AKBANK T.A.Ş.

PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS AND RELATED DISCLOSURES AT 31 DECEMBER 2021 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. Qualified 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 2021, 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, except for the effect of the matter on the consolidated financial statements described in the basis for the qualified opinion paragraph below, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, 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 Agency 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 Qualified Opinion

As explained in Section Five Part II h.4 (i) of Explanations and Notes to the Consolidated Financial Statements; the accompanying consolidated financial statements as at 31 December 2021 include a free provision amounting to TL 1.400.000 thousand which consist of TL 1.150.000 thousand provided in prior years and TL 250.000 thousand recognized in the current year by the Bank management which is not within the requirements of BRSA Accounting and Financial Reporting Legislation.

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 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 qualified 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. In addition to the matter described in the Basis for Qualified Opinion Section we have determined the matters described below to be key audit matters to be communicated in our report.

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 19.014.504 thousands in respect to loans and lease receivables of TL 404.788.296 thousands which represent a significant portion of the Group's total assets in its consolidated financial statements as at 31 December 2021. 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, section IV part II-I, section IV part II-j, section IV part X-c, section V part I-f and section V part II-h in the accompanying consolidated financial statements as at 31 December 2021. 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. The impacts of COVID-19 global pandemic have increased the importance of the estimations and assumptions used by the Bank management in determination of the expected credit loan loss provision. The uncertainties arising from these impacts have been evaluated by the management in their judgements and estimations. Our audit was focused on this area due to existence of complex estimates and information used in the impairment assessment such as macro-economic expectations, current conditions, 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 amount of impairment provisions for loans. Therefore, this area is considered as key audit matter. .	Within our audit procedures, we assessed policies and procedures together with the overall governance established by the Group with respect to classification of loans and lease receivables and estimation of impairment in accordance with the applicable regulations considering also the impacts of COVID-19. We have tested the design and operating effectiveness of controls implemented by the Group in line with its governance, policies and procedures. 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 with respect to segmentation, life time expected credit losses, losses given default and use of macro-economic expectations that include the impacts of COVID-19. 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. In addition, for non-performing loans and other significant loans that are subject to individual assessment based on the Group 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 including the areas affected by the uncertainties related to COVID-19. We have reviewed the appropriateness and sufficiency of disclosures made in the financial statements of the Group with 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 294.503 thousand for Pension Fund Liabilities in the accompanying consolidated financial statements as at 31 December 2021. 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 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 consulting firm for the purpose of valuations of pension obligations. The reason we focused on this area during our audit is; the importance of the actuarial and economic assumptions such as discount rates, salary increases, demographic assumptions used in the valuation of pension obligations with respect to social benefits 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 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. 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 have reviewed disclosures made with respect to pension fund.

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.

5. 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 2021 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

The effects of differences between accounting principles and standards explained in detail in Section Three and accounting principles generally accepted in countries in which the accompanying consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying consolidated financial statements. Accordingly, the accompanying 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.

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

Zeynep Uras, SMMM
Partner

Istanbul, 1 February 2022

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.Ş. AS OF 31 DECEMBER 2021

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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.

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 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, related appendices and interpretations on these, and have been independently reviewed.

1 February 2022

Suzan SABANCI DİNÇER	Eyüp ENGİN	Ş.Yaman TÖRÜNER	S. Hakan BİNBAŞGİL	Türker TUNALI	Gökhan KAZCILAR
Chairman of the Board of Directors	Head of the Audit Committee	Member of the Audit Committee	CEO	Executive Vice President	Senior Vice President

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

(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 2021, approximately 51% of the shares are publicly traded, including the ADRs (31 December 2020: 51%).

The major shareholder of the Parent 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 PARENT BANK THEY POSSESS AND THEIR AREAS OF RESPONSIBILITY:

Title	Name	Responsibility	Education
Chairman:	Suzan SABANCI DİNÇER	Chairman of the Board of Directors	Graduate
Board of Directors:	Eyüp ENGİN	Vice Chairman and Executive Board Member	Undergraduate
	A. Fuat AYLA	Executive Board Member	Undergraduate
	Ş. Yaman TÖRÜNER	Board Member	Undergraduate
	I. Aydın GÜNTER	Board Member	Undergraduate
	Emre DERMAN	Board Member	Graduate
	N. Can PAKER	Board Member	PhD
	K. Özgür DEMİRTAŞ	Board Member	PhD
	Mehmet Tuğrul BELLİ	Board Member	Graduate
	S. Hakan BİNBAŞGİL	Board Member and CEO	Graduate
President and CEO:	S. Hakan BİNBAŞGİL	CEO	Graduate
Head of Internal Audit:	Savaş KÜLCÜ	Head of Internal Audit	Graduate
Executive Vice Presidents:	Bülent OĞUZ	Retail Banking	Graduate
	H. Burcu CİVELEK YÜCE	Strategy, Digital Banking and Payment Systems	Graduate
	Ege GÜLTEKİN	Credit Monitoring and Follow-up	Graduate
	Levent ÇELEBİOĞLU	Corporate and Investment Banking	Undergraduate
	N. İlker ALTINTAŞ	Technology and Operation	PhD
	Mehmet Hakan TUGAL	Commercial Banking	Graduate
	Türker TUNALI	Financial Management	Undergraduate
	Şahin Alp KELER	Private Banking and Wealth Management	PhD
	Yunus Emre ÖZBEN	Credit Allocation	Graduate
	Zeynep ÖZTÜRK ŞARSEL	Special Credits	Graduate
	Gamze Şebnem MURATOĞLU	Treasury	Graduate
	Pınar ANAPA	People and Culture	Graduate
Internal Audit Committee:	Eyüp ENGİN	Head of the Audit Committee	Undergraduate
	Ş. Yaman TÖRÜNER	Member of the Audit Committee	Undergraduate

The shares of individuals above are insignificant in the Parent Bank.

(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:

Name/Commercial Title	Share Amounts (Nominal)	Share Percentages	Paid-in Capital (Nominal)	Unpaid Portion
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 retail 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 5 July 2021, the title of AvivaSA Emeklilik ve Hayat A.Ş. was changed to AgeSA Hayat ve Emeklilik A.Ş. As of 31 December 2021, the Bank has 710 branches dispersed throughout the country and 1 branch operating abroad (31 December 2020: 715 branches and 1 branch operating abroad). As of 31 December 2021, the Bank has 12.184 employees (31 December 2020: 12.459).

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 2021, the Group employed 12.606 people (31 December 2020: 12.862).

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 2021 (STATEMENT OF FINANCIAL POSITION)
(Amounts are expressed in thousands of Turkish Lira (TL).)

	ASSETS	Note (Section Five)	CURRENT PERIOD (31/12/2021) TL	FC	Total	PRIOR PERIOD (31/12/2020) TL	FC	Total
I.	FINANCIAL ASSETS (Net)		93.693.309	215.419.445	309.112.754	46.137.924	109.631.454	155.769.378
1.1	Cash and Cash Equivalents		14.832.928	133.372.157	148.205.085	4.894.531	60.632.924	65.527.455
1.1.1	Cash and Balances with Central Bank	(I-a)	11.895.572	79.991.200	91.886.772	4.398.630	43.277.691	47.676.321
1.1.2	Banks	(I-d)	88.953	53.381.733	53.470.686	7.375	17.408.700	17.416.075
1.1.3	Money Markets		2.848.612	-	2.848.612	488.547	-	488.547
1.1.4	Expected Loss Provision (-)		209	776	985	21	53.467	53.488
1.2	Financial Assets at Fair Value Through Profit or Loss	(I-b)	2.449.329	8.360.046	10.809.375	1.266.896	7.912.516	9.179.412
1.2.1	Government Debt Securities		241.562	337.168	578.730	22.607	167.331	189.938
1.2.2	Equity Instruments		791.398	282.498	1.073.896	146.997	158.714	305.711
1.2.3	Other Financial Assets		1.416.369	7.740.380	9.156.749	1.097.292	7.586.471	8.683.763
1.3	Financial Assets at Fair Value Through Other Comprehensive Income	(I-e)	35.882.021	64.429.401	100.311.422	23.750.325	34.453.820	58.204.145
1.3.1	Government Debt Securities		34.746.069	43.909.234	78.655.303	23.067.781	21.352.442	44.420.223
1.3.2	Equity Instruments		15.770	109	15.879	15.777	607	16.384
1.3.3	Other Financial Assets		1.120.182	20.520.058	21.640.240	666.767	13.100.771	13.767.538
1.4	Derivative Financial Assets	(I-c, I-l)	40.529.031	9.257.841	49.786.872	16.226.172	6.632.194	22.858.366
1.4.1	Derivative Financial Assets at Fair Value Through Profit or Loss		27.285.795	9.068.516	36.354.311	11.487.693	6.632.194	18.119.887
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income		13.243.236	189.325	13.432.561	4.738.479	-	4.738.479
II.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		265.854.861	172.485.499	438.340.360	206.642.060	103.077.185	309.719.245
2.1	Loans	(I-f)	236.628.155	160.122.040	396.750.195	184.860.198	94.373.036	279.233.234
2.2	Lease Receivables	(I-k)	1.921.249	6.116.852	8.038.101	1.569.491	4.013.358	5.582.849
2.3	Factoring Receivables		-	-	-	-	-	-
2.4	Other Financial Assets Measured at Amortised Cost	(I-g)	42.169.862	10.415.698	52.585.560	34.523.108	7.361.951	41.885.059
2.4.1	Government Debt Securities		42.169.862	9.446.135	51.615.997	34.523.108	6.693.715	41.216.823
2.4.2	Other Financial Assets		-	969.563	969.563	-	668.236	668.236
2.5	Expected Credit Loss (-)		14.864.405	4.169.091	19.033.496	14.310.737	2.671.160	16.981.897
III.	ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(I-r)	232.296	-	232.296	250.778	-	250.778
3.1	Held for Sale Purpose		232.296	-	232.296	250.778	-	250.778
3.2	Related to Discontinued Operations		-	-	-	-	-	-
IV.	EQUITY INVESTMENTS		18.129	-	18.129	14.795	-	14.795
4.1	Investments in Associates (Net)	(I-h)	18.129	-	18.129	14.795	-	14.795
4.1.1	Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2	Unconsolidated Associates		18.129	-	18.129	14.795	-	14.795
4.2	Subsidiaries (Net)	(I-i)	-	-	-	-	-	-
4.2.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
4.3	Joint Ventures (Net)	(I-j)	-	-	-	-	-	-
4.3.1	Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2	Unconsolidated Joint Ventures		-	-	-	-	-	-
V.	PROPERTY AND EQUIPMENT (Net)	(I-m)	5.821.035	73.801	5.894.836	5.948.874	54.532	6.003.406
VI.	INTANGIBLE ASSETS (Net)	(I-n)	1.485.784	13.818	1.499.602	1.185.653	5.256	1.190.909
6.1	Goodwill		-	-	-	-	-	-
6.2	Other		1.485.784	13.818	1.499.602	1.185.653	5.256	1.190.909
VII.	INVESTMENT PROPERTY (Net)	(I-o)	-	-	-	-	-	-
VIII.	CURRENT TAX ASSET		-	124.001	124.001	-	-	-
IX.	DEFERRED TAX ASSET	(I-p)	78.560	73.610	152.170	147.990	-	147.990
X.	OTHER ASSETS (Net)	(I-s)	6.225.787	1.198.395	7.424.182	4.879.644	340.430	5.220.074
	TOTAL ASSETS		373.409.761	389.388.569	762.798.330	265.207.718	213.108.857	478.316.575

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 2021 (STATEMENT OF FINANCIAL POSITION)

(Amounts are expressed in thousands of Turkish Lira (TL).)

	LIABILITIES	Note (Section Five)	CURRENT PERIOD (31/12/2021) TL	FC	Total	PRIOR PERIOD (31/12/2020) TL	FC	Total
I.	DEPOSITS	(II-a)	151.449.396	302.101.183	453.550.579	108.361.772	184.157.235	292.519.007
II.	FUNDS BORROWED	(II-c)	676.304	59.296.736	59.973.040	367.411	39.895.203	40.262.614
III.	MONEY MARKETS		35.756.717	28.880.744	64.637.461	4.029.807	16.877.537	20.907.344
IV.	SECURITIES ISSUED (Net)	(II-d)	9.452.458	20.830.603	30.283.061	7.712.928	11.593.289	19.306.217
4.1	Bills		7.058.313	-	7.058.313	5.313.725	-	5.313.725
4.2	Asset Backed Securities		-	-	-	-	-	-
4.3	Bonds		2.394.145	20.830.603	23.224.748	2.399.203	11.593.289	13.992.492
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)	22.005.962	3.676.720	25.682.682	11.277.350	3.563.623	14.840.973
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss		21.729.706	3.463.705	25.193.411	10.933.746	3.228.358	14.162.104
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		276.256	213.015	489.271	343.604	335.265	678.869
VIII.	FACTORING LIABILITIES		-	-	-	-	-	-
IX.	LEASE LIABILITIES (Net)	(II-f)	537.500	52.860	590.360	507.578	34.981	542.559
X.	PROVISIONS	(II-h)	3.183.878	173.415	3.357.293	2.431.126	69.929	2.501.055
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		773.481	3.268	776.749	556.168	1.453	557.621
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		2.410.397	170.147	2.580.544	1.874.958	68.476	1.943.434
XI.	CURRENT TAX LIABILITY	(II-i)	2.143.416	261.075	2.404.491	1.541.750	125.492	1.667.242
XII.	DEFERRED TAX LIABILITY	(II-i)	171.474	282.831	454.305	370	124.088	124.458
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)	-	18.725.534	18.725.534	-	6.718.414	6.718.414
14.1	Loans		-	-	-	-	-	-
14.2	Other Debt Instruments		-	18.725.534	18.725.534	-	6.718.414	6.718.414
XV.	OTHER LIABILITIES	(II-e)	12.692.318	14.487.893	27.180.211	9.473.651	6.528.984	16.002.635
XVI.	SHAREHOLDERS' EQUITY	(II-k)	84.846.514	(8.887.201)	75.959.313	64.500.621	(1.576.564)	62.924.057
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		2.627.256	16.699	2.643.955	2.772.942	16.699	2.789.641
16.4	Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		13.199.125	(8.903.900)	4.295.225	4.237.723	(1.593.263)	2.644.460
16.5	Profit Reserves		45.953.298	-	45.953.298	40.117.963	-	40.117.963
16.5.1	Legal Reserves		1.933.583	-	1.933.583	1.882.950	-	1.882.950
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		43.869.490	-	43.869.490	37.956.649	-	37.956.649
16.5.4	Other Profit Reserves		150.225	-	150.225	278.364	-	278.364
16.6	Income or (Loss)		12.546.222	-	12.546.222	6.851.198	-	6.851.198
16.6.1	Prior Periods' Income or (Loss)		419.031	-	419.031	591.573	-	591.573
16.6.2	Current Period Income or (Loss)		12.127.191	-	12.127.191	6.259.625	-	6.259.625
16.7	Minority Interest	(II-l)	-	-	-	182	-	182
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		322.915.937	439.882.393	762.798.330	210.204.364	268.112.211	478.316.575

The accompanying explanations and notes form an integral part of these financial statements.

AKBANK T.A.Ş.
II. CONSOLIDATED OFF-BALANCE SHEET COMMITMENTS AS OF 31 DECEMBER 2021
(Amounts are expressed in thousands of Turkish Lira (TL).)

		Note (Section Five)	CURRENT PERIOD (31/12/2021) TL	FC	Total	PRIOR PERIOD (31/12/2020) TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS (I+II+III)			**335.848.176**	**890.327.061**	**1.226.175.237**	**220.743.425**	**495.624.636**	**716.368.061**
I.	**GUARANTEES AND WARRANTIES**	(III-a-2, 3)	**32.763.085**	**55.573.031**	**88.336.116**	**24.900.974**	**26.534.678**	**51.435.652**
1,1	Letters of Guarantee		26.591.294	31.957.346	58.548.640	21.256.883	16.267.735	37.524.618
1.1.1	Guarantees Subject to State Tender Law		1.155.719	3.175.131	4.330.850	340.040	1.654.714	1.994.754
1.1.2	Guarantees Given for Foreign Trade Operations		-	2.607.611	2.607.611	-	1.913.491	1.913.491
1.1.3	Other Letters of Guarantee		25.435.575	26.174.604	51.610.179	20.916.843	12.699.530	33.616.373
1.2	Bank Acceptances		-	159.525	159.525	-	47.814	47.814
1.2.1	Import Letter of Acceptance		-	159.525	159.525	-	47.814	47.814
1.2.2	Other Bank Acceptances		-	-	-	-	-	-
1.3	Letters of Credit		49.289	15.121.137	15.170.426	7.931	4.653.058	4.660.989
1.3.1	Documentary Letters of Credit		49.289	13.538.638	13.587.927	7.931	3.645.457	3.653.388
1.3.2	Other Letters of Credit		-	1.582.499	1.582.499	-	1.007.601	1.007.601
1.4	Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5	Endorsements		-	-	-	-	-	-
1.5.1	Endorsements to the Central Bank of Turkey		-	-	-	-	-	-
1.5.2	Other Endorsements		-	-	-	-	-	-
1.6	Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7	Factoring Guarantees		-	23.003	23.003	-	19.269	19.269
1.8	Other Guarantees		100.457	8.295.370	8.395.827	156.440	5.535.604	5.692.044
1.9	Other Collaterals		6.022.045	16.650	6.038.695	3.479.720	11.198	3.490.918
II.	**COMMITMENTS**	(III-a-1)	**68.584.861**	**21.771.973**	**90.356.834**	**51.463.917**	**6.392.539**	**57.856.456**
2.1	Irrevocable Commitments		66.901.506	20.434.428	87.335.934	50.214.657	6.061.181	56.275.838
2.1.1	Asset Purchase Commitments		7.164.528	14.387.946	21.552.474	2.918.552	4.989.558	7.908.110
2.1.2	Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3	Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4	Loan Granting Commitments		13.266.649	6.041.228	19.307.877	9.086.285	1.068.075	10.154.360
2.1.5	Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6	Commitments for Reserve Requirements		-	-	-	-	-	-
2.1.7	Commitments for Cheque Payments		3.394.242	-	3.394.242	2.730.978	-	2.730.978
2.1.8	Tax and Fund Liabilities from Export Commitments		5.934	-	5.934	4.702	-	4.702
2.1.9	Commitments for Credit Card Limits		34.314.098	-	34.314.098	29.118.196	-	29.118.196
2.1.10	Commitments for Credit Cards and Banking Services Promotions		130.112	-	130.112	130.470	-	130.470
2.1.11	Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12	Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13	Other Irrevocable Commitments		8.625.943	5.254	8.631.197	6.225.474	3.548	6.229.022
2.2	Revocable Commitments		1.683.355	1.337.545	3.020.900	1.249.260	331.358	1.580.618
2.2.1	Revocable Loan Granting Commitments		1.364.856	-	1.364.856	817.508	-	817.508
2.2.2	Other Revocable Commitments		318.499	1.337.545	1.656.044	431.752	331.358	763.110
III.	**DERIVATIVE FINANCIAL INSTRUMENTS**	(III-b)	**234.500.230**	**812.982.057**	**1.047.482.287**	**144.378.534**	**462.697.419**	**607.075.953**
3.1	Hedging Derivative Financial Instruments		38.163.770	122.991.616	161.155.386	20.923.980	63.594.359	84.518.339
3.1.1	Fair Value Hedges		2.471.040	56.739.869	59.210.909	4.331.785	25.448.217	29.780.002
3.1.2	Cash Flow Hedges		35.692.730	66.251.747	101.944.477	16.592.195	38.146.142	54.738.337
3.1.3	Foreign Net Investment Hedges		-	-	-	-	-	-
3.2	Trading Derivative Financial Instruments		196.336.460	689.990.441	886.326.901	123.454.554	399.103.060	522.557.614
3.2.1	Forward Foreign Currency Buy/Sell Transactions		15.801.559	38.750.364	54.551.923	7.440.107	13.005.673	20.445.780
3.2.1.1	Forward Foreign Currency Transactions-Buy		15.557.894	10.535.813	26.093.707	6.721.463	3.767.041	10.488.504
3.2.1.2	Forward Foreign Currency Transactions-Sell		243.665	28.214.551	28.458.216	718.644	9.238.632	9.957.276
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates		161.801.483	543.959.385	705.760.868	110.110.958	325.531.230	435.642.188
3.2.2.1	Foreign Currency Swap-Buy		15.706.203	196.139.083	211.845.286	13.751.901	109.034.329	122.786.230
3.2.2.2	Foreign Currency Swap-Sell		87.850.694	138.975.680	226.826.374	61.180.287	78.721.439	139.901.726
3.2.2.3	Interest Rate Swap-Buy		29.122.293	104.422.311	133.544.604	17.589.385	68.887.731	86.477.116
3.2.2.4	Interest Rate Swap-Sell		29.122.293	104.422.311	133.544.604	17.589.385	68.887.731	86.477.116
3.2.3	Foreign Currency, Interest Rate and Securities Options		10.342.841	43.949.193	54.292.034	2.945.911	23.477.844	26.423.755
3.2.3.1	Foreign Currency Options-Buy		6.157.981	6.456.188	12.614.169	1.146.399	3.242.182	4.388.581
3.2.3.2	Foreign Currency Options-Sell		3.577.964	10.137.361	13.715.325	1.772.821	2.481.696	4.254.517
3.2.3.3	Interest Rate Options-Buy		-	13.677.822	13.677.822	-	8.876.983	8.876.983
3.2.3.4	Interest Rate Options-Sell		-	13.677.822	13.677.822	-	8.876.983	8.876.983
3.2.3.5	Securities Options-Buy		19.962	-	19.962	5.815	-	5.815
3.2.3.6	Securities Options-Sell		586.934	-	586.934	20.876	-	20.876
3.2.4	Foreign Currency Futures		8.206.775	8.114.789	16.321.564	2.845.954	2.639.110	5.485.064
3.2.4.1	Foreign Currency Futures-Buy		8.206.775	-	8.206.775	312.150	2.344.916	2.657.066
3.2.4.2	Foreign Currency Futures-Sell		-	8.114.789	8.114.789	2.533.804	294.194	2.827.998
3.2.5	Interest Rate Futures		-	-	-	-	-	-
3.2.5.1	Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2	Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6	Other		183.802	55.216.710	55.400.512	111.624	34.449.203	34.560.827
B. CUSTODY AND PLEDGES RECEIVED (IV+V+VI)			**1.097.960.080**	**807.574.292**	**1.905.534.372**	**946.736.961**	**446.524.338**	**1.393.261.299**
IV.	**ITEMS HELD IN CUSTODY**		**91.801.403**	**87.054.819**	**178.856.222**	**72.046.274**	**41.179.943**	**113.226.217**
4.1	Customer Fund and Portfolio Balances		17.288.136	6.693.055	23.981.191	11.866.024	2.573.098	14.439.122
4.2	Investment Securities Held in Custody		24.979.275	19.165.189	44.144.464	20.299.073	9.387.822	29.686.895
4.3	Cheques Received for Collection		41.556.021	8.993.088	50.549.109	32.938.939	4.497.006	37.435.945
4.4	Commercial Notes Received for Collection		7.595.783	10.212.171	17.807.954	6.634.533	4.697.709	11.332.242
4.5	Other Assets Received for Collection		-	-	-	-	-	-
4.6	Assets Received for Public Offering		-	-	-	-	-	-
4.7	Other Items Under Custody		382.188	41.991.316	42.373.504	307.705	20.024.308	20.332.013
4.8	Custodians		-	-	-	-	-	-
V.	**PLEDGES RECEIVED**		**262.975.066**	**227.759.703**	**490.734.769**	**239.703.675**	**134.185.437**	**373.889.112**
5.1	Marketable Securities		449.676	4.510.927	4.960.603	430.796	2.246.129	2.676.925
5.2	Guarantee Notes		797.853	1.391.005	2.188.858	652.787	695.879	1.348.666
5.3	Commodity		347.908	305.712	653.620	178.400	170.170	348.570
5.4	Warranty		-	-	-	-	-	-
5.5	Immovables		182.144.809	170.646.985	352.791.794	182.754.710	101.663.294	284.418.004
5.6	Other Pledged Items		79.234.820	50.905.074	130.139.894	55.686.982	29.409.965	85.096.947
5.7	Pledged Items-Depository		-	-	-	-	-	-
VI.	**ACCEPTED BILL, GUARANTEES AND WARRANTEES**		**743.183.611**	**492.759.770**	**1.235.943.381**	**634.987.012**	**271.158.958**	**906.145.970**
	TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)		**1.433.808.256**	**1.697.901.353**	**3.131.709.609**	**1.167.480.386**	**942.148.974**	**2.109.629.360**

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 2021
(Amounts are expressed in thousands of Turkish Lira (TL).)

