bank's foreign exchange bid rates as of the date of the financial statements and for the last five days prior to that date are presented below:

	USD	EURO
Balance Sheet Evaluation Rate	TL 29,4382	TL 32,5739
1.Day bid rate	TL 29,4382	TL 32,5739
2.Day bid rate	TL 29,3973	TL 32,6937
3.Day bid rate	TL 29,3374	TL 32,4186
4.Day bid rate	TL 29,2647	TL 32,2421
5.Day bid rate	TL 29,2108	TL 32,1766

The simple arithmetic average of the Bank's foreign exchange bid rates for the last thirty days preceding the balance sheet date for major foreign currencies are presented in the table below:

USD : TL 29,0552 EURO : TL 31,7410 As of 31 December 2022;

	USD	EURO
Balance Sheet Evaluation Rate	TL 18.6983	TL 19.9349

Information related to Bank's Currency Risk:

The table below summarizes the Bank's foreign currency net balance sheet position and net off-balance account position, categorized by currency. Foreign currency indexed assets are classified as Turkish Lira assets according to the Uniform Chart of Accounts. In currency risk calculation, foreign currency indexed assets are considered as foreign currency items. In accordance with the "Communiqué on Calculation of Foreign Currency Net Position/Capital Standard Ratio by banks in stand-alone and consolidated basis"; prepaid expenses in assets and shareholders' equity in liabilities are excluded in the currency risk calculation. Therefore, there are differences between the amounts of foreign currency denominated assets and liabilities demonstrated on the table below and the amounts on the balance sheet.



Akbank Built Upon Your

Corporare Governance Our Sustainability Journey Sustainable Financing People & Community

Ecosystem Management Climate Change Financial Information Annexes

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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Current Period – 31 December 2023	EURO	USD	Other FC	Total
Assets				
Cash and Balances with Central Bank (*)	46.938.938	103.001.322	18.536.325	168.476.585
Banks (******)	6.058.377	28.991.209	6.037.585	41.087.171
Financial Assets at Fair Value through Profit or Loss	114.579	1.938.656	=	2.053.235
Money Markets	=	=	=	-
Financial Assets at Fair Value Through Other Comprehensive Income	5.271.327	104.184.281	3.409.857	112.865.465
Loans and Lease Receivables (**)	118.146.540	97.918.313	27.933	216.092.786
Investments in Associates, Subsidiaries and Joint Ventures	33.788.565	2.990.538	=	36.779.103
Other financial assets measured at amortised cost	=	17.894.029	=	17.894.029
Hedging Derivative Financial Assets	-	3.434.981	2.024.665	5.459.646
Tangible Assets (Net)	-	67.943	-	67.943
Intangible Assets (Net)	-	-	-	-
Other Assets (***)	(1.511.174)	11.707.911	14.628	10.211.365
Total Assets	208.807.152	372.129.183	30.050.993	610.987.328
Liabilities				
Bank Deposits (****)	7.591.578	31.284.835	904.086	39.780.499
Foreign Currency Deposits (****)	125.197.919	207.841.148	76.870.074	409.909.141
Money Markets	804.613	87.303.404	-	88.108.017
Borrowings	23.130.704	71.545.675	-	94.676.379
Securities Issued (Net) (****)	329.451	55.498.582	6.482.288	62.310.321
Miscellaneous Payables	2.130.481	31.585.952	28.880	33.745.313
Hedging Derivative Financial Liabilities	-	-	-	-
Other Liabilities	1.909.597	4.141.567	131.804	6.182.968
Total Liabilities	161.094.343	489.201.163	84.417.132	734.712.638
Net on Balance Sheet Position	47.712.809	(117.071.980)	(54.366.139)	(123.725.310)
Net off-Balance Sheet Position (******)	(41.465.360)	131.658.244	55.970.136	146.163.020
Financial Derivative Assets	43.709.144	312.526.907	75.455.195	431.691.246
Financial Derivative Liabilities	85.174.504	180.868.663	19.485.059	285.528.226
Non-cash Loans	46.904.096	48.894.189	2.759.753	98.558.038
Prior Period - 31 December 2022				
Total Assets	157.174.562	238.628.784	11.690.011	407.493.357
Total Liabilities	102.016.669	317.643.690	47.632.893	467.293.252
Net on-Balance Sheet Position	55.157.893	(79.014.906)	(35.942.882)	(59.799.895)
Net off-Balance Sheet Position (******)	(51.820.284)	80.661.731	36.184.249	65.025.696
Financial Derivative Assets	32.546.408	226.483.305	48.608.795	307.638.508
Financial Derivative Liabilities	84.366.692	145.821.574	12.424.546	242.612.812
Non-cash Loans	33.539.115	36.160.254	2.842.779	72.542.148

^[*] Of the Cash Equivalents and Central Bank and Other FC, TL 14.767.560 [31 December 2022: TL 4.174.588] are precious metal deposit account in demand.

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NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

IV. EXPLANATIONS ON INTEREST RATE RISK:

"Interest Rate Risk" can be defined as the impact of interest rate changes on interest-sensitive asset and liability items of both on and off-balance sheets of the Bank. The ERC sets limits for the interest rate sensitivity of on and off-balance sheet items and the sensitivity is closely monitored and reported weekly. In the case of high market fluctuations, daily transaction based reporting and analyses are made.

The Bank manages the interest rate risk on a portfolio basis and tries to minimize the risk effect on the profitability, financial exposure and cash flows by applying different strategies. Basic methods such as using fixed or floating interest rates for different portfolios and maturities, setting the fixed margin in floating rates, or varying the rates for the short or long-term positions are applied actively.

a. Interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates):

Current Period - 31 December 2023	Up to 1 Month	1 – 3 Months	3 – 12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets			1-10-11-11-1		4	2029	
Cash and Balances with Central Bank	116.751.600	-	-	_	_	180.647.925	297.399.525
Banks (*****)	4.653.538	4.425.593	364.894	-	-	34.058.913	43.502.938
Financial assets at fair value through profit							
or loss (Net)	63.499	199.168	85.276	360.416	114.188	5.879.039	6.701.586
Money Markets	1.409.959	-	-	-	-	-	1.409.959
Financial Assets at Fair Value Through Other							
Comprehensive Income	36.846.590	46.883.102	36.741.179	127.610.838	21.261.855	1.541.326	270.884.890
Loans and Lease Receivables (*)	347.716.473	138.282.644	247.805.288	84.932.395	30.650.110	20.718.727	870.105.637
Other financial assets measured at amortised							
cost	70.069.525	6.542.160	50.866.149	29.251.430	8.186.751	-	164.916.015
Other Assets (**)	11.647.140	40.682.920	17.321.337	670.691	-	63.931.536	134.253.624
Total Assets	589.158.324	237.015.587	353.184.123	242.825.770	60.212.904	306.777.466	1.789.174.174
Liabilities							
Bank Deposits	19.634.408	5.730.538	14.097.617	-	-	1.093.121	40.555.684
Other Deposits	488.598.445	252.264.023	67.973.753	242.614	6	368.473.801	1.177.552.642
Money Markets	47.358.566	29.944.569	12.528.247	-	-	-	89.831.382
Miscellaneous Payables	6.986.312	13.209.225	9.366.521	719.303	-	31.941.036	62.222.397
Securities Issued (Net) (***)	363.838	981.739	9.497.253	28.679.159	23.674.995	-	63.196.984
Borrowings	17.200.244	35.617.545	41.939.056	71.661	-	-	94.828.506
Other Liabilities (****)	4.756.039	6.683.420	8.679.938	2.197.069	1.001.303	237.668.810	260.986.579
Total Liabilities	584.897.852	344.431.059	164.082.385	31.909.806	24.676.304	639.176.768	1.789.174.174
Balance Sheet Long Position	4.260.472	-	189.101.738	210.915.964	35.536.600	-	439.814.774
Balance Sheet Short Position	-	[107.415.472]	-	-	-	(332.399.302)	(439.814.774)
Off-balance Sheet Long Position	10.232.640	57.398.954	-	463.369	-	-	68.094.963
Off-balance Sheet Short Position	-	-	(31.734.868)	-	_	-	(31.734.868)
Total Position	14.493.112	(50.016.518)	157.366.870	211.379.333	35.536.600	(332.399.302)	36.360.095

^(*) Non-performing loans are presented in the" non-interest bearing " column. Interest rediscount started to be calculated for non-performing loans as of 1 January 2018, said amount was indicated on "without interest" column since there is no other suitable column in the above table.

^(**) The foreign currency indexed loans balance in the Turkish Lira accounts is TL 132.016 (31 December 2022: TL 307.517).

^(***) Derivative financial assets and expected credit losses are classified under other assets. The expected loss amount of foreign currency indexed loans balance is TL 709 (31 December 2022: TL 2.716). Prepaid assets amounted TL 208.680 (31 December 2022: TL 130.140) is excluded in the financial statements.

^[****] Of the foreign currency deposits TL 60.554.792 [31 December 2022: TL 35.783.135] and Bank Deposits Other FC of the TL 59.949 [31 December 2022: TL 58.579] are precious metal deposit account in demand.

^[*****] Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

^[******] Presents the net balance of receivables and payables from derivative transactions. Foreign Exchange spot dealings shown under "Asset purchase commitments" in the financial statements are included in the net off-balance sheet position. Currency option nominal transaction included in the Financial Derivatives Assets/Liabilities item are taken into account by multiplying them with delta values.

^(******) Derivative collaterals given to foreign banks are included.

^[**] Derivative financial assets and expected credit losses are classified under other assets.

^(***) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included

^[****] Shareholders' equity is presented under "Other liabilities" item at "Non-interest bearing" column.

^(*****) Derivative collaterals given to foreign banks are included.



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Prior Period – 31 December 2022	Up to 1 Month	1 – 3 Months	3 - 12 Months	1 - 5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash and Balances with Central Bank Banks (*****)	22.974.985 3.559.377	- 3.725.053	- 15.156	-	-	104.557.758 24.306.130	127.532.743 31.605.716
Financial assets at fair value through profit or loss (Net)	1	291	53.036	119.991	164.095	2.798.514	3.135.928
Money Markets	983.080	476.702	-	-	-	-	1.459.782
Financial Assets at Fair Value Through Other Comprehensive Income	16.585.316	17.444.458	38.539.336	67.104.478	23.695.425	1.501.642	164.870.655
Loans and Lease Receivables (*)	172.880.005	110.168.717	172.805.178	70.132.041	17.457.263	16.906.984	560.350.188
Other financial assets measured at amortised cost	40.382.262	1.103.650	38.665.799	14.935.049	3.067.916	-	98.154.676
Other Assets (**)	7.919.920	31.292.454	10.805.340	291.211	_	37.767.842	88.076.767
Total Assets	265.284.946	164.211.325	260.883.845	152.582.770	44.384.699	187.838.870	1.075.186.455
Liabilities							
Bank Deposits	5.749.449	6.638.654	2.369.133	-	-	1.448.252	16.205.488
Other Deposits	272.044.950	131.472.144	29.441.298	89.219	-	230.071.663	663.119.274
Money Markets	41.657.450	10.871.401	1.501.004	-	-	-	54.029.855
Miscellaneous Payables	5.001.718	10.685.700	7.748.181	342.177	-	20.340.264	44.118.040
Securities Issued (Net) (***)	79.732	358.202	1.493.577	20.413.088	16.895.052	-	39.239.651
Borrowings	9.547.202	36.820.956	17.915.065	113.537	-	-	64.396.760
Other Liabilities (****)	3.514.341	6.543.715	5.908.849	847.825	614.619	176.648.038	194.077.387
Total Liabilities	337.594.842	203.390.772	66.377.107	21.805.846	17.509.671	428.508.217	1.075.186.455
Balance Sheet Long Position	-	-	194.506.738	130.776.924	26.875.028	-	352.158.690
Balance Sheet Short Position	[72.309.896]	(39.179.447)	-	-	-	[240.669.347]	(352.158.690)
Off-balance Sheet Long Position	8.835.650	41.732.537	-	-	-	-	50.568.187
Off-balance Sheet Short Position	-	-	(23.559.562)	[1.048.630]	-	-	(24.608.192)
Total Position	(63.474.246)	2.553.090	170.947.176	129.728.294	26.875.028	(240.669.347)	25.959.995

^[*] Non-performing loans are presented in the non-interest bearing column. Interest rediscount started to be calculated for non-performing loans as of 1 January 2018, said amount was indicated on "without interest" column since there is no other suitable column in the above table.

b. Average interest rates for monetary financial instruments (%):

Average interest rates in the above tables are the weighted average rates of the related balance sheet items.

Current Period – 31 December 2023	EURO	USD	Yen	TL
Assets				
Cash and Balances with Central Bank	-	-	-	
Banks	-	5,32	-	40,56
Financial Assets at Fair Value Through Profit or Loss (Net)	4,95	8,15	-	47,26
Money Markets	-	-	-	43,00
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	4,33	6,17	3,09	33,98
Loans and Lease Receivables (***)	7,56	10,13	-	38,59
Other financial assets measured at amortised cost	-	6,13	-	43,82
Liabilities				
Bank Deposits (*)	5,29	7,55	-	19,35
Other Deposits (*)	0,33	1,57	0,84	32,19
Money Markets	3,00	6,69	-	15,29
Miscellaneous Payables	-	3,65	-	
Securities Issued (Net) (**)	4,00	6,87	-	14,53
Borrowings	7,12	8,25	-	32,39

^(*) Demand deposit balances are included in average interest rate calculation.

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Prior Period – 31 December 2022	EURO	USD	Yen	TL
Assets				
Cash and Balances with Central Bank	-	-	-	-
Banks	-	2,38	-	20,17
Financial Assets at Fair Value Through Profit or Loss (Net)	4,89	7,36	-	10,78
Money Markets	-	-	-	14,88
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	4,20	5,73	3,09	29,35
Loans and Lease Receivables (***)	5,83	9,29	-	20,31
Other financial assets measured at amortised cost	-	6,22	-	76,44
Liabilities				
Bank Deposits (*)	2,77	4,84	-	14,51
Other Deposits (*)	0,23	1,71	0,01	15,79
Money Markets	-	5,06	-	9,14
Miscellaneous Payables	-	3,65	-	-
Securities Issued (Net) (**)	4,00	6,43	-	13,17
Borrowings	4,18	6,72	-	19,40

^(*) Demand deposit balances are included in average interest rate calculation.

V. EXPLANATIONS ON POSITION RISK OF EQUITY SECURITIES:

The Bank doesn't have any subsidiaries and affiliates that are traded on the "BIST".

VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO:

The liquidity risk of the Bank is the risk of being unable to fulfill its payment obligations on time due to not having enough cash sources or cash inflows to finance its cash outflows fully and on time due to cash flow instabilities.

Liquidity risk arises from situations in which the Bank is unable to meet the cash outflows with its cash sources and borrowing opportunities over collateralizing marketable securities, in case of sudden fund withdrawals by the individual/institutional funders of the Bank.

a) Information on risk capacity of the Bank, responsibilities and structure of liquidity risk management, the Bank's internal liquidity risk reporting, communication between the Board of Directors and business lines on liquidity risk strategy, policy and application:

The Bank's liquidity and funding policy is to own sufficient liquidity reserve and funding opportunities to meet Bank's liabilities even in cases of stress, resulting from the market conditions or other conditions specific to the Bank.

The Bank has capacity to meet a high risk with broad and stable deposit, strong base capital structure and diversified foreign borrowing sources and is capable of providing additional liquidity with high quality liquid securities in its portfolio and available limits at both the Central Bank of Turkey and other Money markets.

Management of liquidity risk is shared by the ERC, ALCO, Treasury Department and Risk Management Department. The ERC determines the liquidity management policies and the appropriate liquidity risk level in line with the Bank's risk appetite and monitors whether the liquidity risk is managed under the framework of determined policies and within the defined limits.

The different categories of defined limits are;

- Limits related to wholesale funding sources,
- Limits related to liquid asset buffer,
- Limits related to the cash inflows coverage capacity to cash outflows,
- Limits related to cash outflow coverage capacity in the stress environment

ALCO takes decision to use alternative funding sources, pricing of obtained funds and granted loans, and other decisions of Daily liquidity management. Treasury Department ensures that the Bank meets its short, middle and long term liabilities, with the transactions made in accordance with ALCO decisions order to utilize excess funding or close the funding gap, occurring on foreign currencies or maturity terms. Risk Management Department measures and monitors the liquidity risk, with the reports prepared and analyses made, and informs the top management. Liquidity risk reporting consists of periodic and special purpose

^[**] Derivative financial assets and expected credit losses are classified under other assets.

^(***) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included

^(****) Shareholders' equity is presented under "Other liabilities" item at "Non-interest bearing" column.

^(*****) Derivative collaterals given to foreign banks are included.

^(**) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

^[**] Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.



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reports prepared to be discussed in the ERC and ALCO meetings, stress tests, scenario analyses, risk limit compliance reports and legal liquidity reports.

b) Information on the centralization degree of liquidity management and funding strategy and the functioning between the Bank and the Bank's subsidiaries:

Each of the Bank's subsidiaries within the consolidation scope manages its own liquidity. Nevertheless, there are defined limits related to the funding amount that the Bank will provide to a subsidiary, in case of liquidity issues. Cumulative liquidity gap resulted in stress scenarios of subsidiaries, should not exceed the fund limits provided by the Bank.

c) Information on the Bank's funding strategy including the policies on funding types and variety of maturities:

The Bank targets to obtain additional funding sources besides the strong capital structure, from the most possible diversified, long term stable sources, considering cost factors. In this direction, concentration ratios such as share of retail funding sources in total funding sources, share of deposits of high amount in total deposit, share of borrowings made from the market in total market volume are monitored and limited with the applied risk limits. Treasury Unit performs necessary work to obtain long term foreign funding.

d) Information on liquidity management on the basis of currencies constituting a minimum of five percent of the Bank's total liabilities:

Almost all of the Bank's liabilities are in TL, USD or EUR currencies and TL funds comprise of mainly equity and deposits. The Bank's liquidity in TL is managed with repurchase agreements made at CBRT/BIST using high quality securities owned by the Bank. Together with keeping the main purpose as using liabilities in TL in funding assets in TL, foreign currency liabilities are used in creating assets in TL using foreign exchange swaps, when necessary. Liquidity management is performed in the scope of internal risk limits, such as short term borrowing limits from markets determined by the Bank, market concentration limits, liquidity stress scenario, and cumulative liquidity gap.

Foreign currency funds are obtained through foreign exchange deposit accounts, foreign based, foreign currency loans, securities issued and repurchase agreements. Foreign currency liquidity management is performed using internal risk limits defined for liquidity buffer kept at correspondent banks and monitored daily in the scope of the Bank's risk limits, and cumulative gap in the scope of liquidity stress scenario, and other risk limits defined for wholesale funding and concentration. The Bank has available foreign currency borrowing limits at CBRT/BIST and other banks.

e) Information on liquidity risk mitigation techniques:

Liquidity risk is mitigated by using techniques such as maintaining high quality liquid asset buffer to cover possible fund outflows, diversification of funding sources so far as possible and inclusion to the base, homogenizing the maturity distribution of repayments as far as possible, obtaining limits from funding institutions to use when necessary and ensuring that a determined portion of funding sources are comprised of deposit.

f) Information on the use of stress tests:

In cases of negative conditions such as an impairment in the securities in the Bank's portfolio, inability to replace short and long term borrowings, fast cash outflow, increase in non-performing loan ratio, high margin calls, the extent and duration of sufficient liquidity is analyzed by the stress tests made by the Risk Management Department. Risk limits determined according to analysis results exist within the Bank. It is ensured that the necessary actions are taken by sharing the analysis results and risk limit compliance status with the ALCO, ERC and related business units. The effects of cash inflows and outflows under different stress scenarios have been studied and evaluated.

g) General information on urgent and unexpected liquidity situation plans:

Necessary strategy and procedures for the management of possible liquidity crisis are determined with the Liquidity Contingency Plan, which is approved and reviewed every year by the ERC. The actions to be taken favor the benefits of depositors, creditors of the Bank and shareholders. In case one or several emergency situations occur, Bank's Liquidity Contingency Plan is put into use. After Liquidity Contingency Plan is put into use, Liquidity Contingency Management Committee is responsible from the determination of actions to be taken.

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Liquidity Coverage Ratio:	ı	Liqu	idity	Cover	age	Ratio:	
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Current Period - 31.12.2023		Rate of "Perc taken into ad Implemented 1 TL+FC	ccount" not	Rate of "Percentage to be taken into account" Implemented Total value (*) TL+FC FC		
	QUALITY LIQUID ASSETS (HQLA)				<u>. </u>	
1	High quality liquid assets			392.063.313	158.797.599	
CASH	OUTFLOWS					
2	Retail and Customers Deposits	782.730.355	271.035.664	70.341.601	27.103.566	
3	Stable deposits	158.642.746	-	7.932.840		
4	Less stable deposits	624.087.609	271.035.664	62.408.761	27.103.566	
5	Unsecured Funding other than Retail and Small Business					
	Customers Deposits	354.223.307	174.691.016	179.515.432	103.709.417	
6	Operational deposits	1.736.717	-	434.179		
7	Non-Operational Deposits	308.649.575	141.178.457	141.111.673	70.200.794	
8	Other Unsecured Funding	43.837.015	33.512.559	37.969.580	33.508.623	
9	Secured funding			16.811.473	16.811.47	
10	Other Cash Outflows	52.047.249	70.341.811	23.298.587	57.663.912	
11	Liquidity needs related to derivatives and market					
	valuation changes on derivatives transactions	18.170.264	56.237.230	18.170.264	56.237.230	
12	Debts related to the structured financial products	91.318	-	91.318		
13	Commitment related to debts to financial markets					
	and other off balance sheet liabilities	33.785.667	14.104.581	5.037.005	1.426.682	
14	Commitments that are unconditionally revocable at any time					
	by the Bank and other contractual commitments	9.646.677	-	482.334	-	
15	Other irrevocable or conditionally revocable commitments	563.859.277	80.980.707	28.192.964	4.049.035	
16	TOTAL CASH OUTFLOWS			318.642.391	209.337.403	
CASH	I INFLOWS					
17	Secured Lending Transactions	4.173.649	-	-	-	
18	Unsecured Lending Transactions	118.943.093	40.710.766	81.813.120	36.133.033	
19	Other contractual cash inflows	5.932.649	87.524.155	5.931.086	87.523.883	
20	TOTAL CASH INFLOWS	129.049.391	128.234.921	87.744.206	123.656.916	
				Upper limit a	pplied amounts	
21	TOTAL HQLA STOCK			392.063.313	158.797.599	
22	TOTAL NET CASH OUTFLOWS			230.898.185	85.680.487	
23	Liquidity Coverage Ratio (%)			169,80	185,34	

^[*] Simple arithmetic average calculated for the last three months by using the amounts calculated based on weekly simple arithmetic averages



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		Rate of "Perc taken into ac Implemented T	count" not	Rate of "Percentage to be taken into account" Implemented Total value (*)		
	Period – 31.12.2022	TL+FC	FC	TL+FC	FC	
HIGH	QUALITY LIQUID ASSETS (HQLA)					
1	High quality liquid assets			239.433.160	144.339.483	
CASH	I OUTFLOWS					
2	Retail and Customers Deposits	444.770.037	213.952.822	41.236.127	21.395.282	
3	Stable deposits	64.817.551	-	3.240.878	-	
4	Less stable deposits	379.952.486	213.952.822	37.995.249	21.395.282	
5	Unsecured Funding other than Retail and Small Business					
	Customers Deposits	244.650.107	134.155.002	129.295.179	78.376.010	
6	Operational deposits	-	-	-	-	
7	Non-Operational Deposits	206.805.836	105.508.556	94.876.343	49.731.489	
8	Other Unsecured Funding	37.844.271	28.646.446	34.418.836	28.644.521	
9	Secured funding	=	=	491.846	491.846	
10	Other Cash Outflows	21.175.052	33.073.310	8.642.808	25.245.405	
11	Liquidity needs related to derivatives and market					
	valuation changes on derivatives transactions	7.261.888	24.383.177	7.261.888	24.383.177	
12	Debts related to the structured financial products	9.240	=	9.240	=	
13	Commitment related to debts to financial markets					
	and other off balance sheet liabilities	13.903.924	8.690.133	1.371.680	862.228	
14	Commitments that are unconditionally revocable at any time					
	by the Bank and other contractual commitments	1.994.365	-	99.718	-	
15	Other irrevocable or conditionally revocable commitments	192.018.843	58.576.360	9.600.942	2.928.818	
16	TOTAL CASH OUTFLOWS			189.366.620	128.437.361	
CASH	INFLOWS					
17	Secured Lending Transactions	36.841	-	-	-	
18	Unsecured Lending Transactions	62.926.251	26.551.939	44.050.892	24.085.689	
19	Other contractual cash inflows	3.225.651	88.243.815	3.217.596	88.241.580	
20	TOTAL CASH INFLOWS	66.188.743	114.795.754	47.268.488	112.327.269	
				Upper limit a	pplied amounts	
21	TOTAL HQLA STOCK			239.433.160	144.339.483	
22	TOTAL NET CASH OUTFLOWS			142.098.132	32.109.340	
23	Liquidity Coverage Ratio (%)			168,50	449,52	

^(*) Simple arithmetic average calculated for the last three months by using the amounts calculated based on weekly simple arithmetic averages.

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Liquidity coverage ratio is calculated by comparing the high quality liquid assets owned by the Bank to net cash outflow in one month maturity. Balance sheet accounts that are significant on the ratio can be listed as reserve requirements maintained at CBRT, marketable securities that are not subject to repurchase agreements or not given as collateral, corporate deposits, bank deposits, foreign funds and borrowings from banks. The effect of these accounts on the liquidity coverage ratio is higher than other accounts, since these accounts have a higher share in liquid assets and net cash outflows.

Periodic increases are observed in the liquidity coverage ratio during the weeks where the foreign currency reserve option is used in reserve requirements in CBRT, high amounts are maintained in bank placements or repurchase agreement volume decreases, on the other hand, fluctuations may occur in the liquidity coverage ratio during the weeks where the share of corporate or bank funds increase, or long term foreign funds which are replaced when due, such as syndicated loans are due in one month. Despite these fluctuations, it is observed that the ratio does not decrease below 161% during the period and remain at a quite higher level that the legal lower limit.

Although the derivative transactions create net cash flow of small amount in terms of total liquidity coverage ratio, fluctuations in foreign currency derivative transactions, especially in foreign exchange swaps cause the foreign currency liquidity coverage ratio to be affected

The Bank's high quality liquid assets mainly comprise of CBRT accounts by 60% and securities issued by Undersecreteriat of the Treasury by 36%. Funding sources are mainly distributed between individual and retail deposits by 66%, corporate deposits by 25%, and borrowings from banks by 2% and collateralized borrowings such as repurchase agreements by 4%.

Cash outflow amounting to TL 1.358 million (in full TL amount) is calculated based on the change of margin call amounts of derivative transactions and repurchase agreements during the last two years.

The Bank follows up and manages the liquidity coverage ratio including its foreign branch. There is no limitation which avoids liquidity transfer between the Bank and the foreign branch. In this context, the foreign branch does not create any additional liquidity risk for the Bank. The Bank follows up and manages the liquidity coverage ratio including its foreign branch. There is no limitation which avoids liquidity transfer between the Bank and the foreign branch. In this context, the foreign branch does not create any additional liquidity risk for the Bank.

In accordance with the "Regulation On Calculation of Bank's Liquidity Coverage Ratio", published in Official Gazette no. 28948, dated 21 March 2014, the weeks in which the highest and the lowest liquidity coverage ratio is calculated over the last three months are presented below.

	Current Period – 31.12.2023		
	TL+FC	FC	
Lowest	161,72	122,88	
Week	01.12.2023	27.10.2023	
Highest	179,91	282,47	
Week	10.11.2023	01.12.2023	

	Prior Period -	Prior Period - 31.12.2022		
	TL+FC	FC		
Lowest	150,09	408,68		
Week	16.12.2022	30.12.2022		
Highest	190,61	523,59		
Week	4.11.2022	11.11.2022		

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Breakdown of assets and liabilities according to their outstanding maturities:

Current Period – 31 December 2023	Demand	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Unallocated (*)	Total
Assets								
Cash and Balances with Central Bank Banks (******)	183.315.424 34.058.913	114.084.101 4.653.538	4.425.593	364.894	-	-	-	297.399.525 43.502.938
Financial Assets at Fair Value Through Profit or Loss (Net)	5.879.039	583	11.229	84.463	537.839	188.433	=	6.701.586
Money Markets	=	1.409.959	-	-	-	-	-	1.409.959
Financial Assets at Fair Value Through Other Comprehensive Income	1.541.326	6.548.244	9.184.092	21.837.742	191.516.034	40.257.452	-	270.884.890
Loans and Lease Receivables (*****)	=	295.544.627	123.880.887	213.959.094	146.711.991	69.290.311	20.718.727	870.105.637
Other financial assets measured at amortised cost	-	-	1.580.462	13.823.461	107.028.906	42.483.186	-	164.916.015
Other Assets (*)	-	6.200.115	2.953.928	12.202.758	41.164.702	7.800.585	63.931.536	134.253.624
Total Assets	224.794.702	428.441.167	142.036.191	262.272.412	486.959.472	160.019.967	84.650.263	1.789.174.174
Liabilities								
Bank Deposits	1.093.121	19.634.408	5.730.538	14.097.617	_	-	-	40.555.684
Other Deposits	368.473.801	488.598.445	252.264.023	67.973.753	242.614	6	-	1.177.552.642
Borrowings	-	2.895.243	4.990.175	65.023.581	20.479.476	1.440.031	-	94.828.506
Money Markets	_	40.180.795	17.660.855	21.701.877	6.705.172	3.582.683	_	89.831.382
Securities Issued (Net) (**)	_	363.838	981.739	9.497.253	28.679.159	23.674.995	_	63.196.984
Miscellaneous Payables	_	2.229.624	1.984.343	8.933.463	14.875.632	2.258.299	31.941.036	62.222.397
Other Liabilities (***)	3.188.733	9.178.394	1.306.390	8.472.490	8.978.345	2.083.091	227.779.136	260.986.579
Total Liabilities	372.755.655	563.080.747	284.918.063	195.700.034	79.960.398	33.039.105	259.720.172	1.789.174.174
Net Liquidity Excess/ (Gap)	(147.960.953)	(134.639.580)	(142.881.872)	66.572.378	406.999.074	126.980.862	[175.069.909]	
Net off-balance sheet position	-	846.995	(1.471.092)	4.398.890	29.368.874	3.216.428	-	36.360.095
Financial Derivative Assets	-	217.654.539	199.193.742	174.363.553	194.230.908	80.336.100	-	865.778.842
Financial Derivative Liabilities	-	216.807.544	200.664.834	169.964.663	164.862.034	77.119.672	-	829.418.747
Non-cash loans (****)	-	10.877.664	952.035	42.340.686	103.775.467	79.196.032	-	237.141.884
Prior Period - 31 December 2022								
Total Assets	97.087.903	188.817.298	103.146.383	203.130.437	273.927.708	154.401.900	54.674.826	1.075.186.455
Total Liabilities	233.703.592	322.332.409	152.610.602	80.854.105	68.634.281	25.932.999	191.118.467	1.075.186.455
Net Liquidity Gap	(136.615.689)	(133.515.111)	(49.464.219)	122.276.332	205.293.427	128.468.901	(136.443.641)	-
Net Off-balance sheet Position	-	1.379.505	1.489.559	1.993.738	8.020.409	13.076.78	4	- 25.959.99
Financial Derivative Assets	-	194.423.409	112.489.759	80.767.340	146.191.938	93.520.41	4	- 627.392.860
Financial Derivative Liabilities	-	193.043.904	111.000.200	78.773.602	138.171.529	80.443.63	0	- 601.432.86
Non-cash Loans (****)	-	5.631.091	969.017	40.568.684	45.159.062	48.273.85	2	- 140.601.70

^(*) Assets that are necessary for banking activities and that cannot be liquidated in the short-term, such as fixed and intangible assets, investments,

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Breakdown of liabilities due to their remaining contractual maturities:

	Up to 1				5 Years		
Current Period - 31 December 2023	Month	1-3 Months	3-12 Months	1-5 Years	and Over	Total	
Liabilities							
Deposits	918.663.930	231.646.420	90.719.402	308.062	-	1.241.337.814	
Funds borrowed from other financial institutions	3.002.715	5.612.944	68.877.608	22.361.565	1.537.435	101.392.267	
Funds from interbank money market	40.436.088	18.214.400	22.927.738	8.314.683	3.710.974	93.603.883	
Marketable Securities Issued (Net)	423.910	1.083.212	12.541.630	38.075.128	30.626.853	82.750.733	
		•	•	•	•		

	Up to 1				5 Years	
Prior Period - 31 December 2022	Month	1-3 Months	3-12 Months	1-5 Years	and Over	Total
Liabilities						
Deposits	545.456.712	105.991.060	33.864.615	103.263	-	685.415.650
Funds borrowed from other financial institutions	393.547	5.976.639	35.893.887	26.057.693	1.588.130	69.909.896
Funds from interbank money market	37.616.959	7.701.286	2.260.876	5.789.756	2.459.951	55.828.828
Marketable Securities Issued (Net)	86.516	535.070	3.322.211	28.031.189	19.516.453	51.491.439

					5 Years
Current Period - 31 December 2023	Up to 1 month	1-3 months	3-12 months	1-5 years	and Over
Derivatives held for trading					
Foreign exchange derivatives:					
- Inflow	196.139.461	136.436.903	70.652.924	28.749.813	6.783.686
- Outflow	(212.303.155)	(160.616.310)	(69.064.439)	(26.123.385)	(6.251.724)
Interest rate derivatives:					
- Inflow	585.810	5.644.807	16.523.164	18.209.071	1.433.837
- Outflow	(516.431)	(5.958.247)	(16.087.726)	(17.939.200)	(1.746.677)
Derivatives held for hedging					
Foreign exchange derivatives:					
- Inflow	1.694	544.626	2.409.166	29.996.315	9.124.683
- Outflow	[421]	(263.442)	(617.594)	(6.341.777)	(4.805.808)
Interest rate derivatives:					
- Inflow	1.072.261	2.659.401	5.530.976	7.084.398	1.192.042
- Outflow	(1.019.143)	(2.388.669)	(3.250.738)	(4.936.804)	(1.092.749)
Total Inflow	197.799.226	145.285.737	95.116.230	84.039.597	18.534.248
Total Outflow	(213.839.150)	(169.226.668)	(89.020.497)	(55.341.166)	(13.896.958)
					5 Years
Prior Period - 31 December 2022	Up to 1 month	1-3 months	3-12 months	1-5 years	and Over
Derivatives held for trading					
Foreign exchange derivatives:					
- Inflow	173.549.935	100.663.808	54.617.044	19.808.607	6.313.217
- Outflow	(183.619.423)	(116.195.702)	(55.711.346)	(18.671.335)	(5.827.772)
Interest rate derivatives:					
- Inflow	654.473	944.056	5.165.553	8.197.593	1.358.391
- Outflow	(551.571)	(960.684)	(4.341.652)	(7.855.240)	(1.250.171)
Derivatives held for hedging					
Foreign exchange derivatives:					
- Inflow	945.384	303.012	2.379.012	5.980.162	20.591.405
	(316.205)	(246.364)	(896.534)	(3.163.337)	(7.337.791)
- Outflow					
- Outflow Interest rate derivatives:					
	423.413	1.040.097	4.117.787	8.784.124	1.638.450
Interest rate derivatives: - Inflow	423.413 (412.244)	1.040.097 (790.608)	4.117.787 (2.217.546)	8.784.124 (5.170.987)	1.638.450 (1.486.620)
Interest rate derivatives:					

subsidiaries, stationery, prepaid expenses and loans under follow-up, are shown in this column. Expected credit losses are included.

^(**) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included. (***) Shareholders' Equity is presented under "Other Liabilities" item in the "Unallocated" column.

^[*****] Amounts related to Letters of Guarantee represent contractual maturity and related amounts. Amounts are demand and can be withdrawn

^(******) The non-performing loans are stated in the "Unallocatable" column.

^(*****) Derivative collaterals given to foreign banks are included.



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VII. EXPLANATIONS ON LEVERAGE RATIO:

a. Information on subjects that causes difference in leverage ratio between current and prior periods:

As of 31 December 2023, the leverage ratio of the Bank calculated from 3 months average amounts is 7,91% [31 December 2022: 10,47%]. This ratio is above the minimum ratio which is 3%.

b. Disclosure of Leverage ratio template:

		Current Period 31 December 2023 (*)	Prior Period 31 December 2022 (*)
	Balance sheet Assets	31 December 2023 (*)	31 December 2022 (*)
1	Balance sheet assets (excluding derivative financial assets and credit		
	derivatives, including collaterals)	1.645.257.649	1.004.782.453
2	(Assets deducted from Core capital)	-	-
3	Total risk amount of balance sheet assets (sum of lines 1 and 2)	1.645.257.649	1.004.782.453
	Derivative financial assets and credit derivatives		
4	Cost of replenishment for derivative financial assets and credit derivatives	28.257.809	40.646.045
5	Potential credit risk amount of derivative financial assets and credit		
	derivatives	8.323.447	9.978.630
6	Total risk amount of derivative financial assets and credit derivatives (sum		
	of lines 4 and 5)	36.581.256	50.624.675
	Financing transactions secured by marketable security or commodity		
7	Risk amount of financing transactions secured by marketable security or		
	commodity	45.171.120	9.465.773
8	Risk amount arising from intermediary transactions	-	-
9	Total risk amount of financing transactions secured by marketable		
	security or commodity (sum of lines 7 and 8)	45.171.120	9.465.773
	Off-balance sheet transactions		
10	Gross notional amount of off-balance sheet transactions	748.990.578	288.053.067
11	(Correction amount due to multiplication with credit conversion rates)	(8.763.018)	(1.812.291)
12	Total risk of off-balance sheet transactions (sum of lines 10 and 11)	740.227.560	286.240.776
	Capital and total risk		
13	Core Capital	195.043.337	141.505.543
14	Total risk amount(sum of lines 3, 6, 9 and 12)	2.467.237.585	1.351.113.677
	Leverage ratio		
15	Leverage ratio	7,91	10,47

(*) Three months average values.

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VIII. EXPLANATIONS ON PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES AT THEIR FAIR VALUES:

a. Calculations of financial assets and liabilites at their fair values:

The fair values of financial assets measured at amortised cost are 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 the demand deposit represents the amount to be paid upon request. The fair value of the overnight deposit represents the carrying value. The expected fair value of the fixed rate deposit is calculated by discounted cash flow with the use of the market interest rates of similar liabilities and loans.

The fair value of marketable securities issued is calculated according to broker price quotations and if these are not available, amounts derived from discounted cash flow models.

The expected fair value of loans and receivables are determined by calculating the discounted cash flows using the current market interest rates for the fixed loans with fixed interest rates. For the loans with floating interest rates, it is assumed that the carrying value reflects the fair value.

The following table summarizes the carrying values and fair values of financial assets and liabilities. The carrying value represents the acquisition costs and accumulated interest accruals of corresponding financial assets or liabilities.

	Carrying Val	ue	Fair Val	ue
	Current Period	Prior Period	Current Period	Prior Period
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Financial Assets	1.350.819.439	856.441.017	1.359.572.890	912.886.247
Money Markets	1.409.959	1.459.782	1.408.232	1.465.871
Banks	43.502.938	31.605.716	43.487.534	31.596.673
Financial Assets at Fair Value Through				
Other Comprehensive Income	270.884.890	164.870.655	270.884.890	164.870.655
Other Financial Assets Measured at				
Amortised Cost	164.916.015	98.154.676	170.183.839	133.750.871
Loans	870.105.637	560.350.188	873.608.395	581.202.177
Financial Liabilities	1.438.356.213	827.079.213	1.430.025.154	828.285.003
Bank Deposits	40.555.684	16.205.488	40.793.170	16.229.876
Other Deposits	1.177.552.642	663.119.274	1.164.338.542	664.517.435
Borrowings	94.828.506	64.396.760	97.416.827	66.275.073
Securities Issued (Net)	63.196.984	39.239.651	65.254.218	37.144.579
Miscellaneous Payables	62.222.397	44.118.040	62.222.397	44.118.040

b. Fair value hierarchy:

TFRS 13 sets a hierarchy of valuation techniques according to the observability of data used in valuation techniques which establish basis for fair value calculations.

Aforesaid fair value hierarchy is determined as follows.

- a) Quoted market prices (non-adjusted) (1st level).
- b) Directly (by way of prices) or indirectly (derived from prices) data for the assets or liabilities, other than quoted prices in the 1st level (2nd level).
- c) Data not based on observable data regarding assets or liabilities (3rd level).



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Fair value hierarchy of the financial assets and liabilities of the Bank according to the foregoing principles is given in the table below:

Current Period - 31 December 2023	1st Level	2nd Level	3rd Level	Total
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	708.654	=	=	708.654
- Share Certificates	1.096.752	=	=	1.096.752
- Other Financial Assets	1.375.689	3.520.491	-	4.896.180
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	211.376.573	-	-	211.376.573
- Share Certificates	112.047	-	-	112.047
- Other Financial Assets	29.850.137	29.546.133	-	59.396.270
Derivative Financial Assets				
- Derivative Financial Assets at Fair Value Through Profit or Loss	418	35.783.462	-	35.783.880
- Derivative Financial Assets at Fair Value Through Other Comprehensive	-	29.526.735	-	29.526.735
Loans	-	873.608.394	-	873.608.394
Financial Assets Measured at Amortised Cost				
- Government Debt Securities	168.586.010	-	-	168.586.010
- Other Financial Assets	1.597.830	-	-	1.597.830
Total Assets	414.704.110	971.985.215	-	1.386.689.325
Derivative Financial Liabilities				
- Derivative Financial Liabilities at Fair Value Through				
Profit or Loss	1.124	13.652.019	-	13.653.143
- Derivative Financial Liabilities at Fair Value Through				
Other Comprehensive Income	-	852.473	-	852.473
Deposits	-	1.205.131.712	-	1.205.131.712
Funds Borrowed	-	97.416.827	-	97.416.827
Money Markets	-	90.231.042	-	90.231.042
Securities Issued (Net)	-	65.254.218	-	65.254.218
Total Liabilities	1.124	1.472.538.291	-	1.472.539.415

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Prior Period - 31 December 2022	1st Level	2nd Level	3rd Level	Total
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	311.666	-	-	311.666
- Share Certificates	555.909	-	-	555.909
- Other Financial Assets	227.115	2.041.238	-	2.268.353
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	140.342.676	-	-	140.342.676
- Share Certificates	97.071	-	-	97.071
- Other Financial Assets	17.246.977	7.183.931	-	24.430.908
Derivative Financial Assets				
- Derivative Financial Assets at Fair Value Through				
Profit or Loss	_	26.877.552	_	26.877.552
- Derivative Financial Assets at Fair Value Through				
Other Comprehensive Income	-	20.877.144	-	20.877.144
Loans (*)	-	581.202.177	-	581.202.177
Financial Assets Measured at Amortised Cost				
- Government Debt Securities	132.442.825	-	-	132.442.825
- Other Financial Assets	1.308.046	-	-	1.308.046
Total Assets	292.532.285	638.182.042	-	930.714.327
Derivative Financial Liabilities				
- Derivative Financial Liabilities at Fair Value Through				
Profit or Loss	-	13.957.533	-	13.957.533
- Derivtive Financial Liabilities at Fair Value Through				
Other Comprehensive Income	-	494.477	-	494.477
Deposits	-	680.747.311	-	680.747.311
Funds Borrowed	-	66.275.073	-	66.275.073
Money Markets	-	54.107.636	-	54.107.636
Securities Issued (Net)	-	37.144.579	-	37.144.579
Total Liabilities	-	852.726.609	-	852.726.609

^(*) Fair value of the financial assets at fair value through profit or loss classified under third level, has been determined based on results of valuation work that include various valuation technics. The potential changes in the fundamental estimations and assumptions included in the valuation work can affect the carrying fair value of the loan.

As explained in the note of VII-b of the Third Section, share certificates classified as financial assets at fair value through other comprehensive income are carried at cost less impairment since they are not traded in active markets and their fair values cannot be measured reliably.

There are no transfers between the 1st and the 2nd levels in the current year.

The movement of financial assets in Level 3 is presented below:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Balances at Beginning of Period	-	7.342.910
Purchases During the Period	-	-
Disposals Through Sale/Redemptions (*)	-	(7.342.910)
Valuation Effect	-	-
Transfers	-	-
Balances at the End of Period	-	-

(*) Share transfer agreement was signed with the Turkey Wealth Fund regarding the sale of all of Türk Telekomünikasyon A.Ş.'s shares in LYY Telekomünikasyon A.Ş.'s assets. The sale and transfer transaction was realized on 31 March 2022.



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IX. EXPLANATION ON THE ACTIVITIES CARRIED OUT ON BEHALF AND ACCOUNT OF OTHER PERSONS:

The Bank carries out trading, custody, management and consulting services on behalf of customers and on their account. Details of these transactions are provided in the off-balance sheet table. The Bank has no trust transactions.

X. EXPLANATIONS ON RISK MANAGEMENT TARGET AND POLICIES:

a. Explanations on Risk Management and Risk Weighted Amount (RWA)

1. The Bank's risk management approach:

Effective risk management constitutes one of the most important competitive strength of the Bank. Risk management system is assessed as a critical process which includes all units starting from the Board of Directors level. General strategies regarding Bank's risk management are given below:

- Effective risk management within the Bank's risk profile based on materiality; implementing a centralized risk framework that includes all major risk areas.
- Managing existing and potential risks from the beginning through forward looking risk strategies, policies and procedures, models and parameters,
- Applying a risk-focused management approach in the strategic decision process,
- Complying with all national risk management requirements, where the Bank operates.

The Bank's Board of Directors has the ultimate responsibility for setting-up and monitoring the efficiency of such a risk management system. The Board of Directors fulfills its monitoring responsibility through the Auditing Committee, the Executive Risk Committee, the Credit Committee and other related intermediary committees and by means of regular risk, control and audit reporting system.

The Board of Directors regularly reviews and approves Bank's main risk approach, risk principles and policies which are initially discussed and decided by the Executive Risk Committee. The Board of Directors also determines Bank's risk appetite by risk limits taking market conditions and Bank's risk taking capacity into consideration. Risk limits are made up of regulatory and internal limits on the basis of risk types.

Bank's Senior Management is responsible to the Bank's Board of Directors that daily activities are executed within the risk management procedures and risk limits determined by the Board of Directors and that risk management system operates in effective and efficient manner. The Internal Audit, the Internal Control, Compliance Presidency and The Risk Management Presidency which directly report to the Board of Directors operate in coordination with the business units of the Bank. In this scope, it is also Senior Management's responsibility to take necessary measures in order to resolve identified weaknesses, deficiencies and errors stated in the reports of internal and external audits, internal control and risk management.

Locally and internationally accepted risk models and parameters are used in the identification, measurement and monitoring of risks within the scope of risk management. The Bank strives continuously for development and improvement of internal methods and models. Forward looking risk reports prepared through regular and close monitoring of the market developments are made available for the Senior Management and the Board of Directors. In order to analyze the potential risks that the Bank may be exposed in extreme cases, various scenario analyses are performed and contingency plans are prepared. The Bank's internal capital adequacy assessment process ("ICAAP") has been established and the ICAAP has been performed parallel to the annual budget process on an annual basis. Moreover, various risk mitigation techniques are utilized to limit and provide protection against risks the Bank is exposed to. The effectiveness and efficiency of the risk mitigation techniques are regularly monitored.

Notes and explanations in this section have been prepared in accordance with the Communiqué on Disclosures about Risk Management to be announced to Public by Banks that have been published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016. Due to usage of standard approach for the calculation of capital adequacy ratio by the Bank, tables, which have to be prepared within the scope of Internal Rating-Based (IRB) approach, are not presented.

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In the event of unexpected negative economic conditions, stress tests are carried out regularly considering the exchange rate and interest rate shocks and the deterioration of the loan portfolio at different stress rates.

2. Overview of RWA:

		Risk Weighte	ed Amount	Minimum capital requirement
		Current Period	Prior Period	Current Period
		31 December 2023	31 December 2022	31 December 2023
1	Credit risk (excluding counterparty credit risk) (CCR)	926.942.848	594.258.200	74.155.428
2	Standardized approach (SA)	926.942.848	594.258.200	74.155.428
3	Internal rating-based (IRB) approach	-	=	=
4	Counterparty credit risk	33.432.428	36.267.295	2.674.594
_	Standardized approach for counterparty credit risk (SA-			
5	CCR)	33.432.428	36.267.295	2.674.594
6	Internal model method (IMM)	-	-	-
7	Basic risk weight approach to internal models equity			
/	position in the banking account	-	=	=
0	Investments made in collective investment companies –			
8	look-through approach	-	-	-
9	Investments made in collective investment companies –			
9	mandate-based approach	2.259.682	1.404.572	180.775
10	Investments made in collective investment companies -			
10	1250% weighted risk approach	-	=	=
11	Settlement risk	-	=	=
12	Securitization positions in banking accounts	-	=	=
13	IRB ratings-based approach (RBA)	-	=	=
14	IRB Supervisory Formula Approach (SFA)	-	=	=
15	SA/simplified supervisory formula approach (SSFA)	-	=	=
16	Market risk	33.865.478	17.887.418	2.709.238
17	Standardized approach (SA)	33.865.478	17.887.418	2.709.238
18	Internal model approaches (IMM)	-	-	-
19	Operational Risk	100.348.148	48.026.486	8.027.852
20	Basic Indicator Approach	100.348.148	48.026.486	8.027.852
21	Standard Approach	-	-	-
22	Advanced measurement approach	-	=	=
23	The amount of the discount threshold under the equity			
23	(subject to a 250% risk weight)	-	-	-
24	Floor adjustment	=	=	=
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	1.096.848.584	697.843.971	87.747.887



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b. Linkages between financial statements and regulatory exposures:

1. Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories:

Current Period - 31.12.2023	Carrying values as reported in published financial statements (*)	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework (**)	Not subject to capital requirements or subject to deduction from capital
Assets						
Cash and balances at central bank	297.399.525	297.399.525	-	=	-	_
Banks	43.497.183	43,497,183	-	-	_	=
Receivables from money markets	1.409.959	1.409.959	-	-	-	_
Financial assets at fair value through P&L	6.701.586	5.879.046	-	-	822.540	-
Financial assets at fair value through other						
comprehensive income	270.884.890	270.884.890	107.493.981	-	-	-
Derivative financial assets	65.310.615		65.310.615	-	6.755.255	
Loans (net)	838.022.293	837.991.270	=	-	-	31.023
Lease Receivables (net)	_	_	_	-	_	=
Factoring Receivables (net)	-		-	-	_	=
Financial assets measured at amortised cost (net)	164.892.456	164.892.456	25.249.869	-	_	=
Non-current assets and disposal groups classified						
as held for sale (net)	475.836	475.836	_	-	_	=
Investments in associates (net)	19.528	19.528	_	_	_	_
Investments in subsidiaries (net)	46.651.674	46.651.674	_	_	_	_
Investments in joint ventures (net)	-	-	_	_	_	
Tangible assets (net)	23.991.524	23.768.093	_	_	_	223.431
Intangible assets (net)	3.767.983	20.700.070	_	_	_	3.767.983
Investment properties (net)	3.707.703	_	_	_	_	3.707.703
Tax assets	_	_		_	_	_
Deferred tax assets	54.509	54.509		_	_	_
Other assets	26.094.613	26.094.613		_	_	_
other assets	20.074.010	20.074.010	198.054.46			
Total assets	1,789,174,174	1.719.018.582		_	7.577.795	4.022.437
Liabilities			<u> </u>			
Deposits	1.218.108.326	_	_	_	_	1.218.108.326
Loans	94.828.506	_	_	_	_	94.828.506
Debt to money markets	89.831.382	_	89.831.382	_	_	74.020.300
Debt securities in issue	39.460.759	_	07.031.302			39.460.759
Funds	37.400.737	_	_			37.400.737
Financial liabilities at fair value through P&L						
Derivative financial liabilities	14.505.616	=	-	=	2.798.310	-
	14.303.010	=	-	-	2.770.310	-
Factoring debts	1.385.912	-	-	-	-	1.385.912
Debts from leasing transactions Provisions	7.452.493	-	-	-	-	7.452.493
		-	-	-	-	
Tax liability	11.143.374	-	-	-	-	11.143.374
Deferred tax liability	1.176.576	-	-	-	-	1.176.576
Liabilities included in disposal groups classified as						
held for sale (net)	- 00 70 / 005	=	-	=	-	00.707.005
Subordinated debts	23.736.225	-	-	-	-	23.736.225
Other liabilities	76.349.578	-	-	-	-	76.349.578
Equity	211.195.427	-	-	-		211.195.427
Total liabilities	1.789.174.174	-	89.831.382	-	2.798.310	1.684.837.176

^(*) Since the accounting and legal consolidation scope of the Bank are identical, the financial statement information is shown in one column.

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	0			Carr	ying values of items	
Prior Period - 31.12.2022	Carrying values as reported in published financial statements (*)	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework (**)	Not subject to capital requirements or subject to deduction from capital
Assets						
Cash and balances at central bank	127.532.743	127.532.743	-	-	-	-
Banks	31.599.761	31.599.761	-	-	-	-
Receivables from money markets	1.459.782	1.459.782		-	-	
Financial assets at fair value through P&L Financial assets at fair value through other	3.135.928	2.798.522	-	-	- 337.406	
comprehensive income	164.870.655	164.870.369	41.237.315	5	-	- 286
Derivative financial assets	47.754.696		47.754.698	5	- 5.386.865	5
Loans (net)	538.887.546	538.830.808		-	-	- 56.738
Lease Receivables (net)	-	-	-			-
Factoring Receivables (net)	-	-	-			-
Financial assets measured at amortised cost (net)	98.103.999	98.103.999	22.917.094	4	-	
Non-current assets and disposal groups classified						
as held for sale (net)	565.378	565.378	-			-
Investments in associates (net)	18.957	18.957	-			-
Investments in subsidiaries (net)	23.528.038	23.528.038	-			-
Investments in joint ventures (net)	-	-	-			-
Tangible assets (net)	15.127.282	15.037.321	-		-	89.961
Intangible assets (net)	2.652.021	-	-			2.652.021
Investment properties (net)	-	-				-
Tax assets	-	-	-			-
Deferred tax assets	192.285	192.285	· -			-
Other assets	19.757.384	19.757.384	-			-
Total assets	1.075.186.455	1.024.295.347	111.909.105	5	- 5.724.271	2.799.006
Liabilities						
Deposits	679.324.762	-	-	_	-	- 679.324.762
Loans	64.396.760	-	-	-	-	- 64.396.760
Debt to money markets	54.029.855	-	53.979.833	3	-	
Debt securities in issue	22.439.569	-		-	-	- 22.439.569
Funds	-	-	-	-	-	
Financial liabilities at fair value through P&L	-	-	-	-	-	
Derivative financial liabilities	14.452.010	-		-	- 3.430.152	2 -
Factoring debts	-	-		-	-	
Debts from leasing transactions	799.166	-		-	-	799.166
Provisions	5.665.488	-		-	-	5.665.488
Tax liability	10.669.260	-		-	-	- 10.669.260
Deferred tax liability	3.027.248	-		-	-	3.027.248
Liabilities included in disposal groups classified as						
held for sale (net)	-	-	-			-
Subordinated debts	16.800.082	=	-	-	= -	16.800.082
Other liabilities	49.982.371	-	-	_	-	49.982.371
Equity	153.599.884	=	-	-	= -	- 153.599.884
Total liabilities	1.075.186.455	-	53.979.833	1	- 3.430.152	

^(*) Since the accounting and legal consolidation scope of the Bank are identical, the financial statement information is shown in one column.

^(**) The Amounts of financial instruments, which are measured in accordance with TAS and included in trading accounts within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" are represented in "Subject to market risk framework" column.

^(**) The Amounts of financial instruments, which are measured in accordance with TAS and included in trading accounts within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" are represented in "Subject to market risk framework" column



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2. Main sources of differences between regulatory exposure amounts and carrying values in financial statements:

	Current Period - 31.12.2023	Total	Items subject to credit risk framework	Items subject to securitisation framework	Items subject to counterparty credit risk framework	Items subject to market risk framework(*)
1	Asset carrying value amount under scope of					
	regulatory consolidation	1.785.151.737	1.719.018.582	-	198.054.465	7.577.795
2	Liabilities carrying value amount under regulatory					
	scope of consolidation	104.336.998	-	-	89.831.383	2.798.310
3	Total net amount under regulatory scope of					
	consolidation	1.680.814.739	1.719.018.582	-	108.223.082	4.779.485
4	Off-balance sheet amounts	1.626.585.925	139.293.185	-	24.430.395	-
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 due to prudential filters		(186.720.881)	-	(68.649.078)	29.085.993
9	Differences due to risk reduction		(6.655.929)	-	-	-
10	Exposure amounts considered for regulatory					
	purposes		1.664.934.957	-	64.004.399	33.865.478

^(*)The Amounts of financial instruments, which are measured according to TAS and included in trading accounts within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks", are represented in "Subject to market risk framework" column are presented.

	Prior Period - 31.12.2022	Total	Items subject to credit risk framework	Items subject to securitisation framework	Items subject to counterparty credit risk framework	Items subject to market risk framewor k(*)
1	Asset carrying value amount under scope of					
	regulatory consolidation	1.072.387.449	1.024.295.347	-	111.909.105	5.724.271
2	Liabilities carrying value amount under regulatory					
	scope of consolidation	68.481.865	-	-	53.979.833	3.430.152
3	Total net amount under regulatory scope of					
	consolidation	1.003.905.584	1.024.295.347	-	57.929.272	2.294.119
4	Off-balance sheet amounts	416.572.509	86.984.286	-	38.874.416	-
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 due to prudential filters		(90.045.230)	-	(32.799.289)	15.593.299
9	Differences due to risk reduction		(6.655.929)	-	-	-
10	Exposure amounts considered for regulatory					
	purposes		1.014.578.474	-	64.004.399	17.887.418

^(*) The Amounts of financial instruments, which are measured according to TAS and included in trading accounts within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks", are represented in "Subject to market risk framework" column are presented.

- 3. Explanations of differences between accounting and regulatory exposure amounts:
- a) Differences between accounting and regulatory exposure amounts

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On counterparty credit risk related transactions, the differences between the valued amounts in accordance with TAS in the scope statutory consolidation and the amounts after risk reduction arise from the addition of potential risk amounts per maturity and transaction type to renewal cost of derivative transactions related to counterparty credit risk.

The valued amounts of the items which are subject to market risk per TAS represent the fair value of trading financial instruments. Despite that, the amount at the risk amount line represents the amount which is subject market risk that derives from the calculation of capital requirements due to the loss on interest rate risk of market risk, share price risk, currency risk in the scope of "Regulation on Measurement and Evaluation of Banks Capital Adequacy Ratio".

b) Explanations related to the systems and controls which are defined to ensure prudence and reliability of valuation estimates in accordance with prudent valuation procedures and principles within the scope of appendix 3 of "Regulation on Measurement and Evaluation of Capital Adequacy of Banks":

In case financial instruments that are accounted at their fair values are traded in an active market, the valuation is made based on market price. The accuracy of market price that is used at valuation is being confirmed periodically. The fair value of financial instruments that are not traded in an active market are being calculated in accordance TFRS 13. Derivative financial instruments are valued by discounted cash flow model with the use of market data. For the valuation of certain financial instruments, third party valuations and generally accepted valuation models can be used. The accuracy and independence of inputs that are used at the valuation of market value and/or used at valuation methods by modelling are being controlled periodically. In addition, there are control processes for the comparison of the current market value of financial instruments with the recalculated values.

c. Credit risk explanations:

1. General qualitative information about credit risk:

Risk limits are defined by Board of Directors in a such manner that covers all possible important risk components, in accordance with the Bank's operations and the size and complexity of products and services. Care is taken to ensure that the risk limits are in line with market expectations and reflect the Bank's risk appetite and Bank's strategies. The credit policies are established in consistence with risk limits.

Credit rating models are used in loan allocation processes in accordance with the risk appetite, credit policies and targets of the Bank. Rating all credit customers is essential for the Bank. Credit ratings are used as the main factor in determining target segments, authority levels, prices, limits and collateralization levels in loan portfolios. Application models are used during initial loan underwriting and behavioral models are used for customers whose previous credit performance could be monitored. Behavioral models are mainly used in the credit monitoring process and in the evaluation process of portfolio risk.

In order to ensure timely and complete fulfillment of all obligations arising from the loan, it is essential to obtain adequate collateral from the customers. The main purpose of collateralization of any loan is to minimize the credit, foreign exchange and maturity risk. In this context, the minimum margin is determined by considering the quality of the collateral and collection expectancy in case of default and it is ensured that appropriate collateral is obtained for the loan type.

Credit risk is encountered when the counterparty is unable to fulfill its obligations defined with the agreement. All credit risk bearing banking products are managed with prudent credit policies and procedures in the Bank. The credit quality of the counterparty is evaluated with an internal rating score in all credit transactions. In order to monitor the credit risk, internal limits are determined on the basis of sector, customer, credit type and customer segment.

Credit risk management is a process in which credit risks are assessed and monitored in a consistent manner, besides all credit portfolios are included on a consolidated basis. During the process of credit risk management, the Risk Management Presidency conducts measurement, monitoring and reporting activities of the credit risk using statistical models. In addition to the credit riskrelated risk limits, various concentrations in the loan portfolio are also analyzed. It is assured to act within the policy of allocation, monitoring, Limit Follow-up and management, by establishing policy regarding to Country risk and concentration risk management. Cost of loan and collections of non-performing loans are monitored periodically. In addition, stress testing and scenario analysis studies are carried out on the loan portfolio.

Assessment of the internal systems established to encompass all branches and departments and related entities are among the highest priorities of the Board of Directors to ensure the continuity of its operations, competencies and activities. Within the scope of internal systems, the duties and responsibilities of the Board of Directors are carried out by the Board of Directors, the Audit



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Committee, the Executive Risk Committee, Internal Audit, Internal Control, Risk Management activities and Internal Systems Responsible.

The Board of Directors is responsible for determining the risk baseline of the Bank, the risk approach and the level of risk taking. The Board of Directors manages the risks through the Executive Risk Committee. The committee is responsible for establishing risk policies, determining methods for measuring and managing risks, and establishing and monitoring appropriate risk limits. All risk policies established by the Executive Risk Committee are written and integrated into the Bank's long-term general strategy.

2. Credit quality of assets:

		Gross carrying values of	of (according to TAS)		
		Defaulted	Non-defaulted	Allowances/	
	Current Period - 31.12.2023	exposures	exposures	impairments	Net values
1	Loans	20.718.727	849.386.910	32.083.343	838.022.294
2	Debt Securities	-	435.478.420	483.765	434.994.655
3	Off-balance sheet explosures	6.217.898	785.000.869	678.805	790.539.962
4	Total	26.936.625	2.069.866.199	33.245.913	2.063.556.911

		Gross carrying values of	of (according to TAS)		
		Defaulted	Non-defaulted	Allowances/	
	Prior Period - 31.12.2022	exposures	exposures	impairments	Net values
1	Loans	16.906.984	543.443.204	21.462.642	538.887.546
2	Debt Securities	-	262.062.469	461.949	261.600.520
3	Off-balance sheet explosures	1.557.705	306.291.790	487.004	307.362.491
4	Total	18.464.689	1.111.797.463	22.411.595	1.107.850.557

3. Changes in stock of defaulted loans and debt securities:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Defaulted loans and debt securities at end of the		
previous reporting period	18.464.689	19.312.717
Loans and debt securities that have defaulted since the		
last reporting period	15.436.841	17.202.977
Returned to non-defaulted status	33.591	105.622
Amounts written off	1.349.310	14.147.126
Other changes	5.582.004	3.798.257
Defaulted loans and debt securities at end of the		
reporting period (1+2-3-4±5) Definitions	26.936.625	18.464.689

- 4. Additional disclosure related to the credit quality of assets:
 - a) Definitions of overdue and provision allocated receivables are presented below:

The Bank considers loans that have overdue principal and interest payments and are classified as 2nd Group in accordance with Communiqué on "Determining the Quality of Loans and Other Receivables by Banks and Procedures and Principles of Provisions to be made" as "past due loans." Loans that have overdue principal and interest payments for more than 90 days after the maturity date or the debtor of which are deemed unworthy by the Bank are considered impaired loans. Impaired consumer loans are evaluated on account basis and commercial loans on customer basis.

The Bank calculates expected credit loss for overdue loans in accordance with Communiqué on "Determining the Quality of Loans and Other Receivables by Banks and Procedures and Principles of Provisions to be made".

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b) The part of the overdue receivables (past 90 days) for which provision is not allocated and reasons for this application:

All loans that have completed the 90 day overdue period are automatically taken into follow-up accounts and they are subjected to specific provision within the related month at the Bank. In exceptional cases, the delinquency process is suspended due to a court decision and the Bank's credit amount in this scope is insignificant as of 31 December 2022.

- c) Definitions of the methods used when determining the provision amount, are presented in Note VIII-c of SectionThree.
- d) Definitions of restructured receivables:

Banks can restructure both the first, second group loans and other receivables as well as non-performing loans and receivables. The first, second group loans and other receivables are restructured to enchance customer's ability to repay the loan. Besides, it involves changes in the contractual conditions with the demand of customer. While Non-performing loans and receivables are restructured to ensure the collection of the receivables by changing the cash flow of the loan.

e) Breakdown of receivables by geographical area, sector and outstanding maturity:

Breakdown by geographical area:

	Current Period	Prior Period
	31.12.2023	31.12.2022
Domestic	848.329.742	542.282.821
European Union Countries	26.042	65.562
OECD Countries (*)	3.393	3.892
Off-Shore Banking Regions	-	270
USA, Canada	7.156	7.247
Other	1.020.577	1.083.412
Total	849.386.910	543.443.204

(*) OECD Countries other than EU countries, USA and Canada.

Breakdown by sector:

	Current Period	Prior Period
	31.12.2023	31.12.2022
Agricultural	1.721.026	1.038.819
Farming and raising livestock	528.964	401.360
Forestry	1.188.070	630.713
Fishing	3.992	6.746
Manufacturing	169.749.525	145.332.865
Mining	4.503.773	6.270.669
Production	127.650.286	104.740.285
Electricity, Gas, Water	37.595.466	34.321.911
Construction	80.046.442	56.859.560
Services	175.627.265	138.912.075
Wholesale and Retail Trade	92.896.718	69.949.935
Hotel, Food, Beverage Services	23.193.364	17.373.370
Transportation and Telecommunication	13.761.907	13.218.426
Financial Institutions	36.939.496	29.655.341
Real Estate and Lending Services	825.349	1.517.909
Self employment Service	2.826.005	3.284.762
Education Service	623.990	532.289
Health and social Services	4.560.436	3.380.043
Other	422.242.652	201.299.885
Total	849.386.910	543.443.204



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Breakdown by outstanding maturity:

Current Period -	Up to 1	1 – 3	3 – 12	1 – 5	5 Years	
31.12.2023	Month	Months	Months	Years	and Over	Total
Loans	295.544.627	123.880.887	213.959.094	146.711.991	69.290.311	849.386.910

Prior Period -	Up to 1	1 - 3	3 – 12	1 – 5	5 Years	
31.12.2022	Month	Months	Months	Years	and Over	Total
Loans	121.353.670	95.937.644	161.401.803	109.244.617	55.505.470	543.443.204

f) Amounts of provision allocated receivables based on geographical area and sector and amounts deducted from the assets with the related provisions:

Breakdown by geographical area:

	Current Period - 31.12.2023		Prior Period -	31.12.2022
	Loans Under	Stage 3	Loans Under	Stage 3
	Follow-up	Provisions	Follow-up	Provisions
Domestic	20.718.567	12.858.132	15.889.044	10.905.892
European Union Countries	83	64	1.017.835	482.344
OECD Countries (*)	3	1	-	-
Off-Shore Banking Regions	-	-	30	30
USA, Canada	39	20	1	1
Other	35	27	74	57
Total	20.718.727	12.858.244	16.906.984	11.388.324

^(*) OECD Countries other than EU countries, USA and Canada.

Breakdown by sector:

	Loans Under	Stage 3	Loans Under	Stage 3
	Follow-up	Provisions	Follow-up	Provisions
Agricultural	18.335	13.478	22.701	18.418
Farming and raising livestock	9.758	7.508	13.290	11.911
Forestry	2.900	2.659	3.092	2.635
Fishing	5677	3311	6319	3872
Manufacturing	2.842.696	2.130.889	3.607.597	2.481.680
Mining	5.241	4.749	132.644	105.813
Production	1.570.142	1.217.922	1.599.945	1.151.798
Electricity, Gas, Water	1.267.313	908.218	1.875.008	1.224.069
Construction	8.776.321	4.656.523	5.859.554	3.914.519
Services	4.264.862	2.527.365	4.203.488	2.459.685
Wholesale and Retail Trade	1.671.564	1.376.513	1.797.333	1.361.099
Hotel, Food, Beverage Services	680.929	139.805	569.832	120.089
Transportation and Telecommunication	86.687	71.678	116.799	93.588
Financial Institutions	1.406.561	664.999	1.275.682	605.763
Real Estate and Lending Services	46.244	36.806	72.539	47.681
Self employment Service	298.655	166.878	288.889	165.194
Education Service	9.136	8.359	14.889	13.842
Health and social Services	65.086	62.327	67.525	52.429
Other	4.816.513	3.529.989	3.213.644	2.514.022
Total	20.718.727	12.858.244	16.906.984	11.388.324

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g) Aging analysis for overdue receivables:

	Current Period	Prior Period
	31.12.2023	31.12.2022
30-60 days overdue	8.406.951	965.191
60-90 days overdue	1.888.461	489.887
More than 90 days overdue	57.531	79.407
Total	10.352.943	1.534.485

h) Breakdown of restructured receivables based on whether or not provisions are allocated:

Restructured Receivables	Current Period 31.12.2023	Prior Period 31.12.2022
Loans restructured from Loans underFollow-up and Other Receivables	44.383.272	34.528.715
Loans restructured from Non-Performing Loans	1.224.253	1.250.431

General provision is allocated for the loans restructured from standard loans and loans under follow-up and other receivables, specific provision is allocated for the loans restructured from non-performing loans.

i) Credit risk mitigation techniques:

In order to ensure timely and complete fulfillment of all obligations arising from the loan, it is essential to obtain appropriate collaterals.

The main purpose of collateralization of any loan is to minimize the credit, foreign exchange and maturity risk. Within this scope, the minimum margin of guarantee is determined and the guarantees suitable for the loan types are obtained. There is collateral matching in the system for each loan. In addition, the appropriateness of the margin for each guarantee is also checked.

The risk amount and the amount of collateral are also compared against the value losses that may occur in the collateral, and in case of gap between risk and collateral, the Bank Monitoring System automatically generates "Risky Transaction Registration".

In the calculation of capital adequacy ratio, real estate mortgages are subject to valuation process in accordance with the related legislation. There is no physical collateral used for risk reduction other than real estate.

Financial guarantees used in capital adequacy calculations are blocked deposits held at the bank and there is no netting other than

Collateral management processes are written in credit policies and checks are made to ensure that there is no concentration of third party quarantor type and collateral.-

5. Credit risk mitigation techniques - overview:

Cui	rrent Period - 31.12.2023	Exposures unsecured of (according to TAS)	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees, of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount
1	Loans	826.085.836	11.936.458	7.655.703	3.888.701	3.255.570	-	-
2	Debt Securities	434.994.655	-	-	-	-	-	-
3	Total	1.261.080.491	11.936.458	7.655.703	3.888.701	3.255.570	-	-
4	Of which defaulted	26.936.625	=	=	=	=	=	=



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Pri	or Period - 31.12.2022	Exposures unsecured of (according to TAS)	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees, of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount
1	Loans	528.300.705	10.586.841	6.655.930	6.522.812	5.568.364	-	-
2	Debt Securities	261.600.520	-	-	-	-	-	-
3	Total	789.901.225	10.586.841	6.655.930	6.522.812	5.568.364	-	-
4	Of which defaulted	18.464.689	-	-	-	-	-	-

6. Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk:

The ratings given by Fitch Ratings and JCR-ER are used to determine the risk weights to be applied in the capital adequacy calculation. The degrees of Fitch Ratings are limited to the receivables whose counterparty is a resident abroad; receivables from central governments or central banks, banks and corporate receivables are used for asset classes. JCR-ER's ratings are used for TL-denominated receivables whose counterparty is corporate asset class.