	INCOME AND EXPENSE ITEMS	Note (Section Five)	CURRENT PERIOD (01/01-31/12/2021)	PRIOR PERIOD (01/01-31/12/2020)
I.	INTEREST INCOME	(IV-a)	50.970.607	35.128.018
1.1	Interest on Loans	(IV-a-1)	34.734.489	24.225.442
1.2	Interest on Reserve Requirements		881.784	96.440
1.3	Interest on Banks	(IV-a-2)	122.685	289.994
1.4	Interest on Money Market Transactions		157.291	546.482
1.5	Interest on Marketable Securities Portfolio	(IV-a-3)	14.332.031	9.471.535
1.5.1	Fair Value Through Profit or Loss		39.968	16.307
1.5.2	Fair Value Through Other Comprehensive Income		7.207.173	5.569.469
1.5.3	Measured at Amortised Cost		7.084.890	3.885.759
1.6	Financial Lease Interest Income		574.898	434.689
1.7	Other Interest Income		167.429	63.436
II.	INTEREST EXPENSE (-)	(IV-b)	26.622.499	14.429.250
2.1	Interest on Deposits	(IV-b-4)	17.815.859	9.224.039
2.2	Interest on Funds Borrowed	(IV-b-1)	1.187.559	1.179.023
2.3	Interest Expense on Money Market Transactions		4.695.512	1.668.235
2.4	Interest on Securities Issued	(IV-b-3)	2.799.641	1.928.619
2.5	Interest on Leases		87.155	90.412
2.6	Other Interest Expenses		36.773	338.922
III.	NET INTEREST INCOME (I - II)		24.348.108	20.698.768
IV.	NET FEES AND COMMISSIONS INCOME		6.079.237	4.549.000
4.1	Fees and Commissions Received		7.794.942	5.603.506
4.1.1	Non-cash Loans		579.431	442.374
4.1.2	Other		7.215.511	5.161.132
4.2	Fees and Commissions Paid (-)		1.715.705	1.054.506
4.2.1	Non-cash Loans		5.062	4.422
4.2.2	Other		1.710.643	1.050.084
V.	DIVIDEND INCOME	(IV-c)	13.156	4.866
VI.	TRADING INCOME / (LOSS) (Net)	(IV-d)	6.792.018	(675.547)
6.1	Trading Gains / (Losses) on Securities		901.101	445.908
6.2	Gains / (Losses) on Derivative Financial Transactions		(996.318)	(4.250.658)
6.3	Foreign Exchange Gains / (Losses)		6.887.235	3.129.203
VII.	OTHER OPERATING INCOME	(IV-e)	2.287.920	1.395.938
VIII.	GROSS OPERATING INCOME (III+IV+V+VI+VII)		39.520.439	25.973.025
IX.	EXPECTED CREDIT LOSS (-)	(IV-f)	5.175.780	6.954.251
X.	OTHER PROVISION EXPENSES (-)		7.798.299	2.628.521
XI.	PERSONNEL EXPENSE (-)		3.536.527	3.040.221
XII.	OTHER OPERATING EXPENSES (-)	(IV-g)	6.369.371	5.065.873
XIII.	NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)		16.640.462	8.284.159
XIV.	EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER			
XV.	INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED		-	-
	BASED ON EQUITY METHOD		-	-
XVI.	INCOME/(LOSS) ON NET MONETARY POSITION		-	-
XVII.	PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)	(IV-j)	16.640.462	8.284.159
XVIII.	TAX PROVISION FOR CONTINUED OPERATIONS (±)	(IV-k)	4.513.271	2.024.511
18.1	Current Tax Provision		3.399.761	2.387.901
18.2	Deferred Tax Expense Effect (+)		5.419.011	1.034.774
18.3	Deferred Tax Income Effect (-)		4.305.501	1.398.164
XIX.	CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)	(IV-l)	12.127.191	6.259.648
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		-	-
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±XXII	(IV-l)	-	-
XXV.	NET INCOME/(LOSS) (XIX+XXIV)	(IV-m)	12.127.191	6.259.648
25.1	Income/(Loss) from the Group		12.127.191	6.259.625
25.2	Income/(Loss) from Minority Interest	(IV-h)	-	23
	Earning/(Loss) per share (in TL full)		0,02332	0,01204

The accompanying explanations and notes form an integral part of these financial statements.

AKBANK T.A.Ş.

IV. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2021
(Amounts are expressed in thousands of Turkish Lira (TL).)

		CURRENT PERIOD (31/12/2021)	PRIOR PERIOD (31/12/2020)
I.	CURRENT PERIOD INCOME/LOSS	12.127.191	6.259.648
II.	OTHER COMPREHENSIVE INCOME	1.534.327	2.301.784
2.1	**Not Reclassified Through Profit or Loss**	**(116.439)**	**771.122**
2.1.1	Property and Equipment Revaluation Increase/Decrease	13.183	912.544
2.1.2	Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3	Defined Benefit Plan Remeasurement Gain/Loss	(158.728)	(68.211)
2.1.4	Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	5.687
2.1.5	Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	29.106	(78.898)
2.2	**Reclassified Through Profit or Loss**	**1.650.766**	**1.530.662**
2.2.1	Foreign Currency Translation Differences	5.137.658	1.957.450
2.2.2	Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	(2.867.688)	432.714
2.2.3	Cash Flow Hedge Income/Loss	3.174.983	550.820
2.2.4	Foreign Net Investment Hedge Income/Loss	(4.698.557)	(1.464.540)
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	904.370	54.218
III.	TOTAL COMPREHENSIVE INCOME (I+II)	13.661.518	8.561.432

The accompanying explanations and notes form an integral part of these financial statements.

AKBANK T.A.Ş.

V. CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2021

(Amounts are expressed in thousands of Turkish Lira (TL)).

							Accumulated Other Comprehensive Income or Expense Not Reclassified 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	Accumulated Revaluation Increase/Decrease of Property and Equipment	Accumulated Remeasurement Gain/Loss of Defined Benefit Plan	Other (Investments Valued by Equity Method in Other Comprehensive Income Not Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Not Reclassified Through Other Profit or Loss)	Foreign Currency Translation Differences	Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income	Other (Cash Flow Hedge Gain/Loss, 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)	Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total Equity Except from Minority Interest	Minority Interest	Total Shareholders' Equity
	CURRENT PERIOD (31/12/2021)																	
I.	**Prior Period End Balance**		5.200.000	3.505.742	-	1.814.871	3.016.534	(236.474)	9.582	4.740.828	467.159	(2.563.528)	40.117.963	591.573	6.259.625	62.923.875	182	62.924.057
II.	**Corrections and Accounting Policy Changes Made According to TAS 8**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	**Adjusted Beginning Balance (I+II)**		5.200.000	3.505.742	-	1.814.871	3.016.534	(236.474)	9.582	4.740.828	467.159	(2.563.528)	40.117.963	591.573	6.259.625	62.923.875	182	62.924.057
IV.	Total Comprehensive Income		-	-	-	-	10.543	(126.982)	-	5.137.658	(2.270.528)	(1.216.364)	-	-	12.127.191	13.661.518	-	13.661.518
V.	Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase by Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds to Shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease by Other Changes		-	-	-	-	(29.248)	-	-	-	-	-	29.248	-	-	-	(182)	(182)
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	5.806.087	(172.542)	(6.259.625)	(626.080)	-	(626.080)
11.1	Dividends paid	(V-a)	-	-	-	-	-	-	-	-	-	-	-	-	(626.080)	(626.080)	-	(626.080)
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	5.806.087	(172.542)	(5.633.545)	-	-	-
11.3	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Period-End Balance (I+II+III+...+X+XI)		**5.200.000**	**3.505.742**	**-**	**1.814.871**	**2.997.829**	**(363.456)**	**9.582**	**9.878.486**	**(1.803.369)**	**(3.779.892)**	**45.953.298**	**419.031**	**12.127.191**	**75.959.313**	**-**	**75.959.313**

The accompanying explanations and notes form an integral part of these financial statements.

AKBANK T.A.Ş.

V. CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2020

(Amounts are expressed in thousands of Turkish Lira (TL)).

		Note (Section Five)	Paid-in Capital	Share Premiums	Share Cancellation Profits	Other Capital Reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss: Accumulated Revaluation Increase/Decrease of Property and Equipment	Accumulated Remeasurement Gain/Loss of Defined Benefit Plan	Other (Investments Valued by Equity Method in Other Comprehensive Income Not Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Not Reclassified Through Other Profit or Loss)	Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss: Foreign Currency Translation Differences	Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income	Other (Cash Flow Hedge Gain/Loss, 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)	Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total Equity Except from Minority Interest	Minority Interest	Total Shareholders' Equity
	PRIOR PERIOD (31/12/2020)																	
I.	**Prior Period End Balance**		5.200.000	3.505.742	-	1.814.871	2.207.594	(180.262)	3.895	2.783.378	131.159	(1.800.740)	34.576.406	767.926	5.352.325	54.362.294	159	54.362.453
II.	**Corrections and Accounting Policy Changes Made According to TAS 8**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Effects of Corrections		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Effects of the Changes in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	**Adjusted Beginning Balance (I+II)**		5.200.000	3.505.742	-	1.814.871	2.207.594	(180.262)	3.895	2.783.378	131.159	(1.800.740)	34.576.406	767.926	5.352.325	54.362.294	159	54.362.453
IV.	Total Comprehensive Income		-	-	-	-	821.647	(56.212)	5.687	1.957.450	336.000	(762.788)			6.259.625	8.561.409	23	8.561.432
V.	Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VI.	Capital Increase by Internal Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds to Shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease by Other Changes		-	-	-	-	(12.707)	-	-	-	-	-	189.232	(176.353)	-	172	-	172
XI.	Profit Distribution		-	-	-	-	-	-	-	-	-	-	5.352.325	-	(5.352.325)	-	-	-
11.1	Dividends paid	(V-a)	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
11.2	Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	5.352.325		(5.352.325)	-	-	-
11.3	Other		-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
	Period-End Balance (I+II+III+...+X+XI)		**5.200.000**	**3.505.742**	**-**	**1.814.871**	**3.016.534**	**(236.474)**	**9.582**	**4.740.828**	**467.159**	**(2.563.528)**	**40.117.963**	**591.573**	**6.259.625**	**62.923.875**	**182**	**62.924.057**

The accompanying explanations and notes form an integral part of these financial statements.

SECTION TWO

CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.Ş.

VI. CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2021

(Amounts are expressed in thousands of Turkish Lira (TL)).

		Note (Section Five)	CURRENT PERIOD (31/12/2021)	PRIOR PERIOD (31/12/2020)
A.	CASH FLOWS FROM BANKING OPERATIONS			
1.1	Operating Profit before changes in operating assets and liabilities		9.321.555	14.858.601
1.1.1	Interest received		42.582.009	32.770.130
1.1.2	Interest paid		(25.870.208)	(14.310.138)
1.1.3	Dividend received		13.156	4.866
1.1.4	Fees and commissions received		7.823.411	5.631.348
1.1.5	Other income		(6.749.486)	(2.290.432)
1.1.6	Collections from previously written-off loans and other receivables		2.986.230	2.157.372
1.1.7	Cash Payments to personnel and service suppliers		(3.798.483)	(3.260.779)
1.1.8	Taxes paid		(3.214.806)	(2.147.238)
1.1.9	Other	(VI-b)	(4.450.268)	(3.696.528)
1.2	Changes in operating assets and liabilities		36.272.714	(20.044.460)
1.2.1	Net Increase/Decrease in Financial Assets at Fair Value Through Profit or Loss		(9.152.953)	(3.539.108)
1.2.2	Net (increase) / decrease in due from banks and other financial institutions		(13.139.564)	(1.674.106)
1.2.3	Net (increase) / decrease in loans		(114.058.841)	(54.984.593)
1.2.4	Net (increase) / decrease in other assets		(47.238.788)	(26.491.977)
1.2.5	Net increase / (decrease) in bank deposits		1.259.374	5.794.769
1.2.6	Net increase / (decrease) in other deposits		159.281.871	42.002.096
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		20.539.159	5.694.949
1.2.9	Net increase / (decrease) in payables		-	-
1.2.10	Net increase / (decrease) in other liabilities	(VI-b)	38.782.456	13.153.510
I.	Net cash provided from banking operations		45.594.269	(5.185.859)
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
II.	Net cash provided from investing activities		(45.566.521)	(10.300.952)
2.1	Cash paid for acquisition of investments, associates and subsidiaries		(180)	-
2.2	Cash obtained from disposal of investments, associates and subsidiaries		-	-
2.3	Purchases of property and equipment		(1.100.355)	(1.137.180)
2.4	Disposals of property and equipment		229.095	48.667
2.5	Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(61.664.281)	(21.540.779)
2.6	Sale of Financial Assets at Fair Value Through Other Comprehensive Income		18.005.091	31.220.272
2.7	Purchase of Financial Assets Measured at Amortised Cost		(17.887.458)	(25.884.971)
2.8	Sale of Financial Assets Measured at Amortised Cost		15.853.467	4.774.521
2.9	Other		998.100	2.218.518
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
III.	Net cash provided from financing activities		21.883.924	6.774.018
3.1	Cash obtained from funds borrowed and securities issued		44.931.900	34.834.318
3.2	Cash used for repayment of funds borrowed and securities issued		(22.115.394)	(27.755.375)
3.3	Issued equity instruments		-	-
3.4	Dividends paid		(626.080)	-
3.5	Payments for finance leases		(306.502)	(304.925)
3.6	Other		-	-
IV.	Effect of change in foreign exchange rate on cash and cash equivalents	(VI-b)	13.209.138	3.516.122
V.	Net increase in cash and cash equivalents (I+II+III+IV)		35.120.810	(5.196.671)
VI.	Cash and cash equivalents at beginning of the period	(VI-a)	13.495.306	18.691.977
VII.	Cash and cash equivalents at end of the period	(VI-a)	48.616.116	13.495.306

The accompanying explanations and notes form an integral part of these financial statements.

(Amounts are expressed in thousands of Turkish Lira (TL)).

		CURRENT PERIOD (31/12/2021)	PRIOR PERIOD (31/12/2020)
I.	**DISTRIBUTION OF CURRENT YEAR INCOME**		
1.1	CURRENT YEAR INCOME	16.066.140	7.945.212
1.2	TAXES AND DUTIES PAYABLE	3.940.232	1.678.045
1.2.1	Corporate Tax (Income Tax)	2.969.973	2.061.984
1.2.2	Income Withholding Tax	-	
1.2.3	Other taxes and duties	970.259	(383.939)
A.	**NET INCOME FOR THE YEAR (1.1-1.2)**	**12.125.908**	**6.267.167**
1.3	PRIOR YEAR LOSSES (-)	-	-
1.4	FIRST LEGAL RESERVES (-)	-	-
1.5	OTHER STATUTORY RESERVES (-)	-	-
B.	**NET INCOME AVAILABLE FOR DISTRIBUTION [(A-(1.3+1.4+1.5)]**	**12.125.908**	**6.267.167**
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	-	-
1.6.3	To Owners of Preferred Shares	-	-
1.6.4	To Profit Sharing Bonds	-	-
1.6.5	To Holders of Profit and (Loss) Sharing Certificates	-	-
1.7	DIVIDENDS TO PERSONNEL (-)	-	-
1.8	DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.9	SECOND DIVIDEND TO SHAREHOLDERS (-)	-	366.080
1.9.1	To Owners of Ordinary Shares	-	366.080
1.9.2	To Owners of Privileged Shares	-	-
1.9.3	To Owners of Preferred Shares	-	-
1.9.4	To Profit Sharing Bonds	-	-
1.9.5	To Holders of Profit and (Loss) Sharing Certificates	-	-
1.10	SECOND LEGAL RESERVES (-)	-	-
1.11	STATUTORY RESERVES (-)	-	-
1.12	EXTRAORDINARY RESERVES	-	5.603.777
1.13	OTHER RESERVES	-	36.608
1.14	SPECIAL FUNDS	-	702
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	-	-
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	0,023	0,012
3.2	TO OWNERS OF ORDINARY SHARES (%)	2,3	1,2
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	-	0,001
4.2	TO OWNERS OF ORDINARY SHARES (%)	-	0,1
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.

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"), and in case where a specific regulation is not made by BRSA, Turkish Accounting Standard 34 ("TAS 34") Interim Financial Reporting Standard and "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.

The COVID-19 pandemic caused serious effects on health systems and the global economy as the virus spread to the world in the first quarter of 2020, widespread closure of businesses and unprecedented constraints in social interactions have significantly affected economic activity. Countries have taken measures to slow the spread of the pandemic, such as testing and treating patients, applying travel restrictions, quarantining citizens and canceling large meetings. Along with these social measures, comprehensive financial measures were taken simultaneously to reduce the negative effects on the economic outlook. Similarly, Turkey has many citizens' health and safety measures, as well as to ensure that companies and regulators to support the households in these challenging circumstances, fiscal and monetary actions have been implemented. Intensive vaccination campaign has been continuing in Turkey as in many parts of the world. On the other hand, estimations and assumptions used to reflect COVID-19 impacts on 31 December 2021 financial statements of the Bank are explained in the relevant footnotes.

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.

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, Accounting and Auditing Standards Authority (POA).

On 20 January 2022, the Public Oversight Authority made a statement on the Implementation of Financial Reporting in High Inflation Economies within the Scope of Turkish Financial Reporting Standards, Financial Reporting Standard for Large and Medium Sized Enterprises. Accordingly, it has been stated that businesses applying TFRS do not need to make any adjustments in their financial statements for 2021 within the scope of TAS 29 Financial Reporting in High Inflation Economies.

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 retail 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 2021, for the Parent Bank foreign currency denominated balances are translated into TL using the exchange rates of TL 13,3290 and TL 15,0867 for USD, 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.

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.

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 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 has been included in the scope of consolidation. The Parent Bank together with its consolidated subsidiaries are referred to as the "Group" in these consolidated financial statements.

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 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 2021, the Group has no embedded derivative instruments (31 December 2020: None).

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.

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. The Group reviewed the valuation of financial assets and liabilities at fair value through profit / loss as of the reporting date, there are no changes caused by the effects of the COVID-19 pandemic that would require any adjustments in fair value measurement as of 31 December 2021.

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. The Group reviewed the valuation of financial assets and liabilities at fair value through other comprehensive income as of the reporting date, there are no changes caused by the effects of the COVID-19 pandemic that would require any adjustments in fair value measurement as of 31 December 2021.

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 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".

<u>1. Loans measured at amortized cost</u>:

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.

<u>2. Loans measured at fair value through profit or loss:</u>

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, 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 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 and retail 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.

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 expected cash flows from the customer or the collateral sales to their present value with the effective interest rate.

The Parent Bank reflected the possible effects of COVID-19 on its cash flow estimates in the calculation of the Expected Credit Loss provision for the loans it is subject to individual assessment, taking into account the reasonable and relevant information available. Sectoral risks are also considered within the scope of individual assessment.