7. Standardised approach – Credit risk exposure and credit risk mitigation (CRM) effects:

	Current Period - 31.12.2023	Exposures b conversion fac		Exposures p		RWA and F	RWA density
		On-balance sheet	Off-balance sheet	On-balance sheet	Off- balance sheet		-
	Asset classes	amount	amount	amount	amount	RWA	RWA density
1	Exposures to central governments or central banks	572.981.749	204.459	576.237.319	203.360	144.572	0,03%
2	Exposures to regional governments or local						
	authorities	398.098	25.438	398.098	25.382	211.740	50,00%
3	Exposures to public sector entities	8.858.962	501.991	8.761.987	166.126	8.928.113	100,00%
4	Exposures to multilateral development banks	-	-	-	-	-	0,00%
5	Exposures to international organisations	-	-	-	-	-	0,00%
6	Exposures to institutions	52.576.218	43.923.959	52.576.218	14.234.527	24.291.681	36,36%
7	Exposures to corporates	315.402.769	174.275.457	309.577.961	98.883.808	308.934.414	75,63%
8	Retail exposures	254.287.865	512.184.773	250.639.291	17.079.542	207.803.041	77,62%
9	Exposures secured by residential property	28.058.479	1.219.397	28.027.204	648.037	10.036.334	35,00%
10	Exposures secured by commercial real estate	28.456.893	10.147.333	28.456.893	6.183.365	19.887.726	57,41%
11	Past-due loans	7.914.477	-	7.914.477	-	6.645.578	83,97%
12	Higher-risk categories by the Agency Board	145.782.169	3.795.639	145.774.753	1.869.039	241.539.847	163,60%
13	Collateralized securities	-	-	-	-	-	0,00%
14	Exposures to institutions and corporates with a						
	short-term credit assessment	-	-	-	-	-	0,00%
15	Exposures in the form of units or shares in collective						
	investment undertakings (CIUs)	5.225.598	-	5.225.598	_	5.225.598	100,00%
16	Other assets	60.619.806	-	60.619.806	-	47.918.625	79,05%
17	Investments in equities	47.635.261	-	47.635.261	-	47.635.261	100,00%
18	•						
	Total	1.528.198.344	746.278.446	1.521.844.866	139.293.186	929.202.530	55,94%

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	Prior Period - 31.12.2022	Exposures b	efore credit ctor and CRM	Exposures p conversion CR	factor and	RWA and F	RWA density
		On-balance sheet	Off-balance sheet	On-balance sheet	Off- balance sheet		•
1	Asset classes	amount	amount	amount	amount	RWA	RWA density
1	Exposures to central governments or central banks	318.546.663	143.566	324.115.027	39.024	303.362	0,09%
2	Exposures to regional governments or local	E0.05/		E0.05/		05 /50	F0.000/
	authorities	70.956	-	70.956	-	35.478	50,00%
3	Exposures to public sector entities	566.967	293.367	558.647	158.520	717.168	100,00%
4	Exposures to multilateral development banks	-	-	-	-	-	0,00%
5	Exposures to international organisations	-	-	-	-	-	0,00%
6	Exposures to institutions	39.894.345	17.742.062	39.880.587	8.572.230	16.657.209	34,38%
7	Exposures to corporates	260.183.575	115.422.747	253.070.341	66.183.531	261.597.094	81,94%
8	Retail exposures	128.885.468	143.804.940	124.749.076	8.334.735	107.471.416	80,75%
9	Exposures secured by residential property	13.935.231	526.436	13.908.141	233.699	4.949.644	35,00%
10	Exposures secured by commercial real estate	22.594.255	5.073.158	22.594.255	2.968.818	15.178.835	59,38%
11	Past-due loans	5.579.141	-	5.579.141	-	4.408.567	79,02%
12	Higher-risk categories by the Agency Board	73.627.063	1.086.174	73.498.987	493.730	125.668.703	169,84%
13	Collateralized securities	_	_	_	_	_	0,00%
14	Exposures to institutions and corporates with a short-						•
	term credit assessment	_	_	_	_	_	0.00%
15	Exposures in the form of units or shares in collective						
	investment undertakings (CIUs)	1.176.544	-	1.176.544	-	1.176.544	100,00%
16	Other assets	44.286.820	-	44.286.820	-	33.393.087	75,40%
17	Investments in equities	24.105.665	-	24.105.665	-	24.105.665	100,00%
18	Total	933.452.693	284.092.450	927.594.187	86.984.287	595.662.772	58.71%



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8. Standardised Approach – Exposures by asset classes and risk weights:

	Current Period - 31.12.2023 Asset Classes / Risk Weight	%0	%10	%20	%2	5 %3!	5 %50	%75	%100	%150	%250	Other	Total risk amount(*)
	Exposures to central governments	760	7610	7020	702	763	3 7630	76/3	76 100	76130	70230	Other	amount(*)
	or central banks	575.754.849		661.142			24.688						576.440.679
2	Exposures to regional governments	3/3./34.04/		001.142			24.000						370.440.077
	or local authorities	_	_	_	_	_	423.480	_	_	_	_	_	423.480
3	Exposures to public sector entities	_	_	_	_	_	-20.400	_	8.928.113	_	_	_	8.928.113
4	Exposures to multilateral								0.720.110				0.720.110
	development banks	_	_	_	_	_	_	_	_	_	_	_	_
5	Exposures to international												
	organisations	_	_	_	_	_	_	_	_	_	_	_	_
6	Exposures to institutions	219.369	_	30.115.735	_	_	36.414.213	_	61.428	_	_	_	66.810.745
7	Exposures to corporates	2.657.928	_	78.921.856	_	_	67.463.884	_	259.418.101	_	_	_	408.461.769
8	Retail exposures	_	_	_	_	_	-	239.663.168	28.055.665	_	_	_	267.718.833
9	Exposures secured by residential												
	property	-	-	-	-	28.675.241	-	-	-	-	-	-	28.675.241
10	Exposures secured by commercial												
	real estate	-	-	-	-	-	29.505.064	-	5.135.194	-	-	-	34.640.258
11	Past-due loans	-	-	-	-	-	3.738.063	-	2.976.150	1.200.264	-	-	7.914.477
12	Higher-risk categories by the												
	Agency Board	-	-	-	-	7.372	1	-	278.160	108.160.717	-	39.197.542	147.643.792
13	Collateralized securities	-	-	-	-	-	-	-	-	-	-	-	-
14	Exposures to institutions and												
	corporates with a short-term credit												
	assessment	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of units or												
	shares in collective investment												
	undertakings (CIUs)	-	-	-	-	-	-	-	5.225.598	-	-	-	5.225.598
16	Investments in equities	-	-	-	-	-	-	-	47.635.261	-	-	-	47.635.261
17	Other assets	12.701.178	-	2	-	-	-	-	47.918.626	-	-	-	60.619.806
18	Total	591.333.324	_	109.698.735	_	28.682.613	137.569.393	239.663.168	405.632.296	109.360.981		39.197.542	1.661.138.052

(*) Total credit risk exposure amount after Credit Conversion Factor (CCF) and Credit Risk Mitigation (CRM).

	Prior Period - 31.12.2022 Asset Classes / Risk Weight	%0	%10	%20	%25	%35	%50	%75	%100	%150	%250	Other	Total risk amount(*)
1	Exposures to central governments												
	or central banks	322.640.199	-	1.511.882	-	-	1.970	-	-	-	-	-	324.154.051
2	Exposures to regionalgovernments												
	or local authorities	-	-	-	-	-	70.956	-	-	-	-	-	70.956
3	Exposures to public sector entities	-	-	-	-	-	-	-	717.167	-	-	-	717.167
4	Exposures to multilateral												
	development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	Exposures to international												
	organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to institutions	898.565	-	23.819.891	-	-	23.682.260	-	52.101	-	-	-	48.452.817
7	Exposures to corporates	2.296.125	-	39.236.230	-	-	47.943.337	-	229.778.180	-	-	-	319.253.872
8	Retail exposures	-	-	-	-	-	-	102.449.576	30.634.235	-	-	-	133.083.811
9	Exposures secured by residential												
	property	-	-	-	-	14.141.840	-	-	-	-	-	-	14.141.840
10	Exposures secured by commercial												
	real estate	-	-	-	-	-	20.768.475	-	4.794.598	-	-	-	25.563.073
11	Past-due loans	-	-	-	-	-	2.987.149	-	1.945.992	646.000	-	-	5.579.141
12	Higher-risk categories by the												
	Agency Board	-	-	-	-	9.006	25.507	-	321.839	44.000.506	-	29.635.859	73.992.717
13	Collateralized securities	-	-	-	-	-	-	-	-	-	-	-	-
14	Exposures to institutions and												
	corporates with a short-term credit												
	assessment	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of units or												
	shares in collective investment												
	undertakings (CIUs)	-	-	-	-	-	-	-	1.176.544	-	-	-	1.176.544
16	Investments in equities	-	-	-	-	-	-	-	24.105.665	-	-	-	24.105.665
17	Other assets	10.893.729		4				-	33.393.087				44.286.820
18	Total	336.728.618		64.568.007		14,150,846	95,479,654	102.449.576	326,919,408	44.646.506		29.635.859	1.014.578.474

(*) Total credit risk exposure amount after Credit Conversion Factor (CCF) and Credit Risk Mitigation (CRM).

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d. Counterparty Credit Risk (CCR) Explanations:

1. Qualitative disclosure related to counterparty credit risk:

The CCR strategy is determined by counterparty type and product categories. Counterparties are categorized as central counterparties, banks, corporate and commercial companies, corporate segment, micro segment customers, private banking customers and individual customers. The products are grouped as interest swap transactions, foreign currency option transactions (plain vanilla), foreign exchange option transactions (exotic), interest option transactions, commodity Transactions, credit derivatives and repo transactions.

"Conformity Test" is applied to the customers to determine whether the products to be presented to the customers are in compliance with the customers' financial status and their knowledge and experience. The tests to be applied are prepared in a way that bank can evaluate the information received from the customers with the method including "risk and return preference" and knowledge and experience" classifications determined by the Bank.

The creditworthiness of the counterparty is analyzed prior to the transactions leading to the CCR and subsequently the creditworthiness of the counterparties is reviewed at regular intervals. The frequency of inspections is increased when necessary.

The scope and level of information providing the opportunity to assess the creditworthiness of the counterparty shall be differentiated depending on the volume of the transaction to be realized, the level of the CCR and / or the counterparty.

For the transactions within the scope of the CCR, appropriate limits to the risk appetite, policies and strategies of the Bank are determined. The determined limits are approved by the Board of Directors for the banks. For the firms and individuals apart fron banks regular loan approval processes and limits are conducted.

The counterparty credit risk limits for financial institutions are also determined seperately and presented to the Board of Directors for approval. The determined limits are reviewed at least once a year. In case of deterioration of market conditions or in case of dweterioration of credit quality of some counterparties, limits are reviewed and necessary changes are made. If deemed necessary, the approved limits are blocked by the Credit Committee / Credit Allocation Business Unit and by the approval of the Board of Directors.

In counterparty credit risk management of financial institutions, risk mitigation methods such as netting agreements, collateral and "margin" agreements are used. Collateralization principles and procedures are applied for companies and individuals other than financial institutions within the framework of credit policies and application principles currently applied in the Bank.

The potential, current and maximum risk amounts of the transactions are calculated / determined in order to determine the CCR. The risks of transactions that are subject to the legally binding bilateral netting agreement and to which the netting transaction can be applied are followed together.

The risk of reverse tendency within the scope of the CCR appears in two ways as the risk of general reversal and the risk of specific reversal.

To avoid the general counter trend risk;

- Depending on the direction of the financing expenses of the corporate and commercial companies, it is taken care that the interest swap transactions made are aimed at "hedging". If the short-term liability of the firm is more than short-term liabilities susceptible to interest, interest rate swaps will be applied to the firm with the fixed interest rate. In the other case, interest rate swap transactions that the company pays variable interest are made.
- It is also important to note that the transactions are "hedged" for foreign currency transactions. If the firm is in a long position in the foreign exchange market, the transactions that the foreign exchange seller is the company and if the company is in the short position in the foreign exchange market, the transactions that the foreign exchange buyer is the company are taken into consideration.

To avoid the risk of specific counter trend risk;

- In the option transactions made on the other party's own shares, transactions are not made where the same counterparty is the option seller.



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- In the credit derivative transactions on the counterparty's own credit risk, there are no transactions that the counterparty is the protection seller

For the actions taken under the CCR, the obligation to provide additional collateral due to the possible decline in the credibility of the Bank is followed.

2. Analysis of counterparty credit risk exposure by approach:

	Current Period - 31.12.2023	Replacement cost	Potential future exposure	EEPE (*)	computing regulatory exposure at default	Exposure at default post CRM	RWA
1	Standardised Approach (for derivatives)	17.711.680	7.521.556		1,4	25.233.236	10.985.004
	Internal Model Method (for derivatives, Repo Transactions, Marketable						
	Securities or EMTIA lending or borrowing transactions, transactions with						
2	a long settlement time, Marketable Security transactions with credit)			-	-	-	-
	Simple Approach for credit risk mitigation (for derivatives, Repo						
	Transactions, Marketable Securities or EMTIA lending or borrowing						
	transactions, transactions with a long settlement time, Marketable						
3	Security transactions with credit)					-	-
	Comprehensive Approach for credit risk mitigation (for derivatives, Repo						
	Transactions, Marketable Securities or EMTIA lending or borrowing						
	transactions, transactions with a long settlement time, Marketable						
4	Security transactions with credit)					35.849.355	17.806.149
	VaR for for derivatives, Repo Transactions, Marketable Securities or						
	EMTIA lending or borrowing transactions, transactions with a long						
5	settlement time, Marketable Security transactions with credit					35.849.355	17.806.149
6	Total						28.791.153

(*) Effective Expected Positive Exposure

	Prior Period - 31.12.2022	Replacement cost	Potential future exposure	EEPE (*)	Alpha used for computing regulatory exposure at default	Exposure at default post CRM	RWA
1	Standardised Approach (for derivatives)	32.713.766	9.968.348	-	1,4	42.682.114	21.593.049
	Internal Model Method (for derivatives, Repo Transactions, Marketable						
	Securities or EMTIA lending or borrowing transactions, transactions with						
2	a long settlement time, Marketable Security transactions with credit)	-	-	-	-	-	-
	Simple Approach for credit risk mitigation (for derivatives, Repo						
	Transactions, Marketable Securities or EMTIA lending or borrowing						
	transactions, transactions with a long settlement time, Marketable						
3	Security transactions with credit)	-	-	-	-	-	-
	Comprehensive Approach for credit risk mitigation (for derivatives, Repo						
	Transactions, Marketable Securities or EMTIA lending or borrowing						
,	transactions, transactions with a long settlement time, Marketable					4 / 500 044	/ 100 070
4	Security transactions with credit	-	-	-	-	14.789.811	4.138.373
	VaR for for derivatives, Repo Transactions, Marketable Securities or						
_	EMTIA lending or borrowing transactions, transactions with a long					4 / 500 044	
5	settlement time, Marketable Security transactions with credit	-	-	-	-	14.789.811	4.138.373
6	Total						25.731.422

(*) Effective Expected Positive Exposure

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3. Credit valuation adjustment (CVA) capital charge:

		Current Period - 3	31.12.2023	Prior Period - 31.	12.2022
		Exposure at default post-CRM	RWA	Exposure at default post-CRM	RWA
	Total portfolios subject to the Advanced CVA capital charge	•			
1	(i) Value at Risk (VaR) component (including the 3×multiplier)	-	-	-	-
2	(ii) Stressed VaR component (including the 3×multiplier)	-	-	-	-
3	All portfolios subject to the Standardised CVA capital charge	25.233.236	4.393.157	42.682.114	10.274.325
4	Total subject to the CVA capital charge	25.233.236	4.393.157	42.682.114	10.274.325

4. Standardised approach – CCR exposures by regulatory portfolio and risk weights:

current Period - 31.12.20	urrent	Period	- 31.	12.	.20
---------------------------	--------	--------	-------	-----	-----

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit
Regulatory portfolio									
Claims from central governments and central									
banks	8.329.011	-	-	-	-	-	-	-	-
Claims from regional and local governments	-	-	-	-	-	-	-	-	-
Claims from administration and non commercial e	-	-	-	-	-	427	-	-	427
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Claims from international organizations	-	-	-	-	-	-	-	-	-
Claims from institutions	-	-	17.105.369	17.746.581	-	744.642	-	-	13.039.006
Corporates	62.733	-	1.265.412	436.581	-	14.945.887	-	-	15.417.260
Retail portfolios	-	-	-	-	445.947	-	-	-	334.460
Other claims**	-	-	-	-	-	-	-	-	-
Total	8.391.744	-	18.370.781	18.183.162	445.947	15.690.956	-	-	28.791.153

^(*) Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

Prior Period - 31.12.2022

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit
Regulatory portfolio									
Claims from central governments and central									
banks	2.719.578	-	-	-	-	-	-	-	-
Claims from regional and local governments	-	-	-	-	-	-	-	-	-
Claims from administration and non commercial									
entity	-	-	-	-	-	7.741	-	-	7.741
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Claims from international organizations	-	-	-	-	-	-	-	-	-
Claims from institutions	3.126	-	17.386.663	25.817.424	-	-	-	-	16.386.045
Corporates	31.866	-	2.324.845	277.223	-	8.216.522	-	-	8.820.103
Retail portfolios	-	-	-	-	683.828	-	-	-	512.871
Other claims**	-	-	-	-	-	-	3.108	-	4.662
Total	2.754.570	-	19.711.508	26.094.647	683.828	8.224.263	3.108	-	25.731.422

^(*) Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

5. Composition of collateral for CCR exposure:

Related table is not presented due to not having derivative collaterals which is considered in the calculation of capital adequacy

^(**)Other receivables: Includes the amounts excluded in counterparty credit risk reported in CCR8.

^(**) Other receivables: Includes the amounts excluded in counterparty credit risk reported in CCR8.



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6. Credit derivatives exposures:

	Current Pe	riod- 31.12.2023	Prior Per	riod - 31.12.2022
	Protection bought	Protection sold	Protection bought	Protection sold
Nominal				
Single-name credit default swaps	2.119.550	=	2.281.193	=
Index credit default swaps	=	-	=	=
Total return swaps	=	14.306.965	=	13.088.810
Credit options	=	-	=	=
Other credit derivatives	=	=	=	=
Total notionals	2.119.550	14.306.965	2.281.193	13.088.810
Fair values				
Positive fair value (asset)	56.684	6.226.596	176.001	5.567.837
Negative fair value (liability)	=	=	-	=

7. Exposures to central counterparties (CCP):

		Current Pe	riod - 31.12.2023	Prior Period - 31.1	2.2022
		Exposure at default (post-CRM)	E) RWA	(posure at default	RWA
	Exposure to Qualified Central	(post-ckm)	RWA	(post-ckm)	RWA
1	Counterparties (QCCPs) (total)		248.118		261.549
	Exposures for trades at QCCPs		240.110		201.047
2	(excluding initial margin and default				
	fund contributions); of which	6.718.715	235.244	7.056.553	256.370
3	(i) OTC Derivatives	6.718.715	235.244	7.056.553	256.370
4	(ii) Exchange-traded Derivatives	-	-	-	-
5	(iii) Securities financing transactions	-	-	-	-
	(iv) Netting sets where cross-product				
6	ting has been approved	-	-	-	-
7	Segregated initial margin	-	-	-	-
8	Non-segregated initial margin				
9	Pre-funded default fund contributions	258.511	12.874	94.807	5.179
10	Unfunded default fund contributions	-	-	-	-
11	Exposures to non-QCCPs (total)	-	-	-	-
	Exposures for trades at non-QCCPs				
12	(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				
	ting has been approved	-	-	-	-
17	Segregated initial margin	-	-	-	-
18	Non-segregated initial margin	-	-	-	-
19	Pre-funded default fund contributions	-	-	-	-
20	Unfunded default fund contributions	-	-	-	-

e. Securitization explanations: The Bank has no securitization transactions.

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f. Explanations on market risk:

1. Qualitative disclosure requirements related to market risk:

The risk principles, policies and risk limits related to the management of market risk are approved by the Board of Directors and reviewed on a regular basis. The Bank's Senior Management performs day to day management of the market risk in accordance with the limits assigned by the Board of Directors. The Bank is exposed to market risk as a result of fluctuations in foreign exchange rates, interest rates, and market prices of stocks. Exchange rate risk and interest rate risk are evaluated as the two most important components of market risk. The Bank engages in derivative transactions for hedge purposes when found necessary.

Market risk is calculated by two different methods, namely the "inherent model" and the "standard method". According to inherent model market risk is measured by Value at Risk ("VaR") approach which takes into account different risk factors. VaR calculations use historical simulation and Monte Carlo simulation methods. The software used can perform calculations with an advanced yield curve and volatility models. The VaR model is based on the assumptions of 99% confidence interval and a 10-day holding period. VaR analyses are performed on a daily basis and reported to the Senior Management. VaR analyses are also used as risk and limit management instrument for trading transactions. The limits are reviewed periodically according to market conditions and the application of specified limits is subject to authority restrictions and therefore the control effectiveness is increased. VaR analyses are supported with scenario analyses and stress tests, and take into consideration the effects of low-probability events which have significant impact and the effects of market fluctuations. Retrospective tests of the model outputs are performed regularly. The standard method is used for the legal reporting.

The following table indicates the details of the market risk calculation as of 31 December 2023, in accordance with the Market Risk Calculation principles pursuant to the Third Section of the "Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette no. 29511 on 23 October 2015.

2. Standardised approach:

	Current Period	Prior Period
	31.12.2023	31.12.2022
	RWA	RWA
Outright products (*)		
Interest rate risk (general and specific)	4.862.725	3.399.450
Equity risk (general and specific)	-	-
Foreign exchange risk	24.955.690	13.678.130
Commodity risk	3.180.375	-
Options		
Simplified approach	-	-
Delta-plus method	866.688	809.838
Scenario approach	-	-
Securitisation	-	-
Total	33.865.478	17.887.418
	Interest rate risk (general and specific) Equity risk (general and specific) Foreign exchange risk Commodity risk Options Simplified approach Delta-plus method Scenario approach Securitisation	31.12.2023RWAOutright products (*)Interest rate risk (general and specific)4.862.725Equity risk (general and specific)-Foreign exchange risk24.955.690Commodity risk3.180.375Options-Simplified approach-Delta-plus method866.688Scenario approach-Securitisation-

^(*) Outright products refer to positions in products that are not optional

g. Explanations on operational risk:

The "Basic Indicator Method" that is mentioned in "Regulation on Measurement and Assessment of Capital Adequacy of Banks" Communiqué published in the Official Gazette no. 29511 on 23 October 2015 and entered into force as of 31 March 2016 is used in the operational risk calculation of the Bank. The amount subject to the operational risk as of 31 December 2022 is calculated once a year by using the gross income of the Bank in 2020, 2021 and 2022.

Annual gross revenue is calculated by deduction of profit/loss derived from the sale of financial assets at fair value through other comprehensive income and financial assets measured at amortised cost, extraordinary income and indemnity insurance gains from the total of net interest income and non interest income.



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		Total/Positive GI					
	31.12.2020	31.12.2021	31.12.2022	year number	Ratio (%)	Total	
Gross income Amount subject to Operational	22.667.570	34.595.757	103.293.711	3	15	8.027.852	
Risk (Amount*12,5)						100.348.148	

h. Interest rate risk related to banking book:

Interest rate risk for all banking transactions outside the trading portfolio are followed under interest rate risk related to the banking book. Interest rate risk related to the trading portfolio is followed under market risk.

ALCO performs daily management of interest rate risk in accordance with the risk limits set by the Executive Risk Committee in relation to interest rate sensitivities of the banking book. ALCO meetings are held on a weekly basis.

In addition to interest rate sensitivities measured and reported weekly, daily and transaction-based analyses are also performed when significant fluctuations occur in markets.

Repricing term mismatch and duration mismatch analyses, net economic value change analyses under different interest rate stress scenarios and income simulations are used for interest rate risk management. Repricing risk, yield curve risk, basis risk and optionality are considered under interest rate risk scope.

The interest rate risk arising from banking book is calculated and reported on a monthly basis according to "Regulation on Measurement and Evaluation of Interest Rate Risk in Banking Accounts with Standard Shock Method" published in the Official Gazette no. 28034 on 23 August 2011.

Calculation of the interest rate risk derived from banking books is presented below:

	Applied Shock	Gains /	Gains / Shareholders' Equity -
Currency	(+/- x basis points)	Losses	Losses/ Shareholders' Equity
TL	(400)	8.966.569	3,72%
TL	500	(9.568.528)	-3,97%
USD	(200)	(1.010.338)	-0,42%
USD	200	1.124.058	0,47%
EURO	(200)	(2.144.264)	-0,89%
EUR0	200	2.202.149	0,91%
Total (for negative shocks)		5.811.967	2,41%
Total (for positive shocks)		(6.242.321)	-2,59%

XI. EXPLANATIONS ON HEDGE TRANSACTIONS:

The Bank hedges its TL and foreign denominated fixed rate financial assets with cross currency swaps and interest rate swaps. Within the scope of fair value hedge, fair value changes of hedging instrument and hedged item are accounted in the income statement. As long as the hedge relationship is effective, fair value change of the hedged item is disclosed together with its related asset in the balance sheet for TL denominated fixed rate mortgage loans. Fair value changes which have already been booked in equity, have been reclassified from equity to income statement for TL and FC denominated fixed rate financial assets measured at fair value through other comprehensive income.

The Bank hedges against its cash flow risk stemming from foreign currency denominated floating rate financial liabilities with interest rate and cross currency swaps. Within the scope of cash flow hedge accounting, effective part of the fair value changes of the hedging instrument are accounted in equity under "Cash Flow Hedge Gain/Loss, Shares of Investments Valued by Equity Method in Other Comprehensive Income Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Reclassified Through Other Profit or Loss" whereas ineffective part is accounted in the income statement. At instances when

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cash flows relating to hedged item (interest expense) affect the income statement, profit/loss of the related hedging item is taken out of the equity and reflected on the income statement.

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Prospective tests are performed at the inception of the hedge relationships and both prospective and retrospective tests are performed at each reporting period-end regularly by using "Dollar off-set method". In this method, changes in the fair value of the hedged item and changes in the fair value of the hedging instruments between the designation date and each reporting period-end are compared and effectiveness ratio is calculated. In the determination of the fair values of hedging instruments and hedged item, market yield curves are used. Hedge accounting principles are applied by assessing the calculated effectiveness ratio within the scope of TAS 39.

When the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked due to ineffectiveness of efficiency tests;

- The hedging gains and losses that were previously recognized under equity are transferred to profit or loss when the cash flows of the hedged item are realized,
- Adjustments made to the carrying amount of the hedged item are transferred to profit and loss with straight line method for portfolio hedges or with effective interest rate method for micro hedges.

In case the hedged item is derecognized, hedge accounting is discontinued and within context of fair value hedge accounting, adjustments made to the value of the hedged item are accounted in income statement.

The replacement or rollover of a hedging instrument into another hedging instrument is not an expiration or termination if such replacement or rollover is part of the entity's documented hedging strategy.

The Bank also applies net investment risk hedging in order to hedge its foreign currency risk from its investments abroad. The effective part of the fair value change of the hedging instrument in the hedging transaction in question was accounted in the "Accumulated Other Comprehensive Income or Expenses to be Reclassified in Profit or Loss" account under equity.

Within the scope of the Major Indicative Interest Rates Reform, the replacement of currently used benchmark interest rates, especially Libor, with newly accepted alterbnative interest rates has been completed. The benchmark interest rate change has been applied to all foreign currency transactions subject to hedge accounting and there is no significant effect on profit/loss.

As of 31 December 2023, contractual amounts of derivative financial instruments designated as hedging instruments and the net fair values carried in the balance sheet are summarized in the following table:

	Current Period 31 December 2023			Prior Period 31 December 2022		
	Notional Amount	Assets	Liabilities	Notional Amount	Assets	Liabilities
Interest Rate and Cross Currency Swaps						
-TL	62.769.058	27.644.678	852.473	31.550.734	18.868.111	494.476
-FC	187.235.576	5.459.646	-	137.049.473	4.923.523	1
Total	250.004.634	33.104.324	852.473	168.600.207	23.791.634	494.477

1. Explanations on Accounting Net Investment Hedge:

The Bank applies a net investment hedging strategy in order to hedge the foreign exchange risk arising from the net investment value of Akbank AG, its subsidiary, amounting to EUR 787 million (31 December 2022: EURO 787 million) and the net investment value of Akbank Ventures BV, its subsidiary, amounting to USD 100 million (31 December 2022: None). EUR 787 million and USD 100 million of the bank borrowing has been designated as "hedging instrument".



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Net gain/(loss)

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Net gain/(loss) Ineffective portion

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2. Explanations on Fair Value Hedge:

Current	Period:	31.12.2023

			Fair Value		
Hedging Instrument	Hedged Item	Risk Exposure	Difference of Hedging Instrument	Fair Value Difference of Hedged Items (*)	Ineffective Portion (**)
Interest Rate Swap	Fixed interest rate FC financial assets at fair value through other comprehensive income	Interest rate risk	930,474	(1.152.495)	[222.021]
Cross-currency swap	Fixed interest rate FC financial assets at fair value through other comprehensive income, FC borrowings	Interest rate and currency risk	(74.524)	74.492	(32)
Cross-currency swap	Fixed interest rate TL Commercial Loans. FC borrowings	Interest rate and currency risk	6.216	(6.260)	(44)

^[*] Includes fair value differences arising from changes in foreign exchange rates for the hedge transactions having risk exposure of both interest rate and foreign currency. [**] Represents the cumulative amounts booked under "Gains / (Losses) on Derivative Financial Transactions" and "Gains / (Losses) on Foreign Exchange Transactions" since the beginning of hedge accounting.

Prior Period: 31.12.2022

Hedging Instrument	Hedged Item	Risk Exposure	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items (*)	Ineffective Portion (**)
Interest Rate Swap	Fixed interest rate FC financial assets at fair value through other comprehensive income	Interest rate risk	1.511.190	(1.573.124)	[61.934]
Cross-currency swap	Fixed interest rate FC financial assets at fair value through other comprehensive income, FC borrowings	Interest rate and currency risk	48.507	(48.327)	180
Cross-currency swap	Fixed interest rate TL Commercial Loans. FC borrowings	Interest rate and currency risk	8.096	(8.574)	(478)

^[*] Includes fair value differences arising from changes in foreign exchange rates for the hedge transactions having risk exposure of both interest rate and foreign currency. [**] Represents the cumulative amounts booked under "Gains / [Losses] on Derivative Financial Transactions" and "Gains / [Losses] on Foreign Exchange Transactions" since the beginning of hedge accounting

In addition, when the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked due to ineffectiveness of efficiency tests with the information related discontinuous transactions are given below:

- As of 31 December 2023, related to fair value hedge transactions, there is no remaining net amount after amortization of the fair value change of the hedged items since the beginning of hedge accounting (31 December 2022: TL (38)).

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3. Explanations on Cash Flow Hedge:

Hedging instrument	Hedged item	Nature of risk hedged	Hedging ins	trument FV	recognized in OCI during the period	reclassified to income statement during the year	recognized ir income statement (Net
			Assets	Liabilities			
Interest Rate Swap	Floating-rate long Term FC funds borrowed	Cash Flow risk due to changes in interest rate of funds	266,601	_	252.745	464.101	2.012
Cross Currency Swap	Short term FC commercial deposits	Cash Flow risk due to changes in interest rate of funds	25.823.761	-	207.590	750.525	88.735
Interest Rate Swap	Short term TL deposits	Cash Flow risk due to changes in interest rate of funds	1.651.985	_	881.938	473.277	[15.660]
Interest Rate Swap	Short term FC deposits	Cash Flow risk due to changes in interest rate of funds	1.692.926	-	951.682	931.967	7.807
Interest Rate Swap	Floating-rate TL Financial Assets at Fair Value Through Other Comprehensive Income	Cash Flow risk due to changes in interest rate of funds	91.462	852.473	[864.810]	(224.710)	15.188

In addition, when the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked with the information related discontinuous transactions are given below:

- As of 31 December 2023, related to cash flow hedge transactions, there is no remaining before tax amount in equity after amortization of the fair value change of the hedging instruments, from the beginning of hedge accounting (31 December 2022: none).

XII. EXPLANATIONS ON QUALITATIVE DISCLOSURES ON REMUNERATION POLICIES:

Explanations on Remuneration Committee

The Remuneration Committee consisting of two members from the board of directors who have no executive duties convened and evaluated the remuneration policies twice in 2022. As a result of the meeting and related evaluations, the committee decided on updating of the policies in accordance with the existing practices. The main duties and responsibilities of the Remuneration Committee have been determined briefly as follows:

- Overseeing the remuneration processes and practices with the aim of providing an independent and effective remuneration system.
- · Reviewing the remuneration policy practices within the framework of the Corporate Governance principles and ensuring that the remuneration management system is up to date.
- Submitting the evaluation and recommendations on remuneration policies and practices within the framework of Corporate Governance principles to the Board of Directors as an annual report
- · Reviewing as to whether remuneration policies, processes and practices comply with risk appetite, strategies and long term targets of the Bank
- Ensuring the implementation of premium payments within the framework of Corporate Governance principles.
- Determining payments to the members of the Board of Directors if they assume a different function in the bank
- Ensuring the preparation of the decisions regarding the remuneration, particularly the decisions about the remuneration of qualified employees, submitted to the approval of the Board of Directors; the regular observation of compliance and effectiveness of the remuneration policies with the risk appetite and targets of the bank; providing support and opinion to the Board of Directors with regard to the establishment and supervising of the operations of the remuneration system; overseeing the remuneration of the senior management of the units within the scope of Internal Systems

The general principles of the Bank's remuneration policy apply to all bank employees.



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Members of the Board of Directors and senior executives that have a significant impact on the Bank's risk profile are classified under the qualified employees. By the end of 2022, there are 27 employees that are considered as qualified employees in the Bank.

Information on the Design and Structure of the Remuneration Process:

While determining the Bank's wage structure;

- Internal balance of wages and budgetary opportunities,
- Job description and level of responsibility of employees,
- Individual performance of each employee,
- The overall performance of the team and general performance of the bank,
- Employee competencies,
- Compliance with the Bank's internal and external legislation

are taken into consideration.

Structured the Remuneration Policy for gaining, keeping, rewarding and motivating human resources are necessary for sustainable success to the bank is created as follows.

- Complying with the scope and structure of the Bank's operations, strategies, long-term targets and risk management structures.
- Preventing the excessive risk taking and contributing the effective risk management

Evaluation of Remuneration Process Regarding the Methods of Addressing Current and Future Risks:

In the remuneration processes, credit risk, operational risk, legal risk and reputation risk are taken into consideration with the applied risk management. The risks arising from employees during the determination of premiums are also taken into consideration. Some portion of the premium payments of the qualified employees are paid with non-cash assets indexed to the Bank's share value and some portion of them is postponed. In certain cases, written agreements have been made with these employees for the cancellation of deferred payments. In the recent year, there has been no change in the methods of handling risks in remuneration practices.

Evaluation of the Methods of Associating Premiums with Performance

Performance and risks generally determined for the Bank are considered on a preferential basis for calculating the total amount of premiums. The premium budget is distributed to the employees in line with the unit performance affiliated with individual performance and fixed income.

The units within the scope of Internal Systems have independent premium systems from Bank's performance system hence their budgets are separately managed. All decisions regarding the wage and premium processes of these units are agreed at the Board of Directors level.

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XIII. EXPLANATIONS ON BUSINESS SEGMENTS:

The Bank operates consumer banking, SME banking, commercial banking, and corporate-investment and private banking and wealth network providing services to customers in accordance with the Bank's organizational structure.

The profitability system generating segment information provides profitability information on the basis of account customer, customer relationship manager, branch segment and product. This information is made available to the branch and Head Office personnel through a web-based management reporting system.

Consumer banking offers a variety of retail services such as deposit accounts, retail loans, commercial installment loans, credit cards, insurance products and asset management services. The consumer banking products and services also include bank cards, investment funds trading, automatic payment services, foreign currency trading, safe deposit box rentals, cheques, money transfers, investment banking, telephone and internet banking. In the scope of private banking, The Bank serves the members of the high-income customers who have expectations for upper-class service quality both in banking and investment transactions.

Corporate banking, commercial banking and SME banking, provide financial solutions and banking services to large, medium and small size corporate and commercial customers. The products and services offered to corporate and commercial customers include TL and foreign currency denominated working capital loans financing for investments, foreign trade financing, derivative instruments for hedging purposes of foreign currency and interest risk, letters of credit, foreign currency trading, corporate finance services and deposit and cash management services. In addition, the Bank provides timely and permanent solutions for corporate customers' working capital management, delivers cash management services tailored based on customers' requests that include collection and payment services and liquidity and information management. Project finance loans are provided within the context of investment banking activities.

Within the scope of international banking activities, activities are also being carried out in order to provide long-term funding, to provide funding under a price reflecting the country's risk, to diversify funding resources and to form an international investor base on this area.

The Treasury Unit conducts TL and FC spot and forward transactions, treasury bonds, government bonds, Eurobond and private sector bond transactions and also derivative trading activities within determined limits. These transactions are performed according to the Bank's requirements. In addition to marketing and pricing activities for the branch network of Treasury products and customers, foreign trade financing, foreign exchange and TL "clearing" services are also carried out for customers.

Information on business segments as of 31 December 2023 and 31 December 2022 presented in the following tables. Explanations on business segments are prepared on the basis of data obtained from Bank Management Reporting System.



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	Consumer Banking and Private Banking		Treasury, Other and Unallovated	Bank's Total Activities
Current Period - 31 December 2023		-		
Operating Income	54.812.946	63.135.297	19.686.881	137.635.124
Profit from Operating Activities	17.639.785	50.225.326	9.263.569	77.128.680
Income from Subsidiaries	-	=	17.804	17.804
Income/(loss) from investments in subsidiaries				
consolidated based on equity method	-	-	7.299.426	7.299.426
Profit before Tax	17.639.785	50.225.326	16.580.799	84.445.910
Corporate Tax	-	-	(17.966.970)	(17.966.970)
Net Profit for the Period	17.639.785	50.225.326	(1.386.171)	66.478.940
Segment Assets	471.527.002	593.286.118	603.076.258	1.667.889.378
Investments in Associates	-	=	46.671.202	46.671.202
Undistributed Assets	-	=	74.613.594	74.613.594
Total Assets				1.789.174.174
Segment Liabilities	873.036.345	421.333.219	186.101.251	1.480.470.815
Undistributed Liabilities	-	-	97.507.932	97.507.932
Shareholders' Equity	-	-	211.195.427	211.195.427
Total Liabilities				1.789.174.174

	Consumer Banking and Private Banking	Commercial Banking, Corporate Banking and SME Banking	Treasury, Other and Unallovated	Bank's Total Activities
Prior Period - 31 December 2022				
Operating Income	22.760.605	30.050.403	53.273.102	106.084.110
Profit from Operating Activities	7.762.807	25.112.631	43.278.891	76.154.329
Income from Subsidiaries	-	=	32.338	32.338
Income/(loss) from investments in subsidiaries				
consolidated based on equity method	-	-	3.073.735	3.073.735
Profit before Tax	7.762.807	25.112.631	46.384.964	79.260.402
Corporate Tax	-	-	[19.236.318]	[19.236.318]
Net Profit for the Period	7.762.807	25.112.631	27.148.646	60.024.084
Segment Assets	198.533.395	425.876.205	374.455.781	998.865.381
Investments in Associates	-	-	23.546.995	23.546.995
Undistributed Assets	-	-	52.774.079	52.774.079
Total Assets				1.075.186.455
Segment Liabilities	461.322.006	272.041.225	118.079.809	851.443.040
Undistributed Liabilities	-	-	70.143.531	70.143.531
Shareholders' Equity	-	=	153.599.884	153.599.884
Total Liabilities				1 075 186 455

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I. EXPLANATIONS AND NOTES RELATED TO ASSETS

- a. Information related to cash equivalents and the account of the Central Bank of the Republic of Turkey (the "CBRT"):
- 1. Information on cash equivalents and the account of the CBRT:

	3	Prior Period 31 December 2022		
	TL	FC	TL	FC
Cash/Foreign Currency	4.285.667	11.562.077	3.041.404	7.978.757
The CBRT (*)	124.637.273	155.970.274	20.645.317	95.135.790
Other (**)	-	944.234	-	731.475
Total	128.922.940	168.476.585	23.686.721	103.846.022

^(*) Precious metal account amounting to TL 15.823.329 are included in FC (31 December 2022: TL 3.443.117). (**) Precious metal account amounting to TL 944.231 are included in FC (31 December 2022: TL 731.471).

2. Information related to the account of the CBRT:

	Current Period 31 December 2023			Prior Period 31 December 2022
	TL	FC	TL	FC
Unrestricted Demand Deposits	1.927	-	1.214	-
Unrestricted Time Deposits	-	5.890.339	-	2.330.773
Restricted Time Deposits	-	-	-	-
Reserve Requirement	124.635.346	150.079.935	20.644.103	92.805.017
Total	124.637.273	155.970.274	20.645.317	95.135.790

3. Explanation on reserve requirements:

In accordance with the "Communiqué Regarding the Reserve Requirements no. 2013/15, the Bank is required to maintain reserves in CBRT for TL and foreign currency liabilities. The reserve requirements can be maintained as TL, USD, EUR and standard gold.

The required rates for the required reserves established in the CBRT are between 0% and 8%, excluding accounts provided with exchange rate/price protection support by the Central Bank, according to the maturity structure in Turkish currency (31 December 2022: between 3% and 8%); accounts provided with exchange rate/price protection support by the Central Bank, it is between 10% and 30% (31 December 2022: None); in foreign currency, it is between 5% and 30% depending on the maturity structure (31 December 2022: between 5% and 31%) as of 31 December 2023.

b. Information on financial assets at fair value through profit or loss:

As of 31 December 2023, there are no financial assets at fair value through profit or loss subject to repo transactions (31 December 2022: None) and given as collateral/blocked (31 December 2022: None).

Other Financial Assets:

TL 3.520.491 (31 December 2022: TL 2.041.238) of other financial assets consist Fourth Real Estate Investment Fund of Ak Portföy Yönetimi A.Ş. established by Ak Portföy Yönetimi A.Ş. and the fund is followed at its fair value and the related valuation differences are recognized in profit or loss.



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c. Information on derivative financial assets held-for-trading:

Table of positive differences related to derivative financial assets (*)

	Curren 31 Decer	Prior Period 31 December 2022		
	TL	FC	TL	FC
Forward Transactions	2.122.806	-	2.276.623	-
Swap Transactions	16.508.576	12.378.666	10.064.350	10.903.175
Futures Transactions	-	-	-	-
Options	310.435	885.808	9.839	709.075
Other	-	-	-	-
Total	18.941.817	13.264.474	12.350.812	11.612.250

^(*) Excluding hedging derivatives financial assets.

d. Information on banks account and foreign banks:

1. Information on banks account:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Banks				
Domestic	24.840	322.764	2.142	1.404.336
Foreign (*)	2.390.927	40.764.407	1.420.963	28.778.275
Head Quarters and Branches Abroad	-	-	-	-
Total	2.415.767	41.087.171	1.423.105	30.182.611
(*) Includes collateral of TL 5.390.011 for deriv	ative transactions mad	le with foreign banks	(31 December 202	2: TL 7.486.972).

^{2.} Information on foreign banks account:

	Unrestricted	d Amount	Restricted A	mount (**)
	Current Period	Current Period Prior Period		Prior Period
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
European Union Countries	6.542.088	4.325.067	7.199.185	4.286.385
USA, Canada	17.628.914	8.405.815	1.157.127	1.150.802
OECD Countries (*)	8.355.255	6.523.640	1.724.693	5.357.959
Off-Shore Banking Regions	-	-	-	-
Other	547.515	145.565	557	4.005
Total	33.073.772	19.400.087	10.081.562	10.799.151

^(*) OECD Countries other than EU countries, USA and Canada.

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e. Information on financial assets at fair value through other comprehensive income:

- 1. As of 31 December 2023, financial assets fair value through other comprehensive income subject to repurchase agreements amounting to TL 107.493.981 (31 December 2022: TL 41.237.315); and those given as collateral/blocked amounting to TL 77.117.267 (31 December 2022: 58.996.672).
- $2. \ Information \ on \ financial \ assets \ fair \ value \ through \ other \ comprehensive \ income:$

	Current Period 31 December 2023	Prior Period 31 December 2022
Debt Securities	281.158.502	169.972.217
Quoted at Stock Exchange (*)	251.612.368	162.536.493
Unquoted at Stock Exchange	29.546.134	7.435.724
Share Certificates	112.047	97.071
Quoted at Stock Exchange	-	-
Unquoted at Stock Exchange	112.047	97.071
Impairment Provision (-)	10.385.659	5.198.633
Total	270.884.890	164.870.655

^(*) Investment funds are included.

f. Information related to loans:

1. Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period 31 December 2023		_	Prior Period 31 December 2022	
	Cash	Non-cash	Cash	Non-cash	
Direct Loans Granted to Shareholders	-	159	459.027	159	
Corporate Shareholders	-	159	459.027	159	
Real Person Shareholders	-	-	-	-	
Indirect Loans Granted to Shareholders	17.921.787	7.975.538	10.499.761	4.863.784	
Loans Granted to Employees	606.978	-	322.086	-	
Total	18.528.765	7.975.697	11.280.874	4.863.943	

2. Information on standard loans and loans under follow-up including loans that have been restructured or rescheduled:

	_	Loans under follow-up		
Current Period - 31 December 2023			Restructured Loa	ins
Cash Loans	Standard Loans	Loans not subejct to restructuring	Loans with revised contract terms	Refinance
Non-specialized Loans				
Loans given to enterprises	93.849.595	729.405	150.701	9.346.806
Export Loans	84.059.804	426.343	2.377	50.284
Import Loans	-	-	=	-
Loans Given to				
Financial Sector	55.924.363	643	-	59
Consumer Loans	164.734.435	8.563.726	1.657.241	105.034
Credit Cards	174.830.420	5.675.758	2.670.141	-
Other	214.634.716	1.314.897	1.751.263	28.908.899
Specialized Loans	-	-	-	_
Other Receivables	-	-	-	-
Total	788.033.333	16.710.772	6.231.723	38.411.082

^[**] Restricted amounts which mainly consist of collaterals related to borrowings are kept in several banks.



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		Current Period 31 December 2023		Prior Period 31 December 2022
Expected Credit Loss Stage I and Stage II	Standard Loans	Loans under Follow-up	Standard Loans	Loans under Follow-up
12 Month Expected Credit Losses	9.065.882	-	3.466.203	-
Significant Increase in Credit Risk	-	10.159.217	-	6.608.115
Total	9.065.882	10.159.217	3.466.203	6.608.115

3. Breakdown of loans according to their maturities:

Loans Under Follow-Up

	Standard Loans	Non-restructured	Restructured or rescheduled
Short-term Loans	374.419.200	8.879.881	2.557.137
Medium and Long-Term Loans	413.614.133	7.830.891	42.085.668
Total	788.033.333	16.710.772	44.642.805

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4. Information on consumer loans, personal credit cards, personnel loans and personnel credit cards:

		Medium and	
Current Period - 31.12.2023	Short-term	Long-term	Total
Consumer Loans-TL	10.235.965	142.788.680	153.024.645
Mortgage Loans	1.684	32.976.505	32.978.189
Automotive Loans	30.910	5.141.521	5.172.431
Consumer Loans	10.203.371	104.670.654	114.874.025
Other	-	-	-
Consumer Loans- Indexed to FC	-	182	182
Mortgage Loans	-	182	182
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	141.024.235	2.276.160	143.300.395
With Installment	58.674.671	2.276.092	60.950.763
Without Installment	82.349.564	68	82.349.632
Consumer Credit Cards-FC	214.139	-	214.139
With Installment	1	-	1
Without Installment	214.138	-	214.138
Personnel Loans-TL	18.970	234.505	253.475
Mortgage Loans	-	10.795	10.795
Automotive Loans	109	4.467	4.576
Consumer Loans	18.861	219.243	238.104
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	349.252	884	350.136
With Installment	164.115	884	164.999
Without Installment	185.137	-	185.137
Personnel Credit Cards-FC	3.367	-	3.367
With Installment	-	-	-
Without Installment	3.367	-	3.367
Credit Deposit Account - TL (Real Person)	21.782.134	-	21.782.134
Credit Deposit Account - 1L (Reat Person)			
Credit Deposit Account - FC (Real Person)	_	-	-



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D : D : L 04 40 0000	6	Medium and	-
Prior Period - 31.12.2022	Short-term	Long-term	Total
Consumer Loans-TL	16.262.853	74.752.442	
Mortgage Loans	22.517	16.421.141	16.443.658
Automotive Loans	91.910	2.299.009	2.390.919
Consumer Loans	16.148.426	56.032.292	72.180.718
Other	-	-	-
Consumer Loans- Indexed to FC	-	216	216
Mortgage Loans	-	216	216
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	46.660.620	1.298.001	
With Installment	20.100.091	1.297.905	21.397.996
Without Installment	26.560.529	96	26.560.625
Consumer Credit Cards-FC	68.410	-	68.410
With Installment	-	-	-
Without Installment	68.410	-	68.410
Personnel Loans-TL	32.393	126.927	159.320
Mortgage Loans	-	5.783	5.783
Automotive Loans	79	2.289	2.368
Consumer Loans	32.314	118.855	151.169
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	161.739	257	161.996
With Installment	75.006	257	75.263
Without Installment	86.733	-	86.733
Personnel Credit Cards-FC	770	-	770
With Installment	-	-	-
Without Installment	770	-	770
Credit Deposit Account-TL (Real Person)	4.962.978	_	4.962.978
Credit Deposit Account-FC (Real Person)	-	-	-

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o. information	on comme	er cial instatti	nent toans and	a corporate	credit cards:

		Medium and	
Current Period - 31.12.2023	Short-term	Long-term	Total
Commercial Installment Loans-TL	2.095.940	58.685.836	60.781.776
Mortgage Loans	1.412	1.107.707	1.109.119
Automotive Loans	180.865	12.855.810	13.036.675
Consumer Loans	1.913.663	44.722.319	46.635.982
Other	-	-	-
FC Indexed Commercial Installment Loans	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Commercial Installment Loans-FC	5.022	1.229.288	1.234.310
Mortgage Loans	-	-	-
Automotive Loans	_	165.430	165.430
Consumer Loans	5.022	1.063.858	1.068.880
Other	-	-	_
Corporate Credit Cards-TL	38.453.813	837.182	39,290,995
With Installment	20.787.062	837.178	21.624.240
Without Installment	17.666.751	4	17.666.755
Corporate Credit Cards-FC	17.287	<u>-</u>	17.287
With Installment	-	_	-
Without Installment	17.287	_	17.287
Credit Deposit Account - TL (Legal Person)	2.136.042	_	2.136.042
Credit Deposit Account - FC (Legal person)	-	_	2.100.042
Total	42.708.104	60.752.306	103.460.409
Total	42.700.104	00.702.000	100.400.407
		Medium and	
Prior Period - 31.12.2022	Short-term	Long-term	Total
Commercial Installment Loans-TL	12.048.304	24.623.556	36.671.860
Mortgage Loans	67.077	1.353.369	1.420.446
Automotive Loans	3.243.506	9.517.469	12.760.975
Consumer Loans	8.737.721	13.752.718	22,490,439
Other	-	-	-
FC Indexed Commercial Installment Loans	<u>-</u>	2.709	2.709
Mortgage Loans	_	1.450	1.450
Automotive Loans	_	364	364
Consumer Loans	_	895	895
Other	_	-	-
Commercial Installment Loans-FC	7.111	818.084	825.195
Mortgage Loans	7.111	010.004	023.173
Automotive Loans	_	100.600	100.600
Consumer Loans	7.111	717.484	724.595
Other	7.111	/17.404	724.373
	12.099.444	279.187	12.378.631
Corporate Credit Cards-TL			
With Installment	6.344.982	279.136	6.624.118
Without Installment	5.754.462	51	5.754.513
Corporate Credit Cards-FC	8.544	-	8.544
With Installment	32	-	32
Without Installment	8.512	-	8.512
Credit Deposit Account - TL (Legal Person)	983.429	-	983.429
Credit Deposit Account - FC (Legal person)	-	-	=======================================
Total	25.146.832	25.723.536	50.870.368

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6. Loans according to types of borrowers:

	Current Period	Prior Period	
	31 December 2023	31 December 2022	
Public	31.938.416	24.509.769	
Private	838.167.221	535.840.419	
Total	870.105.637	560.350.188	

7. Distribution of domestic and foreign loans: Loans are classified according to the locations of the customers:

	Current Period	Prior Period	
	31 December 2023	31 December 2022	
Domestic Loans	868.579.641	558.861.138	
Foreign Loans	1.525.996	1.489.050	
Total	870.105.637	560.350.188	

8. Loans granted to investments in associates and subsidiaries:

Edulis grunted to investments in associates and subsidiaries.	Current Period 31 December 2023	Prior Period 31 December 2022
Direct Loans Granted to Investments in Associates and		
Subsidiaries	2.311.032	2.541.725
Indirect Loans Granted to Investments in Associates and		
Subsidiaries	-	-
Total	2.311.032	2.541.725

9. Credit-Impaired Losses Stage III Provisions:

	Current Period 31 December 2023	Prior Period 31 December 2022
Loans with Limited Collectibility	3.160.513	632.447
Loans with Doubtful Collectibility	1.290.082	825.923
Uncollectible Loans	8.407.649	9.929.954
Total	12.858.244	11.388.324

^{10.} Information on non-performing loans (Net):

(i) Information on non-performing loans restructured or rescheduled and other receivables:

	III. Group	IV. Group	V. Group
	Loans with Limited Collectibility	Loans with Doubtful Collectibility	Uncollectible Loans
Current Period: 31 December 2023			
(Gross Amounts Before Specific Provisions)	65.408	48.337	850.975
Rescheduled Loans and Other Receivables	65.408	48.337	850.975
Prior Period: 31 December 2022			
(Gross Amounts Before Specific Provisions)	34.957	96.976	854.936
Rescheduled Loans and Other Receivables	34.957	96.976	854.936

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(ii) 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 End Balance: 31 December 2022	1.157.486	1.162.295	14.587.203
Additions (+)	9.228.242	98.139	1.450.266
Transfers from Other Categories of Non-			
Performing Loans (+)	-	3.708.676	2.461.342
Transfers to Other Categories of Non-Performing			
Loans (-)	3.708.676	2.461.342	-
Collections (-)	1.092.621	588.395	3.934.578
Write-offs (-) (*)	15.204	11.309	276.727
Sold Portfolio (-) (**)	-	46.991	999.079
Corporate and Commercial Loans	-	46.991	103.522
Consumer Loans	-	-	519.096
Credit Cards	-	-	376.461
Other	-	-	-
Balance at the End of the Period	5.569.227	1.861.073	13.288.427
Specific Provisions (-)	3.160.513	1.290.082	8.407.649
Net Balance at Balance Sheet	2.408.714	570.991	4.880.778

(*) In the current period, based on the amendment made in the "Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions for These" published in the Official Gazette dated 6 July 2021 and numbered 31533, there is no write-off process. (31 December 2022: TL 12.626.511 and its effect on the NPL ratio is 239 basis points).

(**) The Bank sold the part of its non-performing loans portfolio amounting to 1.786 million TL (full TL amount) for a fee of 781 million TL (full TL amount) to Gelen Varlık Yönetimi A.Ş., Dünya Varlık Yönetimi A.Ş., Birikim Varlık Yönetimi A.Ş., Ortak Varlık Yönetimi A.Ş., AGS Altın Planet Varlık Yönetimi A.Ş. and Sümer Varlık Yönetimi A.Ş. 740 million TL of the 1.786 million TL portfolio consists of receivables written off from assets in 2022 and earlier years. The effect of the NPL portfolio sale on the NPL conversion rate is 12 basis points.

(iii) Information on non-performing loans granted as foreign currency loans:

	III. Group	IV. Group	V. Group
	Loans with	Loans with	Uncollectible Loans
	Limited Collectibility	Doubtful Collectibility	
Current Period: 31 December 2023			
Balance at the End of the Period	2.393.018	3.344	5.329.506
Specific Provision (-)	1.242.471	2.343	3.097.022
Net Balance on Balance Sheet	1.150.547	1.001	2.232.484
Prior Period: 31 December 2022			
Balance at the End of the Period	209.018	184.569	5.971.061
Specific Provision (-)	63.434	136.763	3.424.575
Net Balance at Balance Sheet	145.584	47.806	2.546.486

Non-performing loans granted as foreign currency are followed under TL accounts of balance sheet.



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(iv) Breakdown of non-performing loans according to their gross and net values:

	III. Group	IV. Group	V. Group
	Loans with	Loans with	Uncollectible Loans
	Limited Collectibility	Doubtful Collectibility	
Current Period (Net): 31 December 2023			
Loans granted to corporate entities and			
real persons (Gross)	5.569.227	1.861.073	13.288.427
Specific Provision Amount (-)	3.160.513	1.290.082	8.407.649
Loans granted to corporate entities and			
real persons (Net)	2.408.714	570.991	4.880.778
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Advances Receivables (Net)	-	-	-
Prior Period (Net): 31 December 2022			
Loans granted to corporate entities and			
real persons (Gross)	1.157.486	1.162.295	14.587.203
Specific Provision Amount (-)	632.447	825.923	9.929.954
Loans granted to corporate entities and			
real persons (Net)	525.039	336.372	4.657.249
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Advances Receivables (Net)	-	_	

(v) Information on the collection policy of non-performing loans and other receivables:

	III. Group	IV. Group	V. Group
Current Period: 31 December 2023	-		
Interest accruals and valuation differences	509.710	194.276	3.484.548
Provision (-)	288.600	133.858	2.254.793
Prior Period: 31 December 2022			
Interest accruals and valuation differences	93.443	108.193	3.473.851
Provision (-)	49.389	75.608	2.208.740

^{11.} Information on the collection policy of non-performing loans and other receivables:

Non-performing loans and other receivables are collected through legal follow-up and liquidation of collaterals.

12. Information on the write-off policy: Disclosed in Note VII of Section Three.

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g. Financial assets measured at amortised cost:

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1. Information on financial asset subject to repurchase agreements and those given as collateral/blocked:

	Current Period 31 December 2023			
	TL	FC	TL	FC
Given as collateral/blocked	99.746.723	-	59.862.341	-
Subject to repurchase agreements	8.019.510	17.230.359	12.345.942	10.571.152
Total	107.766.233	17.230.359	72.208.283	10.571.152

2. Information about government debt securities:

	Current Period 31 December 2023	Prior Period 31 December 2022
Government Bonds	160.450.506	95.023.206
Treasury Bills	-	-
Other Government Debt Securities	2.855.747	1.811.726
Total	163.306.253	96.834.932

3. Information on other financial assets measured at amortised cost:

	Current Period 31 December 2023	Prior Period 31 December 2022
Debt Securities	164.932.527	98.157.324
Quoted at Stock Exchange	164.932.527	98.157.324
Unquoted at Stock Exchange	-	-
Impairment Provision (-)	16.512	2.648
Total	164.916.015	98.154.676

4. The movement of financial assets measured at amortised cost:

	Current Period 31 December 2023	Prior Period 31 December 2022
Balance at the Beginning of the Period	98.154.676	52.585.560
Foreign Currency Differences on Monetary Assets	6.299.057	3.327.702
Purchases During Year	29.728.244	12.928.334
Disposals Through Sales and Redemptions	(5.337.086)	(6.056.237)
Impairment Provision	(13.864)	75.128
Change in Amortized Cost	36.084.988	35.294.189
Balance at the End of the Period	164.916.015	98.154.676



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1.320.489 34.180.464 245.833

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2.990.538

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h. Information on investments in associates (Net):

1. Information about investments in associates:

	Title	Address (City / Country)	Bank's share percentage- If different voting percentage (%)	Bank's risk group share percentage (%)
1	Bankalararası Kart Merkezi A.Ş.	Istanbul/Turkey	4,89	4,89
2	Kredi Kayıt Bürosu A.Ş.	Istanbul/Turkey	9,09	9,09
3	JCR Avrasya Derecelendirme A.Ş	5.Istanbul/Turkey	2,86	2,86
4	Birleşik İpotek Finansmanı A.Ş.	Istanbul/Turkey	8,33	8,33

2. Main financial figures of associates, in the order of the above table:

The financial figures stated below have been obtained from the financial statements date 30 June 2023 (*).

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	3.880.800	3.344.720	398.104	511.366	=	2.659.647	207.418	-
2	1.201.571	242.443	456.171	29.452	-	128.363	29.975	-
3	181.747	142.869	10.447	15.346	561	100.751	58.825	-
4	154.849	82.473	2.582	-	-	11.492	9.637	-

(*) In the table above, 30 June 2023 financial data of Birleşik İpotek Finansmanı A.Ş., 31 December 2022 financial data of JCR Avrasya Derecelendirme A.Ş. are used.

3. Movement schedule of investments in associates:

	Current Period 31 December 2023	Prior Period 31 December 2022
Balance at the Beginning of the Period	18.957	18.129
Movements During the Period		
Purchases	-	-
Bonus Shares and Contributions to Capital	571	828
Dividends from Current Year Income	-	-
Sales/Liquidation	-	-
Revaluation Increase	-	-
Impairment Provision (-)	-	-
Balance at the End of the Period	19.528	18.957
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	<u>-</u>

i. Information related to subsidiaries (Net):

1. Information on shareholders' equity of subsidiaries:

The following amounts have been obtained from the financial statements as of 31 December 2023 prepared in accordance with legislation in which the bank are subject to.

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		Ak Yatırım				
	Ak Finansal	Menkul Değerler	Ak Portföy		AkÖde	Akbank
	Kiralama A.Ş.	A.Ş.	Yönetimi A.Ş.	Akbank AG	A.Ş.	Ventures BV
Paid in Capital	360.007	96.802	30.534	740.648	330.000	2.401.175
Share Premium	=	=	=	=	=	=
Reserves	1.638.456	76.251	54.029	26.880.509	(14)	542.645
Gains recognized in equity as per TAS	(4.419)	(23.642)	(1.782)	=	(955)	-
Profit/Loss	962.935	5.194.242	1.243.325	6.167.408	(83.198)	46.718
- Net Current Period Profit	962.935	3.067.706	850.419	2.454.523	(82.831)	46.718
- Prior Year Profit/Loss	-	2.126.536	392.906	3.712.885	(367)	-
Development Cost of Operating Lease (-)	160	1.643	=	2.971	-	-
Remaining other intangible assets after						
offset with the related deferred tax liability						
excluding mortgage servicing rights	17.890	161.754	5.635	30.539	-	=
Total Common Equity	2.938.929	5.180.256	1.320.471	33.755.055	245.833	2.990.538
Total Additional Tier I Capital	-	-	-	-	-	-
Portion of Goodwill and Other Intangible						
Assets and Related Deferred Tax Liabilities						
not deducted from the Common Equity as per						
the 1st Clause of Provisional Article 2 of the						
"Regulation on the Equity of Banks" (-)	-	-	-	=	-	-
Total Tier I Capital	2.938.929	5.180.256	1.320.471	33.755.055	245.833	2.990.538
Tier II Capital	48.673	33	18	425.409	-	-
CAPITAL	2.987.602	5.180.289	1.320.489	34.180.464	245.833	2.990.538
Deductions from Capital	-	-	-	-	-	-

The Bank's subsidiaries, included in the consolidated calculation of capital requirement, do not have additional capital requirements.

5.180.289

2. Accounting method used for the valuation of subsidiaries: Disclosed in Note III of Section Three.

2.987.602

3. Information on subsidiaries:

TOTAL CAPITAL

Title	Address (City / Country)	Bank's Share Percentage-If Different Voting Percentage (%)	Bank's Risk Group Share Percentage (%)
1 Ak Finansal Kiralama A.Ş.	Istanbul/Turkey	100,00	100,00
2 Ak Yatırım Menkul Değerler A.Ş.	Istanbul/Turkey	100,00	100,00
3 Ak Portföy Yönetimi A.Ş.	Istanbul/Turkey	100,00	100,00
4 Akbank AG 5 AkÖde Elektronik Para ve Ödeme	Eschborn/Germany	100,00	100,00
Hizmetleri A.S.	Istanbul/Turkey	100,00	100,00
6 Akbank Ventures BV	Amsterdam/Netherlands	100,00	100,00

4. Main financial figures of consolidated subsidiaries, in the order of the above table:

The financial figures have been obtained from the financial statements as at 31 December 2023 prepared in accordance with regulations of the bank.



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	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	29.344.504	2.956.979	1.232.766	3.357.923	494.997	962.935	670.272	-
2	16.805.050	5.343.653	178.849	2.521.771	2.514.715	3.067.706	1.067.686	-
3	1.564.470	1.326.106	37.824	26.644	337.684	850.419	373.476	-
4	125.804.366	33.788.565	131.248	6.906.573	358.842	2.454.523	1.061.076	-
5	354.676	245.833	7.327	88.076	2.233	(82.831)	(99.662)	-
6	2.990.538	2.990.538	-	46.718	-	46.718	-	-

5. Movement schedule of subsidiaries:

	Current Period	Prior Period
Balance at the Beginning of the Period	23.528.038	16.060.130
Movements During the Period		
Additions (*)	2.589.175	70.000
Bonus Shares and Contributions to Capital	-	-
Dividends from Current Year Income	7.299.426	3.073.735
Sales/Liquidation	-	-
Revaluation Increase (**)	13.235.035	4.324.173
Revaluation/Impairment	-	-
Balance at the End of the Period	46.651.674	23.528.038
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	_

^(*) The mentioned amounts arise from the 100 million USD investment made for the establishment and capital increase of Akbank Ventures BV, which is a 100% partnership of the Bank for the current period, and the net increase of the capital of Aköde Elektronik Para ve Dağıtım Hizmetleri A.Ş., which is a 100% subsidiary of the Bank, by TL 188.000, when the capital reduction made during the period is taken into account, and the capital increase of Aköde Elektronik Para ve Dağıtım Hizmetleri A.Ş., which is a 100% subsidiary of the Bank, by TL 70.000 for the prior period.

6. Sectoral information on financial subsidiaries and the related carrying amounts:

	Current Period	Prior Period
Subsidiaries	31 December 2023	31 December 2022
Banks	33.788.565	18.736.762
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	2.956.979	1.994.044
Finance Companies	-	-
Other Subsidiaries	9.906.130	2.797.232

^{7.} Subsidiaries quoted to a stock exchange: None. (31 December 2022: None).

- j. Information on joint ventures: None (31 December 2022: None).
- k. Information on finance lease receivables (Net): None (31 December 2022: None).
- l. Information on the Hedging Derivative Financial Assets:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Fair Value Hedge	77.470	3.500.119	53.447	2.861.043
Cash Flow Hedge	27.567.208	1.959.527	18.814.664	2.062.480
Net Investment Hedge in a foreign operation	-	-	_	
Total	27.644.678	5.459.646	18.868.111	4.923.523

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m. Information on property and equipment:

	Other Tangible	Construction in	
immovables(*)	Fixed Assets	Progress	Total
		-	
12.601.144	5.188.891	50.716	17.840.751
551.403	2.162.066	-	2.713.469
12.049.741	3.026.825	50.716	15.127.282
12.049.741	3.026.825	50.716	15.127.282
991.549	3.254.173	502.079	4.747.801
5.491.836	-	-	5.491.836
48.721	-	(48.721)	-
53.540	17.788	-	71.328
342.444	963.319	-	1.305.763
1.696	-	-	1.696
18.913.771	8.157.231	504.074	27.575.076
726.212	2.857.340	-	3.583.552
18.187.559	5.299.891	504.074	23.991.524
	12.601.144 551.403 12.049.741 12.049.741 991.549 5.491.836 48.721 53.540 342.444 1.696 18.913.771	Immovables(*) Fixed Assets 12.601.144 5.188.891 551.403 2.162.066 12.049.741 3.026.825 12.049.741 3.026.825 991.549 3.254.173 5.491.836 - 48.721 - 53.540 17.788 342.444 963.319 1.696 - 18.913.771 8.157.231 726.212 2.857.340	12.601.144 5.188.891 50.716 551.403 2.162.066 - 12.049.741 3.026.825 50.716 12.049.741 3.026.825 50.716 12.049.741 3.026.825 50.716 991.549 3.254.173 502.079 5.491.836 (48.721) 53.540 17.788 - (48.721) 53.540 17.788 - 342.444 963.319 16.96 18.913.771 8.157.231 504.074

^[*] Immovables includes the asset usage rights of the real estates rented under the "TFRS 16 Leases" Standard. As of 31 December 2023, asset usage rights are TL 1.748.956, and accumulated depreciation amount is TL 488.796.

	Immovables(*)	Other Tangible Fixed Assets	Construction in Progress	Total
Prior Period End: 31 December 2021	iiiiiiovabics()	1 IXCU ASSCES	11091033	1000
Cost	5.018.803	2.980.515	18.691	8.018.009
Accumulated Depreciation (-)	533.246	1.655.536	-	2.188.782
Net Book Value	4.485.557	1.324.979	18.691	5.829.227
Current Period End: 31 December 2022				
Net Book Value at the Beginning of the Period	4.485.557	1.324.979	18.691	5.829.227
Additions	458.659	2.274.756	74.210	2.807.625
Investment Properties Revaulation differences	7.322.171	-	-	7.322.171
Transferred	42.185	-	(42.185)	-
Disposals (-), net	79.057	3.298	_	82.355
Depreciation (-)	184.744	569.612	-	754.356
Impairment	4.970	-	-	4.970
Cost at Period End	12.601.144	5.188.891	50.716	17.840.751
Accumulated Depreciation at Period End (-)	551.403	2.162.066	-	2.713.469
Closing Net Book Value	12.049.741	3.026.825	50.716	15.127.282

[*]Immovables includes the asset usage rights of the real estates rented under the "TFRS 16 Leases" Standard. As of 31 December 2022, asset usage rights are TL 1.061.102, and accumulated depreciation amount is TL 381.778.

^(**) Amounts refer to revaluation differences arising from accounting of financial associates and subsidiaries under the equity method as explained in the Note III of the Section Three.



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n. Information on intangible assets:

1. Cost and accumulated amortization at the beginning and end of the period:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Cost	6.034.379	4.119.112
Accumulated Amortization (-)	2.266.396	1.467.091
Net Book Value	3.767.983	2.652.021

2. Reconciliation of movements for the current period and prior period:

	Current Period 31 December 2023	Prior Period 31 December 2022
Opening Balance Net Book Value	2.652.021	1.465.640
Additions	2.028.682	1.693.570
Disposals (-), net	107.935	-
Depreciation (-)	804.785	507.189
Closing Net Book Value	3.767.983	2.652.021

o. Information on the investment properties: None (31 December 2022: None).

p. Information on deferred tax asset:

As of 31 December 2023, deferred tax asset amounting to TL 54.509 (31 December 2022: TL 192.285). Temporary differences subject to deferred tax calculation result from mainly the differences between the book values and tax values of fixed assets, financial assets and liabilities and provision for employee rights.

Deferred tax assets and liabilities which are accounted for the temporary differences arising between applicable accounting policies and valuation principles and tax legislation are netted-off and accounted. There are no carry forward tax losses that can be used as deductions for the tax calculation. An explanation about the net deferred tax liability is given in Note II-i-2 of Section Five.

	Accumulated temporary differences		Deferred tax as	sets/(liabilities)
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Employee benefits	3.188.733	2.183.677	956.620	545.919
Stage 1 and 2 loans provisions	20.032.461	10.756.607	6.009.738	2.689.152
Differences between book value and tax				
base of property, plant and equipment	1.198.862	(2.776.126)	359.659	(694.032)
Differences between book value and tax				
base of financial assets	(35.882.103)	(18.054.479)	(10.764.631)	(4.513.620)
Investment Properties Revaulation	(6.228.503)		(1.506.525)	
differences		(10.383.529)		(1.526.464)
Other	12.743.573	2.656.323	3.823.072	664.082
Deferred Tax Asset/(Liabilities) Net			(1.122.067)	(2.834.963)

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q. Information on property and equipment held for sale and related to discontinued operations:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Cost	475.836	565.378
Accumulated Depreciation (-)	-	-
let Book Value	475.836	565.378
	Current Period	Prior Period
	31 December 2023	31 December 2022
Opening Balance Net Book Value	565.378	170.756
Additions	204.501	591.783
Disposals (-), net	293.490	197.036
Impairment (-)	553	125
Depreciation (-)	-	-
Closing Net Book Value	475.836	565.378

r. Information on other assets:

Other assets amounting to TL 26.094.613 (31 December 2022: TL 19.757.284) on the balance sheet and do not exceed 10% of the total assets, excluding the off-balance sheet commitments.



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II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES

a. Information on deposits:

- 1. Information on maturity structure of the deposits: There are no seven-day notification deposits.
- 1 (i). Current Period 31 December 2023:

		Up to 1	1 – 3	3 – 6	6 Months	1 Year	Deposits	
	Demand	Month	Months	Months	- 1 Year	and Over C	umulative	Total
Saving Deposits	52.372.525	13.152.457	263.310.479	175.410.124	17.375.555	16.077.049	5.367	537.703.556
Foreign Currency Deposits	194.769.073	30.380.603	108.538.865	5.974.536	3.303.832	6.386.089	1.352	349.354.350
Residents in Turkey	185.504.023	30.001.481	103.049.086	5.722.410	2.506.492	3.562.886	1.352	330.347.730
Residents Abroad	9.265.050	379.122	5.489.779	252.126	797.340	2.823.203	-	19.006.620
Public Sector Deposits	4.270.185	6.761	42.304	414.975	1.479	47	=	4.735.751
Commercial Deposits	56.637.989	19.561.363	20.821.614	72.254.355	16.141.010	29.346.981	-	214.763.312
Other Institutions Deposits	1.212.397	920.851	3.508.378	3.875.440	881.645	42.170	-	10.440.881
Precious metals Deposits	59.211.627	-	29.660	9.307	1.204.485	99.713	-	60.554.792
Interbank Deposits	1.093.121	3.717.223	5.129.474	14.850.561	7.212.565	8.552.740	-	40.555.684
The CBRT	811	-	-	-	-	-	-	811
Domestic Banks	534.873	7.009	1.000	29.211	3.280.601	-	-	3.852.694
Foreign Banks	521.652	3.710.214	5.128.474	14.821.350	3.931.964	8.552.740	-	36.666.394
Participation Banks	35.785	-	-	-	-	-	-	35.785
Other	-	-	-	-	-	-	-	
Total	369.566.917	67.739.258	401.380.774	272.789.298	46.120.571	60.504.789	6.719	1.218.108.326

Foreign exchange-protected deposit instrument, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT, and which ensures that TL deposits are valued with interest rates and are protected against foreign exchange rates, is offered to bank customers. As of 31 December 2023, TL deposit amount includes TL 228.132.000 (31 December 2022: 98.451.375TL) thousand TL deposits within this scope.

1 (ii). Prior period - 31 December 2022:

		Up to 1	1 – 3	3 – 6	6 Months	1 Year	Deposits	
	Demand	Month	Months	Months	- 1 Year	and Over (Cumulative	Total
Saving Deposits	32.784.230	15.364.567	126.007.327	51.514.569	4.730.496	9.088.080	5.978	239.495.247
Foreign Currency Deposits	127.534.670	13.317.447	105.978.750	6.657.366	2.344.883	4.807.341	942	260.641.399
Residents in Turkey	123.054.550	12.881.851	101.026.860	6.448.554	1.484.930	2.636.813	942	247.534.500
Residents Abroad	4.480.120	435.596	4.951.890	208.812	859.953	2.170.528	=	13.106.899
Public Sector Deposits	2.229.173	6.791	84.763	1.297	800	46	=	2.322.870
Commercial Deposits	33.576.066	27.359.244	32.701.826	8.878.054	9.344.361	7.367.667	=	119.227.218
Other Institutions Deposits	777.277	480.397	4.047.773	251.217	73.528	19.213	-	5.649.405
Precious metals Deposits	33.170.247	108.459	635.352	301.858	1.402.738	164.481	=	35.783.135
Interbank Deposits	1.448.252	2.064.939	4.782.005	2.303.118	5.579.339	27.835	-	16.205.488
The CBRT	26.673	-	-	-	-	-	-	26.673
Domestic Banks	944.105	1.643.635	995.325	-	2.000.620	=	=	5.583.685
Foreign Banks	421.172	421.304	3.786.680	2.303.118	3.578.719	27.835	-	10.538.828
Participation Banks	56.302	=	=	-	-	-	-	56.302
Other	=	=	=	-	-	=	-	
Total	231.519.915	58.701.844	274.237.796	69.907.479	23.476.145	21.474.663	6.920	679.324.762

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2. Information on saving deposits insurance(*):

Information on saving deposits under the guarantee of the saving deposits insurance fund and amounts exceeding the limit of the deposit insurance fund:

	Under the Guaran Insurance	•	Exceeding the Limit of Deposition		
	Current Period 31 December 2023 31	Prior Period December 2022	Current Period 31 December 2023	Prior Period 31 December 2022	
Saving Deposits	180.270.248	82.641.629	357.433.308	156.853.618	
Foreign Currency Saving Deposits	57.531.400	30.778.917	409.217.884	133.373.036	
Other Deposits in the Form of					
Saving Deposits	25.503.564	12.176.457	28.283.765	19.450.803	
Foreign Branches' Deposits					
under Foreign Authorities' Insurance	-	-	-	-	
Off-shore Banking Regions'					
Deposits under Foreign Authorities' Insurance	-	-	-	-	

(*) In the framework of the "Regulation on Insured Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 22 December 2022 and numbered 32051, the amount of insured deposit and participation fund amounting to TL 200 thousand as of 2022, It has been determined as TL 400 thousand, effective from the beginning of the calendar year of 2023.

In accordance with the "Regulation on Amending the Regulation on the Insurable Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 27 August 2022 and numbered 31936, official institutions in the presence of credit institutions, credit institutions and financial institutions other than those belonging to the credit institutions all deposit and participation funds have been insured. In this context, commercial deposits covered by the insurance amount to TL 22.195.023 and the said amount is not included in the footnote.

3. Saving deposits of real persons which are not under the guarantee of saving deposit insurance fund:

Current Period 31 December 2023	Prior Period 31 December 2022
5	33
3.775.076	2.265.541
_	_
<u> </u>	
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b. Information on trading derivative financial liabilities:

Table of derivative financial liabilities (*):

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Forward Transactions	1.879.233	-	468.099	-
Swap Transactions	9.101.390	1.878.133	10.276.548	2.940.015
Futures Transactions	-	-	-	-
Options	5.943	788.444	564	272.307
Other	-	-	-	-
Total	10.986.566	2.666.577	10.745.211	3.212.322

^(*) Excluding hedge transactions.

c. Information on borrowings:

1. Information on banks and other financial institutions:

		Current Period 31 December 2023		eriod er 2022
	TL	FC	TL	FC
Borrowings from the CBRT	-	-	-	-
From Domestic Banks and Institutions	152.127	1.988.486	217.420	2.612.509
From Foreign Banks, Institutions and Funds	-	92.687.893	-	61.566.831
Total	152.127	94.676.379	217.420	64.179.340

2. Information on maturity structure of borrowings:

	Current Period		Prior Pe	riod
	31 Decemb	31 December 2023		er 2022
	TL	FC	TL	FC
Short-term	152.127	7.987.898	206.371	3.010.180
Medium and Long-term	-	86.688.481	11.049	61.169.160
Total	152.127	94.676.379	217.420	64.179.340

Securitized borrowings procured via A.R.T.S. Ltd. ("Structured Entity") are included in external funding sources of the Bank. Under the securitization program agreements, the Bank has sold foreign trade and customer receivables to A.R.T.S. Ltd.

3. The liabilities providing the funding sources of the Bank are deposits, borrowings, marketable securities issued and money market borrowings. Deposits are the most important funding source of the Bank and the diversification of these deposits by number and type of depositors with a stable structure does not create any risk concentration. The borrowings are composed of funds such as syndicated and securitized borrowings and post-financing obtained from different financial institutions with different maturity-interest structures and characteristics. There is no risk concentration in any of the funding sources of the Bank.

d. Information on securities issued (Net):

		Current Period 31 December 2023		eriod er 2022
	TL	FC	TL	FC
Bank bills	-	-	-	_
Bonds	886.663	38.574.096	2.716.114	19.723.455
Total	886.663	38.574.096	2.716.114	19.723.455

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e. Information on other foreign liabilities:

Other foreign liabilities listed in "Other Liabilities" amounting to TL 14.127.179 (31 December 2022: TL 5.864.329) and do not exceed 10% of the total balance sheet.

f. Information on financial leasing agreements:

People &

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With the "TFRS 16 Leases" standard valid from 1 January 2019, the difference between operating leases and finance leases has been eliminated and the lease transactions have been expressed under the "Lease Payables" as liability by lessees.

Liabilities incurred due to financial leasing agreements:

	Current Period 31 December 2023		Prior Pe	eriod
			31 Decemb	er 2022
	Gross	Net	Gross	Net
Less Than 1 Year	387.650	178.006	222.354	101.967
Between 1-4 Years	987.697	537.366	572.553	316.650
More Than 4 Years	948.885	670.540	537.420	380.549
Total	2.324.232	1.385.912	1.332.327	799.166

g. Information on the hedging derivative financial liabilities:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Fair Value Hedge	=	-	=	-
Cash Flow Hedge	852.473	-	494.476	1
Net Investment Hedge in a foreign operation	=	-	=	-
Total	852.473	-	494.476	1

h. Information on provisions:

1. Information on reserves for employee rights:

	Current Period	Prior Period	
Balance Sheet Obligations for:	31 December 2023	31 December 2022	
- Reserve for employment termination benefits	2.286.674	1.768.175	
- Reserve for unused vacation	902.059	415.502	
Total	3.188.733	2.183.677	

According to Turkish Labor Law, the Bank is required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires.

The compensation amount equals to one month's salary of an employee for each year of service, but this amount is limited up to severance limit decided by law. This liability is not subject to any funding legally and there is no funding requirement.

The reserve has been calculated by estimating the present value of the future probable obligation of the Bank arising from the retirement of its employees. TAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation for such benefits. Accordingly, the following actuarial assumptions were used in the calculation of the total liability.



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	Current Period	Prior Period
	31 December 2023	31 December 2022
Discount Rate (%)	3,00	0,50
Rate for the Probability of Retirement (%)	94,93	94,96

The principal actuarial assumption is that the current 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.

Movements in the reserve for employment termination benefits during the period are as follows:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Prior Period Closing Balance	1.768.175	603.639
Recognized as an Expense During the Period	451.240	201.266
Actuarial Loss / (Gain)	439.517	1.033.904
Paid During the Period	(372.258)	(70.634)
Balance at the End of the Period	2.286.674	1.768.175

As of 31 December 2023, the Bank has allocated vacation liability amounting to TL 902.059 (31 December 2022: TL 415.502).

1. (ii). Post-employment benefits:

The Bank's obligation in respect of the post-employment benefits transferrable to SSI, as explained in Note XVII of Section Three, has been calculated by a registered actuary. In this context, the value of the obligation regarding these benefits to be transferred to SSI as of the balance sheet date would equal the approximate payment amount that would need to be made to SSI as part of the transfer. The actuarial parameters and results used for the calculation of this amount reflect the provisions of the New Law for the post-employment pension and medical benefits transferrable to SSI (e.g. a technical interest rate of 9.80%). The deficit amounting to TL 1.045.849 (31 December 2022: TL 935.201) calculated according to the relevant Actuarial Report is in accordance with TAS 19 – Employee Benefits standard, service and interest costs are accounted for in profit and loss accounts, actuarial losses and gains are accounted under equity. In addition, the final amount of the Bank's liability in the event of transfer may vary depending on factors such as the number of participants and turnover rate, particularly the discount rate, inflation and salary increases.

	Current Period 31 December 2023	Prior Period 31 December 2022
Total Obligations	(32.843.989)	(16.151.721)
Cash value of future contributions	26.131.123	12.388.781
Total Transfer Obligations to SSI	(6.712.866)	(3.762.940)
Past service obligation	(1.668.982)	(1.267.060)
Total Transfer to SSI and Other Obligations	(8.381.848)	(5.030.000)
Fair value of assets	7.335.999	4.094.799
Deficit	(1.045.849)	(935.201)

The amount of the post-employment medical benefits transferrable to SSI is calculated over discounted net present value of medical liabilities and health premiums. Movements of the Plan Asset deficit during the period is as follows:

	Current Period	Prior Period
	31 Aralık 2023	31 Aralık 2022
Opening (31 December 2022)	935.201	294.503
Employer contributions	(1.983.143)	(898.934)
Amount recorded in the income statement (*)	1.857.988	797.187
Amount recorded in other comprehensive income	235.803	742.445
Closing (31 December 2023)	1.045.849	935.201

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The principal actuarial assumptions used were as follows:

	Current Period	Prior Period
Discount rate	31 December 2023	31 December 2022
- Pension benefits transferrable to SSI	%9,80	9,80%
- Post-employment medical benefits transferrable to SSI	%9,80	9,80%
- Other non-transferrable benefits	%3,00	0,50%

Mortality rate

The CSO 1980 mortality table has been used in order to calculate the liabilities to be transferred to SSI, life expectancy at a 60 year-old men is 18 years and a 58-year-old women is 24 years in accordance with this table.

The movement in the fair value of plan assets of the year is as follows:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Prior period end	4.094.799	2.884.393
Actual return on plan assets	3.069.030	1.014.061
Employer contributions	1.983.143	898.934
Employee contributions	79.729	48.683
Benefits paid	(1.890.702)	(751.272)
Period end	7.335.999	4.094.799

Plan assets are comprised as follows:

. tal. accord a. c comp cca ac retterne.	Current Period 31 December 2023			rior Period mber 2022
Bank placements	1.097.628	15%	487.995	12%
Property and equipment	14.938	-	44.012	1%
Marketable securities and share certificates	6.084.742	83%	3.487.089	85%
Other	138.691	2%	75.703	2%
Period end	7.335.999	100%	4.094.799	100%

2. Information on provisions related with foreign currency difference of foreign indexed loans:

As of 31 December 2023, the Bank has no provision related to foreign currency differences of foreign indexed loans (31 December 2022: None).

- 3. Information on provisions for non-cash loans that are non-funded and non-transformed into cash: Expected loss provisions for non-cash loans that are non-funded and non-transformed into cash amounting to TL 645.396 as of 31 December 2023 (31 December 2022: TL 457.083).
- 4. Information on other provisions:
- (i). Information on free provision for possible risks: TL 1.400.000 (31 December 2022: TL 1.400.000).
- (ii). Information on provisions for banking services promotion: The Bank has provisions for credit cards and banking services promotion activities amounting to TL 393.881 (31 December 2022: TL 202.113).

i. Explanations on tax liability:

1. Explanations on tax liability:

Tax calculations of the Bank are explained in Note XVIII of Section Three. As of 31 December 2023, the remaining tax liability after deducting the taxes paid during the period from corporate tax is TL 7.760.273 (31 December 2022: TL 9.585.893).



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1 (i). Information on taxes payable:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Corporate Taxes Payable	7.760.273	9.585.893
Taxation on Marketable Securities	702.688	250.818
Property Tax	7.282	3.937
Banking Insurance Transaction Tax (BITT)	1.676.019	477.215
Foreign Exchange Transaction Tax	21.665	27.075
Value Added Tax Payable	377.554	127.231
Other	567.151	183.425
Total	11.112.632	10.655.594

1 (ii). Information on premium payables:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Social Security Premiums – Employee	-	-
Social Security Premiums – Employer	1	1
Bank Social Aid Pension Fund Premium- Employee	3	3
Bank Social Aid Pension Fund Premium – Employer	3	3
Pension Fund Membership Fees and Provisions – Employee	-	-
Pension Fund Membership Fees and Provisions – Employer	-	-
Unemployment Insurance – Employee	9.794	4.466
Unemployment Insurance – Employer	19.588	8.932
Other	1.353	261
Total	30.742	13.666

2. Information on deferred tax liability:

The Bank has deferred tax liabilities amounting to TL 1.176.576 as of 31 December 2023 (31 December 2022: TL 3.027.248). Information on the deferred tax asset is given in Note I-p of Section Five.

j. Information on subordinated loan (*):

	Current Period 31 December 2023		Prior Pe 31 Decembe	
	TL	FC	TL	FC
To be included in the calculation of additional				
capital				
borrowing instruments	-	-	_	-
Subordinated loans	-	-	-	-
Subordinated debt instruments	-	-	-	-
Debt instruments to be included in				
contribution capital calculation	-	23.736.225	-	16.800.082
Subordinated loans		-		-
Subordinated debt instruments	-	23.736.225	-	16.800.082
Total	-	23.736.225	-	16.800.082

(*) Explanation about the subordinated loans is given in Note I-b of Section Four.

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k. Information on shareholders' equity:

People &

Community

1. Presentation of paid-in capital:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Common Stock	5.200.000	5.200.000
Preferred Stock	<u> </u>	<u> </u>

2. Amount of paid-in-capital, explanations as to whether the registered share capital system is applied, if so the amount of registered share capital ceiling:

Capital System	Paid-in capital	Ceiling
Registered Share Capital	5.200.000	10.000.000

- 3. Capital increases and sources in the current period and other information based on increased capital shares: None.
- 4. Information on share capital increases from capital reserves during the current period: None.
- 5. Information on capital commitments, the purpose and the sources until the end of the fiscal year and the subsequent interim period: None.
- 6. The effects of anticipations based on the financial figures for prior periods regarding the Bank's income, profitability and liquidity, and possible effects of these future assumptions on the Bank's equity due to uncertainties at these indicators;
 - The Bank has been continuing its operations with high profitability and has been retaining most of its net profit in the equity, either by increasing its capital or transferring it into reserves. On the other hand, only a small part of the equity is allocated to investment such as associates and fixed assets, thus giving a chance for considerably high free capital which provides funds for liquid and interest bearing assets. Considering all these factors, the Bank continues to its operations with strong shareholders' equity.
- 7. Information on privileges given to shares representing the capital: None.
- 8. Information on marketable securities value increase fund:

	Current Period 31 December 2023		Period nber 2022	
TL	FC	TL	FC	
645.181	664.956	672.071	640.548	
(2.632.742)	309.210	10.460.819	(2.306.156)	
-	-	-	-	
(1.987.561)	974.166	11.132.890	(1.665.608)	
	645.181 (2.632.742)	TL FC 645.181 664.956 [2.632.742] 309.210	TL FC TL 645.181 664.956 672.071 [2.632.742] 309.210 10.460.819 - - -	

^[*] Refers to revaluation differences arising from accounting of financial associates and subsidiaries under the equity method as explained in the Note of III of the Section Three.

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III. EXPLANATIONS AND NOTES RELATED TO OFF-BALANCE SHEET ACCOUNTS

a. Explanations on off-balance sheet commitments:

- 1. Type and amount of irrevocable commitments: TL 32.680.671 asset purchase commitments (31 December 2022: TL 7.852.054), TL 395.206.857 commitments for credit card limits (31 December 2022: TL 106.067.149), TL 7.436.908 commitments for cheque books (31 December 2022: TL 4.523.116).
- 2. Type and amount of probable losses and obligations arising from off-balance sheet items:

The Bank has no probable losses arising from off-balance sheet items. Obligations arising from the off-balance sheet are disclosed in "Off-balance sheet commitments".

2 (i). Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letter of credits:

communicities and other texter of credits.	Current Period 31 December 2023	Prior Period 31 December 2022
Bank Acceptance Loans	745.358	195.108
Letters of Credit	27.597.584	21.299.586
Other Guarantees and Warranties	26.147.565	22.638.120
Total	54.490.507	44.132.814

2 (ii). Revocable, irrevocable guarantees and other similar commitments and contingencies:

	Current Period 31 December 2023	Prior Period 31 December 2022
Revocable Letters of Guarantee	4.656.442	3.848.901
Irrevocable Letters of Guarantee	88.491.016	47.315.452
Letters of Guarantee Given in Advance	23.907.171	14.444.317
Guarantees Given to Customs	5.973.769	3.393.112
Other Letters of Guarantee	59.622.979	27.467.110
Total	182.651.377	96.468.892

3. Information on non-cash loans:

i.Total amount of non-cash loans:	Current Period	Prior Period
	31 December 2023	31 December 2022
Non-cash Loans Given against Cash Loans	69.277.157	41.287.868
With Original Maturity of 1 Year or Less Than 1 Year	13.811.337	16.472.708
With Original Maturity of More Than 1 Year	55.465.820	24.815.160
Other Non-cash Loans	167.864.727	99.313.838
Total	237.141.884	140.601.706

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(ii). Information on sectoral risk concentrations of non-cash loans:

		Current Period 31 December 2023			Current Period 31 December 2022			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	531.113	0,38	175.993	0,18	417.532	0,62	255.926	0,35
Farming and Raising					E 100	0.01		
Livestock	7.264	0,01	-	0,00	5.183	0,01	-	-
Forestry	522.171	0,37	175.993	0,18	412.221	0,61	255.926	0,35
Fishing	1.678	-	-	-	128	-	-	-
Manufacturing	38.343.487	27,67	40.982.716	41,58	17.697.720	26,00	30.292.283	41,76
Mining	1.322.870	0,96	66.710	0,07	314.479	0,46	484.374	0,67
Production	32.872.845	23,72	32.664.305	33,14	15.559.850	22,86	25.571.376	35,25
Electric, Gas and Water	4.147.772	2,99	8.251.701	8,37	1.823.391	2,68	4.236.533	5,84
Construction	21.501.396	15,52	21.569.629	21,89	9.349.768	13,74	16.465.767	22,70
Services	71.555.929	51,63	29.276.922	29,71	37.136.325	54,56	20.699.091	28,53
Wholesale and Retail Trade	48.425.508	34,94	13.262.981	13,46	25.096.688	36,87	8.345.324	11,50
Hotel, Food and					0/4 555	1.07	E0 / E00	
Beverage Services	1.448.206	1,05	726.010	0,74	861.555	1,27	534.700	0,74
Transportation and					4 (0) (00	0.07	0 /00 /00	E 04
Telecommunication	2.408.115	1,74	3.475.385	3,53	1.606.499	2,36	3.632.680	5,01
Financial Institutions	15.343.756	11,07	10.917.172	11,08	7.549.762	11,09	7.606.906	10,49
Real Estate and Leasing					00 /50	0.40	/4.05/	0.00
Services	142.506	0,10	1.498	-	83.659	0,12	61.254	0,08
Self-Employment Services	1.544.578	1,11	619.665	0,63	928.828	1,36	459.622	0,63
Education Services	107.097	0,08	14.859	0,02	65.247	0,10	8.844	0,01
Health and Social Services	2.136.163	1,54	259.352	0,25	944.087	1,39	49.761	0,07
Other	6.651.921	4,80	6.552.778	6,64	3.458.213	5,08	4.829.081	6,66
Total	138.583.846	100,00	98.558.038	100,00	68.059.558	100,00	72.542.148	100,00

(iii). Information on the non-cash loans classified in Group I and Group II:

	Group I		Group II	
	TL	FC	TL	FC
Non-Cash Loans	137.873.079	92.113.738	505.621	546.899
Letters of Guarantee	112.645.386	63.683.892	440.068	446.990
Bank Acceptances	-	745.358	-	-
Letters of Credit	2.878.946	23.952.072	-	99.909
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Guarantees	-	20.987	-	-
Other Commitments and Contingencies	22.348.747	3.711.429	65.553	-

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b. Information on derivative transactions:

Current Period	Prior Period
31 December 2023	31 December 2022
913.898.198	696.329.229
146.361.843	105.655.101
651.279.156	508.223.481
26.979.141	35.010.593
89.278.058	47.440.054
393.935.904	276.746.134
-	-
372.520.876	254.209.346
21.415.028	22.536.788
-	-
104.993.359	79.509.266
1.412.827.461	1.052.584.629
87.187.308	57.442.770
162.817.326	111.157.437
-	-
250.004.634	168.600.207
1.662.832.095	1.221.184.836
	146.361.843 651.279.156 26.979.141 89.278.058 393.935.904 - 372.520.876 21.415.028 - 104.993.359 1.412.827.461 87.187.308 162.817.326 - 250.004.634

c. Explanations on credit derivatives and risks beared due to these:

As of 31 December 2023, the Bank has credit default swap of TL 2.119.550 (31 December 2022: TL 2.281.193).

d. Explanations on contingent assets and liabilities:

1. Contingent Liabilities:

The Bank has accounted a provision amounting to TL 242.074 (31 December 2022: TL 168.779) for the contingent liabilities with a high probability of realization regarding continuing opposing trials. There are also some other opposing trials. In Addition the probability of realization of these trials is low so no cash outflow expected regarding these trials.

2. Contingent Assets:

None (31 December 2022: None).

e. Explanations on the activities carried out on behalf and account of other persons:

The policy is explained on note IX in Section Four.

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IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT

a. Information on interest income:

1. Information on interest income on loans (*):

	Current Period 31 December 2023		Prior Pe 31 Decemb	
	TL	FC	TL	FC
Short-term Loans	55.414.192	4.557.126	31.790.051	2.207.706
Medium and Long-term Loans	53.098.643	11.116.218	25.622.436	6.351.508
Interest on Loans Under Follow-Up	788.577	-	535.834	-
Premiums Received from the Resource				
Utilization Support Fund	-	-	-	
Total	109.301.412	15.673.344	57.948.321	8.559.214

^(*) Fee and commission income from cash loans are included.

^{2.} Information on interest income on banks:

	Current Period 31 December 2023		Prior Per 31 Decemb	
	TL	FC	TL	FC
From the CBRT	-	178.510	-	19.967
From Domestic Banks	21.714	81.683	13.629	6.373
From Foreign Banks	988.971	1.367.362	68.658	427.388
From Headquarters and Branches Abroad	-	-	-	=
Total	1.010.685	1.627.555	82.287	453.728

3. Information on interest income on marketable securities:

	Current Period 31 December 2023		Prior Pe 31 Decemi	
	TL	FC	TL	FC
From Financial Assets at Fair Value through				
Profit or Loss	81.468	28.111	12.959	14.528
Financial Assets at Fair Value through Other				
Comprehensive Income	34.153.326	5.969.370	17.623.440	3.819.792
Financial Assets Measured at Amortised				
Cost	49.005.582	873.274	38.011.270	683.285
Total	83.240.376	6.870.755	55.647.669	4.517.605

As stated in the Note VII of Section Three, there are bonds indexed to consumer prices ("CPI") in the securities portfolios of the Bank whose fair value difference is reflected to other comprehensive income and measured with their amortized cost. The reference indices used in the calculation of the actual coupon payment amounts of these securities are created according to the CPI of two months ago. The Bank determines the estimated inflation rate accordingly. The estimated inflation rate used is updated during the year when deemed necessary. At the end of the year, the real inflation rate is used. Within this scope, as of 31 December 2023, the valuation of the mentioned securities was made according to an annual inflation rate of 61.4%.



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4. Information on interest income received from associates and subsidiaries:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Interests Received From Investments in		_
Associates and Subsidiaries	613.841	319.535

b. Information on interest expense:

1. Information of interest expense on borrowings (*):

	Current Period 31 December 2023		31	Prior Period December 2022
	TL	FC	TL	FC
Banks	31.455	5.110.039	43.818	2.176.375
The CBRT	-	-	-	-
Domestic Banks	31.455	34.999	43.818	17.215
Foreign Banks	-	5.075.040	-	2.159.160
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	810.224	-	377.948
Total	31.455	5.920.263	43.818	2.554.323

^(*) Fee and commission expense from cash loans are included.

2. Information on interest expense given to associates and subsidiaries:

	Current Period	Prior Period
	31 December 2023	31 December 2022
To Associates and Subsidiaries	192.398	112.598

3. Information on interest expense given to securities issued

	31 Decemb		31 December	
	TL	FC	TL	FC
Interest expense on securities issued	624.261	3.283.814	1.051.157	2.554.096

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

4. Maturity structure of the interest expense on deposits:

There are no seven-day notification deposits.

			Tin	ne Deposits			
	Demand	Up to 1	Up to 3	Up to 6	Up to 1	1 Year	
Current Period - 31.12.2023	Deposits	Month	Months	Months	Year	and Over	Total
TL							
Bank Deposits	-	413.914	1.006.839	27.188	-	-	1.447.941
Saving Deposits	-	3.517.621	53.126.063	34.408.643	2.295.872	1.820.683	95.168.882
Public Sector Deposits	-	1.174	18.172	13.176	163	1	32.686
Commercial Deposits	-	6.506.259	13.766.140	7.491.711	3.482.313	4.416.956	35.663.379
Other Deposits	-	113.045	1.066.295	447.302	149.634	1.797	1.778.073
Total	-	10.552.013	68.983.509	42.388.020	5.927.982	6.239.437	134.090.961
FC							
Foreign Currency Deposits	-	673.908	1.761.531	374.465	17.872	64.805	2.892.581
Bank Deposits	22.601	109.293	603.519	1.185.642	772.169	421.604	3.114.828
Precious Metals Deposits	-	35	4.116	3.375	2.201	2.133	11.860
Total	22.601	783.236	2.369.166	1.563.482	792.242	488.542	6.019.269
Grand Total	22.601	11.335.249	71.352.675	43.951.502	6.720.224	6.727.979	140.110.230

			Tin	ne Deposits			
Prior Period - 31.12.2022	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 Year and Over	Total
TL							
Bank Deposits	-	964.331	440.386	-	-	-	1.404.717
Saving Deposits	-	1.977.106	11.898.922	5.619.665	481.517	561.197	20.538.407
Public Sector Deposits	-	847	6.966	97	650	3	8.563
Commercial Deposits	-	4.987.853	3.446.006	849.648	2.079.830	449.704	11.813.041
Other Deposits	-	128.989	831.470	28.937	56.508	24.549	1.070.453
Total	-	8.059.126	16.623.750	6.498.347	2.618.505	1.035.453	34.835.181
FC							
Foreign Currency Deposits	-	530.794	1.977.460	202.449	17.577	26.706	2.754.986
Bank Deposits	3.822	18.583	296.214	215.311	271.689	1.271	806.890
Precious Metals Deposits	-	181	3.583	1.811	4.350	1.695	11.620
Total	3.822	549.558	2.277.257	419.571	293.616	29.672	3.573.496
Grand Total	3.822	8.608.684	18.901.007	6.917.918	2.912.121	1.065.125	38.408.677

c. Information on dividend income:

	Current Period	Prior Period
	31 December 2023	31 December 2022
From Financial Assets at Fair Value Through Profit or Loss	6.794	3.737
From Financial Assets at Fair Value Through Other		
Comprehensive Income	10.296	5.973
Other	714	22.628
Total	17.804	32.338



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d. Information on trading profit/loss (Net):

••	Current Period 31 December 2023	Prior Period 31 December 2022
Profit	2.992.768.132	2.282.201.827
Income From Capital Market Transactions	5.711.500	1.879.978
Income From Derivative Financial Transactions (*)	91.865.561	71.705.304
Foreign Exchange Gains	2.895.191.071	2.208.616.545
Loss (-)	2.955.650.543	2.267.142.318
Loss from Capital Market Transactions	873.159	1.028.407
Loss from Derivative Financial Transactions (*)	89.460.297	84.565.921
Foreign Exchange Loss	2.865.317.087	2.181.547.990
Total (Net)	37.117.589	15.059.509
(1) = 1		

^(*) The net profit resulting from the foreign exchange differences related to derivative financial transactions is TL 21.194.583 (31 December 2022: (4.173.038)).

e. Explanations on other operating income:

"Other Operating Income" in the Income Statement mainly includes collections from receivables for which provision has been allocated in prior periods and provisions that have been set aside in prior periods and reversed in the current year with the sale from non-performing loans portfolio.

f. Provision expenses related to loans and other receivables of the Bank:

	Current Period 31 December 2023	Prior Period 31 December 2022
Expected Credit Loss	15.658.934	6.859.313
12 month expected credit loss (Stage 1)	5.599.820	1.952.791
Significant increase in credit risk (Stage 2)	3.676.033	1.445.768
Non-performing loans (Stage 3)	6.383.081	3.460.754
Marketable Securities Impairment Expense	8	-
Financial Assets at Fair Value through Profit or Loss	8	-
Financial Assets at Fair Value Through Other		
Comprehensive Income	-	-
Investments in Associates, Subsidiaries Securities		
Value Decrease	-	
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other (*)	72.403	3.830.656
Total	15.731.345	10.689.969

^(*) Includes provisions for impairment losses on assets held for sale and related to discontinued operations, impairment losses on financial assets at fair value difference through profit or loss, lawsuit provision expenses and free provision expense.

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g. Information related to other operating expenses:

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morniation retated to other operating expenses.	Current Period 31 December 2023	Prior Period 31 December 2022
Reserve for Employee Termination Benefits	78.982	130.632
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Fixed Assets	4.923	6.010
Depreciation Expenses of Fixed Assets	1.305.763	754.356
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expenses	-	-
Amortization Expenses of Intangible Assets	804.785	507.189
Impairment Expenses of Equity Participations for which		
Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Resale	553	125
Depreciation Expenses of Assets Held for Resale	-	-
Impairment Expenses of Fixed Assets Held for Sale	-	-
Other Operating Expenses	22.361.969	9.325.726
Leasing Expenses on TFRS 16 Exceptions	404.343	212.846
Maintenance Expenses	292.407	127.295
Advertisement Expenses	906.453	520.323
Other Expenses	20.758.766	8.465.262
Loss on Sales of Assets	10.449	4.196
Other	4.567.675	2.071.770
Total	29.135.099	12.800.004

h. Fees for Services Received from Independent Auditor / Independent Audit Firm:

In accordance with the decision of the KGK dated 26 March 2021, the fee information for the reporting period regarding the services received from the independent auditor or independent audit firm is given in the table below over VAT excluded amounts. These fees include the fees for services rendered to the Bank's foreign and domestic subsidiaries.

(Excluding VAT.)	Current Period 31 December 2023	Prior Period 31 December 2022
Independent Audit Fee	34.669	10.121
Other Assurance Services Fee	4.703	2.990
Other Non-Audit Services Fee	760	472
Total	40.132	13.583

Information on profit/(loss) from continued and discontinued operations before tax:

The Bank's income before tax consists of net interest income amounting to TL 63.547.179, net fees and commission income amounting to TL 30.832.418 and the amount of other operating and personal expenses are TL 44.775.099.

j. Information on tax provision of continued and discontinued operations:

As of 31 December 2023, the Bank has current tax expense 11.873.408 (31 December 2022: 19.823.331), deferred tax expense of TL 13.855.217 (31 December 2022: TL 5.767.410) and a deferred tax income of TL 7.761.655 (31 December 2022: TL 6.354.423).

The Bank has no discontinued operations.



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k. Explanations on current period net profit and loss of continued and discontinued operations:

Net profit of the Bank is TL 66.478.940 (31 December 2022: TL 60.024.084).

The Bank has no discontinued operations.

l. Explanations on current period net profit and loss:

- 1. Explanation on the quality, amount and frequency of the figures of the income and expense stemming from ordinary banking operations, if necessary to understand the performance of the Bank for the current period: None (31 December 2022: None).
- 2. Explanation on the changes in the estimations regarding the figures on the financial statements, if there is a possibility that the profit and loss for the current or the following periods will be impacted: None (31 December 2022: None).

m. Other figures on profit and loss statement:

"Other Fee and Commission Income" in the Income Statement mainly consists of commissions received from credit card, money transfer and insurance transactions.

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V. EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY:

a. Information on distribution of profit:

The Ordinary General Assembly Meeting of the Bank was held on 28 March 2023. In the Ordinary General Assembly, it was decided to distribute TL 8.996.000 cash dividend over the TL 60.024.084 net income from 2022 operations to the Bank's shareholders. It was also resolved in the General Assembly to transfer TL 7.334 to special funds account under other capital reserves, to allocate TL 873.600 as legal and TL 50.147.140 as extraordinary reserves.

General Assembly of the Bank is authorized body for the profit appropriation decisions. The Ordinary General Assembly Meeting has not been held as of the date of these financial statements.

b. Information on hedge funds:

Information on cash flow hedge:

Due to facts described in "Explanations of Hedging Transactions" section in Note XI of Section Four, there are discontinued hedge accounting transactions. As of 31 December 2023, the fair value change of the hedging instrument since the beginning of hedge accounting left after amortization has been reflected to profit/loss accounts that is shown under "hedging funds" in equity is none [31 December 2022: TL [38]].

c. Information on financial assets at fair value through other comprehensive income:

"Unrealized gains and losses" arising from changes in the fair value of securities classified as financial assets at fair value through other comprehensive income are not recognized in current year income statements; they are recognized in the "Marketable securities valuation differences" account under equity, until the financial assets are sold, disposed of or impaired.

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VI. EXPLANATIONS AND NOTES RELATED TO STATEMENT OF CASH FLOWS:

a. Information on cash and cash equivalents:

Components of cash and cash equivalents and the accounting policy applied in their determination:

Cash and foreign currency, money in transit, bought bank cheques together with demand deposits at banks including the CBRT are defined as "Cash"; Interbank money market and time deposits in banks with original maturities less than three months and investment in marketable securities excluding equity securities are defined as "Cash equivalents".

1. Cash and cash equivalents at the beginning of the period:

	Current Period 31 December 2023	Prior Period 31 December 2022
Cash	27.236.842	37.922.801
Cash, Foreign Currency and Other	11.020.166	9.943.310
Demand Deposits in Banks (*)	16.216.676	27.979.491
Cash Equivalents	7.943.260	5.833.870
Interbank Money Market Placements	1.451.037	2.811.411
Time Deposits in Banks	6.492.220	3.016.047
Marketable Securities	3	6.412
Total Cash and Cash Equivalents	35.180.102	43.756.671

^(*) The restricted demand accounts are not included.

2. Cash and cash equivalents at the end of the period:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Cash	43.743.988	27.236.842
Cash, Foreign Currency and Other	15.847.747	11.020.166
Demand Deposits in Banks (*)	27.896.241	16.216.676
Cash Equivalents	10.831.940	7.943.260
Interbank Money Market Placements	1.405.000	1.451.037
Time Deposits in Banks	9.426.940	6.492.220
Marketable Securities	-	3
Total Cash and Cash Equivalents	54.575.928	35.180.102

^(*) The restricted demand accounts are not included.

b. Explanation about other cash flows items and the effect of changes in foreign exchange rates on cash and cash equivalents

The "Other" item under "Operating profit before changes in operating assets and liabilities" amounting to TL [17.098.234] [31 December 2022: TL (18.576.038) TL) consists mainly of items such as fees and commissions paid, other operating income excluding income from doubtful receivables, other operating expense excluding personnel expenses.

The "Net increase/decrease in other liabilities" item under "Changes in operating assets and liabilities" amounting to TL 58.773.285 (31 December 2022: TL 29.759.964 TL) consists mainly of changes in funds from repurchase agreements, miscellaneous payables and other liabilities.

The effect of changes in foreign exchange rates on cash and cash equivalents includes the foreign exchange differences resulted from the translations of cash and cash equivalents in foreign currencies into TL at the exchange rates prevailing at the three months periods, and amounts to TL 16.026.165 [31 December 2022: TL 11.958.820].

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VII. EXPLANATIONS AND NOTES RELATED TO RISK GROUP THAT THE BANK BELONGS TO

Information on the volume of transactions relating to the Bank's risk group, outstanding loan and deposit transactions and profit and loss of the period:

1. Current Period - 31 December 2023:

Bank's Risk Group	Associates, S	nt Ventures	Direct and Shareh of the	olders	Other Real and Legal Persons that have been included in the Risk Group		
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash	
Loans							
Balance at the Beginning of the Period	2.541.725	594.490	10.958.788	3 4.863.943	78.905	18.261	
Balance at the End of the Period	2.311.032	956.273	17.921.78	7 7.975.697	101.776	4.532	
Interest and Commission Income Received	613.841	31	2.681.632	2 41.751	11.175	132	

2. Prior Period - 31 December 2022:

Bank's Risk Group	Associates and J	nvestments in , Subsidiaries oint Ventures Partnerships)	Direct and Shareh of the	olders	Other I Legal Pers have been i in the Ris	included
	Cash	Non-Cash	Cash	Non-Cash	CashN	on-Cash
Loans						<u> </u>
Balance at the Beginning of the Period	1.352.221	416.959	8.759.296	2.830.028	7.260	2.617
Balance at the End of the Period	2.541.725	594.490	10.958.788	4.863.943	78.905	18.261
Interest and Commission Income Received	319.535	29	1.387.170	23.277	5.709	125

3. Information on deposits of the Bank's risk group:

Bank's Risk Group	(Business Partnerships) of the Bank		Legal have b	her Real and Persons that een included e Risk Group		
	Current Period 31.12.2023	Prior Period 31.12.2022	Current Period 31.12.2023	Prior Period 31.12.2022	Current Period 31.12.2023	Prior Period 31.12.2022
Balance at the Beginning of the Period	1.399.573	1.600.276	11.004.604	9.970.388	1.206.207	916.184
Balance at the End of the Period	1.444.398	1.399.573	20.564.394	11.004.604	2.372.494	1.206.207
Interest expense on Deposits	192.398	112.598	1.400.756	859.882	244.509	59.422



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4. Information on forward and option agreements and other similar agreements made with the Bank's risk group:

Bank's Risk Group	Investments in Associates, Subsidiaries Direct and Indirect and Joint Ventures Shareholders k's Risk Group (Business Partnerships) of the Bank Current Period Prior Period Current Period Prior Period		Subsidiaries Direct and Indirect Legal Personand Joint Ventures Shareholders have been in				her Real and Persons that een included e Risk Group
	Current Period	Prior Period			urrent Period	Prior Period	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	
Transactions at Fair Value							
Through Profit or Loss							
Beginning of the Period	3.804.006	2.416.897	18.150.160	23.469.742	-	-	
Balance at the End of the Period	2.243.363	3.804.006	31.233.932	18.150.160	-	-	
Total Income/Loss	(11.357)	(58.985)	(158.123)	(281.436)	-	-	
Transactions for Hedging Purposes							
Beginning of the Period	-	-	-	-	-	-	
Balance at the End of the Period	-	-	-	-	-	-	
Total Income/Loss	-	-	-	-	-	-	

Figures presented in the table above show the total of "sale" and "purchase" amounts of related transactions. Due to the nature of these transactions, the difference between the "sale" and "purchase" transactions affects the net exposure of the Bank. As of 31 December 2023, the net exposure for investments in associates and subsidiaries is TL 51.151 (31 December 2022: TL 155.654). For direct and indirect shareholders of the Bank TL (577.688) (31 December 2022: TL (348.103).

5. Information regarding benefits provided to the Bank's key management:

As of 31 December 2023 benefits provided to the Bank's key management amounting to TL 362.602 (31 December 2022: TL 118.787).

VIII. EXPLANATIONS AND NOTES RELATED TO DOMESTIC, FOREIGN, OFF-SHORE BRANCHES AND FOREIGN REPRESENTATIVES OF THE BANK

1. Information on the domestic and foreign branches and representatives of the bank:

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	Number	Number of Employees			
Domestic Branches	704	12.852			
			Country of Incorporation		
Foreign Representation Office	-	-	-		Statutory Share
				Total Assets	Capital
Foreign Branch Off-shore Banking Region	-	-	-	-	-
Branches	1	12	Malta	147.336.787	-

3. Information on the Bank's branch or representative office openings, closings, significant changes in the organizational structure:

In 2023, the Bank has closed up 12 domestic branches.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

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IX. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

Following the revision of Türkiye's outlook from "Stable" to "Positive", Moody's has affirmed Akbank's Long-Term Foreign and Local Currency Bank Deposit Ratings and Senior Unsecured Rating at "B3" and revised the outlook to positive from stable. Moody's has also upgraded Türkiye's FC country ceiling rate from "B3" to "B2" and following that, Akbank's Long-Term FC Counterparty Risk Rating (CRR) is upgraded from "B3" to "B2".

SECTION SIX OTHER EXPLANATIONS

I. OTHER EXPLANATIONS

None.

SECTION SEVEN EXPLANATIONS ON INDEPENDENT AUDITOR'S REPORT

I.EXPLANATIONS ON INDEPENDENT AUDITOR'S REPORT

The unconsolidated financial statements for the period ended 31 December 2023 have been audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The audit report dated 1 February 2024 is presented preceding the unconsolidated financial statements.

II. EXPLANATIONS AND NOTES PREPARED BY INDEPENDENT AUDITORS

None



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PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS AND RELATED DISCLOSURES AT 31 DECEMBER 2023 TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

(Convenience translation of publicly announced consolidated financial statements, related disclosures and auditor's review report originally issued in Turkish, See Note. I.b of Section three)

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH (See Note I of Section Three)

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Akbank T.A.Ş.

A. Audit of the Consolidated Financial Statements

1. Opinion

We have audited the accompanying consolidated financial statements of Akbank T.A.Ş. (the "Bank"), and its subsidiaries (collectively referred to as the "Group"), which comprise the statement of consolidated balance sheet as at 31 December 2023, 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 for the year then ended and the notes to the consolidated financial statements and a summary of significant accounting policies and consolidated financial statement notes.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at

31 December 2023, and its consolidated financial performance and its 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 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Board and circulars and interpretations published by BRSA and Turkish Financial Reporting Standards ("TFRS") for those matters not regulated by the aforementioned regulations.

2. Basis for Opinion

Our audit was conducted in accordance with the "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the consolidated financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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 independent 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.



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Key Audit Matters

How Our Audit Addressed the Key Audit Matter

Impairment of loans and lease receivables in accordance with TFRS 9

The Group has total provision for impairment of TL 32.781.486 thousand in Within our audit procedures, we assessed policies and respect to loans and lease receivables of TL 981.783.457 thousand which represent a significant portion of the Group's total assets in its consolidated financial statements as at 31 December 2023. Explanations and notes related to provision for impairment of loans and lease receivables are presented section III part VII-e, section III part VIII, section IV part II-h, implemented by the Group in line with its governance, policies section IV part II-I, section IV part II-j, section IV part X-c, section V part I-f and procedures. and section V part II-h in the accompanying consolidated financial statements as at 31 December 2023.

The Group recognizes provisions for impairment in accordance with "TFRS 9 Financial Instruments" requirements in line with the "Regulation on the Procedures and Principles for Classification of Loans and Provisions to be Provided" as published in the Official Gazette dated 22 June 2016 with number 29750. TFRS 9 is a complex accounting standard which requires considerable judgement and interpretation. These judgements are key in the development of the financial models built to measure the expected credit losses on loans recorded at amortized cost. In addition, the operation of the models requires large data inputs that are generated through more than one system and the accuracy and completeness of the data are key in the determination of expected credit losses on loans. Impairment allowances are calculated on a collective basis for portfolios of loans of a similar nature and on individual basis for significant loans taking into account Management's best estimate at the balance sheet date and historical losses incurred.

and information used in the impairment assessment such as developing that are subject to individual assessment based on the Group macro-economic scenarios and their weightings, historical loss experiences; the significance of the loan balances; the appropriateness of classification of loans and lease receivables as per their credit risk (staging) in accordance with applicable regulation and the importance of determination of the associated impairment allowances. Timely and correctly identification of loss event and the level of judgements and estimations made by the management have significant impacts on the We have reviewed the appropriateness and sufficiency of amount of impairment provisions for loans. Therefore, this area is disclosures made in the financial statements of the Group with considered as key audit matter.

procedures together with the overall governance established by the Group with respect to classification of loans and lease receivables and estimation of impairment in line with the TFRS 9. We have tested the design and operating effectiveness of controls

Together with our modelling specialists, we have evaluated and tested the methodologies used in building impairment models in line with the requirement of TFRS 9 and the Group's policies for the significant portfolio of loans. We have tested model calculations through re-performance together with our modelling specialists on a sample basis. We have independently assessed together with our related specialists methodologies used in the models in respect to segmentation, use of macroeconomic expectations, life time expected credit losses, losses

We have carried loan review on a selected sample of loans and lease receivables with the objective to identify whether the classification of loans is performed appropriately in accordance with the applicable regulation, whether the loss event had occurred and whether the provision for impairment has been recognized in a timely manner within the TFRS 9 framework.

Our audit was focused on this area due to existence of complex estimates In addition, for non-performing loans and other significant loans policies, we have evaluated the appropriateness of specific impairment provision with supportable input. Based on our discussions with the Group management, we have evaluated and challenged whether the key assumptions and other judgements, underlying the estimation of impairment were reasonable.

> respect to loan and lease receivables and related impairment provision

Key Audit Matters

How Our Audit Addressed the Key Audit Matter

Valuation of Pension Fund Obligations

The Bank has booked provision amounting to TL 1.045.849 thousand for Pension Fund Liabilities in the accompanying consolidated financial statements as at 31 December 2023. Explanations on Valuation of Pension Obligations are presented in the section III part XVII-b and section V part II-h in the accompanying consolidated financial statements.

The Bank's Personnel Pension Fund Foundation ("Pension Fund") is established in accordance with the Social Security Law numbered 506 article No 20 and is within the scope of Funds to be transferred to the Social Security Institution ("SSI"). The President of the Republic of Turkey is valuations exist, and tested significant changes. authorized to determine the transfer date. The total obligation of the fund is estimated using separate methods and assumption for benefits to be transferred and for non-transferrable benefits. The valuations of the pension obligations require significant judgement and technical expertise in choosing appropriate assumptions. The Bank's management uses external actuarial consulting firm for the purpose of valuations of pension obligations

The reason we focused on this area during our audit is; uncertainty of the transfer date, the importance of the actuarial and economic assumptions such as technical interest rate determined by the law that regulate the transfer conditions, salary increases, demographic assumptions used in the valuation of pension obligations and the significant impact that may arise from the possible change in the assumptions used in the evaluation of pension fund liabilities.

Within our audit, we tested on a sample basis the accuracy of the retired and employee data supplied by the Bank management to the external consulting firm for the purpose of evaluation pension obligation. In addition, we have verified the existence and values of the Pension Fund assets

We checked whether significant changes in actuarial assumptions used in calculation, employee benefits in the year, plan assets and liabilities, and laws and regulations related to

Through use of actuarial specialists, we assessed the reasonableness of assumptions and evaluation made by the external actuaries in the calculation of the liability

In addition to the above procedures, we evaluated the adequacy of the disclosures made with respect to Pension Fund in the accompanying consolidated financial statements.



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4. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Bank management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the BRSA Accounting and Financial Reporting Legislation, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are 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

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is 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 independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements 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 consolidated financial statements.

As part of an independent audit conducted in accordance with "Regulation on Independent Audit of Banks" published by the BRSA on the Official Gazette No.29314 dated 2 April 2015 and SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in 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.
- Assess the 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 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 independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 or 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 provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also 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.

B. Other Responsibilities Arising From Regulatory Requirements

- 1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Bank's bookkeeping activities concerning the period from 1 January to 31 December 2023 period are not in compliance with the TCC and provisions of the Bank's articles of association related to financial reporting.
- 2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

Additional Paragraph for Convenience Translation

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 December 2023. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Zeynep Uras, SMMM Partner

Istanbul, 1 February 2024



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CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS, RELATED DISCLOSURES **ORIGINALLY ISSUED IN TURKISH. SEE NOTE I.b OF SECTION THREE**

THE CONSOLIDATED FINANCIAL REPORT OF **AKBANK T.A.S. AS OF 31 DECEMBER 2023**

Address : Sabancı Center 34330, 4. Levent / İstanbul

Telephone : (0 212) 385 55 55 : (0 212) 319 52 52 Fax Website : www.akbank.com

E-mail : http://www.akbank.com/tr-tr/genel/Sayfalar/Iletisim-Formu.aspx

The consolidated financial report, prepared in accordance with "Communiqué on the Financial Statements and the Related Policies and Disclosures to be Publicly Announced" as regulated by the Banking Regulation and Supervision Agency, is consist of the sections listed below.

GENERAL INFORMATION ABOUT THE PARENT BANK Section One

CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK Section Two

Section Three EXPLANATIONS ON ACCOUNTING POLICIES

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP Section Four INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS Section Five

OTHER EXPLANATIONS Section Six

Section Seven INDEPENDENT AUDITOR'S REPORT

Investments in associates, joint ventures and subsidiaries whose financial statements have been consolidated in this reporting package are as follows:

	Subsidiaries	Investments in Associates	Joint Ventures
1.	Ak Finansal Kiralama A.Ş.	-	-
2.	Ak Yatırım Menkul Değerler A.Ş.	-	-
3.	Ak Portföy Yönetimi A.Ş.	-	-
4.	Akbank AG	-	-
5.	AkÖde Elektronik Para ve Ödeme		
J.	Hizmetleri A.Ş.	-	-

A.R.T.S. Ltd., which is not subsidiary of the Bank has been included in the consolidation due to the reason that this company is "Structured Entity"

The accompanying consolidated financial statements and notes to these financial statements which are expressed, unless otherwise stated, in thousands of Turkish Lira (TL), have been prepared based on the accounting books of the Bank in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, and the related appendices and interpretations on these, and have been independently reviewed.

1 February 2024

Suzan SABANCI Eyüp ENGİN Levent DEMİRAĞ Cenk Kaan GÜR Türker TUNALI Gökhan KAZCILAR Chairman of the Head of the Member of the CEO Senior Vice Executive Vice Board of Directors Audit Committee President Audit President Committee

Contact information of the personnel in charge of addressing questions regarding this financial report:

: Gökhan KAZCILAR / Senior Vice President Name-Surname / Title

Phone No : (0 212) 385 55 55 : (0 212) 325 12 31 Fax No

SECTION ONE Pa Parent Bank's foundation date, start-up status, history regarding the changes in this status 414 Explanation about the Parent Bank's capital structure, shareholders of the Parent Bank who are in charge of the management and/or auditing of the Bank directly or indirectly, changes in these matters (if any) and the Group that the Parent Bank belongs to Explanation on the board of directors, members of the audit committee, president and executive vice presidents, if available, 414 shares of the Parent Bank they possess and their areas of responsibility IV. Information on the individual and corporate shareholders having control shares of the Parent Bank Information on the Parent Bank's service types and fields of operation A short explanation on the differences between the Communique on Consolidated Financial Statement Reporting and the consolidation procedures required by Turkish Accounting Standards and about institutions that are subject to full consolidation, proportional consolidation, by way of deduction from capital or those that are subject to none Existing or potential, actual or legal obstacles to immediate transfer of capital between Parent Bank and its subsidiaries and repayment of debts 415 SECTION TWO Consolidated Financi nts of the Bank Consolidated Balance sheet 416 418 Consolidated Off Balance Sheet Commitments Consolidated Income stateme Consolidated Statement of profit or loss and other comprehensive income Consolidated Statement of changes in shareholders' equity 421 Consolidated Statement of cash flows Statement of profit appropriation 424 SECTION THREE 425 Explanations on basis of presentation Explanations on strategy of using financial instruments and explanations on foreign currency transactions Explanations on equity investments Explanations on forward transactions, options and derivative instruments Explanations on interest income and expense Explanations on fee and commission income and expenses 427 Explanations on financial assets VIII Explanations on expected credit loss Explanations on offsetting financial instruments 432 432 Explanations on sales and repurchase agreements and securities lending transactions Explanations on assets held for sale and related to discontinued operations (Net) Explanations on goodwill and other intangible assets XIII Explanations on property and equipment XIV. 434 435 435 435 436 438 Explanations on leasing transactions Explanations on provisions and contingent liabilities ΧVI Explanations on contingent assets Explanations on obligations related to employee rights XVII XVIII. XIX Explanations on borrowings Explanations on issuance of share certificates XXI. Explanations on avalized drafts and acceptances 438 438 XXII Explanations on government grants Explanations on segment reporting XXIV Profit reserves and profit distributio XXV Farnings per share 439 Related parties 439 XXVII Cash and cash equivalent assets 439 XXVIII Reclassifications **SECTION FOUR** Information Related to Financial Position and Risk Management of the Group 440 Explanations on equity Explanations on credit risk Explanations on currency risk 462 Explanations on interest rate risk Explanations on position risk of equity securities Explanations on liquidity risk management and liquidity coverage ratio Explanations on leverage ratio VIII. Explanations on the presentation of financial assets and liabilities at their fair values Explanations on the activities carried out on behalf and account of other persons Explanations on risk management target and policies Explanations on risk hedge transactions Explanations on qualitative disclosures on remuneration policies 498 XIII Explanations on business segments 499 SECTION FIVE Information and Disclosures Related to Co lidated Financial Statements Explanations and notes related to consolidated assets 501 519 Explanations and notes related to consolidated liabilities 528 531 536 Explanations and notes related to consolidated off-balance sheet accounts Explanations and notes related to consolidated income statement Explanations and notes related to consolidated statement of changes in the shareholders' equity Explanations and notes related to consolidated statement of cash flows Explanations and notes related to risk group that the group belongs to 538 Explanations and notes related to the domestic, foreign, off-shore branches and foreign representatives of the bank Explanations and notes related to subsequent events SECTION SIX Other explanations 5/10 SECTION SEVEN Explanations on Inc Explanations on auditor's report Explanations and notes prepared by independent auditors



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CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

SECTION ONE GENERAL INFORMATION ABOUT THE BANK

I. PARENT BANK'S FOUNDATION DATE, START-UP STATUS, HISTORY REGARDING THE CHANGES IN THIS STATUS:

Akbank T.A.Ş. ("the Bank", "the Parent Bank" or "Akbank") was established on 30 January 1948 as a private commercial bank, in accordance with the decision of the Council of Ministers, No.3/6710 and is authorized to perform all economic, financial and commercial activities, which are allowed by the laws of the Turkish Republic ("T.C."). The status of the Bank has not changed since its foundation.

II. EXPLANATION ABOUT THE PARENT BANK'S CAPITAL STRUCTURE, SHAREHOLDERS OF THE BANK WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS (IF ANY) AND THE GROUP THAT THE PARENT BANK BELONGS TO:

The Bank's shares have been quoted on the Borsa Istanbul ("BIST") since 1990. In 1998, 4,03% of the outstanding share capital of the Bank was offered and sold in an international offering outside of Turkey in the form of Ordinary Shares and American Depository Receipts ("ADRs"). As of 31 December 2023, approximately 51% of the shares are publicly traded, including the ADRs (31 December 2022: 51%).

The major shareholder of the Parent Bank, directly or indirectly, is Sabanci Group.

III. EXPLANATION ON THE BOARD OF DIRECTORS, MEMBERS OF THE AUDIT COMMITTEE, PRESIDENT AND EXECUTIVE VICE PRESIDENTS, IF AVAILABLE, SHARES OF THE PARENT BANK THEY POSSESS AND THEIR AREAS OF RESPONSIBILITY:

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Title	Name	Responsibility	Education
Chairman:	Suzan SABANCI	Chairman of the Board of Directors	Graduate
Board of Directors:	S. Hakan BİNBAŞGİL	Vice Chairman and Executive Board Member	Graduate
	A. Fuat AYLA	Executive Board Member	Undergraduate
	Eyüp ENGİN	Board Member	Undergraduate
	Ş. Yaman TÖRÜNER	Board Member	Undergraduate
	Emre DERMAN	Board Member	Graduate
	N. Orhun KÖSTEM	Board Member	Graduate
	Mehmet Tuğrul BELLİ	Board Member	Graduate
	Levent DEMİRAĞ	Board Member	Undergraduate
	C. Kaan GÜR	Board Member and CEO	Graduate
CEO:	C. Kaan GÜR	CEO	Graduate
Head of Internal Audit:	Savaş KÜLCÜ	Head of Internal Audit	Graduate
Executive Vice Presidents:	Bülent OĞUZ	SME Banking	Graduate
	H.Burcu CİVELEK YÜCE	Consumer Banking and Digital Solutions	Graduate
	Ege GÜLTEKİN	Credit Monitoring and Follow-up	Graduate
	Levent ÇELEBİOĞLU	Corporate and Investment Banking	Undergraduate
	Gökhan GÖKÇAY	Technology	Graduate
	Çetin DÜZ	Commercial Banking	Graduate
	Türker TUNALI	Financial Management	Undergraduate
	Dalya KOHEN	Private Banking and Wealth Management	Undergraduate
	Yunus Emre ÖZBEN	Credit Allocation	Graduate
	Zeynep ÖZTÜRK ŞARSEL	Special Credits	Graduate
	Gamze Şebnem MURATOĞLU	Treasury	Graduate
	Pinar ANAPA	People and Culture	Graduate
Internal Audit Committee:	Eyüp ENGİN	Head of the Audit Committee	Undergraduate
	Levent DEMİRAĞ	Member of the Audit Committee	Undergraduate

The shares of individuals above are insignificant in the Parent Bank.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

IV. INFORMATION ON THE INDIVIDUAL AND CORPORATE SHAREHOLDERS HAVING CONTROL SHARES OF THE PARENT BANK:

Annexes

	Share Amounts	Share	Paid-in Capital	Unpaid
Name/Commercial Title	(Nominal)	Percentages	(Nominal)	<u>Portion</u>
Hacı Ömer Sabancı Holding A.Ş.	2.119.027	40,75%	2.119.027	_

V. INFORMATION ON THE PARENT BANK'S SERVICE TYPES AND FIELDS OF OPERATION:

The Bank's core business activities consist of consumer banking, SME banking, commercial banking, corporate-investment banking and private banking and wealth management, foreign exchange, money markets, securities transactions (treasury transactions) and international banking services. In addition to regular banking operations, the Bank also provides insurance intermediary services as an agency of Aksigorta A.Ş. and AgeSA Hayat ve Emeklilik A.Ş. via its branch network. As of 31 December 2023, the Bank has 704 branches dispersed throughout the country and 1 branch operating abroad (31 December 2022: 710 branches and 1 branch operating abroad). As of 31 December 2023, the Bank has 12.864 employees (31 December 2022: 12.717).

The Parent Bank and its subsidiaries, Ak Finansal Kiralama A.Ş., Ak Yatırım Menkul Değerler A.Ş., AK Portföy Yönetimi A.Ş., Akbank AG, AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş. and together with A.R.T.S. Ltd., which is not subsidiary of the Bank, this company is a "Structured Entity", has been included in the scope of consolidation. The Parent Bank together with its consolidated subsidiaries are referred to as the "Group".

As at 31 December 2023, the Group employed 13.451 people (31 December 2022: 13.247).

VI. A SHORT EXPLANATION ON THE DIFFERENCES BETWEEN THE COMMUNIQUE ON CONSOLIDATED FINANCIAL STATEMENT REPORTING AND THE CONSOLIDATION PROCEDURES REQUIRED BY TURKISH ACCOUNTING STANDARDS AND ABOUT INSTITUTIONS THAT ARE SUBJECT TO FULL CONSOLIDATION, PROPORTIONAL CONSOLIDATION, BY WAY OF DEDUCTION FROM CAPITAL OR THOSE THAT ARE SUBJECT TO NONE:

The Bank sees no difference between the Communiqué on Consolidated Financial Reporting and the consolidation procedures required by Turkish Accounting Standards. Information in regards to consolidated subsidiaries and consolidation methods are given in Section III. Note III.

VII. EXISTING OR POTENTIAL, ACTUAL OR LEGAL OBSTACLES TO IMMEDIATE TRANSFER OF CAPITAL BETWEEN PARENT BANK AND ITS SUBSIDIARIES AND REPAYMENT OF DEBTS:

None.

SECTION TWO CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.Ş. I. CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2023 (STATEMENT OF FINANCIAL POSITION)

	ASSETS	Note	C	CURRENT PERIOD (31/12/2023)			PRIOR PERIOD (31/12/2022)	
		(Section Five)	TL	FC	Total	TL	FC	Total
I.	FINANCIAL ASSETS (Net)		350.025.897	373.591.232	723.617.129	154.190.916	244.411.958	398.602.874
1.1	Cash and Cash Equivalents		131.196.111	225.695.449	356.891.560	25.476.114	141.893.059	167.369.173
1.1.1	Cash and Balances with Central Bank	(I-a)	128.922.940	168.476.759	297.399.699	23.686.721	103.846.070	127.532.791
1.1.2	Banks	(I-d)	862.598	57.220.532	58.083.130	332.181	38.048.441	38.380.622
1.1.3	Money Markets		1.415.550	-	1.415.550	1.462.376	- 4 /50	1.462.376
1.1.4	Expected Loss Provision (-)		4.977	1.842	6.819	5.164	1.452	6.616
1.2	Financial Assets at Fair Value Through Profit or Loss	(I-b)	14.200.881	2.053.235	16.254.116	9.611.275	947.850	10.559.125
1.2.1	Government Debt Securities		343.448	446.295	789.743	437.765	164.826	602.591
1.2.2	Equity Instruments Other Financial Assets		2.425.372 11.432.061	1.096.752 510.188	3.522.124 11.942.249	6.035.618 3.137.892	555.909 227.115	6.591.527 3.365.007
1.3	Financial Assets at Fair Value Through Other Comprehensive Income	(I-e)	158.019.584	125.745.884	283.765.468	87.872.708	83.955.065	171.827.773
1.3.1		(I-e)	127.142.989	90.781.116	217.924.105	82.359.177	60.593.581	142.952.758
1.3.1	Government Debt Securities Equity Instruments		127.142.989	109	112.206	97.121	109	97.230
1.3.3	Other Financial Assets		30.764.498	34.964.659	65.729.157	5.416.410	23.361.375	28 777 785
1.4	Derivative Financial Assets	(I-c, l-l)	46.609.321	20.096.664	66.705.985	31,230,819	17.615.984	48.846.803
1.4.1	Derivative Financial Assets at Fair Value Through Profit or Loss	(1-6, 1-6)	19.042.113	18.137.137	37.179.250	12.416.155	15.553.504	27.969.659
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income		27.567.208	1.959.527	29.526.735	18.814.664	2.062.480	20 877 144
II.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		790.375.904	323.529.257	1.113.905.161	483,990,069	219.957.230	703.947.299
2.1	Loans	(I-f)	662.832.567	299.248.666	962.081.233	411.479.548	204.629.567	616.109.115
2.2	Lease Receivables	(I-k)	7.411.833	12,290,391	19.702.224	3,829,091	8.096.500	11.925.591
2.3	Factoring Receivables	(1 14)	-	-	-	-	-	1117201071
2.4	Other Financial Assets Measured at Amortised Cost	(p-q)	147.032.731	17.894.029	164,926,760	86.174.530	11.980.146	98.154.676
2.4.1	Government Debt Securities	v. g,	147.032.731	16.284.267	163.316.998	86.174.530	10.660.402	96.834.932
2.4.2	Other Financial Assets		-	1.609.762	1.609.762		1.319.744	1.319.744
2.5	Expected Credit Loss (-)		26.901.227	5.903.829	32.805.056	17.493.100	4.748.983	22.242.083
III.	ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED							
	OPERATIONS (Net)	(I-q)	501.671	_	501.671	591.213	-	591.213
3.1	Held for Sale Purpose	•	501.671	-	501.671	591.213	-	591.213
3.2	Related to Discontinued Operations		-	-	-	-	-	-
IV.	EQUITY INVESTMENTS		71.328	2.990.538	3.061.866	18.957	-	18.957
4.1	Investments in Associates (Net)	(I-h)	19.528	-	19.528	18.957	-	18.957
4.1.1	Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2	Unconsolidated Associates		19.528	-	19.528	18.957	-	18.957
4.2	Subsidiaries (Net)	(I-i)	51.800	2.990.538	3.042.338	-	-	-
4.2.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Subsidiaries		51.800	2.990.538	3.042.338	-	-	-
4.3	Joint Ventures (Net)	(I-j)	-	-	-	-	-	-
4.3.1	Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2	Unconsolidated Joint Ventures		-	-	-	-	-	-
٧.	PROPERTY AND EQUIPMENT (Net)	(I-m)	25.151.884	165.505	25.317.389	15.126.029	105.974	15.232.003
VI.	INTANGIBLE ASSETS (Net)	(I-n)	3.969.747	33.686	4.003.433	2.686.426	19.697	2.706.123
6.1	Goodwill		134.405	-	134.405	-	=	-
6.2	Other		3.835.342	33.686	3.869.028	2.686.426	19.697	2.706.123
VII.	INVESTMENT PROPERTY (Net)	(I-o)	-	-	-	-		-
VIII.	CURRENT TAX ASSET		112.084	<u>-</u>	112.084	-	355.563	355.563
IX.	DEFERRED TAX ASSET	(I-p)	117.755	54.509	172.264	21.360	192.285	213.645
X.	OTHER ASSETS (Net)	(I-r)	29.710.001	4.368.490	34.078.491	23.399.038	2.227.465	25.626.503
-	TOTAL ASSETS		1,200,036,271	704.733.217	1.904.769.488	680.024.008	467,270,172	1.147.294.180

The accompanying explanations and notes form an integral part of these financial statements.

SECTION TWO CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.Ş. I. CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2023 (STATEMENT OF FINANCIAL POSITION)

People &

Community

	LIABILITIES	Note	c	URRENT PERIOD (31/12/2023)			PRIOR PERIOD (31/12/2022)	
		(Section Five)	TL	FC	Total	TL	FC	Tota
ī.	DEPOSITS	(II-a)	766.343.721	526.570.743	1.292.914.464	370.274.245	351.287.683	721.561.928
II.	FUNDS BORROWED	(II-c)	5.073.113	106.951.944	112.025.057	1.549.474	73.513.480	75.062.954
III.	MONEY MARKETS		9.172.567	90.231.099	99.403.666	31.404.500	31.119.953	62.524.453
IV.	SECURITIES ISSUED (Net)	(II-d)	4.351.409	38.574.096	42.925.505	6.094.990	19.723.455	25.818.445
4.1	Bills		566.351	-	566.351	2.663.511	-	2.663.511
4.2	Asset Backed Securities		-	-	-	-	-	-
4.3	Bonds		3.785.058	38.574.096	42.359.154	3.431.479	19.723.455	23.154.934
V.	FUNDS		-	-	-	-	-	-
5.1	Borrower Funds		-	-	-	-	-	-
5.2	Other		-	-	-	-	-	-
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	(II-b, II-g)	11.839.039	3.131.595	14.970.634	11.240.035	3.815.567	15.055.602
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss		10.986.566	3.131.595	14.118.161	10.745.559	3.815.566	14.561.125
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		852.473	-	852.473	494.476	1	494.477
VIII.	FACTORING LIABILITIES		-	-	-	-	-	-
IX.	LEASE LIABILITIES (Net)	(II-f)	1.412.070	92.585	1.504.655	802.416	63.966	866.382
X.	PROVISIONS	(II-h)	6.826.417	1.237.692	8.064.109	5.406.719	455.795	5.862.514
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		3.297.406	18.722	3.316.128	2.249.152	5.960	2.255.112
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		3.529.011	1.218.970	4.747.981	3.157.567	449.835	3.607.402
XI.	CURRENT TAX LIABILITY	(II-i)	10.972.354	1.621.896	12.594.250	10.476.097	485.464	10.961.561
XII.	DEFERRED TAX LIABILITY	(11-1)	1.322.868	630.990	1.953.858	3.066.604	418.170	3.484.774
XIII.	LIABILITIES FOR ASSETS HELD FOR SALE AND RELATED TO THE	• • •						
	DISCONTIUED OPERATIONS (Net)		-	-	-	-	-	-
13.1	Held for Sale Purpose		-	-	-	-	-	-
13.2	Related to Discontinued Operations		-	-	-	-	-	-
XIV.	SUBORDINATED DEBT INSTRUMENTS	(II-j)	-	23.736.225	23.736.225		16.800.082	16.800.082
14.1	Loans		-	-	-	-	-	-
14.2	Other Debt Instruments		-	23.736.225	23.736.225	-	16.800.082	16.800.082
XV.	OTHER LIABILITIES	(II-e)	45.231.944	38.226.414	83.458.358	27.438.039	28.251.576	55.689.615
XVI.	SHAREHOLDERS' EQUITY	(II-k)	224.609.092	(13.390.385)	211.218.707	162.706.574	(9.100.704)	153.605.870
16.1	Paid-in capital		5.200.000	-	5.200.000	5.200.000	-	5.200.000
16.2	Capital Reserves		5.320.613	-	5.320.613	5.320.613	-	5.320.613
16.2.1	Share Premium		3.505.742	-	3.505.742	3.505.742	-	3.505.742
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserves		1.814.871	-	1.814.871	1.814.871	-	1.814.871
16.3	Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or	Loss	12.388.603	67.307	12.455.910	7.302.760	37.347	7.340.107
16.4	Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Los	s	26.711.628	[13.457.692]	13.253.936	27.438.475	(9.138.051)	18.300.424
16.5	Profit Reserves		108.313.918	-	108.313.918	57.238.547	-	57.238.547
16.5.1	Legal Reserves		2.944.561	-	2.944.561	2.058.326	-	2.058.326
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		93.843.688	-	93.843.688	55.003.132	-	55.003.132
16.5.4	Other Profit Reserves		11.525.669	-	11.525.669	177.089	-	177.089
16.6	Income or (Loss)		66.674.330	-	66.674.330	60.206.179	-	60.206.179
16.6.1	Prior Periods' Income or (Loss)		178.095	-	178.095	180.472	-	180.472
16.6.2	Current Period Income or (Loss)		66.496.235	-	66.496.235	60.025.707	-	60.025.707
16.7	Minority Interest	(II-L)	-	-	-	-	-	-
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1.087.154.594	817.614.894	1.904.769.488	630.459.693	516.834.487	1.147.294.180

The accompanying explanations and notes form an integral part of these financial statements.