Macro-economic indicators are taken into account in determining the PD component in the expected credit loss calculation. Macro-economic indicators vary on a product-by-product basis for individual products and on a segment basis for commercial products. 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 (ECL) calculations are reviewed at least once a year, and the macroeconomic model used in the process has been redeveloped during the reporting period. There was no change in the assumptions in the estimation techniques, and the model development studies were carried out by including recent up-to-date data. In the model development process, new indicators were used in addition to the indicators used in previous model studies.

Within the scope of the effects of COVID-19's Expected Credit Loss (ECL) calculations, the macroeconomic model data and scenario weights used in the process are also reviewed at the end of the interim period and updates are made if deemed necessary. 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 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 1.024.696 as of 31 December 2021 (31 December 2020: TL 618.534).

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:

The Group does not have any goodwill items that should be reflected in the consolidated financial statements.

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:

Buildings	50 years
Vault	5-50 years
Transportation Vehicles	5 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 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.

Transactions regarding operational agreements are accounted on an accrual basis in accordance with the terms of the related contracts.

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.Ș. Personnel Pension Fund Foundation" ("Pension Fund") established in accordance with the Social Security Law numbered 506, temporary article No.20. The financial statements of the Pension Fund have been audited 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 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.

As of 31 December 2021, the Group has made a provision in the financial statements for the all technical deficit amounted TL 294.503 (31 December 2020: TL 126.263) determined by the report prepared by an actuary registered in the actuaries register. This amount has been classified as other provision item. This amount has been classified as other provision item.

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 2021, the current corporate tax rate is 25%. In accordance with the Law No. 7316 published in the Official Gazette dated April 22, 2021, starting from the declarations that must be submitted as of 1/7/2021 and to be valid for the taxation period starting from 1/1/2021, the corporate tax rate is 25% for the taxation period of 2021, this rate will be applied as 23% for the taxation period of 2022 and 20% for the taxation period of 2023 and beyond.

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.

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, including the provisional tax periods, will not be subject to inflation adjustment, and for the 2023 accounting period; will not be subject to inflation adjustment as of the provisional tax periods, and the TPL financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the inflation adjustment conditions are met or not. Profit/loss difference arising from inflation adjustment in VUK financial statements will be shown in previous years' profit/loss accounts and will not affect the corporate tax base.

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. Akbank AG moved its headquarters from Frankfurt am Main to Eschborn as of June 2020, and the commercial income tax rate, which was applied at the level of 16% until 1 July 2020, decreased to 11.5% as of 1 July 2020. Accordingly, as of July 1, 2020, when all tax types (corporate tax, solidarity tax and commercial income tax) of Akbank AG are considered, the tax burden is at the level of 27.4%.

b. Deferred Tax:

The Group calculates and accounts for deferred income taxes for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "Turkish Accounting Standard for Income Taxes" ("TAS 12") and the related decrees of the BRSA concerning income taxes. As of 31 December 2021, for assets and liabilities subject to deferred tax calculation, enacted tax rates in accordance with the current tax legislation are used in accordance with their lifetime. In accordance with the Law No. 7316 published in the Official Gazette dated 22 April 2021, starting from the declarations that must be submitted as of 7 January 2021 and to be valid for the taxation period starting from 1 January 2021, the corporate tax rate is 25% for the taxation period of 2021, and this rate will be applied as 23% for the taxation period of 2022, it will be applied as 20% for the taxation periods of 2023 and beyond. As of 31 December 2021 for the items subject to deferred tax calculation, enacted tax rates valid in accordance with the current tax legislation are used in accordance with their lifetimes. As of 31 December 2020, deferred tax is calculated over 20%.The Group calculated its deferred tax over 20% as of 31 December 2020.

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.

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 2021.

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 2021 and 31 December 2020, 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 24 March 2021. In the Ordinary General Assembly, it was decided to distribute TL 626.080 cash dividend over the TL 6.267.167 net income from 2020 operations to the Bank's shareholders. It was also resolved in the General Assembly to transfer TL 702 to special funds account under other capital reserves, to allocate TL 36.608 as legal and TL 5.603.777 as extraordinary reserves.

XXV. EARNINGS PER SHARE:

Earnings per share disclosed in the income statement are calculated by dividing net profit for the year by the weighted average number of shares outstanding during the related period concerned.

	Current Period 31 December 2021	Prior Period 31 December 2020
Net Profit for the Period of the Group	12.127.191	6.259.625
Average Number of Issued Common Shares (Thousand)	520.000.000	520.000.000
Earnings Per Share (Amounts presented as full TL)	**0,02332**	**0,01204**

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 2021: None (2020: 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:

The Group made some classifications on balance sheet dated 31 December 2020 to be in compliance with the presentation of financial statements dated 31 December 2021. Collaterals given for derivative transactions with foreign banks, which are shown under the item "Other Assets" in the balance sheet of 31 December 2020, were classified under the "Banks" item in accordance with the amendments made within the scope of the Regulation on Uniform Chart of Accounts effective as of 1 January 2021.

XXIX. DISCLOSURES OF TFRS 16 LEASES:

TFRS 16 "Leases" Standard

Group – lessee :

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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Details based on the asset with regard to the recognised right of use is as follows:

	31 December 2021	31 December 2020
Real estate	840.297	756.191
Total right of use assets	**840.297**	**756.191**

Details of depreciation expense based on the asset with regard to the recognised right of use is as follows:

	31 December 2021	31 December 2020
Real estate	369.603	328.392
Total right of use assets depreciation expense	**369.603**	**328.392**

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. Within this scope, TL 135.321 has been paid in the relevant period.

The right and obligation of the lessee to use assets classified as finance leases has been measured at the carrying amount of such assets before the transition period.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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. As of 31 December 2021 based on recent regulation changes;

1) In the calculation of the amount subject to credit risk, the method of calculating the valued amounts in foreign currency by using the simple arithmetic average of the CBRT's purchase foreign exchange rates for the 252 weekdays before cut-off date, may be used,

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 2021, taking into consideration the above-mentioned regulations, the current period equity of the Group has been calculated as TL 100.459.590 (31 December 2020: TL 73.356.889), and the capital adequacy ratio is 21,14% (31 December 2020: 20,70%). This ratio is above the minimum ratio required by the legislation.

a. Information about total consolidated capital items:

	Current Period 31 December 2021	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	45.953.298	
Gains recognized in equity as per TAS	15.140.267	
Profit	12.546.222	
Current Period Profit	12.127.191	
Prior Period Profit	419.031	
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	9.581	
Minorities' Share	-	
Common Equity Tier 1 Capital Before Deductions	**84.169.981**	
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	1.657	
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	3.788.030	
Improvement costs for operating leasing	54.376	
Goodwill (net of related tax liability)	-	
Other intangibles other than mortgage-servicing rights (net of related tax liability)	1.190.380	1.190.380
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	2.263.951	
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	**7.298.394**	
Total Common Equity Tier 1 Capital	**76.871.587**	

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Current Period 31 December 2021	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)	**76.871.587**	
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	18.509.855	
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)	5.101.472	
Tier II Capital Before Deductions	**23.611.327**	
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 (-)	-	
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	**23.611.327**	
Total Capital (The sum of Tier I Capital and Tier II Capital)	**100.482.914**	
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	23.324	
In transition from Total Core Capital and Supplementary Capital (the capital) 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, 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	-	

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Current Period 31 December 2021	Amounts related to treatment before 1/1/2014 (*)
TOTAL CAPITAL		
Total Capital (Total of Tier I and Tier II Capital)	100.459.590	
Total Risk Weighted Amounts	475.307.435	
Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	16,17%	
Tier 1 Capital Adequacy Ratio (%)	16,17%	
Capital Adequacy Ratio (%)	21,14%	
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 (%)	8,17%	
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	(302.135)	
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	7.642.859	
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	5.101.472	
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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Prior Period 31 December 2020	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	40.117.963	
Gains recognized in equity as per TAS	8.224.523	
Profit	6.851.198	
Current Period Profit	6.259.625	
Prior Period Profit	591.573	
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	9.581	
Minorities' Share	182	
Common Equity Tier 1 Capital Before Deductions	**65.724.060**	
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	194	
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	1.750.885	
Improvement costs for operating leasing	46.082	
Goodwill (net of related tax liability)	-	
Other intangibles other than mortgage-servicing rights (net of related tax liability)	972.322	972.322
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	-	
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	2.769.483	
Total Common Equity Tier 1 Capital	**62.954.577**	

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Prior Period 31 December 2020	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)	**62.954.577**	
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	6.604.755	
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)	3.798.015	
Tier II Capital Before Deductions	**10.402.770**	
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 (-)	-	
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	**10.402.770**	
Total Capital (The sum of Tier I Capital and Tier II Capital)	**73.357.347**	
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 (-)	458	
In transition from Total Core Capital and Supplementary Capital (the capital) 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, 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	-	

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Prior Period 31 December 2020	Amounts related to treatment before 1/1/2014 (*)
TOTAL CAPITAL		
Total Capital (Total of Tier I and Tier II Capital)	73.356.889	
Total Risk Weighted Amounts	354.300.757	
Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	17,77%	
Tier 1 Capital Adequacy Ratio (%)	17,77%	
Capital Adequacy Ratio (%)	20,70%	
BUFFERS		
Total additional Common Equity Tier 1 Capital requirement ratio (a+b+c)	4,58%	
a) Capital conservation buffer requirement (%)	2,50%	
b) Bank specific total common equity tier 1 capital ratio (%)	0,08%	
c) Systemic significant bank buffer ratio (%)	2,00%	
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	9,77%	
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	23.532	
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	6.354.158	
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	3.798.015	
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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

b. Information about instruments that will be included in total capital calculation:

	Current Period 31 December 2021
Details on Subordinated Liabilities:	
Issuer	AKBANK T.A.Ş
Identifier(s) (CUSIP, ISIN vb.)	XS1574750292 / US00972BAB53
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)	6.662 million TL (in full TL amount)
Nominal value of instrument	6.662 million TL (in full TL amount)
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number)
Issuance date of instrument	15 March 2017
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	10 Year 1 day (Maturity date: 16 March 2027)
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 16.03.2022. The reimbursement amount is 6.662 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	7,2%
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 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Current Period 31 December 2021
Details on Subordinated Liabilities:	
Issuer	AKBANK T.A.Ş
Identifier(s) (CUSIP, ISIN vb.)	XS1772360803 / US00972BAC37
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)	5.331 million TL (in full TL amount)
Nominal value of instrument	5.331 million TL (in full TL amount)
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number)
Issuance date of instrument	27 February 2018
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	10 Year 60 day (Maturity date: 27 April 2028)
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 27.04.2023. The reimbursement amount is 5.331 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 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Current Period 31 December 2021
Details on Subordinated Liabilities:	
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)	6.653million TL (in full TL amount)
Nominal value of instrument	6.653million 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	10 Year (Maturity date: 22 June 2031)
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 22.06.2026. The reimbursement amount is 6.653million 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 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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.

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.

Risk Classifications	**Current Period Risk Amount (*)**	**Average Risk Amount**
Conditional and unconditional receivables from central governments and Central Banks	225.080.366	182.209.027
Conditional and unconditional receivables from regional or local governments	134.452	151.954
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	490.096	404.601
Conditional and unconditional receivables from multilateral development banks	-	-
Conditional and unconditional receivables from international organizations	-	-
Conditional and unconditional receivables from banks and brokerage houses	106.176.497	87.174.864
Conditional and unconditional receivables from corporate	290.543.587	254.250.396
Conditional and unconditional receivables from retail portfolios	142.739.150	133.007.823
Conditional and unconditional receivables secured by mortgages	26.886.198	24.101.214
Past due receivables	6.450.940	6.295.961
Receivables defined under high risk category by BRSA	18.897.964	6.401.164
Collateralized securities	-	-
Securitization positions	-	-
Short-term receivables from banks, brokerage houses and corporate	-	-
Investments similar to collective investment funds	546.622	1.173.741
Equity security investments	408.077	386.140
Other receivables	19.412.171	15.936.058
Total	**837.766.120**	**711.492.943**

(*) The figures represent total risk amounts before Credit Risk Mitigation and before credit conversion factor.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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.

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 4,5% (31 December 2020: 6,3%).

f. 1. The proportion of the Group's top 100 and 200 cash loan balances in total cash loans is 38% and 47% respectively (31 December 2020: 38% and 47%).

2. The proportion of the Group's top 100 and 200 customers' non-cash loan balances in total non-cash loans is 62% and 75% (31 December 2020: 62% and 75%).

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 21% and 27% respectively. (31 December 2020: 22% and 28%).

g. The Bank provided excpected credit loss provision (Stage 1 and Stage 2) amounting to TL 7.215.355 (31 December 2020: TL 5.876.277).

h. Information on loan types and expected credit loss provisions:

	Commercial Loans		Consumer Loans		Credit Cards		Financial Lease		Total	
Current Period-31.12.2021	**Balance**	**Excpected Credit Loss**	**Balance**	**Excpected Credit Loss**	**Balance**	**Excpected Credit Loss**	**Balance**	**Excpected Credit Loss**	**Balance**	**Excpected Credit Loss**
Loans	**303.026.609**	**14.847.737**	**62.381.238**	**2.115.708**	**31.342.348**	**1.733.787**	**8.038.101**	**317.272**	**404.788.296**	**19.014.504**
Stage 1	254.729.191	738.093	56.945.865	422.078	27.868.171	417.845	7.228.503	57.392	346.771.730	1.635.408
Stage 2	33.382.306	4.817.590	3.763.395	371.788	2.292.721	324.800	350.327	65.769	39.788.749	5.579.947
Stage 3	14.915.112	9.292.054	1.671.978	1.321.842	1.181.456	991.142	459.271	194.111	18.227.817	11.799.149
Financial Assets	**209.558.642**	**217.778**	**-**	**-**	**-**	**-**	**-**	**-**	**209.558.642**	**217.778**
Other	**14.712.784**	**24.141**	**-**	**-**	**-**	**-**	**-**	**-**	**14.712.784**	**24.141**
Non-Cash Loans	**88.336.116**	**641.035**	**-**	**-**	**-**	**-**	**-**	**-**	**88.336.116**	**641.035**
Stage 1 and 2	86.791.945	185.584	-	-	-	-	-	-	86.791.945	185.584
Stage 3	1.544.171	455.451	-	-	-	-	-	-	1.544.171	455.451
Total	**615.634.151**	**15.730.691**	**62.381.238**	**2.115.708**	**31.342.348**	**1.733.787**	**8.038.101**	**317.272**	**717.395.838**	**19.897.458**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

i. Information on the expected credit loss of loans (***):

	Stage 1	Stage 2	Stage 3
Opening (31 December 2020)	**1.521.946**	**4.354.331**	**11.093.238**
Additions (*)	613.888	1.961.905	912.220
Disposals (**)	(737.370)	(928.860)	(733.690)
Effect of change in foreign exchange	164.051	1.824.462	-
Loans classified under Stage 1 in two periods (Model effect)	(95.826)	-	-
Loans classified under Stage 1 in two periods (Change in balance effect)	13.312	-	-
Transfers from Stage 1 to Stage 2 (Stating and balance change effect)	(80.605)	307.762	-
Loans classified under Stage 2 in two periods (Model effect)	-	(440.665)	-
Loans classified under Stage 2 in two periods (Change in balance effect)	-	(22.234)	-
Transfers from Stage 2 to Stage 1 (Stating and balance change effect)	248.816	(985.266)	-
Transfers from Stage 1 to Stage 3	(12.804)	-	272.313
Transfers from Stage 2 to Stage 3	-	(498.911)	1.226.111
Transfers from Stage 3 to Stage 2	-	7.423	(52.981)
Transfers from Stage 3 to Stage 1	-	-	-
Loans classified under Stage 2 in two periods (Change in balance and model effect)	-	-	639.670
Write-offs	-	-	(1.557.732)
Sold Portfolio effect	-	-	-
Closing (31 December 2021)	**1.635.408**	**5.579.947**	**11.799.149**

(*) Loans which are not included in the loan portfolio as of 31 December 2020 and included in the loan portfolio and calculated provisions a of 31 December 2021.
(**) Loans which are included in the loan portfolio and calculated provisions as of 31 December 2020 but which are not included in the loan portfolio as of 31 December 2021.
(***) In the calculations the transitions between the records in both periods have been considered by making additions and disposals.

j. Information on movement of loans:

	Stage 1	Stage 2	Stage 3	Total
Opening (31 December 2020)	**240.192.432**	**26.743.357**	**17.880.294**	**284.816.083**
Additions	154.322.268	20.251.758	1.301.779	175.875.805
Disposals	(88.476.729)	(8.372.443)	(1.167.084)	(98.016.256)
Sold portfolio	-	-	-	-
Write-offs	-	-	(1.557.732)	(1.557.732)
Transfers to Stage 1	5.544.650	(5.544.650)	-	-
Transfers to Stage 2	(3.032.048)	3.166.911	(134.863)	-
Transfers to Stage 3	(422.134)	(1.483.289)	1.905.423	-
Foreign exchange effect	38.643.291	5.027.105	-	43.670.396
Closing (31 December 2021)	**346.771.730**	**39.788.749**	**18.227.817**	**404.788.296**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

k. Information on debt securities, treasury bills and other eligible bills:

Current Period - 31 December 2021	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	-	1.326.892	-	**1.326.892**
Aa1, Aa2, Aa3	-	995.229	-	**995.229**
A1, A2, A3	-	587.516	-	**587.516**
Baa1, Baa2, Baa3	-	1.191.288	-	**1.191.288**
Ba1	-	-	-	**-**
Ba2	-	-	-	**-**
Ba3	-	-	-	**-**
B1, B2, B3	705.886	95.266.547	52.585.560	**148.557.993**
C and lower than C	91.320	-	-	**91.320**
NR	-	105.496	-	**105.496**
Total	**797.206**	**99.472.968**	**52.585.560**	**152.855.734**

Current Period - 31 December 2020	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	-	2.164.729	-	**2.164.729**
Aa1, Aa2, Aa3	-	368.419	-	**368.419**
A1, A2, A3	-	132.687	-	**132.687**
Baa1, Baa2, Baa3	-	182.920	-	**182.920**
Ba1	-	94.248	-	**94.248**
Ba2	-	56.374	-	**56.374**
Ba3	19.470	1.323	-	**20.793**
B1, B2, B3	252.771	54.627.077	41.885.059	**96.764.907**
C and lower than C	3.941	-	-	**3.941**
NR	-	69.655	-	**69.655**
Total	**276.182**	**57.697.432**	**41.885.059**	**99.858.673**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

l. Profile on significant risks in significant regions:

Current Period (**)	Risk Categories (*)																	
31 December 2021	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**Total**
Domestic	210.416.910	134.452	396.013	-	-	21.945.528	253.911.834	89.422.955	25.807.745	6.450.867	18.378.258	-	-	-	546.622	-	19.412.171	**646.823.355**
European Union Countries	5.634.530	-	-	-	-	43.549.281	5.084.492	29.160	13.602	59	2.001	-	-	-	-	-	-	**54.313.125**
OECD Countries(***)	-	-	-	-	-	7.147.517	11.746	3.785	976	2	217	-	-	-	-	-	-	**7.164.243**
Off- Shore Regions	-	-	-	-	-	165	375.948	9	-	2	-	-	-	-	-	-	-	**376.124**
USA, Canada	880.637	-	-	-	-	21.818.925	595.090	13.034	2.592	4	228	-	-	-	-	-	-	**23.310.510**
Other Countries	-	-	-	-	-	2.437.328	688.657	9.526	2.495	6	1.362	-	-	-	-	-	-	**3.139.374**
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	408.077	-	**408.077**
Undistributed Assets / Liabilities(****)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Total	**216.932.077**	**134.452**	**396.013**	**-**	**-**	**96.898.744**	**260.667.767**	**89.478.469**	**25.827.410**	**6.450.940**	**18.382.066**	**-**	**-**	**-**	**546.622**	**408.077**	**19.412.171**	**735.534.808**

Prior Period (**)	Risk Categories (*)																	
31 December	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**Total**
Domestic	125.270.054	172.165	351.261	-	-	15.328.386	196.531.420	77.022.042	18.528.733	6.418.766	295.314	-	-	-	1.620.832	347.914	15.167.980	**457.054.867**
European Union Countries	3.658.701	-	-	-	-	36.009.222	10.302.229	31.111	11.473	364.411	-	-	-	-	-	607	-	**50.377.754**
OECD Countries(***)	-	-	-	-	-	4.821.954	23.145	4.037	1.270	-	-	-	-	-	-	-	-	**4.850.406**
Off- Shore Regions	-	-	-	-	-	17.870	-	33	113	-	-	-	-	-	-	-	-	**18.016**
USA, Canada	2.049.943	-	-	-	-	5.734.954	99.872	3.291	1.095	3	-	-	-	-	-	-	-	**7.889.158**
Other Countries	487.425	-	-	-	-	648.982	545.069	15.047	217.774	20	-	-	-	-	-	-	-	**1.914.317**
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Undistributed Assets / Liabilities(****)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Total	**131.466.123**	**172.165**	**351.261**	**-**	**-**	**62.561.368**	**207.501.735**	**77.075.561**	**18.760.458**	**6.783.200**	**295.314**	**-**	**-**	**-**	**1.620.832**	**348.521**	**15.167.980**	**522.104.518**

(*) Stands for the risk categories listed in "Regulations on Measurement and Assessment of Capital Adequacy Ratios of Banks."

(**) It represents the risk amounts before credit risk mitigation and after conversion to credit.