Akbank Built Upon Your Trust

Corporare Governance Our Sustainability Journey

Sustainable Financing

Ecosystem Management Climate Change

<u>Financial</u> <u>Information</u> Annexes

AKBANK T.A.Ş. II. Consolidated off-balance sheet commitments as of 31 december 2023

		Note	•	(31/12/2023)			PRIOR PERIOD (31/12/2022)	
		(Section Five)	TL	(31/12/2023) FC	Total	TL	(31/12/2022) FC	Tota
	BALANCE SHEET COMMITMENTS (I+II+III)		1.200.586.115	1.336.587.534	2.537.173.649	525.650.073	1.076.078.174	1.601.728.247
l.	GUARANTEES AND WARRANTIES	(III-a-2, 3)	138.582.824	99.969.581	238.552.405	68.058.116	73.243.918	141.302.034
1,1 1.1.1	Letters of Guarantee Guarantees Subject to State Tender Law		113.288.749 1.658.437	71.160.669 9.038.030	184.449.418 10.696.467	51.738.063 1.375.563	45.730.576 6.044.920	97.468.63° 7.420.48°
1.1.2	Guarantees Given for Foreign Trade Operations		1.030.437	4.203.676	4.203.676	1.373.303	2.595.601	2.595.60
1.1.3	Other Letters of Guarantee		111.630.312	57.918.963	169.549.275	50.362.500	37.090.055	87.452.55
1.2	Bank Acceptances		-	745.358	745.358	4.785	190.323	195.10
1.2.1	Import Letter of Acceptance		=	745.358	745.358	4.785	190.323	195.10
1.2.2	Other Bank Acceptances		0.070.077		- 07 500 557	- 0.050.077	10.17/.710	04 005 /0
1.3 1.3.1	Letters of Credit Documentary Letters of Credit		2.878.946 2.878.946	24.643.608 21.251.899	27.522.554 24.130.845	2.058.977 2.058.977	19.176.718 16.898.022	21.235.69 18.956.99
1.3.2	Other Letters of Credit		2.070.740	3.391.709	3.391.709	2.030.777	2.278.696	2.278.69
1.4	Prefinancing Given as Guarantee		=	-	-	-	-	2.270.07
1.5	Endorsements		-	-	-	-	-	
1.5.1	Endorsements to the Central Bank of Turkey		-	-	-	-	-	
1.5.2	Other Endorsements		-	-	-	-	-	
1.6 1.7	Purchase Guarantees for Securities Issued Factoring Guarantees			20.987	20.987	-	12.651	12.65
1.8	Other Guarantees		6.046.843	3.394.791	9.441.634	5.349.753	8.127.523	13.477.27
1.9	Other Collaterals		16.368.286	4.168	16.372.454	8.906.538	6.127	8.912.66
II.	COMMITMENTS	(III-a-1)	532.282.671	31.843.606	564.126.277	154.992.537	16.668.298	171.660.835
2.1	Irrevocable Commitments		520.235.045	30.762.048	550.997.093	152.086.287	15.161.502	167.247.78
2.1.1	Asset Purchase Commitments		7.672.829	25.079.592	32.752.421	1.025.346	6.826.708	7.852.05
2.1.2	Deposit Purchase and Sales Commitments		-	-	-	-	-	
2.1.3 2.1.4	Share Capital Commitments to Associates and Subsidiaries Loan Granting Commitments		35.691.022	5.555.705	/1 2// 727	22 040 404	8.330.744	31.400.14
2.1.4	Securities Issue Brokerage Commitments		JJ.071.UZZ	3.333.703	41.246.727	23.069.404	0.330.744	31.400.14
2.1.6	Commitments for Reserve Requirements		-	-	_	-	-	
2.1.7	Commitments for Cheque Payments		7.436.908	-	7.436.908	4.523.116	-	4.523.116
2.1.8	Tax and Fund Liabilities from Export Commitments		4.748	-	4.748	5.260	-	5.26
2.1.9	Commitments for Credit Card Limits		395.206.857	-	395.206.857	106.067.149	-	106.067.149
2.1.10	Commitments for Credit Cards and Banking Services Promotions		296.301	-	296.301	125.777	-	125.77
2.1.11	Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	
2.1.12 2.1.13	Payables for Short Sale Commitments of Marketable Securities		70.00/.000	10/751	7/ 050 101	17 070 005	- / 050	17.07/.00
2.1.13	Other Irrevocable Commitments Revocable Commitments		73.926.380 12.047.626	126.751 1.081.558	74.053.131 13.129.184	17.270.235 2.906.250	4.050 1.506.796	17.274.285 4.413.046
2.2.1	Revocable Loan Granting Commitments		10.887.904	1.001.330	10.887.904	2.193.045	1.300.770	2.193.04
2.2.2	Other Revocable Commitments		1.159.722	1.081.558	2.241.280	713.205	1.506.796	2.220.00
III.	DERIVATIVE FINANCIAL INSTRUMENTS	(ІІІ-Ь)	529.720.620	1.204.774.347	1.734.494.967	302.599.420	986.165.958	1.288.765.378
3.1	Hedging Derivative Financial Instruments		62.769.058	218.230.196	280.999.254	31.550.734	155.500.288	187.051.022
3.1.1	Fair Value Hedges		17.778	118.164.150	118.181.928	20.741	75.872.844	75.893.58
3.1.2	Cash Flow Hedges		62.751.280	100.066.046	162.817.326	31.529.993	79.627.444	111.157.437
3.1.3	Foreign Net Investment Hedges		-	-	-	-	-	4 404 544 05
3.2 3.2.1	Trading Derivative Financial Instruments		466.951.562 63.297.449	986.544.151 83.064.394	1.453.495.713 146.361.843	271.048.686 41.690.954	830.665.670 63.683.648	1.101.714.356
3.2.1.1	Forward Foreign Currency Buy/Sell Transactions Forward Foreign Currency Transactions-Buy		60.576.350	14.549.396	75.125.746	40.929.678	12.991.907	53.921.58
3.2.1.2	Forward Foreign Currency Transactions-Sell		2.721.099	68.514.998	71.236.097	761.276	50.691.741	51.453.011
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates		380.430.614	683.196.897	1.063.627.511	194.674.148	616.588.649	811.262.79
3.2.2.1	Foreign Currency Swap-Buy		27.618.831	291.782.803	319.401.634	20.880.418	237.803.498	258.683.916
3.2.2.2	Foreign Currency Swap-Sell		216.765.895	146.516.098	363.281.993	129.095.692	159.453.265	288.548.95
3.2.2.3	Interest Rate Swap-Buy		68.022.944	122.448.998	190.471.942	22.349.019	109.665.943	132.014.96
3.2.2.4	Interest Rate Swap-Sell		68.022.944	122.448.998	190.471.942	22.349.019	109.665.943	132.014.96
3.2.3	Foreign Currency, Interest Rate and Securities Options		7.869.569	103.664.290	111.533.859	16.287.381	54.269.717	70.557.098
3.2.3.1 3.2.3.2	Foreign Currency Options-Buy Foreign Currency Options-Sell		3.514.800 3.553.171	41.072.144 41.177.118	44.586.944 44.730.289	14.853.112 854.013	9.143.046 22.589.883	23.996.158
3.2.3.3	Interest Rate Options-Buy		3.333.171	10.707.514	10.707.514	034.013	11.268.394	11.268.394
3.2.3.4	Interest Rate Options-Sell		_	10.707.514	10.707.514	_	11.268.394	11.268.394
3.2.3.5	Securities Options-Buy		99.931	-	99.931	35.733	-	35.73
3.2.3.6	Securities Options-Sell		701.667	-	701.667	544.523	-	544.523
3.2.4	Foreign Currency Futures		13.826.069	13.153.072	26.979.141	17.799.388	17.211.205	35.010.593
3.2.4.1	Foreign Currency Futures-Buy		12.608.317	965.958	13.574.275	16.167.045	1.519.274	17.686.31
3.2.4.2	Foreign Currency Futures-Sell		1.217.752	12.187.114	13.404.866	1.632.343	15.691.931	17.324.27
3.2.5	Interest Rate Futures Ruy		-	-	-	-	-	
3.2.5.1	Interest Rate Futures-Buy Interest Rate Futures-Sell		-	-	-	-	-	
3.2.5.2	Other		1.527.861	103.465.498	104.993.359	596.815	78.912.451	79.509.266
	ODY AND PLEDGES RECEIVED (IV+V+VI)		2.542.449.459	1.788.421.242	4.330.870.701	1.674.318.659	1.128.558.597	2.802.877.256
IV.	ITEMS HELD IN CUSTODY		235.791.880	254.395.334	490.187.214	142.848.015	145.032.321	287.880.336
4.1	Customer Fund and Portfolio Balances		92.793.271	50.169.719	142.962.990	46.396.383	12.805.794	59.202.17
4.2	Investment Securities Held in Custody		34.210.987	46.076.331	80.287.318	25.968.734	28.918.489	54.887.223
4.3	Cheques Received for Collection		93.932.362	14.871.043	108.803.405	59.865.366	9.750.401	69.615.76
4.4	Commercial Notes Received for Collection Other Assets Received for Collection		13.867.424	21.961.541	35.828.965	9.930.098	14.741.077	24.671.17
4.5 4.6	Other Assets Received for Collection Assets Received for Public Offering		-	-	-	-	-	
4.0	Other Items Under Custody		987.836	121.316.700	122.304.536	687.434	78.816.560	79.503.99
	Custodians		-			-		, ,
4.7			654.464.663	446.796.877	1.101.261.540	434.688.930	303.111.736	737.800.666
4.7 4.8	PLEDGES RECEIVED						5.799.505	6.281.000
4.7 4.8 V.			491.163	9.914.264	10.405.427	481.495	0.777.000	0.281.000
4.7 4.8 V. 5.1 5.2	PLEDGES RECEIVED Marketable Securities Guarantee Notes		491.163 1.796.175	3.034.689	4.830.864	1.004.209	2.039.754	3.043.960
4.7 4.8 V. 5.1 5.2 5.3	PLEDGES RECEIVED Marketable Securities Guarantee Notes Commodity		491.163					3.043.960
4.7 4.8 V. 5.1 5.2 5.3 5.4	PLEDGES RECEIVED Marketable Securities Guarantee Notes Commodity Warranty		491.163 1.796.175 1.342.000	3.034.689 699.620	4.830.864 2.041.620	1.004.209 842.908	2.039.754 653.844	3.043.960 1.496.750
4.7 4.8 V. 5.1 5.2 5.3 5.4 5.5	PLEDGES RECEIVED Marketable Securities Guarantee Notes Commodity Warranty Immovables		491.163 1.796.175 1.342.000 - 415.629.542	3.034.689 699.620 - 356.406.108	4.830.864 2.041.620 - 772.035.650	1.004.209 842.908 - 268.059.922	2.039.754 653.844 - 232.870.595	3.043.963 1.496.752 500.930.517
4.7 4.8 V. 5.1 5.2 5.3 5.4 5.5 5.6	PLEDGES RECEIVED Marketable Securities Guarantee Notes Commodity Warranty Immovables Other Pledged Items		491.163 1.796.175 1.342.000	3.034.689 699.620	4.830.864 2.041.620	1.004.209 842.908	2.039.754 653.844	3.043.963 1.496.752 500.930.517
4.7 4.8 V. 5.1 5.2 5.3 5.4 5.5 5.6 5.7	PLEDGES RECEIVED Marketable Securities Guarantee Notes Commodity Warranty Immovables Other Pledged Items Pledged Items-Depository		491.163 1.796.175 1.342.000 - 415.629.542 235.205.783	3.034.689 699.620 - 356.406.108 76.742.196	4.830.864 2.041.620 - 772.035.650 311.947.979	1.004.209 842.908 - 268.059.922 164.300.396	2.039.754 653.844 - 232.870.595 61.748.038	3.043.963 1.496.752 500.930.517 226.048.434
4.7 4.8 V. 5.1 5.2 5.3 5.4 5.5 5.6 5.7 VI.	PLEDGES RECEIVED Marketable Securities Guarantee Notes Commodity Warranty Immovables Other Pledged Items		491.163 1.796.175 1.342.000 - 415.629.542	3.034.689 699.620 - 356.406.108	4.830.864 2.041.620 - 772.035.650	1.004.209 842.908 - 268.059.922	2.039.754 653.844 - 232.870.595	3.043.963 1.496.752 - 500.930.517

The accompanying explanations and notes form an integral part of these financial statements.

SECTION TWO CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.Ş. III. CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (TL).)

People &

Community

	INCOME AND EXPENSE ITEMS	Note (Section Five)	CURRENT PERIOD (01/01-31/12/2023)	PRIOR PERIOD (01/01-31/12/2022)
l.	INTEREST INCOME	(IV-a)	231.411.237	131.769.840
1.1	Interest on Loans	(IV-a-1)	132.273.422	68.741.376
1.2	Interest on Reserve Requirements		-	282.414
1.3	Interest on Banks	(IV-a-2)	2.235.298	489.425
1.4	Interest on Money Market Transactions		2.448.892	207.845
1.5	Interest on Marketable Securities Portfolio	(IV-a-3)	90.510.814	60.571.492
1.5.1	Fair Value Through Profit or Loss		148.329	70.206
1.5.2	Fair Value Through Other Comprehensive Income		40.481.396	21.806.731
1.5.3	Measured at Amortised Cost		49.881.089	38.694.555
1.6	Financial Lease Interest Income		3.188.601	1.162.761
1.7	Other Interest Income	(me t.)	754.210	314.527
II.	INTEREST EXPENSE (-)	(IV-b)	162.542.255	52.685.992
2.1	Interest on Deposits	(IV-b-4)	141.485.398	38.943.395
2.2	Interest on Funds Borrowed	(IV-b-1)	7.669.954	3.123.264
2.3	Interest Expense on Money Market Transactions	(1) (1 (2)	7.831.054	4.456.856
2.4	Interest on Securities Issued	(IV-b-3)	4.759.148	3.932.991
2.5	Interest on Leases		189.903	111.722
2.6	Other Interest Expenses		606.798	2.117.764
III.	NET INTEREST INCOME (I - II)		68.868.982	79.083.848
IV.	NET FEES AND COMMISSIONS INCOME		34.187.840	11.888.474
4.1	Fees and Commissions Received		42.570.720	15.372.150
4.1.1	Non-cash Loans		1.899.651	1.004.684
4.1.2	Other		40.671.069	14.367.466
4.2	Fees and Commissions Paid (-)		8.382.880	3.483.676
4.2.1	Non-cash Loans		4.142	4.722
4.2.2	Other		8.378.738	3.478.954
٧.	DIVIDEND INCOME	(IV-c)	86.382	91.618
VI.	TRADING INCOME / (LOSS) (Net)	(IV-d)	41.104.944	16.804.289
6.1	Trading Gains / (Losses) on Securities		8.147.129	2.983.305
6.2	Gains / (Losses) on Derivative Financial Transactions		2.500.003	(13.519.444)
6.3	Foreign Exchange Gains / (Losses)		30.457.812	27.340.428
VII.	OTHER OPERATING INCOME	(IV-e)	6.194.046	3.908.323
VIII.	GROSS OPERATING INCOME (III+IV+V+VI+VII)	4	150.442.194	111.776.552
IX.	EXPECTED CREDIT LOSS (-)	(IV-f)	15.719.943	7.249.000
Х.	OTHER PROVISION EXPENSES (-)		77.018	3.830.656
XI.	PERSONNEL EXPENSE (-)		17.003.315	6.893.875
XII.	OTHER OPERATING EXPENSES (-)	(IV-g)	30.584.793	13.532.213
XIII.	NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)		87.057.125	80.270.808
XIV.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	
XV.	INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED		05.400	•
v.,,	BASED ON EQUITY METHOD		35.139	-
XVI.	INCOME/(LOSS) ON NET MONETARY POSITION	tne n	-	-
XVII.	PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII++XVI)	(IV-j)	87.092.264	80.270.808
XVIII.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(IV-k)	20.596.029	20.245.101
18.1	Current Tax Provision		14.637.383	20.613.875
18.2	Deferred Tax Expense Effect (+)		13.924.490	6.013.962
18.3	Deferred Tax Income Effect (-)	tne it	7.965.844	6.382.736
XIX.	CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)	(IV-L)	66.496.235	60.025.707
XX.	INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1	Income from Non-current Assets Held for Sale		-	-
20.2	Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-
20.3	Income from Other Discontinued Operations		-	-
XXI.	EXPENSES FOR DISCONTINUED OPERATIONS (-)		-	-
21.1	Expenses for Non-current Assets Held for Sale		-	-
21.2	Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-
21.3	Expenses for Other Discontinued Operations	4m.e. 15	-	-
XXII.	PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)	(IV-j)	-	-
XXIII.	TAX PROVISION FOR DISCONTINUED OPERATIONS (±)	(IV-k)	-	•
23.1	Current Tax Provision		=	-
23.2	Deferred Tax Expense Effect (+)		-	-
23.3	Deferred Tax Income Effect (-)	*** **	-	-
XXIV.	CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)	(IV-L)	-	
XXV.	NET INCOME/(LOSS) (XIX+XXIV)	(IV-m)	66.496.235	60.025.707
25.1	Income/(Loss) from the Group		66.496.235	60.025.707
25.2	Income/(Loss) from Minority Interest	(IV-h)	-	-
	Earning/(Loss) per share (in TL full)		0,12788	0,11543

The accompanying explanations and notes form an integral part of these financial statements. 418 Akbank 2023 Integrated Annual Report 419

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IV. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2023

Trust

(Amounts are expressed in thousands of Turkish Lira (TL).)

	CURRENT PERIOD (31/12/2023)	(31/12/2022)
I. CURRENT PERIOD INCOME/LOSS	66.496.235	60.025.707
II. OTHER COMPREHENSIVE INCOME	97.055	18.832.450
2.1 Not Reclassified Through Profit or Loss	5.143.543	4.827.251
2.1.1 Property and Equipment Revaluation Increase/Decrease	5.492.106	7.317.241
2.1.2 Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3 Defined Benefit Plan Remeasurement Gain/Loss	(685.160)	[1.799.206]
2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	1.364
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	336.597	(692.148)
2.2 Reclassified Through Profit or Loss	(5.046.488)	14.005.199
2.2.1 Foreign Currency Translation Differences	13.115.517	4.452.298
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other		
Comprehensive Income	[14.166.217]	13.442.627
2.2.3 Cash Flow Hedge Income/Loss	[970.010]	2.555.107
2.2.4 Foreign Net Investment Hedge Income/Loss	[10.489.392]	[3.815.477]
2.2.5 Other Comprehensive Income Items Reclassified Through Profit or Loss	-	_
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	7.463.614	(2.629.356)
III. TOTAL COMPREHENSIVE INCOME (I+II)	66.593.290	78.858.157

The accompanying explanations and notes form an integral part of these financial statements.

Amounts are expressed in thousands of Turkish Lira (TLI).	V. CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUTY FOR THE PERIOD ENDED 31 DECEMBER 2023 Amounts are expressed intronazads of Turkini Les ITLL .	31 DECEMBER	R 2023		Accumulated Other	Comprehensive Income or E through Profit or Loss	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss	Accumulate	J Other Comprehensive Income or through Profit or Loss	Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss						
	Note (Section Five) Paid-in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Accumutated Revaluation Increase/Decrease of Property and Equipment	Accum ulated Remasurement a Gain/Loss of Defined Benefit	Other limestment Vicine by Same Value by Carp Hebber on 10 hard Same Value has been as the Casalde All Tough People on the Casalde All Tough People on the Casalde All Tough Casalde All C	Foreign Currency Translation Differences	8	Reduction and Perform Report to the Company of the Company Company of the Company Comp	s, vy ve d d d h h profit Reserve	Prior Perior S Profit or (Loss	Prior Period Current Period officer (Loss) Profitor (Loss)	Total Equity Except from Minority Interest	Minority Interest	Total Minority Shareholders' Interest Equity
CURRENT PERIOD (31/12/2023)																
Prior Period End Balance Corrections and Accounting Policy Changes Made According to TAS 8	5.200.000	3.505.742		1.814.871	9.019.728	[1.690.567]	10.946	14.330.784	8.495.893	[4.526.253]	3] 57.238.547	7 180.472	60.025.707	153.605.870		153.605.870
2.2 Effects of the Changes in Accounting Policies II. Adjusted Beginning Balance (I+II) IV. Total Commercements for the commercements of the commercements	5.200.000	3.505.742		1.814.871	9.019.728	[1.690.567]	10.946	14,330,784	8.495.893	[4.526.253] [7.757.151]	3] 57.238.547	180.472	60.025.707	153.605.870		153,605,870
							275							. 48 8.47		. 48 874
VIII. Convertible Bonds to Shares X. Subordinated Debillostruments												. '				
					[43.287]	٠					45.664	4 (2.377)				
XI. Profit Distribution 11,1 Dividends paid	[N-a]								٠.		- 51,029,707		[8,996,000]	(8.996,000)		[8.996.000]
	•	•	•	•	٠	•		•	•	•	- 51.029.707		[51.029.707]		•	
11.3 Other							•						•		•	
Period-End Batance (I+II+III++X+XI)	5.200.000	3.505.742		1.814.871	14,488,485	(2.059.068)	26.493	27.446.301	(1.908.941)	[12.283.404]	108.313.918	178.095	66.496.235	211.218.707		211 218 707

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CONSOLIDATED FINANCIAL STATEMENTS	

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VI. CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (TL)).

		Note (Section Five)	CURRENT PERIOD (31/12/2023)	PRIOR PERIOD (31/12/2022)
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit before changes in operating assets and liabilities		35.452.885	27.649.715
1.1.1	Interest received		168.464.778	82.440.128
1.1.2	Interest paid		[134.797.893]	(47.682.151)
1.1.3	Dividend received		86.382	91.618
1.1.4	Fees and commissions received		45.237.384	15.790.965
1.1.5	Other income		10.647.132	14.143.508
1.1.6	Collections from previously written-off loans and other receivables		6.775.625	4.055.243
1.1.7	Cash Payments to personnel and service suppliers		(18.529.897)	(7.536.919)
1.1.8	Taxes paid		(16.973.271)	(13.120.180)
1.1.9	Other	(VI-b)	(25.457.355)	(20.532.497)
1.2	Changes in operating assets and liabilities		112.426.813	3.207.747
1.2.1	Net Increase/Decrease in Financial Assets at Fair Value Through Profit or Loss		[4.789.368]	9.439.318
1.2.2	Net (increase) / decrease in due from banks and other financial institutions		5.824.862	9.066.867
1.2.3	Net (increase) / decrease in loans		(345.205.337)	(232.976.934)
1.2.4	Net (increase) / decrease in other assets		(181.522.384)	(83.315.188)
1.2.5	Net increase / (decrease) in bank deposits		20.603.571	2.312.895
1.2.6	Net increase / (decrease) in other deposits		524.916.804	261.480.393
1.2.7	Net Increase/Decrease in Financial Liabilities at Fair Value Through Profit or Loss		-	-
1.2.8	Net increase / (decrease) in funds borrowed		37.290.416	18.407.713
1.2.9	Net increase / (decrease) in payables	6		-
1.2.10	Net increase / (decrease) in other liabilities	(VI-b)	55.308.249	18.792.683
I.	Net cash provided from banking operations		147.879.698	30.857.462
В.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash provided from investing activities		(155.554.235)	(42.479.754)
2.1	Cash paid for acquisition of investments, associates and subsidiaries		(2.589.175)	=
2.2	Cash obtained from disposal of investments, associates and subsidiaries		=	-
2.3	Purchases of property and equipment		(7.349.053)	(4.180.268)
2.4	Disposals of property and equipment		146.119	65.153
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		[161.242.019]	[82.296.141]
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income		49.222.354	33.182.254
2.7	Purchase of Financial Assets Measured at Amortised Cost		(29.740.102)	[12.928.334]
2.8	Sale of Financial Assets Measured at Amortised Cost		5.337.086	6.056.237
2.9	Other		(9.339.445)	17.621.345
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net cash provided from financing activities		13.586.575	(8.154.097)
3.1	Cash obtained from funds borrowed and securities issued		49.134.125	32.471.475
3.2	Cash used for repayment of funds borrowed and securities issued		(25.716.356)	(38.979.583)
3.3	Issued equity instruments		=	=
3.4	Dividends paid		(8.996.000)	(1.211.600)
3.5	Payments for finance leases		(835.194)	[434.389]
3.6	Other		-	-
IV.	Effect of change in foreign exchange rate on cash and cash equivalents	(VI-b)	21.318.649	13.280.276
V.	Net increase in cash and cash equivalents (I+II+III+IV)		27.230.687	(6.496.113)
VI.	Cash and cash equivalents at beginning of the period	(VI-a)	42.120.003	48.616.116
VII.	Cash and cash equivalents at end of the period	(VI-a)	69.350.690	42.120.003

The accompanying explanations and notes form an integral part of these financial statements.

Note State of State o	Share Cancilation One miums Profits 1	A Increase Other Capital of P. Reserves	Accumulated Accumulated Revealution Revealuries Guild-tess of of office of office of office of office of office of office of office of office office of office offi	Other (investments Voluce) by Accumulated Cassidar Seguing behand in Other Comprehensive Income Management Cassidar From age Profit for Loss Gand, Cassidar Accumulated Cassidar From a Cassidar Accumulated Announce of Gand, Cassidar Accumulated Rectassificated Frompore Plan (Other Profit or Loss) Plan (Other Profit or Loss) Plan (Other Profit or Loss)	Foreign Currency Translation Offferences Offferences	Accumulated Other In Revaluation and/or in Revaluation and/or in Solar/Lass are the incomparation of the Comprehensive Incompliance Incompliance Incompliance Incompliance Incompliance Incompliance Incompliance Incompliance	Accumulated Other Cash Floor House de Ballot. Remarkation and for Invastment Nature by Equity Remarkation and Cash Cash of The Cash Property Cash Remarkation of Defer Cash Remarkation of Carriers of Florid Remarkation of Local Profit of Leasi Profit or Leasi Profit or Leasi Defer or Leasing Defer or Leasing Defer or Leasing Defer or Leasing Defer or Leasing Defer or Leasing Def	P. Profit Reserves Prof	Phior Period Current Period		Total Equity Except from Mainority Inter est Inter est 75,999,313	Total Minority Shareholders' inferest Equity	Total Fquity Equity
nd Balanco S 200 000 Stora Citora Polloy Changes Made According to TAS 0		1.814.871			9.878.486	(1.803.369)	[3.779.892]	45.953.298			75,959.313		
5.200.000		1.814.871			9.878.486	(1.803.369)	(3.779.892)	45.953.298			75.959.313		
Corrections and Accounting Policy Changes Made According to TAS 8 Effects of Corrections										12.127.191			75.959.313
g Policies													
Adjusted Beginning Balance [I-II] Total Commentance in Income		1.814.871	2.997.829 [363.456]	9.582	9.878.486	10.399.369	[3,779,892]	45.953.298	419.031	12.127.191	78.959.313		78.959.313
Capital Increase by Cash			-			1000			,	,			,
Capial Increase by Internal Sources													
Paid-in capital inflation adjustment difference													•
Convertible Bonds to Shares													
outon use the control manufacture of the control			(131.099)					355.029	[223.930]				
Profit Distribution								10.930.220		12.127.191]	[1.211.600]	,	[1.211.600]
Dwidends paid									,	[1.211.600]	(1.211.600)		[1.211.600]
Transfers to Reserves							,	10.930.220	[14.629] [1	10.915.591]			
Other			,										
Period-End Balance [I+II+III++X+XI] 5.200.000 3.505.742		1.814.871	9.019.728 (1.690.567)	57) 10.946	14.330.784	8.495.893	(4.526.253)	57.238.547	180.472 6	60.025.707	153.605.870		153.605.870



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VII. PROFIT APPROPRIATION STATEMENT

(Amounts are expressed in thousands of Turkish Lira (TL))

		CURRENT PERIOD (31/12/2023)	PRIOR PERIOD (31/12/2022)
ı.	DISTRIBUTION OF CURRENT YEAR INCOME		
1.1	CURRENT YEAR INCOME	84.445.910	79.260.402
1.2	TAXES AND DUTIES PAYABLE	17.966.970	19.236.318
	Corporate Tax (Income Tax)	11.873.408	19.823.331
	Income Withholding Tax	-	
	Other taxes and duties	6.093.562	(587.013)
A.	NET INCOME FOR THE YEAR (1.1-1.2)	66.478.940	60.024.084
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])	66.478.940	60.024.084
1.6	FIRST DIVIDEND TO SHAREHOLDERS (-)	-	260.000
	To Owners of Ordinary Shares	-	260.000
	To Owners of Privileged Shares	-	-
	To Owners of Preferred Shares	-	-
	To Profit Sharing Bonds	-	-
	To Holders of Profit and (Loss) Sharing Certificates	-	-
1.7	DIVIDENDS TO PERSONNEL (-)	-	-
1.8	DIVIDENDS TO BOARD OF DIRECTORS (-)	-	0.707.000
1.9	SECOND DIVIDEND TO SHAREHOLDERS (-) To Owners of Ordinary Shares	-	8.736.000 8.736.000
	To Owners of Ordinary Shares To Owners of Privileged Shares	-	0./30.000
	To Owners of Privileged Shares	-	-
	To Profit Sharing Bonds	-	-
	To Holders of Profit and (Loss) Sharing Certificates	-	-
	SECOND LEGAL RESERVES (-)	_	
	STATUTORY RESERVES (-)		
	EXTRAORDINARY RESERVES		50.147.140
	OTHER RESERVES	_	873.600
1.14		-	7.344
II.	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	_	-
	To Owners of Privileged Shares	-	-
2.3.3	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 (-)	-	-
III.	EARNINGS PER SHARE (*)		
3.1	TO OWNERS OF ORDINARY SHARES	0,128	0,115
3.2	TO OWNERS OF ORDINARY SHARES (%)	12,8	11,5
3.3	TO OWNERS OF PRIVILEGED SHARES	-	-
3.4	TO OWNERS OF PRIVILEGED SHARES (%)	-	-
IV.	DIVIDEND PER SHARE		
4.1	TO OWNERS OF ORDINARY SHARES	-	0,017
4.2	TO OWNERS OF ORDINARY SHARES [%]	-	1,7
4.3	TO OWNERS OF PRIVILEGED SHARES	-	-
4.4	TO OWNERS OF PRIVILEGED SHARES (%)	_	-

(*) Amounts are expressed in TL.

NOTES:

[1] Authorized body for profit appropriation of the current period is the General Assembly. On the preparation date of these financial statements, yearly ordinary meeting of the General Assembly has not been held yet.

(2) Profit appropriation is being done according to unconsolidated financial statements

The accompanying explanations and notes form an integral part of these financial statements.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

SECTION THREE EXPLANATIONS ON ACCOUNTING POLICIES

I. EXPLANATIONS ON BASIS OF PRESENTATION:

a. The preparation of the consolidated financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on Accounting Applications for Banks and Safeguarding of Documents:

The consolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Law numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), in case where a specific regulation is not made by BRSA, "Turkish Financial Reporting Standards" ("TFRS") and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA"). The format and content of the publicly announced consolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements" and "Communiqué On Disclosures About Risk Management To Be Announced To Public By Banks" and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Law, Turkish Commercial Code and Turkish Tax Legislation.

The consolidated financial statements have been prepared in TL, under the historical cost convention except for the financial assets and liabilities carried at fair value. Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.

The preparation of consolidated financial statements in conformity with TFRS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates, which include the fair value calculations of financial instruments and impairments of financial assets are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement. Assumptions and estimates that are used in the preparation of the accompanying financial statements are explained in the following related disclosures.

Explanation for convenience translation to English:

The differences between accounting principles, as described in these preceding paragraphs and accounting principles generally accepted in countries in which consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in these consolidated financial statements. Accordingly, these consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

Accounting policies and valuation principles used in the preparation of the financial statements:

Accounting policies and valuation principles adopted when preparing financial statements are in line with the legislation, communiqué, explanation and circular released by BRSA concerning accounting and financial reporting, and, for matters which are not regulated by the foregoing, with the provisions of TAS/TFRS (together "BRSA Accounting and Financial Reporting Legislation) put into force by Public Oversight, Accounting and Auditing Standards Authority (POA).

Public Oversight Accounting and Auditing Standards Authority ("POA"), with its announcement dated 23 November 2023, applied that the financial statements of businesses applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting in Hyperinflationary Economies ("TAS 29"), however, institutions or organizations authorized to regulate and supervise in their own fields may determine different transition dates for the applying of TAS 29. Based on this announcement of POA, BRSA, with its decision dated 12 December 2023 and numbered 10744, decided that the financial statements dated 31 December 2023 of banks and financial leasing, factoring, financing, savings financing and asset management companies should not be subject to the inflation adjustment required within the scope of TAS 29. In accordance with the BRSA's decision dated 11 January 2024 and numbered 10825, it has been decided that banks and financial leasing, factoring, financing, savings financing and asset management companies will be applied inflation



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CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

accounting as of 1 January 2025. Accordingly, the Group has not applied the inflation accounting required by TAS 29 in its financial statements for the year ended 31 December 2023.

c. Items Subject to different accounting policies in the preparation of consolidated financial statements:

There are no items subject to different accounting policies in the preparation of these consolidated financial statements.

II. EXPLANATIONS ON STRATEGY OF USING FINANCIAL INSTRUMENTS AND EXPLANATIONS ON FOREIGN CURRENCY TRANSACTIONS:

The Group's core business activities include consumer banking, SME banking, commercial banking, and corporate-investment banking and private banking and wealth management, foreign exchange, money markets, securities transactions (Treasury transactions) and international banking services. The Group performs financial leasing transactions through Ak Finansal Kiralama A.Ş. By nature, the Group's activities are principally related to the use of financial instruments. As the main funding source, the Group accepts deposits from customers for various periods and invests these funds in high quality assets with high interest margins. Other than deposits, the Group's most important funding sources are equity, marketable securities issued, money market borrowings and mostly borrowings from foreign financial institutions. The Group follows an asset-liability management strategy that mitigates risk and increases earnings by balancing the funds borrowed and the investments in various financial assets. The main objective of asset-liability management is to limit the Group's exposure to liquidity risk, interest rate risk, currency risk and credit risk while increasing profitability and strengthening the Group's equity. The Asset-Liability Committee ("ALCO") manages the assets and liabilities within the trading limits on the level of exposure placed by the Executive Risk Committee ("ERC").

Foreign currency denominated monetary assets and liabilities have been evaluated by buying exchange rates of last period for the Parent Bank and by the exchange rates of the Central Bank of the Republic of Turkey for domestic subsidiaries. Gains and losses arising from such transactions are recognized in the income statement under the account of "Net foreign exchange income/expense". Assets and liabilities of foreign subsidiaries are translated into Turkish lira using the foreign exchange rates prevailing at the balance sheet date, income and expenses of foreign subsidiaries are translated into Turkish Lira at the average exchange rates and all resulting exchange differences are accounted in the shareholders' equity under "Other profit reserves".

As of 31 December 2023, foreign currency denominated balances are translated into TL using the exchange rates of TL 29,4382 and TL 32,5739 for USD and EURO respectively.

III. EXPLANATIONS ON EQUITY INVESTMENTS:

Consolidated financial statements are prepared in accordance with the "Turkish Financial Reporting Standard for Consolidated Financial Statements" ("TFRS 10") and "Communiqué on Preparation of Consolidated Financial Statements of Banks" published in the Official Gazette no.26340 dated 8 November 2006.

Consolidation principles for subsidiaries:

Subsidiaries are the entities controlled directly or indirectly by the Bank.

Financial subsidiaries are consolidated using the full consolidation method. Financial statements of related subsidiaries are consolidated from the date when the control is transferred to the 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 Bank's returns.

Subsidiaries owned by the Parent Bank and its subsidiaries within the scope of consolidation and which are not financial institutions are accounted for using the equity method defined in "TAS 28 Investments in Associates and Joint Ventures".

In the full consolidation method, 100% of subsidiaries' assets, liabilities, income, expense and off-balance sheet items are combined with the Parent Bank's assets, liabilities, income, expense and off-balance sheet items.

The carrying amount of the Group's investment in each subsidiary and the Group's portion of the cost value of the capital of each subsidiary are eliminated. Intragroup balances and intragroup transactions and resulting unrealized profits and losses are eliminated. Minority interests in the net income of consolidated subsidiaries are identified and adjusted against the income of the

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Group in order to arrive at the net income attributable to the Group and presented separately in the Group's income. Minority interests are presented in the consolidated balance sheet, in the shareholders' equity.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Parent Bank and its subsidiaries, Ak Finansal Kiralama A.Ş., Ak Yatırım Menkul Değerler A.Ş., AK Portföy Yönetimi A.Ş., Akbank AG, AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş. and together with A.R.T.S. Ltd., which is not subsidiary of the Bank,this company is a "Structured Entity", has been included in the scope of consolidation. The Parent Bank together with its consolidated subsidiaries are referred to as the "Group".

Ak Yatırım Menkul Değerler A.Ş. was established on 11 December 1996 to trade in capital markets in accordance with Capital Market Law. This company is delivering intermediary services in capital markets, discretionary portfolio management, derivative transactions, repurchase and reverse repurchase agreements with authorizations given by the Capital Markets Board for each transaction.

Ak Finansal Kiralama A.Ş. was established in 1988 for leasing operations and all kinds of agreements and transactions related to these operations.

Ak Portföy Yönetimi A.Ş. was established on 28 June 2000 and manages its own investment (mutual) funds and AgeSA Hayat ve Emeklilik A.Ş. and some of the pension funds established by Axa Hayat Emeklilik A.Ş., Allianz Hayat Emeklilik A.Ş. and Allianz Yaşam Emeklilik A.Ş., The company also is managing both individual and institutional customers' portfolios, it continues investing in the Fund SICAV 2 Turkey on the international market and founder of 1 Sompo Japan in money market funds management activities.

Akbank AG operates in Germany, providing corporate, consumer and private banking services.

Aköde Elektronik Para ve Ödeme Hizmetleri A.Ş., 100% owned by the Bank, has been established on 19 February 2018 to provide payment services and electronic money issuance under the Law No. 6493 on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions registered in the trade registry.

A.R.T.S. Ltd. is a "Structured Entity" which was established in Jersey in November 1999 for the purpose of supplying long-term financing.

IV. EXPLANATIONS ON FORWARD TRANSACTIONS. OPTIONS AND DERIVATIVE INSTRUMENTS:

The Group's major derivative instruments consists of foreign currency and interest rate swaps, cross currency swaps, currency options and currency forwards.

The Bank classifies its derivative instruments as "Derivative Financial Assets Measured at Fair Value Through Profit and Loss" in accordance with "TFRS 9 Financial Instruments" (TFRS 9).

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts at their contractual values.

Derivative instruments are remeasured at fair value after initial recognition. In accordance with the classification of the derivative instrument, if the fair value of a derivative financial instrument is positive, it is recorded to the account "Derivative Financial Assets Measured at Fair Value Through Profit and Loss" or "Derivative Financial Assets Measured at Fair Value Through Other Comprehensive Income"; if the fair value difference is negative, it is disclosed in "Derivative Financial Liabilities Measured at Fair Value Through Profit and Loss" or "Derivative Financial Liabilities Measured at Fair Value Through Other Comprehensive Income". Differences in the fair value of trading derivative instruments are accounted as income/loss from derivative financial transactions under "trading income/loss" item in the income statement. The basis on accounting of derivative instruments for hedging purposes are explained in Note XI of Section Four. The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

As of 31 December 2023, the Group has no embedded derivative instruments (31 December 2022: None).



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V. EXPLANATIONS ON INTEREST INCOME AND EXPENSE:

Interest income and expenses are recognized in the income statement by using the "Effective interest rate method". Starting from 1 January 2018, Group has started to calculate interest accrual on non-performing loans. Net book value of the non-performing loans (Gross Book Value – Expected Credit Loss) are rediscounted with effective interest rate and recognized with the gross book value of the non-performing loan. Non-performing loans rediscounts are evaluated on customer basis and are discontinued if there is in case of low collectibility.

VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSES:

Fees and commission income/expenses are primarily recognized on an accrual basis or "Effective interest rate method" and TFRS 15 "Revenue from Contracts with Customers" according to the nature of the fee and commission, except for certain commission income and fees for various banking services which are recorded as income at the time of collection. Contract based fees or fees received for services such as the purchase and sale of assets on behalf of a third party or legal person are recognized as income at the time of collection.

VII. EXPLANATIONS ON FINANCIAL ASSETS:

The Group categorizes its financial assets as "Fair Value Through Profit/Loss", "Fair Value Through Other Comprehensive Income" or "Measured at Amortized Cost". Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 Issued for classification and measurement of the financial instruments published in the Official Gazette No. 29953 dated 19 January 2017 by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than "Financial Assets at Fair Value Through Profit or Loss", transaction costs are added to fair value or deducted from fair value.

Classification and measurement of financial assets

According to TFRS 9 requirements, classification and measurement of financial assets will depend on the business model within which financial assets are managed and their contractual cash flow characteristics whether the cash flows represent solely payments of principal and interest.

Assessment whether contractual cash flows are solely payments of principal and interest:

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, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group will consider the contractual terms of the instrument. This will include 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 consider:

- 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
- Features that modify consideration for the time value of money e.g. periodic reset of interest rates.

The Group fulfills the on-balance sheet classification and measurement criteria by applying the procedures described above for all financial assets.

Upon initial recognition, each financial asset will be classified as either fair value through profit or loss, amortised cost or fair value through other comprehensive income.

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The Group recognize a financial asset into financial statements when it becomes a party to the contractual terms of a financial instrument. During the first recognition of a financial asset into the financial statements, business model determined by Bank management and the nature of contractual cash flows of the financial asset are taken into consideration.

When the business model determined by the Group management is changed, all financial assets affected by this change are reclassified and the reclassification is applied in the future. In this case, no adjustment is made for the gain, loss or interest rates previously recognized in the financial statements.

a. Financial assets at the fair value through profit or loss:

Financial assets at fair value through profit/loss" are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and interest at certain date; that are either acquired for generating a profit from short-term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement.

b. Financial assets at fair value through other comprehensive income

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial asset with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates, they are classified as fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Interest income calculated with effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement. "Unrealized gains and losses" arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the income statement of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the "Accumulated other comprehensive income or expense to be reclassified through profit or loss" under shareholders' equity. When these securities are collected or disposed of, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement.

Equity instruments classified as financial assets at fair value through other comprehensive income are accounted at their fair values. Exceptionally, cost can be an appropriate estimation method in determining fair value. This is only possible if there is insufficient recent information on the measurement of fair value or if fair value can be measured by more than one method and the cost reflects the fair value estimate in the best way. In the case of using this method, the accumulated fair value differences will not be reflected in the income statement.

During initial recognition the Bank can choose in an irrevocable was to record the changes of the fair value of the investment in an equity instrument that is not held for trading purposes in the other comprehensive income. In the case of this preference, the dividend from the investment is taken into the financial statements as profit or loss.

c. Financial assets measured at amortized cost:

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortized cost.

Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs, which reflect the fair value of those instruments and subsequently recognized at amortized cost by using effective interest rate method. Interest income obtained from financial assets measured at amortized cost is accounted in income statement.

"Fair value through other comprehensive income" and "measured at amortized cost" securities portfolio of the Group include Consumer Price Indexed (CPI) Bonds. These securities are valued and accounted using the effective interest rate method based on the real coupon rates and the reference inflation index at the issue date and the estimated inflation rate. 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



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months. The Bank also sets the estimated inflation rate accordingly. The estimated inflation rate used is updated as needed within the year.

At the end of the year, the real inflation rate is used.

d. Derivative Financial Assets:

The major derivative instruments utilized by the Group are foreign currency and interest rate swaps, cross currency swaps, currency options and currency forwards.

Derivative financial instruments of the Group are classified under "TFRS 9 Financial Instruments" ("TFRS 9"), "Derivative Financial Assets Designated at Fair Value through Profit or Loss".

Payables and receivables arising from the derivative instruments are recorded in the off-balance sheet accounts at their contractual values.

Derivative transactions are valued at their fair values subsequent to their acquisition. In accordance with the classification of derivative financial instruments, if the fair value is positive, the amount is classified as "Derivative Financial Assets Designated at Fair Value Through Profit or Loss" or "Derivative Financial Assets Designated at Fair Value Through Other Comprehensive Income", if the fair value is negative, the amount is classified as "Derivative Financial Liabilities Designated at Fair Value Through Profit or Loss" or "Derivative Financial Liabilities Designated at Fair Value Through Other Comprehensive Income". The fair value differences of derivative financial instruments are recognized in the income statement under trading profit/loss line in profit/loss from derivative financial transactions. The principles for the recognition of derivative transactions intended for hedging purposes are disclosed in the note numbered XI of Section Four. The fair value of derivative instruments is calculated by taking into account the market value of the derivatives or by using the discounted cash flow model. When inactive market conditions exist, observable inputs used in the determination of fair values are adjusted using appropriate assumptions and considering the volume and level of activity in the markets.

e. Loans

Loans are financial assets that have fixed or determinable payments terms and are not quoted in an active market. Loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the "Effective Interest Rate (internal rate of return) Method".

1. Loans measured at amortized cost:

These financial assets are divided into three categories depending on the gradual increase in credit risk observed since their initial recognition:

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 is 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 is transferred to Stage 2. Impairment for credit risk is determined based on 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 expected credit losses are recognized.

2. Loans measured at fair value through profit or loss:

Loans at fair value through profit and loss, terms of the contract for loans, if at certain dates it does not result in cash flows involving interest payments arising from the principal and principal balances, it is recorded at fair value and is subject to fair value assessment following the recognition. Gains and losses resulting from the valuation are included in profit/loss accounts.

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In certain circumstances, restructuring or altering the contractual cash flows of a financial instrument may result in the disposal of the existing financial asset in accordance with TFRS 9. A revised financial asset is considered as a new financial asset when the change in the financial asset is once excluded from the financial statement and the revised financial asset is recognized in accordance with TFRS 9.

The Bank assesses whether the new financial asset contains solely payments of principal and interest when the new conditions for the instrument have determined that there are significant changes compared to the initial conditions in the relevant contracts.

In the event that the contractual conditions for the financial asset do not result in cash flows that include solely payments of principal and interest on certain dates, the related financial asset is recognized with its fair value and is subject to valuation.

Significant increase in credit risk:

If the credit risk of financial assets determined to be significantly increasing, afore-mentioned assets are transferred to the stage II. For stage I loans, expected loss (provision) amounts are calculated for 1-year and for stage II loans expected loss (provision) is calculated for the remaining life of the loan.

In addition, the key considerations in determining whether a significant increase in the credit risk of financial asset and transferring it to stage 2, but are not limited with these, the following;

- Past due date is 30 or more
- Restructuring of loans
- If the loan classified as under follow-up
- Assessment of significant increase in the probability of impairment based on rating notes.

Definition of increase in the probability of default is the comparison between the probability of default on loan's opening date, obtained from bank's internal rating-based credit rating models and probability of default on reporting date. If the loan's estimated probability of default on reporting date exceeds the threshold values determined, it is considered to be worsening of the probability of default

Definition of Default:

The Bank considers that there is a default on the relevant debt in the following two cases:

- 1. Objective Default Definition: It means that the debt is overdue by more than 90 days. The definition of default, which is applicable to the Bank and its consolidated financial institutions, is based on the criteria that the debt is overdue by more than 90 days.
- 2. Subjective Default Definition: It means the determination that the debt will not be paid. If it is determined that the borrower cannot fulfill its debts related to the loan, regardless of whether there is a balance in delay or the number of days of delay, the debtor is considered in default.

Write-off Policy:

Within the framework of the provisions of the "Regulation Amending the Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions for These" published in the Official Gazette dated 6 July 2021 and numbered 31533 the portion of the loans that are classified under "Fifth Group-Loans with a Loss Qualification" and for which a lifetime expected loan loss provision or special provision is made due to the default of the borrower, for which there are no reasonable expectations for the recovery of the loans, within the scope of TFRS 9, as of the first reporting period (interim or year-end reporting period) following their classification in this Group, deducted from the records within the period deemed appropriate by the bank, taking into account the situation of the debtor. In determining the cluster within this scope, the following indicators are used;

- In the corporate, commercial, SME and consumer segment follow-up portfolio, with very low or no collection expectation
- Monitored in the 5th group as of the last reporting period,
- Having a provision rate of 90% or more,
- No active payment plans
- No Credit Guarantee Fund (CGF) secured loan

Loans and provision ratio of 100% all abusive and fraudulent tracking accounts are included in the deletion of the active account.



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The process of write-off the loans is an accounting practice and does not result in waiving the right to receivable regarding the related loans. Existing administrative and legal follow-up processes regarding the loans deducted from the record are continued. Partial write-off transactions mean that the financial asset will be repaid at a certain rate by the debtor, and the remaining amount after the payment or the part within the Bank that is classified under group 5 and has no reasonable expectations for its recovery will be removed from the financial statements. Regarding the write-off (asset disposal) process; the effect of the amount written off during the period and the amount written off on the NPL ratio is disclosed in the footnotes of the financial statements.

VIII. EXPLANATIONS ON EXPECTED CREDIT LOSSES:

The Group allocates impairment for expected loss on financial assets measured at amortised cost and measured at fair value through other comprehensive income.

As of 1 January 2018, the Group recognize provisions for impairment in accordance with TFRS 9 requirements according to the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated 22 June 2016 numbered 29750. The expected credit loss estimates are required to be unbiased, probability-weighted and include supportable information about past events, current conditions, and forecasts of future economic conditions.

Expected Credit Loss (ECL) Calculation – Input and Forecasting Methodologies

Expected Credit Loss (ECL) is calculated as 12 months or lifetime, depending on whether there is a significant increase in credit risk after initial recognition or whether an asset is considered as a credit loss. Expected Credit Loss is calculated by using the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) components.

- Exposure at Default: Specifies the amount of risk that the borrower should pay in case of default. It is kept in the system by constantly calculated until the maturity of the borrower. The amount of extra risk that can be incurred in the event of default is included in the calculations by using the credit conversion rate (CCR) calculated for the irrevocable commitment products.
- Probability of Default (PD): PD indicates the probability of default due to inability of the borrower to meet its debt obligations. It has been calculated for 12 months or lifetime depends on increase on borrower's credit risk. Calculation of the lifetime default rate is carried out by drawing the actual default rate figures to the long term using various functions, based on historical data.
- Loss Given Default (LGD): In case of default of the borrower, Loss Given Default has been calculated as dividing Expected Credit Loss to Exposure at Default (EAD). LGD models includes data such as product type, customer segment, collateral structure, customer repayment performance.

Expected Credit Loss is calculated over the remaining maturity using the PD, LGD and EAD components. Calculated values are discounted on a monthly basis using the original effective interest rate or an approximate value of the discount rate. The expected credit loss value is calculated for all customers over the maturity period. However, for those who do not have a significant increase in credit risk, the 12-month ECL is taken into account, and for those with a significant increase in credit risk, the ECL value calculated over the remaining period is taken into account.

Within the scope of TFRS 9, models of Probability of default (PD), Lost given default (LGD) and Exposure at default (EAD) have been developed. The models used by the IRB "(Internal Rating Based Approach)" are taken into account when creating these models. The models developed under TFRS 9 have a detailed segment structure. Loans that have similar characteristics are segmented in order to reflect the expected credit losses collectively in financial reports. When creating the segmentation structure, the following information of the loans is taken into consideration.

- 1. Customer type (retail or corporate / commercial)
- 2. Product type
- 3. IRB rating notes /scores
- 4. Customer credit performance
- 5. Collateral type
- 6. Collection Period
- 7. Exposure at default

In addition, in the calculation of Expected Credit Loss in accordance with TFRS 9, certain part of commercial and corporate loans are subject to individual assessment on a customer basis due to internal policies. This calculation is made by discounting the

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expected cash flows from the customer or the collateral sales to their present value with the effective interest rate. Within the scope of individual evaluations, regional developments are also taken into account as well as sectoral risks.

The Parent Bank has reflected the possible effects of the earthquake in February in its financial statements in the calculation of the expected credit loss for its loans, taking into account the reasonable and supportable information.

Macro-economic indicators are taken into account in determining the PD component in the expected credit loss calculation. Future macroeconomic forecasts are reflected in the ECLs using more than one scenario.

The risk parameters used in the TFRS 9 calculations include prospective macroeconomic information. While macroeconomic information is included, models and estimates reflecting the relationships between model risk parameters and macroeconomic variables are taken into consideration. The main macroeconomic indicator of these estimation models are the Gross Domestic Product (GDP) growth rate. Macroeconomic estimation models include more than one scenario and the related scenarios are taken into account in the expected credit loss calculations.

Expected credit loss calculations are reviewed at least once a year, the macroeconomic model used in the process has been revised and scenario weights has been no revised during the reporting period.

No revisions were made to the scenario weights after the review.

-The expected credit loss calculation is made by considering 3 different scenarios the best, the worst, and the base.

Within the scope TFRS 9, macroeconomic expectations directly affect provisions (Expected Credit Loss-ECL). Related impact is realized when the default ratio of the Bank moves the default rate calculated for each maturity up or down. The main parameters of default ratio model are macroeconomic variables and the provision figures change when prospective estimations are revised.

The PD values subject to the ECL calculation have been obtained for the following portfolios.

Consumer/Commercial	Portfolio
Retail	Consumer
Retail	Automotive
Retail	Mortgage
Retail	Credit Card
Retail	Overdraft Account
Commercial	Micro
Commercial	Company
Commercial	Commercial
Commercial	Corporate

In prospective expectations, 3 scenarios are being used as the base, the worst and the best. Final provisions are calculated by weighting on the possibilities given to the scenarios.

IX. EXPLANATIONS ON OFFSETTING FINANCIAL INSTRUMENTS:

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 recognized amounts and there is an intention to collect/pay the related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously.

X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS:

Securities subject to repurchase agreements ("Repos") are classified as "Financial assets at fair value difference through profit or loss", "Financial assets at fair value difference through other comprehensive income" and "Measured at amortised cost" in the balance sheet according to the investment purposes and measured according to the portfolio of the Bank to which they belong. Funds obtained under repurchase agreements are accounted under "Funds provided under repurchase agreements" in liability



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accounts and differences between the sale and repurchase prices determined by these repurchase agreements are accrued evenly over the life of the repurchase agreement using the "Effective interest (internal return) method".

Funds given against securities purchased under agreements to resell ("Reverse repos") are accounted under "Receivables from money market" in the balance sheet. The difference between the purchase and resell price determined by these repurchase agreements is accrued evenly over the life of repurchase agreements using the "Effective interest rate method".

The Group has securities lending transactions amounting TL 2.409.719 as of 31 December 2023 (31 December 2022: TL 1.733.498).

XI. EXPLANATIONS ON ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (NET):

Assets held-for-sale consist of tangible assets that were acquired due to non-performing receivables, and are accounted in the financial statements in accordance with the regulations of "Turkish Financial Reporting Standard for Assets Held for Sale and Discontinued Operations (TFRS 5)".

The Group has no discontinued operations.

XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS:

When the accounts of a partnership are included in the consolidation process for the first time, the difference between the acquisition cost of this partnership and the share of its equity is accounted for as consolidation goodwill. In case of consolidation goodwill, the difference is considered as an asset and shown in intangible assets in the assets of the consolidated balance sheet. Goodwill calculated in accordance with "TFRS 3 Business Combinations Standard" is not subject to depreciation, it is tested for impairment annually or in cases where changes in conditions indicate that there may be an impairment in the framework of "TAS 36 Turkish Accounting Standard on Impairment of Assets". According to the test, if the recoverable amount is below the book value of the related asset, a provision for impairment is made.

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 depreciation and the provision for value decreases.

Intangibles are amortised over three to fifteen years (their estimated useful lives) using the straight-line method. The useful life of the asset is determined by assessing the expected useful time of the asset, technical, technological and other kinds of wear and tear and all required maintenance expenses necessary to utilize the economic benefit from the asset.

XIII. 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. Subsequently, property and equipment is carried at cost less accumulated depreciation and provision for value decrease.

The Group has started to account properties under the tangible assets with their revalued amount instead of cost values in accordance with "TAS 16 Plant and Equipment". The revaluation difference arising from the valuations made by the appraisal firms authorized by Capital Markets Board ("CMB") and BRSA is accounted in Investment Properties Revaluation Differences line under the Shareholders' Equity.

As of each reporting date, the Bank evaluates whether there is any indication that its assets may be impaired; If such indication exists, it estimates the recoverable amount of the related asset in accordance with TAS 36 - Impairment in Assets and if the recoverable amount is below the book value of the related asset, it reserves provision for impairment.

Depreciation is calculated over the cost of property and equipment using the straight-line method over estimated useful lives. The estimated useful lives are stated below:

Buildings50 yearsVault5-50 yearsTransportation Vehicles5-7 yearsOther property and equipments3-15 years

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 revenue.

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Expenditures for the repair and renewal of property and equipment are recognized as expense. The capital expenditures incurred in order to increase the capacity of the tangible asset or to increase the future benefit of the asset are capitalized on the cost of the tangible asset. Capital expenditures include the cost components that increase the useful life, or the capacity of the asset, increase the quality of the product or decrease its costs.

XIV. EXPLANATIONS ON LEASING TRANSACTIONS:

With the "TFRS 16 Leases" standard, which became effective as of 1 January 2019, the difference between the operating lease and financial lease was removed and the lease transactions were started to be recognised under "Tangible Fixed Assets" as an asset (tenure) and under "Liabilities from Leasing" as a liability.

The Group performs financial leasing operations as a "Lessor" through Ak Finansal Kiralama A.Ş. which is a consolidated subsidiary. The asset subject to the financial leasing is presented in the balance sheet as receivable equal to the net leasing amount. Interest income is recognized over the term of the lease using the net investment method that reflects a constant periodic rate of return and the unearned portion is followed under unearned interest income account.

The Group assesses whether the contract has the quality of a lease or whether the lease includes the transaction at the beginning of a contract. In case the contract is transferred for a certain period of time to control the use of the asset defined for a price, it is either leased or includes a lease. The Group reflects the existence of a right of use and a lease liability to the financial statements at the effective date of the lease.

Right of use assets:

The right to use asset is first recognized by cost method and includes:

- a) The initial measurement amount of the lease obligation,
- b) the amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease;
- c) all initial direct costs incurred by the Group

When Group applying the cost method, the existence of the right to use:

- a) accumulated depreciation and accumulated impairment losses are deducted and
- b) Measures the restatement of the lease obligation at the restated cost.

The Group applies the provisions of depreciation regulated under the TAS 16 Tangible Assets Standards, while depreciating the rights of use assets.

The Lease Obligations:

At the effective date of the lease, the Group measures its leasing liability at the present value of the lease payments not paid at that time. Lease payments are discounted using the Group's average borrowing interest rates.

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease.

After the effective date of the lease, the Group measures the leasing liability as follows:

- a) Increase the book value to reflect the interest on the lease obligation
- b) Reduces the book value to reflect the lease payments made and
- c) The book value is measured to reflect reassessments and restructuring, or reflect to fixed lease payments as of revised nature.

The interest on the lease liability for each period in the lease period is the amount calculated by applying a fixed periodic interest rate to the remaining balance of the lease liability.

Lease agreements for vehicles and ATMs, which are determined as low value by the Bank with short-term lease agreements with a duration of 12 months or less, have been evaluated within the scope of the exemption granted by the standard.



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XV. EXPLANATIONS ON PROVISIONS AND CONTINGENT LIABILITIES:

Provisions and contingent liabilities are accounted in accordance with the "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets" ("TAS 37").

Provisions are recognized 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. A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the periodicity principle.

A liability is recognized as a contingent liability where a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of more than one events not wholly within the control of the Group; or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability and disclosed in the footnotes.

XVI. EXPLANATIONS ON CONTINGENT ASSETS:

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 in the Group, the asset and the related income are recognized in the financial statements in which the change occurs.

XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS:

a. Employment termination benefits and vacation rights:

Obligations related to employment termination and vacation rights are accounted in accordance with "Turkish Accounting Standard for Employee Rights" ("TAS 19").

Under the Turkish Labor Law, the Bank and its subsidiaries operating in Turkey are required to pay a specific amount to the employees who have retired or whose employment is terminated other than the reasons specified in the Turkish Labor Law. According to the related regulation, the Bank is obliged to pay termination benefits for employees who retire, quit for their military service obligations, who have been dismissed as defined in the related regulation or who have completed at least one year of service. The reserve for employment termination benefits represents the present value of the estimated total reserve for the future probable obligation of the Group arising from this liability. In accordance with TAS 19, actuarial gains and losses are recognized in equity.

b. Retirement Rights:

The Bank's personnel are members of the "Akbank T.A.Ş. Personnel Pension Fund Foundation" ("Pension Fund") established in accordance with the Social Security Law numbered 506, temporary article No.20. Defined Benefit Obligations have been determined as of year-ends by an independent actuary in accordance with the 38th article of the Insurance Supervisory Law and the "Actuarial Regulation" based on the same article.

Temporary 23rd article paragraph ("the paragraph") 1 of the Banking Law No 5411 published in the Official Gazette no 25983 dated 1 November 2005 envisaged that Banks would transfer their pension funds to the Social Security Institution ("SSI") within three years following the publication date of the Banking Law, and regulated the principles of this transfer. The first paragraph of the related article was rescinded as from the 30 June 2007, the publication date of the decision of the Constitutional Court dated 22 March 2007. The reasoned decree regarding the rescission of the mentioned paragraph was published in the Official Gazette numbered 26731, dated 15 December 2007.

Following the publication of the reasoned decree of the Constitutional Court, Turkish Grand National Assembly commenced to work on a new law regarding the transfer of the members of funds to the Social Security Institution; the related articles of the

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Social Security Law ("New Law") numbered 5754 regarding the transfer of the funds, were ratified by the TGNA General Meeting on 17 April 2008 and came into effect following the publication on the Official Gazette numbered 26870, dated 8 May 2008.

The main opposition party had appealed to the Constitutional Court for the cancellation of some of the articles of the New Law including transfer of the Funds to the SSI on 19 June 2008. The Constitution Court has dismissed the appeal with the decision taken in the meeting dated 30 March 2011. The reasoned decision has been published on the Official Gazette numbered 28156 dated 28 December 2011.

The New Law was requiring that present value of post-employment benefits at the transfer date shall be calculated by a commission consisting of the representatives of SSI, Ministry of Finance, Undersecretariat of Treasury, Undersecretariat of State Planning Organization, BRSA, SDIF and banks and funds, by using a technical discount rate of 9.8 percent taking into consideration the transferrable contributions and payments of the funds including any monthly payment differences paid by the funds above the limits within the framework of SSI regulations. Accordingly, the transfer required by the New Law was to be completed until 8 May 2011. According to the decision of the Council of Ministers published on the Official Gazette dated 9 April 2011 no. 27900, the time frame for related transfer has been extended for two years. Within the postponement right granted to the Council of Ministers through the change in the first clause of the 20th provisional article of the "Social Insurance and General Health Insurance Law no. 5510" published on the Official Gazette no. 28227 dated 8 March 2012, the transfer process has been postponed for one more year with the decision of the Council of Ministers published on the Official Gazette no. 28987 dated 30 April 2014. The Council of Ministers has been lastly authorized to determine the transfer date 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 23 April 2015 and numbered 29335. According to paragraph (I) of Article 203 of Law no. 703 which published on the Official Gazette no. 30473 dated 9 July 2018, the phrase, placed in 20th provisional article of Social Insurance and General Health Insurance Law no.5510, "Council of Ministers" is authorized to determine the date of transfer to the Social Security Institution has been replaced with "President".

According to the New Law, following the transfer of the members of the fund to the SSI, the funds and institutions will continue to provide the non-transferrable social benefits and payments which are included in the articles of association of the fund.

The total liabilities of the pension fund are calculated using separate methods and assumptions for the benefits to be transferred and the additional benefits that will remain the responsibility of the pension fund.

The Bank has recognized a provision for the technical deficit determined by a report prepared by a registered actuary using actuarial and economic assumptions based on the best estimates for other non-transferable benefits; taking into account the transfer assumption for transfer-based benefits and the technical interest rate and provisions set out in the New Law as explained above, and accounted for in accordance with "TAS 19 - Employee Benefits".

The consolidated affiliates do not have the above mentioned retirement benefit plans for their employees. The retirement related benefits of the employees of the consolidated affiliates are subject to the Social Security Institution and other defined contribution plans.

XVIII. EXPLANATIONS ON TAXATION:

a. Current Tax:

As of 31 December 2023, the current corporate tax rate is 30%. The corporate tax rate has been permanently increased to 25% for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies in accordance with the publication of the Law No. 7394 in the Official Gazette dated 15 April 2022. However, with the Law No. 7456 published on 15 July 2023, the said rate has been increased to 30% in order to be applied to the cumulative bases included in the declarations to be submitted as of 1 October 2023; Starting from the temporary corporate tax return for the period 1 January 2023 – 31 December 2023, the corporate tax rate will be applied as 30% in the upcoming periods.

The corporate tax rate is applied to tax base which is calculated by adding certain non deductible expenses for tax purposes and deducting certain exemptions (like dividend income) and exclusion of deductions on accounting income. If there is no dividend distribution, no further tax charges are made.



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Dividends paid to non-resident corporations, which have a place of business in Turkey or are resident corporations, are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 10%. An increase in capital via issuing bonus shares is not considered as profit distribution and thus does not incur withholding tax.

Corporations calculate advance tax with their current rate on quarterly profits and pay until the evening of the same day by declaring until the 17th day of the second month following that period. Advance tax paid by corporations which is for the current period is credited against the annual corporation tax calculated on their 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.

A 75% portion of the capital gains derived from the sale of equity investments and a 50% portion of the capital gains derived from the sale of immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special fund account under liability for five years. However, with the Law No. 7456 published on 15 July 2023, this exception has been abolished for real estate to be acquired after the publication date of the decision; If the real estates acquired before this date are sold after the effective date of the decision, 25% of the real estate sales revenue will be exempt from corporate tax.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns until the last day of the following fourth month after the closing of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year following the date of filing 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.

Current tax, related to items recognized directly in equity is also credited or charged directly to equity.

As of the end of the 2021 calendar year, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/A of the Tax Procedure Law. However, with the regulation made with the Law No. 7352 dated 20 January 2022, the application of inflation adjustment in the calculation of corporate tax was postponed to 2023. According to this; TPL financial statements for the 2021 and 2022 accounting periods have not been subjected to inflation adjustment, and the TPL financial statements dated 31 December 2023 have been subjected to inflation adjustment in a way that will not affect corporate tax base. Additionally; With the law number 7491 published in the Official Gazette numbered 32413 dated 28 December 2023, banks, payment and electronic money institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will be subject to inflation adjustments in the 2024 and 2025 accounting periods. It is regulated that the resulting profits or losses will not be taken into account in determining the corporate tax base.

The amendments in duplicate Article 298/Ç and temporary Article 32 of the Tax Procedural Law allows for the permanent and temporary revaluation of companies. Accordingly, as of the beginning of the 2022 accounting period, our Bank first updated the value of its fixed assets recorded in company assets as per temporary Article 32 of the Tax Procedural Law, and then revalued them in accordance with duplicate Article 298/Ç of the Tax Procedural Law. As a result of these transactions, the Tax Procedural Law depreciation amounts subject to corporate income tax are calculated using the updated, revalued amounts. As per the relevant legislation, increased value amounts are recognised in a special fund account under equity.

Information on taxation in foreign subsidiaries are given below:

Akbank AG (Germany)

German-resident corporations (i.e. corporations with legal or business centers located in Germany) are subject to corporate taxation in Germany over their total income. Regardless of any profit distribution corporate tax is levied at 15% over total income. Effective corporate tax rate is 15,825% since an additional solidarity tax of 5,5% is applied over the calculated corporate tax. In addition to that, trade income tax is applied on the basis of local governments. This tax is around 11,6% and when all tax types (corporate tax, solidarity tax and tax on business profits) are taken into account, there is a tax burden of approximately 27,4%.

b. Deferred Tax:

The Bank calculates and reflects deferred tax in accordance with the provisions of "Turkish Accounting Standard for Income Taxes" ("TAS 12") for taxable temporary differences that arise between the book value of an asset or liability and its tax basis

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determined in accordance with the tax legislation. Deferred tax is calculated over 30% as of 31 December 2023 (31 December 2022: 25%).

Deferred tax liabilities are recognized for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilized.

Deferred tax asset had not been provided over provisions for possible risks and general loan loss provisions according to the circular of BRSA numbered BRSA.DZM.2/13/1-a-3 and dated 8 December 2004. Deferred tax rate calculation has started to be measured over temporary expected provision losses differences according to TFRS 9 articles from 1 January 2018. Deferred tax calculation is not made for free provisions. In accordance with the temporary Article 33 of the Tax Procedure Law, in the financial statements dated 31 December 2023, tax effects arising from the inflation adjustment of corporate tax are included in the deferred tax calculation as of 31 December 2023.

Calculated deferred tax receivables and deferred tax liabilities have shown in net balances in the financial statements separately for domestic and international branches and for different subsidiaries subject to consolidation. Net balances of deferred tax assets and liabilities from companies are shown are shown separately in assets and liabilities.

Deferred tax, related to items recognized directly in equity is also credited or charged directly to equity.

XIX. EXPLANATIONS ON BORROWINGS:

Debt instruments with different characteristics such as syndicated and securitized borrowings and post-financing obtained from foreign financial institutions, marketable securities issued in domestic and foreign markets and money market borrowings are major funding source of the Group. Mentioned borrowings are carried initially at acquisition cost and subsequently recognized at the discounted value calculated using by "Effective interest rate method".

XX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES:

There is no share certificate issuance in 2023.

XXI. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES:

Avalized drafts and acceptances shown as liabilities against assets are included in the off-balance sheet commitments.

XXII. EXPLANATIONS ON GOVERNMENT GRANTS:

As of 31 December 2023 and 31 December 2022, there is no government grant for the Bank.

XXIII. EXPLANATIONS ON SEGMENT REPORTING:

An operating segment is a component of an entity;

- a. that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- b. whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- c. for which discrete financial information is available.

Reporting according to the operational segments is presented in Note XIII of Section Four.

XXIV. 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.

Under the Turkish Commercial Code, legal reserves consist of first legal reserve and second legal reserve. First legal reserve, appropriated at the rate of 5%, until the total reserve is equal to 20% of issued and fully paid-in share capital. Second legal reserve, appropriated at the rate of 10% of distributions in excess of 5% of issued and fully paid-in share capital, but Holding companies are



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not subject to such transaction. According to the Turkish Commercial Code, legal reserves can only be used to compensate accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital

The Ordinary General Assembly Meeting of the Bank was held on 28 March 2023. In the Ordinary General Assembly, it was decided to distribute TL 8.996.000 cash dividend over the TL 60.024.084 net income from 2022 operations to the Bank's shareholders. It was also resolved in the General Assembly to transfer TL 7.334 to special funds account under other capital reserves, to allocate TL 873.600 as legal and TL 50.147.140 as extraordinary reserves.

XXV. EARNINGS PER SHARE:

Earnings per share disclosed in the income statement are calculated by dividing net profit for the period by the weighted average number of shares outstanding during the related period concerned.

	Current Period	Prior Period	
	31 December 2023	31 December 2022	
Net Profit for the Period of the Group	66.496.235	60.025.707	
Average Number of Issued Common Shares (Thousand)	520.000.000	520.000.000	
Earnings Per Share (Amounts presented as full TL)	0,12788	0,11543	

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("Bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period. 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.

The number of rights issued in 2023: None (2022: None).

XXVI. RELATED PARTIES:

Parties defined in Article 49 of the Banking Law No.5411 are deemed as related parties. Transactions with related parties are presented in Note VII of Section Five.

XXVII. CASH AND CASH EQUIVALENT ASSETS:

For the purposes of the cash flow statement, cash includes cash effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and cash equivalents include interbank money market placements, time deposits at banks with original maturity periods of less than three months and investments on marketable securities other than common stocks.

XXVIII. RECLASSIFICATIONS:

None

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SECTION FOUR

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP

I. EXPLANATIONS ON EQUITY:

Total capital amount and Capital adequacy ratio have been calculated in accordance with the "Regulation on Equity of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy of Banks". Additionally, calculated according to BRSA regulations dated 21 December 2021, numbered 9996 and 31 January 2023, numbered 10496. As of 31 December 2023 based on recent regulation changes;

1) In the calculation of the amount based on credit risk, the CBRT exchange rate for 31 December 2022 can be used when calculating the valuation amounts in foreign currency,

2) In case the net valuation differences of the securities owned by banks and acquired before 21 December 2021 in the "Securities at Fair Value through Other Comprehensive Income" portfolio are negative, these differences may not be taken into account in the equity amount.

As of 31 December 2023, taking into consideration the above-mentioned regulations, the current period equity of the Group has been calculated as TL 241.161.069 (31 December 2022: TL 174.444.085), and the capital adequacy ratio is 21,04% (31 December 2022: 23,50%). This ratio is above the minimum ratio required by the legislation.

a. Information about total consolidated capital items:

	Current Period 31 December 2023	Amounts related to treatment before 1/1/2014(*)
COMMON EQUITY TIER 1 CAPITAL		.,,,_,,,
Paid-in capital following all debts in terms of claim in liquidation of the Bank	7.014.871	
Share issue premiums	3.505.742	
Reserves	108.313.918	
Gains recognized in equity as per TAS	45.023.128	
Profit	66.674.330	
Current Period Profit	66.496.235	
Prior Period Profit	178.095	
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit		
for the period	26.492	
Minorities' Share	-	
Common Equity Tier 1 Capital Before Deductions	230.558.481	
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Requlation on the Equity of Banks	-	
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordan	ce	
with TAS	17.908.739	
Improvement costs for operating leasing	228.205	
Goodwill (net of related tax liability)	134.405	
Other intangibles other than mortgage-servicing rights (net of related tax liability)	3.861.168	3.861.168
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	3.088.339	
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected los	S	
amount exceeds the total provision	-	
Gains arising from securitization transactions	-	
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	
Defined-benefit pension fund net assets	-	
Direct and indirect investments of the Bank in its own Common Equity	-	
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of		
consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of		
consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bar	nk -	
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	_	
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside		
the scope of consolidation where the Bank owns 10% or more of the issued common share capital	_	
Excess amount arising from mortgage servicing rights	_	
Excess amount arising from deferred tax assets based on temporary differences	-	



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Total Common Equity Tier 1 Capital	25.220.856 205.337.625	
Total Deductions From Common Equity Tier 1 Capital	25.220.856	
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	_	
Other items to be defined by the BRSA	-	

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	Current Period 31 December 2023	Amounts related to treatment before 1/1/2014(*)
ADDITIONAL TIER I CAPITAL		.,,,,,
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	
Debt instruments and premiums approved by BRSA	=	
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	
Third parties' share in the Additional Tier I capital	=	
Third parties' share in the Additional Tier I capital (Temporary Article 3)	-	
Additional Tier I Capital before Deductions	-	
Deductions from Additional Tier I Capital		
Direct and indirect investments of the Bank in its own Additional Tier I Capital	=	
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with		
compatible with Article 7.	-	
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital		
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Consolidated Banks and Financial	=	
Institutions where the Bank Owns more than 10% of the Issued Share Capital	_	
Other items to be defined by the BRSA	_	
Transition from the Core Capital to Continue to deduce Components		
Goodwill and other intangible assets and related deferred tax liabilities which will not be 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 [-]	_	
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	_	
Total Deductions From Additional Tier I Capital	_	
Total Additional Tier I Capital	-	
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	205.337.625	
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	23.349.255	
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	
Third parties' share in the Tier II Capital	-	
Third parties' share in the Tier II Capital (Temporary Article 3)	=	
Provisions (Article 8 of the Regulation on the Equity of Banks)	12.505.212	
Tier II Capital Before Deductions	35.854.467	
Deductions From Tier II Capital		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions		
declared in Article 8.	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of	1	
consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (- Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside		
the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank		
Other items to be defined by the BRSA (-)	=	
Total Deductions from Tier II Capital		
Total Tier II Capital	35.854.467	
Total Capital (The sum of Tier I Capital and Tier II Capital)	241.192.092	
Deductions from Total Capital	2411172.072	
Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	_	
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the		
Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	_	
Other items to be defined by the BRSA	31.023	
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Deduct Components	01.020	
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking,		
financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10%		
of the issued common share capital of the entity which will not be 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	=	
The Sum of net long positions of 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, where the bank does not own more than 10% of the issued common		
share capital of the entity which will not be 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	-	
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the		
scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity,		
mortgage servicing rights, deferred tax assets arising from temporary differences which will not be 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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	Current Period 31 December 2023	Amounts related to treatment before 1/1/2014 (*)
TOTAL CAPITAL		
Total Capital (Total of Tier I and Tier II Capital)	241.161.069	
Total Risk Weighted Amounts	1.146.377.103	
Capital Adequacy Ratios		
Core Capital Adequacy Ratio [%]	17,91%	
Tier 1 Capital Adequacy Ratio [%]	17,91%	
Capital Adequacy Ratio (%)	21,04%	
BUFFERS		
Total additional Common Equity Tier 1 Capital requirement ratio (a+b+c)	4,02%	
a) Capital conservation buffer requirement (%)	2,50%	
b) Bank specific total common equity tier 1 capital ratio [%]	0,02%	
c) Systemic significant bank buffer ratio [%]	1,50%	
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 [%]	9,91%	
Amounts below the Excess Limits as per the Deduction Principles		
Portion of the total of net long positions of investments in equity items of Consolidated banks and financial institutions where the		
bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Portion of the total of investments in equity items of Consolidated banks and financial institutions where the bank owns 10% or less		
of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Amount arising from mortgage-servicing rights	-	
Amount arising from deferred tax assets based on temporary differences	(1.781.594)	
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	20.669.361	
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	12.505.212	
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the		
Communiqué on the Calculation	-	
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	-	
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	=	
Upper limit for Additional Tier II Capital subjected to temporary Article 4	=	
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	=	

^(*) Amounts in this column represents the amounts of items that are subject to transition provisions in accordance with the temporary Articles of "Regulations regarding to changes on Regulation on Equity of Banks" and taken into consideration at the end of transition process.

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	Prior Period 31 December 2022	Amounts related to treatment before 1/1/2014 (*)
COMMON EQUITY TIER 1 CAPITAL	0.0000	1,1,2014()
Paid-in capital following all debts in terms of claim in liquidation of the Bank	7.014.871	
Share issue premiums	3.505.742	
Reserves	57.238.547	
Gains recognized in equity as per TAS	35.882.851	
Profit	60.206.179	
Current Period Profit	60.025.707	
Prior Period Profit	180.472	
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit		
for the period	10.945	
Minorities' Share	-	
Common Equity Tier 1 Capital Before Deductions	163.859.135	
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	384	
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance		
with TAS	7.825.624	
Improvement costs for operating leasing	93.650	
Goodwill (net of related tax liability)	-	
Other intangibles other than mortgage-servicing rights (net of related tax liability)	2.328.914	2.328.914
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	=	
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	4.036.445	
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss		
amount exceeds the total provision	-	
Gains arising from securitization transactions	-	
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	=	
Defined-benefit pension fund net assets	=	
Direct and indirect investments of the Bank in its own Common Equity	-	
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of		
consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of		
consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside		
the scope of consolidation where the Bank owns 10% or more of the issued common share capital	=	
Excess amount arising from mortgage servicing rights	=	
Excess amount arising from deferred tax assets based on temporary differences	-	
Other items to be defined by the BRSA	-	
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	
Total Deductions From Common Equity Tier 1 Capital	14.285.017	
Total Common Equity Tier 1 Capital	149.574.118	



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	Prior Period 31 December 2022	Amounts related t treatment befor 1/1/2014 (*
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	
Debt instruments and premiums approved by BRSA	-	
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	
Third parties' share in the Additional Tier I capital	-	
Third parties' share in the Additional Tier I capital (Temporary Article 3)	-	
Additional Tier I Capital before Deductions	-	
Deductions from Additional Tier I Capital		
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	
Investments of Bank as Anak that invest in Bank's additional equity and components of equity issued by financial institutions with		
compatible with Article 7.	-	
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns		
10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Consolidated Banks and Financial		
Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	
Other items to be defined by the BRSA	-	
Transition from the Core Capital to Continue to deduce Components Goodwill and other intangible assets and related deferred tax liabilities which will not be 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 (-)		
for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks, Own Funds (-)		
Not deferred tay asset/liability which is not deducted from Common Equity Tier 1 against for the gurrages of the sub-paragraph of the	-	
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 (-)		
	-	
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available [-] Total Deductions From Additional Tier I Capital	-	
Total Additional Tier I Capital		
Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)	149.574.118	
TIER II CAPITAL	147.3/4.118	
	14 405 702	
Debt instruments and share issue premiums deemed suitable by the BRSA Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	16.695.703	
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4) Third parties' share in the Tier II Capital	-	
Third parties' share in the Tier II Capital (Temporary Article 3)	-	
Provisions (Article 8 of the Regulation on the Equity of Banks)	8.231.002	
Tier II Capital Before Deductions	24.926.705	
Deductions From Tier II Capital	24.720.703	
Direct and indirect investments of the Bank on its own Tier II Capital [-]	_	
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions		
declared in Article 8.	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of		
consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	[-] -	
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outsid		
the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equit		
of the Bank	-	
Other items to be defined by the BRSA (-)	_	
Total Deductions from Tier II Capital	_	
Total Tier II Capital	24.926.705	
Total Capital (The sum of Tier I Capital and Tier II Capital)	174.500.823	
Deductions from Total Capital	.,	
Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	_	
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the		
Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years		
Other items to be defined by the BRSA (-)	56.738	
	30.730	
In transition from Total Core Canital and Sunnlementary Canital (the canital) to Continue to Deduct Components		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking,		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10%	1	
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not be deducted from Common Equity Tier 1 capital, Additional Tier 1		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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 The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance		
of the issued common share capital of the entity which will not be 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 The Sum of net long positions of 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, where the bank does not own more than 10% of the issued common		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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 The Sum of net long positions of 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, where the bank does not own more than 10% of the issued common share capital of the entity which will not be deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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 The Sum of net long positions of 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, where the bank does not own more than 10% of the issued common		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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 The Sum of net long positions of 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, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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 The Sum of net long positions of 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, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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 The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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 The Sum of net long positions of 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, where the bank does not own more than 10% of the issued common share capital of the entity which will not be 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		

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	Prior Period 31 December 2022	Amounts related to treatment before 1/1/2014 (*)
TOTAL CAPITAL		
Total Capital (Total of Tier I and Tier II Capital)	174.444.085	
Total Risk Weighted Amounts	742.372.819	
Capital Adequacy Ratios		
Core Capital Adequacy Ratio [%]	20,15%	
Tier 1 Capital Adequacy Ratio (%)	20,15%	
Capital Adequacy Ratio [%]	23,50%	
BUFFERS		
Total additional Common Equity Tier 1 Capital requirement ratio (a+b+c)	4,01%	
a) Capital conservation buffer requirement (%)	2,50%	
b) Bank specific total common equity tier 1 capital ratio (%)	0,01%	
c) Systemic significant bank buffer ratio (%)	1,50%	
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	12,15%	
Amounts below the Excess Limits as per the Deduction Principles		
Portion of the total of net long positions of investments in equity items of Consolidated banks and financial institutions where the		
bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	=	
Portion of the total of investments in equity items of Consolidated banks and financial institutions where the bank owns 10% or less		
of the issued share capital exceeding the 10% threshold of above Tier I capital	=	
Amount arising from mortgage-servicing rights	=	
Amount arising from deferred tax assets based on temporary differences	[3.271.129]	
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	11.215.871	
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	8.231.002	
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the		
Communiqué on the Calculation	=	
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	=	
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	=	
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	=	
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	=	

^(*) Amounts in this column represents the amounts of items that are subject to transition provisions in accordance with the temporary Articles of "Regulations regarding to changes on Regulation on Equity of Banks" and taken into consideration at the end of transition process.



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b. Information about instruments that will be included in total capital calculation:

	Current Period 31 December 2023
Details on Subordinated Liabilities:	OT BEECHBEI 2020
Issuer	AKBANK T.A.Ş
Identifier(s) (CUSIP, ISIN vb.)	XS2355183091 / US00971YAJ91
Governing law (s) of the instrument	Subject to British Common Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Debt Instruments Disclosure of the Capital Markets Board and the Regulation on Equities of Banks of the BRSA.
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	No
Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidated
Instrument type	Subordinated Liabilities (Securities)
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	14.716 million TL (in full TL amount)
Nominal value of instrument	14.716 million TL (in full TL amount)
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number)
Issuance date of instrument	22 June 2021
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	Maturity date: 22 June 2031
Issuer call subject to prior supervisory (BRSA) approval	Yes
	There is an early repayment option on 22.06.2026. The reimbursement amount is
Optional call date, contingent call dates and redemption amount	14.716 million TL (in full TL amount)
Subsequent call dates, if applicable	-
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	6,8%
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down.
If bond can be written-down, full or partial	Partially or fully
If bond can be written-down, permanent or temporary	Continuously
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms.
Position in subordination hierarchy in case of liquidation (instrument type	In priority of receivables, it comes after the debt instruments which are non-
immediately senior to the instrument)	subordinated loans.
In compliance with article number 7 and 8 of "Own fund regulation"	The instrument is in compliance with article number 8.
Details of incompliances with article number 7 and 8 of "Own fund regulation"	The instrument is not in compliant with article numbered 7.

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	Current Period
Details on Subordinated Liabilities:	31 December 202
Issuer	AKBANK T.A.
Identifier(s) (CUSIP, ISIN vb.)	XS261174723
defitifier(S) (COSIP, ISIN VD.)	Subject to British Common Law and in terms of certain articles to Turkisl
Governing law (s) of the instrument	Regulations. It is issued within the scope of the Debt Instruments Disclosure of the Capital Markets Board and the Regulation on Equities of Banks of the BRSA
Regulatory treatment	<u> </u>
Subject to 10% deduction as of 1/1/2015	N
Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidated
Instrument type	Subordinated Liabilities (Securities
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	2.208 million TL (in full TL amount
Nominal value of instrument	2.208 million TL (in full TL amount
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number
Issuance date of instrument	25 July 202
Maturity structure of the instrument (demand/maturity)	
Original maturity of the instrument	Maturity date: 25 July 203:
Issuer call subject to prior supervisory (BRSA) approval	Ye.
	There is an early repayment option on 25.07.2028. The reimbursement amount is
Optional call date, contingent call dates and redemption amount	2.208 million TL (in full TL amount
Subsequent call dates, if applicable	
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	9,69
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	Non
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulativ
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
lf bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRS/s may determine pursuant to Article 71 of the Banking Law that: [i] its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of it shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducter from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down
If bond can be written-down, full or partial	Partially or full
If bond can be written-down, permanent or temporary	Continuousl
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms
Position in subordination hierarchy in case of liquidation (instrument type	In priority of receivables, it comes after the debt instruments which are non
immediately senior to the instrument)	subordinated loans
In compliance with article number 7 and 8 of "Own fund regulation"	The instrument is in compliance with article number 8
Details of incompliances with article number 7 and 8 of "Own fund regulation"	The instrument is not in compliant with article numbered 7



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The instrument is in compliance with article number 8.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

Details on Subordinated Liabilities ARRANK T.A.S. Identifier[a] [CUSIP_ISIN vb.] XSA6917151/XS2611722317. Identifier[a] [CUSIP_ISIN vb.] XSA6917151/XS2611722317. Subject to British Common Law and in terms of certain anticles to Turkish Common Law and in terms of certain anticles to Turkish Regulations. It is issued within the scope of the Debt Instruments Disclosure of the Capital Markets Board and the Regulation on Equities of Banks of the BR5A. Regulation Y realment		Current Period 31 December 2023
Identifier al CUSIP, ISN vb. Subject to British Common Law and in terms of certain articles to Turkish Governing law s of the instrument Subscusive of the Debt Instruments Disclosure of the Capital Markets Board and the Regulation on Equities of Banks of the BPSh. Subject to 19% deduction as of I/I/2015 No. No. Eligible on unconsolidated and for consolidated basis Unconsolidated and Consolidated Subscription Subs	Details on Subordinated Liabilities:	VI 5000111301 2020
Subject to British Common Law and in terms of certain articles to Turkish Geoverning law Isl of the instrument Regulation, It is is issued within the its issued within the issue due to the Capital Markets Board and the Regulation on Equities of Bonks of the BRSA. Regulation to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 At 10% deduction as of 1/1/2015 At 10% deduction as of 1/1/2015 At 10% deduction as of 1/1/2015 At 10% deduction as of 1/1/2015 Subject to 10% deduction as of 1/1/2015 At 10% deduction as of 1/1/2015	Issuer	AKBANK T.A.S
Regulatory treatment Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 17/2015 Subject to 1706 deduction as of 1	Identifier(s) (CUSIP, ISIN vb.)	XS2659197151/ XS2611752317
Subert to 10% deduction as of 11/12015 No	Governing law (s) of the instrument	Regulations. It is issued within the scope of the Debt Instruments Disclosure of
Eligible on unconsolidated and Consolidated basis Unconsolidated and Consolidated Subordinated Liabilities Securities Amount recognized in regulatory capital (Currency in mil, as of most recent reporting dated Authorition Auth	Regulatory treatment	
Instrument type Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date) At 6 million TL (in full TL amount) Accounting classification of the instrument Subordinated Loans (347011 Accounting Number) Issuance date of instrument Subordinated Loans (347011 Accounting Number) Issuance date of instrument Subordinated Loans (347011 Accounting Number) Issuance date of instrument Subordinated Loans (347011 Accounting Number) Issuance date of instrument Subordinated Loans (347011 Accounting Number) Issuance date of instrument Subordinated Loans (347011 Accounting Number) Issuance date of instrument Instru		No
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date) Nominal value of instrument Accounting classification of the instrument Accounting classification of the instrument Accounting classification of the instrument Subordinated Loans (347011 Accounting Number) Essuance date of instrument Maturity date: 25 July 2022 Maturity structure of the instrument [demand/maturity] Maturity structure of the instrument [demand/maturity] Maturity of the instrument Maturity date: 25 July 2023 Issuer call subject to prior supervisory (18RSA) approval Optional call date, contingent call dates and redemption amount Optional call date, contingent call dates and redemption amount There is an early repayment option on 25 07 2028. The reimbursement amount is usued to the company of the instrument amount is usued and the company of the	Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidated
Morninal value of instrument Accounting classification of the instrument Accounting classification of the instrument Accounting classification of the instrument Accounting classification of the instrument Accounting classification of the instrument Accounting classification of the instrument Accounting classification of the instrument Accounting classification of the instrument Accounting classification of the instrument Adurity structure of the instrument and structure of the instrument and structure of the instrument and structure of the instrument and structure of the instrument		Subordinated Liabilities (Securities)
Accounting classification of the instrument Subordinated Loans [347011 Accounting Number]		4.416 million TL (in full TL amount)
Issuance date of instrument 25 July 2022 Maturity structure of the instrument Maturity date: 25 July 2023 Maturity structure of the instrument Maturity date: 25 July 2023 Issuer call subject to prior supervisory (BRSA) approval Yes Maturity of the instrument Maturity date: 25 July 2023 Issuer call subject to prior supervisory (BRSA) approval Yes Optional call date, contingent call dates and redemption amount There is an early repayment option on 25.07.2028. The reimbursement amount is 20.05.07.2028 The reimbursemen	Nominal value of instrument	4.416 million TL (in full TL amount)
Maturity structure of the instrument (demand/maturity) Original maturity of the instrument Subsequent call date, provided the provided of the instrument of	Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number)
Original maturity of the instrument Maturity date: 25 July 2033 Issuer call subject to prior supervisory (BRSA) approval Yes	Issuance date of instrument	25 July 2023
Original maturity of the instrument Maturity date: 25 July 2033 Issuer call subject to prior supervisory (BRSA) approval Yes	Maturity structure of the instrument (demand/maturity)	Maturity
Subser call subject to prior supervisory (BRSA) approval		
Optional call date, contingent call dates and redemption amount Subsequent call dates, if applicable Coupon/dividend payment Fixed or floating coupon/dividend payments Coupon rate and any related index 9,6% Existence of any dividend payment restriction None Flutly discretionary, partially discretionary or mandatory None Flutly discretionary, partially discretionary or mandatory None Existence of step up or other incentive to redeem Noncumulative or cumulative Convertible, conversion trigger (s) If convertible, conversion trigger (s) If convertible, conversion rate None If convertible, mandatory or optional conversion If convertible, issuer of instrument to be converted into Write-down feature Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is quay that in this operating license is to be revoked and the Bank is quay that in this operating license is to be revoked and the Bank is quay that in this operating license is to be revoked and the Bank is quay that in this operating license is to be revoked and the Bank is quay that in this operating license is to be revoked and the Bank is quay that in the supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (except to optionable that the Issuer will become non-viable, or fill it it is probable that the Issuer will be one non-viable, or fill it it is probable that the Issuer will become non-viable, or fill it is probable that the Issuer will be one non-viable, or fill it is grobable that the Issuer will be one non-viable, or fill it it is probable that the Issuer will be one non-viable, or fill it it is probable that the Issuer wil		, , , , ,
Subsequent call dates, if applicable Coupon/dividend payments Fixed or floating coupon/dividend payments Sexistence of any dividend payment restriction None Fixed or floating coupon/dividend payment restriction None Existence of any dividend payment restriction None Existence of any dividend payment restriction None Existence of step up or other incentive to redeem None Existence of step up or other incentive to redeem None If convertible or non-convertible into equity shares If convertible, conversion trigger [s] None If convertible, conversion trigger [s] None If convertible, utily or partially None If convertible, mandatory or optional conversion If convertible, mandatory or optional conversion If convertible, support instrument to be converted into None Write-down feature Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: [i) its operating license is to be revoked and the Bank is iquidated or fill the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition means the issuer has become non-viable; then the bonds can be written-down, full or partial If bond can be written-down, permanent or temporary If bond can be written-down, permanent or temporary If bond can be written-down, permanent or temporary If bond can be written-down, permanent or temporary If bond can be written-down, permanent or temporary If bond can be written-down, permanent or temporary If bond can be written-down, permanent or temporary If bond can be written-down, permanent or temporary If bond can be written-down, permanent or temporary If temporary write-down, description of write-up mechanism There are no any temporary write-up mechanisms. Position in subordination hierarchy in case of liquidation [instrument type immediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in		There is an early repayment option on 25.07.2028. The reimbursement amount is
Coupon/dividend payment Fixed or floating coupon/dividend payments Fixed Coupon rate and any related index 9,6% Existence of any dividend payment restriction None Fully discretionary, partially discretionary or mandatory None Existence of step up or other incentive to redeem None Resistence of step up or other incentive to redeem None Roncumulative or cumulative Noncumulative Roncumulative Noncumulative Roncumulati	Subsequent call dates, if applicable	-
Coupon rate and any related index	Coupon/dividend payment	
Existence of any dividend payment restriction Fully discretionary, partially discretionary or mandatory None Existence of step up or other incentive to redeem None Noncumulative Noncumulative Convertible or non-convertible into equity shares If convertible, conversion trigger (s) None If convertible, conversion rate None If convertible, mandatory or optional conversion If convertible, pandatory or optional conversion If convertible, sisuer of instrument to nor optional convertible into None If convertible, sisuer of instrument to nor optional converted into Write-down feature Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: [i] its operating license is to be revoked and the Bank is iquidated or [ii] the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become non-viable, or (iii) it is probable that the Issuer will become	Fixed or floating coupon/dividend payments	Fixed
Fully discretionary, partially discretionary or mandatory Existence of step up or other incentive to redeem None Existence of step up or other incentive to redeem Noncumulative Convertible or non-convertible into equity shares If convertible, conversion trigger [s] None If convertible, fully or partially None If convertible, conversion rate None If convertible, pandatory or optional conversion None If convertible, type of instrument convertible into None If convertible, spee of instrument convertible into None Write-down feature Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: [i] its operating license is to be revoked and the Bank is liquidated or [ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is	Coupon rate and any related index	9,6%
Existence of step up or other incentive to redeem None None None None None None It convertible or non-convertible into equity shares If convertible, conversion trigger [s] None If convertible, conversion trigger [s] None If convertible, conversion rate If convertible, pandatory or optional conversion If convertible, mandatory or optional conversion None If convertible, susuer of instrument convertible into None Write-down feature Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down, permanent or temporary If bond can be written-down, description of write-up mechanisms Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.	Existence of any dividend payment restriction	None
Noncumulative Convertible or non-convertible into equity shares	Fully discretionary, partially discretionary or mandatory	None
Convertible or non-convertible into equity shares If convertible, conversion trigger (s) None If convertible, fully or partially None If convertible, conversion rate None If convertible, conversion rate None If convertible, mandatory or optional conversion None If convertible, type of instrument convertible into None If convertible, issuer of instrument convertible into None If convertible, issuer of instrument to be converted into None If convertible, issuer of instrument to be converted into None If convertible, issuer of instrument to be converted into None If convertible, issuer of instrument to be converted into None If convertible, issuer of instrument to be converted into None If bonds can be written-down, write-down trigger(s) Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable), or (iii) it is probable that the Issuer will become non-viable), or (iii) it is probable that the Issuer will become non-viable), or (iii) it is probable that the Issuer will become non-viable), or (iii) it is probable that the Issuer will become non-viable), or (iii) it is probable that the Issuer will become non-viable), or (iii) it is probable that the Issuer will become non-viable), or (iii) it is probable that the Issuer will become non-viable), or (iii) it is probable that the Issuer will become non-viable), or (iii) it is probable that the Issuer will become non-viable), or (iii) it is probable that the Issuer will become non-viable), or (iii) it is	Existence of step up or other incentive to redeem	None
If convertible, conversion trigger [s] None If convertible, fully or partialty None If convertible, conversion rate If convertible, mandatory or optional conversion If convertible, mandatory or optional conversion If convertible, issuer of instrument convertible into None If convertible, issuer of instrument to be converted into Write-down feature Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: [i] its operating license is to be revoked and the Bank is liquidated or [ii] the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or [iii] it is probable that the Issuer will become non-viable; then the bonds can be written-down, permanent or temporary If bond can be written-down, permanent or temporary Continuously If temporary write-down, description of write-up mechanisms Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.	Noncumulative or cumulative	Noncumulative
If convertible, fully or partially If convertible, conversion rate If convertible, mandatory or optional conversion If convertible, mandatory or optional conversion If convertible, issuer of instrument to be converted into Write-down feature Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: [i] its operating license is to be revoked and the Bank is liquidated or [ii] the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable, or [iii] it is probable that the Issuer will become non-viable, or [iii] it is probable that the Issuer will become non-viable; then the bonds can be written-down. If bond can be written-down, permanent or temporary If bond can be written-down, description of write-up mechanism Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.	Convertible or non-convertible into equity shares	
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If convertible, mandatory or optional conversion If convertible, type of instrument convertible into If convertible, issuer of instrument to be converted into Write-down feature Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or [iii] it is probable that the Issuer will become non-viable; then the bonds can be written-down. If bond can be written-down, permanent or temporary Fostion in subordination hierarchy in case of liquidation (instrument type in mediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.	If convertible, fully or partially	None
If convertible, type of instrument convertible into Mone Write-down feature Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: [i] its operating license is to be revoked and the Bank is liquidated or [ii] the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or [iii] it is probable that the Issuer will become non-viable; then the bonds can be written-down. If bond can be written-down, full or partial If bond can be written-down, description of write-up mechanism Position in subordination hierarchy in case of liquidation (instrument type inmediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.	If convertible, conversion rate	None
If convertible, issuer of instrument to be converted into Write-down feature Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: [i] its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down. If bond can be written-down, full or partial If bond can be written-down, description of write-up mechanism Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.	If convertible, mandatory or optional conversion	None
Write-down feature Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down. If bond can be written-down, full or partial Partially or fully If bond can be written-down, description of write-up mechanisms Fosition in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.	If convertible, type of instrument convertible into	None
Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down. If bond can be written-down, full or partial Partially or fully If bond can be written-down, permanent or temporary Continuously If temporary write-down, description of write-up mechanism There are no any temporary write-up mechanisms. Position in subordination hierarchy in case of liquidation (instrument type inmediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.	If convertible, issuer of instrument to be converted into	None
may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down. If bond can be written-down, full or partial Partially or fully If bond can be written-down, permanent or temporary Continuously If temporary write-down, description of write-up mechanisms. Position in subordination hierarchy in case of liquidation (instrument type In priority of receivables, it comes after the debt instruments which are non-immediately senior to the instrument) Subordinated loans. In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.	Write-down feature	
If bond can be written-down, full or partially or fully If bond can be written-down, permanent or temporary Continuously If temporary write-down, description of write-up mechanism Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.	If bonds can be written-down, write-down trigger(s)	may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will
If bond can be written-down, permanent or temporary If temporary write-down, description of write-up mechanism Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" Continuously In priority of receivables, it comes after the debt instruments which are non-subordinated loans. The instrument is in compliance with article number 8.	If bond can be written-down, full or partial	
If temporary write-down, description of write-up mechanism Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument) In compliance with article number 7 and 8 of "Own fund regulation" There are no any temporary write-up mechanisms. In priority of receivables, it comes after the debt instruments which are non-immediately senior to the instrument) subordinated loans. The instrument is in compliance with article number 8.		
Position in subordination hierarchy in case of liquidation (instrument type In priority of receivables, it comes after the debt instruments which are non-immediately senior to the instrument) subordinated loans. In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.		There are no any temporary write-up mechanisms.
In compliance with article number 7 and 8 of "Own fund regulation" The instrument is in compliance with article number 8.	Position in subordination hierarchy in case of liquidation (instrument type	In priority of receivables, it comes after the debt instruments which are non-

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.]

In compliance with article number 7 and 8 of "Own fund regulation"

	Current Period 31 December 2023
Details on Subordinated Liabilities:	
Issuer	AKBANK T.A.
Identifier(s) (CUSIP, ISIN vb.)	XS2611752663
Governing law (s) of the instrument	Subject to British Common Law and in terms of certain articles to Turkisl Regulations. It is issued within the scope of the Debt Instruments Disclosure o
	the Capital Markets Board and the Regulation on Equities of Banks of the BRSA
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	N
Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidated
Instrument type	Subordinated Liabilities (Securities
Amount recognized in regulatory capital (Currency in mil, as of most recent reporti date)	ing 2.208 million TL (in full TL amount
Nominal value of instrument	2.208 million TL (in full TL amount
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number
Issuance date of instrument	25 July 2023
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	Maturity date: 25 July 2033
Issuer call subject to prior supervisory (BRSA) approval	Yes
	There is an early repayment option on 25.07.2028. The reimbursement amount is
Optional call date, contingent call dates and redemption amount	2.208 million TL (in full TL amount
Subsequent call dates, if applicable	
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	9,6%
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted
	from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down
If bond can be written-down, full or partial	Partially or full
If bond can be written-down, permanent or temporary	Continuousl
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms
Position in subordination hierarchy in case of liquidation (instrument type	In priority of receivables, it comes after the debt instruments which are non-
immediately senior to the instrument)	subordinated loans

c. The difference between Total Capital and Equity in the unconsolidated balance sheet mainly arises from expected credit loss provisions arising from loans classified under stage I and stage II and subordinated loans. In the calculation of Total Capital, up to 1,25% of expected credit loss from stage 1 and stage 2 over the credit risk amount and subordinated loans with nominal amounts, by reducing 20% each year if the remaining maturity is 100% less than 5 year, are taken into consideration as Tier II Capital. Additionally, the losses reflected to equity under TAS which is subject to deduction from TIER I capital are determined by excluding the losses from cash flow hedging. On the other hand, in the calculation of the



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Total Capital, improvement costs for operating leases followed under tangible assets in the balance sheet, intangible assets and related deferred tax liabilities, other items defined by the regulator are taken into consideration as amounts deducted from Total Capital.

II. EXPLANATIONS ON CREDIT RISK:

a. Credit risk is the risk that the counterparties may be unable to meet the terms of their agreements. This risk is monitored by reference to credit risk ratings and managed by limiting the aggregate risk to any individual counterparty, group of companies and industry. Credit risks are determined for each individual customer, enterprise, business group and risk groups separately. While determining credit risk, criteria such as the customers' financial strength, commercial capacities, sectors, geographic areas and capital structure are evaluated. Analyses of the financial position of the customers are based on the statements of account and other information in accordance with the related legislation. Previously determined credit limits are constantly revised according to changing conditions. The type and amount of collateral and guarantees to be obtained are specified on a customer basis during the determination of credit limits.

During loan extensions, limits determined on a customer and product basis are essentially followed up; information on risk and limits is closely monitored.

For daily treasury operations limit allocation and follow-up is performed by the Treasury Business Unit.

Credit worthiness of loan and other receivable debtors are watched regularly and in line with related regulations. In case of an increase in credit debtor's risk level credit limits are re-determined or additional guarantee is taken. For new credit accounts, account follow-up documents are taken in accordance with the related regulation.

The explanations on definition of overdue and impaired loans and information related to impairment and loan loss provisions are provided in Note X-c-4-a of Section Four.

	Current Period	Average Risk
Risk Classifications	Risk Amount (*)	Amount
Conditional and unconditional receivables from central governments and Central Banks	602.963.938	490.474.776
Conditional and unconditional receivables from regional or local governments	423.536	97.268
Conditional and unconditional receivables from administrative bodies and non-commercial		
enterprises	9.383.725	3.570.378
Conditional and unconditional receivables from multilateral development banks	-	-
Conditional and unconditional receivables from international organizations	-	-
Conditional and unconditional receivables from banks and brokerage houses	187.017.484	181.063.697
Conditional and unconditional receivables from corporate	597.098.547	580.695.183
Conditional and unconditional receivables from retail portfolios	769.017.371	542.978.702
Conditional and unconditional receivables secured by mortgages	67.882.102	55.790.366
Past due receivables	8.287.288	5.622.483
Receivables defined under high risk category by BRSA	151.710.992	95.005.728
Collateralized securities	-	-
Securitization positions	-	-
Short-term receivables from banks, brokerage houses and corporate	-	-
Investments similar to collective investment funds	5.225.598	1.815.291
Equity security investments	4.025.927	1.392.177
Other receivables	66.416.374	62.258.721
Total	2.469.452.882	2.020.764.770

(*) The figures represent total risk amounts before Credit Risk Mitigation and before credit conversion factor.

b. Risk control limits exist that are placed against credit and market risk from of forward transaction and option agreements and other similar agreements. Control limits exist on forward and option agreements and other similar agreements. The undertaken credit risk of these types of instruments is managed together with market risk.

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- **c.** The risks of the forward, option and other similar type agreements are followed regulary and as deemed necessary based on the credit risk, the risks are tried to be minimized.
- **d.** Non-cash loans turned into cash loans are included in the same risk group as overdue cash loans which are not collected upon maturity. Credit risk management is applied for all positions involving counterparty risk.

Rescheduled or restructured loans are followed according to Group's credit risk management and follow-up principles. Relevant customer's financial status and commercial operations are constantly analyzed and payment schedule is closely monitored by related business segment. Monitoring continues until the receivables from the loans are completely collected.

The Group considers that long-term commitments are more exposed to credit risk than short-term commitments, and points such as defining risk limits for long-term risks and obtaining collateral are treated in a wider extent than short-term risks.

e. The Group's banking activities in foreign countries and credit transactions do not constitute an important risk in terms of the related countries' economic conditions and activities of customers and companies.

When considered within the financial activities of other financial institutions, the Group as an active participant in the national and international banking market is not exposed to a significant credit risk concentration.

As seen in the Group's balance sheet, the ratio of loans under follow-up to total loans is as low as 2,2% (31 December 2022: 2,8%).

- **f.** 1. The proportion of the Group's top 100 and 200 cash loan balances in total cash loans is 32% and 40% respectively (31 December 2022: 35% and 43%).
- 2. The proportion of the Group's top 100 and 200 customers' non-cash loan balances in total non-cash loans is 44% and 55% (31 December 2022: 52% and 64%).
- 3. The proportion of the Group's top 100 and 200 customers' cash and non-cash loan balances in total balance sheet assets and non-cash loans is 16% and 20% respectively. (31 December 2022: 19% and 24%).
- g. The Bank provided exceeded credit loss provision (Stage 1 and Stage 2) amounting to TL 19.678.986 (31 December 2022:

h. Information on loan types and expected credit loss provisions:

	Com	nmercial Loans	Consume	r Loans	Credit C	ards		Financial Leas	e	Total
Current Period-		Excpected		Excpected		Excpected		Excpected		Excpected
31.12.2023	Balance	Credit Loss	Balance	Credit Loss	Balance	Credit Loss	Balance	Credit Loss	Balance	Credit Loss
Loans	598.811.985	18.395.526	178.320.096	5.236.080	184.949.152	8.837.093	19.702.224	312.789	981.783.457	32.781.488
Stage 1	540.464.147	2.120.281	164.734.435	1.861.377	174.830.420	5.469.579	18.781.571	62.143	898.810.573	9.513.380
Stage 2	42.661.604	7.048.021	10.326.001	1.019.873	8.345.899	2.091.324	290.095	6.388	61.623.599	10.165.606
Stage 3	15.686.234	9.227.224	3.259.660	2.354.830	1.772.833	1.276.190	630.558	244.258	21.349.285	13.102.502
Financial Assets	508.190.908	672.938	-	-	-	-	-	-	508.190.908	672.938
Other	39.139.173	119.358	-	-	-	-	-	-	39.139.173	119.358
Non-Cash Loans	238.552.405	645.396	-	-	-	-	-	-	238.552.405	645.396
Stage 1 and 2	232.449.857	198.080	-	-	-	-	-	-	232.449.857	198.080
Stage 3	6.102.548	447.316	-	-	-	-	-	-	6.102.548	447.316
Total	1.384.694.471	19.833.218	178.320.096	5.236.080	184.949.152	8.837.093	19.702.224	312.789	1.767.665.943	34.219.180



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i. Information on the expected credit loss of loans (***):

	Stage 1	Stage 2	Stage 3
Opening (31 December 2022)	3.710.309	6.694.750	11.785.309
Additions (*)	4.171.577	639.620	3.118.911
Disposals (**)	(787.004)	(481.783)	(1.093.561)
Effect of change in foreign exchange	306.778	2.646.590	
Stage 1 and 2 movement			
Loans classified under Stage 1 in two periods (Model effect)	895.506	-	-
Loans classified under Stage 1 in two periods (Change in balance effect)	1.260.051	-	-
Transfers from Stage 1 to Stage 2 (Stating and balance change effect)	(157.440)	1.802.938	-
Loans classified under Stage 2 in two periods (Model effect)	-	(42.568)	-
Loans classified under Stage 2 in two periods (Change in balance effect)	-	(386.228)	-
Transfers from Stage 2 to Stage 1 (Stating and balance change effect)	137.493	(571.137)	
Stage 3 movement			
Transfers from Stage 1 to Stage 3	(23.890)	-	1.624.265
Transfers from Stage 2 to Stage 3	-	(137.456)	432.416
Transfers from Stage 3 to Stage 2	-	880	(47.628)
Transfers from Stage 3 to Stage 1	-	-	(2)
Loans classified under Stage 2 in two periods (Change in balance and model	_	_	(1.065.595)
effect)			(1.000.070)
Write-offs	-	-	(605.543)
Sold Portfolio effect	-	-	(1.046.070)
Closing (31 December 2023)	9.513.380	10.165.606	13.102.502

^(*) Loans which are not included in the loan portfolio as of 31 December 2022 and included in the loan portfolio and calculated provisions of 31 December 2023.

j. Information on movement of loans:

	Stage 1	Stage 2	Stage 3	Total
Opening (31 December 2022)	569.582.472	40.868.784	17.583.450	628.034.706
Additions	566.999.241	18.156.473	6.138.088	591.293.802
Disposals	(325.001.545)	(11.758.614)	(3.595.222)	(340.355.381)
Sold portfolio	-	-	(1.046.070)	(1.046.070)
Write-offs	-	-	(605.543)	(605.543)
Transfers to Stage 1	2.430.794	(2.430.794)	-	-
Transfers to Stage 2	(3.232.629)	3.247.079	(14.450)	-
Transfers to Stage 3	(2.138.152)	(750.880)	2.889.032	-
Foreign exchange effect	90.170.392	14.291.551	=	104.461.943
Closing (31 December 2023)	898.810.573	61.623.599	21.349.285	981.783.457

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k. Information on debt securities, treasury bills and other eligible bills:

Current Period - 31 December 2023	Financial Assets at Fair Value Through P&L	Financial Assets at Fair Value Through Other Comprehensive Income	Financial Assets Measured at Amortised Cost	Total
Moody's Rating		Comprehensive meanic	Amortisca cost	10141
Aaa	-	819.730	=	819.730
Aa1, Aa2, Aa3	_	1.415.312	_	1.415.312
A1, A2, A3	-	1.777.267	-	1.777.267
Baa1, Baa2, Baa3	-	1.960.579	-	1.960.579
Ba1	-	-	-	-
Ba2	-	-	-	-
Ba3	-	-	-	-
B1, B2, B3	7.943.668	276.251.094	164.926.760	449.121.522
C and lower than C	6.037	-	-	6.037
NR Total	7.949.705	282.223.982	164.926.760	455.100.447

Current Period - 31 December 2022	Financial Assets at Fair Value Through P&L	Financial Assets at Fair Value Through Other Comprehensive Income	Financial Assets Measured at Amortised Cost	Total
Moody's Rating				
Aaa	8.216	10.866.459	-	10.874.675
Aa1, Aa2, Aa3	-	443.456	-	443.456
A1, A2, A3	-	690.854	-	690.854
Baa1, Baa2, Baa3	-	1.551.160	-	1.551.160
Ba1	-	-	-	-
Ba2		-	-	-
Ba3	-	_	-	-
B1, B2, B3	1.714.561	156.644.199	98.154.676	256.513.436
C and lower than C	2.217	_	-	2.217
NR	-	129.843	-	129.843
Total	1.724.994	170.325.971	98.154.676	270.205.641

^(**) Loans which are included in the loan portfolio and calculated provisions as of 31 December 2022 but which are not included in the loan portfolio as of 31 December 2023.

^(***) In the calculations the transitions between the records in both periods have been considered by making additions and disposals.

1.179.102.588

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31 December 2023	-	2	3 4	2	9	7	8	6	10	11	12 13	3 1	4 15	ľ	91	17	Total
Domestic	587.294.669 423.508	423.508	9.053.806		53.406.922	506.333.519	274.119.182	63.316.352	8.287.219	149.772.835			- 5.225.598		51.800 6	66.416.374	1.723.701.784
European Union																	
Countries	15.668.169	1	1	1	71.354.183	10.989.978	40.954	14.602	19	11.229	1	1	,	,	,	,	98.079.134
OECD Countries(***)	•	1	1	1	9.206.474	516.441	2.511	1.507	2	453	1	1	,	,	,	,	9.727.388
Off- Shore Regions	•	1	1	,	2.180.434	7	21	•	,	245	1	1	,	,	,	,	2.180.707
USA, Canada	•	,	1	1	18.271.542	795.651	8.562	96.09	18	1.067	1	ı	,	,	,	,	19.082.930
Other Countries	,	1	1	1	6.279.402	1.342.909	26.014	9.921	29	5.746	1	ı	,	,	,	,	7.664.021
Investment and																	
associates, subsidiaries and																	
joint ventures	•	1	•	1	•		•	•	•	1	•	1		- 3.97	3.974.127	•	3.974.127
Undistributed Assets /																	
Liabilities[****]	•	1	1	•			•			1	1	1		1		1	•
Total	602.962.838 423.508 9.053.806	423.508	9.053.806		160.698.957	519.978.505	519.978.505 274.197.244 63.348.472 8.287.287 149.791.575	63.348.472	8.287.287	149.791.575	١.		- 5.225.5	98 4.025	3.927 66	5.416.374	5.225.598 4.025.927 66.416.374 1.864.410.091

574.497 1.176.544 3.287 195 -177 741 386.615.908 139.443.221 39.733.955 assement of Capital Adequacy Ratios of Banks." 117.085.599 65.630.110 7.345.166 248 12.329.416 1.264.313 749.862 365.573.457

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m. Risk Profile according to sectors and counterparties:

31 December 2023	-	2	က	4 5	•	7	80	6	1	=	3 -	4 15	16	11			
Agricultural			3.790			1.107.881	838.091	547.686	5.191	154.198					2.371.917	284.920	2.656.837
Farming and raising livestock			3.790			2.708	449.707	374,993	2.576	59.378					893.137	15	893.152
Forestry		٠	٠	•		1.105.160	381.788	168.870	249	93.630			٠		1.464.792	284.905	1.749.697
Fishing	٠			1	•	13	96:29	3.823	2.366	1.190			٠		13.988		13.988
Manufacturing	٠		8.003.834	•		188.931.864	20.889.394	12.628.528	835.085	12.203.253				•	156.913.953	86.578.005	243.491.958
Mining		٠	213	1		25.717.837	3.151.872	2.353.324	99.824	1.107.654			٠	1	17.056.885	15.340.869	32.397.754
Production	٠	٠	8.003.621	•	٠	119.420.771	17.411.277	10.165.590	408.451	10.945.405			٠	•	126.114.805	40.240.310	166.355.115
Electricity, Gas, Water Construction			- 629			43.793.256	326.245 7.172.727	109.614	359.780	150.194					13.742.263	30.996.826 61.020.546	44.739.089 97.803.043
Services	252.269.230	423.508	806.138	1	160.367.087	223.578.826	71.224.401	26.237.282	1.875.356	32.527.991	•	- 4.350.893	27.188	8.798	433.625.064	340.071.634	773.696.698
Wholesale and Retail Trade			400.962			97.525.601	45.979.203	16.165.571	319.919	17.946.853					161.044.598	17.293.511	178.338.109
Hotel, Food, Beverage Services			1.149			14.692.138	4.319.081	3.621.760	622.945	1.095.777					11.220.739	13.132.111	24.352.850
Transportation and Telecommunication			84.459			11.025.535	7.500.701	1.495.290	23.054	4.492.917					20.315.894	4.306.062	24.621.956
Financial Institutions Real Estate and Lending	252.268.139		61		160.367.087	82.194.881	332.886	809.846	741.562	3.241.221		- 4.350.893	17.043	8.798	202.439.530	301.892.887	504.332.417
Services	09		10.695			1.339.141	1.037.258	353.642	9.778	173.718					2.865.126	59.166	2.924.292
Self employment Service Education Service Health and social	1.031	423.508	48.144 170.368			12.213.596 367.735	8.817.316 709.400	2.551.861	152.891	4.487.500			10.145		27.258.460 1.392.283	1.446.501	28.704.961 1.530.555
Services		٠	90.300	1	1	4.220.199	2.528.556	1.056.276	3.445	992.782		1	٠	1	7.088.434	1.803.124	8.891.558
Other	350.693.608	٠	239.385		331.870	28.477.861	174.072.631	19.192.231	1.258.732	101.214.217		- 874.705	3.998.739	66.407.576	646.632.633	100.128.922	746.761.555
Total	060 670 607	003 667	0 052 904		140 409 057	E10 070 EDE	776 401 746	647 876 67	0 207 207	149 791 575		- 5.225.59R	7 0 2 5 0 2 7	746 717 77	1 274 324 044	599 097 027	1 864 410 001

ınder high risk category by BRSA 9. 10. 11. 14. 15. 17. - 2.6.4.3.2.8

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n. Term distribution of risks with term structure (*):

			Time to	Maturity		
31 December 2023 Risk Categories	1 month	1-3 months	3-6 months	6-12 months	Over 1 year	Unallocated
Conditional and unconditional receivables from						
central governments and Central Banks	18.881.562	225.445.823	16.966.048	10.119.560	331.549.845	_
Conditional and unconditional receivables from	05.000		0.010	10.000	00/10/	
regional or local governments	25.382	-	3.019	10.983	384.124	_
Conditional and unconditional receivables from administrative bodies and non-commercial						
enterprises	203.943	2.816.429	5.425.664	402.696	205.074	
Conditional and unconditional receivables from	203.743	2.010.427	3.423.004	402.070	203.074	_
multilateral development banks	_	_	_	_	_	_
Conditional and unconditional receivables from						
international organizations	_	_	_	_	_	=
Conditional and unconditional receivables from						
banks and brokerage houses	54.346.744	26.351.413	23.643.044	28.328.831	28.028.925	=
Conditional and unconditional receivables from						
corporates	70.919.893	71.903.426	50.275.216	97.618.332	229.261.638	-
Conditional and unconditional receivables from						
retail portfolios	5.237.957	8.660.648	19.475.448	47.811.345	193.011.846	=
Conditional and unconditional receivables						
secured by mortgages	1.897.968	4.162.461	3.717.705	15.917.777	37.652.561	-
Past due receivables	=	=	=	=	=	8.287.287
Receivables defined under high risk category						
by BRSA	5.034.228	9.939.425	8.098.635	45.940.060	80.779.227	-
Collateralized securities	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	=
Short-term receivables from banks, brokerage						
houses and corporates	-	-	-	-	-	-
Investments similar to collective investment funds	5.225.598					
Equity security investments	3.223.398	4.025.927	-	-	-	-
Other Receivables	=	4.023.727	-	=	-	66.416.374
Total	161.773.275	353.305.552	127.604.779	246.149.584	900.873.240	74.703.661
IVIAL	101.773.273	333.303.332	127.004.777	240.147.304	/00.0/3.240	/4./03.001

(*)It represents the risk amounts before credit risk mitigation and after conversion to credit.

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o. Explanations regarding risk categories mentioned in 6th clause of Capital Adequacy Measurement and Evaluation Communiqué:

Ratings given by Fitch Ratings are used in determining risk weight class of the counterparties. Countries' credit note is considered all risk class of receivables from central governments and Central Banks. The ratings of Fitch Ratings are used for Banks and Corporate Receivables asset class and are limited to receivables that have counterparties abroad. If the risk weight class solely consists of receivables from central governments and central banks, the credit ratings of the countries are taken into account. The ratings given by JCR-ER are used for TL receivables whose counterparty is corporate asset class. "Credit Quality Degrees" corresponding to the grades of Fitch Ratings and JCR-ER are given in the table below.

Credit Quality Degrees	Fitch	JCR-ER
1	AAA and AA-	AAA and AA-
2	A+ and A-	A+ and A-
3	BBB+ and BBB-	
4	BB+ and BB-	BBB+ and BB-
5	B+ and B-	DD 1-1
6	CCC+ and below	BB- below

p. Risk amounts according to risk weights (*):

31 December 2023	0%	10%	20%	25%	35%	50%	75%	100%	150%	250%	Other Risk Weights	Deducted from Equity
Risk Weights Amount Before												
Credit Risk												
Mitigation	596.352.052	-	132.437.030	-	-	149.672.234	282.277.795	479.058.568	109.764.183	-	41.271.905	-
Amount After Credit Risk												
Mitigation	599.607.622	-	114.640.763	-	28.682.613	152.601.682	241.456.890	425.105.829	109.458.624	-	41.271.905	-

^(*) Excludes counterparty credit risk and securitization positions

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q. Miscellaneous information regarding important sectors or counterparty type:

	Loans (*)	Pro	visions (*)
	Impaired	d Receivables	
	Significant	Credit-Impaired Losses	
31 December 2023	Increase in Credit	(Stage III / Specific	Expected Credit
Sectors / Counterparties	Risk (Stage II)	Provision)	Loss Provisions
Agricultural	22.932	18.614	18.185
Farming and raising livestock	17.855	10.034	10.621
Forestry	4.681	2.903	4.146
Fishing	396	5.677	3.418
Manufacturing	8.599.911	3.050.436	4.535.975
Mining	1.321	5.241	5.137
Production	2.561.822	1.768.636	1.956.929
Electricity, Gas, Water	6.036.768	1.276.559	2.573.909
Construction	21.142.233	8.964.977	6.967.655
Services	5.092.754	4.498.727	3.692.528
Wholesale and Retail Trade	1.227.892	1.694.418	1.548.680
Hotel, Food, Beverage Services	3.279.195	891.890	1.078.604
Transportation and			
Telecommunication	247.595	86.735	74.769
Financial Institutions	17.090	1.406.561	668.104
Real Estate and Lending Service	133.148	46.244	49.522
Self Employment Service	92.435	298.655	185.445
Education Service	18.545	9.136	12.002
Health and social services	76.854	65.088	75.402
Other	26.765.769	4.816.531	8.053.765
Total	61.623.599	21.349.285	23.268.108

^(*) Breakdown of cash loans

r. Information related to impairment and loan loss provisions:

31 December 2023	Openning balance	Provisions reserved during the period	Provision reversals	Other adjustments (*)	Closing balance
Stage 3 Provisions	11.785.309	5.175.592	(2.206.786)	(1.651.613)	13.102.502
Stage 1 and 2 Provisions	10.405.060	11.861.432	(2.587.506)	-	19.678.986

^(*) Presents the Write-Offs and Sales from Loans under Follow-up portfolio.

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s. Risk involved in counter-cyclical capital buffer calculation:

31 December 2023

	Private sector credit	Risk Weighted Equivalent	
Country of ultimate risk	exposures in banking book	trading book	Total
Turkey	849.105.370	8.890.306	857.995.676
Germany	4.783.533	14	4.783.547
Ireland	1.771.862	9.410	1.781.272
USA	799.472	2.685	802.157
France	630.903	-	630.903
Other	5.603.379	5.774	5.609.153

III. EXPLANATIONS ON CURRENCY RISK:

The difference between the Group's foreign currency denominated and foreign currency indexed assets and liabilities is defined as the "Net Foreign Currency Position" and is the basis of currency risk. Foreign currency denominated assets and liabilities, together with purchase and sale commitments, give rise to foreign exchange exposure. The Bank keeps the foreign exchange exposure amount within the limits set by the ERC. The ERC, taking into account the economic conditions and market developments, sets a limit for the size of a foreign exchange exposure. Those limits are individually determined and followed for both the net overall foreign currency position and for the foreign exchange exposure. Derivative financial instruments like forward foreign exchange contracts and currency swaps are used as tools for foreign exchange exposure management.

The Parent Bank's foreign exchange bid rates as of the date of the financial statements and for the last five days prior to that date are presented below:

	USD	EUR0
Balance Sheet Evaluation Rate	TL 29,4382	TL 32,5739
1.Day bid rate	TL 29,4382	TL 32,5739
2.Day bid rate	TL 29,3973	TL 32,6937
3.Day bid rate	TL 29,3374	TL 32,4186
4.Day bid rate	TL 29,2647	TL 32,2421
5.Day bid rate	TL 29,2108	TL 32,1766

The simple arithmetic average of the Parent Bank's foreign exchange bid rates for the last thirty days preceding the balance sheet date for major foreign currencies are presented in the table below:

USD : TL 29,0552 EURO : TL 31,7410

As of 31 December 2022;

	USD	EURO
Balance Sheet Evaluation Rate	TL 18,6983	TL 19,9349

Information related to Group's Currency Risk:

The table below summarizes the Group's foreign currency net balance sheet position and net off-balance account position, categorized by currency. Foreign currency indexed assets are classified as Turkish Lira assets according to the Uniform Chart of Accounts. In currency risk calculation, foreign currency indexed assets are considered as foreign currency items. In accordance with the "Communiqué on Calculation of Foreign Currency Net Position/Capital Standard Ratio by banks in stand-alone and consolidated basis"; prepaid expenses in assets and shareholders' equity in liabilities are excluded in the currency risk calculation. Therefore, there are differences between the amounts of foreign currency denominated assets and liabilities demonstrated on the table below and the amounts on the balance sheet.

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Current Period - 31 December 2023	EURO	USD	Other FC	Total
Assets				
Cash Equivalents and Central Bank (*)	46.939.112	103.001.322	18.536.325	168.476.759
Banks (******)	21.138.159	30.020.723	6.061.650	57.220.532
Financial Assets at Fair Value through Profit or Loss	114.579	1.938.656	-	2.053.235
Interbank Money Market Placements	-	-	-	
Financial Assets measured at other comprehensive income	12.092.060	110.243.967	3.409.857	125.745.884
Loans (**)	174.409.477	137.193.133	68.463	311.671.073
Investments in Associates, Subsidiaries and Joint Ventures	-	2.990.538	-	2.990.538
Financial assets measured at amortised cost	-	17.894.029	-	17.894.029
Hedging Derivative Financial Assets	618.955	3.783.457	2.024.665	6.427.077
Tangible Assets (Net)	97.562	67.943	-	165.505
Intangible Assets (Net)	33.686	-	-	33.686
Other Assets (***)	[73.659]	12.036.629	14.556	11.977.526
Total Assets	255.369.931	419.170.397	30.115.516	704.655.844
Liabilities				
Bank Deposits (****)	7.416.294	28.434.441	909.037	36.759.772
Foreign Currency Deposits (****)	169.940.335	242.550.714	77.319.922	489.810.971
Funds from Interbank Money Market	2.927.694	87.303.405	-	90.231.099
Borrowings	29.004.474	77.947.470	-	106.951.944
Marketable Securities Issued (Net) (*****)	329.451	55.498.582	6.482.288	62.310.321
Miscellaneous Payables	3.122.585	32.178.977	32.837	35.334.399
Hedging Derivative Financial Liabilities	-	-	-	=
Other Liabilities	4.762.684	4.711.860	132.229	9.606.773
Total Liabilities	217.503.517	528.625.449	84.876.313	831.005.279
Net on Balance Sheet Position	37.866.414	(109.455.052)	(54.760.797)	(126.349.435)
Net off-Balance Sheet Position (******)	(32.367.144)	124.948.510	56.367.447	148.948.813
Financial Derivative Assets	56.058.251	314.934.777	75.867.499	446.860.527
Financial Derivative Liabilities	88.425.395	189.986.267	19.500.052	297.911.714
Non-cash Loans	47.261.251	48.905.422	3.802.908	99.969.581
Prior Period - 31 December 2022				
Total Assets	188.848.588	266.840.694	11.755.551	467.444.833
Total Liabilities	134.614.945	343.363.625	47.956.621	525.935.191
Net on-Balance Sheet Position	54.233.643	(76.522.931)	(36.201.070)	(58.490.358)
Net off-Balance Sheet Position (******)	(51.689.736)	78.698.708	36.456.212	63.465.184
Financial Derivative Assets	42.268.133	234.467.034	49.002.130	325.737.297
Financial Derivative Liabilities	93.957.869	155.768.326	12.545.918	262.272.113
Non-cash Loans	33.777.155	36.006.112	3.460.651	73.243.918

(*) Of the Cash Equivalents and Central Bank and Other FC, TL 16.767.560 [31 December 2022: TL 4.174.588] are precious metal deposit account in demand. [**] The foreign currency indexed loans balance in the Turkish Lira accounts is TL 132.016 [31 December 2022: TL 307.517].

^[***] Derivative financial assets and expected credit losses are classified under other assets. The expected loss amount of foreign currency indexed loans balance is TL 709 (31 December 2022: TL 2.716). Prepaid assets amounted TL 208.680 (31 December 2022: TL 130.140) is excluded in the financial statements.

^(****) Of the foreign currency deposits TL 60.554.792 (31 December 2022: TL 35.783.135) and Bank Deposits Other FC of the TL 59.949 (31 December 2022: TL 58.579) are precious metal deposit account in demand.

^[*****] Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

^[******] Presents the net balance of receivables and payables from derivative transactions. Foreign Exchange spot dealings shown under "Asset purchase commitments" in the financial statements are included in the net off-balance sheet position. Currency option nominal transaction included in the Financial Derivatives Assets/Liabilities item are taken into account by multiplying them with delta values.

^(******) Derivative collaterals given to foreign banks are included

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IV. EXPLANATIONS ON INTEREST RATE RISK:

"Interest Rate Risk" can be defined as the impact of interest rate changes on interest-sensitive asset and liability items of both on and off-balance sheets of the Group. The ERC sets limits for the interest rate sensitivity of on and off-balance sheet items and the sensitivity is closely monitored and reported weekly. In the case of high market fluctuations, daily transaction based reporting and analyses are made.

The Group manages the interest rate risk on a portfolio basis and tries to minimize the risk effect on the profitability, financial exposure and cash flows by applying different strategies. Basic methods such as using fixed or floating interest rates for different portfolios and maturities, setting the fixed margin in floating rates, or varying the rates for the short or long-term positions are applied actively.

a. Interest rate sensitivity of assets, liabilities and off-balance sheet items (based on repricing dates)

Up to 1 Month	1 - 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non- Interest Bearing	Total
116.751.600	-	-	-	-	180.648.099	297.399.699
18.418.758	4.482.331	1	-	-	35.182.040	58.083.130
84.594	219.246	125.192	360.416	114.188	15.350.480	16.254.116
1.414.537	1.013	-	-	-	-	1.415.550
36.846.588	47.346.926	37.287.203	136.036.977	24.706.288	1.541.486	283.765.468
377.703.360	164.531.749	280.744.824	106.654.975	30.731.330	21.417.219	981.783.457
70.069.526	6.542.159	50.876.894	29.251.430	8.186.751	-	164.926.760
12.856.657	40.988.422	17.683.560	5.238.501	60.048	24.314.120	101.141.308
634.145.620	264.111.846	386.717.674	277.542.299	63.798.605	278.453.444	1.904.769.488
17.864.184	6.812.570	11.464.799	-	-	1.136.478	37.278.031
488.127.809	286.996.086	84.126.131	10.018.246	1.863.807	384.504.354	1.255.636.433
54.689.088	31.376.919	13.337.659	-	-	-	99.403.666
				-	36.597.130	68.006.834
					-	66.661.730
					-	112.025.057
						265.757.737
593.544.090	386.572.409	185.096.423	50.323.118	26.775.960	662.457.488	1.904.769.488
40.601.530	-	201.621.251	227.219.181	37.022.645	-	506.464.607
-		-	-	-	(384.004.044)	(506.464.607)
9.956.709	56.716.505	-	353.710	-	-	67.026.924
-	-	, , , , , , , , , , , , , , , , , , , ,	-	-	-	(31.885.053)
50.558.239	(65.744.058)	169.736.198	227.572.891	37.022.645	(384.004.044)	35.141.871
	18.418.758 84.594 1.414.537 36.846.588 377.703.360 70.069.526 12.856.657 634.145.620 17.864.184 488.127.809 54.689.088 6.985.268 878.023 19.872.027 5.127.691 593.544.090 40.601.530	Up to 1 Months Months 116.751.600 - 18.418.758 4.482.331 84.594 219.246 1.414.537 1.013 36.846.588 47.346.926 377.703.360 164.531.749 70.069.526 6.542.159 12.856.657 40.988.422 634.145.620 264.111.846 17.864.184 6.812.570 488.127.809 286.996.086 54.689.088 31.376.919 6.985.268 14.338.612 878.023 2.083.601 19.872.027 36.711.209 5.127.691 8.253.412 593.544.090 386.572.409 40.601.530 - (122.460.563) 9.956.709 56.716.505 -	Up to 1 Months Months Months 116.751.600 - - 18.418.758 4.482.331 1 84.594 219.246 125.192 1.414.537 1.013 - 36.846.588 47.346.926 37.287.203 377.703.360 164.531.749 280.744.824 70.069.526 6.542.159 50.876.894 12.856.657 40.988.422 17.683.560 634.145.620 264.111.846 386.717.674 17.864.184 6.812.570 11.464.799 488.127.809 286.996.086 84.126.131 54.689.088 31.376.919 13.337.659 6.985.268 14.338.612 9.366.521 878.023 2.083.601 11.143.945 19.872.027 36.711.209 46.945.935 5.127.691 8.253.412 8.711.433 593.544.090 386.572.409 185.096.423 40.601.530 - 201.621.251 - (122.460.563) - 9.956.709 56.716.505	Up to 1 Month Months Months Years 116.751.600 - - - 18.418.758 4.482.331 1 - 84.594 219.246 125.192 360.416 1.414.537 1.013 - - 36.846.588 47.346.926 37.287.203 136.036.977 377.703.360 164.531.749 280.744.824 106.654.975 70.069.526 6.542.159 50.876.894 29.251.430 12.856.657 40.988.422 17.683.560 5.238.501 488.127.809 286.996.086 84.126.131 10.018.246 54.689.088 31.376.919 13.337.659 - 6.985.268 14.338.612 9.366.521 719.303 878.023 2.083.601 11.143.945 28.881.166 19.872.027 36.711.209 46.945.935 8.287.107 5.127.691 8.253.412 8.711.433 2.417.296 593.544.090 386.572.409 185.096.423 50.323.118 40.601.530 -	Up to 1 Months Months Months Years and Over 116.751.600 - - - - - 18.418.758 4.482.331 1 - - - 84.594 219.246 125.192 360.416 114.188 1.414.537 1.013 - - - 36.846.588 47.346.926 37.287.203 136.036.977 24.706.288 377.703.360 164.531.749 280.744.824 106.654.975 30.731.330 70.069.526 6.542.159 50.876.894 29.251.430 8.186.751 12.856.657 40.988.422 17.683.560 5.238.501 60.048 634.145.620 264.111.846 386.717.674 277.542.299 63.798.605 17.864.184 6.812.570 11.464.799 - - - 488.127.809 286.996.086 84.126.131 10.018.246 1.863.807 54.689.088 31.376.919 13.337.659 - - - 878.023 2.083.601 <td> Nonth Nont Nonth Nonth Nonth Nonth Nonth Nonth Nonth Nonth</td>	Nonth Nont Nonth Nonth Nonth Nonth Nonth Nonth Nonth Nonth

^(*) Included lease receivables. Non-performing loans are shown in the" non-interest bearing " column. Interest rediscount started to be calculated for non-performing loans as of 1 January 2018, said amount was indicated on "without interest" column since there is no other suitable column in the above table.

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Prior Period – 31 December 2022	Up to 1 Month	1 – 3 Months		1 – 5 Years	5 Years and Over		Total
Assets							
Cash Equivalents and Central Bank Banks (*****)	22.974.986 9.556.309	- 3.591.941	-	-	-	104.557.805 25.232.372	127.532.791 38.380.622
Financial Assets at Fair Value Through Profit or Loss	28.641	173.196	336.083	119.991	164.095	9.737.119	10.559.125
Interbank Money Market Placements	985.674	476.702	-	-	-	-	1.462.376
Financial Assets at measured Fair Value Other Comprehensive Income	16.585.316	17.889.311	38.938.246	71.594.574	25.318.524	1.501.802	171.827.773
Loans (*)	185.479.287	117.925.592	187.608.877	101.862.336	17.551.548	17.607.066	628.034.706
Financial Assets measured at amortised cost	40.382.262	1.103.650	38.665.799	14.935.049	3.067.916	-	98.154.676
Other Assets (**)	9.073.917	31.721.896	10.896.498	2.602.473	38.651	17.008.676	71.342.111
Total Assets	285.066.392	172.882.288	276.445.503	191.114.423	46.140.734	175.644.840	1.147.294.180
Liabilities							
Bank Deposits	5.321.984	7.095.018	2.369.133	-	-	1.476.192	16.262.327
Other Deposits	271.150.262	140.759.595	34.674.898	15.920.599	1.160.630	241.633.617	705.299.601
Funds from Interbank Money Market	46.381.820	11.776.257	3.874.851	491.525	-	-	62.524.453
Miscellaneous Payables	4.978.572	11.550.362	7.748.181	342.177	-	24.458.319	49.077.611
Marketable Securities Issued (Net) (***)	256.139	2.173.604	2.880.644	20.413.088	16.895.052	-	42.618.527
Borrowings	9.748.864	38.247.433	22.941.161	4.125.496	-	-	75.062.954
Other Liabilities (****)	4.166.531	6.797.111	5.924.605	889.583	1.055.481	177.615.396	196.448.707
Total Liabilities	342.004.172	218.399.380	80.413.473	42.182.468	19.111.163	445.183.524	1.147.294.180
Balance Sheet Long Position	-	-	196.032.030	148.931.955	27.029.571	-	371.993.556
Balance Sheet Short Position	(56.937.780)	(45.517.092)	-	-	-	(269.538.684)	(371.993.556)
Off-balance Sheet Long Position	8.629.361	40.798.857	-	-	-	-	49.428.218
Off-balance Sheet Short Position	-	-	(23.592.577)	(1.081.620)	-	-	(24.674.197)
Total Position	(48.308.419)	(4.718.235)	172.439.453	147.850.335	27.029.571	(269.538.684)	24,754,021

^(*) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

b. Average interest rates for monetary financial instruments (%):

Average interest rates in the above tables are the weighted average rates of the related balance sheet items.

Current Period - 31 December 2023	EUR0	USD	Yen	TL
Assets				
Cash Equivalents and Central Bank	-	-	-	-
Banks	3,92	5,94	-	42,33
Financial Assets at Fair Value Through Profit or Loss	4,95	8,15	-	45,52
Interbank Money Market Placements	-	-	-	43,00
Financial Assets at Fair Value Other Comprehensive Income	2,89	6,12	3,09	33,98
Loans	7,19	9,03	-	38,31
Financial Assets measured at amortised cost	-	6,13	-	43,82
Liabilities				
Bank Deposits (**)	5,32	7,49	-	35,38
Other Deposits (**)	0,97	1,67	0,84	32,19
Funds from Interbank Money Market	3,50	6,69	-	37,99
Miscellaneous Payables	-	3,65	-	-
Marketable Securities Issued (Net) (*)	4,00	6,87	-	38,75
Borrowings	7,57	8,02	-	39,09

^(*) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

^[**] Derivative financial assets and expected credit losses are classified under other assets.

^(***) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

^(****) Shareholders' equity is presented under "Other liabilities" item at "Non-interest bearing" column.

^(*****) Derivative collaterals given to foreign banks are included.

^[**] Shareholders' equity is presented under "Other liabilities" item at "Non-interest bearing" column.

^[***] Included lease receivables.Non-performing loans are shown in the" non-interest bearing " column. Interest rediscount started to be calculated for non-performing loans as of 1 January 2018, said amount was indicated on "without interest" column since there is no other suitable column in the above table.

[****] Derivative financial assets and expected credit losses are classified under other assets.

^(*****) Derivative collaterals given to foreign banks are included.

^(**) Demand deposit balances are included in average interest rate calculation.



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Prior Period - 31 December 2022	EURO	USD	Yen	TL
Assets				
Cash Equivalents and Central Bank	-	-	-	-
Banks	1,87	1,86	-	21,24
Financial Assets at Fair Value Through Profit or Loss	4,89	7,36	-	14,07
Interbank Money Market Placements	-	-	-	14,87
Financial Assets at Fair Value Other Comprehensive Income	2,86	5,75	3,09	29,35
Loans	5,85	8,82	-	20,50
Financial Assets measured at amortised cost	-	6,22	-	76,44
Liabilities				
Bank Deposits (**)	2,77	4,81	-	15,93
Other Deposits (**)	0,39	1,93	0,01	15,79
Funds from Interbank Money Market	1,51	5,06	-	10,80
Miscellaneous Payables	-	3,65	-	-
Marketable Securities Issued (Net) (*)	4,00	6,43	-	15,53
Borrowings	4,18	6,66	-	24,27

^(*) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

V. EXPLANATIONS ON POSITION RISK OF EQUITY SECURITIES:

The Bank doesn't have any subsidiaries and affiliates that are traded on the "BIST".

VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO:

The liquidity risk of the Bank is the risk of being unable to fulfill its payment obligations on time due to not having enough cash sources or cash inflows to finance its cash outflows fully and on time due to cash flow instabilities. Liquidity risk arises from situations in which the Bank is unable to meet the cash outflows with its cash sources and borrowing opportunities over collateralizing marketable securities, in case of sudden fund withdrawals by the individual/institutional funders of the Bank.

a) Information on risk capacity of the Bank, responsibilities and structure of liquidity risk management, the Bank's internal liquidity risk reporting, communication between the Board of Directors and business lines on liquidity risk strategy, policy and application:

The Bank's liquidity and funding policy is to own sufficient liquidity reserve and funding opportunities to meet Bank's liabilities even in cases of stress, resulting from the market conditions or other conditions specific to the Bank.

The Bank has capacity to meet a high risk with broad and stable deposit, strong base capital structure and diversified foreign borrowing sources and is capable of providing additional liquidity with high quality liquid securities in its portfolio and available limits at both the Central Bank of Turkey and other Money markets.

Management of liquidity risk is shared by the ERC, ALCO, Treasury Department and Risk Management Department. The ERC determines the liquidity management policies and the appropriate liquidity risk level in line with the Bank's risk appetite and monitors whether the liquidity risk is managed under the framework of determined policies and within the defined limits.

The different categories of defined limits are;

- Limits related to wholesale funding sources,
- Limits related to liquid asset buffer,
- Limits related to the cash inflows coverage capacity to cash outflows,
- Limits related to cash outflow coverage capacity in the stress environment.

ALCO takes decision to use alternative funding sources, pricing of obtained funds and granted loans, and other decisions of Daily liquidity management. Treasury Department ensures that the Bank meets its short, middle and long term liabilities, with the transactions made in accordance with ALCO decisions order to utilize excess funding or close the funding gap, occurring on foreign currencies or maturity terms. Risk Management Department measures and monitors the liquidity risk, with the reports

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prepared and analyses made, and informs the top management. Liquidity risk reporting consists of periodic and special purpose reports prepared to be discussed in the ERC and ALCO meetings, stress tests, scenario analyses, risk limit compliance reports and legal liquidity reports.

b) Information on the centralization degree of liquidity management and funding strategy and the functioning between the Bank and the Bank's subsidiaries:

Each of the Bank's subsidiaries within the consolidation scope manages its own liquidity. Nevertheless, there are defined limits related to the funding amount that the Bank will provide to a subsidiary, in case of liquidity issues. Cumulative liquidity gap resulted in stress scenarios of subsidiaries, should not exceed the fund limits provided by the Bank.

c) Information on the Bank's funding strategy including the policies on funding types and variety of maturities:

The Bank targets to obtain additional funding sources besides the strong capital structure, from the most possible diversified, long term stable sources, considering cost factors. In this direction, concentration ratios such as share of retail funding sources in total funding sources, share of deposits of high amount in total deposit, share of borrowings made from the market in total market volume are monitored and limited with the applied risk limits. Treasury Unit performs necessary work to obtain long term foreign funding.

d) Information on liquidity management on the basis of currencies constituting a minimum of five percent of the Bank's total liabilities:

Almost all of the Bank's liabilities are in TL, USD or EUR currencies and TL funds comprise of mainly equity and deposits. The Bank's liquidity in TL is managed with repurchase agreements made at CBRT/BIST using high quality securities owned by the Bank. Together with keeping the main purpose as using liabilities in TL in funding assets in TL, foreign currency liabilities are used in creating assets in TL using foreign exchange swaps, when necessary. Liquidity management is performed in the scope of internal risk limits, such as short term borrowing limits from markets determined by the Bank, market concentration limits, liquidity stress scenario, and cumulative liquidity gap.

Foreign currency funds are obtained through foreign exchange deposit accounts, foreign based, foreign currency loans, securities issued and repurchase agreements. Foreign currency liquidity management is performed using internal risk limits defined for liquidity buffer kept at correspondent banks and monitored daily in the scope of the Bank's risk limits, and cumulative gap in the scope of liquidity stress scenario, and other risk limits defined for wholesale funding and concentration. The Bank has available foreign currency borrowing limits at CBRT/BIST and other banks.

e) Information on liquidity risk mitigation techniques:

Liquidity risk is mitigated by using techniques such as maintaining high quality liquid asset buffer to cover possible fund outflows, diversification of funding sources so far as possible and inclusion to the base, homogenizing the maturity distribution of repayments as far as possible, obtaining limits from funding institutions to use when necessary and ensuring that a determined portion of funding sources are comprised of deposit.

f) Information on the use of stress tests:

In cases of negative conditions such as an impairment in the securities in the Bank's portfolio, inability to replace short and long term borrowings, fast cash outflow, increase in non-performing loan ratio, high margin calls, the extent and duration of sufficient liquidity is analyzed by the stress tests made by the Risk Management Department. Risk limits determined according to analysis results exist within the Bank. It is ensured that the necessary actions are taken by sharing the analysis results and risk limit compliance status with the ALCO, ERC and related business units. The effects of cash inflows and outflows under different stress scenarios have been studied and evaluated.

^(**) Demand deposit balances are included in average interest rate calculation.



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g) General information on urgent and unexpected liquidity situation plans:

Necessary strategy and procedures for the management of possible liquidity crisis are determined with the Liquidity Contingency Plan, which is approved and reviewed every year by the ERC. The actions to be taken favor the benefits of depositors, creditors of the Bank and shareholders. In case one or several emergency situations occur, Bank's Liquidity Contingency Plan is put into use. After Liquidity Contingency Plan is put into use, Liquidity Contingency Management Committee is responsible from the determination of actions to be taken.

Rate of "Percentage to be

Liquidity Coverage Ratio:

	taken into account" Implemented Total v (*)			taken into	centage to be account" Total value (*)
Curr	ent Period - 31 December 2023	TL+FC	FC	TL+FC	FC
HIGH	I QUALITY LIQUID ASSETS (HQLA)				
1	High quality liquid assets			405.485.134	172.467.696
CAS	H OUTFLOWS				
2	Retail and Customers Deposits	801.594.436	290.319.550	72.234.952	29.031.955
3	Stable deposits	158.503.773	-	7.925.886	-
4	Less stable deposits	643.090.663	290.319.550	64.309.066	29.031.955
	Unsecured Funding other than Retail and Small Business				
5	Customers Deposits	373.884.665	182.739.101	192.119.518	108.671.671
6	Operational deposits	1.729.989	-	432.497	-
7	Non-Operational Deposits	328.221.488	149.221.013	153.618.590	75.157.535
8	Other Unsecured Funding	43.933.188	33.518.088	38.068.431	33.514.136
9 10	Secured funding	EE /02 022	72 050 07/	16.940.632	16.899.181
11	Other Cash Outflows Liquidity needs related to derivatives and market	55.483.033	73.859.076	25.647.936	60.062.950
11	valuation changes on derivatives transactions	18.965.905	57.046.277	20.160.760	58.241.132
12 13	Debts related to the structured financial products Commitment related to debts to financial markets	95.592	-	95.592	=
14	and other off balance sheet liabilities Commitments that are unconditionally revocable at any time by	36.421.536	16.812.799	5.391.584	1.821.818
	the Bank and other contractual commitments	9.628.480	-	481.424	=
15	Other irrevocable or conditionally revocable commitments	562.952.780	80.981.113	28.147.639	4.049.056
16	TOTAL CASH OUTFLOWS			335.572.101	218.714.813
	H INFLOWS				
17	Secured Lending Transactions	4.121.597	=	=	-
18	Unsecured Lending Transactions	137.933.134	51.818.105	94.071.802	43.607.766
19	Other contractual cash inflows	6.003.121	87.920.486	6.001.418	87.920.220
20	TOTAL CASH INFLOWS	148.057.852	139.738.591	100.073.220	131.527.986
					plied amounts
21 22 23	TOTAL HQLA STOCK TOTAL NET CASH OUTFLOWS Liquidity Coverage Ratio (%)			405.485.134 235.498.881 172,18	172.467.696 87.186.827 197,81
(*) (:				1/2,10	177,01

^(*) Simple arithmetic average calculated for the last three months of values calculated by taking the simple arithmetic average was used for calculating the average in last days of the related last three months.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

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		Rate of "Percentage to be taken into account" not Implemented Total value (*)		Rate of "Percentage to be taken into account" Implemented Total value (
Prio	r Period - 31 December 2022	TL+FC	FC	TL+FC	FC	
HIGH	I QUALITY LIQUID ASSETS (HQLA)					
1	High quality liquid assets			247.642.182	152.700.995	
CAS	H OUTFLOWS					
2	Retail and Customers Deposits	458.729.930	229.006.553	42.641.875	22.900.655	
3	Stable deposits	64.622.373	=	3.231.119	-	
4	Less stable deposits	394.107.557	229.006.553	39.410.756	22.900.655	
	Unsecured Funding other than Retail and Small Business					
5	Customers Deposits	254.665.372	140.594.818	137.778.867	83.176.619	
6	Operational deposits	-	-	-	-	
7	Non-Operational Deposits	216.307.366	111.747.649	102.839.876	54.331.391	
8	Other Unsecured Funding	38.358.006	28.847.169	34.938.991	28.845.228	
9	Secured funding			475.548	475.548	
10	Other Cash Outflows	22.882.218	34.947.786	8.969.813	25.728.951	
11	Liquidity needs related to derivatives and market					
	valuation changes on derivatives transactions	7.435.203	24.712.183	7.435.203	24.712.183	
12	Debts related to the structured financial products	9.515	-	9.515	=	
13	Commitment related to debts to financial markets					
	and other off balance sheet liabilities	15.437.500	10.235.603	1.525.095	1.016.768	
14	Commitments that are unconditionally revocable at any time by					
	the Bank and other contractual commitments	1.988.067	-	99.403	-	
15	Other irrevocable or conditionally revocable commitments	191.189.887	58.541.867	9.559.494	2.927.093	
16	TOTAL CASH OUTFLOWS			199.525.000	135.208.866	
CAS	H INFLOWS					
17	Secured Lending Transactions	36.820	-	-	-	
18	Unsecured Lending Transactions	70.244.003	32.841.103	49.258.293	28.509.167	
19	Other contractual cash inflows	3.327.971	88.988.927	3.319.522	88.986.250	
20	TOTAL CASH INFLOWS	73.608.794	121.830.030	52.577.815	117.495.417	
					plied amounts	
21	TOTAL HQLA STOCK			247.642.182	152.700.995	
22	TOTAL NET CASH OUTFLOWS			146.947.185	33.802.217	
23	Liquidity Coverage Ratio (%)			168,52	451,75	

^(*) Simple arithmetic average calculated for the last three months of values calculated by taking the simple arithmetic average was used for calculating the average in last days of the related last three months.