1. Conditional and unconditional receivables from central governments and Central Banks
2. Conditional and unconditional receivables from regional or local governments
3. Conditional and unconditional receivables from administrative bodies and non-commercial enterprises
4. Conditional and unconditional receivables from multilateral development banks
5. Conditional and unconditional receivables from international organizations
6. Conditional and unconditional receivables from banks and brokerage houses
7. Conditional and unconditional receivables from corporates
8. Conditional and unconditional receivables from retail portfolios
9. Conditional and unconditional receivables secured by mortgages
10. Past due receivables
11. Receivables defined under high risk category by BRSA
12. Collateralized securities
13. Securitization positions
14. Short-term receivables from banks, brokerage houses and corporates
15. Investments similar to collective investment funds
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

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

m. Risk Profile according to sectors and counterparties:

Current Period (**)														Risk Classifications (*)						
31 December 2021	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**TL**	**FC**	**Total**
Agricultural	-	-	6	-	-	-	2.907.328	480.548	218.203	4.402	11.054	-	-	-	-	-	-	2.384.913	1.236.628	**3.621.541**
Farming and raising livestock	-	-	6	-	-	-	2.873.383	385.497	188.392	3.861	9.629	-	-	-	-	-	-	2.244.995	1.215.773	**3.460.768**
Forestry	-	-	-	-	-	-	33.945	90.299	28.875	474	1.053	-	-	-	-	-	-	133.791	20.855	**154.646**
Fishing	-	-	-	-	-	-	-	4.752	936	67	372	-	-	-	-	-	-	6.127	-	**6.127**
Manufacturing	-	-	78	-	-	-	88.353.156	6.629.873	4.426.881	1.378.842	202.126	-	-	-	-	-	-	43.489.355	57.501.601	**100.990.956**
Mining	-	-	-	-	-	-	12.457.643	1.112.299	710.289	419.046	26.265	-	-	-	-	-	-	5.407.295	9.318.247	**14.725.542**
Production	-	-	78	-	-	-	45.044.609	5.348.424	3.591.093	246.972	153.534	-	-	-	-	-	-	29.364.842	25.019.868	**54.384.710**
Electricity, Gas, Water	-	-	-	-	-	-	30.850.904	169.150	125.499	712.824	22.327	-	-	-	-	-	-	8.717.218	23.163.486	**31.880.704**
Construction	-	-	751	-	-	-	36.465.272	2.339.531	1.757.742	1.717.852	406.593	-	-	-	-	-	-	14.287.467	28.400.274	**42.687.741**
Services	2.069.606	131.095	328.864	-	-	96.893.134	108.911.610	23.834.277	9.630.900	1.903.832	454.351	-	-	-	-	17.042	-	101.623.584	142.551.127	**244.174.711**
Wholesale and Retail Trade	-	-	161.277	-	-	-	46.028.665	18.759.871	6.399.369	755.233	245.057	-	-	-	-	-	-	61.545.335	10.804.137	**72.349.472**
Hotel,Food,Beverage Services	-	-	63	-	-	-	9.599.674	1.272.727	1.555.999	542.455	38.919	-	-	-	-	-	-	4.168.668	8.841.169	**13.009.837**
Transportation and Telecommunication	1.031	-	11.769	-	-	-	16.528.231	1.972.450	536.473	33.886	45.543	-	-	-	-	-	-	5.276.069	13.853.314	**19.129.383**
Financial Institutions	2.067.720	-	165	-	-	96.893.134	32.766.163	66.464	183.040	516.889	9.337	-	-	-	-	17.042	-	25.317.389	107.202.565	**132.519.954**
Real Estate and Lending Services	-	-	5	-	-	-	549.005	207.863	207.806	1.129	13.145	-	-	-	-	-	-	860.357	118.596	**978.953**
Self employment Service	-	-	102	-	-	-	574.709	319.207	149.586	803	48.542	-	-	-	-	-	-	903.389	189.560	**1.092.949**
Education Service	3	-	62.223	-	-	-	131.057	265.054	192.071	38.816	7.709	-	-	-	-	-	-	658.292	38.641	**696.933**
Health and social Services	852	131.095	93.260	-	-	-	2.734.106	970.641	406.556	14.621	46.099	-	-	-	-	-	-	2.894.085	1.503.145	**4.397.230**
Other	214.862.471	3.357	66.314	-	-	5.610	24.030.401	56.194.240	9.793.684	1.446.012	17.307.942	-	-	-	546.622	391.035	19.412.171	233.304.091	110.755.768	**344.059.859**
Total	**216.932.077**	**134.452**	**396.013**	**-**	**-**	**96.898.744**	**260.667.767**	**89.478.469**	**25.827.410**	**6.450.940**	**18.382.066**	**-**	**-**	**-**	**546.622**	**408.077**	**19.412.171**	**395.089.410**	**340.445.398**	**735.534.808**

(*) Stands for the risk categories listed in "Regulations on Measurement and Assessment of Capital Adequacy Ratios of Banks."
(**) It represents the risk amounts before credit risk mitigation and after conversion to credit.

1. Conditional and unconditional receivables from central governments and Central Banks
2. Conditional and unconditional receivables from regional or local governments
3. Conditional and unconditional receivables from administrative bodies and non-commercial enterprises
4. Conditional and unconditional receivables from multilateral development banks
5. Conditional and unconditional receivables from international organizations
6. Conditional and unconditional receivables from banks and brokerage houses
7. Conditional and unconditional receivables from corporates
8. Conditional and unconditional receivables from retail portfolios
9. Conditional and unconditional receivables secured by mortgages
10. Past due receivables
11. Receivables defined under high risk category by BRSA
12. Collateralized securities
13. Securitization positions
14. Short-term receivables from banks, brokerage houses and corporates
15. Investments similar to collective investment funds
16. Equity security transactions
17. Other receivables

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Prior Period (**)														**Risk Classifications (*)**						
31 December	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**TL**	**FC**	**Total**
Agricultural	-	-	7	-	-	-	49.050	285.473	115.311	4.927	93	-	-	-	-	-	-	431.456	23.405	**454.861**
Farming and raising livestock	-	-	7	-	-	-	19.119	212.016	82.970	3.567	27	-	-	-	-	-	-	317.562	144	**317.706**
Forestry	-	-	-	-	-	-	24.459	70.857	30.110	1.358	59	-	-	-	-	-	-	107.525	19.318	**126.843**
Fishing	-	-	-	-	-	-	5.472	2.600	2.231	2	7	-	-	-	-	-	-	6.369	3.943	**10.312**
Manufacturing	-	-	105.291	-	-	-	80.803.023	5.807.530	3.349.694	1.316.043	22.545	-	-	-	-	-	-	40.159.492	51.244.634	**91.404.126**
Mining	-	-	-	-	-	-	3.349.310	150.851	108.615	277.276	554	-	-	-	-	-	-	1.229.360	2.657.246	**3.886.606**
Production	-	-	105.291	-	-	-	52.194.524	5.521.370	2.973.738	554.366	9.029	-	-	-	-	-	-	32.084.295	29.274.023	**61.358.318**
Electricity, Gas, Water	-	-	-	-	-	-	25.259.189	135.309	267.341	484.401	12.962	-	-	-	-	-	-	6.845.837	19.313.365	**26.159.202**
Construction	-	-	102	-	-	-	27.760.051	2.031.560	1.756.443	2.050.087	244.541	-	-	-	-	-	-	13.404.595	20.438.189	**33.842.784**
Services	1.075.687	167.935	191.790	-	-	61.568.840	86.224.350	17.092.812	6.497.395	2.893.414	25.321	-	-	-	-	17.201	-	74.150.606	101.604.139	**175.754.745**
Wholesale and Retail Trade	-	-	43.597	-	-	-	28.315.394	13.561.101	3.522.827	714.032	18.995	-	-	-	-	-	-	41.420.306	4.755.640	**46.175.946**
Hotel,Food,Beverage Services	-	-	57	-	-	-	6.326.115	900.319	849.471	434.831	1.033	-	-	-	-	-	-	3.144.163	5.367.663	**8.511.826**
Transportation and Telecommunication	1.031	-	7.932	-	-	-	19.445.328	1.224.146	494.793	35.410	968	-	-	-	-	-	-	4.697.007	16.512.601	**21.209.608**
Financial Institutions	1.074.606	-	-	-	-	61.568.840	25.224.290	58.955	736.813	473.303	671	-	-	-	-	17.201	-	18.017.527	71.137.152	**89.154.679**
Real Estate and Lending Services	-	-	131	-	-	-	3.684.261	141.044	328.853	1.151.358	1.595	-	-	-	-	-	-	3.340.267	1.966.975	**5.307.242**
Self employment Service	-	-	1.282	-	-	-	753.183	212.218	49.178	881	19	-	-	-	-	-	-	478.664	538.097	**1.016.761**
Education Service	24	-	66.191	-	-	-	254.491	243.177	169.694	43.754	459	-	-	-	-	-	-	730.760	47.030	**777.790**
Health and social Services	26	167.935	72.600	-	-	-	2.221.288	751.852	345.766	39.845	1.581	-	-	-	-	-	-	2.321.912	1.278.981	**3.600.893**
Other	130.390.436	4.230	54.071	-	-	992.528	12.665.261	51.858.186	7.041.615	518.729	2.814	-	-	-	1.620.832	331.320	15.167.980	147.715.762	72.932.240	**220.648.002**
Total	**131.466.123**	**172.165**	**351.261**	**-**	**-**	**62.561.368**	**207.501.735**	**77.075.561**	**18.760.458**	**6.783.200**	**295.314**	**-**	**-**	**-**	1.620.83	348.521	15.167.98	275.861.91	246.242.60	522.104.518

(*) Stands for the risk categories listed in "Regulations on Measurement and Assessment of Capital Adequacy Ratios of Banks."
(**) It represents the risk amounts before credit risk mitigation and after conversion to credit.

1. Conditional and unconditional receivables from central governments and Central Banks
2. Conditional and unconditional receivables from regional or local governments
3. Conditional and unconditional receivables from administrative bodies and non-commercial enterprises
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9. Conditional and unconditional receivables secured by mortgages
10. Past due receivables
11. Receivables defined under high risk category by BRSA
12. Collateralized securities
13. Securitization positions
14. Short-term receivables from banks, brokerage houses and corporates
15. Investments similar to collective investment funds
16. Equity security transactions
17. Other receivables

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

n. Term distribution of risks with term structure (*):

31 December 2021 Risk Categories	Time to Maturity 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	45.128.493	63.894.956	4.235.811	6.717.170	96.955.647	-
Conditional and unconditional receivables from regional or local governments	568	2.180	282	14.211	117.211	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	24.227	59.407	26.791	156.766	128.822	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	44.835.258	3.295.701	6.889.445	11.235.586	30.642.754	-
Conditional and unconditional receivables from corporates	18.012.930	24.725.873	28.561.456	54.612.484	134.755.024	-
Conditional and unconditional receivables from retail portfolios	1.966.683	3.913.015	7.789.590	16.158.738	59.650.443	-
Conditional and unconditional receivables secured by mortgages	356.449	1.186.354	1.766.088	3.733.662	18.784.857	-
Past due receivables	-	-	-	-	-	6.450.940
Receivables defined under high risk category by BRSA	6.938	5.523	14.601	662.825	17.692.179	-
Collateralized securities	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-
Investments similar to collective investment funds	546.622	-	-	-	-	-
Equity security investments	-	-	-	-	-	408.077
Other Receivables	-	-	-	-	-	19.412.171
Total	**110.878.168**	**97.083.009**	**49.284.064**	**93.291.442**	**358.726.937**	**26.271.188**

(*)It represents the risk amounts before credit risk mitigation and after conversion to credit.

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. 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. Below are the Credit Quality Degrees corresponding to Fitch Ratings.

Ratings to be matched	Credit Quality Degrees	Fitch
Ratings of long-term credits	1	AAA and AA-
	2	A+ and A-
	3	BBB+ and BBB-
	4	BB+ and BB-
	5	B+ and B-
	6	CCC+ and below
Ratings of short-term credits	1	F1+ and F1
	2	F2
	3	F3
	4	Below F3
	5	---
	6	---
Long-term securitization position ratings	1	AAA and AA-
	2	A+ and A-
	3	BBB+ and BBB-
	4	BB+ and BB-
	5	B+ and below
Short-term securitization position ratings	1	F1+ and F1
	2	F2
	3	F3
	Others	F3 below
Matchings regarding collective investment institutes	1	AAA and AA-
	2	A+ and A-
	3	BBB+ and BBB-
	4	BB+ and BB-
	5	B+ and B-
	6	CCC+ and below

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

p. Risk amounts according to risk weights:

31 December 2021	0%	10%	20%	25%	35%	50%	75%	100%	150%	250%	Other Risk Weights	Deducted from Equity
Risk Weights												
Amount Before Credit Risk Mitigation	183.489.365	-	38.935.431	-	-	34.132.005	98.123.093	269.336.079	19.081.517	-	23.022	-
Amount After Credit Risk Mitigation	184.425.650	-	38.935.431	-	11.842.632	45.060.716	81.160.597	253.960.742	18.951.188	-	23.022	-

(*) Excludes counterparty credit risk and securitization positions

q. Miscellaneous information regarding important sectors or counterparty type (**):

	Loans (*)		Provisions (*)
	Impaired Receivables		
31 December 2021 Sectors / Counterparties	**Significant Increase in Credit Risk (Stage II)**	**Credit-Impaired Losses (Stage III / Specific Provision)**	**Expected Credit Loss Provisions**
Agricultural	25.254	20.490	22.318
Farming and raising livestock	24.104	16.390	18.585
Forestry	871	3.775	3.437
Fishing	279	325	296
Manufacturing	6.595.324	3.823.074	3.642.139
Mining	8.798	585.302	276.928
Production	2.640.790	1.479.099	1.431.301
Electricity, Gas, Water	3.945.736	1.758.673	1.933.910
Construction	14.158.627	6.727.500	5.983.835
Services	3.186.767	4.663.008	3.257.220
Wholesale and Retail Trade	1.241.458	2.368.058	1.897.060
Hotel, Food, Beverage Services	606.745	794.268	331.978
Transportation and Telecommunication	241.432	131.270	126.162
Financial Institutions	2.835	1.173.050	656.460
Real Estate and Lending Service	99.513	6.988	18.588
Self Employment Service	11.365	4.231	5.048
Education Service	44.256	114.525	79.622
Health and social services	939.163	70.618	142.302
Other	15.822.777	2.993.745	4.473.584
Total	**39.788.749**	**18.227.817**	**17.379.096**

(*) Breakdown of cash loans
(**) The balances of loans at fair value profit or loss has not been included.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

r. Information related to impairment and loan loss provisions:

31 December 2021	Openning balance	Provisions reserved during the period	Provision reversals	Other adjustments (*)	Closing balance
Stage 3 Provisions	11.093.238	3.050.314	(786.671)	(1.557.732)	11.799.149
Stage 1 and 2 Provisions	5.876.277	1.339.078	-	-	7.215.355

(*) Presents the Write-Offs and Sales from Loans under Follow-up portfolio.

s. Risk involved in counter-cyclical capital buffer calculation:

31 December 2021			
Country of ultimate risk	**Private sector credit exposures in banking book**	**Risk Weighted Equivalent trading book**	**Total**
Turkey	336.846.090	9.632.082	346.478.172
Ireland	1.244.422	-	1.244.422
Holland	1.209.354	-	1.209.354
Great Britain	1.026.300	27.410	1.053.710
Russian Federation	471.482	-	471.482
Luxemburg	470.937	66	471.003
France	435.112	24.780	459.892
USA	280.183	-	280.183
Croatia	179.071	-	179.071
Egypt	136.186	-	136.186
Other	559.729	-	559.729

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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	EURO
Balance Sheet Evaluation Rate	TL 13,3290	TL 15,0867
1.Day bid rate	TL 13,3290	TL 15,0867
2.Day bid rate	TL 12,9775	TL 14,6823
3.Day bid rate	TL 12,2219	TL 13,8011
4.Day bid rate	TL 11,8302	TL 13,4000
5.Day bid rate	TL 11,3900	TL 12,8903

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 13,6356
EURO : TL 15,4126

As of 31 December 2020;

	USD	EURO
Balance Sheet Evaluation Rate	TL 7,4194	TL 9,1164

Information related to Group's Currency Risk:

The table below summarizes the Group's net foreign currency 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 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Current Period – 31 December 2021	EURO	USD	Other FC	Total
Assets				
Cash Equivalents and Central Bank (*)	28.680.617	48.515.736	2.794.847	**79.991.200**
Banks (*******)	14.130.303	34.280.423	4.971.007	**53.381.733**
Financial Assets at Fair Value through Profit or Loss	198.591	8.161.455	-	**8.360.046**
Interbank Money Market Placements	-	-	-	**-**
Financial Assets measured at other comprehensive income	7.370.714	54.824.762	2.233.925	**64.429.401**
Loans (**)	105.044.096	61.633.305	31.756	**166.709.157**
Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	**-**
Financial assets measured at amortised cost	-	10.415.698	-	**10.415.698**
Hedging Derivative Financial Assets	-	388.819	387.885	**776.704**
Tangible Assets (Net)	56.133	17.668	-	**73.801**
Intangible Assets (Net)	13.817	1	-	**13.818**
Other Assets (***)	(926.395)	6.508.428	9.564	**5.591.597**
Total Assets	**154.567.876**	**224.746.295**	**10.428.984**	**389.743.155**
Liabilities				
Bank Deposits (****)	4.810.378	4.160.772	2.442.238	**11.413.388**
Foreign Currency Deposits (****)	92.712.743	164.101.605	33.873.447	**290.687.795**
Funds from Interbank Money Market	2.389.460	26.491.284	-	**28.880.744**
Borrowings	13.369.842	45.926.894	-	**59.296.736**
Marketable Securities Issued (Net) (*****)	152.586	39.403.551	-	**39.556.137**
Miscellaneous Payables	1.576.244	12.269.833	160.089	**14.006.166**
Hedging Derivative Financial Liabilities	-	694.631	-	**694.631**
Other Liabilities	1.626.552	2.563.443	44.002	**4.233.997**
Total Liabilities	**116.637.805**	**295.612.013**	**36.519.776**	**448.769.594**
Net on Balance Sheet Position	**37.930.071**	**(70.865.718)**	**(26.090.792)**	**(59.026.439)**
Net off-Balance Sheet Position (******)	**(37.437.819)**	**74.066.886**	**26.769.543**	**63.398.610**
Financial Derivative Assets	48.984.350	180.257.991	33.595.547	**262.837.888**
Financial Derivative Liabilities	86.422.169	106.191.105	6.826.004	**199.439.278**
Non-cash Loans	**23.411.989**	**30.269.443**	**1.891.599**	**55.573.031**
Prior Period - 31 December 2020				
Total Assets	90.441.150	117.646.707	5.503.193	**213.591.050**
Total Liabilities	77.704.643	167.640.875	24.343.257	**269.688.775**
Net on-Balance Sheet Position	**12.736.507**	**(49.994.168)**	**(18.840.064)**	**(56.097.725)**
Net off-Balance Sheet Position (******)	**(14.675.745)**	**57.816.372**	**18.840.769**	**61.981.396**
Financial Derivative Assets	28.010.596	109.314.635	21.223.764	**158.548.995**
Financial Derivative Liabilities	42.686.341	51.498.263	2.382.995	**96.567.599**
Non-cash Loans	**13.220.443**	**12.656.933**	**657.302**	**26.534.678**

(*) Of the Cash Equivalents and Central Bank and Other FC, TL 2.152.617 (31 December 2020: TL 2.173.647) are precious metal deposit account in demand.

(**) The foreign currency indexed loans balance in the Turkish Lira accounts is TL 470.265 (31 December 2020: TL 554.548).

(***) Derivative financial assets and expected credit losses are classified under other assets. The expected loss amount of foreign currency indexed loans balance is TL 10.333 (31 December 2020: TL 9.785). Prepaid assets amounted TL 105.347 (31 December 2020: TL 62.570) is excluded in the financial statements.

(****) Of Bank Deposits Other FC of the TL 36.900 (31 December 2020: TL 22.911) and the foreign currency deposits TL 25.869.116 (31 December 2020: TL 17.561.462) 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.

(*******) Derivative collaterals given to foreign banks are included.