Liquidity coverage ratio is calculated by comparing the high quality liquid assets owned by the Bank to net cash outflow in one month maturity. Balance sheet accounts that are significant on the ratio can be listed as reserve requirements maintained at CBRT, marketable securities that are not subject to repurchase agreements or not given as collateral, corporate deposits, bank deposits, foreign funds and borrowings from banks. The effect of these accounts on the liquidity coverage ratio is higher than other accounts, since these accounts have a higher share in liquid assets and net cash outflows.

Periodic increases are observed in the liquidity coverage ratio during the weeks where the foreign currency reserve option is used in reserve requirements in CBRT, high amounts are maintained in bank placements or repurchase agreement volume decreases, on the other hand, fluctuations may occur in the liquidity coverage ratio during the weeks where the share of corporate or bank funds increase, or long term foreign funds which are replaced when due, such as syndicated loans are due in one month. Despite these fluctuations, it is observed that the ratio does not decrease below 171% during the period and remain at a quite higher level that the legal lower limit.

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Although the derivative transactions create net cash flow of small amount in terms of total liquidity coverage ratio, fluctuations in foreign currency derivative transactions, especially in foreign exchange swaps cause the foreign currency liquidity coverage ratio to be affected.

The Bank's high quality liquid assets mainly comprise of CBRT accounts by 58% and securities issued by Treasury of Republic of Turkey by 35%. Funding sources are mainly distributed between individual and retail deposits by 66%, corporate deposits by 25%, borrowings from banks by 3% and collateralized borrowings such as repurchase agreements by 3%.

Cash outflow amounting to TL 2.015 million (in full TL amount) is calculated based on the change of margin call amounts of derivative transactions during the last two years.

Akbank AG, part of the consolidation group and has an effect on liquidity coverage ratio in respect of its size, is subject to legal liquidity ratio projected by regulatory authority situated in its business location. In respect of its long term deposit insurance and borrowing structure which is hard to withdraw before maturity because of legal regulations, consolidated liquidity coverage ratio is higher than unconsolidated ratio.

In accordance with the "Regulation On Calculation of Bank's Liquidity Coverage Ratio", published in Official Gazette no. 28948, dated 21 March 2014, liquidity coverage ratio is calculated for the last three months are presented below.

	Current Period - 31 December 2023		
	TL+FC	FC	
October	171,68	149,24	
November	173,07	230,35	
December	171,81	235,20	

	Prior Period - 3	1 December 2022
	TL+FC	FC
October	166,56	440,00
November	180,40	484,33
December	158,73	436,21

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Breakdown of assets and liabilities according to their outstanding maturities:

Current Period – 31 December 2023	Demand	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 - 5 Years	5 Years and Over	Unallocated (*)	Total
Assets								
Cash Equivalents and Central Bank Banks (******)	183.315.598 35.182.040	114.084.101 18.418.758	4.482.331	- 1		-	-	297.399.699 58.083.130
Financial Assets at Fair Value Through Profit or Loss	15.350.480	583	11.229	106.059	577.254	208.511	=	16.254.116
Interbank Money Market Placements	-	1.414.537	1.013	-	-	-	-	1.415.550
Financial Assets measured at other comprehensive income	1.541.486	6.548.242	9.184.092	22.847.590	199.942.173	43.701.885	-	283.765.468
Loans (*)	66.829	321.973.145	142.611.404	249.505.130	176.891.894	69.385.770	21.349.285	981.783.457
Financial Assets measured at amortised cost	-	-	1.580.462	13.834.206	107.028.906	42.483.186	-	164.926.760
Other Assets (**)	2.754.684	7.414.521	3.334.363	12.242.169	45.943.240	7.860.633	21.591.698	101.141.308
Total Assets	238.211.117	469.853.887	161.204.894	298.535.155	530.383.467	163.639.985	42.940.983	1.904.769.488
Liabilities								
Bank Deposits	1.136.478	17.864.184	6.812.570	11.464.799	-	-	-	37.278.031
Other Deposits	384.504.354	488.127.810	287.026.045	84.216.011	9.898.406	1.863.807	-	1.255.636.433
Borrowings	-	5.567.026	6.083.839	70.030.460	28.694.922	1.648.810	-	112.025.057
Funds from Interbank Money Market	-	47.511.317	19.093.205	22.511.289	6.705.172	3.582.683	=	99.403.666
Marketable Securities Issued (Net) (***)	-	878.974	2.082.650	11.153.344	28.871.767	23.674.995		66.661.730
Miscellaneous Payables	3.786.464	2.228.580	3.044.863	8.933.463	14.875.632	2.258.299	32.879.533	68.006.834
Other Liabilities (****)	186.013	10.108.933	2.590.573	8.503.985	9.198.572	2.110.167	233.059.494	265.757.737
Total Liabilities	389.613.309	572.286.824	326.733.745	216.813.351	98.244.471	35.138.761	265.939.027	1.904.769.488
Net Liquidity Excess / (Gap)	(151.402.192)	(102.432.937)	(165.528.851)	81.721.804	432.138.996	128.501.224	(222.998.044)	
Net Off-balance sheet Position	-	725.381	[2.142.099]	4.248.705	29.093.456	3.216.428		35.141.871
Financial Derivative Assets	-	220.799.053	202.464.209	189.024.352	206.097.279	82.616.273	-	901.001.166
Financial Derivative Liabilities	=	220.073.672	204.606.308	184.775.647	177.003.823	79.399.845	=	865.859.295
Non-cash Loans (*****)	-	10.381.193	959.557	42.796.788	104.752.874	79.661.993	-	238.552.405
Prior Period - 31 December 2022								
Total Assets	107.637.456	205.498.681	112.486.518	217.756.694	315.654.602	156.283.607		1.147.294.180
Total Liabilities	271.206.193	327.005.546	167.131.371	93.640.410	90.595.633	27.606.785		1.147.294.180
Net Liquidity Excess/ (Gap)	(163.568.737)	(121.506.865)	(54.644.853)		225.058.969		(138.131.620)	-
Net Off-balance sheet Position	-	1.362.220	728.124	1.864.595	7.722.298	13.076.784	-	24.754.021
Financial Derivative Assets	-	195.544.081	124.508.062	86.666.208	158.945.935	94.915.857	-	660.580.143
Financial Derivative Liabilities	-	194.181.861	123.779.938	84.801.613	151.223.637	81.839.073	-	635.826.122
Non-cash Loans (*****)	-	5.629.394	989.835	40.684.111	45.433.094	48.565.600	-	141.302.034

^(*) Included lease receivables. The non-performing loans is presented "Unallocatable" column.

^[**] Assets that are necessary for banking activities and that cannot be liquidated in the short-term, such as fixed and intangible assets, derivative financial assets, investments, subsidiaries, stationery, pre-paid expenses and loans under follow-up, are shown in this column. Expected credit losses are included.

^[***] Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

^[****] Shareholders' Equity is presented under "Other Liabilities" item in the "Unallocated" column.

^[*****] Amounts related to Letters of Guarantee represent contractual maturity and related amounts. Amounts are demand and can be withdrawn

^[******] Derivative collaterals given to foreign banks are included.

5 Years

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Breakdown of liabilities due to their remaining contractual maturities:

	Up to 1		3-12		5 Years	
Current Period - 31 December 2023	Month	1-3 Months	Months	1-5 Years	and Over	Total
Liabilities						
Deposits	954.935.606	243.398.510	106.191.482	10.589.075	1.973.116	1.317.087.789
Funds borrowed from other financial institutions	5.701.405	6.975.024	76.299.624	31.248.706	1.777.005	122.001.764
Funds from interbank money market	47.794.209	19.690.319	23.745.286	8.314.683	3.710.974	103.255.471
Marketable Securities Issued	908.058	2.333.914	14.440.285	38.315.985	30.626.853	86.625.095
	Up to 1	4.044		. =	5 Years	

	Up to 1				5 Years	
Prior Period - 31 December 2022	Month	1-3 Months	3-12 Months	1-5 Years	and Over	Total
Liabilities						
Deposits	560.068.459	112.029.161	39.828.594	16.390.577	1.247.903	729.564.694
Funds borrowed from other financial institutions	590.682	7.018.939	39.944.109	32.411.498	1.692.500	81.657.728
Funds from interbank money market	42.381.286	8.600.532	4.688.828	6.290.087	2.459.951	64.420.684
Marketable Securities Issued	276.346	2.392.070	4.795.312	28.031.189	19.516.453	55.011.370

Breakdown of derivative instruments due to their remaining contractual maturities:

Current Period - 31 December 2023	Up to 1 month	1-3 months	3-12 months	1-5 years	and Over
Derivatives held for trading					
Foreign exchange derivatives:					
– Inflow	220.041.535	139.770.674	80.080.348	31.026.781	6.783.685
– Outflow	(236.603.107)	(164.035.457)	(78.695.043)	(28.672.436)	(6.251.724)
Interest rate derivatives:					
– Inflow	585.810	5.665.972	16.593.538	18.289.996	1.433.837
- Outflow	(516.431)	(5.960.044)	(16.112.086)	(17.967.812)	(1.746.677)
Derivatives held for hedging					
Foreign exchange derivatives:					
- Inflow	1.694	544.626	2.409.166	29.996.315	9.124.683
– Outflow	(421)	(263.442)	(617.594)	(6.341.777)	(4.805.808)
Interest rate derivatives:					
- Inflow	1.156.263	2.679.402	6.082.197	7.530.232	1.359.143
– Outflow	(1.039.194)	(2.388.669)	(3.277.768)	(5.012.452)	(1.122.043)
Total Inflow	221.785.302	148.660.674	105.165.249	86.843.324	18.701.348
Total Outflow	(238.159.153)	(172.647.612)	(98.702.491)	(57.994.477)	(13.926.252)

Prior Period - 31 December 2022	Up to 1 month	1-3 months	3-12 months	1-5 years	5 Years and Over
Derivatives held for trading	2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2			,	
Foreign exchange derivatives:					
- Inflow	189.016.139	113.902.220	59.692.494	23.149.081	6.313.217
- Outflow	(199.367.202)	(129.764.945)	(61.039.300)	(22.313.757)	(5.827.772)
Interest rate derivatives:					
- Inflow	712.536	968.267	5.635.399	8.887.319	1.433.194
- Outflow	(567.448)	(961.813)	(4.373.962)	(7.946.885)	(1.259.393)
Derivatives held for hedging					
Foreign exchange derivatives:					
- Inflow	945.384	303.012	2.379.012	5.980.162	20.591.405
- Outflow	(316.205)	[246.364]	(896.534)	(3.163.337)	(7.337.791)
Interest rate derivatives:					
- Inflow	423.413	1.040.097	4.117.787	8.784.124	1.638.450
- Outflow	[412.244]	(790.608)	(2.217.546)	(5.170.987)	(1.486.620)
Total Inflow	191.097.472	116.213.596	71.824.692	46.800.686	29.976.266
Total Outflow	(200.663.099)	(131.763.730)	(68.527.342)	(38.594.966)	(15.911.576)

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VII. EXPLANATIONS ON LEVERAGE RATIO:

a. Information on subjects that causes difference in leverage ratio between current and prior periods:

As of 31 December 2023, the leverage ratio of the Group calculated from 3 months average amounts is 7,56% (31 December 2022: 9,94%). This ratio is above the minimum ratio which is 3%.

b. Comparison table of total assets and total risk amounts in the financial statements prepared in accordance with TAS:

		31 December 2023 (**)	31 December 2022 (**)
1	Total assets in the consolidated financial statements prepared in accordance with TAS (*)	1.826.264.606	1.124.777.297
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	=	-
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	8.970.898	10.899.659
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	(93.639.943)	(56.066.639)
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	(10.497.624)	(3.911.000)
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	853.729.150	350.577.884
7	Total Risk	2.584.827.087	1.426.277.201

(*) 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.

c. Disclosure of Leverage ratio template:

٠.	Biotional of Ecrolago Patro temptator	Current Period	Prior Period
	Balance sheet Assets	1.755.347.034	1.074.091.424
2	(Assets deducted from Core capital)	-	-
3	Total risk amount of balance sheet assets (sum of lines 1 and 2)	1.755.347.034	1.074.091.424
	Derivative financial assets and credit derivatives		
4	Cost of replenishment for derivative financial assets and credit derivatives	31.667.023	44.903.205
5	Potential credit risk amount of derivative financial assets and credit derivatives	8.970.898	10.899.659
6	Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	40.637.921	55.802.864
	Financing transactions secured by marketable security or commodity		
7	Risk amount of financing transactions secured by marketable security or commodity	48.129.788	9.232.239
8	Risk amount arising from intermediary transactions	-	-
9	Total risk amount of financing transactions secured by marketable security or commodity	48.129.788	9.232.239
	Off-balance sheet transactions	-	
10	Gross notional amount of off-balance sheet transactions	751.209.968	291.061.674
11	[Correction amount due to multiplication with credit conversion rates]	(10.497.624)	(3.911.000)
12	Total risk of off-balance sheet transactions (sum of lines 10 and 11)	740.712.344	287.150.674
	Capital and total risk		
13	Core Capital	195.290.172	141.766.313
14	Total risk amount (sum of lines 3, 6, 9 and 12)	2.584.827.087	1.426.277.201
	Leverage ratio	·	
15	Leverage ratio	7,56	9,94

(*) Three months average values.

^(**) Three months average values in the related periods.



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VIII. EXPLANATIONS ON PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES AT THEIR FAIR VALUES:

a. Calculations of financial assets and liabilites at their fair values:

The fair values of financial assets measured at amortised cost are 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 the demand deposit represents the amount to be paid upon request. The fair value of the overnight deposit represents the carrying value. The expected fair value of the fixed rate deposit is calculated by discounted cash flow with the use of the market interest rates of similar liabilities and loans.

The fair value of marketable securities issued is calculated according to broker price quotations and if these are not available, amounts derived from discounted cash flow models.

The expected fair value of loans and receivables are determined by calculating the discounted cash flows using the current market interest rates for the fixed loans with fixed interest rates. For the loans with floating interest rates, it is assumed that the carrying value reflects the fair value.

The following table summarizes the carrying values and fair values of financial assets and liabilities. The carrying value represents the acquisition costs and accumulated interest accruals of corresponding financial assets or liabilities.

	Carrying	y Value	Fair Value		
	Current Period	Prior Period	Current Period	Prior Period	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	
Financial Assets	1.489.974.365	937.860.153	1.502.954.647	995.568.437	
Interbank Money Market Placements	1.415.550	1.462.376	1.413.817	1.468.465	
Banks	58.083.130	38.380.622	58.082.490	38.361.932	
Financial Assets at Fair Value Through					
Other Comprehensive Income (Net)	283.765.468	171.827.773	283.765.468	171.827.773	
Financial Assets Measured at Amortised					
Cost	164.926.760	98.154.676	170.188.679	133.750.871	
Loans	981.783.457	628.034.706	989.504.193	650.159.396	
Financial Liabilities	1.539.624.764	888.489.491	1.532.251.564	890.017.710	
Bank Deposits	37.278.031	16.262.327	37.518.817	16.287.563	
Other Deposits	1.255.636.433	705.299.601	1.242.519.030	706.667.561	
Borrowings	112.025.057	75.062.954	115.305.212	77.274.134	
Marketable Securities Issued (Net)	66.661.730	42.618.527	68.884.992	40.542.370	
Miscellaneous Payables	68.023.513	49.246.082	68.023.513	49.246.082	

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b. Fair value hierarchy:

TFRS 13 sets a hierarchy of valuation techniques according to the observability of data used in valuation techniques which establish basis for fair value calculations.

Aforesaid fair value hierarchy is determined as follows:

- a) Quoted market prices (non-adjusted) (1st level)
- b) Directly (by way of prices) or indirectly (derived from prices) data for the assets or liabilities, other than quoted prices in the 1st level (2nd level)
- c) Data not based on observable data regarding assets or liabilities (3rd level).

Fair value hierarchy of the financial assets and liabilities of the Group according to the foregoing principles is given in the table below:

Current Period - 31 December 2023	1st Level	2nd Level	3rd Level	Total
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	789.743	-	-	789.743
- Share Certificates	3.522.124	-	-	3.522.124
- Other Financial Assets	4.440.148	7.502.101	-	11.942.249
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	217.924.105	-	-	217.924.105
- Share Certificates	112.206	-	-	112.206
- Other Financial Assets	36.183.025	29.546.133	-	65.729.158
Derivative Financial Assets				
- Derivative Financial Assets at Fair Value Through	418	37.178.832	-	37.179.250
Profit or Loss				
- Derivative Financial Assets at Fair Value Through				
Other Comprehensive Income	-	29.526.735	_	29.526.735
Loans	_	989.504.193	_	989.504.193
Financial Assets Measured at Amortised Cost		707.0070		707100 11170
- Government Debt Securities	168.590.850	_	_	168.590.850
- Other Financial Assets	1.597.830	-		1.597.830
Total Assets	433.160.449	1.093.257.994	-	1.526.418.443
Derivative Financial Liabilities				
- Derivative Financial Liabilities at Fair Value Through				
Profit or Loss	1.124	14.117.037	-	14.118.161
- Derivative Financial Liabilities at Fair Value Through				
Other Comprehensive Income	-	852.473	-	852.473
Deposits	-	1.280.037.846	-	1.280.037.846
Funds Borrowed	-	115.305.212	-	115.305.212
Funds from Interbank Money Market	-	99.833.070	-	99.833.070
Securities Issued (Net)	-	68.884.992	-	68.884.992
Total Liabilities	1.124	1.579.030.630	-	1.579.031.754



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Prior Period - 31 December 2022	1st Level	2nd Level	3rd Level	Total
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	540.826	61.765	-	602.591
- Share Certificates	6.591.527	-	_	6.591.527
- Other Financial Assets (*)	674.946	2.690.061	-	3.365.007
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	142.952.758	-	_	142.952.758
- Share Certificates	97.230	-	-	97.230
- Other Financial Assets	21.593.854	7.183.931	-	28.777.785
Derivative Financial Assets				
- Derivative Financial Assets at Fair Value Through	-	27.969.659	-	27.969.659
Profit or Loss				
- Derivative Financial Assets at Fair Value Through				
Other Comprehensive Income	-	20.877.144	-	20.877.144
Loans	=	650.159.396	=	650.159.396
Financial Assets Measured at Amortised Cost				
- Government Debt Securities	132.442.825	-	-	132.442.825
- Other Financial Assets	1.308.046	-	-	1.308.046
Total Assets	306.202.012	708.941.956		1.015.143.968
Derivative Financial Liabilities				
- Derivative Financial Liabilities at Fair Value Through	=	14.561.125	-	14.561.125
Profit or Loss				
- Derivative Financial Liabilities at Fair Value Through	-	494.477	-	494.477
Other Comprehensive Income				
Deposits	-	722.955.124	-	722.955.124
Funds Borrowed	-	77.274.134	-	77.274.134
Funds from Interbank Money Market	-	62.662.778	_	62.662.778
Securities Issued (Net)	-	40.542.370	_	40.542.370
Total Liabilities	-	918.490.008	-	918.490.008

(*) Fair value of the financial assets at fair value through profit or loss classified under third level, has been determined based on results of valuation work that include various valuation technics. The potential changes in the fundamental estimations and assumptions included in the valuation work can affect the carrying fair value of the loan.

As explained in the note of VII-b of the Third Section, share certificates, that are classified as financial assets at fair value through other comprehensive income are carried at cost less impairment since they are not traded in active markets and their fair values cannot be measured reliably, are not shown in the table above.

There are no transfers between the 1st and the 2nd levels in the current year.

The movement of financial assets in Level 3 is presented below:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Balances at Beginning of Period	-	7.342.910
Purchases During the Period	-	-
Disposals Through Sale/Redemptions (*)	-	(7.342.910)
Valuation Effect	-	-
Transfers	-	-
Balances at the End of Period	-	-

(*) Share transfer agreement was signed with the Turkey Wealth Fund regarding the sale of all of Türk Telekomünikasyon A.Ş.'s shares in LYY Telekomünikasyon A.S.'s assets. The sale and transfer transaction was realized on 31 March 2022.

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IX. EXPLANATION ON THE ACTIVITIES CARRIED OUT ON BEHALF AND ACCOUNT OF OTHER PERSONS:

The Bank carries out trading, custody, management and consulting services on behalf of customers and on their account. Details of these transactions are provided in the off-balance sheet table. The Bank has no trust transactions.

X. EXPLANATIONS ON RISK MANAGEMENT TARGET AND POLICIES:

a. Explanations on Risk Management and Risk Weighted Amount (RWA

1. The Bank's risk management approach:

Effective risk management constitutes one of the most important competitive strength of the Bank. Risk management system is assessed as a critical process which includes all units starting from the Board of Directors level. General strategies regarding Bank's risk management are given below:

- Effective management of risks within the Group's risk profile based on materiality; implementing a centralized risk framework that includes all major risk areas.
- Managing existing and potential risks from the beginning through forward looking risk strategies, policies and procedures, models and parameters.
- Applying a risk-focused management approach in the strategic decision process.
- Complying with all national risk management requirements, where the Bank operates.

The Bank's Board of Directors has the ultimate responsibility for setting up and monitoring the efficiency of such a risk management system. The Board of Directors fulfills its monitoring responsibility through the Auditing Committee, the Executive Risk Committee, the Credit Committee and other related intermediary committees and by means of regular risk, control and audit reporting system.

The Board of Directors approves and regularly reviews Bank's main risk approach, risk principles and policies which are initially discussed and decided by the Executive Risk Committee.

The Board of Directors also determines Bank's risk appetite by risk limits taking market conditions and Bank's risk taking capacity into consideration. Risk limits are made up of regulatory and internal limits on the basis of risk types.

Bank's Senior Management is responsible to the Bank's Board of Directors that daily activities are executed within the risk management procedures and risk limits determined by the Board of Directors and that risk management system operates in effective and efficient manner. The Internal Audit, the Internal Control, Compliance Presidency and The Risk Management Departments which directly report to the Board of Directors operate in coordination with the business units of the Bank. In this scope, it is also Senior Management's responsibility to take necessary measures in order to resolve identified weaknesses, deficiencies and errors stated in the reports of internal and external audits, internal control and risk management.

Locally and internationally accepted risk models and parameters are used in the identification, measurement and monitoring of risks within the scope of risk management. The Bank strives continuously for development and improvement of internal methods and models. Forward looking risk reports prepared through regular and close monitoring of the market developments are made available for the Senior Management and the Board of Directors. In order to analyze the potential risks that the Bank may be exposed in extreme cases, various scenario analyses are performed and contingency plans are prepared. The Bank's internal capital adequacy assessment process ("ICAAP") has been established and the ICAAP has been performed parallel to the annual budget process on an annual basis. Moreover, various risk mitigation techniques are utilized to limit and provide protection against risks the Bank is exposed. The effectiveness and efficiency of the risk mitigation techniques are regularly monitored.

Notes and explanations in this section have been prepared in accordance with the Communiqué on Disclosures about Risk Management to be announced to Public by Banks that have been published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016. Due to usage of standard approach for the calculation of capital adequacy ratio by the Bank, tables, which have to be prepared within the scope of Internal Rating-Based (IRB) approach, are not presented.



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In the event of unexpected negative economic conditions, stress tests are carried out regularly considering the exchange rate and interest rate shocks and the deterioration of the loan portfolio at different stress rates.

2. Overview of RWA:

				Minimum capital
	<u> </u>	Risk Weighted		requirement
		Current Period	Prior Period	Current Period
		31 December 2023	31 December 2022	31 December 2023
1	Credit risk (excluding counterparty credit risk) (CCR)	962.170.458	618.460.539	76.973.637
2	Standardized approach (SA)	962.170.458	618.460.539	76.973.637
3	Internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	35.986.804	38.615.081	2.878.944
5	Standardized approach for counterparty credit risk (SA-			
	CCR)	35.986.804	38.615.081	2.878.944
6	Internal model method (IMM)	=	-	-
7	Basic risk weight approach to internal models equity			
	position in the banking account	-	-	-
8	Investments made in collective investment companies –			
	look-through approach	-	-	-
9	Investments made in collective investment companies –			
	mandate-based approach	2.259.682	1.404.572	180.775
10	Investments made in collective investment companies -			
	1250% weighted risk approach	-	-	-
11	Settlement risk	-	-	-
12	Securitization positions in banking accounts	=	-	-
13	IRB ratings-based approach (RBA)	-	-	-
14	IRB Supervisory Formula Approach (SFA)	-	-	-
15	SA/simplified supervisory formula approach (SSFA)	-	-	-
16	Market risk	39.297.827	32.350.529	3.143.826
17	Standardized approach (SA)	39.297.827	32.350.529	3.143.826
18	Internal model approaches (IMM)	-	-	-
19	Operational Risk	106.662.332	51.542.098	8.532.987
20	Basic Indicator Approach	106.662.332	51.542.098	8.532.987
21	Standard Approach	-	-	-
22	Advanced measurement approach	-	-	-
23	The amount of the discount threshold under the equity			
	(subject to a 250% risk weight)	=	-	-
24	Floor adjustment	=	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	1.146.377.103	742.372.819	91.710.169

b. Linkages between financial statements and regulatory exposures:

1. Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories:

Legal consolidation refers to the consolidation that includes the consolidation of subsidiaries which are credit institutions or financial institutions in accordance with Article 5 paragraph 1 of the Communiqué on the Preparation of Consolidated Financial Statements of Banks published in the Official Gazette dated November 8, 2006 and numbered 26340. Accounting consolidation refers to the consolidation in which all of the subsidiaries are included in the scope of consolidation in accordance with the Article 5 paragraph 6 of the same communiqué, irrespective of whether these subsidiaries are credit institutions or financial institutions, or not.

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		Carrying values of items					
Current Period - 31.12.2023	Carrying values as reported in published financial statements (*)	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework (**)	Not subject to capital requirements or subject to deduction from capital	
Assets							
Cash and balances at central bank	297.399.699	297.399.699	-	-	-	-	
Banks	58.076.311	58.076.311	=	=	=	=	
Receivables from money markets	1.415.550	1.415.550	-	-	=	-	
Financial assets at fair value through P&L	16.254.116	15.350.264		-	903.852	-	
Financial assets at fair value through other							
comprehensive income	283.765.468	283.765.468	110.784.307	_	_	_	
Derivative financial assets	66.705.985	200.700.100	66.705.985	_	9.625.287	_	
Loans (Net)	929.612.535	929.581.512		_	7.020.207	31.023	
Lease Receivables (Net)	19.389.435	19.389.435		_	_	01.020	
Factoring Receivables	17.307.433	17.307.433					
Financial assets measured at amortised cost (Net)	164.903.191	164.903.191	25.249.869	=	=	=	
Non-current assets and disposal groups classified as	104.703.171	104.703.171	23.247.007	=	=	=	
held for sale (Net)	501.671	501.671					
Investments in associates (Net)				-	=	_	
	19.528	19.528		-	-	-	
Investments in subsidiaries (Net)	3.042.338	3.042.338	-	-	-	-	
Investments in joint ventures (Net)	05.045.000	05 000 10	-	-	-	- 000 005	
Tangible assets (Net)	25.317.389	25.089.184	-	-	-	228.205	
Intangible assets (Net)	4.003.433	-	-	-	=	4.003.433	
Investment properties (Net)	-			=	-	-	
Tax assets	112.084	112.084		-	=	-	
Deferred tax assets	172.264	172.264		-	=	-	
Other assets	34.078.491	34.078.491		-		-	
Total assets	1.904.769.488	1.832.896.990	202.740.161	-	10.529.139	4.262.661	
Liabilities							
Deposits	1.292.914.464	=-	-	-	=	1.292.914.464	
Funds Borrowed	112.025.057	=-	-	-	=	112.025.057	
Money Markets	99.403.666	=-	92.851.994	-	=	=	
Securities Issued	42.925.505	-	-	-	-	42.925.505	
Funds	-	-	-	-	-	-	
Financial Liabilities At Fair Value Through Profit Or Loss	-	-	-	-	-	-	
Derivative Financial Liabilities	14.970.634	-	-	-	5.665.962	-	
Factoring Liabilites	-	=	-	-	=	=	
Lease Liabilities	1.504.655	-	-	-	-	1.504.655	
Provisions	8.064.109	=	=	=	=	8.064.109	
Current Tax Liability	12.594.250	=	-	-	=	12.594.250	
Deferred Tax Liability	1.953.858	=	=	=	=	1.953.858	
Liabilities For Property and Equipment Held For Sale and							
Related To Discontinued Operations (Net)	-	-	-	-	-	-	
Subordinated Debt Instruments	23.736.225	-	-	-	-	23.736.225	
Other Liabilities	83.458.358	-	-	-	-	83.458.358	
Shareholders' Equity	211.218.707	-	-	-	-	211.218.707	
Total liabilities	1.904.769.488	-	92.851.994	-	5.665.962	1.790.395.188	

^(*) Since the accounting and legal consolidation scope of the Bank are identical, the financial statement information is shown in one column.

^(**) The Amounts of financial instruments, which are measured in accordance with TAS and included in trading accounts within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" are represented in "Subject to market risk framework" column.



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			Carrying values of items			
Prior Period - 31.12.2022	Carrying values as reported in published financial statements (*)	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework (**)	Not subject to capital requirements or subject to deduction from capital
Assets	405 500 504	405 500 504				
Cash and balances at central bank	127.532.791	127.532.791	-	-	-	
Banks	38.374.006	38.374.006		=	-	
Receivables from money markets	1.462.376	1.462.376		-	-	
Financial assets at fair value through P&L Financial assets at fair value through other	10.559.125	9.990.948	=	=	568.177	
comprehensive income	171.827.773	171.827.487	42.299.686	-	=	286
Derivative financial assets	48.846.803	=	48.846.803	-	11.580.587	
Loans (Net)	594.203.359	594.146.621	-	-	-	56.73
Lease Receivables (Net)	11.640.978	11.640.978	-	-	-	
Factoring Receivables	=	=	=	=	=	
Financial assets measured at amortised cost (Net)	98.102.962	98.102.962	22.917.094	-	=	
Non-current assets and disposal groups classified as						
held for sale (Net)	591.213	591.213	-	-	_	
Investments in associates (Net)	18.957	18.957	-	-	_	
Investments in subsidiaries (Net)	_	_	-	-	_	
Investments in joint ventures (Net)	_	_	_	_	_	
Tangible assets (Net)	15.232.003	15.138.353	_	_	_	93.650
Intangible assets (Net)	2.706.123	-	-	-	_	2.706.12
Investment properties (Net)		-	-	-	_	
Tax assets	355.563	355.563	-	-	_	
Deferred tax assets	213.645	213.645	_	_	_	
Other assets	25.626.503	25.626.503	-	-	_	
Total assets	1.147.294.180	1.095.022.403	114.063.583	}	12.148.764	2.856.797
Liabilities						
Deposits	721.561.928	_	_		_	721.561.92
Funds Borrowed	75.062.954	_	_		_	- 75.062.95
Money Markets	62.524.453	_	57.277.871		-	73.002.73
	02.324.433		37.277.07			-
,	25.919.775					75 818 77
Securities Issued	25.818.445	-	-	=	= -	25.818.44
Securities Issued Funds	25.818.445	-	- -	-		- 25.818.44
Securities Issued Funds Financial Liabilities At Fair Value Through Profit Or Loss	=	- - -	- - -	- - -		-
Securities Issued Funds Financial Liabilities At Fair Value Through Profit Or Loss Derivative Financial Liabilities	25.818.445 - - 15.055.602	- - -	- - -	- - -	7.418.104	-
Securities Issued Funds Financial Liabilities At Fair Value Through Profit Or Loss Derivative Financial Liabilities Factoring Liabilites	15.055.602 -	- - - -	- - - -	- - - -	- - - 7.418.104	- - 4
Securities Issued Funds Financial Liabilities At Fair Value Through Profit Or Loss Derivative Financial Liabilities Factoring Liabilites Lease Liabilities	15.055.602 - 866.382	- - - - -	- - - - -		- 7.418.104 - 7.418.104	- - - - 866.38
Securities Issued Funds Financial Liabilities At Fair Value Through Profit Or Loss Derivative Financial Liabilities Factoring Liabilites Lease Liabilities Provisions	15.055.602 - 866.382 5.862.514	- - - - - -	- - - - -		7.418.104	- 4 - 866.38 - 5.862.51
Securities Issued Funds Financial Liabilities At Fair Value Through Profit Or Loss Derivative Financial Liabilities Factoring Liabilites Lease Liabilities Provisions Current Tax Liability	15.055.602 - 866.382 5.862.514 10.961.561	- - - - - -	-		7.418.104	- 866.38: - 5.862.51 - 10.961.56
Securities Issued Funds Financial Liabilities At Fair Value Through Profit Or Loss Derivative Financial Liabilities Factoring Liabilites Lease Liabilities Provisions Current Tax Liability Deferred Tax Liability	15.055.602 - 866.382 5.862.514	- - - - - - -	-		7.418.104	- 866.38 - 5.862.51 - 10.961.56
Securities Issued Funds Financial Liabilities At Fair Value Through Profit Or Loss Derivative Financial Liabilities Factoring Liabilities Lease Liabilities Provisions Current Tax Liability Deferred Tax Liability Liabilities For Property and Equipment Held For Sale and	15.055.602 - 866.382 5.862.514 10.961.561	- - - - - -			7.418.104	- - - - 866.38 - 5.862.51 - 10.961.56
Securities Issued Funds Financial Liabilities At Fair Value Through Profit Or Loss Derivative Financial Liabilities Factoring Liabilites Lease Liabilities Provisions Current Tax Liability Deferred Tax Liability Liabilities For Property and Equipment Held For Sale and Related To Discontinued Operations (Net)	15.055.602 - 866.382 5.862.514 10.961.561 3.484.774	-	-		- 7.418.104	866.38 5.862.51 10.961.56 3.484.77
Securities Issued Funds Financial Liabilities At Fair Value Through Profit Or Loss Derivative Financial Liabilities Factoring Liabilites Lease Liabilities Provisions Current Tax Liability Deferred Tax Liability Liabilities For Property and Equipment Held For Sale and Related To Discontinued Operations (Net) Subordinated Debt Instruments	15.055.602 866.382 5.862.514 10.961.561 3.484.774	-	-			866.38 5.862.51 10.961.56 3.484.77
Securities Issued Funds Financial Liabilities At Fair Value Through Profit Or Loss Derivative Financial Liabilities Factoring Liabilites Lease Liabilities Provisions Current Tax Liability Deferred Tax Liability Liabilities For Property and Equipment Held For Sale and Related To Discontinued Operations (Net)	15.055.602 - 866.382 5.862.514 10.961.561 3.484.774	-	-		- 7.418.104 - 7.418.104 	- 4 - 866.38: - 5.862.51

^(*) Since the accounting and legal consolidation scope of the Bank are identical, the financial statement information is shown in one column.

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2. Main sources of differences between regulatory exposure amounts and carrying values in financial statements:

					Items subject	
	Current Period - 31.12.2023	Total	Items subject to credit risk framework	Items subject to securitisation framework	to counterparty credit risk framework	Items subject to market risk framework(*)
1	Asset carrying value amount under scope of regulatory					
	consolidation	1.785.151.73	7 1.832.896.	990 -	202.740.161	10.529.139
2	Liabilities carrying value amount under regulatory scope of					
	consolidation	114.374.30	0		92.851.994	5.665.962
3	Total net amount under regulatory scope of					
	consolidation	1.670.777.43	7 1.832.896.	990 -	109.888.167	4.863.177
4	Off-balance sheet amounts	1.662.280.33	1 139.867	.318 -	28.605.156	-
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 due to prudential filters		(237.099.	402) -	(68.083.117)	34.434.650
9	Differences due to risk reduction		[19.672.	859) -	_	-
10	Exposure amounts considered for regulatory purposes		1.715.992.	047 -	70.410.206	39.297.827

(*) The Amounts of financial instruments, which are measured according to TAS and included in trading accounts within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks", are represented in "Subject to market risk framework" column are presented.

					ltems subject		
	Prior Period - 31.12.2022	Total	Items subject to credit risk framework	Items subject to securitisation framework	to counterparty credit risk framework	Items subject to market risk framework(*)	
1	Asset carrying value amount under scope of regulatory consolidation	1.072.387.449	9 1.095.022.	403 -	114.063.583	12.148.764	
2	Liabilities carrying value amount under regulatory scope of						
	consolidation	77.580.05	5		57.277.871	7.418.104	
3	Total net amount under regulatory scope of						
	consolidation	994.807.394	4 1.095.022.	403 -	56.785.712	4.730.660	
4	Off-balance sheet amounts	408.598.06	2 87.496.	.267 -	43.885.310	-	
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 due to prudential filters		[121.844.3	367) -	[30.260.816]	27.619.869	
9	Differences due to risk reduction		(16.574.		-	-	
10	Exposure amounts considered for regulatory purposes		1.044.099.	663 -	70.410.206	32.350.529	

(*) The Amounts of financial instruments, which are measured according to TAS and included in trading accounts within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks", are represented in "Subject to market risk framework" column are presented.

- 3. Explanations of differences between accounting and regulatory exposure amounts:
 - a) Financial and regulatory scope of consolidation:

There is no difference between the financial and regulatory scope of consolidation.

^[**] The Amounts of financial instruments, which are measured in accordance with TAS and included in trading accounts within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" are represented in "Subject to market risk framework" column.



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b) Differences between accounting and regulatory exposure amounts:

On counterparty credit risk related transactions, the differences between the valued amounts in accordance with TAS in the scope statutory consolidation and the amounts after risk reduction arise from the addition of potential risk amounts per maturity and transaction type to renewal cost of derivative transactions related to counterparty credit risk.

The valued amounts of the items which are subject to market risk per TAS represent the fair value of trading financial instruments. Despite that, the amount at the risk amount line represents the amount which is subject market risk that derives from the calculation of capital requirements due to the loss on interest rate risk of market risk, share price risk, currency risk in the scope of "Regulation on Measurement and Evaluation of Banks Capital Adequacy Ratio".

c) Explanations related to the systems and controls which are defined to ensure prudence and reliability of valuation estimates in accordance with prudent valuation procedures and principles within the scope of appendix 3 of "Regulation on Measurement and Evaluation of Capital Adequacy of Banks":

In case financial instruments that are accounted at their fair values are traded in an active market, the valuation is made based on market price. The accuracy of market price that is used at valuation is being confirmed periodically.

The fair value of financial instruments that are not traded in an active market are being calculated in accordance TFRS 13. Derivative financial instruments are valued by discounted cash flow model with the use of market data. For the valuation of certain financial instruments, third party valuations and generally accepted valuation models can be used. The accuracy and independence of inputs that are used at the valuation of market value and/or used at valuation methods by modelling are being controlled periodically. In addition, there are control processes for the comparison of the current market value of financial instruments with the recalculated values.

c. Credit risk explanations:

1. General qualitative information about credit risk:

Risk limits are defined by Board of Directors in a such manner that covers all possible important risk components, in accordance with the Bank's operations and the size and complexity of products and services. Care is taken to ensure that the risk limits are in line with market expectations and reflect the Bank's risk appetite and Bank's strategies. The credit policies are established in consistence with risk limits.

Credit rating models are used in loan allocation processes in accordance with the risk appetite, credit policies and targets of the Bank. Rating all credit customers is essential for the Bank. Credit ratings are used as the main factor in determining target segments, authority levels, prices, limits and collateralization levels in loan portfolios. Application models are used during initial loan underwriting and behavioral models are used for customers whose previous credit performance could be monitored. Behavioral models are mainly used in the credit monitoring process and in the evaluation process of portfolio risk.

In order to ensure timely and complete fulfillment of all obligations arising from the loan, it is essential to obtain adequate collateral from the customers. The main purpose of collateralization of any loan is to minimize the credit, foreign exchange and maturity risk. In this context, the minimum margin is determined by considering the quality of the collateral and collection expectancy in case of default and it is ensured that appropriate collateral is obtained for the loan type.

Credit risk is encountered when the counterparty is unable to fulfill its obligations defined with the agreement. All credit risk bearing banking products are managed with prudent credit policies and procedures in the Bank. The credit quality of the counterparty is evaluated with an internal rating score in all credit transactions. In order to monitor the credit risk, internal limits are determined on the basis of sector, customer, credit type and customer segment.

Credit risk management is a process in which credit risks are assessed and monitored in a consistent manner, besides all credit portfolios are included on a consolidated basis. During the process of credit risk management, the Risk Management Department conducts measurement, monitoring and reporting activities of the credit risk using statistical models. In addition to the credit risk-related risk limits, various concentrations in the loan portfolio are also analyzed. It is assured to act within the policy of allocation, monitoring, Limit Follow-up and management, by establishing policy regarding to Country risk and concentration risk management. Cost of loan and collections of non-performing loans are monitored periodically. In addition, stress testing and scenario analysis studies are carried out on the loan portfolio.

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Assessment of the internal systems established to encompass all branches and departments and related entities are among the highest priorities of the Board of Directors to ensure the continuity of its operations, competencies and activities. Within the scope of internal systems, the duties and responsibilities of the Board of Directors are carried out by the Board of Directors, the Audit Committee, the Executive Risk Committee, Internal Audit, Internal Control, Risk Management activities and Internal Systems Responsible.

The Board of Directors is responsible for determining the risk baseline of the Bank, the risk approach and the level of risk taking. The Board of Directors manages the risks through the Executive Risk Committee. The committee is responsible for establishing risk policies, determining methods for measuring and managing risks, and establishing and monitoring appropriate risk limits. All risk policies established by the Executive Risk Committee are written and integrated into the Bank's long-term general strategy.

2. Credit quality of assets:

			TAS)			
		Defaulted	Non-defaulted	Allowances/		
	Current Period - 31.12.2023	exposures	exposures	impairments	Net values	
1	Loans	21.349.285	960.434.172	32.781.486	949.001.971	
2	Debt Securities	-	455.496.742	665.716	454.831.026	
3	Off-balance sheet explosures	6.217.898	783.331.600	678.805	788.870.693	
4	Total	27.567.183	2.199.262.514	34.126.007	2.192.703.690	

Gross carrying values of (according

		to	TAS)			
		Defaulted	Non-defaulted	Allowances/		
	Prior Period - 31.12.2022	exposures	exposures	impairments	Net values	
1	Loans	17.583.450	610.451.256	22.190.368	605.844.338	
2	Debt Securities	-	270.407.007	589.811	269.817.196	
3	Off-balance sheet explosures	1.557.704	306.992.119	487.004	308.062.819	
4	Total	19.141.154	1.187.850.382	23.267.183	1.183.724.353	

3. Changes in stock of defaulted loans and debt securities:

		Current Period 31.12.2023	Prior Period 31.12.2022
1	Defaulted loans and debt securities at end of the		
	previous reporting period	19.141.154	19.771.988
2	Loans and debt securities that have defaulted since the last		
	reporting period	15.807.198	17.591.522
3	Returned to non-defaulted status	33.591	105.622
4	Amounts written off	1.651.613	14.167.113
5	Other changes	5.695.965	3.949.621
6	Defaulted loans and debt securities at end of the		
	reporting period (1+2-3-4±5) Definitions	27.567.183	19.141.154

- 4. Additional disclosure related to the credit quality of assets:
- a) Definitions of overdue and provision allocated receivables are presented below:

The Group considers loans that have overdue principal and interest payments and are classified as 2nd Group in accordance with Communiqué on "Determining the Quality of Loans and Other Receivables by Banks and Procedures and Principles of Provisions to be made" as "past due loans." Loans that have overdue principal and interest payments for more than 90 days after the maturity date or the debtor of which are deemed unworthy by the Group are considered impaired loans. Impaired consumer loans are evaluated on account basis and commercial loans on customer basis.



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The Group calculates expected credit loss for overdue loans in accordance with Communiqué on "Determining the Quality of Loans and Other Receivables by Banks and Procedures and Principles of Provisions to be made".

b) The part of the overdue receivables (past 90 days) for which provision is not allocated and reasons for this application:

All loans that have completed the 90 day overdue period are automatically taken into follow-up accounts and they are subjected to specific provision within the related month at the Bank. In exceptional cases, the delinquency process is suspended due to a court decision and the Bank's credit amount in this scope is insignificant as of 31 December 2022.

- c) Definitions of the methods used when determining the provision amount, are presented in Note VIII of Section Three.
- d) Definitions of restructured receivables:

Banks can restructure both the first, second group loans and other receivables as well as non-performing loans and receivables. The first, second group loans and other receivables are restructured to enchance customer's ability to repay the loan. Besides, it involves changes in the contractual conditions with the demand of customer. While Non-performing loans and receivables are restructured to ensure the collection of the receivables by changing the cash flow of the loan.

e) Breakdown of receivables by geographical area, sector and outstanding maturity:

Breakdown by geographical area:

	Current Period 31.12.2023	Prior Period 31.12.2022
Domestic	946.837.229	601.306.997
European Union Countries	10.275.916	7.027.797
OECD Countries (*)	1.550.454	832.981
Off-Shore Banking Regions	78.873	378
USA, Canada	230.306	151.316
Other	1.461.394	1.131.787
Total	960.434.172	610.451.256

^(*) OECD Countries other than EU countries, USA and Canada.

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Breakdown by sector:

	Current Period	Prior Period
	31.12.2023	31.12.2022
Agricultural	1.875.086	1.641.685
Farming and raising livestock	670.497	946.408
Forestry	1.200.597	687.300
Fishing	3.992	7.977
Manufacturing	223.286.408	179.188.292
Mining	5.969.692	7.583.797
Production	174.006.680	130.917.432
Electricity, Gas, Water	43.310.036	40.687.063
Construction	97.906.357	57.655.871
Services	209.063.019	166.423.326
Wholesale and Retail Trade	100.176.141	71.987.903
Hotel, Food, Beverage Services	23.606.719	17.733.277
Transportation and Telecommunication	18.764.773	16.073.908
Financial Institutions	56.777.274	51.024.101
Real Estate and Lending Services	983.273	1.595.809
Self employment Service	2.964.480	3.402.547
Education Service	628.228	535.399
Health and social Services	5.162.131	4.070.382
Other	428.303.302	205.542.082
Total	960.434.172	610.451.256

Breakdown by outstanding maturity:

Current Period	Demand	Up to 1	1 – 3	3 – 12	1 – 5	5 Years	
31.12.2023	Deposit	Month	Months	Months	Years	and Over	Total
Loans	66.829	321.973.145	142.611.404	249.505.130	176.891.894	69.385.770	960.434.172

Prior Period	Demand	Up to 1	1 – 3	3 – 12	1 – 5	5 Years	
31.12.2022	Deposit	Month	Months	Months	Years	and Over	Total
Loans	23 415	130 622 177	107, 572, 207,	175 822 115	1/3 785 //2	55 625 613	410 451 254

f) Amounts of provision allocated receivables based on geographical area and sector and amounts deducted from the assets with the related provisions:



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Breakdown by geographical area:

	Current Period - 31	.12.2023	Prior Period - 31.12.2	2022
	Loans Under Follow-up	Stage 3 Provisions	Loans Under Follow-up	Stage 3 Provisions
Domestic	21.349.125	13.102.390	16.263.207	11.059.392
European Union Countries	83	64	1.320.138	725.829
OECD Countries (*)	3	1	-	=
Off-Shore Banking Regions	-	-	30	30
USA, Canada	39	20	1	1
Other	35	27	74	57
Total	21.349.285	13.102.502	17.583.450	11.785.309

^(*) OECD Countries other than EU countries, USA and Canada.

Breakdown by sector:

•	Current Period - 3	1.12.2023	Prior Period - 31	.12.2022
	Loans Under Follow-up	Stage 3 Provisions	Loans Under Follow-up	Stage 3 Provisions
Agricultural	18.614	13.529	22.951	18.469
Farming and raising livestock	10.034	7.556	13.537	11.959
Forestry	2.903	2.662	3.095	2.638
Fishing	5677	3311	6319	3872
Manufacturing	3.050.436	2.216.040	3.637.905	2.500.373
Mining	5.241	4.749	134.007	106.724
Production	1.768.636	1.293.827	1.619.715	1.160.405
Electricity, Gas, Water	1.276.559	917.464	1.884.183	1.233.244
Construction	8.964.977	4.688.973	5.894.822	3.927.684
Services	4.498.727	2.653.953	4.813.085	2.824.026
Wholesale and Retail Trade	1.694.418	1.386.914	1.828.644	1.373.732
Hotel,Food,Beverage Services Transportation and	891.890	255.942	845.766	228.276
Telecommunication	86.735	71.726	116.846	93.622
Financial Institutions	1.406.561	664.999	1.275.682	605.763
Real Estate and Lending				
Services	46.244	36.806	72.539	47.681
Self employment Service	298.655	166.878	288.889	165.194
Education Service	9.136	8.359	14.889	13.842
Health and social Services	65.088	62.329	369.830	295.916
Other	4.816.531	3.530.007	3.214.687	2.514.757
Total	21.349.285	13.102.502	17.583.450	11.785.309

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g) Aging analysis for overdue receivables:

	Current Period	Prior Period
	31.12.2023	31.12.2022
30-60 days overdue	8.448.331	994.201
60-90 days overdue	2.053.900	568.197
More than 90 days overdue	57.531	79.407
Total	10.559.762	1.641.805

h. Breakdown of restructured receivables based on whether or not provisions are allocated:

	Current Period	Prior Period
Restructured Receivables	31.12.2023	31.12.2022
Loans restructured from Loans underFollow-up and Other Receivables	44.578.887	35.380.807
Loans restructured from Non-Performing Loans	1.224.253	1.250.431

General provision is allocated for the loans restructured from standard loans and loans under Follow-up and other receivables, specific provision is allocated for the loans restructured from non-performing loans.

i) Credit risk mitigation techniques:

In order to ensure timely and complete fulfillment of all obligations arising from the loan, it is essential to obtain appropriate collaterals

The main purpose of collateralization of any loan is to minimize the credit, foreign exchange and maturity risk. Within this scope, the minimum margin of guarantee is determined and the guarantees suitable for the loan types are obtained. There is collateral matching in the system for each loan. In addition, the appropriateness of the margin for each guarantee is also checked.

The risk amount and the amount of collateral are also compared against the value losses that may occur in the collateral, and in case of gap between risk and collateral, the Bank Monitoring System automatically generates "Risky Transaction Registration".

In the calculation of capital adequacy ratio, real estate mortgages are subject to valuation process in accordance with the related legislation. There is no physical collateral used for risk reduction other than real estate.

Financial guarantees used in capital adequacy calculations are blocked deposits held at the bank and there is no netting other than these.

Collateral management processes are written in credit policies and checks are made to ensure that there is no concentration of third party guarantor type and collateral.



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5. Credit risk mitigation techniques – overview:

Cur	rent Period - 31.12.2023	Exposures unsecured of (according to TAS)	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees, of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount
1	Loans	924.954.757	24.047.214	19.672.859	3.888.701	3.255.570	=	=
2	Debt Securities	454.831.026	-	-	-	=	-	-
3	Total	1.379.785.783	24.047.214	19.672.859	3.888.701	3.255.570	-	-
4	Of which defaulted	27.567.183	-	-	-	-	-	-

Pri	or Period - 31.12.2022	Exposures unsecured of (according to TAS)	Exposures secured by collateral	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees	Financial guarantees, of which secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which secured amount
1	Loans	585.263.329	20.581.009	16.574.641	6.522.812	5.568.364	=	=
2	Debt Securities	269.817.196	=	=	=	=	=	=
3	Total	855.080.525	20.581.009	16.574.641	6.522.812	5.568.364	-	-
4	Of which defaulted	19.141.154	=	-	-	-	-	-

6. Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk:

The ratings given by Fitch Ratings and JCR-ER are used to determine the risk weights to be applied in the capital adequacy calculation. The degrees of Fitch Ratings are limited to the receivables whose counterparty is a resident abroad; receivables from central governments or central banks, banks and corporate receivables are used for asset classes. JCR-ER's ratings are used for TL-denominated receivables whose counterparty is corporate asset class.

7. Standardised approach – Credit risk exposure and credit risk mitigation (CRM) effects:

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	Current Period - 31.12.2023	Exposures be conversion fac		Exposures p conversion fac		RWA and R	WA density
			Off-balance		Off-balance		
		On-balance	sheet	On-balance	sheet		
	Asset classes	sheet amount	amount	sheet amount	amount	RWA	RWA density
1	Exposures to central governments or central banks	584.357.949	204.459	587.613.519	203.360	261.636	0,04%
2	Exposures to regional governments or local authorities	398.098	25.438	398.098	25.382	211.740	50,00%
3	Exposures to public sector entities	8.860.732	501.991	8.763.757	166.126	8.929.883	100,00%
4	Exposures to multilateral development banks	-	-	-	-	-	0,00%
5	Exposures to international organisations	-	-	-	-	-	0,00%
6	Exposures to institutions	65.616.434	40.621.998	65.616.434	14.280.407	30.563.446	38,25%
7	Exposures to corporates	387.633.194	176.795.240	369.805.536	99.393.834	368.026.644	78,44%
8	Retail exposures	256.078.571	512.274.978	252.414.972	17.097.583	209.148.332	77,60%
9	Exposures secured by residential property	28.058.479	1.219.397	28.027.204	648.037	10.036.334	35,00%
10	Exposures secured by commercial real estate	28.456.893	10.147.333	28.456.893	6.183.365	19.887.726	57,41%
11	Past-due loans	8.287.288	-	8.287.288	-	7.013.051	84,62%
12	Higher-risk categories by the Agency Board	147.914.425	3.796.567	147.907.009	1.869.225	247.384.737	165,17%
13	Collateralized securities	_	-	-	-	-	0,00%
14	Exposures to institutions and corporates with a short- term credit assessment	-	-	-	-	-	0,00%
15	Exposures in the form of units or shares in collective						
	investment undertakings (CIUs)	5.225.598	-	5.225.598	-	5.225.598	100,00%
16	Other assets	66.416.374	-	66.416.374	-	53.715.086	80,88%
17	Investments in equities	4.025.927	-	4.025.927	-	4.025.927	100,00%
18	Total	1.591.329.962	745.587.401	1.572.958.609	139.867.319	964.430.140	56,31%

	Prior Period - 31.12.2022	Exposures b conversion fa	efore credit ctor and CRM	Exposures conversion fa	post-credit ctor and CRM	RWA and RWA density	
		On-balance	Off-balance	On-balance	Off-balance		-
		sheet	sheet	sheet	sheet		
	Asset classes	amount	amount	amount	amount	RWA	RWA density
1	Exposures to central governments or central banks	324.925.464	143.566	330.493.828	39.024	398.014	0,12%
2	Exposures to regional governments or local authorities	70.956	-	70.956	-	35.478	50,00%
3	Exposures to public sector entities	571.299	293.367	562.980	158.520	721.500	100,00%
4	Exposures to multilateral development banks	-	-	-	-	-	0,00%
5	Exposures to international organisations	-	-	-	-	-	0,00%
6	Exposures to institutions	42.810.576	17.198.643	42.796.818	8.536.515	18.624.963	36,28%
7	Exposures to corporates	308.138.820	117.964.708	291.108.305	66.726.506	300.997.313	84,12%
8	Retail exposures	130.004.086	143.828.534	125.865.544	8.339.453	108.312.307	80,71%
9	Exposures secured by residential property	13.935.231	526.436	13.908.141	233.699	4.949.644	35,00%
10	Exposures secured by commercial real estate	22.594.255	5.073.158	22.594.255	2.968.818	15.178.835	59,38%
11	Past-due loans	5.844.336	-	5.844.336	-	4.643.514	79,45%
12	Higher-risk categories by the Agency Board	74.093.620	1.086.174	73.965.545	493.730	127.504.622	171,24%
13	Collateralized securities	-	-	-	-	-	0,00%
14	Exposures to institutions and corporates with a short-term						
	credit assessment	-	-	-	-	-	0,00%
15	Exposures in the form of units or shares in collective						
	investment undertakings (CIUs)	1.176.544	-	1.176.544	-	1.176.544	100,00%
16	Other assets	47.641.649	-	47.641.649	-	36.747.879	77,13%
17	Investments in equities	574.497	-	574.497	-	574.496	100,00%
18	Total	972.381.333	286.114.586	956.603.398	87.496.265	619.865.109	59,379



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8. Standardised Approach – Exposures by asset classes and risk weights:

	Current Period - 31.12.2023 Asset Classes / Risk Weight	%0	%10	%20	%25	%35	%50	%75	%100	%150	%250	Other	Total risk amount(*)
1	Exposures to central governments												
	or central banks	586.780.974	_	854.389	_	_	181.516	_	_	_	_	_	587.816.879
2	Exposures to regional governments												
	or local authorities	_	_	_	_	_	423.480	_	_	_	_	_	423.480
3	Exposures to public sector entities	-	-	-	-	-	-	-	8.929.883	-	-	-	8.929.883
4	Exposures to multilateral												
	development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	Exposures to international												
	organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to institutions	125.363	-	31.176.687	-	-	48.533.363	-	61.428	-	-	-	79.896.841
7	Exposures to corporates	-	-	82.609.685	-	-	70.169.956	-	316.419.729	-	-	-	469.199.370
8	Retail exposures	-	-	-	-	-	-	241.456.890	28.055.665	-	-	-	269.512.555
9	Exposures secured by residential												
	property	-	-	-	-	28.675.241	-	-	-	-	-	-	28.675.241
10	Exposures secured by commercial												
	real estate	-	-	-	-	-	29.505.064	-	5.135.194	-	-	-	34.640.258
11	Past-due loans	-	-	-	-	-	3.788.302	-	3.259.158	1.239.828	-	-	8.287.288
12	Higher-risk categories by the												
	Agency Board	-	-	-	-	7.372	1	-	278.160	108.218.796	-	41.271.905	149.776.234
13	Collateralized securities	-	-	-	-	-	-	-	-	-	-	-	-
14	Exposures to institutions and												
	corporates with a short-term credit												
	assessment	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of units or												
	shares in collective investment												
	undertakings (CIUs)	-	-	-	-	-	-	-	5.225.598	-	-	-	5.225.598
16	Investments in equities	-	-	-	-	-	-	-	4.025.927	-	-	-	4.025.927
17	Other assets	12.701.285	-	2	-	-	=	=	53.715.087	=	-	-	66.416.374
18	Total	599.607.622		114.640.763	-	28.682.613	152.601.682	241.456.890	425.105.829	109.458.624	-	41.271.905	1.712.825.928

(*) Total credit risk exposure amount after Credit Conversion Factor (CCF) and Credit Risk Mitigation (CRM)

	Prior Period - 31.12.2022 Asset Classes / Risk Weight	%0	%10	%20	%25	%35	%50	%75	%100	%150	%250	Other	Total risk amount(*)
1	Exposures to central governments	700	70.10	7020	7020	7000	7000	70.70	70100	70100	70200	Other	uniounity)
	or central banks	328.545.737	-	1.985.145	_	_	1.970	_	_	-	_	_	330.532.852
2	Exposures to regional governments												
	or local authorities	_	_	_	_	_	70.956	_	_	-	_	_	70.956
3	Exposures to public sector entities	_	-	_	_	_	_	_	721.500	-	_	_	721.500
4	Exposures to multilateral												
	development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	Exposures to international												
	organisations	_	-	_	_	_	_	_	_	-	_	_	_
6	Exposures to institutions	327.228	-	23.013.799	-	-	27.940.205	-	52.101	-	-	-	51.333.333
7	Exposures to corporates	-	-	39.870.273	-	-	49.882.560	-	268.081.978	-	-	-	357.834.811
8	Retail exposures	-	-	-	-	-	-	103.570.763	30.634.234	-	-	-	134.204.997
9	Exposures secured by residential												
	property	-	-	-	-	14.141.840	-	-	-	-	-	-	14.141.840
10	Exposures secured by commercial												
	real estate	-	-	-	-	-	20.768.475	-	4.794.598	-	-	-	25.563.073
11	Past-due loans	-	-	-	-	-	3.075.780	-	2.094.420	674.136	-	-	5.844.336
12	Higher-risk categories by the												
	Agency Board	-	-	-	-	9.006	25.507	-	321.840	44.122.417	-	29.980.505	74.459.275
13	Collateralized securities	-	-	-	-	-	-	-	-	-	-	-	-
14	Exposures to institutions and												
	corporates with a short-term credit												
	assessment	-	-	-	-	-	-	-	-	-	-	-	-
15	Exposures in the form of units or												
	shares in collective investment												
	undertakings (CIUs)	-	-	-	-	-	-	-	1.176.544	-	-	-	1.176.544
16	Investments in equities	-	-	-	-	-	-	-	574.497	-	-	-	574.497
17	Other assets	10.893.764	-	4	-	-	-	-	36.747.881	-	-	-	47.641.649
									<u> </u>				
18	Total	339.766.729	-	64.869.221	-	14.150.846	101.765.453	103.570.763	345.199.593	44.796.553	-	29.980.505	1.044.099.663

(*) Total credit risk exposure amount after Credit Conversion Factor (CCF) and Credit Risk Mitigation (CRM).

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d. Counterparty Credit risk (CCR) explanations:

1. Qualitative disclosure related to counterparty credit risk:

The CCR strategy is determined by counterparty type and product categories. Counterparties are categorized as central counterparties, banks, corporate and commercial companies, corporate segment, micro segment customers, private banking customers and individual customers. The products are grouped as interest swap transactions, foreign currency option transactions (plain vanilla), foreign exchange option transactions (exotic), interest option transactions, commodity Transactions, credit derivatives and repo transactions.

"Conformity Test" is applied to the customers to determine whether the products to be presented to the customers are in compliance with the customers' financial status and their knowledge and experience. The tests to be applied are prepared in a way that bank can evaluate the information received from the customers with the method including "risk and return preference" and knowledge and experience" classifications determined by the Bank.

The creditworthiness of the counterparty is analyzed prior to the transactions leading to the CCR and subsequently the creditworthiness of the counter parties is reviewed at regular intervals. The frequency of inspections is increased when necessary.

The scope and level of information providing the opportunity to assess the creditworthiness of the counterparty shall be differentiated depending on the volume of the transaction to be realized, the level of the CCR and / or the counterparty.

For the transactions within the scope of the CCR, appropriate limits to the risk appetite, policies and strategies of the Bank are determined. The determined limits are approved by the Board of Directors for the banks. For the firms and individuals apart fron banks regular loan approval processes and limits are conducted.

The counterparty credit risk limits for financial institutions are also determined seperately and presented to the Board of Directors for approval. The determined limits are reviewed at least once a year. In case of deterioration of market conditions or in case of deterioration of credit quality of some counterparties, limits are reviewed and necessary changes are made. If deemed necessary, the approved limits are blocked by the Credit Committee / Credit Allocation Business Unit and by the approval of the Board of Directors.

In counterparty credit risk management of financial institutions, risk mitigation methods such as netting agreements, collateral and "margin" agreements are used. Collateralization principles and procedures are applied for companies and individuals other than financial institutions within the framework of credit policies and application principles currently applied in the Bank.

The potential, current and maximum risk amounts of the transactions are calculated / determined in order to determine the CCR. The risks of transactions that are subject to the legally binding bilateral netting agreement and to which the netting transaction can be applied are followed together.

The risk of reverse tendency within the scope of the CCR appears in two ways as the risk of general reversal and the risk of specific reversal.

To avoid the general counter trend risk;

- Depending on the direction of the financing expenses of the corporate and commercial companies, it is taken care that the interest swap transactions made are aimed at "hedging". If the short-term liability of the firm is more than short-term liabilities susceptible to interest, interest rate swaps will be applied to the firm with the fixed interest rate. In the other case, interest rate swap transactions that the company pays variable interest are made.
- It is also important to note that the transactions are "hedged" for foreign currency transactions. If the firm is in a long position in the foreign exchange market, the transactions that the foreign exchange seller is the company and if the company is in the short position in the foreign exchange market, the transactions that the foreign exchange buyer is the company are taken into consideration.



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To avoid the risk of specific counter trend risk;

- In the option transactions made on the other party's own shares, transactions are not made where the same counterparty is the option seller.
- In the credit derivative transactions on the counterparty's own credit risk, there are no transactions that the counterparty is the protection seller

For the actions taken under the CCR, the obligation to provide additional collateral due to the possible decline in the credibility of the Bank is followed.

2. Analysis of counterparty credit risk exposure by approach:

	Current Period - 31.12.2023	Replacement cost	Potential future exposure	EEPE (*)	Alpha used for computing regulatory exposure at default	Exposure at default post CRM	RWA
1	Standardised Approach (for derivatives)	18.532.637	8.251.837		1,4	26.784.474	12.018.223
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)			-	-	-	_
3	Simple Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					-	-
4	Comprehensive Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time,					07.540.005	10 /7/ 05/
5	Marketable Security transactions with credit) VaR for for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit					36.719.335 36.719.335	18.674.954 18.674.954
6	Total						30.693.177

(*) Effective Expected Positive Exposure

(*) Effective Expected Positive Exposure

	Prior Period - 31.12.2022	Replacement cost	Potential future exposure	EEPE (*)	Alpha used for computing regulatory exposure at default	Exposure at default post CRM	RWA
1	Standardised Approach (for derivatives)	33.930.356	10.850.123		1,4	44.780.479	22.900.111
2	Internal Model Method (for derivatives, Repo Transactions,						
	Marketable Securities or EMTIA lending or borrowing transactions,						
	transactions with a long settlement time, Marketable Security						
	transactions with credit)			-	-	-	-
3	Simple Approach for credit risk mitigation (for derivatives, Repo						
	Transactions, Marketable Securities or EMTIA lending or borrowing						
	transactions, transactions with a long settlement time, Marketable						
,	Security transactions with credit)					-	-
4	Comprehensive Approach for credit risk mitigation (for derivatives,						
	Repo Transactions, Marketable Securities or EMTIA lending or						
	borrowing transactions, transactions with a long settlement time,					14.976.008	4.231.471
5	Marketable Security transactions with credit) VaR for for derivatives, Repo Transactions, Marketable Securities or					14.770.000	4.231.471
Ü	EMTIA lending or borrowing transactions, transactions with a long						
	settlement time, Marketable Security transactions with credit					14.976.008	4.231.471
6	Total						27.131.582

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3. Credit valuation adjustment (CVA) capital charge:

		Current Period - 3	1.12.2023	Prior Period - 31.12.203	22
		Exposure at default post-CRM	RWA	Exposure at default post-CRM	RWA
	Total portfolios subject to the Advanced CVA capital				
	charge				
1	(i) Value at Risk (VaR) component (including the				
	3×multiplier)	-	-	-	-
2	(ii) Stressed VaR component (including the 3×multiplier)	-	-	-	-
3	All portfolios subject to the Standardised CVA capital				
	charge	26.784.474	4.978.433	44.780.479	11.111.863
4	Total subject to the CVA capital charge	26.784.474	4.978.433	44.780.479 1	1.111.863

^{4.} Standardised approach of CCR exposures by regulatory portfolio and risk weights:

Current Period - 31.12.2023

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure (*)
Regulatory portfolia									
Claims from central governments and central banks	8.329.011	-	-	-	-	-	-	-	-
Claims from regional and local governments	-	-	-	-	-	-	-	-	-
Claims from administration and non commercial entity	-	-	-	-	-	427	-	-	427
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Claims from international organizations	-	-	-	-	-	-	-	-	-
Claims from institutions	-	-	17.183.921	18.784.754	-	744.642	-	-	13.573.803
Corporates	-	-	1.265.412	436.581	-	16.313.114	-	-	16.784.487
Retail portfolios	-	-	-	-	445.947	-	-	-	334.460
Other claims(**)	-	-	-	-	-	-	-	-	-
Total	8.329.011	-	18.449.333	19.221.335	445.947	17.058.183	-	-	30.693.177

^(*) Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

Prior Period - 31.12.2022

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure (*)
Regulatory portfolia									
Claims from central governments and central									
banks	2.719.578	-	-	-	-	-	-	-	-
Claims from regional and local governments	-	-	-	-	-	-	-	-	-
Claims from administration and non									
commercial entity	-	-	-	-	-	7.741	-	-	7.741
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Claims from international organizations	-	-	-	-	-	-	-	-	-
Claims from institutions	-	-	17.583.267	27.341.644	-	-	-	-	17.187.475
Corporates	-	-	2.324.845	277.223	-	8.815.252	-	-	9.418.833
Retail portfolios	-	-	-	-	683.828	-	-	-	512.871
Other claims(**)	-	-	-	-	-	-	3.108	-	4.662
Total	2.719.578	-	19.908.112	27.618.867	683.828	8.822.993	3.108	-	27.131.582

^(*) Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

^(**) Other receivables: Includes the amounts excluded in counterparty credit risk reported in CCR8.

^[**] Other receivables: Includes the amounts excluded in counterparty credit risk reported in CCR8.



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- 5. Composition of collateral for CCR exposure: Related table is not presented due to not having derivative collaterals which is considered in the calculation of capital adequacy ratio.
- 6. Credit derivatives exposures:

	Current Per	Current Period - 31.12.2023 Prior Per		riod - 31.12.2022
	Protection bought	Protection Sold	Protection bought	Protection Sold
Nominal				
Single-name credit default swaps	2.119.550	-	2.281.193	-
Index credit default swaps	-	-	-	-
Total return swaps	-	14.306.965	-	13.088.810
Credit options	-	-	-	-
Other credit derivatives	-	-	-	-
Total notionals	2.119.550	14.306.965	2.281.193	13.088.810
Fair values				
Positive fair value (asset)	56.684	6.226.596	176.001	5.567.837
Negative fair value (liability)	=	-	-	=

7. Exposures to central counterparties (CCP):

		Current Period - 31	1.12.2023	Prior Period - 31.	12.2022
		Exposure at default (post-CRM)	RWA	Exposure at default (post-CRM)	RWA
1	Exposure to Qualified Central Counterparties				
	(QCCPs) (total)		315.194		371.636
2	Exposures for trades at QCCPs (excluding initial				
	margin and default fund contributions); of which	10.072.519	302.320	12.560.964	366.457
3	(i) OTC Derivatives	10.072.519	302.320	12.560.964	366.457
4	(ii) Exchange-traded Derivatives	-	-	-	-
5	(iii) Securities financing transactions				
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	258.511	12.874	94.807	5.179
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	(iii) 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	-	-	-	-

- e. Securitization explanations: The Bank has no securitization transactions.
- f. Explanations on market risk:

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1. Qualitative disclosure requirements related to market risk:

The risk principles, policies and risk limits related to the management of market risk are approved by the Board of Directors and reviewed on a regular basis. The Bank's Senior Management performs day to day management of the market risk in accordance with the limits assigned by the Board of Directors. The Bank is exposed to market risk as a result of fluctuations in foreign exchange rates, interest rates, and market prices of stocks. Exchange rate risk and interest rate risk are evaluated as the two most important components of market risk. The Bank engages in derivative transactions for hedge purposes when found necessary.

Market risk is calculated by two different methods, namely the "inherent model" and the "standard method". According to inherent model market risk is measured by Value at Risk ("VaR") approach which takes into account different risk factors. VaR calculations use historical simulation and Monte Carlo simulation methods. The software used can perform calculations with an advanced yield curve and volatility models. The VaR model is based on the assumptions of 99% confidence interval and a 10-day holding period. VaR analyses are performed on a daily basis and reported to the Senior Management. VaR analyses are also used as risk and limit management instrument for trading transactions. The limits are reviewed periodically according to market conditions and the application of specified limits is subject to authority restrictions and therefore the control effectiveness is increased. VaR analyses are supported with scenario analyses and stress tests, and take into consideration the effects of low-probability events which have significant impact and the effects of market fluctuations. Retrospective tests of the model outputs are performed regularly. The standard method is used for the legal reporting.

The following table indicates the details of the market risk calculation as of 31 December 2022, in accordance with the Market Risk Calculation principles pursuant to the Third Section of the "Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette no. 29511 on 23 October 2015.

2. Standardised approach:

		Current Period	Prior Period
		31.12.2023	31.12.2022
		RWA	RWA
	Outright products (*)		
1	Interest rate risk (general and specific)	4.897.300	3.598.138
2	Equity risk (general and specific)	4.818.113	14.084.699
3	Foreign exchange risk	25.512.549	13.837.669
4	Commodity risk	3.199.902	20.185
	Options		
5	Simplified approach	-	-
6	Delta-plus method	869.963	809.838
7	Scenario approach	-	-
8	Securitisation	-	-
9	Total	39.297.827	32.350.529

^(*) Outright products refer to positions in products that are not optional.

g. Explanations on operational risk:

The "Basic Indicator Method" that is mentioned in "Regulation on Measurement and Assessment of Capital Adequacy of Banks" Communiqué published in the Official Gazette no. 29511 on 23 October 2015 and entered into force as of 31 March 2016, is used in the annual operational risk calculation of the Bank. The amount subject to the operational risk as of 31 December 2022 is calculated by using the gross income of the Bank in 2020, 2021 and 2022.