(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 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)

Current Period - 31 December 2021	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash Equivalents and Central Bank	9.933.401	-	-	-	-	81.953.371	**91.886.772**
Banks (*****)	2.992.146	2.076.501	-	-	-	48.402.039	**53.470.686**
Financial Assets at Fair Value Through Profit or Loss	30.652	98.071	7.556.598	327.949	126.846	2.669.259	**10.809.375**
Interbank Money Market Placements	2.824.281	-	24.331	-	-	-	**2.848.612**
Financial Assets at measured Fair Value Other Comprehensive Income	9.667.116	11.104.373	17.998.624	40.291.809	20.411.046	838.454	**100.311.422**
Loans (*)	122.541.079	47.125.051	105.914.109	91.546.596	19.264.874	18.396.587	**404.788.296**
Financial Assets measured at amortised cost	16.202.199	2.776.285	24.752.525	8.685.943	168.608	-	**52.585.560**
Other Assets (**)	11.868.541	25.847.384	13.042.659	1.338.342	214.229	(6.213.548)	**46.097.607**
Total Assets	**176.059.415**	**89.027.665**	**169.288.846**	**142.190.639**	**40.185.603**	**146.046.162**	**762.798.330**
Liabilities							
Bank Deposits	5.629.678	5.071.644	1.358.720	-	-	1.776.500	**13.836.542**
Other Deposits	176.541.029	71.291.625	21.226.188	8.241.038	1.339.945	161.074.212	**439.714.037**
Funds from Interbank Money Market	45.919.880	8.558.647	8.365.439	1.793.495	-	-	**64.637.461**
Miscellaneous Payables	3.016.018	5.749.678	4.243.520	178.528	-	9.865.885	**23.053.629**
Marketable Securities Issued (Net) (***)	2.628.561	2.796.048	9.775.391	15.119.756	18.660.721	28.118	**49.008.595**
Borrowings	11.111.804	28.533.912	17.453.011	2.874.313	-	-	**59.973.040**
Other Liabilities (****)	6.015.255	11.211.814	8.821.026	844.408	685.224	84.997.299	**112.575.026**
Total Liabilities	**250.862.225**	**133.213.368**	**71.243.295**	**29.051.538**	**20.685.890**	**257.742.014**	**762.798.330**
Balance Sheet Long Position	-	-	98.045.551	113.139.101	19.499.713	-	**230.684.365**
Off-balance Sheet Short Position	(74.802.810)	(44.185.703)	-	-	-	-	**(230.684.365)**
Off-balance Sheet Long Position	8.894.202	31.519.380	(7.254)	(33.324)	144.887	-	**40.517.891**
Off-balance Sheet Short Position	(686.465)	(104.125)	(19.432.795)	22.016	-	-	**(20.201.369)**
Total Position	**(66.595.073)**	**(12.770.448)**	**78.605.502**	**113.127.793**	**19.644.600**	**(111.695.852)**	**20.316.522**

(*) 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.
(***) 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Prior Period – 31 December 2020	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash Equivalents and Central Bank	2.627.707	-	-	-	-	45.048.614	**47.676.321**
Banks (*****)	28.207	1.118.581	-	-	-	16.269.287	**17.416.075**
Financial Assets at Fair Value Through Profit or Loss	16.862	20.202	7.426.015	107.610	48.403	1.560.320	**9.179.412**
Interbank Money Market Placements	488.547	-	-	-	-	-	**488.547**
Financial Assets at measured Fair Value Other Comprehensive Income	9.376.431	5.447.357	10.414.147	24.163.846	8.295.652	506.712	**58.204.145**
Loans (*)	75.512.873	34.422.911	71.705.957	78.477.567	6.688.433	18.008.342	**284.816.083**
Financial Assets measured at amortised cost	8.835.555	2.287.297	19.059.289	10.526.018	1.176.900	-	**41.885.059**
Other Assets (**)	5.571.782	8.977.709	6.301.169	3.173.131	105.494	(5.478.352)	**18.650.933**
Total Assets	**102.457.964**	**52.274.057**	**114.906.577**	**116.448.172**	**16.314.882**	**75.914.923**	**478.316.575**
Liabilities							
Bank Deposits	7.795.846	3.792.220	704.937	-	-	280.804	**12.573.807**
Other Deposits	134.522.966	32.469.410	11.968.798	8.870.972	1.085.209	91.027.845	**279.945.200**
Funds from Interbank Money Market	10.019.030	7.416.294	2.730.948	741.072	-	-	**20.907.344**
Miscellaneous Payables	1.947.451	2.340.060	1.247.428	227.435	-	7.238.271	**13.000.645**
Marketable Securities Issued (Net) (***)	3.013.848	2.526.286	1.082.283	8.996.764	10.390.107	15.343	**26.024.631**
Borrowings	13.819.271	20.707.922	4.445.398	1.290.023	-	-	**40.262.614**
Other Liabilities (****)	4.460.892	6.732.581	3.947.744	865.978	574.419	69.020.720	**85.602.334**
Total Liabilities	**175.579.304**	**75.984.773**	**26.127.536**	**20.992.244**	**12.049.735**	**167.582.983**	**478.316.575**
Balance Sheet Long Position	-	-	88.779.041	95.455.928	4.265.147	-	**188.500.116**
Balance Sheet Short Position	(73.121.340)	(23.710.716)	-	-	-	(91.668.060)	**(188.500.116)**
Off-balance Sheet Long Position	3.900.378	11.078.296	77.555	2.827.555	56.135	-	**17.939.919**
Off-balance Sheet Short Position	193.278	9.140	(8.572.053)	37.805	8.202	-	**(8.323.628)**
Total Position	**(69.027.684)**	**(12.623.280)**	**80.284.543**	**98.321.288**	**4.329.484**	**(91.668.060)**	**9.616.291**

(*) 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.
(***) 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.

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 2021	EURO	USD	Yen	TL
Assets				
Cash Equivalents and Central Bank	-	-	-	8,50
Banks	0,07	0,24	-	19,78
Financial Assets at Fair Value Through Profit or Loss	2,48	6,66	-	18,76
Interbank Money Market Placements	-	-	-	17,07
Financial Assets at Fair Value Other Comprehensive Income	2,88	5,32	3,09	18,35
Loans	3,86	4,97	-	17,62
Financial Assets measured at amortised cost	-	5,89	-	20,90
Liabilities				
Bank Deposits (**)	0,20	1,16	-	17,60
Other Deposits (**)	0,12	0,44	-	14,67
Funds from Interbank Money Market	0,12	0,82	-	14,06
Miscellaneous Payables	-	0,08	-	-
Marketable Securities Issued (Net) (*)	4,00	6,31	-	17,54
Borrowings	2,20	2,50	-	20,14

(*) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

(**) Demand deposit balances are included in average interest rate calculation.

Prior Period – 31 December 2020	EURO	USD	Yen	TL
Assets				
Cash Equivalents and Central Bank	-	-	-	12,00
Banks	0,47	0,54	-	17,36
Financial Assets at Fair Value Through Profit or Loss	3,36	5,80	-	14,92
Interbank Money Market Placements	-	-	-	17,97
Financial Assets at Fair Value Other Comprehensive Income	2,92	5,20	3,09	12,75
Loans	3,78	5,15	7,69	13,21
Financial Assets measured at amortised cost	1,70	5,86	-	12,18
Liabilities				
Bank Deposits (**)	0,72	1,83	-	16,30
Other Deposits (**)	0,31	1,27	-	12,07
Funds from Interbank Money Market	-	1,14	-	16,62
Miscellaneous Payables	-	0,09	-	-
Marketable Securities Issued (Net) (*)	4,00	6,22	-	10,38
Borrowings	2,07	2,42	-	11,22

(*) Securities issued as subordinated loan classified under subordinated loans in the balance sheet are included.
(**) 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 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. Considering the negative economic general impact caused by the COVID-19 pandemic, it is aimed to measure the liquidity vulnerabilities that may arise by performing different scenario analyzes with using stress tests which are already part of the risk management process. The effects of cash inflows and outflows under different stress scenarios have been studied and evaluated.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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.

Liquidity Coverage Ratio:

		Rate of "Percentage to be taken into account" not Implemented Total value (*)		Rate of "Percentage to be taken into account" Implemented Total value (*)	
Current Period - 31 December 2021		**TL+FC**	**FC**	**TL+FC**	**FC**
HIGH QUALITY LIQUID ASSETS (HQLA)					
1	High quality liquid assets			135.002.709	91.871.013
CASH OUTFLOWS					
2	Retail and Customers Deposits	266.126.330	158.886.240	24.738.322	15.888.624
3	Stable deposits	37.523.600	-	1.878.049	-
4	Less stable deposits	228.602.730	158.886.240	22.860.273	15.888.624
5	Unsecured Funding other than Retail and Small Business Customers Deposits	132.159.544	81.974.779	72.793.987	46.158.058
6	Operational deposits	2.804	-	701	-
7	Non-Operational Deposits	113.456.186	70.496.035	55.929.439	34.679.820
8	Other Unsecured Funding	18.700.554	11.478.744	16.863.847	11.478.238
9	Secured funding			555.152	555.152
10	Other Cash Outflows	16.760.672	24.777.364	8.013.944	16.305.718
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	7.081.793	15.407.987	7.081.793	15.407.987
12	Debts related to the structured financial products	10.356	-	10.356	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	9.668.523	9.369.377	921.795	897.731
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	1.215.000	-	60.750	-
15	Other irrevocable or conditionally revocable commitments	102.099.327	35.668.573	5.104.966	1.783.429
16	**TOTAL CASH OUTFLOWS**			**111.267.121**	**80.690.981**
CASH INFLOWS					
17	Secured Lending Transactions	626.658	-	-	-
18	Unsecured Lending Transactions	52.663.347	33.214.083	39.048.058	27.819.755
19	Other contractual cash inflows	5.894.295	27.638.100	5.876.880	27.637.791
20	**TOTAL CASH INFLOWS**	**59.184.300**	**60.852.183**	**44.924.938**	**55.457.546**
				Upper limit applied amounts	
21	**TOTAL HQLA STOCK**			**135.002.709**	**91.871.013**
22	**TOTAL NET CASH OUTFLOWS**			**66.342.183**	**25.233.435**
23	**Liquidity Coverage Ratio (%)**			**203,49**	**364,08**

(*) 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

		Rate of "Percentage to be taken into account" not Implemented Total value (*)		Rate of "Percentage to be taken into account" Implemented Total value (*)	
Prior Period - 31 December 2020		**TL+FC**	**FC**	**TL+FC**	**FC**
HIGH QUALITY LIQUID ASSETS (HQLA)					
1	High quality liquid assets			94.323.115	54.937.446
CASH OUTFLOWS					
2	Retail and Customers Deposits	197.692.680	117.924.753	18.270.258	11.792.475
3	Stable deposits	29.980.213	-	1.499.011	-
4	Less stable deposits	167.712.467	117.924.753	16.771.247	11.792.475
5	Unsecured Funding other than Retail and Small Business Customers Deposits	93.965.339	63.913.035	51.369.973	35.573.074
6	Operational deposits	-	-	-	-
7	Non-Operational Deposits	83.052.766	57.396.025	41.839.841	29.056.304
8	Other Unsecured Funding	10.912.573	6.517.010	9.530.132	6.516.770
9	Secured funding			1.174.897	1.174.897
10	Other Cash Outflows	21.413.142	24.692.260	12.060.275	16.674.526
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	11.033.977	15.803.687	11.033.977	15.803.687
12	Debts related to the structured financial products	11.075	-	11.075	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	10.368.090	8.888.573	1.015.223	870.839
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	934.540	-	46.727	-
15	Other irrevocable or conditionally revocable commitments	68.586.120	15.629.187	3.429.306	781.459
16	**TOTAL CASH OUTFLOWS**			**86.351.436**	**65.996.431**
CASH INFLOWS					
17	Secured Lending Transactions	3.679.842	-	-	-
18	Unsecured Lending Transactions	45.843.762	18.378.084	37.791.900	16.645.865
19	Other contractual cash inflows	6.322.324	27.776.566	6.316.216	27.775.443
20	**TOTAL CASH INFLOWS**	**55.845.928**	**46.154.650**	**44.108.116**	**44.421.308**
				Upper limit applied amounts	
21	**TOTAL HQLA STOCK**			**94.323.115**	**54.937.446**
22	**TOTAL NET CASH OUTFLOWS**			**42.243.320**	**21.575.123**
23	**Liquidity Coverage Ratio (%)**			**223,29**	**254,63**

(*) 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 173% during the period and remain at a quite higher level that the legal lower limit.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 55% and securities issued by Treasury of Republic of Turkey by 35%. Funding sources are mainly distributed between individual and retail deposits by 61%, corporate deposits by 22%, borrowings from banks by 3% and collateralized borrowings such as repurchase agreements by 9%.

Cash outflow amounting to TL 1.690 million is calculated based on the change of margin call amounts of derivative transactions during the last 2 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 2021	
	TL+FC	**FC**
October	172,77	237,55
November	203,94	342,34
December	240,93	414,82

	Prior Period - 31 December 2020	
	TL+FC	**FC**
October	209,16	229,25
November	239,61	281,26
December	223,66	257,43

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Breakdown of assets and liabilities according to their outstanding maturities:

Current Period – 31 December 2021	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	46.879.581	44.719.906	287.285	-	-	-	-	**91.886.772**
Banks (******)	48.402.039	2.992.146	2.076.501	-	-	-	-	**53.470.686**
Financial Assets at Fair Value Through Profit or Loss	2.669.259	32.592	28.718	7.544.556	407.404	126.846	-	**10.809.375**
Interbank Money Market Placements	-	2.824.281	24.331	-	-	-	-	**2.848.612**
Financial Assets measured at other comprehensive income	838.454	870.035	4.031.188	8.356.944	63.275.696	22.939.105	-	**100.311.422**
Loans (*)	168.770	75.960.820	52.629.414	96.150.208	120.027.033	41.624.234	18.227.817	**404.788.296**
Financial Assets measured at amortised cost	-	298.289	2.776.285	5.633.831	19.693.698	24.183.457	-	**52.585.560**
Other Assets (**)	3.128.691	8.025.367	5.492.042	9.451.775	14.023.972	13.667.673	(7.691.913)	**46.097.607**
Total Assets	**102.086.794**	**135.723.436**	**67.345.764**	**127.137.314**	**217.427.803**	**102.541.315**	**10.535.904**	**762.798.330**
Liabilities								
Bank Deposits	1.776.500	5.629.678	5.071.644	1.358.720	-	-	-	**13.836.542**
Other Deposits	161.074.212	176.541.029	68.957.954	22.768.320	9.032.577	1.339.945	-	**439.714.037**
Borrowings	-	229.187	3.341.046	28.879.827	25.640.010	1.882.970	-	**59.973.040**
Funds from Interbank Money Market	-	44.337.122	2.546.553	10.801.101	3.027.514	3.925.171	-	**64.637.461**
Marketable Securities Issued (Net) (***)	-	2.629.010	2.823.717	9.775.391	15.119.756	18.660.721	-	**49.008.595**
Miscellaneous Payables	1.227.967	1.634.723	2.612.212	3.193.817	4.398.190	1.339.421	8.647.299	**23.053.629**
Other Liabilities (****)	15.941.238	6.447.822	5.148.844	6.928.729	8.839.770	3.316.849	65.951.774	**112.575.026**
Total Liabilities	**180.019.917**	**237.448.571**	**90.501.970**	**83.705.905**	**66.057.817**	**30.465.077**	**74.599.073**	**762.798.330**
Net Liquidity Excess / (Gap)	**(77.933.123)**	**(101.725.135)**	**(23.156.206)**	**43.431.409**	**151.369.986**	**72.076.238**	**(64.063.169)**	**-**
Net Off-balance sheet Position	-	3.671.295	(1.045.631)	2.999.363	6.624.981	8.066.514	-	**20.316.522**
Financial Derivative Assets	-	111.889.315	104.345.394	100.094.580	145.801.006	82.455.429	-	**544.585.724**
Financial Derivative Liabilities	-	108.218.020	105.391.025	97.095.217	139.176.025	74.388.915	-	**524.269.202**
Non-cash Loans (*****)	**-**	**4.192.156**	**942.840**	**25.186.870**	**23.209.406**	**34.804.844**	**-**	**88.336.116**
Prior Period - 31 December 2020								
Total Assets	46.279.850	82.941.832	34.070.858	99.369.383	160.449.749	45.111.336	**10.093.567**	**478.316.575**
Total Liabilities	94.265.352	159.465.962	46.805.038	38.623.592	49.201.039	19.221.024	**70.734.568**	**478.316.575**
Net Liquidity Excess/ (Gap)	**(47.985.502)**	**(76.524.130)**	**(12.734.180)**	**60.745.791**	**111.248.710**	**25.890.312**	**(60.641.001)**	**-**
Net Off-balance sheet Position	-	(1.211.272)	(15.662)	3.174.289	4.405.896	3.263.040	-	**9.616.291**
Financial Derivative Assets	-	68.673.800	54.345.993	46.822.858	86.707.425	55.643.891	-	**312.193.967**
Financial Derivative Liabilities	-	69.885.072	54.361.655	43.648.569	82.301.529	52.380.851	-	**302.577.676**
Non-cash Loans (*****)	**-**	**1.704.272**	**1.110.275**	**11.024.630**	**13.213.186**	**24.383.289**	**-**	**51.435.652**

(*) 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 optional.

(******) Derivative collaterals given to foreign banks are included.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Breakdown of liabilities due to their remaining contractual maturities:

Current Period - 31 December 2021	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total
Liabilities						
Deposits	376.109.594	44.597.638	24.721.067	9.384.338	1.426.371	**456.239.008**
Funds borrowed from other financial institutions	256.097	3.570.506	29.919.746	27.562.090	2.008.640	**63.317.079**
Funds from interbank money market	44.409.128	2.549.876	10.894.771	3.285.674	4.077.582	**65.217.031**
Marketable Securities Issued	2.751.428	3.213.204	11.562.886	23.126.380	21.634.758	**62.288.656**

Prior Period - 31 December 2020	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total
Liabilities						
Deposits	234.282.330	36.488.594	13.015.644	9.246.901	1.084.694	**294.118.163**
Funds borrowed from other financial institutions	271.663	2.064.928	21.006.789	17.474.264	1.219.691	**42.037.335**
Funds from interbank money market	7.825.970	2.757.508	2.347.112	5.934.481	2.279.832	**21.144.903**
Marketable Securities Issued	3.066.160	2.694.593	1.989.037	13.258.152	11.517.157	**32.525.099**

Breakdown of derivative instruments due to their remaining contractual maturities:

Current Period - 31 December 2021	Up to 1 month	1-3 months	3-12 months	1-5 years	5 Years and Over
Derivatives held for trading					
Foreign exchange derivatives:					
– Inflow	107.022.530	99.545.807	61.606.380	30.012.745	6.393.372
– Outflow	(111.683.915)	(111.758.980)	(61.321.153)	(30.032.637)	(5.920.722)
Interest rate derivatives:					
– Inflow	382.027	936.181	2.355.465	4.248.089	1.235.062
– Outflow	(391.660)	(848.877)	(2.102.182)	(3.718.938)	(1.093.669)
Derivatives held for hedging					
Foreign exchange derivatives:					
– Inflow	3.004.059	99.193	1.838.063	4.694.245	14.653.748
– Outflow	(659.456)	(253.115)	(1.353.414)	(4.010.544)	(7.341.117)
Interest rate derivatives:					
– Inflow	217.937	786.064	2.819.865	5.904.526	1.780.110
– Outflow	(295.460)	(954.479)	(2.803.513)	(4.721.133)	(1.909.851)
Total Inflow	**110.626.553**	**101.367.245**	**68.619.773**	**44.859.605**	**24.062.292**
Total Outflow	**(113.030.491)**	**(113.815.451)**	**(67.580.262)**	**(42.483.252)**	**(16.265.359)**

Prior Period - 31 December 2020	Up to 1 month	1-3 months	3-12 months	1-5 years	5 Years and Over
Derivatives held for trading					
Foreign exchange derivatives:					
– Inflow	62.640.216	50.476.489	27.675.738	28.388.285	4.961.750
– Outflow	(68.099.978)	(60.590.019)	(28.843.219)	(27.877.974)	(4.659.973)
Interest rate derivatives:					
– Inflow	152.797	553.036	1.069.659	1.895.247	907.310
– Outflow	(136.947)	(577.404)	(979.965)	(1.689.159)	(814.875)
Derivatives held for hedging					
Foreign exchange derivatives:					
– Inflow	2.306.351	3.907.725	4.524.790	4.922.960	8.231.710
– Outflow	(2.221.126)	(2.676.210)	(3.107.033)	(5.641.826)	(6.923.534)
Interest rate derivatives:					
– Inflow	104.751	253.873	650.767	1.678.808	745.341
– Outflow	(119.225)	(347.027)	(962.957)	(2.417.487)	(1.009.045)
Total Inflow	**65.204.115**	**55.191.123**	**33.920.954**	**36.885.300**	**14.846.111**
Total Outflow	**(70.577.276)**	**(64.190.660)**	**(33.893.174)**	**(37.626.446)**	**(13.407.427)**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

VII. EXPLANATIONS ON LEVERAGE RATIO:

a. Information on subjects that causes difference in leverage ratio between current and prior periods:

As of 31 December 2021, the leverage ratio of the Group calculated from 3 months average amounts is 8,39% (31 December 2020: 10,10%). 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:

		Current Period 31 December 2021 (**)	Prior Period 31 December 2020 (**)
1	Total assets in the consolidated financial statements prepared in accordance with TAS (*)	714.955.819	497.936.391
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	6.262.339	4.804.212
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	(66.599.227)	(35.080.452)
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	(2.595.815)	(1.497.887)
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	213.162.595	142.201.626
7	Total Risk	865.185.711	608.363.890

(*) 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.
(**) Three months average values in the related periods.

c. Disclosure of Leverage ratio template:

		Current Period 31 December 2021 (*)	Prior Period 31 December 2020 (*)
	Balance sheet Assets		
1	Balance sheet assets (excluding derivative financial assets and credit derivatives, including collaterals)	671.754.783	470.896.975
2	(Assets deducted from Core capital)	-	-
3	Total risk amount of balance sheet assets (sum of lines 1 and 2)	671.754.783	470.896.975
	Derivative financial assets and credit derivatives		
4	Cost of replenishment for derivative financial assets and credit derivatives	23.941.998	15.100.108
5	Potential credit risk amount of derivative financial assets and credit derivatives	6.262.339	4.804.212
6	Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	30.204.337	19.904.320
	Financing transactions secured by marketable security or commodity		
7	Risk amount of financing transactions secured by marketable security or commodity	5.125.027	5.858.367
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)	5.125.027	5.858.367
	Off-balance sheet transactions		
10	Gross notional amount of off-balance sheet transactions	160.697.379	113.202.115
11	(Correction amount due to multiplication with credit conversion rates)	(2.595.815)	(1.497.887)
12	Total risk of off-balance sheet transactions (sum of lines 10 and 11)	158.101.564	111.704.228
	Capital and total risk		
13	Core Capital	72.556.470	61.394.635
14	Total risk amount (sum of lines 3, 6, 9 and 12)	865.185.711	608.363.890
	Leverage ratio		
15	Leverage ratio	8,39	10,10

(*) Three months average values.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 Value		Fair Value	
	Current Period 31 December 2021	Prior Period 31 December 2020	Current Period 31 December 2021	Prior Period 31 December 2020
Financial Assets	**614.004.576**	**402.809.909**	**630.878.387**	**417.785.731**
Interbank Money Market Placements	2.848.612	488.547	2.848.745	488.319
Banks	53.470.686	17.416.075	53.471.289	17.416.543
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	100.311.422	58.204.145	100.311.422	58.204.145
Financial Assets Measured at Amortised Cost	52.585.560	41.885.059	58.406.922	41.963.675
Loans	404.788.296	284.816.083	415.840.009	299.713.049
Financial Liabilities	**585.626.502**	**371.806.897**	**588.149.567**	**376.413.324**
Bank Deposits	13.836.542	12.573.807	13.856.645	12.588.691
Other Deposits	439.714.037	279.945.200	440.771.356	279.913.600
Borrowings	59.973.040	40.262.614	62.269.927	43.309.884
Marketable Securities Issued (Net)	49.008.595	26.024.631	48.157.351	27.600.504
Miscellaneous Payables	23.094.288	13.000.645	23.094.288	13.000.645