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Annual gross revenue is calculated by deduction of profit/loss derived from the sale of financial assets at fair value through other comprehensive income and financial assets measured at amortised cost, extraordinary income and indemnity insurance gains from the total of net interest income and non interest income.

		Total/Positive GI						
	31.12.2020	31.12.2021	31.12.2022	year number	Ratio (%)	Total		
Gross income	24.461.462	37.297.431	108.900.838	3	15	8.532.987		
Amount subject to Operational								
Risk (Amount*12,5)						106.662.332		

h. Interest rate risk related to banking book:

Interest rate risk for all banking transactions outside the trading portfolio are followed under interest rate risk related to the banking book. Interest rate risk related to the trading portfolio is followed under market risk.

ALCO performs daily management of interest rate risk in accordance with the risk limits set by the Executive Risk Committee in relation to interest rate sensitivities of the banking book. ALCO meetings are held on a weekly basis.

In addition to interest rate sensitivities measured and reported weekly, daily and transaction-based analyses are also performed when significant fluctuations occur in markets.

Repricing term mismatch and duration mismatch analyses, net economic value change analyses under different interest rate stress scenarios and income simulations are used for interest rate risk management. Repricing risk, yield curve risk, basis risk and optionality risk are considered under interest rate risk scope.

The interest rate risk arising from banking book is calculated and reported on a monthly basis according to "Regulation on Measurement and Evaluation of Interest Rate Risk in Banking Accounts with Standard Shock Method" published in the Official Gazette no 28034 on 23 August 2011.

The Group's calculation of the interest rate risk derived from banking books is presented below:

	Applied Shock	Gains /	Gains / Shareholders' Equity -
Currency	(+/- x basis points)	Losses	Losses/ Shareholders' Equity
TL	(400)	9.061.913	3,75%
TL	500	(9.674.850)	-4,00%
USD	(200)	(1.063.727)	-0,44%
USD	200	1.175.497	0,49%
EURO	(200)	(2.033.458)	-0,84%
EURO	200	2.064.903	0,85%
Total (for negative shocks)		5.964.728	2,47%
Total (for positive shocks)		(6.434.450)	-2,66%

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XI. EXPLANATIONS ON HEDGE TRANSACTIONS:

The Group hedges its TL and foreign denominated fixed rate financial assets with cross currency swaps and interest rate swaps. Within the scope of fair value hedge, fair value changes of hedging instrument and hedged item are accounted in the income statement. As long as the hedge relationship is effective, fair value change of the hedged item is disclosed together with its related asset or liability in the balance sheet for TL denominated fixed rate mortgage loans. Fair value changes which have already been booked in equity, have been reclassified from equity to income statement for TL and FC denominated fixed rate financial assets measured at fair value through other comprehensive income.

The Group hedges against its cash flow risk stemming from foreign currency denominated floating rate financial liabilities with interest rate and cross currency swaps. Within the scope of cash flow hedge accounting, effective part of the fair value changes of the hedging instrument are accounted in equity under "Cash Flow Hedge Gain/Loss, Shares of Investments Valued by Equity Method in Other Comprehensive Income Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Reclassified Through Other Profit or Loss" whereas ineffective part is accounted in the income statement. At instances when cash flows relating to hedged item (interest expense) affect the income statement, profit/loss of the related hedging item is taken out of the equity and reflected on the income statement.

Prospective tests are performed at the inception of the hedge relationships and both prospective and retrospective tests are performed at each reporting period-end regularly by using "Dollar off-set method". In this method, changes in the fair value of the hedged item and changes in the fair value of the hedging instruments between the designation date and each reporting period-end are compared and effectiveness ratio is calculated. In the determination of the fair values of hedging instruments and hedged item, market yield curves are used. Hedge accounting principles are applied by assessing the calculated effectiveness ratio within the scope of TAS 39.

When the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked due to ineffectiveness of efficiency tests;

- The hedging gains and losses that were previously recognized under equity are transferred to profit or loss when the cash flows of the hedged item are realized,
- Adjustments made to the carrying amount of the hedged item are transferred to profit and loss with straight line method for portfolio hedges or with effective interest rate method for micro hedges.

In case the hedged item is derecognized, hedge accounting is discontinued and within context of fair value hedge accounting, adjustments made to the value of the hedged item are accounted in income statement.

The replacement or rollover of a hedging instrument into another hedging instrument is not an expiration or termination if such replacement or rollover is part of the entity's documented hedging strategy.

The Group also applies net investment risk hedging in order to hedge its foreign currency risk from its investments abroad. The effective part of the fair value change of the hedging instrument in the hedging transaction in question was accounted in the "Accumulated Other Comprehensive Income or Expenses to be Reclassified in Profit or Loss" account under equity.

Within the scope of the Major Indicative Interest Rates Reform, the replacement of currently used benchmark interest rates, especially Libor, with newly accepted alterbnative interest rates has been completed. The benchmark interest rate change has been applied to all foreign currency transactions subject to hedge accounting and there is no significant effect on profit/loss.



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As of 31 December 2023, contractual amounts of derivative financial instruments designated as hedging instruments and the net fair values carried in the balance sheet of the Bank are summarized in the following table:

		Current Pe 31 December			ior Period ember 2022			
	Notional			Notional				
	Amount	Assets	Liabilities	Amount	Assets	Liabilities		
Interest Rate and Cross Currency Swaps								
-TL	62.769.058	27.644.678	852.473	31.550.734	18.868.111	494.476		
-FC	218.230.196	6.427.077	-	155.500.288	5.651.771	1		
Total	280.999.254	34.071.755	852.473	187.051.022	24.519.882	494.477		

1. Explanations on Accounting Net Investment Hedge:

The Group applies a net investment hedging strategy to hedge the foreign exchange risk arising from the net investment value of Akbank AG, its subsidiary, amounting to EUR 787 million (31 December 2022: EURO 787 million), and the net investment value of Akbank Ventures BV, its subsidiary, amounting to USD 100 million (31 December 2022: None). EUR 787 million and USD 100 million of the Group's borrowing are designated as "hedging instruments".

2. Explanations on Fair Value Hedge:

Current Period: 31 December 2023

Hedging Instrument	Hedged Item	Risk Exposure	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items (*)	Ineffective Portion (**)
Interest Rate	Fixed interest rate	Interest rate and	moughing moti uniont	nougou nomo ()	,
Swap	FC Loans	currency risk	118.489	(127.770)	(9.281)
	Fixed interest rate FC financial	•			
Interest Rate	assets at other comprehensive	Interest rate risk			
Swap	income		1.045.137	(1.345.887)	(300.750)
	Fixed interest rate FC				
	financial assets at fair value	Interest rate and			
Cross-currency	through other comprehensive	currency risk			
swap	income, FC borrowings		(74.524)	74.492	(32)
	Fixed interest rate TL	International and			
Cross-currency	Commercial Loans. FC	Interest rate and			
swap	borrowings	currency risk	6.216	(6.260)	(44)

^[*] Includes fair value differences arising from changes in foreign exchange rates for hedges against interest rate and foreign currency from the interest rate and foreign exchange risks.

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Hedging			Fair Value Difference of	Fair Value Difference of	Ineffective
Instrument	Hedged Item	Risk Exposure	Hedging Instrument	Hedged Items (*)	Portion (**)
Interest Rate	Fixed interest rate	Interest rate and			
Swap	FC Loans	currency risk	238.099	(241.371)	(3.272)
	Fixed interest rate FC financial				
Interest Rate	assets at other comprehensive	Interest rate risk			
Swap	income		1.812.353	(1.878.106)	(65.753)
	Fixed interest rate FC				
	financial assets at fair value throu	ig Interest rate and			
Cross-currency	other comprehensive income, FC	currency risk			
swap	borrowings		48.507	(48.327)	180
	Fixed interest rate TL	laterest rate and			
Cross-currency	Commercial Loans. FC	Interest rate and			
swap	borrowings	currency risk	8.096	(8.574)	(478)

^[*] Includes fair value differences arising from changes in foreign exchange rates for hedges against interest rate and foreign currency from the interest rate and foreign exchange risks.

In addition, when the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked due to ineffectiveness of efficiency tests with the information related discontinuous transactions are given below:

- As of 31 December 2023, related to fair value hedge transactions, there is no remaining net amount after amortization of the fair value change of the hedged items since the beginning of hedge accounting (31 December 2022: TL (38)).

3. Explanations on Cash Flow Hedge:

Hedging instrument	Hedged item	Nature of risk hedged	Hedging ins	trument FV	Net gain/(loss) recognized in OCI during the period	Net gain/(loss) reclassified to income statement during the year	Ineffective portion recognized in income statement (Net)
			Assets	Liabilities			
Interest Rate Swap	Floating-rate long Term FC funds borrowed	Cash Flow risk due to changes in interest rate of funds	266.601		252.745	464.101	2.012
Cross Currency Swap	Short term FC commercial deposits	Cash Flow risk due to changes in interest rate of funds	25.823.761	<u>-</u> -	207.590	750.525	88.735
Interest Rate Swap	Short term TL deposits	Cash Flow risk due to changes in interest rate of funds	1.651.985	-	881.938	473.277	(15.660)
Interest Rate Swap	Short term FC deposits	Cash Flow risk due to changes in interest rate of funds	1.692.926	-	951.682	931.967	7.807
Interest Rate Swap	Floating-rate TL financial assets at fair value through other comprehensive income	Cash Flow risk due to changes in interest rate of funds	91.462	852.473	(864.810)	(224.710)	15.188

In addition, when the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked with the information related discontinuous transactions are given below:

- As of 31 December 2023, related to cash flow hedge transactions, there is no remaining before tax amount in equity after amortization of the fair value change of the hedging instruments, from the beginning of hedge accounting (31 December 2022: None).

^(**) Represents the cumulative amounts booked under "Gains/Losses on Derivative Financial Transactions" and "Gains/Losses on Foreign Exchange Transactions" since the beginning of hedge accounting.

^(**) Represents the cumulative amounts booked under "Gains / (Losses) on Derivative Financial Transactions" and "Gains/ (Losses) on Foreign Exchange Transactions" since the beginning of hedge accounting.



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XII. QUALITATIVE DISCLOSURES ON REMUNERATION POLICIES:

Explanations on Remuneration Committee:

The Remuneration Committee consisting of two members from the board of directors who have no executive duties convened and evaluated the remuneration policies twice in 2022. As a result of the meeting and related evaluations, the committee decided on updating of the policies in accordance with the existing practices. The main duties and responsibilities of the Remuneration Committee have been determined briefly as follows:

- Overseeing the remuneration processes and practices with the aim of providing an independent and effective remuneration system.
- Reviewing the remuneration policy practices within the framework of the Corporate Governance principles and ensuring that the remuneration management system is up to date.
- Submitting the evaluation and recommendations on remuneration policies and practices within the framework of Corporate Governance principles to the Board of Directors as an annual report
- Reviewing as to whether remuneration policies, processes and practices comply with risk appetite, strategies and long term targets of the Bank
- Ensuring the implementation of premium payments within the framework of Corporate Governance principles.
- Determining payments to the members of the Board of Directors if they assume a different function in the bank
- Ensuring the preparation of the decisions regarding the remuneration, particularly the decisions about the remuneration of qualified employees, submitted to the approval of the Board of Directors; the regular observation of compliance and effectiveness of the remuneration policies with the risk appetite and targets of the bank; providing support and opinion to the Board of Directors with regard to the establishment and supervising of the operations of the remuneration system; overseeing the remuneration of the senior management of the units within the scope of Internal Systems

The general principles of the Bank's remuneration policy apply to all bank employees.

Members of the Board of Directors and senior executives that have a significant impact on the Bank's risk profile are classified under the qualified employees. By the end of 2022, there are 27 employees that are considered as qualified employees in the Bank.

Information on the Design and Structure of the Remuneration Process:

While determining the Bank's wage structure;

- Internal balance of wages and budgetary opportunities,
- Job description and level of responsibility of employees,
- · Individual performance of each employee,
- The overall performance of the team and general performance of the bank,
- Employee competencies,
- Compliance with the Bank's internal and external legislation

are taken into consideration.

Structured the Remuneration Policy for gaining, keeping, rewarding and motivating human resources are necessary for sustainable success to the bank is created as follows.

 Complying with the scope and structure of the Bank's operations, strategies, long-term targets and risk management structures, CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

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Preventing the excessive risk taking and contributing the effective risk management,

Evaluation of Remuneration Process Regarding the Methods of Addressing Current and Future Risks

In the remuneration processes, credit risk, operational risk, legal risk and reputation risk are taken into consideration with the applied risk management. The risks arising from employees during the determination of premiums are also taken into consideration. Some portion of the premium payments of the qualified employees are paid with non-cash assets indexed to the Bank's share value and some portion of them is postponed. In certain cases, written agreements have been made with these employees for the cancellation of deferred payments. In the recent year, there has been no change in the methods of handling risks in remuneration practices.

Evaluation of the Methods of Associating Premiums with Performance

Performance and risks generally determined for the Bank are considered on a preferential basis for calculating the total amount of premiums. The premium budget is distributed to the employees in line with the unit performance affiliated with individual performance and fixed income.

The units within the scope of Internal Systems have independent premium systems from Bank's performance system hence their budgets are separately managed. All decisions regarding the wage and premium processes of these units are agreed at the Board of Directors level.

XIII. EXPLANATIONS ON BUSINESS SEGMENTS:

The Group operates consumer banking, SME banking, commercial banking, and corporate-investment and private banking and wealth network providing services to customers in accordance with the Bank's organizational structure.

The profitability system generating segment information provides profitability information on the basis of account customer, customer relationship manager, branch segment and product. This information is made available to the branch and Head Office personnel through a web-based management reporting system.

Consumer banking offers a variety of retail services such as deposit accounts, retail loans, commercial installment loans, credit cards, insurance products and asset management services. The consumer banking products and services also include bank cards, investment funds trading, automatic payment services, foreign currency trading, safe deposit box rentals, cheques, money transfers, investment banking, telephone and internet banking. In the scope of private banking, The Bank serves the members of the high-income customers who have expectations for upper-class service quality both in banking and investment transactions.

Corporate banking, commercial banking and SME banking, provide financial solutions and banking services to large, medium and small size corporate and commercial customers. The products and services offered to corporate and commercial customers include TL and foreign currency denominated working capital loans financing for investments, foreign trade financing, derivative instruments for hedging purposes of foreign currency and interest risk, letters of credit, foreign currency trading, corporate finance services and deposit and cash management services. In addition, the Bank provides timely and permanent solutions for corporate customers' working capital management, delivers cash management services tailored based on customers' requests that include collection and payment services and liquidity and information management. Project finance loans are provided within the context of investment banking activities. Within the scope of international banking activities, activities are also being carried out in order to provide long-term funding, to provide funding under a price reflecting the country's risk, to diversify funding resources and to form an international investor base on this area.

The Treasury Unit conducts TL and FC spot and forward transactions, treasury bonds, government bonds, Eurobond and private sector bond transactions and also derivative trading activities within determined limits. These transactions are performed according to the Bank's requirements. In addition to marketing and pricing activities for the branch network of Treasury products and customers, foreign trade financing, foreign exchange and TL "clearing" services are also carried out for customers.



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Other operations includes activities of Ak Finansal Kiralama A.Ş., Ak Yatırım Menkul Değerler A.Ş., Ak Portföy Yönetim A.Ş., Akbank AG and AkÖde Elektronik Para ve Ödeme Hizmetleri A.S as subsidiaries of the Bank in consolidation.

Information on business segments as of 31 December 2023 and 31 December 2022 presented in the following tables. Explanations on business segments are prepared on the basis of data obtained from Bank Management Reporting System.

	Consumer	Commercial Banking,	Treasury,	
	Banking and	Corporate Banking	Other and	Bank's Total
	Private Banking	and SME Banking	Unallovated	Activities
Current Period - 31 December 2023				
Operating Income	53.688.822	68.797.182	27.869.808	150.355.812
Profit from Operating Activities	16.229.015	55.662.834	15.078.894	86.970.743
Income from Subsidiaries	-	-	86.382	86.382
Income/(loss) from investments in				
subsidiaries consolidated based on equity				
method	-	-	35.139	35.139
Profit before Tax	16.229.015	55.662.834	15.200.415	87.092.264
Corporate Tax	-	-	(20.596.029)	(20.596.029)
Net Profit for the Period	16.229.015	55.662.834	(5.395.614)	66.496.235
Segment Assets	471.527.002	680.593.456	673.248.905	1.825.369.363
Investments in Associates	-	-	3.061.866	3.061.866
Undistributed Assets	-	-	76.338.259	76.338.259
Total Assets				1.904.769.488
Segment Liabilities	921.114.199	445.303.039	234.803.896	1.601.221.134
Undistributed Liabilities	-	-	92.329.647	92.329.647
Shareholders' Equity	-	-	211.218.707	211.218.707
Total Liabilities				1.904.769.488

	Consumer	Commercial Banking,	Treasury,	
	Banking and Private Banking	Corporate Banking and SME Banking	Other and Unallovated	Bank's Total Activities
Prior Period - 31 December 2022	-			
Operating Income	22.594.234	31.705.995	57.486.452	111.786.681
Profit from Operating Activities	7.515.270	26.179.946	46.483.974	80.179.190
Income from Subsidiaries	-	-	91.618	91.618
Profit before Tax	7.515.270	26.179.946	46.575.592	80.270.808
Corporate Tax	-	-	(20.245.101)	(20.245.101)
Net Profit for the Period	7.515.270	26.179.946	26.330.491	60.025.707
Segment Assets	198.533.395	477.773.960	416.734.740	1.093.042.095
Investments in Associates	-	-	18.957	18.957
Undistributed Assets	-	-	54.233.128	54.233.128
Total Assets				1.147.294.180
Segment Liabilities	484.329.393	290.973.243	151.276.243	926.578.879
Undistributed Liabilities	-	-	67.109.431	67.109.431
Shareholders' Equity	-	-	153.605.870	153.605.870
Total Liabilities				1.147.294.180

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SECTION FIVE INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS

- Information related to cash equivalents and the account of the Central Bank of the Republic of Turkey (the "CBRT"):
- 1. Information on cash equivalents and the account of the CBRT:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Cash/Foreign Currency	4.285.667	11.562.251	3.041.404	7.978.805
The CBRT (*)	124.637.273	155.970.274	20.645.317	95.135.790
Other (**)	-	944.234	-	731.475
Total	128.922.940	168.476.759	23.686.721	103.846.070

^[*] Precious metal account amounting to TL 15.823.329 are included in FC (31 December 2022: TL 3.443.117).

2. Information related to the account of the CBRT:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Unrestricted Demand Deposits	1.927	-	1.214	_
Unrestricted Time Deposits	-	5.890.339	-	2.330.773
Restricted Time Deposits	-	-	-	-
Reserve Requirement	124.635.346	150.079.935	20.644.103	92.805.017
Total	124.637.273	155.970.274	20.645.317	95.135.790

3. Explanation on reserve requirements:

In accordance with the "Communiqué Regarding the Reserve Requirements no. 2013/15, the Bank is required to maintain reserves in CBRT for TL and foreign currency liabilities. The reserve requirements can be maintained as TL, USD, EUR and standard gold.

The required rates for the required reserves established in the CBRT are between 0% and 8%, excluding accounts provided with exchange rate/price protection support by the Central Bank, according to the maturity structure in Turkish currency (31 December 2022: between 3% and 8%); accounts provided with exchange rate/price protection support by the Central Bank, it is between 10% and 30% (31 December 2022: None); in foreign currency, it is between 5% and 30% depending on the maturity structure (31 December 2022: between 5% and 31%) as of 31 December 2023.

b. Financial Assets at Fair Value Through Profit or Loss

As of 31 December 2023, financial assets at fair value through profit or loss given as collateral/blocked amounting to TL 68.556 (31 December 2022: TL 387.799). There are no financial assets at fair value through profit or loss subject to repo transactions (31 December 2022: None).

^[**] Precious metal account amounting to TL 944.231 are included in FC (31 December 2022: TL 731.471).



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Other Financial Assets: TL 3.520.491 (31 December 2022: TL 2.041.238) of other financial assets consist Fourth Real Estate Investment Fund of Ak Portföy Yönetimi A.Ş. established by Ak Portföy Yönetimi A.Ş. and the fund is followed at its fair value and the related valuation differences are recognized in profit or loss.

c. Trading derivative financial assets:

Table of positive differences related to derivative financial assets (*)

	Current Period 31 December 2023		31 D	Prior Period ecember 2022
	TL	FC	TL	FC
Forward Transactions	2.122.806	-	2.275.577	-
Swap Transactions	16.508.577	12.783.779	10.064.350	11.255.138
Futures Transactions	-	-	-	-
Options	333.260	885.808	22.781	709.075
Other	-	-	-	-
Total	18.964.643	13.669.587	12.362.708	11.964.213

^(*) Excluding hedging derivatives financial assets.

d. Information on banks account and foreign banks:

1. Information on banks account:

	Current Period 31 December 2023		Prior Perio 31 December 202	
	TL	FC	TL	FC
Banks				
Domestic	496.906	1.638.605	330.627	2.933.531
Foreign (*)	365.692	55.581.927	1.554	35.114.910
Head Quarters and Branches Abroad	-	-	-	-
Total	862.598	57.220.532	332.181	38.048.441

^(*) Includes collateral of TL 5.390.011 for derivative transactions made with foreign banks (31 December 2022: TL 7.486.972).

2. Information on foreign banks account:

	Unrestricte	Unrestricted Amount		mount (**)
	Current Period 31 Aralık 2023		Current Period 31 Aralık 2023	Prior Period 31 Aralık 2022
European Union Countries	19.013.622	8.618.119	7.377.766	4.825.191
USA, Canada	17.742.539	8.436.694	1.157.127	1.150.802
OECD Countries (*)	8.378.916	6.539.656	1.729.578	5.396.433
Off-Shore Banking Regions	-	-	-	-
Other	547.514	145.564	557	4.005
Total	45.682.591	23.740.033	10.265.028	11.376.431

^(*) OECD Countries other than EU countries, USA and Canada.

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e. Information on financial assets at fair value through other comprehensive income:

- 1. As of 31 December 2023, financial assets fair value through other comprehensive income subject to repurchase agreements amounting to TL 110.784.307 (31 December 2022: TL 42.299.686); and those given as collateral/blocked amounting to TL 80.866.957 (31 December 2022: TL 60.619.771).
- 2. Information on financial assets fair value through other comprehensive income:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Debt Securities	294.038.922	176.929.176
Quoted at Stock Exchange (*)	264.492.788	169.493.452
Unquoted at Stock Exchange	29.546.134	7.435.724
Share Certificates	112.205	97.230
Quoted at Stock Exchange	-	-
Unquoted at Stock Exchange	112.205	97.230
Impairment Provision (-)	10.385.659	5.198.633
Total	283.765.468	171.827.773

^(*) Investment funds are included.

f. Information related to loans:

1. Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	Cash	Non-cash	Cash	Non-cash
Direct Loans Granted to Shareholders	-	159	459.027	159
Corporate Shareholders	-	159	459.027	159
Real Person Shareholders	-	-		-
Indirect Loans Granted to Shareholders	18.578.260	7.976.515	11.044.533	4.863.784
Loans Granted to Employees	606.978	-	322.086	-
Total	19.185.238	7.976.674	11.825.646	4.863.943

^[**] Restricted amounts which mainly consist of collaterals related to borrowings are kept in several banks.

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2. Information on the first and second group loans and other receivables including loans that have been restructured or rescheduled (*):

(i). Loans at amortised cost (*)

			Loans and other rece follow	
Current Period – 31 December 2023			Restructured Loans a	nd Receivables
Cash Loans	Standard Loans and Other Receivables	Loans and Receivables Not Subject to restructuring	Loans and Receivables with Revised Contract Terms	Refinance
Non-specialized Loans		-		
Loans given to enterprises	139.803.026	729.405	150.701	9.346.806
Export Loans	94.415.879	426.343	2.377	50.284
Import Loans	3.673.075	-	-	-
Loans Given to Financial Sector	74.148.493	643	-	59
Consumer Loans	164.734.435	8.563.726	1.657.241	105.034
Credit Cards	174.830.420	5.675.758	2.670.141	-
Other	247.205.245	1.389.304	1.946.878	28.908.899
Specialized Loans	-	-	-	-
Other Receivables	=	=	=	-
Total	898.810.573	16.785.179	6.427.338	38.411.082

(*) The balances of loans at fair value profit or loss has not been included. Included lease receivables.

Standard Loans

ζ,,	;	Current Period 31 December 2023		Prior Period 31 December 2022
Expected Credit Loss Stage I and	Standard	Loans under	Standard	Loans under
Stage II (*)	Loans	Follow-up	Loans	Follow-up
12 Month Expected Credit Losses	9.513.380	-	3.710.309	-
Significant Increase in Credit Risk	-	10.165.606	-	6.694.750
Total	9.513.380	10.165.606	3.710.309	6.694.750

^(*) Included expected credit losses of lease receivables.

3. Breakdown of loans according to their maturities:

Non-restructured	Restructured or rescheduled	
8 879 881	2 557 137	

Loans Under Follow-up

Total	898.790.500	16.805.252	44.838.420
Medium and Long-term Loans	483.894.077	7.925.371	42.281.283
Short-term Loans	414.896.423	8.879.881	2.557.137

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4. Information on consumer loans, personal credit cards, personnel loans and personnel credit cards:

Current Period - 31 December 2023	6 1	Medium and	-
	Short-term 10.235.965	Long-term	Total
Consumer Loans-TL	1 0.235.965 1.684	142.788.680 32.976.505	153.024.645 32.978.189
Mortgage Loans Automotive Loans	30.910		5.172.431
		5.141.521	
Consumer Loans Other	10.203.371	104.670.654	114.874.025
Consumer Loans- Indexed to FC	_	182	182
	-	182	182
Mortgage Loans Automotive Loans	_	102	102
Consumer Loans	_	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
	-	-	-
Mortgage Loans Automotive Loans	_	-	-
Consumer Loans	_	-	-
Other	_	-	-
Consumer Credit Cards-TL	141.024.235	2.276.160	143.300.395
With Installment	58.674.671	2.276.160	60.950.763
Without Installment	82.349.564	2.276.092	82.349.632
Consumer Credit Cards-FC	214.139	00	214.139
With Installment	214.137	-	214.137
Without Installment	214.138	-	214.138
Personnel Loans-TL	18.970	234.505	253.475
	16.770	10.795	10.795
Mortgage Loans Automotive Loans	109	4.467	4.576
Consumer Loans	18.861		238.104
Other	10.001	219.243	230.104
	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	_	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	349.252	884	350.136
With Installment	164.115	884	164.999
Without Installment	185.137	-	185.137
Personnel Credit Cards-FC	3.367	-	3.367
With Installment	-	-	-
Without Installment	3.367	-	3.367
Credit Deposit Account-TL (Real Person)	21.696.599	-	21.696.599
Credit Deposit Account-FC (Real Person)	<u>-</u>	-	-
Total Consumer Loans	173.542.527	145.300.411	318.842.938



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		Medium and	
Prior Period – 31 December 2022	Short-term	Long-term	Total
Consumer Loans-TL	16.262.853	74.752.442	91.015.295
Mortgage Loans	22.517	16.421.141	16.443.658
Automotive Loans	91.910	2.299.009	2.390.919
Consumer Loans	16.148.426	56.032.292	72.180.718
Other	-	-	-
Consumer Loans- Indexed to FC	-	216	216
Mortgage Loans	-	216	216
Automotive Loans	-	-	-
Consumer Loans	-	=	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	46.660.620	1.298.001	47.958.621
With Installment	20.100.091	1.297.905	21.397.996
Without Installment	26.560.529	96	26.560.625
Consumer Credit Cards-FC	68.410	-	68.410
With Installment	-	=	-
Without Installment	68.410	-	68.410
Personnel Loans-TL	32.393	126.927	159.320
Mortgage Loans	-	5.783	5.783
Automotive Loans	79	2.289	2.368
Consumer Loans	32.314	118.855	151.169
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	=	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	161.739	257	161.996
With Installment	75.006	257	75.263
Without Installment	86.733	-	86.733
Personnel Credit Cards-FC	770	-	770
With Installment	-	-	-
Without Installment	770	-	770
Credit Deposit Account-TL (Real Person)	4.962.978	-	4.962.978
Credit Deposit Account-FC (Real Person)	- /0.4/0.8/0	-	4// 005 /01
Total Consumer Loans	68.149.763	76.177.843	144.327.606

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5. Information on commercial installment loans and corporate credit cards:

Current Period – 31 December 2023	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TL	2.095.940	58.685.836	60.781.776
Mortgage Loans	1.412	1.107.707	1.109.119
Automotive Loans	180.865	12.855.810	13.036.675
Consumer Loans	1.913.663	44.722.319	46.635.982
Other	1.713.005	44.722.017	40.033.702
FC Indexed Commercial Installment Loans		_	_
Mortgage Loans	-	-	_
Automotive Loans	-	-	-
	-	-	-
Consumer Loans	-	-	-
Other	- 	4 000 000	4 007 040
Commercial Installment Loans-FC	5.022	1.229.288	1.234.310
Mortgage Loans	-	-	-
Automotive Loans		165.430	165.430
Consumer Loans	5.022	1.063.858	1.068.880
Other	-	-	-
Corporate Credit Cards-TL	38.453.813	837.182	39.290.995
With Installment	20.787.062	837.178	21.624.240
Without Installment	17.666.751	4	17.666.755
Corporate Credit Cards-FC	17.287	-	17.287
With Installment	-	-	-
Without Installment	17.287	-	17.287
Credit Deposit Account-TL (Legal Person)	2.136.042	-	2.136.042
Credit Deposit Account-FC (Legal person)	-	-	-
Total	42.708.104	60.752.306	103.460.409
		Medium and	
Prior Period - 31.12.2022	Short-term	Long-term	Total
Commercial Installment Loans-TL	12.048.304	24.623.556	36.671.860
Mortgage Loans	67.077	1.353.369	1.420.446
Automotive Loans	3.243.506	9.517.469	12.760.975
Consumer Loans	8.737.721	13.752.718	22.490.439
Other	-	- 0 E00	-
FC Indexed Commercial Installment Loans	-	2.709	2.709
Mortgage Loans	=	1.450	1.450
Automotive Loans Consumer Loans	-	364 895	364 895
Other	-	870	873
Commercial Installment Loans-FC	7.111	818.084	825.1 9 5
Mortgage Loans	7.111	010.004	023.173
Automotive Loans	-	100.600	100.600
Consumer Loans	7.111	717.484	724.595
Other	7.111	717.404	724.373
Corporate Credit Cards-TL	12.099.444	279.187	12.378.631
With Installment	6.344.982	279.136	6.624.118
Without Installment	5.754.462	51	5.754.513
Corporate Credit Cards-FC	8.544	J1	8.544
With Installment	32	- -	32
Without Installment	8.512	-	8.512
Credit Deposit Account-TL (Legal Person)	983.429	-	983.429
Credit Deposit Account-TC (Legal person)	700.427	-	700.427
Total	25.146.832	25.723.536	50.870.368
17101	20.170.002	20., 20.000	30.070.300



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6. Loans according to types of borrowers:

	Current Period	Prior Period	
	31 December 2023	31 December 2022	
Public	36.345.065	26.160.837	
Private	945.438.392	601.873.869	
Total	981.783.457	628.034.706	

7. Distribution of domestic and foreign loans (*): Loans are classified according to the locations of the customers.

	Current Period 31 December 2023	Prior Period 31 December 2022
Domestic Loans	967.717.687	618.611.041
Foreign Loans	14.065.770	9.423.665
Total	981.783.457	628.034.706

- (*) Included leasing receivables.
- 8. Loans granted to investments in associates and subsidiaries: None.
- 9. Credit-Impaired Losses (Stage III / Special Provision) (*):

	Current Period 31 December 2023	Prior Period 31 December 2022
Loans and Other Receivables with Limited Collectibility	3.255.870	875.932
Loans and Other Receivables with Doubtful Collectibility	1.290.082	826.471
Uncollectible Loans and Receivables	8.556.550	10.082.906
Total	13.102.502	11.785.309

- (*) Included leasing receivables.
- 10. Information on non-performing loans (Net):
- (i) Information on non-performing loans restructured or rescheduled and other receivables:

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period: 31 December 2023			
(Gross Amounts Before Specific Provisions)	65.408	48.337	850.975
Rescheduled Loans and Other Receivables	65.408	48.337	850.975
Prior Period: 31 December 2022			
(Gross Amounts Before Specific Provisions)	34.957	96.976	854.936
Rescheduled Loans and Other Receivables	34.957	96.976	854.936

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(ii) Information on the movement of total non-performing loans (*):

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Prior Period End Balance: 31 December 2022	1.459.788	1.162.844	14.960.818
Additions (+)	9.573.486	98.139	1.475.379
Transfers from Other Categories of Non-			
Performing Loans (+)	-	3.708.676	2.461.890
Transfers to Other Categories of Non-			
Performing			
Loans (-)	3.708.676	2.461.890	-
Collections (-)	1.095.481	588.395	4.045.679
Write-offs (-) (**)	317.507	11.309	276.727
Sold Portfolio (***)	-	46.991	999.079
Corporate and Commercial Loans	-	46.991	103.522
Consumer Loans	-	-	519.096
Credit Cards	-	-	376.461
Other	-	-	-
Balance at the End of the Period	5.911.610	1.861.074	13.576.601
Specific Provisions (-)	3.255.870	1.290.082	8.556.550
Net Balance at Balance Sheet	2.655.740	570.992	5.020.051

^(*) Included leasing receivables.

[***] The Bank sold the part of its non-performing loans portfolio amounting to 1.786 million TL (full TL amount) for a fee of 781 million TL (full TL amount) to Gelen Varlık Yönetimi A.Ş., Dünya Varlık Yönetimi A.Ş., Birikim Varlık Yönetimi A.Ş., Ortak Varlık Yönetimi A.Ş., AGS Altın Planet Varlık Yönetimi A.Ş. and Sümer Varlık Yönetimi A.Ş. 740 million TL of the 1.786 million TL portfolio consists of receivables written off from assets in 2022 and earlier years. The effect of the NPL portfolio sale on the NPL conversion rate is 10 basis points.

(iii) Information on non-performing loans granted as foreign currency loans:

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period: 31 December 2023			
Balance at the End of the Period	2.542.369	3.344	5.502.354
Specific Provision (-)	1.266.058	2.343	3.189.927
Net Balance on Balance Sheet	1.276.311	1.001	2.312.427
Prior Period: 31 December 2022			
Balance at the End of the Period	511.321	184.569	6.134.551
Specific Provision (-)	306.919	136.763	3.519.753
Net Balance at Balance Sheet	204.402	47.806	2.614.798

In Parent Bank, non-performing loans granted as foreign currency are followed under TL accounts of balance sheet.

^(**) In the current period, based on the amendment made in the "Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions for These" published in the Official Gazette dated 6 July 2021 and numbered 31533, there is no write-off process. (31 December 2022: TL 12.626.511 and its effect on the NPL ratio is 192 basis points).



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(iv) Breakdown of non-performing loans according to their gross and net values (*):

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period (Net): 31 December 2023			
Loans granted to corporate entities and real persons (Gross)	5.911.610	1.861.074	13.576.601
Specific Provision Amount (-)	3.255.870	1.290.082	8.556.550
Loans granted to corporate entities and real persons (Net)	2.655.740	570.992	5.020.051
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Advances Receivables (Net)	-	-	-
Prior Period (Net): 31 December 2022			
Loans granted to corporate entities and real persons (Gross)	1.459.788	1.162.844	14.960.818
Specific Provision Amount (-)	875.932	826.471	10.082.906
Loans granted to corporate entities and real persons (Net)	583.856	336.373	4.877.912
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Advances Receivables (Net)	-	-	

^(*) Included leasing receivables.

(v) Information on the collection policy of non-performing loans and other receivables (*):

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period: 31 December 2023	-	-	
Interest accruals and valuation differences	509.710	194.276	3.611.762
Provision (-)	288.600	133.858	2.318.901
Prior Period: 31 December 2022			
Interest accruals and valuation differences	93.608	108.193	3.583.451
Provision (-)	49.521	75.608	2.253.943

^(*) Included leasing receivables.

Non-performing loans and other receivables are collected through legal follow-up and liquidation of collaterals.

12. Information on the write-off policy: Disclosed in Note VII of Section Three.

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g. Other financial assets measured at amortised cost:

People &

Community

1. Information on financial subject to repurchase agreements and those given as collateral/blocked:

	Current Period 31 December 2023		31 D	Prior Period ecember 2022
	TL	FC	TL	FC
Given as collateral/blocked	99.746.723	-	59.862.341	-
Subject to repurchase agreements	8.019.510	17.230.359	12.345.942	10.571.152
Total	107.766.233	17.230.359	72.208.283	10.571.152

2. Information about Government debt securities:

	Current Period 31 December 2023	Prior Period 31 December 2022
Government debt	160.462.364	95.023.206
Treasury bonds	-	=
Other government debts	2.854.634	1.811.726
Total	163.316.998	96.834.932

3. Information on other financial assets measured at amortised cost:

	Current Period 31 December 2023	Prior Period 31 December 2022
Debt Securities	164.944.385	98.157.324
Quoted at stock exchange	164.944.385	98.157.324
Not quoted at stock exchange	-	-
Impairment (-)	17.625	2.648
Total	164.926.760	98.154.676

4. The movement of financial assets at amortised costs:

	Current Period 31 December 2023	Prior Period 31 December 2022
Balance at the Beginning of the Period	98.154.676	52.585.560
Foreign Currency Differences on Monetary Assets	6.299.057	3.327.702
Purchases During Year	29.740.102	12.928.334
Disposals Through Sales and Redemptions	(5.337.086)	(6.056.237)
Impairment Provision	(14.977)	75.128
Change in Amortised Cost	36.084.988	35.294.189
Balance at the End of the Period	164.926.760	98.154.676

^{11.} Information on the collection policy of non-performing loans and other receivables:



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h. Information on investments in associates (Net):

- 1. Non-consolidated associates:
 - 1 (i).Reasons for being out of consolidation for non-consolidated associates: In accordance with the Communiqué on Preparation of Consolidated Financial Statements of Banks they have been left out of the scope of consolidation.
 - 1 (ii). Information about non-consolidated associates:

		Bank's share percentage-				
		Address	If different	• '		
	Title	(City / Country)	voting percentage (%)	percentage (%)		
1	Bankalararası Kart Merkezi A.Ş.	Istanbul/Turkey	4,89	4,89		
2	Kredi Kayıt Bürosu A.Ş.	Istanbul/Turkey	9,09	9,09		
3	JCR Avrasya Derecelendirme A.Ş.	Istanbul/Turkey	2,86	2,86		
4	Birleşik İpotek Finansmanı A.Ş.	Istanbul/Turkey	8,33	8,33		

1 (iii). Main financial figures of associates, in the order of the above table:

The financial figures stated below have been obtained from the financial statements date 30 June 2023 (*).

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	3.880.800	3.344.720	398.104	511.366	-	2.659.647	207.418	-
2	1.201.571	242.443	456.171	29.452	-	128.363	29.975	-
3	181.747	142.869	10.447	15.346	561	100.751	58.825	-
4	154.849	82.473	2.582	-	-	11.492	9.637	_

Income from

[*] In the table above, 30 June 2023 financial data of Birleşik İpotek Finansmanı A.Ş., 31 December 2022 financial data of JCR Avrasya Derecelendirme A.S. are used.

1 (iv). Movement schedule for non-consolidated subsidiaries:

	Current Period 31 December 2023	Prior Period 31 December 2022
Balance at the Beginning of the Period	18.957	18.129
Movements During the Period		
Purchases	-	-
Bonus Shares and Contributions to Capital	571	828
Dividends from Current Year Income	-	-
Sales/Liquidation	-	-
Revaluation Increase	-	-
Impairment Provision (-)	-	-
Balance at the End of the Period	19.528	18.957
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	_

2. Consolidated subsidiaries within the current period: None.

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i. Information on subsidiaries (Net):

1. Information related to shareholders' equity of major subsidiaries:

The following amounts have been obtained from the financial statements as of 31 December 2023 prepared in accordance with legislation in which the bank are subject to.

Ak Yatırım

	Ak Finansal	Menkul Değerler	Ak Portföy		AkÖde	Akbank
	Kiralama A.Ş.	A.Ş.	Yönetimi A.Ş.	Akbank AG	A.Ş.	Ventures BV
Paid in Capital	360.007	96.802	30.534	740.648	330.000	2.401.175
Share Premium	-	-	-	-	-	-
Reserves	1.638.456	76.251	54.029	26.880.509	[14]	542.645
Gains recognized in equity as per TAS	(4.419)	[23.642]	(1.782)	-	(955)	-
Profit/Loss	962.935	5.194.242	1.243.325	6.167.408	(83.198)	46.718
- Net Current Period Profit	962.935	3.067.706	850.419	2.454.523	(82.831)	46.718
- Prior Year Profit/Loss	-	2.126.536	392.906	3.712.885	(367)	-
Development Cost of Operating Lease (-)	160	1.643	-	2.971	-	-
Remaining other intangible assets after						
offset with the related deferred tax liability						
excluding mortgage servicing rights	17.890	161.754	5.635	30.539	-	-
Total Common Equity	2.938.929	5.180.256	1.320.471	33.755.055	245.833	2.990.538
Total Additional Tier I Capital	-	=	-	-	-	=
Portion of Goodwill and Other Intangible						
Assets and Related Deferred Tax Liabilities						
not deducted from the Common Equity as per						
the 1st Clause of Provisional Article 2 of the						

"Regulation on the Equity of Banks" (-) 2.938.929 5.180.256 1.320.471 33.755.055 245.833 2.990.538 Total Tier I Capital Tier II Capital 48.673 33 425.409 CAPITAL 2.987.602 245.833 2.990.538 5.180.289 1.320.489 34.180.464 **Deductions from Capital** TOTAL CAPITAL 2.987.602 5.180.289 1.320.489 34.180.464 245.833 2.990.538

The Bank's subsidiaries, included in the consolidated calculation of capital requirement, do not have additional capital requirements.

2. Non-consolidated subsidiaries:

					В	ank's share per	centage-	
	Title		Address (City / Co	untry)			different Ba ntage (%) share	nk's risk group percentage (%)
1	Akbank Venture	s BV	Amsterd	am/Netherlar	nds		100,00	100,00
Stablex Bilişim Teknoloji A.Ş.		İstanbul/Turkey		-		76,00		
	Total Assets	Shareholder s' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	2.990.538	2.990.538	-	46.718	-	46.718	-	-
2	847	-	496	2.849	-	(19.560)	(13.410)	-

The Parent Bank has established a new company, Akbank Ventures BV, located in the Netherlands, with a capital of USD 30 million, which it owns 100%. The Company's capital reached 100 million USD with an increase of 70 million USD during the period. Ak Yatırım Menkul Değerler A.Ş., a 100% subsidiary of the Parent Bank, became a shareholder of 76% of Stablex Bilişim Teknoloji A.Ş.

Subsidiaries owned by the Parent Bank and its subsidiaries within the scope of consolidation, which are not financial institutions, are not included in the scope of consolidation in accordance with the BRSA's "Communiqué on the



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Preparation of Consolidated Financial Statements of Banks", and are accounted for using the equity method defined in "TAS 28 Investments in Subsidiaries and Joint Ventures".

3. Consolidated subsidiaries:

	Title	Address (City / Country)	Bank's Share Percentage-If Different Voting Percentage (%)	Bank's Risk Group Share Percentage (%)
1	Ak Finansal Kiralama A.Ş.	Istanbul/Turkey	100,00	100,00
2	Ak Yatırım Menkul Değerler A.Ş.	Istanbul/Turkey	100,00	100,00
3	Ak Portföy Yönetimi A.Ş.	Istanbul/Turkey	100,00	100,00
4	Akbank AG	Eschborn/Germany	100,00	100,00
5	AkÖde Elektronik Para ve Ödeme			
	Hizmetleri A.Ş.	Istanbul/Turkey	100,00	100,00

4. Main financial figures of consolidated subsidiaries, in the order of the above table:

The financial figures have been obtained from the financial statements as at 31 December 2023 prepared in accordance with regulations of the parent bank.

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	from from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	29.344.504	2.956.979	1.232.766	3.357.923	494.997	962.935	670.272	-
2	16.805.050	5.343.653	178.849	2.521.771	2.514.715	3.067.706	1.067.686	-
3	1.564.470	1.326.106	37.824	26.644	337.684	850.419	373.476	-
4	125.804.366	33.788.565	131.248	6.906.573	358.842	2.454.523	1.061.076	-
5	354.676	245.833	7.327	88.076	2.233	(82.831)	[99.662]	

Though not being the subsidiary of the Bank, A.R.T.S Ltd. which was established in November 1999 respectively in connection with rising long-term financing, is included in the full scope of consolidation as "Structured Entity".

5. Movement schedule for consolidated subsidiaries:

	Current Period 31 December 2023	Prior Period 31 December 2022
Balance at the Beginning of the Period	23.528.038	16.060.130
Movements During the Period		
Additions (*)	188.000	70.000
Bonus Shares and Contributions to Capital	-	-
Dividends from Current Year Income	7.264.287	3.073.735
Sales/Liquidation	-	-
Revaluation Increase (**)	12.680.811	4.324.173
Revaluation/Impairment	-	-
Balance at the End of the Period	43.661.136	23.528.038
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	_

[*] The mentioned amounts arise from the net increase of 188,000 TL in the capital of AkÖde Elektronik Para ve Dağıtım Hizmetleri A.Ş., which is a 100% subsidiary of the Bank, for the current period, taking into account the capital decrease made during the period, and the increase of 70.000 TL in the capital of AkÖde Elektronik Para ve Dağıtım Hizmetleri A.Ş., which is a 100% subsidiary of the Bank, for the current period.

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[**] Amounts refer to revaluation differences arising from accounting of financial associates and subsidiaries under the equity method as explained in the Note III of the Section Three

6. Sectoral information on consolidated financial subsidiaries and the related carrying amounts:

Current Period	Prior Perioa
31 December 2023	31 December 2022
33.788.565	18.736.762
-	-
-	-
2.956.979	1.994.044
-	-
6.915.592	2.797.232
	31 December 2023 33.788.565

- 7. Subsidiaries quoted to a stock exchange: None (31 December 2022: None).
- j. Information on joint ventures: None (31 December 2022: None).
- k. Information on finance lease receivables (Net):

	31	Current Period December 2023	31 D	Prior Period ecember 2022
	Gross	Net	Gross	Net
2023	-	-	5.536.783	4.504.252
2024	10.028.632	7.533.125	3.658.791	2.987.065
2025 and following years	13.575.632	11.530.498	4.502.958	4.060.111
Total	23.604.264	19.063.623	13.698.532	11.551.428

l. Information on the hedging derivative financial assets:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Fair Value Hedge	77.470	4.467.550	53.447	3.589.291
Cash Flow Hedge	27.567.208	1.959.527	18.814.664	2.062.480
Net Investment Hedge in a foreign operation	=	-	-	-
Total	27.644.678	6.427.077	18.868.111	5.651.771



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m. Information on tangible assets:

		Other Tangible	Construction in	
	Immovables (*)	Fixed Assets	Progress	Total
Prior Period End: 31 December 2022				
Cost	12.708.410	5.254.816	50.952	18.014.178
Accumulated Depreciation(-)	594.986	2.187.189	-	2.782.175
Net Book Value	12.113.424	3.067.627	50.952	15.232.003
Current Period End: 31 December 2023				
Net Book Value at the Beginning				
of the Period	12.113.424	3.067.627	50.952	15.232.003
Additions	1.020.971	4.436.587	502.079	5.959.637
Investment Properties Revaulation				
differences	5.491.836	-	-	5.491.836
Transferred	48.721	-	(48.721)	-
Disposals (-), net	42.485	16.687	-	59.172
Depreciation (-)	375.465	976.071	-	1.351.536
Impairment	1.696	-	-	1.696
Currency Translation Differences on Foreign				
Operations, Net	38.386	4.539	-	42.925
Cost at Period End	19.115.784	9.418.051	504.310	29.038.145
Accumulated Depreciation at				
Period End (-)	818.700	2.902.056	-	3.720.756
Closing Net Book Value	18.297.084	6.515.995	504.310	25.317.389

(*) Immovables includes the asset usage rights of the real estates rented under the "TFRS 16 Leases" Standard. As of 31 December 2023, asset usage rights are TL 1.947.608, and accumulated depreciation amount is TL 577.923.

		Other Tangible	Construction in	
	Immovables (*)	Fixed Assets	Progress	Total
Prior Period End: 31 December 2021			3	
Cost	5.095.796	3.019.002	18.927	8.133.725
Accumulated Depreciation(-)	558.096	1.680.793	-	2.238.889
Net Book Value	4.537.700	1.338.209	18.927	5.894.836
Current Period End: 31 December 2022				
Net Book Value at the Beginning of the Period	4.537.700	1.338.209	18.927	5.894.836
Additions	486.671	2.310.209	74.210	2.871.090
Investment Properties Revaulation differences	7.322.171	-	-	7 .322.171
Transferred	42.185	-	(42.185)	-
Disposals (-), net	93.105	5.368	-	98.473
Depreciation (-)	194.460	577.250	-	771.710
Impairment	4.970	-	-	4.970
Currency Translation Differences on Foreign Operations, Net	7.292	1.827	-	9.119
Cost at Period End	12.708.410	5.254.816	50.952	18.014.178
Accumulated Depreciation at Period End (-)	594.986	2.187.189	-	2.782.175
Closing Net Book Value	12.113.424	3.067.627	50.952	15.232.003

(*) Immovables includes the asset usage rights of the real estates rented under the "TFRS 16 Leases" Standard. As of 31 December 2022, asset usage rights are TL 1.165.007, and accumulated depreciation amount is TL 422.001.

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n. Information on intangible assets:

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1. Cost and accumulated amortization at the beginning and end of the period:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Cost	6.387.885	4.239.899
Accumulated Amortization (-)	2.384.452	1.533.776
Net Book Value	4.003.433	2.706.123

Reconciliation of movements for the current period and prior period:

	Current Period 31 December 2023	Prior Period 31 December 2022
Opening Balance Net Book Value	2.706.123	1.499.602
Additions	2.226.326	1.724.726
Disposals (-), net	107.936	-
Depreciation (-)	833.568	522.271
Currency Translation Differences on		
Foreign Operations, Net	12.488	4.066
Closing Net Book Value	4.003.433	2.706.123

o. Information on the investment properties: None (31 December 2022: None).

p. Information on deferred tax asset:

As of 31 December 2023, the Group has TL 172.264 deferred tax asset (31 December 2022: TL 213.645). Temporary differences subject to deferred tax calculation result from mainly the differences between the book values, tax values and debts of fixed assets and financial assets, and provision for employee rights.

Deferred tax assets and liabilities, which are accounted for the temporary differences arising between applicable accounting policies and valuation principles and tax legislation in the Bank and in consolidated subsidiaries, are presented as net on an individual entity level. As noted in Note XVIII of Section Three, for the purposes of consolidated financial statements deferred taxes arising from different consolidated subsidiaries are presented separately in assets and liabilities. There are no carry forward tax losses that can be used as deductions for the tax calculation. An explanation about the net deferred tax liability is given in Note II-i-2 of Section Five.

	Accumulated tem	porary differences	Deferred tax ass	ets / (liabilities)
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Employee benefits	3.316.128	2.255.112	992.400	563.237
Stage 1 and 2 loans provisions	20.669.361	11.215.871	6.191.027	2.811.760
Differences between book value and				
tax base of property, plant and				
equipment	1.198.862	(2.776.126)	359.659	(694.032)
Differences between book value and				
tax base of financial assets	(36.058.985)	(17.971.112)	(10.813.052)	(4.490.798)
Investment Properties Revaulation				
differences	(6.228.503)	(10.383.529)	(1.506.525)	(1.526.464)
Country risk provision	(2.719.777)	(1.942.437)	(744.539)	(531.742)
Other	12.463.649	2.387.874	3.739.436	596.910
Deferred Tax Asset/(Liabilities) Net			(1.781.594)	(3.271.129)



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q. Information on property and equipment held for sale and related to discontinued operations:

	Current Period 31 December 2023	Prior Period 31 December 2022
Cost	501.671	591.213
Accumulated Depreciation (-)	-	-
Net Book Value	501.671	591.213
	Current Period 31 December 2023	Prior Period 31 December 2022
Opening Balance Net Book Value	591.213	232.296
Additions	204.501	601.564
Disposals (-), net	293.490	242.522
Impairment (-)	553	125
Depreciation (-)	-	-
Closing Net Book Value	501.671	591.213

r. Information on other assets: Other assets amounting to TL 34.078.491 (31 December 2022: TL 25.626.503) on the balance sheet and do not exceed 10% of the total assets, excluding the off-balance sheet commitments.

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II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES

a. Information on deposits:

- 1. Information on maturity structure of the deposits: There are no seven-day notification deposits.
- 1 (i). Current Period 31 December 2023:

		Up to 1	1 – 3	3 – 6	6 Months	1 Year	Deposits	
	Demand	Month	Months	Months	- 1 Year	and Over	Cumulative	Total
Saving Deposits	52.372.525	13.152.456	263.310.479	175.431.291	17.375.555	16.077.049	5.367	537.724.722
Foreign Currency Deposits	212.080.382	30.539.339	113.544.098	12.655.830	12.192.068	48.243.110	1.352	429.256.179
Residents in Turkey	185.912.387	29.794.282	106.851.167	11.237.232	6.148.304	8.829.734	1.352	348.774.458
Residents Abroad	26.167.995	745.057	6.692.931	1.418.598	6.043.764	39.413.376	-	80.481.721
Public Sector Deposits	4.270.185	6.761	42.304	414.975	1.479	47	-	4.735.751
Commercial Deposits	55.357.238	19.468.185	20.579.463	72.032.009	16.140.524	29.346.690	-	212.924.109
Other Institutions Deposits	1.212.397	920.852	3.508.378	3.875.440	881.645	42.170	-	10.440.882
Precious metals Deposits	59.211.627	-	29.660	9.307	1.204.485	99.713	-	60.554.792
Interbank Deposits	1.136.476	3.461.121	4.637.019	14.850.562	4.121.533	9.071.318	-	37.278.029
The CBRT	811	-	-	-	-	-	-	811
Domestic Banks	535.251	7.009	1.000	29.211	3.280.601	-	-	3.853.072
Foreign Banks	564.629	3.454.112	4.636.019	14.821.351	840.932	9.071.318	-	33.388.361
Participation Banks	35.785	-	-	-	-	-	-	35.785
Other	-	-	-	-	-	-	-	-
Total	385.640.830	67.548.714	405.651.401	279.269.414	51.917.289	102.880.097	6.719	1.292.914.464

Foreign exchange-protected deposit instrument, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT, and which ensures that TL deposits are valued with interest rates and are protected against foreign exchange rates, is offered to bank customers. As of 31 December 2023, TL deposit amount includes TL 228.132.000 (31 December 2022: 98.451.375 TL) thousand TL deposits within this scope.

1 (ii). Prior period - 31 December 2022:

		Up to 1	1 – 3	3 - 6	6 Months	1 Year	Deposits	
	Demand	Month	Months	Months	- 1 Year	and Over (Cumulative	Total
Saving Deposits	32.784.230	15.364.567	126.007.327	51.514.569	4.730.496	9.088.080	5.978	239.495.247
Foreign Currency Deposits	139.175.596	13.291.362	109.753.661	8.552.502	4.028.195	28.098.247	942	302.900.505
Residents in Turkey	123.209.403	12.649.665	104.048.228	8.175.477	2.107.028	6.060.991	942	256.251.734
Residents Abroad	15.966.193	641.697	5.705.433	377.025	1.921.167	22.037.256	-	46.648.771
Public Sector Deposits	2.229.173	6.791	84.763	1.297	800	46	-	2.322.870
Commercial Deposits	33.497.094	27.287.709	32.691.846	8.877.864	9.343.978	7.449.948	-	119.148.439
Other Institutions Deposits	777.277	480.397	4.047.773	251.217	73.528	19.213	-	5.649.405
Precious metals Deposits	33.170.247	108.459	635.352	301.858	1.402.738	164.481	-	35.783.135
Interbank Deposits	1.476.193	2.065.090	4.716.401	2.397.469	5.579.339	27.835	-	16.262.327
The CBRT	26.673	-	-	-	-	-	-	26.673
Domestic Banks	970.915	1.643.746	995.325	-	2.000.620	-	-	5.610.606
Foreign Banks	422.303	421.344	3.721.076	2.397.469	3.578.719	27.835	-	10.568.746
Participation Banks	56.302	-	-	-	-	-	-	56.302
Other	-	-	-	-	-	-	-	-
Total	243.109.810	58.604.375	277.937.123	71.896.776	25.159.074	44.847.850	6.920	721.561.928



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2. Information on saving deposits insurance (*):

Information on saving deposits under the guarantee of the saving deposits insurance fund and amounts exceeding the limit of the deposit insurance fund: The deposit amounts of the consolidated subsidiaries located abroad are subject to local insurance regulations and are not included in the table below.

	Under the Guarantee of Deposit Insurance		Exceeding the Limit of Deposit Insurance		
	Current Period 31 December 2023	Prior Period 31 December 2022	Current Period 31 December 2023	Prior Period 31 December 2022	
Saving Deposits	180.270.248	82.641.629	357.433.308	156.853.618	
Foreign Currency Saving Deposits	57.531.400	30.778.917	409.217.884	133.373.036	
Other Deposits in the Form of Saving Deposits	25.503.564	12.176.457	28.283.765	19.450.803	
Foreign Branches' Deposits under Foreign Authorities' Insurance	-	-	-	-	
Off-shore Banking Regions' Deposits under Foreign Authorities' Insurance	-	-	-	-	

(*) In the framework of the "Regulation on Insured Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 22 December 2022 and numbered 32051, the amount of insured deposit and participation fund amounting to TL 200 thousand as of 2022, It has been determined as TL 400 thousand, effective from the beginning of the calendar year of 2023.

In accordance with the "Regulation on Amending the Regulation on the Insurable Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 27 August 2022 and numbered 31936, official institutions in the presence of credit institutions, credit institutions and financial institutions other than those belonging to the credit institutions all deposit and participation funds have been insured. In this context, commercial deposits covered by the insurance amount to TL 22.195.023 and the said amount is not included in the footnote.

3. Saving deposits of real persons which are not under the guarantee of saving deposit insurance fund:

	Current Period 31 December 2023	Prior Period 31 December 2022
Foreign Branches' Deposits and other accounts	5	33
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 and Children in care	3.775.076	2.265.541
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 26.09.2004	-	-
Saving Deposits in Deposit Banks Established in Turkey solely		
to Engage in Off-shore Banking Activities	-	-

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b. Information on trading derivative financial liabilities:

Table of derivative financial liabilities (*):

	31	Current Period 1 December 2023	Prior Perio 31 December 202		
	TL	FC	TL	FC	
Forward Transactions	1.879.233	-	468.099	-	
Swap Transactions	9.101.390	2.343.151	10.276.896	3.543.259	
Futures Transactions	-	-	-	-	
Options	5.943	788.444	564	272.307	
Other	-	-	-	_	
Total	10.986.566	3.131.595	10.745.559	3.815.566	
(.) =	·				

^(*) Excluding hedge transactions.

c. Information on borrowings:

1. Information on banks and other financial institutions:

	31	Current Period December 2023	31 [Prior Period 31 December 2022		
	TL	FC	TL	FC		
Borrowings from the CBRT	-	-	-	=		
From Domestic Banks and Institutions	5.073.113	2.938.462	1.549.474	2.924.437		
From Foreign Banks, Institutions and Funds	-	104.013.482	-	70.589.043		
Total	5.073.113	106.951.944	1.549.474	73.513.480		

2. Information on maturity structure of borrowings:

	3	Current Period 1 December 2023	31 De	Prior Period ecember 2022
	TL	FC	TL	FC
Short-term	3.688.949	7.294.031	206.371	3.010.180
Medium and Long-term	1.384.164	99.657.913	1.343.103	70.503.300
Total	5.073.113	106.951.944	1,549,474	73.513.480

Securitized borrowings procured via A.R.T.S. Ltd. ("Structured Entity") are included in external funding sources of the Bank. Under the securitization program agreements, the Bank has sold foreign trade and customer receivables to A.R.T.S. Ltd.

3. The liabilities providing the funding sources of the Group are deposits, borrowings, marketable securities issued and money market borrowings. Deposits are the most important funding source of the Group and the diversification of these deposits by number and type of depositors with a stable structure does not create any risk concentration. The borrowings are composed of funds such as syndicated and securitized borrowings and post-financing obtained from different financial institutions with different maturity-interest structures and characteristics. There is no risk concentration in any of the funding sources of the Group.



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d. Information on securities issued (Net):

		Current Period 31 December 2023		
	TL	FC	TL	FC
Bank bills	566.351	=	2.663.511	-
Bonds	3.785.058	38.574.096	3.431.479	19.723.455
Total	4.351.409	38.574.096	6.094.990	19.723.455

e. Information on other foreign liabilities:

Other foreign liabilities amounting to TL 15.451.519 under "Other Liabilities" (31 December 2022: TL 6.612.002) and do not exceed 10% of the total balance sheet.

f. Information on financial leasing agreements:

With the "TFRS 16 Leases" standard valid from 1 January 2019, the difference between operating leases and finance leases has been eliminated and the lease transactions have been expressed under the "Lease Payables" as liability by lessees.

Liabilities incurred due to financial leasing agreements:

	Current Period 31 December 2023		31	Prior Period December 2022
	Gross	Net	Gross	Net
Less Than 1 Year	388.698	178.946	222.354	101.967
Between 1-4 Years	1.109.951	643.780	572.553	316.650
More Than 4 Years	965.308	681.929	612.421	447.765
Total	2.463.957	1.504.655	1.407.328	866.382

g. Information on the hedging derivative financial liabilities:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Fair Value Hedge	-	-	-	_
Cash Flow Hedge	852.473	-	494.476	1
Net Investment Hedge in a foreign operation	-	-	-	-
Total	852.473	-	494.476	1

h. Information on provisions:

1. Information on reserves for employee rights:

	Current Period	Prior Period
Balance Sheet Obligations for:	31 December 2023	31 December 2022
- Reserve for employment termination benefits	2.346.374	1.810.432
- Reserve for unused vacation	969.755	444.680
Total	3.316.129	2.255.112

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1. (i) Employment termination benefits and unused vacation rights:

According to Turkish Labor Law, the Bank is required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires.

The compensation amount equals to one month's salary of an employee for each year of service, but this amount is limited up to severance limit decided by law. This liability is not subject to any funding legally and there is no funding requirement.

The reserve has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of its employees. TAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation for such benefits. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Discount Rate (%)	3,00	0,50
Rate for the Probability of Retirement (%)	94,93	94,96

The principal actuarial assumption is that the current 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.

Movements in the reserve for employment termination benefits during the period are as follows:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Prior Period Closing Balance	1.810.432	620.807
Recognized as an Expense During the Period	462.960	206.750
Actuarial Loss / (Gain)	449.357	1.055.375
Paid During the Period	(376.375)	(72.500)
Balance at the End of the Period	2.346.374	1.810.432

As of 31 December 2023, the Group has allocated vacation liability amounting to TL 969.755 (31 December 2022: TL 444.680).

2. (ii) Post-employment benefits:

The Group's obligation in respect of the post-employment benefits transferrable to SSI, as explained in Note XVII of Section Three, has been calculated by a registered actuary. In this context, the value of the obligation regarding these benefits to be transferred to SSI as of the balance sheet date would equal the approximate payment amount that would need to be made to SSI as part of the transfer. The actuarial parameters and results used for the calculation of this amount reflect the provisions of the New Law for the post-employment pension and medical benefits transferrable to SSI (e.g. a technical interest rate of 9.80%). The deficit amounting to TL 1.045.849 (31 December 2022: TL 935.201) calculated according to the relevant Actuarial Report is in accordance with TAS 19 – Employee Benefits standard, service and interest costs are accounted for in profit and loss accounts, actuarial losses and gains are accounted under equity. In addition, the final amount of the Bank's liability in the event of transfer may vary depending on factors such as the number of participants and turnover rate, particularly the discount rate, inflation and salary increases.



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	Current Period 31 December 2023	Prior Period 31 December 2022
Total Obligations	(32.843.989)	(16.151.721)
Cash value of future contributions	26.131.123	12.388.781
Total Transfer Obligations to SSI	(6.712.866)	(3.762.940)
Past service obligation	[1.668.982]	(1.267.060)
Total Transfer to SSI and Other Obligations	(8.381.848)	(5.030.000)
Fair value of assets	7.335.999	4.094.799
Deficit	(1.045.849)	(935.201)

The amount of the post-employment medical benefits transferrable to SSI is calculated over discounted net present value of medical liabilities and health premiums. Movements of the Plan Asset deficit during the period is as follows:

	Current Period	Prior Period	
	31 Aralık 2023	31 Aralık 2022	
Opening (31 December 2022)	935.201	294.503	
Employer contributions	(1.983.143)	(898.934)	
Amount recorded in the income statement (*)	1.857.988	797.187	
Amount recorded in other comprehensive income	235.803	742.445	
Closing (31 December 2023)	1.045.849	935.201	

The principal actuarial assumptions used were as follows:

Discount rate:

	Current Period	Prior Period
	31 December 2023	31 December 2022
- Pension benefits transferrable to SSI	%9,80	9,80%
- Post-employment medical benefits transferrable to SSI	%9,80	9,80%
- Other non-transferrable benefits	%3,00	0,50%

Mortality rate

The CSO 1980 mortality table has been used in order to calculate the liabilities to be transferred to SSI, life expectancy at a 60 year-old men is 18 years and a 58-year-old women is 24 years in accordance with this table.

The movement in the fair value of plan assets of the year is as follows:

	Current Period	Pior Period	
	31 December 2023	31 December 2022	
Prior period end	4.094.799	2.884.393	
Actual return on plan assets	3.069.030	1.014.061	
Employer contributions	1.983.143	898.934	
Employee contributions	79.729	48.683	
Benefits paid	(1.890.702)	(751.272)	
Period end	7.335.999	4.094.799	

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Plan assets are comprised as follows:

	Current Period		Prior Period	
	31 December 2023		31 December 2022	
Bank placements	1.097.628	15%	487.995	12%
Property and equipment	14.938	-	44.012	1%
Marketable securities and share certificates	6.084.742	83%	3.487.089	85%
Other	138.691	2%	75.703	2%
Period end	7.335.999	100%	4.094.799	100%

2. Information on provisions related with foreign currency difference of foreign indexed loans:

As of 31 December 2023, the Bank has no provision related to foreign currency differences of foreign indexed loans (31 December 2022: None) and the related prior period amount is offset with the balance of foreign currency indexed

- 3. Information on provisions for non-cash loans that are non-funded and non-transformed into cash: Expected loss provisions for non-cash loans that are non-funded and non-transformed into cash amounting to TL 645.396 as of 31 December 2023 (31 December 2022: TL 457.083).
- 4. Information on other provisions:
 - (i). Information on free provision for possible risks: TL 1.400.000 (31 December 2022: TL 1.400.000).

(ii). Information on provisons for banking services promotion: The Group has provision for credit cards and banking services promotion activities amounting to TL 393.881 (31 December 2022: TL 202.113).

Explanations on tax liability:

1. Explanations on tax liability:

Tax calculations of the Group are explained in Note XVIII of Section Three. As of 31 December 2023, the remaining tax liability after the deduction of taxes paid is TL 9.032.264 (31 December 2022: TL 9.762.078).

1 (i). Information on taxes payable:

, (y, morniation on taxes payable)	Current Period 31 December 2023	Prior Period 31 December 2022
Corporate Taxes Payable	9.032.264	9.762.078
Taxation on Marketable Securities	702.688	250.818
Property Tax	7.282	3.937
Banking Insurance Transaction Tax (BITT)	1.715.931	541.074
Foreign Exchange Transaction Tax	21.665	27.075
Value Added Tax Payable	380.210	129.887
Other	676.738	223.690
Total	12.536.778	10.938.559



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1 (ii). Information on premium payables:

	Current Period 31 December 2023	Prior Period 31 December 2022
Social Security Premiums – Employee	17.373	7.039
Social Security Premiums – Employer	4.682	1.442
Bank Social Aid Pension Fund Premium- Employee	3	3
Bank Social Aid Pension Fund Premium – Employer	3	3
Pension Fund Membership Fees and Provisions – Employee	-	-
Pension Fund Membership Fees and Provisions – Employer	-	-
Unemployment Insurance – Employee	11.439	5.166
Unemployment Insurance – Employer	20.115	9.088
Other	3.857	261
Total	57.472	23.002

2. Information on deferred tax liability:

As of 31 December 2023, Turkish Lira deferred tax liability of the Group amounts to TL 1.953.858 (31 December 2022: TL 3.484.774). An explanation about the net deferred tax asset is given in Note I-p of Section Five.

j. Information on subordinated loan (*):

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Debt Instruments subject to common equity	-	-	_	-
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	=	-	=	-
Debt Instruments subject to tier 2 equity	-	23.736.225	-	16.800.082
Subordinated Loans		-		-
Subordinated Debt Instruments	-	23.736.225	-	16.800.082
Total	-	23.736.225	-	16.800.082

(*) Explanation about the subordinated loans is given in Note I-b of Section Four.

k. Information on shareholders' equity:

1. Presentation of paid-in capital:

	Current Period 31 December 2023	Prior Period 31 December 2022
Common Stock	5.200.000	5.200.000
Preferred Stock	-	-

2. Amount of paid-in-capital, explanations as to whether the registered share capital system is applied, if so the amount of registered share capital ceiling:

Capital System	Paid-in capital	Ceiling
Registered Share Capital	5.200.000	10.000.000

- 3. Capital increases and sources in the current period and other information based on increased capital shares: None.
- 4. Information on share capital increases from capital reserves during the current period: None.

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- 5. Information on capital commitments, the purpose and the sources until the end of the fiscal year and the "subsequent interim period: None.
- 6. The effects of anticipations based on the financial figures for prior periods regarding the Group's income, profitability and liquidity, and possible effects of these future assumptions on the Group's equity due to uncertainties at these indicators:

The Group has been continuing its operations with high profitability and has been retaining most of its net profit in the equity, either by increasing its capital or transferring it into reserves. On the other hand, only a small part of the equity is allocated to investment such as associates and fixed assets, thus giving a chance for considerably high free capital which provides funds for liquid and interest bearing assets. Considering all these factors, the Group continues to its operations with strong shareholders' equity.

- 7. Information on privileges given to shares representing the capital: None.
- 8. Information on marketable securities value increase fund:

			Prior Period December 2022	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	-	-	=	=
Valuation Difference	(2.632.742)	81.634	10.460.819	(2.503.023)
Foreign Currency Differences	-	-	-	
Total	(2.632.742)	81.634	10.460.819	(2.503.023)

l. Information on minority shares:

	Current Period 31 December 2023	Prior Period 31 December 2022
Beginning Balance	-	-
Net Profit Share of other shareholders	-	-
Previous Term Dividend	-	-
Net Currency difference due to foreign subsidiaries	-	-
Effect of Changes within scope of consolidation	-	-
Balance end of Period	-	-

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III. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED OFF-BALANCE SHEET ACCOUNTS

a. Explanations on off-balance sheet commitments:

- 1. Type and amount of irrevocable commitments: 32.680.671 asset purchase commitments (31 December 2022: TL 7.852.054), TL 395.206.857 commitments for credit card limits (31 December 2022: TL 106.067.149) and TL 7.436.908 commitments for cheque books (31 December 2022: TL 4.523.116).
- 2. Type and amount of probable losses and obligations arising from off-balance sheet items:

The Group has no probable losses arising from off-balance sheet items. Obligations arising from the off-balance sheet are disclosed in "Off-balance sheet commitments".

2 (i). Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letter of credits:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Bank Acceptance Loans	745.358	195.108
Letters of Credit	27.522.554	21.235.695
Other Guarantees and Warranties	25.835.075	22.402.592
Total	54.102.987	43.833.395

2 (ii). Revocable, irrevocable guarantees and other similar commitments and contingencies:

	Current Period 31 December 2023	Prior Period 31 December 2022
Revocable Letters of Guarantee	4.656.442	3.848.901
Irrevocable Letters of Guarantee	88.491.016	47.315.452
Letters of Guarantee Given in Advance	23.907.171	14.444.317
Guarantees Given to Customs	6.001.400	3.129.038
Other Letters of Guarantee	61.393.389	28.730.931
Total	184.449.418	97.468.639

3. Information on non-cash loans:

3.(i) Total amount of non-cash loans:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Non-cash Loans Given against Cash Loans	69.277.157	41.287.868
With Original Maturity of 1 Year or Less Than 1 Year	13.811.337	16.472.708
With Original Maturity of More Than 1 Year	55.465.820	24.815.160
Other Non-cash Loans	169.275.248	100.014.166
Total	238.552.405	141.302.034

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(ii) Information on sectoral risk concentrations of non-cash loans:

	Current Period 31 December 2023			•	Prior Po			
	TL	(%)	er 2023 FC	(%)	<u>J</u> TL	1 Decemb (%)	er 2022 FC	(%)
		(70)		(70)		(70)		(70)
Agricultural	531.113	0,38	175.993	0,18	417.532	0,62	255.926	0,35
Farming and Raising Livestock	7.264	0,01	-	-	5.183	0,01	-	-
Forestry	522.171	0,37	175.993	0,18	412.221	0,61	255.926	0,35
Fishing	1.678	-	-	-	128	0,00	-	-
Manufacturing	38.343.487	27,67	41.104.929	41,12	17.697.720	26,00	30.473.688	41,61
Mining	1.322.870	0,96	66.710	0,07	314.479	0,46	484.374	0,66
Production	32.872.845	23,72	32.786.518	32,80	15.559.850	22,86	25.752.781	35,16
Electric, Gas and Water	4.147.772	2,99	8.251.701	8,25	1.823.391	2,68	4.236.533	5,79
Construction	21.501.396	15,52	23.055.981	23,06	9.349.768	13,74	17.420.512	23,78
Services	71.554.907	51,63	29.042.772	29,05	37.134.883	54,56	20.251.615	27,65
Wholesale and Retail Trade	48.425.508	34,94	13.262.981	13,27	25.096.688	36,88	8.345.324	11,39
Hotel, Food and Beverage Services	1.448.206	1,05	726.010	0,73	861.555	1,27	534.700	0,73
Transportation and Telecommunication	2.408.115	1,74	3.674.086	3,68	1.606.499	2,36	3.632.680	4,96
Financial Institutions	15.342.734	11,07	10.481.028	10,48	7.548.320	11,09	7.157.797	9,77
Real Estate and Leasing Services	142.506	0,10	4.791	-	83.659	0,12	62.887	0,09
Self-Employment Services	1.544.578	1,11	619.665	0,62	928.828	1,36	459.622	0,63
Education Services	107.097	0,08	14.859	0,01	65.247	0,10	8.844	0,01
Health and Social Services	2.136.163	1,54	259.352	0,26	944.087	1,38	49.761	0,07
Other	6.651.921	4,80	6.589.906	6,59	3.458.213	5,08	4.842.177	6,61
Total	138.582.824	100,00	99.969.581	100,00	68.058.116	100,00	73.243.918	100,00

(iii) Information on the non-cash loans classified in Group I and Group II:

	Group I		Group II		
_	TL	FC	TL	FC	
Non-Cash Loans	137.872.057	93.525.281	505.620	546.899	
Letters of Guarantee	112.644.384	65.482.935	440.068	446.990	
Bank Acceptances	-	745.358	-	-	
Letters of Credit	2.878.946	23.877.042	-	99.909	
Endorsements	-	-	-	-	
Underwriting Commitments	-	-	-	-	
Factoring Guarantees	-	20.986	-	-	
Other Commitments and Contingencies	22.348.727	3.398.960	65.552	-	



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b. Information on derivative transactions:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Types of Trading Transactions		
Foreign Currency Related Derivative Transactions (I)	945.341.847	735.058.122
FC Trading Forward Transactions	146.361.843	105.374.602
Trading Swap Transactions	682.683.629	547.232.873
Futures Transactions	26.979.141	35.010.593
Trading Option Transactions	89.317.234	47.440.054
Interest Related Derivative Transactions (II)	402.358.912	286.566.712
Forward Interest Rate Agreements	-	-
Interst Rate Swaps	380.943.884	264.029.924
Interest Rate Options	21.415.028	22.536.788
Interest Rate Futures	-	-
Other Trading Derivative Transactions (III)	105.794.954	80.089.522
A. Total Trading Derivative Transactions (I+II+III)	1.453.495.713	1.101.714.356
Types of Hedging Transactions		
Fair Value Hedges	118.181.928	75.893.585
Cash Flow Hedges	162.817.326	111.157.437
Foreign Currency Investment Hedges	-	-
B. Total Hedging Related Derivatives	280.999.254	187.051.022
Total Derivative Transactions (A+B)	1.734.494.967	1.288.765.378

c. Explanations on credit derivatives and risks beared due to these:

As of 31 December 2023: 2.119.550 (31 December 2022: TL 2.281.193).

d. Explanations on contingent assets and liabilities:

1. Contingent Liabilities:

The Bank has accounted a provision amounting to TL 257.631 [31 December 2022: TL 175.210] for the contingent liabilities with a high probability of realization regarding continuing opposing trials. There are also some other opposing trials. In Addition the probability of realization of these trials is low so no cash outflow expected regarding these trials.

2. Contingent Assets:

None (31 December 2022: None).

e. Explanations on the activities carried out on behalf and account of other persons:

The policy is explained on note IX in Section Four.

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IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED INCOME STATEMENT

a. Information on interest income:

1. Information on interest income on loans (*):

31	December 2023	31 De	Prior Period cember 2022
TL	FC	TL	FC
58.398.918	6.009.929	32.145.200	2.594.134
53.141.847	13.934.151	25.657.135	7.809.073
788.577	-	535.834	-
_		-	-
112.329.342	19.944.080	58.338.169	10.403.207
	TL 58.398.918 53.141.847 788.577	31 December 2023 TL FC 58.398.918 6.009.929 53.141.847 13.934.151 788.577 - - -	31 December 2023 31 December 2023 TL FC TL 58.398.918 6.009.929 32.145.200 53.141.847 13.934.151 25.657.135 788.577 - 535.834

^[*] Fee and commission income from cash loans are included.

2. Information on interest income on banks:

	Current Period 31 December 2023		Prior Peri 31 December 20	
	TL	FC	TL	FC
From the CBRT	-	178.510	-	19.967
From Domestic Banks	330.983	151.368	33.547	27.694
From Foreign Banks	83.291	1.491.146	-	408.217
From Headquarters and Branches Abroad	=	=	-	<u>-</u>
Total	414.274	1.821.024	33.547	455.878

3. Information on interest income on marketable securities:

	Current Period 31 December 2023		31 De	Prior Period cember 2022
	TL	FC	TL	FC
From Financial Assets at Fair Value through Profit or Loss	120.218	28.111	55.678	14.528
Financial Assets at Fair Value through Other Comprehensive Income	34.153.327	6.328.069	17.623.440	4.183.291
Financial Assets Measured at Amortised Cost	49.007.815	873.274	38.011.270	683.285
Total	83.281.360	7.229.454	55.690.388	4.881.104

As stated in the Note VII of Section Three, there are bonds indexed to consumer prices ("CPI") in the securities portfolios of the Bank whose fair value difference is reflected to other comprehensive income and measured with their amortized cost. The reference indices used in the calculation of the actual coupon payment amounts of these securities are created according to the CPI of two months ago. The Bank determines the estimated inflation rate accordingly.

The estimated inflation rate used is updated during the year when deemed necessary. At the end of the year, the real inflation rate is used. Within this scope, as of 31 December 2023, the valuation of the mentioned securities was made according to an annual inflation rate of 61.4%.



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4. Information on interest income received from associates and subsidiaries: None.

b. Information on interest expense:

1. Information of interest expense on borrowings (*):

31	Current Period December 2023	31 De	Prior Period cember 2022
TL	FC	TL	FC
1.087.654	5.772.076	307.849	2.437.467
-	-	-	-
1.087.654	67.380	307.849	35.351
-	5.704.696	-	2.402.116
-	-	-	-
-	810.224	-	377.948
1.087.654	6.582.300	307.849	2.815.415
	TL 1.087.654 - 1.087.654 - -	31 December 2023 TL FC 1.087.654 5.772.076 1.087.654 67.380 - 5.704.696 810.224	31 December 2023 31 December 2023 TL FC TL 1.087.654 5.772.076 307.849 - - - 1.087.654 67.380 307.849 - 5.704.696 - - - - 810.224 -

^[*] Fee and commission expense from cash loans are included.

- 2. Information on interest expense given to associates and subsidiaries: None.
- 3. Information on interest expense given to securities issued:

		Current Period December 2023		Prior Period ember 2022
	TL	FC	TL	FC
Interest expense on securities issued	1.475.334	3.283.814	1.378.894	2.554.097

^{4.} Maturity structure of the interest expense on deposits :

There are no seven-day notification deposits.

	Time Deposits						
Current Period - 31.12.2023	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 Year and Over	Total
TL	Берозка	Pionen	Months	Hondis	icui	010.	10141
Bank Deposits	=	413.914	996.142	27.188	=	=	1.437.244
Saving Deposits	-	3.517.621	53.126.063	34.408.878	2.295.872	1.820.683	95.169.117
Public Sector Deposits	-	1.174	18.172	13.176	163	1	32.686
Commercial Deposits	-	6.506.259	13.498.738	7.514.852	3.482.313	4.416.956	35.419.118
Other Deposits	-	113.045	1.066.295	447.302	149.634	1.797	1.778.073
Total	-	10.552.013	68.705.410	42.411.396	5.927.982	6.239.437	133.836.238
FC							
Foreign Currency Deposits	272.009	691.225	1.859.718	545.082	244.846	1.133.685	4.746.565
Bank Deposits	22.601	109.293	192.789	1.372.279	772.169	421.604	2.890.735
Precious Metals Deposits	=	35	4.116	3.375	2.201	2.133	11.860
Total	294.610	800.553	2.056.623	1.920.736	1.019.216	1.557.422	7.649.160
Grand Total	294.610	11.352.566	70.762.033	44.332.132	6.947.198	7.796.859	141.485.398

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

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		TIME DEPOSITS					
Prior Period - 31.12.2022	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 Year and Over	Total
TL	•						
Bank Deposits	-	895.377	505.650	-	-	-	1.401.027
Saving Deposits	-	1.977.106	11.898.923	5.619.693	481.517	561.197	20.538.436
Public Sector Deposits	-	847	6.966	97	650	3	8.563
Commercial Deposits	-	4.987.853	3.332.709	882.962	2.079.830	449.704	11.733.058
Other Deposits	-	128.989	831.470	28.937	56.508	24.549	1.070.453
Total	-	7.990.172	16.575.718	6.531.689	2.618.505	1.035.453	34.751.537
FC							
Foreign Currency Deposits	19.396	538.581	2.058.487	239.942	50.880	487.494	3.394.780
Bank Deposits	3.821	(21.227)	256.610	273.294	271.689	1.271	785.458
Precious Metals Deposits	-	181	3.583	1.811	4.350	1.695	11.620
Total	23.217	517.535	2.318.680	515.047	326.919	490.460	4.191.858
Grand Total	23.217	8.507.707	18.894.398	7.046.736	2.945.424	1.525.913	38.943.395

c. Explanations on dividend income:

	Current Period	Prior Period
	31 December 2023	31 December 2022
From Financial Assets at Fair Value Through Profit or Loss	75.372	63.017
From Financial Assets at Fair Value Through Other		
Comprehensive Income	10.296	5.973
Other	714	22.628
Total	86.382	91.618

d. Information on trading profit/loss (Net):

	Current Period 31 December 2023	Prior Period 31 December 2022
Profit	3.001.040.382	2.288.132.667
Income From Capital Market Transactions	11.671.450	6.009.411
Income From Derivative Financial Transactions (*)	93.581.786	73.038.556
Foreign Exchange Gains	2.895.787.146	2.209.084.700
Loss (-)	2.959.935.438	2.271.328.378
Loss from Capital Market Transactions	3.524.321	3.026.106
Loss from Derivative Financial Transactions (*)	91.081.783	86.558.000
Foreign Exchange Loss	2.865.329.334	2.181.744.272
Total (Net)	41.104.944	16.804.289

^[*] The net profit resulting from the foreign exchange differences related to derivative financial transactions is TL 21.064.315 [31 December 2022: TL [4.125.879]].

e. Explanations on other operating income:

Other Operating Income" in the Income Statement mainly includes collections from receivables for which provision has been allocated in prior periods and provisions that have been set aside in prior periods and reversed in the current year with the sale from non-performing loans portfolio.



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f. Provision expenses related to loans and other receivables of the Group:

Expected provision expense:

	Current Period	Prior Period
-	31 December 2023	31 December 2022
Expected Credit Loss	15.719.943	7.249.000
12 month expected credit loss (Stage 1)	5.607.512	2.064.940
Significant increase in credit risk (Stage 2)	3.611.627	1.460.373
Non-performing loans (Stage 3)	6.500.804	3.723.687
Marketable Securities Impairment Expense	8	-
Financial Assets at Fair Value through Profit or Loss	8	-
Financial Assets at Fair Value through Other		
Comprehensive Income	-	-
Investments in Associates and Subsidiaries Securities		
Value Decrease	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other (*)	77.010	3.830.656
Total	15.796.962	11.079.656

^(*) Includes provisions for impairment losses on assets held for sale and related to discontinued operations, impairment losses on financial assets at fair value difference through profit or loss, lawsuit provision expenses and free provision expense.

g. Information related to other operating expenses:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Reserve for Employee Termination Benefits	86.585	134.250
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Fixed Assets	4.923	6.010
Depreciation Expenses of Fixed Assets	1.351.536	771.710
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expenses	-	-
Amortization Expenses of Intangible Assets	833.568	522.273
Impairment Expenses of Equity Participations for which		
Equity Method is Applied	_	-
Impairment Expenses of Assets Held for Resale	553	125
Depreciation Expenses of Assets Held for Resale	-	-
Impairment Expenses of Fixed Assets Held for Sale	-	-
Other Operating Expenses	22.443.148	9.742.927
Leasing Expenses on TFRS 16 Exceptions	460.537	222.114
Maintenance Expenses	311.257	126.035
Advertisement Expenses	945.465	541.532
Other Expenses	20.725.889	8.853.246
Loss on Sales of Assets	10.449	4.196
Other	5.854.031	2.350.722
Total	30.584.793	13.532.213

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h. Information on income/loss from minority interest:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Income/(loss) from minority interest	-	-

i. Fees for Services Received from Independent Auditor / Independent Audit Firm:

The fee information for the reporting period regarding the services received from the independent auditor or independent audit firm in accordance with the decision of the KGK dated 26 March 2021 is given in the table below. These fees include the fees for services rendered to the Bank's foreign and domestic subsidiaries.

(Excluding VAT.)	Current Period 31 December 2023	Prior Period 31 December 2022
Independent Audit Fee	34.669	10.121
Other Assurance Services Fee	4.703	2.990
Other Non-Audit Services Fee	760	472
Toplam	40.132	13.583

j. Information on profit/(loss) from continued and discontinued operations before tax:

The Group's income before tax consists of net interest income amounting to TL 68.868.982 (31 December 2022: TL 79.083.848), net fees and commission income amounting to TL 34.187.840 (31 December 2022: TL 11.888.474) and the amount of other operating and personal expense is TL 47.588.108 (31 Aralık 2022: TL 20.527.835). The Bank has no discontinued operations.

k. Information on tax provision of continued and discontinued operations:

As of 31 December 2023, the Group has a current tax expense of TL 14.637.383 (31 December 2022: TL 20.613.875), deferred tax expense of TL 13.924.490 (31 December 2022: TL 6.013.962) and deferred tax income of 7.965.844 (31 December 2022: TL 6.382.736). The Group's current tax expense of TL 1.294.202 (31 December 2022: TL 276.107) and deferred tax income of TL 149.436 (31 December 2022: TL 117.400 income) belong to Akbank AG, its subsidiary operating in Germany.

The Group has no discontinued operations.

l. Explanation on current period net profit and loss of continued and discontinued operations:

Net profit of the Group is TL 66.496.235 (31 December 2022: TL 60.025.707). The Group has no discontinued operations.

m. Explanations on current period net profit and loss:

- 1. Explanation on the quality, amount and frequency of the figures of the income and expense stemming from ordinary banking operations, if necessary to understand the performance of the Group for the current period: None (31 December 2022: None).
- 2. Explanation on the changes in the estimations regarding the figures on the financial statements, if there exists a possibility that the profit and loss for the current or the following periods will be impacted: None (31 December 2022: None).

n. Other figures on profit and loss statement:

"Other Fee and Commission Income" in the Income Statement mainly consists of commissions received from credit card, money transfer and insurance transactions.



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V. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY

a. Information on distribution of profit:

The Ordinary General Assembly Meeting of the Bank was held on 28 March 2023. In the Ordinary General Assembly, it was decided to distribute TL 8.996.000 cash dividend over the TL 60.024.084 net income from 2022 operations to the Bank's shareholders. It was also resolved in the General Assembly to transfer TL 7.334 to special funds account under other capital reserves, to allocate TL 873.600 as legal and TL 50.147.140 as extraordinary reserves.

General Assembly of the Bank is authorized body for the profit appropriation decisions. The Ordinary General Assembly Meeting has not been held as of the date of these financial statements.

b. Information on hedge funds:

1. Information on cash flow hedge:

Due to facts described in "Explanations of Hedging Transactions" section in Note XI of Section Four, there are discontinued hedge accounting transactions. As of 31 December 2022, the fair value change of the hedging instrument since the beginning of hedge accounting left after amortization has been reflected to profit/loss accounts that is shown under "hedging funds" in equity is none (31 December 2022: TL (38)).

2. Information on net invesment hedge:

The Bank is hedged against net investment risk arising from fluctuations in foreign exchange rates through the use of foreign currency denominated financial borrowings. In this context, effective portion of the change in foreign currency denominated financial liabilities resulting from changes in the foreign exchange rates is recognized under "Hedging reserves" within equity. As of 31 December 2022, the amount directly recognized in equity is TL [15.371.746] [31 December 2022: TL [8.562.698]].

c. Information on to foreign exchange difference:

Within the financial statements of the Group's subsidiaries founded abroad, balance sheet items are translated into Turkish Lira with the foreign exchange rates prevailing at the balance sheet date, and income statements items are translated into Turkish Lira with the average foreign exchange rates. Related foreign exchange differences are accounted in the shareholders' equity under "Other profit reserves."

d. Information on financial assets at fair value through other comprehensive income:

"Unrealized gains and losses" arising from changes in the fair value of securities classified as financial assets at fair value through profit or loss are not recognized in current year income statements; they are recognized in the "Marketable securities valuation differences" account under equity, until the financial assets are sold, disposed or impaired.

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VI. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED STATEMENT OF CASH FLOWS

a. Information on cash and cash equivalents:

Components of cash and cash equivalents and the accounting policy applied in their determination:

Cash and foreign currency, money in transit, bought bank cheques together with demand deposits at banks including the CBRT are defined as "Cash"; Interbank money market and time deposits in banks with original maturities less than three months and investment in marketable securities excluding equity securities are defined as "Cash equivalents".

1. Cash and cash equivalents at the beginning of the period:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Cash	28.162.889	42.507.765
Cash, Foreign Currency and Other	11.020.213	9.943.357
Demand Deposits in Banks (*)	17.142.676	32.564.408
Cash Equivalents	13.957.114	6.108.351
Interbank Money Market Placements	1.453.629	2.812.468
Time Deposits in Banks	12.503.482	3.289.471
Marketable Securities	3	6.412
Total Cash and Cash Equivalents	42.120.003	48.616.116

^(*) The restricted demand accounts are not included.

^{2.} Cash and cash equivalents at the end of period:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Cash	44.868.082	28.162.889
Cash, Foreign Currency and Other	15.847.921	11.020.213
Demand Deposits in Banks (*)	29.020.161	17.142.676
Cash Equivalents	24.482.608	13.957.114
Interbank Money Market Placements	1.410.562	1.453.629
Time Deposits in Banks	23.072.046	12.503.482
Marketable Securities	-	3
Total Cash and Cash Equivalents	69.350.690	42.120.003

^(*) The restricted demand accounts are not included.

b. Explanation about other cash flows items and the effect of changes in foreign exchange rates on cash and cash equivalents:

The "Other" item under "Operating profit before changes in operating assets and liabilities" amounting to TL (25.457.355) (31 December 2022: TL (20.532.497)) consists mainly of items such as fees and commissions paid, other operating income excluding income from doubtful receivables, other operating expense excluding personnel expenses.

The "Net increase/decrease in other liabilities" item under "Changes in operating assets and liabilities" amounting to TL 55.308.249 [31 December 2022: TL 18.792.683] consists mainly of changes in funds from repurchase agreements, miscellaneous payables and other liabilities.

The effect of changes in foreign exchange rates on cash and cash equivalents includes the foreign exchange differences resulted from the translations of cash and cash equivalents in foreign currencies into TL at the exchange rates prevailing at the three months periods, and amounts to TL 21.318.649 (31 December 2022: TL 13.280.276).

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VII. EXPLANATIONS AND NOTES RELATED TO RISK GROUP THAT THE GROUP BELONGS TO:

Information on the volume of transactions relating to the Group's risk group, outstanding loan and deposit transactions and profit and loss of the period:

1.Current Period - 31 December 2023:

Group's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans						_
Balance at the Beginning of the Period	-	-	11.503.560	4.863.943	132.122	140.263
Balance at the End of the Period	-	-	18.578.260	7.976.674	101.792	4.532
Interest and Commission Income Received	-	-	2.714.832	41.777	11.594	1.120

2. Prior Period - 31 December 2022:

Group's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans and Other Receivables						_
Balance at the Beginning of the Period	-	-	9.846.250	2.830.028	77.741	94.948
Balance at the End of the Period	-	-	11.503.560	4.863.943	132.122	140.263
Interest and Commission Income Received	-	-	1.404.589	23.277	7.819	2.947

3. Information on deposits of the Group's risk group:

Bank's Risk Group	and Jo	Associates, Subsidiaries int Ventures artnerships)	Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons that have been included in the Risk Group	
	Current Period 31.12.2023	Prior Period 31.12.2022	Current Period 31.12.2023	Prior Period 31.12.2022	Current Period 31.12.2023	Prior Period 31.12.2022
Balance at the Beginning of the						
Period	-	-	11.017.534	9.970.604	1.284.380	960.273
Balance at the End of the Period	1.827.676	-	20.595.193	11.017.534	2.576.250	1.284.380
Interest expense on Deposits	33.458	-	1.402.531	895.454	1.202.315	60.500

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4. Information on forward and option agreements and other similar agreements made with the Group's risk group:

Bank's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons that have been included in the Risk Group	
	Current		Current	Prior	Current	Prior
		Prior Period 31.12.2022	Period 31.12.2023	Period 31.12.2022	Period 31.12.2023	Period 31.12.2022
Transactions at Fair Value						
Through Profit or Loss						
Beginning of the Period	-	-	18.150.160	23.469.742	-	-
Balance at the End of the Period	-	-	31.233.932	18.150.160	-	-
Total Income/Loss	-	-	(158.123)	(281.436)	-	-
Transactions for Hedging						
Purposes						
Beginning of the Period	-	-	-	-	-	-
Balance at the End of the Period	-	-	-	-	-	-
Total Income/Loss	-	-	-	-	-	-

Figures presented in the table above show the total of "sale" and "purchase" amounts of the related transactions. Accordingly, as a result of the nature of these transactions, the difference between the "sale" and "purchase" transactions affects the net exposure of the Group. As of 31 December 2023, the net exposure for direct and indirect shareholders of the Group is TL [577.688] [31 December 2022: TL [348.103]].

5. Information regarding benefits provided to the Group's key management:

As of 31 December 2023, benefits provided to the Group's key management amounting to TL 511.575 (31 December 2022: 193.694).

VIII. EXPLANATIONS AND NOTES RELATED TO THE DOMESTIC, FOREIGN, OFF-SHORE BRANCHES AND FOREIGN REPRESENTATIVES OF THE BANK

1. Information on the domestic and foreign branches and representatives of the bank:

	Number	Number of Employees			
Domestic Branches	704	12.852			
			Country of Incorporation		
Foreign Representation Office	-	-	-		
				Total Assets	Statutory Share Capital
Foreign Branch Off-shore Banking	-	-	=	-	-
Region Branches	1	12	Malta	147.336.787	-

2. Information on the Bank's branch or representative office openings, closings, significant changes in the organizational structure:

In 2023, the Bank has closed up 12 domestic branches.



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IX. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

Following the revision of Türkiye's outlook from "Stable" to "Positive", Moody's has affirmed Akbank's Long-Term Foreign and Local Currency Bank Deposit Ratings and Senior Unsecured Rating at "B3" and revised the outlook to positive from stable. Moody's has also upgraded Türkiye's FC country ceiling rate from "B3" to "B2" and following that, Akbank's Long-Term FC Counterparty Risk Rating (CRR) is upgraded from "B3" to "B2".

SECTION SIX OTHER EXPLANATIONS

I. OTHER EXPLANATIONS

None.

SECTION SEVEN EXPLANATIONS ON INDEPENDENT AUDITOR'S REPORT

II. EXPLANATIONS ON AUDITOR'S REPORT

The consolidated financial statements for the period ended 31 December 2023 have been audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The audit report dated 1 February 2024 is presented preceding the consolidated financial statements.

III. EXPLANATIONS AND NOTES PREPARED BY INDEPENDENT AUDITORS

None.

Resolutions of the Ordinary General Assembly On March 22, 2024

At the Ordinary General Assembly Meeting of our Bank held on March 22, 2024

- · Ratification of the financial statements for 2023
- Approval of Sabri Hakan BİNBAŞGİL as Board Member, replacing Kemal Özgür DEMİRTAŞ who resigned from his position within the same year
- Discharge of liability of the members of the Board of Directors,
- Distribution of the 2023 net profit of TL 66.478.940.241,69 in accordance with the proposal of the Board of Directors, as follows;
- Gross TL 260.000.000 equal to 5% of Bank's paid-in capital of TL 5.200.000.000 as of December 31, 2023 will be allocated as primary cash gross dividend; and gross TL 9.711.000.000 will be allocated as secondary cash gross dividend. Total gross dividend of TL 9.971.000.000 equal to 191.75% of the paid in capital, will be distributed to shareholders.
- Cash dividend payment to start from 26th of March, 2024,
- After allocating TL 971.100.000 to Legal Reserves, the remaining profit will be retained under Extraordinary Reserves.
- Within the framework of the Paragraph (Ç), Duplicate Article 298 of the Tax Procedure Law, in return for the value increase fund arising within the scope of the revaluation application, the approval of the special reserve allocation a total of TL 4.659.961.237,81 is transferred to the special fund account from the extraordinary reserves,
- Election of Suzan Sabancı SABANCI, Sabri Hakan BİNBAŞGİL, Ahmet Fuat AYLA, Eyüp ENGİN, Şakir Yaman TÖRÜNER, Nusret Orhun KÖSTEM, Emre DERMAN and Levent DEMİRAĞ as Member of the Board of Directors and Mehmet Tuğrul BELLİ as an Independent Member of the Board of Directors to replace those whose terms expired until the next Ordinary General Assembly to be held on 2025, for a 1 year period,
- To pay the Members of the Board of Directors a gross salary of TL 120.000 per month; and also to have the Remuneration Committee that will be authorized by the Board of Directors, determine the payments that will be made to the Members in case they assume specific duties within the Bank; and to determine an upper limit of TL 245.000.000 in gross total, for the payments that will be made to those Members who assume specific duties within the Bank until the Ordinary General Assembly that will be held in 2025,
- Approval of DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. for the bank's independent auditor in 2024,
- Approval of the Bank's donation limits up to four thousandths of the Bank's shareholder's equity in accordance with Article 59 of the Banking Law and authorization of the Board of Directors to carry necessary actions in case of donations and aids are in an amount exceeding four thousandths of the Bank's shareholder's equity within the framework of the regulations that provide exemptions from the limitations set by the Banking Law on donations and aids.
- Authorization of the Board of Directors regarding the empowerment of Board Members in connection with matters falling within the scope of articles 395 and 396 of the Turkish Commercial Code,

Additionally

- Board of Directors Annual Report and the Auditors Reports for 2023 have been discussed,
- · Shareholders have been informed regarding:
- The donations of TL 728.297.854,61 made by the Bank in 2023 to the foundations, associations and similar institutions,
- Akbank T.A.Ş's remuneration policy, which is prepared according to Capital Market Board's Communique on Principles for Corporate Governance article 4.6.2, has been updated,
- The Board of Directors Diversity Policy, regarding the diversity in the experience of the Board of Directors members and effective governance,
- The initiated buy-back program with the decision of the Board of Directors dated 16.02.2023 has ended as of 31.12.2023 and there was no share buy-back under the aforementioned program.

Profit Distribution

According to our financial statements for the accounting period of 01.01.2023-31.12.2023, audited by PWC Independent Auditing and Free Accounting Mali Müşavirlik A.Ş., TL 66,478,940,241.69 "Net Period Profit" was obtained, and the process of completing the permits and procedures regarding the distribution of the 2023 profit continues.

Developments regarding the issue will be announced on the Public Disclosure Platform.



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Assurance Report



Limited Assurance Report

to the Board of Directors of Akbank T.A.Ş.

We have been engaged by the Board of Directors of Akbank T.A.Ş. (the "Akbank" or "Bank") to perform a limited assurance engagement in respect of the Selected Sustainability Information (the "Selected Information") stated in the Akbank 2023 Integrated Annual Report ("2023 Integrated Annual Report") for the year ended 31 December 2023 and listed below.

Selected Information

The scope of the Selected Information for the year ended 31 December 2023, which is subject to our limited assurance work, set out in the pages 8, 45, 164, 170, 172, 177, 188, 189, 209, 214, 257, 567, 568, 569, 570, 571, 572, 573 and 574 of the 2023 Integrated Annual Report with the sign "" is summarized below:

Environmental Indicators

- Fuel Type (GJ)
- Natural Gas (GJ)
- Electricity (GJ)
- Liquid Fuel (GJ)
- Total (GJ)
- Renewable Energy Usage (kWh)
- Renewable Energy Production (kWh)
- Energy Consumption (GJ)
- Energy Intensity (GJ/million TL)
- Carbon Emission (ton CO₂e)
- Scope 1 Emission (tonCO₂e)
- Scope 2 Emission (tonCO2e)
- Scope 3 Emission (tonCO₂e)
- Emission Intensity (ton CO₂/million TL)
- Paper Consumption (Kg)
- Waste Amounts (Ton)
- Non-Hazardous Waste (ton)
- Hazardous Waste (ton)
- Total Plastic Consumption (ton)
- Recycled Waste Amount (%)
- · Total Scrap Devices Weight (kg)
- Water Consumption (m³/year)



Social Indicators

- Number of Employees (#)
- Female Employee Rate (%)
- Number of Employees by Age and Gender (#)
- Number of Employees in Managerial Positions by Age and Gender (#)
- Rate of Female Employees in Executive Management (%)
- Rate of Female Employees Working in STEM Roles (%)
- Number of Newly Hired Employees (#)
- Total Workforce Turnover Rate by Position (%)
- Total Workforce by Position (#)
- Workforce turnover rate by gender (%)
- Workforce Numbers by Gender (#)
- Workforce turnover rate by age (%)
- Workforce turnover rate (voluntarily leave) (%)
- Workforce Numbers by Age Group (#)
- Management Level Workforce Turnover Rate (Voluntarily Leaving) (%)
- Number of Employees Eligible for Maternity Leave (#)
- Number of Employees on Maternity Leave (#)
- Number of Employees Returning to Work After Maternity Leave (#)
- Total Number of Employees Who Have Returned to Work and Are Still in the Job Twelve Months After the End of Maternity Leave (#)
- Return Rates of Employees Taking Maternity Leave (%)
- Average Training Hours per Person (%)
- Total Training Hours (hour)
- Training Hours/Percentage of Employees by Gender (hour)
- Number of Vulnerable Audiences Reached with Inclusivity Programs (#)
- Number of Accidents (#)
- Number of Fatal Cases (#)
- Number of occupational diseases (#)
- Lost working day caused by work accident (#)

Economic Indicators

- Renewable Energy Portfolio Total Installed Power (MW)
- Number of Sustainable Products and Services (#)
- Increase rate in the number of active Female SMEs (%)
- Double Materiality Analysis



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Our assurance was with respect to the Selected Information marked with in the in the 2023 Integrated Annual Report, and we have not performed any procedures with respect to earlier periods or any information other than Selected Information marked with in the 2023 Integrated Annual Report and, any other elements included in the 2023 Integrated Annual Report and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Bank to prepare the Selected Information is set out in section

Akbank 2023 Integrated Annual Report – Reporting Principles (the "Reporting Principles") on pages 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565 and 566 of the 2023 Integrated Annual Report.

The Bank's Responsibility

The Bank is responsible for the content of the 2023 Integrated Annual Report and the preparation of the Selected Information in accordance with the Reporting Principles. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Selected Information that is free from material misstatement, whether due to fraud or error.

Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw to evaluate and measure non- financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Selected Information in the context of the Reporting Principles.

In particular, the conversion of different energy measures to megawatt-hour (MWh) and energy used to carbon emissions is based upon, inter alia, information and factors generated internally and/or derived by independent third parties as explained in the Reporting Principles. Our assurance work did not include examination of the derivation of those factors and other third-party information.



Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to form a limited assurance, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that the Selected Information has not been properly prepared in all material respects in accordance with the Reporting Principles. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information', and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 (Revised) and ISAE 3410. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of the persons responsible for the Selected Information;
- understood the process for collecting and reporting the Selected Information. This included analysing the key
 processes and controls for managing and reporting the Selected Information;
- evaluated the source data used to prepare the Selected Information and re-performed selected examples of calculation;



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- performed limited substantive testing on a selective basis of the preparation and collation of the Selected
 Information prepared by the Bank and
- undertook analytical procedures over the reported data.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Bank's Selected Information for the year ended 31 December 2023, is not properly prepared, in all material respects, in accordance with the Reporting Principles.



Restriction of use

This report, including the conclusion, has been prepared for the Board of Directors of the Bank as a body, to assist the Board of Directors in reporting Bank's performance and activities related to the Selected Information. We permit the disclosure of this report within the 2023 Integrated Annual Report for the year ended 31 December 2023, to enable the Board of Directors to demonstrate they have discharged their governance responsibilities by commissioning a limited assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Akbank T.A.Ş. as a body and Akbank T.A.Ş. for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Zeynep Uras, SMMM Independent Auditor Istanbul, 20 March 2024



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Reporting Principles

Akbank 2023 Integrated Annual Report -Reporting Principles

This reporting principles (the "Principles") provides information on the methodologies for the preparation, calculation and reporting of the data of Akbank T.A.Ş.'s ("Bank") indicators within the scope of limited assurance included in the Akbank 2023 Integrated Annual Report (2023 Integrated Annual Report).

These indicators include economic, social, and environmental indicators. It is the Company's management's responsibility to ensure that appropriate procedures are in place to prepare these indicators, in all material respects, in accordance with the Guidelines. It is the Company's management's responsibility to ensure that appropriate procedures are in place to prepare these indicators, in all material respects, in line with the guidelines.

The information contained in this guide covers the fiscal year ending on December 31, 2023, and the Head Office, Branches, Silivri Archive, Akbank Banking Center and External ATMs with subscriptions, which are under the responsibility of Akbank T.A.Ş., as detailed in the "Basic Definitions and Reporting Scope" section has been included. Locations not included are stated in the "Basic Definitions and Scope of Reporting" section.

General Reporting Principles

The following principles have been considered in the preparation of this guidance document:

- In the preparation of information to emphasize the basic principles of relevance and reliability of information to users of information,
- In reporting information emphasizing the principles of comparability/consistency of information with other data, including previous year, and the principles of understandability/transparency providing clarity to users.

Key Definitions and Reporting Scope

For the purpose of this report, the Company makes the following definitions:

Туре	Indicator	Scope
	Fuel Type (GJ)	
	Natural Gas (GJ)	It represents the amount of natural gas consumption monitored from the invoices of the Bank's service providers (12 months) during the reporting period. Head Office, ABM, Silivri Archive and Branches are included in the consumption amount.
	Electricity (GJ)	It represents the amount of grid electricity consumption monitored from the invoices of the Bank's service providers (12 months) during the reporting period. Head Office, Silivri Archive, Akbank Banking Centre, Branches, Aksanat and external ATMs with subscription are included. External ATMs without subscription are not included in the scope.
ENVIRONMENTAL INDICATORS	Liquid Fuel (GJ)	In the reporting period, fuel-oil and diesel oil for heating purposes, petrol and diesel oil for vehicle fuels and diesel oil for emergency generators, which are monitored from the invoices of the Bank's service providers. Fuel oil consumption is included in Branches, diesel oil consumption for emergency generators is included in Branches, ABM, Head Office, Silivri locations, diesel oil and petrol consumption for company vehicles is included in Head Office, ABM and Branches locations and diesel oil used for heating purposes is included only in Branches.
	Total (GJ)	It represents the total amount of the Bank's Natural Gas, Electricity, and Liquid Fuel consumption in GJ unit, during the reporting period.
	Renewable Energy Usage (kWh)	Represents the amount of renewable energy purchased by the Bank with International Renewable Energy Certificate (IREC) Certificate during the reporting period.
	Renewable Energy Production (kWh)	It represents the amount of renewable energy production generated by the Solar Power Plant in the reporting period, which was commissioned at the Bank's ABM location as of March 2023, and whose production is monitored through meters.
	Energy Consumption (GJ)	It represents the total amount of the Bank's natural gas, electricity, and liquid fuel consumption in the reporting period.
	Energy Intensity (GJ/million TL)	It refers the ratio of the Bank's Energy Consumption in the reporting period by Fuel Type (GJ) to the amount of Balance Sheet - Total Assets (TL million) taken from the Bank's Consolidated financial report dated 31.12.2023.

People &

Туре	Indicator	Scope
	Carbon Emission (ton CO ₂ e)	
	Scope 1 Emission (tonCO ₂ e)	It represents the direct greenhouse gas emission amount arising from the Bank's natural gas consumption monitored from invoices, diesel and petrol consumption of company vehicles whose consumption amount is monitored from third party company, generator diesel consumption monitored from invoices, diesel used for heating purposes monitored from invoices, fuel-oil consumption monitored from invoices and CO2 fire extinguishing gases monitored from the service forms of the maintenance company in the reporting period.
	Scope 2 Emission (tonCO ₂ e)	It represents the Indirect Energy Consumption of the Companies resulted by subtracting the amount of renewable energy purchased (I-REC) from the amount of indirect greenhouse gas emissions resulting from electricity consumption, during the reporting period. Head Office, Silivri Archive, Akbank Banking Centre, Branches, Aksanat and external ATMs with subscription are included.
ENVIRONMENTAL INDICATORS	Scope 3 Emission (tonCO ₂ e)	It represents the total amount of the consumptions among categories in the Company's GHG Protocol (Greenhouse Gas Protocol), Category 1: Purchased Goods and Services that can be mapped with financial reporting systems, Category 3: Fuel and Energy Related Activities, which can be mapped with Direct and Indirect Energy Consumption, Category 6: Business Travel whose kilometers are tracked with flight tickets purchased from agencies Category 7: Employee Commuting, which is tracked with mileage-based invoices from the service provider company and tracked through taxi vehicles used by employees, Category 12: indirect greenhouse gas emissions from End-of-Life Treatment of Sold Products, which can be mapped with financial reporting systems and tracked with product-based purchase lists in the reporting period. The Company calculates greenhouse gas emissions according to the standard "TS EN ISO 14064-1:2018 Greenhouse Gases - Part 1: Guidelines and Specifications for Establishment-Level Calculation and Reporting of Greenhouse Gas Emissions and Removals".
	Emission Intensity (ton CO ₂ /million TL)	I represent s the ratio of the sum of the Bank's Scope 1 and Scope 2 emissions (tCO2e) to the amount of Balance Sheet - Total Assets (TL million) taken from the Bank's 2023 Consolidated financial indicators.
	Paper Consumption (Kg)	
	Paper Consumption (kg)	It represents the amount of paper waste produced from the Bank and monitored from the reconciliation, delivery notes and weighbridge receipts from the licensed waste processing companies in the reporting period.
	Waste Amounts (Ton)	
	Non-Hazardous Waste (ton)	It represents the amount of non-hazardous waste produced from the Bank and monitored from the reconciliation, delivery notes and weighbridge receipts from the licensed waste processing companies in the reporting period.

Туре	Indicator	Scope					
	Hazardous Waste (ton)	It represents the amount of hazardous waste monitored by the Mobile Waste Tracking System (MOTAT), the data monitoring platform of the Ministry of Environment, Urbanization and Climate Change, and declared to the Integrated Environmental Information System in the reporting period.					
ENVIRONMENTAL	Total Plastic Consumption (ton)	It represents the total amount of food containers consumed in the cafeterias and water bottles used in the offices, which are monitored through the accounting data platform, that are monitored by the Bank through purchases in the reporting period. Head Office and ABM are included in the consumption amount.					
INDICATORS	Recycled Waste Amount (%)	It represents the total amount of recycled non-hazardous and hazardous waste monitored by the delivery records received from the Bank's licensed waste processing company.					
	Total Scrap Devices Weight (kg)	It represents the scrap devices such as computers (PC), monitors and ATMs, which were delivered to a licensed recycling company authorized by the Ministry of Environment, Urbanization and Climate Change in the reporting period, which were tracked by the delivery minutes received from the Bank's licensed waste processing company.					
	Water Consumption (m³/ye	Water Consumption (m³/year)					
	Water Consumption (m³/year)	It represents the amount of water consumption from the water supply network in the reporting period, which is monitored by the invoices of the Bank's service providers. Silivri, Branches, ABM and Head Office are included in the consumption amount.					
	Number of Employees (#)	It represents the total number of employees who are monitored by the Bank's Human Resources data platform and whose employment notifications are made to the Social Security Institution during the reporting period. Intern employees are not included in the total number of employees.					
	Female Employee Rate (%)	It represents the ratio of the number of female employees to the total number of employees in the reporting period, which is monitored by the Bank's Human Resources data platform and for which the Social Security Institution has been notified of employment.					
SOCIAL INDICATORS	Number of Employees by Age and Gender (#)	It represents the number of employees in the reporting period, declared to the Social Security Institution with the Employment Entry Declaration and tracked in the Company's Human Resources data platform in terms of gender breakdown, according to the groups under the age of 30, between the ages of 30-50 and over the age of 50 in terms of men and women.					
	Number of Employees in Managerial Positions by Age and Gender (#)	It represents the number of male and female employees working in Entry Level, Mid-level and Senior management roles in the reporting period, who are monitored through the Company's Human Resources data platform and whose employment notifications are made to the Social Security Institution.					
	Rate of Female Employees in Executive Management (%)	It represents the ratio of the number of female employees to the total number of employees in the positions of General Manager, Assistant General Manager, Head of Inspection Board, Head of Department, Head of Risk Management, Chief Legal Counsellor, Consultant, Chief Economist, D7, which are monitored with the Bank's Human Resources data platform in the reporting year, for which the Social Security Institution has been notified of employment and which the Bank defines as senior management.					



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Туре	Indicator	Scope
	Rate of Female Employees Working in STEM Roles (%)	It represents the ratio of female employees working in the R&D, Innovation and Digitalization Departments, which are monitored through the Bank's Human Resources data platform in the reporting period, to the total number of employees working in these departments.
	Number of Newly Hired Employees (#)	Represents the number of people recruited by the Bank during the reporting period and declared to the Social Security Institution with the Employment Declaration within the reporting year in the breakdown of 30 years old, 30-50 years old and over 50 years old.
	Workforce Turnover Rate a	nd Distribution
	Total Workforce Turnover Rate by Position (%)	It represents the ratio of the number of people who left the job declared by the Bank to the Social Security Institution with the Declaration of Leaving the Job within the reporting period to the average number of active employees for the last 12 months. The ratio does not include Associates and Group Companies.
	Total Workforce by Position (#)	It represents the number of people who left their jobs during the reporting period, as declared by the Bank to the Social Security Institution with the Declaration of Resignation of Employment within the reporting year. The number does not include Subsidiaries and Group Companies.
SOCIAL INDICATORS	Workforce turnover rate by gender (%)	It represents the ratio of the number of people who left the job declared by the Bank to the Social Security Institution with the Declaration of Leaving the Job within the reporting period to the average number of active employees for the last 12 months and the breakdown by gender.
	Workforce Numbers by Gender (#)	It represents the number of people who left their jobs during the reporting period, as declared by the Bank to the Social Security Institution with the Declaration of Leaving Work in the reporting year, withing the breakdown by gender as male and female.
	Workforce turnover rate by age (%)	It represents the ratio of the number of people who left the job declared by the Bank to the Social Security Institution with the Notification of Leaving the Job within the reporting period to the average number of active employees for the last 12 months in the breakdown of 30 years old, 30-50 years old and over 50 years old.
	Workforce turnover rate (voluntarily leave) (%)	It represents the ratio of the number of male and female employees who voluntarily leave their jobs declared by the Bank to the Social Security Institution in the reporting period with the Declaration of Leaving Work within the reporting year to the total number of employees. It is monitored in the breakdown of men and women.
	Workforce Numbers by Age Group (#)	It represents the number of people who left the job declared by the Bank to the Social Security Institution with the Declaration of Leaving the Job within the reporting year refers to the age breakdown of those who left the job as under 30 years old, between 30-50 years old, over 50 years old.
	Management Level Workforce Turnover Rate (Voluntarily Leaving) (%)	It represents the ratio of the number of people who left the Bank only through resignation and whose monitored up with the number of resignation petition in the reporting period, , to the average number of active employees for the last 12 months is divided into entry level (Manager 2, Custody Service Unit Manager, Senior Architect, Senior Engineer, Inspector 1, Inspector 2, IT Inspector-1, D4, 1. Consultant Lawyer, Chief Dealer), mid-level (Manager, D6, Legal Counsellor, Deputy Chairman of the Board of Inspectors, Vice Chairman, Chief Inspector, Manager, Manager Architect, Manager Engineer, D5, Internal Control Senior Expert, Compliance Senior Expert), senior level (General Manager, Deputy General Manager, Head of the Board of Inspectors, Head of Department, Head of Risk Management, Chief Legal Counsellor, Consultant, Chief Economist, D7) management levels.

Туре	Indicator	Scope
	Return and Retention Rate	s after Maternity Leave by Gender
	Number of Employees Eligible for Maternity Leave (#)	It represents the number of male and female employees who are entitled to take maternity leave during the reporting period in accordance with the Regulation on Part-Time Work to be Performed After Maternity Leave or Unpaid Leave, within the periods specified in the regulation.
	Number of Employees on Maternity Leave (#)	It represents the number of male and female employees who are took the maternity leave during the reporting period in accordance with the Regulation on Part-Time Work to be Performed After Maternity Leave or Unpaid Leave, within the periods specified in the regulation.
	Number of Employees Returning to Work After Maternity Leave (#)	It represents the number of male and female employees who return to work after the end of the Bank's maternity leave during the reporting period in accordance with the Regulation on Part-Time Work to be Performed After Maternity Leave or Unpaid Leave, within the periods specified in the regulation.
COOLAL	Total Number of Employees Who Have Returned to Work and Are Still in the Job Twelve Months After the End of Maternity Leave (#)	It represents the number of male and female employees who return to work after the end of the Bank's maternity leave in the reporting period and whose presence in the company after 12 months in accordance with the Regulation on Part-Time Work to be Performed After Maternity Leave or Unpaid Leave, within the periods specified in the regulation.
SOCIAL INDICATORS	Return Rates of Employees Taking Maternity Leave (%)	It represents the ratio of the number of employees who did not return to work after going on maternity leave in the reporting period to the number of employees who went on maternity leave.
	Internal Company Trainings	S
	Average Training Hours per Person (%)	It represents the ratio of total in class training and online training hours in the reporting period followed by the Bank's training platform to the total number of employees.
	Total Training Hours (hour)	It represents to the total number of in-class and online training hours followed through the Bank's training platform in the reporting period. Occupational Health and Safety trainings are included in total training hours.
	Training Hours/Percentage of Employees by Gender (hour)	It represents the ratio of in-class and online training hours in the breakdown of female and male in the reporting period followed by the Bank's training platform to total training hours.
	Number of Vulnerable Audiences Reached with Inclusivity Programs (#)	It represents the number of people who participated in the projects supported by the Bank in the reporting period, monitored through participant records, Youth Academy, and senior management presentations
	Occupational Health & Saf	ety
	Number of Accidents (#)	It represents the number of injuries occurred in the reporting period by the Bank's employees in a work-related activity, which caused the employee to be directed to do his/her own job for a lesser period or to a simpler job, and which were monitored through notifications made to the Social Security Institution.



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	Number of Fatal Cases (#)	It represents the number of the Bank's employees who fall under the definition of "fatal occupational accident" within the scope of the Occupational Health and Safety Law No. 6331, which is monitored through notifications made to the Social Security Institution in the reporting period.
SOCIAL INDICATORS	Number of occupational diseases (#)	It represents the number of occupational diseases of the Company's employees that fall within the definition of "occupational disease" within the scope of the Occupational Health and Safety Law No. 6331, which are monitored through notifications made to the Social Security Institution in the reporting period.
	Lost working day caused by work accident (#)	It represents the total number of incidents involving 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 Bank's employees in the reporting period and prevented them 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, refers to the lost working days.
	Renewable Energy Portfolio Total Installed Power (MW)	It represents the total installed capacity of renewable energy projects including Biomass Power Plants, Geothermal Power Plants, Solar Power Plants, Hydroelectric Power Plants and Wind Power Plants, which are monitored by the Bank's Credit Portfolio system as of the end of the reporting period, to which credit is allocated by contracts and Board of Directors' decisions and which have open risk.
ECONOMIC INDICATORS	Number of Sustainable Products and Services (#)	It represents the number of products and services that the Bank has categorised with the definition of sustainable products in the reporting period, using the sustainable financing framework as a guide.
	Increase rate in the number of active Female SMEs (%)	It represents the ratio of the number of active female customers defined and monitored with the Bank customer system in the reporting period according to the criteria of minimum 50% female shareholders, sole proprietorship, or joint stock company as of 31.12.2023 to the number of active female customers defined according to the criteria of minimum 50% female shareholders, sole proprietorship, or joint stock company as of 31.12.2022 reporting period.

Akbank Double Materiality Analysis - Preparation Principles

2023 Akbank conducted a Double Materiality Analysis study within the scope of the Integrated Annual Report. This study consists of 3 steps, including internal and external stakeholder communication and participation, respectively.

- 1. The universe of prioritised issues has been identified.
- 2. The impacts of the issues on business operations and financials have been determined.
- The significance of the effects of the subjects was determined.

Priority Subject Universe

A universe of material issues was prepared by taking into account the results of the survey, which includes the opinions of the Bank's stakeholders (international financial institutions, investors, employees, customers and non-governmental organisations (NGOs)), developments in current sustainability reporting standards, global trends, the Bank's long-term vision, examples of good practices, Sustainability Accounting Standards Board Financial Services - Commercial Banking sector material issues.

As a result of the studies described above, the topics covered in Akbank's Materiality Matrix are as follows:

- Responsible Products and Services
- · Impact Investing
- Financing and Investment Decisions Considering ESG Criteria
- Digitalization and Innovation
- Costumer Experience and Journey
- Financial Inclusion
- Employee-Oriented Corporate Culture
- Diversity and Inclusion
- Social Investments
- Portfolio Impact/Exposure
- Our Environmental Footprint
- Integrated Risk Management
- Financial Performance
- Ethical and Clean Banking
- Data Privacy and Security

Impact of Issues on Business Operations and Financials

During the meetings with the relevant departments in the Bank, information on the risks of the material issues and their financial impact was obtained. Akbank monitors the financial impact of risks that may affect the Bank on a five-point scale.

Significance of the Impact of the Issues

In the second phase of the study, the Bank analysed the impact of these material issues on sustainability focus by using 3 different parameters. These parameters are:

- · Magnitude of impact
- · Scope of impact
- Management of impact

Magnitude of Impact - Stakeholder Survey

The Bank created a stakeholder questionnaire by matching the topics created as a result of the subject universe study with questions. The stakeholder survey was designed to include an assessment of the magnitude of the impact. Stakeholder questionnaires were sent to identified internal stakeholder and external stakeholder groups. Stakeholders were asked to determine the degree of impact of the issue by giving each question a score between 1 and 3.

Internal Stakeholder Group

Employees Investors

External Stakeholder Group

Clients

International Financial Institutions NGO's



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Responses were received from 174 stakeholders (107 internal stakeholders and 67 external stakeholders) to the stakeholder surveys sent to internal and external stakeholder groups.

The Bank determined the degree of importance of the opinions of internal and external stakeholders and determined a coefficient for each internal and external stakeholder group. This coefficient was multiplied by the numerical values of the responses received from internal and external stakeholders to form an input to the matrix.

- Scope of Impact

The relevant teams within the Bank came together to assess how much of the operations would be affected in the event of a negative situation/crisis related to the issue. The relevant teams were asked to determine the scope of impact of the issue by giving a score between 1 and 3 for each issue.

- Management of Impact

It includes the approach on how to control the issue in case of a negative situation/crisis by coming together with the relevant teams within the Bank. The relevant teams were asked to determine the impact management of the issue by giving a score between 1 and 3 for each issue.

Creation of Matrix

While the vertical axis of the matrix prepared as a result of the answers received from internal and external stakeholders includes the materiality of the impacts of the material issues, the horizontal axis analyses the impact on business operations and financials.

As a result of the study, regardless of the order in terms of sustainability and financial impact:

High priority issues:

- Financial Performance
- Integrated Risk Management
- · Digitalization and Innovation

Medium priority issues:

- · Responsible Products and Services
- Portfolio Impact/Exposure
- · Ethical and Clean Banking
- Diversity and Inclusion
- Data Privacy and Security

- · Financial Inclusion
- · Impact Investing
- Employee-Oriented Corporate Culture

Priority Issues:

- · Our Environmental Footprint
- · Costumer Experience and Journey
- · Social Investments
- Financing and Investment Decisions Considering ESG Criteria

Data Preparation

1. Environmental Indicators

Within the scope of the Bank's direct energy consumption, primary fuel sources consisting of petrol, diesel oil, natural gas and fuel oil consumption are reported.

Within the scope of the Bank's energy consumption data, natural gas, diesel oil, petrol and electricity are reported as primary fuel sources.

Electricity consumption data are obtained from service providers' meters and invoices. Electricity consumption is obtained by dividing the unit price by the TL amount of the service providers' invoices. Energy Retail determines the unit price.

Diesel and petrol consumption data are obtained from service providers' invoices for the Bank's generators and vehicles. Diesel consumption for generators is obtained from service providers' receipts and maintenance-repair forms. Gasoline and diesel consumption for the Bank's automobiles is monitored through the system of the service provider company.

Natural gas consumption is obtained by dividing the unit price by the TL amount of the service providers' invoices. Unit price is determined by İGDAŞ. For the Head Office location of Hacı Ömer Sabancı Holding A.Ş., the values as 55% Akbank and 45% Hacı Ömer Sabancı Holding A.Ş. consumption are determined by Hacı Ömer Sabancı Holding A.Ş. building management.

Petrol and diesel data were converted from litres and natural gas data were converted from cubic metres to gigajoules according to the IPCC 2006 National Greenhouse Gas Inventory Guidelines.

The following conversion factors were used in the subheadings that make up the energy consumption.

Petrol (GJ)

1Lt = 0.032 GJ

Diesel (GJ)

1Lt = 0.035 GJ

Natural Gas (GJ)

 $1m^3 = 0.0345 GJ$

Fuel Oil (GJ)

1 m³ = 972.76 kg 1 Ga = 40.400 GJ

Electricity (GJ)

1KwH = 0.0036 GJ

Energy Consumption Based on Fuel Type (GJ):

Natural Gas – Stationary Combustion Formula: [Consumption Data (sm³) * 10.64 kwh/sm³ * 0.0036 GJ/kwh = Activity Data (GJ)]

Diesel Oil (Generator) – Stationary Combustion Formula: [Consumption Data (I) * 0.83 (kg/l) * 10200 (kcal/kg) * 4186 joule/kcal * 10⁻⁶ (GJ/J) = Activity Data (GJ)]

Fuel Oil - Stationary Combustion Formula:

[Consumption Data (I)* 10⁻³ (m³/I) * 972.76 (kg/ m³) * 10⁻⁶ (Gg/kg) * 40,400 (GJ/Gg) = Activity Data (GJ)]

Petrol - Mobile Combustion Formula:

[Consumption Data (I) * 0.735 (kg/l) * 10,400 (kcal/kg) * 4186 joule/kcal * 10^{-6} (GJ/J) = Activity Data (GJ)]

Diesel Oil - Mobile Combustion Formula:

[Consumption Data (I) * 0.83 (kg/l) * 10200 (kcal/kg) * 4186 joule/kcal * 10^{-6} (GJ/J) = Activity Data (GJ)]

Purchased Electricity Formula:

[Consumption Data (kwh) * 0.0036 GJ/kwh = Activity Data (GJ)]

Energy Intensity (GJ/ million TL)

Formula:

Energy Intensity (GJ/million TL) = Energy Intensity (GJ)/ Total Asset (million TL)

Greenhouse Gas Emissions

The coefficients used in Scope 1, Scope 2 and Scope 3 greenhouse gas amount calculations are taken from the following national and international guidelines.

Scope 1 Emission Calculation Formula:

[Fuel Source Emission (Efuel) = ((Activity Data (AD) * Emission Factor (CO2)) /1000) + ((Activity Data (AD) * Emission Factor (CH4)) /1000) + ((Activity Data (FV) * Emission Factor (N2O)) /1000) * Oxidation Factor

Emission Factor:

Fuel Types	CO2	СН4	N2O
Natural Gas – Stationary Combustion	1.936	0.001	0.001
Diesel Oil (Generator)- Stationary Combustion	2.625	0.003	0.006
Diesel Oil – Stationary Combustion	2.625	0.003	0.006
Petrol – Mobile Combustion	2.216	0.003	0.048
Diesel Oil - Mobile Combustion	2.625	0.004	0.037
Fuel Oil - Mobile Combustion	3.109	0.003	0.006
HFC 227 ea fire extinguisher	3350.000	0.000	0.000

Emission Factors from Combustion (diesel oil, fuel oil, natural gas): "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

Vehicle Source Emission Factors (petrol, diesel oil): "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 ${\rm CO_2}$ Emissions Factors and Uncertainty Ranges

Table 3.2.2 Road Transport N₂O and CH₄ Default Emissions Factors and Uncertainty Ranges

For fire extinguishing gas consumption IPCC 5. Factors from the Evaluation Report were used.

Scope 2 Emission Calculation Formula:

(Consumption *Emission Factor/1000) – (Amount of Renewable Energy Supplied *Emission Factor/1000) Electricity Emission Factor: Electricity emission factors are based on the 2020 electricity emission factor published by "TEİAŞ" on 09.08.2022 (0.484 kg/kwh).

Scope 3 Emission Calculation Formula: Consumption *(Emission Factor/1000)

Emission Factor:

Source: DEFRA, GHG-conversion-factors-2023-condensed-set, Update: 28th June 2023 https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023

(Category 1) Purchased Goods and Services, DEFRA 2023, Material Use, Paper & Plastic, PVC

(Category 3) Fuel and Energy Related Activities, DEFRA 2023, WTT Fuels, Fuel Oil, Natural Gas, Diesel (average biofuel blend), petrol (average biofuel blend)

(Category 3) Fuel and Energy Related Activities, DEFRA 2023, WTT UK Electricity, WTT- UK electricity (generation)

(Category 6) Business Travel, DEFRA 2023, Business Travel – Air, Short-haul, to/from UK – average passenger, Long-haul, to/from UK, average passenger

(Category 7) Employee Commuting, DEFRA 2023, Business Travel – Land, Large Car & Taxis, regular taxi (Category 12) End-of-Life Treatment of Sold Products, DEFRA 2023, Material Use, Plastics: PVC (incl. forming)

Scope 3	Category Definition	Emission Source	Unit	kgCO ₂ e
		Paper	ton	910.48
Category 1	Purchased Goods and Services	Toner	ton	17
		Plastic, PVC	ton	3399.18
		Fuel Oil	Liter	0.69539
	ategory 3 Fuel and Energy Related Activities	Natural Gas	Cubic meter	0.3366
		Petrol	Liter	0.58094
Category 3		Electricity	Liter	0.0459
		Diesel - Generator Fuel	Liter	0.61101
	Purchased Goods and Services	Diesel Oil	Liter	0.61101
		Domestic Flights (km)	km	0.18592
Category 6	Business Travel	International Flights - Europe (km)	km	0.26128
0	5 L 0 "	Shuttles (km)	km	0.208586
Category 7	Employee Commuting	Taxi (km)	km	0.208056
	- 1 (1)(- 1 · 1 · 1 · 1 · 1 · 1 · 1 · 1 · 1 · 1	Plastic, PVC	ton	3,399
Category 12	End-ot-Lite Treatment of Sold Products	Plastic, PVC	ton	3,399

Emission Intensity (ton CO₂/million TL)

Formula

Scope 1 + Scope 2 Emissions (GJ)/ (million TL)

Water Consumption - Total (m³)

Formula:

Water Consumption – Total (m³) = Mains Water (m³)

Wastewater Amount (m³)

Formula:

Wastewater Amount (m³) = Mains Water (m³)

Waste Management (ton) -Total

Formula:

Waste Management (ton) – Total = Hazardous Waste (ton) + Non-Hazardous Waste (ton)

2. Social Indicators

Female Employee Rate (%)

Number of Woman Employee / Number of Total Employee

Rate of Female Employees in Executive Management (%)
Number of Female Executives in Senior Management /
Number of Total Employee

Rate of Female Employees Working in STEM Roles (%)

Number of female employees working in STEM roles / Number of employees working in STEM roles

Total Workforce Turnover Rate by Position (%)

Number of Employees Whose Leave / Total Number of Employees

Workforce Turnover Rate by Gender (%)

- Number of female employees who leave their jobs / Total number of employees
- Number of male employees who leave their jobs / Total number of employees

Workforce Turnover Rate by Age (%)

- Number of employees under 30 years of age who leave their jobs / Total number of employees
- Number of employees between 30 50 years of age who leave their jobs / Total number of employees
- Number of employees above 50 years of age who leave their jobs / Total number of employees

Workforce Turnover Rate (Voluntarily Leave) (%)

- Number of female employees who left their jobs voluntarily / Total number of employees
- Number of male employees who left their jobs voluntarily / Total number of employees

Management Level Workforce Turnover Rate (Voluntarily Leaving) (%)

Formula:

- Number of Entry Managers who left voluntarily / Total number of employees
- Number of Middle Managers who left voluntarily / Total number of employees
- Number of Senior Managers who left voluntarily / Total number of employees

Return to Work and Retention Rates of Employees on Maternity Leave (%)

Formula:

(Number of employees on maternity leave/ Number of employees who did not return to work after maternity leave) *100 -100

Formula:

(Total number of employees who have returned to work and are still in the job 12 months after the end of maternity leave / Number of employees who did not return to work after maternity leave) *100 -100

Training Hours/Percentage of Employees by Gender (%)

Female Employee Completed Training Hours / Total Training Hours

Male Employee Completed Training Hours / Total Training Hours

3. Economic Indicators

Installed capacity of financed renewable energy projects (MW)

While calculating this indicator, the renewable energy portfolio to which the Bank provided loans was used. In this context, the bank's financing rate was not considered in the partial financing provided to Hydroelectric Power Plant (HEPP), Wind Power Plant (RES), Biomass Power Plant (BES), Geothermal Power Plant (GPP) and Solar Energy Power Plant (SPP) projects, which are within the scope of renewable energy. The calculation was made based on the total installed power of the project

Increase rate in the number of active Female SMEs (%)

Number of active women SME's as of 31.12.2023 / Number of active women SME's as of 31.12.2022

Restatements

The measuring and reporting of sustainability-related data inevitably involves a degree of estimation.

Restatements are considered where there is a change in the data of greater than 5 percent at the Company level.

Our Performance Tables

Environmental Performance Tables

Our operational greenhouse gas emissions

Fuel Type (GJ)	2019	2020	2021	2022	2023
Natural Gas	88,650.59	80,513.85	91,724.65	94,366.44	71,792.07
Electricity	374,942.85	360,563.26	342,382.56	338,239.77	297.300,77 🗸
Liquid Fuel	97,997	72,279	77,461	95,589.31	102,803.68
Total	561,590.44	513,356.11	511,568.13	528,195.51	471,836.51 🟏

Carbon Emission (ton CO ₂ e)	2019	2020	2021	2022	2023
Scope 1 Emission	13,450	10,298	11,102*	12,485*	11,932
Scope 2 Emission	53,505	47,770	24,300	15,415	0
Scope 3 Emission	0	0	10,169	11,195	9,971
Total Emission	66,955	58,068	45,571	39,096	21,903

^{*}Leak emissions have been revised according to the previous calculation and reflected in the table.

Our Paper Consumption (kg)

	2019	2020	2021	2022	2023*
Consumption**	425.5	1,109	18,3905	21,410	14,800 🏏

^{**}Cardboard is given as valuable and scrap paper.



Our Recycling-Oriented Environmental Approach

Types	Weight (kg)	Scrap Sale	Total Weight (kg)	Donation	Total Weight (kg)
PC	12	2,401	28,812	296	3,552
Monitor	5	2,601	13,005	296	1,480
Wallet Printer	9	226	2,034	0	0
Report Printer	14	129	1,806	0	0
Laser Printer	15	180	2,700	0	0
Pos Equipment	0,5	11,179	5,589.5	0	0
ATM	850	839	713,150	0	0
Other	0	0	0	0	0
Total	905,5	17,555	767,096.5	592	5,032

Our Waste Amounts (ton)	2020	2021	2022	2023	
Non-Hazardous Waste	56.10	35.56	424	531	/
Hazardous Waste	3.61	7.88	427	774	'
Total Plastic Consumption	11.75	1.00	5.60	1.50	\
Recycled Waste Amount	_	6.62	828	1,298	~ /

Our Water Consumption

	2020	2021	2022	2023	
Water Consumption (m³/year)	180,592	144,449	184,583	170,542	~

Our Energy Use

	2020	2021	2022	2023	
Renewable Energy Usage (kWh)	-	41,401,074	62,104,100	83,518,000	~/
Renewable Energy Production (kWh)	-	-	428,640	465,960	1
Energy Intensity (GJ/million TL)	1,073	671	0.460	0.440	~/
Emission Intensity (ton CO ₂ /million TL)	121	56	27	9.82	~/

Our Human Resources Tables

Number of Employees

	2020	2021	2022	2023
Headquarters*	2,741	2,891	3,151	3,034
Akbank Banking Center	2,258	2,451	2,825	2,977
Regional Offices**	611	566	625	632
Branches***	6,849	6,276	6,116	6,221
Bank Total	12,459	12,184	12,717	12,864

^{*} Our Board Members are not included.

Number of Employees

Number of Employees	2021	2022	2023	
Female	6,417	6,624	6,733	~
Male	5,777	6,093	6,131	~
Bank Total	12,814	12,717	12,864	~

Number of Employees by Age and Gender	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
30-	1,012	541	1,166	795	1,316	1,022
30-50	5,345	5,061	5,373	5,034	5,327	4,829
50+	59	166	85	264	90 🟏	280 🟏

Number of Full time and Part Time Employees by Age and Gender	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
Full Time	6,401	5,761	6,604	6,081	6,717	6,119
Part Time	15	7	20	12	16	12

^{**}Employees in Regional Credit Directorates, although they are affiliated to the Credit Allocation Business Unit, were shown in the staff of our Regional Directorates, not the General Directorate, as they were working in the field, as in previous years.

^{***}Including our branch employees in Malta.



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Sustainable Financing People & Community

Ecosystem Management Climate Change Financial Information

Number of Employees in Managerial Positions by Age and Gender*	2021		2022		2023			
	Female	Male	Female	Male	Female	9	Male	
30-	40	36	76	82	74	/	78	~/
30-50	3,156	3,426	3,420	3,621	3,486	/	3,647	\
50+	56	151	81	239	86	\	261	'

^{*} Including only the managers above the Entry-level (Manager 2 and equal).

Number of employees (subcontractors, workers in the supply chain, etc.) who are not full-time employees but whose work is controlled by Akbank	2020		2021		2022		2023	
	Female	Male	Female	Male	Female	Male	Female	Male
Number of Subcontractors	1,633	2,819	1,861	3,283	1,518	4,727	2,001	4,925

Newly Hired Employees

2023										
	Under 30		30-50 Years		50 Years and Over					
Number of Newly Hired Employees in 2023	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time				
Number of Employees	1,387	84	585	0	7	0				
Total		1,471		585		7 🗸				

Workforce Turnover Rate By Position

Workforce Turnover Rate By Position*	2023			
Positions	Ratio (%)		Number	
Head Office	16.22		492	
Akbank Banking Center	13.03		388	
Regional Headquarters**	14.38		91	
Branches	12.30		765	
Total Bank	13.50	~	1,736	~/

^{*}Our Board Members are not included.

Workforce Turnover Rate By Gender

Workforce turnover rate and numbers by gender (%)	2023				
Positions		Male	Woman		
POSICIONS	Rate (%)	Number	Rate (%)	Number	
Headquarters	19.83	236	13.89	256	
Akbank Banking Center	13.18	235	12.81	153	
Regional Offices**	14.29	50	14.49	41	
Branches	12.64	355	12.01	410	
Bank Total	14.29	876	12.77	860 🗸	

^{*} Employees in Regional Credit Directorates, although they are affiliated to the Credit Allocation Business Unit, were shown in the staff of our Regional Directorates, not the General Directorate, as they were working in the field, as in previous years.

^{**}Employees in the Regional Credit Departments, although they are affiliated with the Credit Allocation Business Unit, they are shown in our Regional Headquarters staff, not the Head Office, because they carried out their duties in the field, as in previous years.



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Ecosystem Management Climate Change Financial Information

Workforce Turnover Rate By Age

Workforce turnover rate and numby age (%)	bers		2023			
Staff	Und	ler 30	30-50 Years		50 Years and Over	
	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number
Headquarters	30.18	224	10.92	237	25.8	31
Akbank Banking Center	27.85	134	8.88	204	25.1	50
Regional Offices*	28.57	36	8.60	40	35.7	15
Branches	16.49	130	10.74	554	29.7	81
Bank Total	4%	524	8% 🗸	1035 🏏	1% 🗸	177 🗸

^{*}Employees in the Regional Credit Departments, even though they are affiliated with the Loans Business Unit, are shown in our Regional Headquarters staff, not the General Directorate, because they carried out their duties on the field, as in previous years.

Workforce Turnover Rate by Duty Areas

Workforce turnover rate (voluntarily leave)	6,16%	
By Age		
-30	20.8%	
30-50	3.4%	
50+	0.2%	
By Gender		
Female	6.56%	~
Male	5.79%	~
Management Level		
Other	10.84%	~
Entry Level	4.02%	~
Middle Level	2.64%	~
Senior Level	2.67%	~

^{*} Employees in Regional Credit Directorates, although they are affiliated to the Credit Allocation Business Unit, were shown in the staff of our Regional Directorates, not the General Directorate, as they were working in the field, as in previous years.

Rates Of Returning To Work And Staying At Work After Maternity Leave By Gender

2023						
Female		Male				
273	\	213	/			
273	~/	213	~/			
273	\	213	*/			
273	1	213	4			
Return to Work Rate: 100% Retention Rate : 99.6%	·/	iReturn to Work Rate: 10 Retention Rate : 100%	00%			
	Female 273 273 273 273 Return to Work Rate: 100%	Female 273 273	Female Male 273 ✓ 213 273 ✓ 213 273 ✓ 213 273 ✓ 213 Return to Work Rate: 100% İReturn to Work Rate: 100			

Internal Company Training

Average Training Hours per Person	2020	2021	2022	2023	
	30	36	33	32	\

Training Hours/Percentage of Employees by Gender	2020	2021	2022	2023	
Female	54%	55%	55%	53%	4
Male	46%	45%	45%	47%	*/

Our Number of Suppliers by Years

	2020	2021	2022	2023
Total Suppliers	1.779	2.052	2.216	2.316
Total Number of New Suppliers	208	169	133	110



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Occupational Health And Safety

	2020	2021	2022	2023	
Number of Accidents	10	5	11	10	~
Number of Lost Workdays	53,838	89,189	45,091	52,267	
Avarage Number of Health Leave Days	4.1	7.3	3.5	4.09	
Number of Fatal Cases			0	0	~ /
Number of occupational diseases			0	0	'
Lost working day caused by work accident			36	76	'
Total Working Hours in 2022			26,689,872	25,933,824	+

Task Force on ClimateRelated Financial Disclosures-(TCFD) Table

Focus Area	TCFD Recommendation	Page Number, Reference and/or Direct Answers	
Governance	a. Describe the board's oversight of climate related risks and opportunities.	Our Sustainability Management CDP Climate Change Program 2023 Report CDP Water Security Program 2023 Report	
	b. Describe management's role in assessing and managing climaterelated risks and opportunities.	Our Sustainability Management CDP Climate Change Program 2023 Report CDP Water Security Program 2023 Report	
	 a. Describe the climate-related risks and opportunities the company has identified over the short, medium, and long-term. 	Portfolio Impact & Exposure CDP Climate Change Program 2023 Report CDP Water Security Program 2023 Report	
Strategy	b. Describe the impact of climaterelated risks and opportunities on the company's businesses, strategy, and financial planning.	Portfolio Impact & Exposure CDP Climate Change Program 2023 Report CDP Water Security Program 2023 Report	
	c. Describe the resilience of the company's strategy, taking into consideration different climaterelated scenarios, including a 2°C or lower scenario.	Portfolio Impact & Exposure CDP Climate Change Program 2023 Report CDP Water Security Program 2023 Report	
	a. Describe the company's processes for identifying and assessing climate-related risks.	Portfolio Impact & Exposure CDP Climate Change Program 2023 Report CDP Water Security Program 2023 Report	
Risk Management	b. Describe the company's processes for managing climaterelated risks.	Portfolio Impact & Exposure CDP Climate Change Program 2023 Report CDP Water Security Program 2023 Report	
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management.	Portfolio Impact & Exposure Climate Risk and Our Portfolio CDP Climate Change Program 2023Report CDP Water Security Program 2023 Report	





Türkiye Sustainability Reporting Standards (TSRS) Compliance Table

Reporting Standard	Requirements	Relevant Title of the Report
TSRS 1 Sustainability-Related Financial Information General Provisions Regarding Disclosure	Conceptual Foundations	Our Sustainability Journey Sustainable Finance Portfolio Impact & Exposure Climate Risk and Our Portfolio
	Core Content	Our Sustainability Journey Sustainable Finance Portfolio Impact & Exposure Climate Risk and Our Portfolio
	General Requirements	Our Sustainability Journey Sustainable Finance Portfolio Impact & Exposure Climate Risk and Our Portfolio
	Judgments, Uncertainties	Our Sustainability Journey Sustainable Finance Portfolio Impact & Exposure Climate Risk and Our Portfolio
TSRS 2 Climate-Related Disclosures	Governance	Our Sustainability Management
	Strategy	Portfolio Impact & Exposure Climate Risk and Our Portfolio
	Risk Management	Integrated Risk Management and Legal Compliance Portfolio Impact & Exposure Climate Risk and Our Portfolio
	Metrics and Targets	Portfolio Impact & Exposure Climate Risk and Our Portfolio Annexes, Environmental Performance Tables





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