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 2021	**1st Level**	**2nd Level**	**3rd Level**	**Total**
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	510.166	68.564	-	578.730
- Share Certificates	1.073.896	-	-	1.073.896
- Other Financial Assets (*)	427.561	1.386.278	7.342.910	9.156.749
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	78.655.303	-	-	78.655.303
- Share Certificates	-	-	-	-
- Other Financial Assets	18.526.943	3.113.297	-	21.640.240
Derivative Financial Assets				
- Derivative Financial Assets at Fair Value Through Profit or Loss	-	36.354.311	-	36.354.311
- Derivative Financial Assets at Fair Value Through Other Comprehensive Income	-	13.432.561	-	13.432.561
Loans	-	388.268.253	-	388.268.253
Financial Assets Measured at Amortised Cost				
- Government Debt Securities	57.421.367	-	-	57.421.367
- Other Financial Assets	985.555	-	-	985.555
Total Assets	**157.600.791**	**442.623.264**	**7.342.910**	**607.566.965**
Derivative Financial Liabilities				
- Derivative Financial Liabilities at Fair Value Through Profit or Loss	-	25.193.411	-	25.193.411
- Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	-	489.271	-	489.271
Deposits	-	454.628.001	-	454.628.001
Funds Borrowed	-	62.269.927	-	62.269.927
Funds from Interbank Money Market	-	64.794.941	-	64.794.941
Securities Issued (Net)	-	48.157.351	-	48.157.351
Total Liabilities	**-**	**655.532.902**	**-**	**655.532.902**

(*) 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Prior Period - 31 December 2020	1st Level	2nd Level	3rd Level	Total
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	189.938	-	-	189.938
- Share Certificates	305.711	-	-	305.711
- Other Financial Assets (*)	244.918	1.095.935	7.342.910	8.683.763
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	44.420.223	-	-	44.420.223
- Share Certificates	-	-	-	-
- Other Financial Assets	11.726.447	2.041.091	-	13.767.538
Derivative Financial Assets				
- Derivative Financial Assets at Fair Value Through Profit or Loss	1.897	18.117.990	-	18.119.887
- Derivative Financial Assets at Fair Value Through Other Comprehensive Income	-	4.738.479	-	4.738.479
Loans	-	284.816.083	-	284.816.083
Financial Assets Measured at Amortised Cost				
- Government Debt Securities	41.456.409	-	-	41.456.409
- Other Financial Assets	507.266	-	-	507.266
Total Assets	**98.852.809**	**310.809.578**	**7.342.910**	**417.005.297**
Derivative Financial Liabilities				
- Derivative Financial Liabilities at Fair Value Through Profit or Loss	54	14.162.050	-	14.162.104
- Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	-	678.869	-	678.869
Deposits	-	292.502.290	-	292.502.290
Funds Borrowed	-	43.309.884	-	43.309.884
Funds from Interbank Money Market	-	21.059.739	-	21.059.739
Securities Issued (Net)	-	27.600.504	-	27.600.504
Total Liabilities	**54**	**399.313.336**	**-**	**399.313.390**

(*) 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 31 December 2021	Prior Period 31 December 2020
Balances at Beginning of Period	**7.342.910**	**6.723.419**
Purchases During the Period	-	-
Disposals Through Sale/Redemptions	-	-
Valuation Effect (*)	-	619.491
Transfers	-	-
Balances at the End of Period	**7.342.910**	**7.342.910**

(*) As explained in the footnotes I-b and I-r of Section Five, prior period mentioned increase in value is evaluated together with the decrease in value of 477.249 TL in the assets of LYY Telekomünikasyon A.Ş. There is a net value increase of 142.241 TL in assets.

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:

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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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. Also, for stresses caused by the COVID-19 pandemic, the intensities are increased and the effects on equity and capital adequacy ratios are measured.

2. Overview of RWA:

		Risk Weighted Amount		**Minimum capital requirement**
		Current Period 31 December 2021	**Prior Period 31 December 2020**	**Current Period 31 December 2021**
1	Credit risk (excluding counterparty credit risk) (CCR)	377.040.902	282.417.186	30.163.272
2	Standardized approach (SA)	377.040.902	282.417.186	30.163.272
3	Internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	30.395.595	21.018.707	2.431.648
5	Standardized approach for counterparty credit risk (SA-CCR)	30.395.595	21.018.707	2.431.648
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	680.479	405.280	54.438
10	Investments made in collective investment companies – 1250% weighted risk approach	-	-	-
11	Settlement risk	800	-	64
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	26.350.720	16.091.736	2.108.058
17	Standardized approach (SA)	26.350.720	16.091.736	2.108.058
18	Internal model approaches (IMM)	-	-	-
19	Operational Risk	40.838.939	34.367.848	3.267.115
20	Basic Indicator Approach	40.838.939	34.367.848	3.267.115
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)**	**475.307.435**	**354.300.757**	**38.024.595**

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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

		Carrying values of items				
Current Period - 31.12.2021	**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	91.886.772	91.886.772	-	-	-	-
Banks	53.469.701	53.469.701	-	-	-	-
Receivables from money markets	2.848.612	2.848.612	-	-	-	-
Financial assets at fair value through P&L	10.809.375	10.119.088	-	-	690.287	-
Financial assets at fair value through other comprehensive income	100.311.422	100.308.803	40.231.789	-	-	2.619
Derivative financial assets	49.786.872	-	49.786.872	-	5.038.400	-
Loans (Net)	378.052.962	378.029.638	-	-	-	23.324
Lease Receivables (Net)	7.720.830	7.720.830	-	-	-	-
Factoring Receivables	-	-	-	-	-	-
Financial assets measured at amortised cost (Net)	52.566.568	52.566.568	25.564.815	-	-	-
Non-current assets and disposal groups classified as held for sale (Net)	232.296	232.296	-	-	-	-
Investments in associates (Net)	18.129	18.129	-	-	-	-
Investments in subsidiaries (Net)	-	-	-	-	-	-
Investments in joint ventures (Net)	-	-	-	-	-	-
Tangible assets (Net)	5.894.836	5.840.460	-	-	-	54.376
Intangible assets (Net)	1.499.602	-	-	-	-	1.499.602
Investment properties (Net)	-	-	-	-	-	-
Tax assets	124.001	124.001	-	-	-	-
Deferred tax assets	152.170	152.170	-	-	-	-
Other assets	7.424.182	7.424.182	-	-	-	-
Total assets	**762.798.330**	**710.741.250**	**115.583.476**	**-**	**5.728.687**	**1.579.921**
Liabilities						
Deposits	453.550.579	-	-	-	-	453.550.579
Funds Borrowed	59.973.040	-	-	-	-	59.973.040
Money Markets	64.637.461	-	63.256.050	-	-	-
Securities Issued	30.283.061	-	-	-	-	30.283.061
Funds	-	-	-	-	-	-
Financial Liabilities At Fair Value Through Profit Or Loss	-	-	-	-	-	-
Derivative Financial Liabilities	25.682.682	-	-	-	3.205.256	-
Factoring Liabilites	-	-	-	-	-	-
Lease Liabilities	590.360	-	-	-	-	590.360
Provisions	3.357.293	-	-	-	-	3.357.293
Current Tax Liability	2.404.491	-	-	-	-	2.404.491
Deferred Tax Liability	454.305	-	-	-	-	454.305
Liabilities For Property and Equipment Held For Sale and Related To Discontinued Operations (Net)	-	-	-	-	-	-
Subordinated Debt Instruments	18.725.534	-	-	-	-	18.725.534
Other Liabilities	27.180.211	-	-	-	-	27.180.211
Shareholders' Equity	75.959.313	-	-	-	-	75.959.313
Total liabilities	**762.798.330**	**-**	**63.256.050**	**-**	**3.205.256**	**672.478.187**

(*) 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

		Carrying values of items				
Prior Period - 31.12.2020	**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	47.676.321	47.676.321	-	-	-	-
Banks	12.410.935	12.410.935	-	-	-	-
Receivables from money markets	488.547	488.547	-	-	-	-
Financial assets at fair value through P&L	9.179.412	8.902.877	-	-	276.535	-
Financial assets at fair value through other comprehensive income	58.204.145	58.203.951	16.984.050	-	-	194
Derivative financial assets	22.858.366	-	22.858.366	-	3.517.712	-
Loans (Net)	262.658.172	262.657.714	-	-	-	458
Lease Receivables (Net)	5.188.396	5.188.396	-	-	-	-
Factoring Receivables	-	-	-	-	-	-
Financial assets measured at amortised cost (Net)	41.872.677	41.872.677	6.241.092	-	-	-
Non-current assets and disposal groups classified as held for sale (Net)	250.778	250.778	-	-	-	-
Investments in associates (Net)	14.795	14.795	-	-	-	-
Investments in subsidiaries (Net)	-	-	-	-	-	-
Investments in joint ventures (Net)	-	-	-	-	-	-
Tangible assets (Net)	6.003.406	5.957.324	-	-	-	46.082
Intangible assets (Net)	1.190.909	-	-	-	-	1.190.909
Investment properties (Net)	-	-	-	-	-	-
Tax assets	-	-	-	-	-	-
Deferred tax assets	147.990	147.990	-	-	-	-
Other assets	10.171.726	10.171.726	-	-	-	-
Total assets	**478.316.575**	**453.944.031**	**46.083.508**	**-**	**3.794.247**	**1.237.643**
Liabilities						
Deposits	292.519.007	-	-	-	-	292.519.007
Funds Borrowed	40.262.614	-	-	-	-	40.262.614
Money Markets	20.907.344	-	20.907.344	-	-	-
Securities Issued	19.306.217	-	-	-	-	19.306.217
Funds	-	-	-	-	-	-
Financial Liabilities At Fair Value Through Profit Or Loss	-	-	-	-	-	-
Derivative Financial Liabilities	14.840.973	-	-	-	2.621.655	-
Factoring Liabilites	-	-	-	-	-	-
Lease Liabilities	542.559	-	-	-	-	542.559
Provisions	2.501.055	-	-	-	-	2.501.055
Current Tax Liability	1.667.242	-	-	-	-	1.667.242
Deferred Tax Liability	124.458	-	-	-	-	124.458
Liabilities For Property and Equipment Held For Sale and Related To Discontinued Operations (Net)	-	-	-	-	-	-
Subordinated Debt Instruments	6.718.414	-	-	-	-	6.718.414
Other Liabilities	16.002.635	-	-	-	-	16.002.635
Shareholders' Equity	62.924.057	-	-	-	-	62.924.057
Total liabilities	**478.316.575**	**-**	**20.907.344**	**-**	**2.621.655**	**442.568.258**

(*) 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

2. Main sources of differences between regulatory exposure amounts and carrying values in financial statements:

	Current Period - 31.12.2021	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**	**707.367.600**	**710.741.250**	**-**	**115.583.476**	**5.728.687**
2	Liabilities carrying value amount under regulatory scope of consolidation	90.320.143	-	-	63.256.050	3.205.256
3	**Total net amount under regulatory scope of consolidation**	**617.047.457**	**710.741.250**	**-**	**52.327.426**	**2.523.431**
4	Off-balance sheet amounts	699.467.521	48.337.406	-	5.292.620	-
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		(115.667.492)	-	(16.253.834)	23.827.289
9	Differences due to risk reduction		(9.051.185)	-	-	-
10	**Exposure amounts considered for regulatory purposes**		**634.359.979**	**-**	**41.366.212**	**26.350.720**

(*)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 - 31.12.2020	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**	**444.887.642**	**453.944.031**	**-**	**46.083.508**	**3.794.247**
2	Liabilities carrying value amount under regulatory scope of consolidation	35.748.317	-	-	20.907.344	2.621.655
3	**Total net amount under regulatory scope of consolidation**	**409.139.325**	**453.944.031**	**-**	**25.176.164**	**1.172.592**
4	Off-balance sheet amounts	408.598.062	34.868.481	-	5.285.014	-
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		(11.168.382)	-	(3.233.981)	14.919.144
9	Differences due to risk reduction		(7.665.044)	-	-	-
10	**Exposure amounts considered for regulatory purposes**		**469.979.086**	**-**	**27.227.197**	**16.091.736**

(*)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.

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. İt 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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:

		Gross carrying values of (according to TAS)			
	Current Period - 31.12.2021	**Defaulted exposures**	**Non-defaulted exposures**	**Allowances/ impairments**	**Net values**
1	Loans	18.227.817	386.560.479	19.014.504	385.773.792
2	Debt Securities	-	160.622.109	162.632	160.459.477
3	Off-balance sheet explosures	1.544.171	174.127.879	653.180	175.018.870
4	**Total**	**19.771.988**	**721.310.467**	**19.830.316**	**721.252.139**

		Gross carrying values of (according to TAS)			
	Prior Period - 31.12.2020	**Defaulted exposures**	**Non-defaulted exposures**	**Allowances/ impairments**	**Net values**
1	Loans	17.880.294	266.935.789	16.969.515	267.846.568
2	Debt Securities	-	107.445.266	100.734	107.344.532
3	Off-balance sheet explosures	939.098	106.772.392	500.379	107.211.111
4	**Total**	**18.819.392**	**481.153.447**	**17.570.628**	**482.402.211**

3. Changes in stock of defaulted loans and debt securities:

		Current Period 31.12.2021	**Prior Period 31.12.2020**
1	**Defaulted loans and debt securities at end of the previous reporting period**	**17.880.294**	**15.430.545**
2	Loans and debt securities that have defaulted since the last reporting period	4.891.485	5.412.168
3	Returned to non-defaulted status	78.299	77.266
4	Amounts written off	1.557.732	805.049
5	Other changes	2.907.931	2.080.104
6	**Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5) Definitions**	**18.227.817**	**17.880.294**

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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 2021.

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 31.12.2021	**Prior Period 31.12.2020**
Domestic	378.272.780	255.180.784
European Union Countries	6.663.415	11.037.391
OECD Countries (*)	8.415	3.578
Off-Shore Banking Regions	313	120.842
USA, Canada	906.340	108.420
Other	709.216	484.774
Total	**386.560.479**	**266.935.789**

(*) OECD Countries other than EU countries, USA and Canada.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Breakdown by sector:

	Current Period 31.12.2021	**Prior Period 31.12.2020**
Agricultural	1.490.319	940.923
Farming and raising livestock	1.318.625	790.891
Forestry	168.312	142.533
Fishing	3.382	7.499
Manufacturing	114.090.168	77.724.546
Mining	5.289.428	3.208.827
Production	71.348.097	50.720.340
Electricity, Gas, Water	37.452.643	23.795.379
Construction	48.953.288	32.980.892
Services	97.085.423	69.513.755
Wholesale and Retail Trade	42.220.456	31.929.420
Hotel,Food,Beverage Services	10.235.803	7.112.556
Transportation and Telecommunication	15.763.541	9.820.456
Financial Institutions	23.516.315	16.310.380
Real Estate and Lending Services	677.672	473.998
Self employment Service	630.202	580.012
Education Service	553.294	652.763
Health and social Services	3.488.140	2.634.170
Other	124.941.281	85.775.673
Total	**386.560.479**	**266.935.789**

Breakdown by outstanding maturity:

Current Period 31.12.2021	**Demand Deposit**	**Up to 1 Month**	**1 – 3 Months**	**3 – 12 Months**	**1 – 5 Years**	**5 Years and Over**	**Total**
Loans	168.770	75.960.820	52.629.414	96.150.208	120.027.033	41.624.234	**386.560.479**

Prior Period 31.12.2019	**Demand Deposit**	**Up to 1 Month**	**1 – 3 Months**	**3 – 12 Months**	**1 – 5 Years**	**5 Years and Over**	**Total**
Loans	128.049	55.434.659	27.255.824	67.007.590	93.682.182	23.427.485	**266.935.789**

f) Amounts of provision allocated receivables based on geographical area and sector and amounts deducted from the assets with the related provisions:

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Breakdown by geographical area:

	Current Period - 31.12.2021		Prior Period - 31.12.2020	
	Loans Under Follow-up	Stage 3 Provisions	Loans Under Follow-up	Stage 3 Provisions
Domestic	17.305.502	11.274.300	17.033.700	10.611.066
European Union Countries	922.208	524.755	846.413	482.004
OECD Countries (*)	6	3	-	-
Off-Shore Banking Regions	30	30	30	30
USA, Canada	24	20	40	39
Other	47	41	111	99
Total	**18.227.817**	**11.799.149**	**17.880.294**	**11.093.238**

(*) OECD Countries other than EU countries, USA and Canada.

Breakdown by sector:

	Current Period - 31.12.2021		Prior Period - 31.12.2020	
	Loans Under Follow-up	Stage 3 Provisions	Loans Under Follow-up	Stage 3 Provisions
Agricultural	20.490	18.332	25.562	20.769
Farming and raising livestock	16.390	14.774	20.647	17.211
Forestry	3.775	3.300	4.897	3.542
Fishing	325	258	18	16
Manufacturing	3.823.074	2.371.246	3.057.125	1.747.265
Mining	585.302	276.460	500.789	223.519
Production	1.479.099	1.048.251	1.632.792	1.083.911
Electricity, Gas, Water	1.758.673	1.046.535	923.544	439.835
Construction	6.727.500	4.201.194	7.594.719	4.458.965
Services	4.663.008	2.857.534	4.786.850	2.942.233
Wholesale and Retail Trade	2.368.058	1.703.661	2.520.741	1.799.349
Hotel,Food,Beverage Services	794.268	258.200	736.217	207.349
Transportation and Telecommunication	131.370	98.023	132.627	97.951
Financial Institutions	1.173.050	656.165	1.090.046	616.749
Real Estate and Lending Services	6.988	5.953	90.116	87.829
Self employment Service	4.231	3.435	4.124	3.265
Education Service	114.525	75.722	114.804	71.065
Health and social Services	70.618	56.375	98.175	58.676
Other	2.993.745	2.350.843	2.416.038	1.924.006
Total	**18.227.817**	**11.799.149**	**17.880.294**	**11.093.238**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

g) Aging analysis for overdue receivables:

	Current Period 31.12.2021	Prior Period 31.12.2020 (*)
30-60 days overdue	1.348.709	598.530
60-90 days overdue	891.877	421.459
More than 90 days overdue	7.791	1.165.481
Total	**2.248.377**	**2.185.470**

(*) Within the scope of the decisions taken by the BRSA, expected delay time for the classification in the Second Group due to the delay time has been moved from the end of the 30th delay day to the end of the 90th delay day, and expected delay time for the classification as a non-performing loan has been moved from the end of the 90th delay day to the end of the 180th delay day. According to the BRSA's decision no.9312 dated 8 December 2020, related matter was valid until 30 June 2021.

h. Breakdown of restructured receivables based on whether or not provisions are allocated:

Restructured Receivables	Current Period 31.12.2021	Prior Period 31.12.2020
Loans restructured from Loans underFollow-up and Other Receivables	26.852.680	19.409.794
Loans restructured from Non-Performing Loans	1.950.158	2.374.750

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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

5. Credit risk mitigation techniques – overview:

	Current Period - 31.12.2021	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	376.016.191	9.757.601	8.471.027	1.113.349	936.284	-	-
2	Debt Securities	160.459.477	-	-	-	-	-	-
3	**Total**	**536.475.668**	**9.757.601**	**8.471.027**	**1.113.349**	**936.284**	**-**	**-**
4	Of which defaulted	18.227.817	-	-	-	-	-	-

	Prior Period - 31.12.2020	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	258.266.270	9.580.298	7.687.915	3.798.864	3.040.211	-	-
2	Debt Securities	107.344.532	-	-	-	-	-	-
3	**Total**	**365.610.802**	**9.580.298**	**7.687.915**	**3.798.864**	**3.040.211**	**-**	**-**
4	Of which defaulted	17.880.294	-	-	-	-	-	-

6. Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk:

The ratings given by the international credit rating agency Fitch Ratings are used to determine the risk weights to be applied in the calculation of capital adequacy. Fitch Ratings are limited to the receivables of the counterparty residing abroad; central government or central banks, banks and corporate receivables.

7. Standardised approach – Credit risk exposure and credit risk mitigation (CRM) effects:

	Current Period - 31.12.2021	Exposures before credit conversion factor and CRM		Exposures post-credit conversion factor and CRM		RWA and RWA density	
	Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or central banks	175.158.196	8.280.789	176.094.480	132.500	252.584	%0,14
2	Exposures to regional governments or local authorities	134.452	-	134.452	-	67.226	%50,00
3	Exposures to public sector entities	322.159	162.129	316.458	64.822	381.280	%100,00
4	Exposures to multilateral development banks	-	-	-	-	-	-
5	Exposures to international organisations	-	-	-	-	-	-
6	Exposures to institutions	53.493.840	12.743.045	53.483.096	3.462.613	17.476.827	%30,69
7	Exposures to corporates	213.556.846	66.439.719	205.465.888	36.452.650	235.381.812	%97,30
8	Retail exposures	82.657.121	59.806.176	81.480.215	6.376.392	67.566.458	%76,91
9	Exposures secured by residential property	11.717.212	292.510	11.701.470	125.110	4.139.303	%35,00
10	Exposures secured by commercial real estate	12.682.057	2.194.420	12.682.057	1.301.773	8.501.516	%60,80
11	Past-due loans	6.450.940	-	6.450.940	-	5.171.145	%80,16
12	Higher-risk categories by the Agency Board	17.953.908	939.438	17.846.647	421.546	27.205.804	%148,92
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)	546.622	-	546.622	-	546.622	%100,00
16	Other assets	19.412.171	-	19.412.171	-	10.622.144	%54,72
17	Investments in equities	408.077	-	408.077	-	408.077	%100,00
18	**Total**	**594.493.601**	**150.858.226**	**586.022.573**	**48.337.406**	**377.720.798**	**%60,02**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Prior Period - 31.12.2020	Exposures before credit conversion factor and CRM		Exposures post-credit conversion factor and CRM		RWA and RWA density	
	Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Exposures to central governments or central banks	127.563.092	4.173	130.626.174	2.052	578.773	%0,44
2	Exposures to regional governments or local authorities	172.157	16	172.157	8	86.083	%50,00
3	Exposures to public sector entities	300.129	106.105	294.609	42.501	337.111	%100,00
4	Exposures to multilateral development banks	-	-	-	-	0	-
5	Exposures to international organisations	-	-	-	-	0	-
6	Exposures to institutions	26.949.463	11.374.976	26.944.167	2.748.462	11.097.424	%37,37
7	Exposures to corporates	173.473.322	44.174.766	166.063.248	26.260.134	186.932.524	%97,20
8	Retail exposures	72.270.640	47.720.163	69.676.523	4.472.774	55.611.973	%75,00
9	Exposures secured by residential property	8.035.345	265.748	8.029.452	113.675	2.850.095	%35,00
10	Exposures secured by commercial real estate	9.672.736	1.351.953	9.539.042	935.821	7.085.104	%67,64
11	Past-due loans	6.783.197	-	6.783.197	-	5.990.558	%88,31
12	Higher-risk categories by the Agency Board	-	634.643	-	293.057	342.736	-
13	Collateralized securities	-	-	-	-	0	-
14	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	0	-
15	Exposures in the form of units or shares in collective investment undertakings (CIUs)	1.465.529	22.234	1.465.529	-	1.465.529	%100,00
16	Other assets	15.167.978	-	15.167.978	-	10.096.034	%66,56
17	Investments in equities	348.521	-	348.521	-	348.521	%100,00
18	**Total**	**442.202.109**	**105.654.777**	**435.110.597**	**34.868.484**	**282.822.465**	**%60,18**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

8. Standardised Approach – Exposures by asset classes and risk weights:

	Current Period - 31.12.2021 **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	175.324.520	-	625.319	-	-	254.119	-	-	-	-	23.022	176.226.980
2	Exposures to regionalgovernments or local authorities	-	-	-	-	-	134.452	-	-	-	-	-	134.452
3	Exposures to public sector entities	-	-	-	-	-	-	-	381.280	-	-	-	381.280
4	Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	Exposures to international organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to institutions	311.230	-	36.288.172	-	-	20.254.289	-	91.957	61	-	-	56.945.709
7	Exposures to corporates	-	-	2.021.784	-	-	9.838.599	-	230.058.155	-	-	-	241.918.538
8	Retail exposures	-	-	-	-	-	-	81.160.597	6.696.010	-	-	-	87.856.607
9	Exposures secured by residential property	-	-	-	-	11.826.580	-	-	-	-	-	-	11.826.580
10	Exposures secured by commercial real estate	-	-	-	-	-	10.964.630	-	3.019.200	-	-	-	13.983.830
11	Past-due loans	-	-	-	-	-	3.614.626	-	1.781.279	1.055.035	-	-	6.450.940
12	Higher-risk categories by the Agency Board	-	-	-	-	16.052	1	-	356.048	17.896.092	-	-	18.268.193
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)	-	-	-	-	-	-	-	546.622	-	-	-	546.622
16	Investments in equities	-	-	-	-	-	-	-	408.077	-	-	-	408.077
17	Other assets	8.789.900	-	156	-	-	-	-	10.622.115	-	-	-	19.412.171
18	**Total**	**184.425.650**	**-**	**38.935.431**	**-**	**11.842.632**	**45.060.716**	**81.160.597**	**253.960.743**	**18.951.188**	**-**	**23.022**	**634.359.979**

(*) Total credit risk exposure amount after Credit Conversion Factor (CCF) and Credit Risk Mitigation (CRM)

	Prior Period - 31.12.2020 **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	129.824.641	-	281.014	-	-	-	-	522.571	-	-	-	130.628.226
2	Exposures to regionalgovernments or local authorities	-	-	-	-	-	172.165	-	-	-	-	-	172.165
3	Exposures to public sector entities	-	-	-	-	-	-	-	337.111	-	-	-	337.111
4	Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	Exposures to international organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Exposures to institutions	351.113	-	13.033.870	-	-	15.633.992	-	673.655	-	-	-	29.692.629
7	Exposures to corporates	906.093	-	873.497	-	-	7.571.935	-	182.971.857	-	-	-	192.323.382
8	Retail exposures	-	-	-	-	-	-	74.149.297	-	-	-	-	74.149.297
9	Exposures secured by residential property	-	-	-	-	8.143.127	-	-	-	-	-	-	8.143.127
10	Exposures secured by commercial real estate	-	-	-	-	-	6.779.517	-	3.695.346	-	-	-	10.474.863
11	Past-due loans	-	-	-	-	-	3.062.901	-	2.242.673	1.477.623	-	-	6.783.197
12	Higher-risk categories by the Agency Board	-	-	-	-	-	72.219	-	49.261	171.577	-	-	293.057
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)	-	-	-	-	-	-	-	1.465.529	-	-	-	1.465.529
16	Investments in equities	-	-	-	-	-	-	-	348.521	-	-	-	348.521
17	Other assets	5.071.921	-	29	-	-	-	-	10.096.028	-	-	-	15.167.978
18	**Total**	**136.153.768**	**-**	**14.188.410**	**-**	**8.143.127**	**33.292.730**	**74.149.297**	**202.402.552**	**1.649.200**	**-**	**-**	**469.979.084**

(*) Total credit risk exposure amount after Credit Conversion Factor (CCF) and Credit Risk Mitigation (CRM).

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 reviewd 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 - 31.12.2021	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)	26.427.321	5.292.620		1,4	31.719.941	16.279.148
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, Marketable Security transactions with credit)	-	-	-	-	8.589.834	2.706.966
5	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	-	-	-	-	8.589.834	2.706.966
6	**Total**						**18.986.114**

(*) Effective Expected Positive Exposure

	Prior Period - 31.12.2020	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)	14.951.216	4.966.890	-	1,4	19.918.106	12.197.577
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, Marketable Security transactions with credit)	-	-	-	-	6.679.608	2.534.421
5	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	-	-	-	-	6.679.608	2.534.421
6	**Total**						**14.731.998**

(*) Effective Expected Positive Exposure

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

3. Credit valuation adjustment (CVA) capital charge:

		Current Period - 31.12.2021		Prior Period - 31.12.2020	
		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	31.719.941	11.372.409	19.918.106	6.263.204
4	**Total subject to the CVA capital charge**	**31.719.941**	**11.372.409**	**19.918.106**	**6.263.204**

4. Standardised approach of CCR exposures by regulatory portfolio and risk weights:

Current Period - 31.12.2021

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure (*)
Regulatory portfolia									
Claims from central governments and central banks	7.108.305	-	-	-	-	-	-	-	-
Claims from regional and local governments	-	-	-	-	-	-	-	-	-
Claims from administration and non commercial entity	-	-	-	-	-	159	-	-	159
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Claims from international organizations	-	-	-	-	-	-	-	-	-
Claims from institutions	-	-	7.970.732	15.286.995	-	-	-	-	9.237.644
Corporates	-	-	196.992	20	-	9.582.041	-	-	9.621.449
Retail portfolios	-	-	-	-	159.913	-	-	-	119.935
Other claims(**)	-	-	-	-	-	-	4.618	-	6.927
Total	**7.108.305**	**-**	**8.167.724**	**15.287.015**	**159.913**	**9.582.200**	**4.618**	**-**	**18.986.114**

(*) 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.

Prior Period - 31.12.2020

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure (*)
Regulatory portfolia									
Claims from central governments and central banks	377.881	-	-	-	-	-	-	-	-
Claims from regional and local governments	-	-	-	-	-	-	-	-	-
Claims from administration and non commercial entity	-	-	-	-	-	11	-	-	11
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Claims from international organizations	-	-	-	-	-	-	-	-	-
Claims from institutions	-	-	7.425.455	11.060.997	-	41.907	-	-	7.057.497
Corporates	-	-	-	1.132	-	7.619.692	-	-	7.620.258
Retail portfolios	-	-	-	-	65.629	-	-	-	49.222
Other claims(**)	-	-	-	-	-	5.011	-	-	5.011
Total	**377.881**	**-**	**7.425.455**	**11.062.129**	**65.629**	**7.666.621**	**-**	**-**	**14.731.998**

(*) 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 Period - 31.12.2021		Prior Period - 31.12.2020	
	Protection bought	**Protection Sold**	**Protection bought**	**Protection Sold**
Nominal				
Single-name credit default	2.292.588	-	1.276.137	22.258
Index credit default swaps	-	-	-	-
Total return swaps	-	11.329.650	-	7.842.346
Credit options	-	-	-	-
Other credit derivatives	-	-	-	-
Total notionals	**2.292.588**	**11.329.650**	**1.276.137**	**7.864.604**
Fair values				
Positive fair value (asset)	243.166	4.456.373	72.533	2.855.790
Negative fair value (liability)	-	-	-	-

7. Exposures to central counterparties (CCP):

		Current Period - 31.12.2021		Prior Period - 31.12.2020	
		Exposure at default (post-CRM)	**RWA**	**Exposure at default (post-CRM)**	**RWA**
1	**Exposure to Qualified Central Counterparties (QCCPs) (total)**		**37.654**		**56.693**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1.056.438	37.071	629.483	23.505
3	(i) OTC Derivatives	1.056.438	37.071	629.483	23.505
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	25.902	583	33.188	33.188
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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 2021, 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 31.12.2021	**Prior Period 31.12.2020**
		RWA	**RWA**
	Outright products (*)		
1	Interest rate risk (general and specific)	3.293.288	2.116.008
2	Equity risk (general and specific)	1.896.013	438.762
3	Foreign exchange risk	20.824.872	13.494.266
4	Commodity risk	2.659	-
	Options		
5	Simplified approach	-	-
6	Delta-plus method	333.888	42.700
7	Scenario approach	-	-
8	Securitisation	-	-
9	**Total**	**26.350.720**	**16.091.736**

(*) Outright products refer to positions in products that are not optional.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 2020 is calculated by using the gross income of the Bank in 2018, 2019 and 2020.

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.

	31.12.2018	31.12.2019	31.12.2020	Total/Positive GI year number	Ratio (%)	Total
Gross income	20.172.377	20.708.463	24.461.462	3	15	3.267.115
Amount subject to Operational Risk (Amount*12,5)						40.838.939

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:

Currency	Applied Shock (+/- x basis points)	Gains / Losses	Gains / Shareholders' Equity - Losses/ Shareholders' Equity
TL	(400)	3.147.922	3,13%
TL	500	(3.614.936)	-3,60%
USD	(200)	(24.617)	-0,02%
USD	200	663.352	0,66%
EURO	(200)	159.257	0,16%
EURO	200	(1.245.563)	-1,24%
Total (for negative shocks)		**3.282.562**	**3,27%**
Total (for positive shocks)		**(4.197.147)**	**(4,18)%**

XI. EXPLANATIONS ON HEDGE TRANSACTIONS:

The Group hedges its TL and foreign denominated fixed rate financial assets with cross currency swaps and interest 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 in 2021, new alternative interest rates will be used instead of the current benchmark interest rates, especially Libor. In addition to floating rate assets such as securities indexed to benchmark interest rates and loans, Banks' financial statements include liabilities such as securities issued, borrowed loans and derivative transactions, and off-balance sheet instruments. With the regulations published in September 2019 and December 2020 regarding the implementation of the aforementioned reform, early implementation of the amendments was permitted, while temporary exemption was given to the applications related to the determination of cash flows of hedge accounting and the termination of transactions. A working group was established to evaluate the impact of the interest rate reform on the financial statements and to adapt to reform. Reform changes have not been implemented early and developments are followed by the working group.

The average remaining maturity of the floating-rate USD Libor-Indexed borrowings directly affected by the interest rate reform is 3,3 years and the remaining amount is USD 951.393. Foreign currency interest swap transactions were made to hedge the cash flow risk of the aforementioned borrowing and subject to hedge accounting. There is no hedge accounting transaction terminated under the published exceptions.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

As of 31 December 2021, 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 Period 31 December 2021			Prior Period 31 December 2020		
	Notional Amount	**Assets**	**Liabilities**	**Notional Amount**	**Assets**	**Liabilities**
Interest Rate and Cross Currency Swaps						
-TL	38.163.770	15.412.862	331.573	20.923.980	7.956.205	424.660
-FC	122.991.616	776.704	694.631	63.594.359	12.998	1.015.179
Total	**161.155.386**	**16.189.566**	**1.026.204**	**84.518.339**	**7.969.203**	**1.439.839**

1. Explanations on Accounting Net Investment Hedge:

The Group has been using hedge against fair value strategy to hedge against foreign currency risk born of EUR 787 million (31 December 2020: EUR 787 million) which represents share premiums and paid-in-capital of Akbank AG, one of its subsidiaries. EUR 787 million of syndication loans used by the Group have been classified as "hedge instruments."

2. Explanations on Fair Value Hedge:

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 other comprehensive income	Interest rate risk	(293.557)	255.051	(38.506)
Cross-currency swap	Fixed interest rate TL financial assets at fair value through other comprehensive income, FC borrowings	Interest rate and currency risk	39.753	(39.469)	284
Cross-currency swap	Fixed interest rate TL financial assets at fair value throug other comprehensive income, FC borrowings	Interest rate and currency risk	(91.345)	84.039	(7.306)
Interest Rate Swap	Fixed interest rate TL Commercial Loans	Interest rate risk	44	(187)	(143)
Cross-currency swap	Fixed interest rate TL Commercial Loans. FC borrowings	Interest rate and currency risk	8.600	(8.558)	42
Interest Rate Swap	Fixed interest rate TL Securities Issued	Interest rate risk	(46.140)	49.696	3.556
Interest Rate Swap	Fixed interest rate Lease Receivables	Interest rate risk	-	-	-

(*) 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.

(**) 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Prior Period - 31 December 2020

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 other comprehensive income	Interest rate risk	(534.522)	487.716	(46.806)
Cross-currency swap	Fixed interest rate TL financial assets at fair value through other comprehensive income, FC borrowings	Interest rate and currency risk	16.031	(16.419)	(388)
Cross-currency swap	Fixed interest rate TL financial assets at fair value through other comprehensive income, FC borrowings	Interest rate and currency risk	(67.317)	63.459	(3.858)
Cross-currency swap	Fixed interest rate TL Mortgage Loans, FC borrowings	Interest rate and currency risk	1.896.556	(1.890.232)	6.324
Interest Rate Swap	Fixed interest rate TL Commercial Loans	Interest rate risk	(4.070)	4.181	111
Cross-currency swap	Fixed interest rate TL Commercial Loans. FC borrowings	Interest rate and currency risk	(28.992)	28.662	(330)
Interest Rate Swap	Fixed interest rate TL Securities Issued	Interest rate risk	(64.929)	69.179	4.250
Interest Rate Swap	Fixed interest rate Lease Receivables	Interest rate risk	(26)	23	(3)

(*) 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.
(**) 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 2021, related to fair value hedge transactions, the remaining net amount after amortization of the fair value change of the hedged items since the beginning of hedge accounting is TL 2.779 (31 December 2020: TL 695).

3. Explanations on Cash Flow Hedge:

Hedging instrument	Hedged item	Nature of risk hedged	Hedging instrument 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	-	203.465	(51.984)	(177.515)	8.805
Cross Currency Swap	Short term FC commercial deposits	Cash Flow risk due to changes in interest rate of funds	12.194.356	-	721.418	(1.032.473)	80.938
Interest Rate Swap	Short term TL deposits	Cash Flow risk due to changes in interest rate of funds	1.047.160	1.660	1.549.753	149.875	24.411
Interest Rate Swap	Short term FC deposits	Cash Flow risk due to changes in interest rate of funds	189.325	9.550	135.070	(28.801)	6.671
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	1.720	274.596	(301.489)	(28.948)	1.165

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 2021, related to cash flow hedge transactions, the remaining before tax amount in equity after amortization of the fair value change of the hedging instruments, since the beginning of hedge accounting is TL 34.396 (31 December 2020: TL 28.746).

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 once in 2021. 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 2021, there are 23 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.

XIII. EXPLANATIONS ON BUSINESS SEGMENTS:

The Group operates retail 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.
Retail 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. Retail Banking provides financial solutions and banking services to SME customers.

Corporate Banking and 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. 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. 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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.

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.Ş as subsidiaries of the Bank in consolidation.

Information on business segments as of 31 December 2021 and 31 December 2020 presented in the following tables. Explanations on business segments are prepared on the basis of data obtained from Bank Management Reporting System.

	Retail Banking	Commercial Banking, SME Banking, Corporate-Investment and Private Banking	Treasury	Other and Unallocated	Group's Total Activities
Current Period - 31 December 2021					
Operating Income	12.812.038	9.044.816	3.299.822	14.350.607	39.507.283
Profit from Operating Activities	3.672.986	7.572.216	2.755.594	2.626.510	16.627.306
Income from Subsidiaries	-	-	-	13.156	13.156
Profit before Tax	3.672.986	7.572.216	2.755.594	2.639.666	16.640.462
Tax Expense	-	-	-	(4.513.271)	(4.513.271)
Net Profit for the Period	3.672.986	7.572.216	2.755.594	(1.873.605)	12.127.191
Segment Assets	149.235.137	292.940.200	284.100.942	13.581.758	739.858.037
Investments in Associates.	-	-	-	18.129	18.129
Undistributed Assets	-	-	-	22.922.164	22.922.164
Total Assets					762.798.330
Segment Liabilities	282.729.655	161.813.650	199.440.835	13.509.258	657.493.398
Undistributed Liabilities	-	-	-	29.345.619	29.345.619
Shareholders' Equity	-	-	-	75.959.313	75.959.313
Total Liabilities					762.798.330

	Retail Banking	Commercial Banking, SME Banking, Corporate-Investment and Private Banking	Treasury	Other and Unallocated	Group's Total Activities
Prior Period - 31 December 2020					
Operating Income	9.893.002	7.116.984	6.706.342	2.251.831	25.968.159
Profit from Operating Activities	2.459.746	635.219	6.295.997	(1.111.669)	8.279.293
Income from Subsidiaries	-	-	-	4.866	4.866
Profit before Tax	2.459.746	635.219	6.295.997	(1.106.803)	8.284.159
Tax Expense	-	-	-	(2.024.511)	(2.024.511)
Net Profit for the Period	2.459.746	635.219	6.295.997	(3.131.314)	6.259.648
Segment Assets	101.012.305	198.994.220	148.545.090	8.974.388	457.526.003
Investments in Associates.	-	-	-	14.795	14.795
Undistributed Assets	-	-	-	20.775.777	20.775.777
Total Assets					478.316.575
Segment Liabilities	190.212.425	96.610.017	103.254.640	8.770.417	398.847.499
Undistributed Liabilities	-	-	-	16.545.019	16.545.019
Shareholders' Equity	-	-	-	62.924.057	62.924.057
Total Liabilities					478.316.575

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

SECTION FIVE
INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED 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:

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Cash/Foreign Currency	1.953.656	7.989.466	1.770.526	3.165.685
The CBRT (*)	9.941.916	71.850.576	2.628.104	39.976.266
Other (**)	-	151.158	-	135.740
Total	**11.895.572**	**79.991.200**	**4.398.630**	**43.277.691**

(*) Precious metal account amounting to TL 2.001.693 are included in FC (31 December 2020: TL 2.037.937).
(**) Precious metal account amounting to TL 150.924 are included in FC (31 December 2020: TL 135.710).

2. Information related to the account of the CBRT:

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Unrestricted Demand Deposits	8.574	-	433	-
Unrestricted Time Deposits	-	-	-	-
Restricted Time Deposits	-	-	-	-
Reserve Requirement	9.933.342	71.850.576	2.627.671	39.976.266
Total	**9.941.916**	**71.850.576**	**2.628.104**	**39.976.266**

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. According to the Communiqué on Required Reserves published in the Official Gazette dated 01.07.2021 and numbered 31528, the facility for maintain Turkish lira reserve requirements in foreign currency was terminated as of October 1, 2021.

The required reserve rates for TL liabilities vary between 3% and 8% for TL deposits and other liabilities according to their maturities as of 31 December 2021 (31 December 2020: 1% and 6% for all TL liabilities). The reserve rates for foreign currency liabilities vary between 5% and 26% for deposit and other foreign currency liabilities according to their maturities as of 31 December 2021 (31 December 2020: 5% and 22% for all foreign currency liabilities).

Within the scope of the Communiqué No. 2021/14 on Supporting the Conversion of Turkish Lira Deposit and Participation Accounts, the conversion rate from foreign currency deposit accounts in US dollars, Euros and British Pounds and participation fund accounts in foreign currency to time deposits and participation funds in Turkish lira as of the obligation date of 15/4/2022 It has been decided not to apply an annual commission of 1,5% to the banks that have reached the 10% level and the 20% level as of the 8/7/2022 obligation date, up to the amount to be kept for their liabilities until the end of 2022.

b. Financial Assets at Fair Value Through Profit or Loss

As of 31 December 2021, financial assets at fair value through profit or loss given as collateral/blocked (31 December 2020: TL 9.995); and there are no financial assets subject to repo transactions (31 December 2020: None).

Other Financial Assets:

In the previous period, syndication loans extended to Ojer Telekomünikasyon A.Ş. were restructured. Within this scope, a pledge was established in favor of lenders in order to establish collateral for these loans. LYY Telekomünikasyon A.Ş., which was established as a special-purpose company in which 192.500.000.000 Group A shares, which constitute 55% of Türk Telekom's issued capital, are all direct or indirect partners. The acquisition of the company (formerly Levent Yapılandırma Yönetimi A.Ş.) was completed on 21 December 2018. The Bank has participated in LYY Telekomünikasyon A.Ş. with a 35.56% share in the receivables from OTAŞ.

Later on, at the Ordinary General Assembly Meeting of LYY Telekomünikasyon A.Ş. which was held on 23 September 2019, it was decided to convert some of the loan into capital and add it to the capital of LYY Telekomünikasyon A.Ş. The nominal value of their shares in TL increased from 18 TL to 1.416.090 TL. This amount is classified in the financial statements under the line "Assets for Sale and Discontinued Operations". As of 31 December 2021, the value of the part pursued as loan is TL 16.495.551 (31 December 2020: TL 8.968.855), and it is classified under "Other Financial Assets" under "Financial Assets at Fair Value through Profit Loss". The total fair value impairment accounted for the total amount turned into credit and capital is TL 10.568.731 (31 December 2020: TL 3.042.035) and the amount of TL 1.416.090 (31 December 2020: TL 1.416.090) of this amount is accounted under the "Assets Held for Sale and Discontinued Operations" and TL 9.152.641 (31 December 2020: 1.625.945) is accounted under "Other Financial Assets" which is the sub-item of "Financial Assets at Fair Value through Profit Loss".

If the growth rate and risk-free return rate on investment used in the discounted cash flow method in the valuation report are increased or decreased by 0.25%, provided that all other variables are constant, the total value of assets recognized in the financial statements and profit before tax will increase by about TL 170 million or will decrease by TL 150 million.

The main purpose of the creditor banks is to transfer the mentioned Türk Telekom shares to an expert investor by providing the necessary conditions as quickly as possible. An international invesment bank has been assigned as consultant for the sale of LYY Telekomünikasyon A.Ş.'s 55% shares in Türk Telekomünikasyon A.Ş. on 19 September 2019. As stated in the material event statement published on the Public Disclosure Platform on 17 December 2021, negotiations have started for the sale of the said shares to the Turkey Wealth Fund, and the process continues as of the date of this report.

TL 1.313.971 (31 December 2020: TL 1.094.617) 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

c. Trading derivative financial assets:

Table of positive differences related to derivative financial assets (*)

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Forward Transactions	754.772	6.673	414.145	-
Swap Transactions	24.336.484	8.202.873	7.817.657	6.504.867
Futures Transactions	-	-	-	-
Options	24.913	271.591	38.165	114.329
Other	-	-	-	-
Total	**25.116.169**	**8.481.137**	**8.269.967**	**6.619.196**

(*) Excluding hedging derivatives financial assets.

d. Information on banks account and foreign banks:

1. Information on banks account:

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Banks				
Domestic	87.915	166.356	7.375	30.971
Foreign (*)	1.038	53.215.377	-	17.377.729
Head Quarters and Branches Abroad	-	-	-	-
Total	**88.953**	**53.381.733**	**7.375**	**17.408.700**

(*) Includes collateral of TL 11.435.331 for derivative transactions made with foreign banks (31 December 2020: 5.004.862 TL).

2. Information on foreign banks account:

	Unrestricted Amount	Restricted Amount (**)	Unrestricted Amount	Restricted Amount (**)
	Current Period 31 Aralık 2021	**Current Period 31 Aralık 2021**	**Prior Period 31 Aralık 2020**	**Prior Period 31 Aralık 2020**
European Union Countries	25.294.896	16.040.274	5.421.273	4.024.040
USA, Canada	10.039.703	1.147.984	2.519.706	-
OECD Countries (*)	151.155	-	36.172	-
Off-Shore Banking Regions	36	452.718	183	318.735
Other	89.649	-	52.758	-
Total	**35.575.439**	**17.640.976**	**8.030.092**	**4.342.775**

(*) OECD Countries other than EU countries, USA and Canada.

(**) Restricted amounts which mainly consist of collaterals related to borrowings are kept in several banks.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

e. Information on financial assets fair value through other comprehensive income:

1. As of 31 December 2021, financial assets fair value through other comprehensive income subject to repurchase agreements amounting to TL 40.231.789 (31 December 2020: TL 16.984.050); and those given as collateral/blocked amounting to TL 29.582.153 (31 December 2020: TL 18.374.196).

2. Information on financial assets fair value through other comprehensive income:

	Current Period 31 December 2021	Prior Period 31 December 2020
Debt Securities	104.943.943	58.851.820
Quoted at Stock Exchange (*)	101.816.497	56.760.569
Unquoted at Stock Exchange	3.127.446	2.091.251
Share Certificates	15.879	16.384
Quoted at Stock Exchange	-	-
Unquoted at Stock Exchange	15.879	16.384
Impairment Provision (-)	4.648.400	664.059
Total	**100.311.422**	**58.204.145**

(*) 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 2021		Prior Period 31 December 2020	
	Cash	**Non-cash**	**Cash**	**Non-cash**
Direct Loans Granted to Shareholders	-	159	-	97
Corporate Shareholders	-	159	-	97
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	9.574.170	2.829.869	7.661.495	2.175.254
Loans Granted to Employees	177.638	-	152.213	-
Total	**9.751.808**	**2.830.028**	**7.813.708**	**2.175.351**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 (*)

Current Period – 31 December 2021		**Loans and other receivables under follow up**		
			Restructured Loans and 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	60.116.195	3.499.396	471.955	3.784.951
Export Loans	35.675.108	315.114	2.309	32.981
Import Loans	1.381.115	-	-	-
Loans Given to Financial Sector	20.645.301	165	-	625
Consumer Loans	56.945.865	2.457.033	967.757	338.605
Credit Cards	27.868.171	969.459	1.323.262	-
Other	144.139.975	5.581.663	5.599.164	14.444.310
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	**346.771.730**	**12.822.830**	**8.364.447**	**18.601.472**

(*) The balances of loans at fair value profit or loss has not been included. Included lease receivables.

		Current Period 31 December 2021		**Prior Period 31 December 2020**
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	1.635.408	-	1.521.946	-
Significant Increase in Credit Risk	-	5.579.947	-	4.354.331
Total	**1.635.408**	**5.579.947**	**1.521.946**	**4.354.331**

(*) Included expected credit losses of lease receivables.

3. Breakdown of loans according to their maturities(*):

		Loans Under Follow-up	
	Standard Loans	**Non-restructured**	**Restructured or rescheduled**
Short-term Loans	124.733.766	2.923.292	1.447.224
Medium and Long-term Loans	222.037.964	9.899.538	25.518.695
Total	**346.771.730**	**12.822.830**	**26.965.919**

(*) The balances of loans at fair value profit or loss has not been included.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

4. Information on consumer loans, personal credit cards, personnel loans and personnel credit cards:

Current Period – 31 December 2021	Short-term	Medium and Long-term	Total
Consumer Loans-TL	**2.659.206**	**55.312.555**	**57.971.761**
Mortgage Loans	13.863	13.558.860	13.572.723
Automotive Loans	12.340	311.999	324.339
Consumer Loans	2.633.003	41.441.696	44.074.699
Other	-	-	-
Consumer Loans- Indexed to FC	**-**	**321**	**321**
Mortgage Loans	-	321	321
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	**-**	**-**	**-**
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	**23.723.629**	**1.101.725**	**24.825.354**
With Installment	7.522.539	1.101.003	8.623.542
Without Installment	16.201.090	722	16.201.812
Consumer Credit Cards-FC	**17.283**	**-**	**17.283**
With Installment	-	-	-
Without Installment	17.283	-	17.283
Personnel Loans-TL	**7.277**	**90.425**	**97.702**
Mortgage Loans	-	3.814	3.814
Automotive Loans	-	125	125
Consumer Loans	7.277	86.486	93.763
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	**79.650**	**41**	**79.691**
With Installment	27.030	41	27.071
Without Installment	52.620	-	52.620
Personnel Credit Cards-FC	**245**	**-**	**245**
With Installment	-	-	-
Without Installment	245	-	245
Credit Deposit Account-TL (Real Person)	**2.639.476**	**-**	**2.639.476**
Credit Deposit Account-FC (Real Person)	**-**	**-**	**-**
Total Consumer Loans	**29.126.766**	**56.505.067**	**85.631.833**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Prior Period – 31 December 2020	Short-term	Medium and Long-term	Total
Consumer Loans-TL	**1.248.879**	**38.839.207**	**40.088.086**
Mortgage Loans	3.455	9.578.655	9.582.110
Automotive Loans	14.541	214.523	229.064
Consumer Loans	1.230.883	29.046.029	30.276.912
Other	-	-	-
Consumer Loans- Indexed to FC	**-**	**610**	**610**
Mortgage Loans	-	610	610
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	**-**	**-**	**-**
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	**17.738.135**	**611.742**	**18.349.877**
With Installment	5.973.122	609.846	6.582.968
Without Installment	11.765.013	1.896	11.766.909
Consumer Credit Cards-FC	**7.496**	**-**	**7.496**
With Installment	-	-	
Without Installment	7.496	-	7.496
Personnel Loans-TL	**6.912**	**83.923**	**90.835**
Mortgage Loans	-	3.209	3.209
Automotive Loans	-	78	78
Consumer Loans	6.912	80.636	87.548
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	**61.063**	**198**	**61.261**
With Installment	20.703	198	20.901
Without Installment	40.360	-	40.360
Personnel Credit Cards-FC	**117**	**-**	**117**
With Installment	-	-	-
Without Installment	117	-	117
Credit Deposit Account-TL (Real Person)	**1.734.475**	**-**	**1.734.475**
Credit Deposit Account-FC (Real Person)	**-**	**-**	**-**
Total Consumer Loans	**20.797.077**	**39.535.680**	**60.332.757**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

5. Information on commercial installment loans and corporate credit cards:

Current Period – 31 December 2021	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TL	**3.083.080**	**13.411.389**	**16.494.469**
Mortgage Loans	9.287	6.175	15.462
Automotive Loans	227.399	301	227.700
Consumer Loans	2.846.394	13.404.913	16.251.307
Other	-	-	-
FC Indexed Commercial Installment Loans	**-**	**15.076**	**15.076**
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	15.076	15.076
Other	-	-	-
Commercial Installment Loans-FC	**35.587**	**948.327**	**983.914**
Mortgage Loans	-	-	-
Automotive Loans	839	-	839
Consumer Loans	34.748	948.327	983.075
Other	-	-	-
Corporate Credit Cards-TL	**5.167.673**	**66.011**	**5.233.684**
With Installment	2.290.396	65.972	2.356.368
Without Installment	2.877.277	39	2.877.316
Corporate Credit Cards-FC	**4.635**	**-**	**4.635**
With Installment	-	-	-
Without Installment	4.635	-	4.635
Credit Deposit Account-TL (Legal Person)	**875.173**	**-**	**875.173**
Credit Deposit Account-FC (Legal person)	**-**	**-**	**-**
Total	**9.166.148**	**14.440.803**	**23.606.951**

Prior Period - 31.12.2020	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TL	**3.609.665**	**11.901.365**	**15.511.030**
Mortgage Loans	1.572	6.755	8.327
Automotive Loans	99.845	569	100.414
Consumer Loans	3.508.248	11.894.041	15.402.289
Other	-	-	-
FC Indexed Commercial Installment Loans	-	**39.952**	**39.952**
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	39.952	39.952
Other	-	-	-
Commercial Installment Loans-FC	**12.771**	**505.040**	**517.811**
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	12.771	505.040	517.811
Other	-	-	-
Corporate Credit Cards-TL	**3.206.720**	**33.257**	**3.239.977**
With Installment	1.358.425	33.162	1.391.587
Without Installment	1.848.295	95	1.848.390
Corporate Credit Cards-FC	**1.693**		**1.693**
With Installment	-	-	-
Without Installment	1.693	-	1.693
Credit Deposit Account-TL (Legal Person)	**934.652**	**-**	**934.652**
Credit Deposit Account-FC (Legal person)			
Total	**7.765.501**	**12.479.614**	**20.245.115**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

6. Loans according to types of borrowers:

	Current Period 31 December 2021	Prior Period 31 December 2020
Public	10.333.637	4.200.482
Private	394.454.659	280.615.601
Total	**404.788.296**	**284.816.083**

7. Distribution of domestic and foreign loans (*): Loans are classified according to the locations of the customers.

	Current Period 31 December 2021	Prior Period 31 December 2020
Domestic Loans	397.413.785	272.211.163
Foreign Loans	7.374.511	12.604.920
Total	**404.788.296**	**284.816.083**

(*) 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 2021	Prior Period 31 December 2020
Loans and Other Receivables with Limited Collectibility	1.157.104	1.226.937
Loans and Other Receivables with Doubtful Collectibility	723.136	623.643
Uncollectible Loans and Receivables	9.918.909	9.242.658
Total	**11.799.149**	**11.093.238**

(*) Included leasing receivables.

10. Information on non-performing loans (Net):

10. (i) Information on non-performing loans restructured or rescheduled and other receivables:

	III. Group Loans and Other Receivables with Limited Collectibility	IV. Group Loans and Other Receivables with Doubtful Collectibility	V. Group Uncollectible Loans and Other Receivables
Current Period: 31 December 2021			
(Gross Amounts Before Specific Provisions)	50.000	66.001	1.720.918
Rescheduled Loans and Other Receivables	50.000	66.001	1.720.918
Prior Period: 31 December 2020			
(Gross Amounts Before Specific Provisions)	30	103.154	2.201.152
Rescheduled Loans and Other Receivables	30	103.154	2.201.152

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

10. (ii) Information on the movement of total non-performing loans (*):

	III. Group Loans and Other Receivables with Limited Collectibility	IV. Group Loans and Other Receivables with Doubtful Collectibility	V. Group Uncollectible Loans and Other Receivables
Prior Period End Balance: 31 December 2020	**2.221.345**	**946.928**	**14.712.021**
Additions (+)	2.443.528	1.517.374	930.583
Transfers from Other Categories of Non-Performing Loans (+)	-	2.719.124	3.423.405
Transfers to Other Categories of Non-Performing Loans (-)	2.719.124	3.423.405	-
Collections (-)	161.455	664.714	2.160.061
Write-offs (-) (**)	4.226	26.620	1.526.886
Sold Portfolio	-	-	-
Corporate and Commercial Loans	-	-	-
Consumer Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
Balance at the End of the Period	**1.780.068**	**1.068.687**	**15.379.062**
Specific Provisions (-)	1.157.104	723.136	9.918.909
Net Balance at Balance Sheet	**622.964**	**345.551**	**5.460.153**

(*) Included leasing receivables.

(**) In current period, the amount of write-off made 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 6 July 2021 and numbered 31533 is 1.450.497 TL and its effect on the NPL ratio is 34 basis point (31 December 2020: TL 774.976 and its effect on the NPL ratio is 25 basis point).

10. (iii) Information on non-performing loans granted as foreign currency loans:

	III. Group Loans and Other Receivables with Limited Collectibility	IV. Group Loans and Other Receivables with Doubtful Collectibility	V. Group Uncollectible Loans and Other Receivables
Current Period: 31 December 2021			
Balance at the End of the Period	1.086.945	212.374	5.756.000
Specific Provision (-)	675.570	127.818	3.155.195
Net Balance on Balance Sheet	411.375	84.556	2.600.805
Prior Period: 31 December 2020			
Balance at the End of the Period	2.043.398	154.266	4.547.430
Specific Provision (-)	1.102.493	92.004	2.350.414
Net Balance at Balance Sheet	940.905	62.262	2.197.016

In Parent Bank, non-performing loans granted as foreign currency are followed under TL accounts of balance sheet.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

10.(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 2021			
Loans granted to corporate entities and real persons (Gross)	1.780.068	1.068.687	15.379.062
Specific Provision Amount (-)	1.157.104	723.136	9.918.909
Loans granted to corporate entities and real persons (Net)	622.964	345.551	5.460.153
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 2020			
Loans granted to corporate entities and real persons (Gross)	2.221.345	946.928	14.712.021
Specific Provision Amount (-)	1.226.937	623.643	9.242.658
Loans granted to corporate entities and real persons (Net)	994.408	323.285	5.469.363
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.

10. (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 2021			
Interest accruals and valuation differences	78.530	119.421	3.490.421
Provision (-)	55.145	82.141	2.089.348
Prior Period: 31 December 2020			
Interest accruals and valuation differences	101.483	128.971	2.947.315
Provision (-)	55.746	81.547	1.766.352

(*) Included leasing receivables.

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

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

g. Financial assets measured at amortised cost:

1. Information on financial subject to repurchase agreements and those given as collateral/blocked:

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Given as collateral/blocked	7.895.351	90.724	7.470.796	1.216.927
Subject to repurchase agreements	16.631.679	8.933.136	1.693.302	4.547.790
Total	**24.527.030**	**9.023.860**	**9.164.098**	**5.764.717**

2. Information about Government debt securities:

	Current Period 31 December 2021	Prior Period 31 December 2020
Government debt	50.326.448	40.239.483
Treasury bonds	-	-
Other government debts	1.289.549	977.340
Total	**51.615.997**	**41.216.823**

3. Information on financial assets measured at amortised cost:

	Current Period 31 December 2021	Prior Period 31 December 2020
Debt Securities	52.663.336	41.923.581
Quoted at stock exchange	52.663.336	41.923.581
Not quoted at stock exchange	-	-
Impairment (-)	77.776	38.522
Total	**52.585.560**	**41.885.059**

4. The movement of financial assets at amortised costs:

	Current Period 31 December 2021	Prior Period 31 December 2020
Balance at the Beginning of the Period	41.885.059	15.574.858
Foreign Currency Differences on Monetary Assets	4.555.125	4.715.654
Purchases During Year	17.887.458	25.884.971
Disposals Through Sales and Redemptions	(15.853.468)	(4.774.521)
Impairment Provision	(39.254)	(11.001)
Change in Amortised Cost	4.150.640	495.098
Balance at the End of the Period	**52.585.560**	**41.885.059**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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:

	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.	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 September 2021(*).

	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	397.536	328.592	96.051	27.498	-	93.651	35.413	-
2	544.660	339.776	297.247	13.036	-	47.719	48.549	-
3	34.723	27.961	26.355	487	-	2.467	6.146	-
4	54.275	53.392	1.548	6.961	-	3.194	-	-

(*) In the table above, JCR Avrasya Derecelendirme A.Ş., 31 December 2020 financial data are used.

1 (iv). Movement schedule for non-consolidated subsidiaries:

	Current Period 31 December 2021	Prior Period 31 December 2020
Balance at the Beginning of the Period	14.795	5.521
Movements During the Period		
Purchases (*)	3.334	3.588
Bonus Shares and Contributions to Capital	-	5.686
Dividends from Current Year Income	-	-
Sales/Liquidation	-	-
Revaluation Increase	-	-
Impairment Provision (-)	-	-
Balance at the End of the Period	18.129	14.795
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(*) The mentioned amounts are due to the increase of the capital of Birleşik İpotek Finansmanı A.Ş., an 8,33% subsidiary of the Bank, by TL 40.000 for the current period, and the share of the Bank to JCR Avrasya Rating A.Ş. by 2,86% for the previous period. 2.755 TL for the shares and 833 TL for the 8,33% share of Birleşik İpotek Finansmanı A.Ş.

2. Consolidated subsidiaries within the current period: None.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 2021 prepared in accordance with legislation in which companies are subject to.

	Ak Finansal Kiralama A.Ş.	Ak Yatırım Menkul Değerler A.Ş.	Ak Portföy Yönetimi A.Ş.	Akbank AG	AkÖde A.Ş
Paid in Capital	360.007	96.802	10.534	740.648	72.000
Share Premium	-	-	-	-	-
Reserves	744.175	76.250	34.191	9.823.045	(14)
Gains recognized in equity as per TAS	(765)	(5.281)	(608)	-	(109)
Profit/Loss	224.008	1.058.798	218.036	2.651.810	(43.398)
- Net Current Period Profit	224.008	446.764	174.811	755.407	(43.138)
- Prior Year Profit/Loss	-	612.034	43.225	1.896.403	(260)
Development Cost of Operating Lease (-)	46	618	-	1.599	-
Remaining other intangible assets after offset with the related deferred tax liability excluding mortgage servicing rights (-)	4.882	13.587	865	13.658	-
Total Common Equity	**1.322.497**	**1.212.364**	**261.288**	**13.200.246**	**28.479**
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	**1.322.497**	**1.212.364**	**261.288**	**13.200.246**	**28.479**
Tier II Capital	**98.862**	**438**	**1**	**117.355**	**-**
CAPITAL	**1.421.359**	**1.212.802**	**261.289**	**13.317.601**	**28.479**
Deductions from Capital	**-**	**-**	**-**	**-**	**-**
TOTAL CAPITAL	**1.421.359**	**1.212.802**	**261.289**	**13.317.601**	**28.479**

The Bank's subsidiaries, included in the consolidated calculation of capital requirement, do not have additional capital requirements.

2. Non-consolidated subsidiaries: None.

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	Frankfurt/Germany	100,00	100,00
5	AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş.	İstanbul/Turkey	100,00	100,00

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

4. Main financial figures of consolidated subsidiaries, in the order of the above table:

The following amounts have been obtained from the financial statements as of 31 December 2021 prepared in accordance with legislation in which companies are subject to.

	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	10.157.195	1.327.425	67.308	624.033	185	224.008	154.966	-
2	4.636.324	1.226.569	21.043	361.794	208.503	446.764	321.502	-
3	304.430	262.153	4.950	19.132	16.113	174.811	110.882	-
4	58.608.775	13.215.503	69.950	1.130.052	280.985	755.407	409.157	-
5	49.973	28.479	1.512	2.477	-	(43.138)	(35.437)	-

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 2021	Prior Period 31 December 2020
Balance at the Beginning of the Period	9.605.628	6.730.785
Movements During the Period		
Additions (*)	10.180	35.000
Bonus Shares and Contributions to Capital	-	-
Dividends from Current Year Income	1.557.517	956.126
Sales/Liquidation	-	-
Revaluation Increase (**)	4.886.805	1.883.717
Revaluation/Impairment	-	-
Balance at the End of the Period	16.060.130	9.605.628
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(*) The mentioned amounts arise from the net increase of TL 10.000 in the capital of AkÖde Elektronik Para ve Dağıtım Hizmetleri A.Ş., which is the Bank's 100% subsidiary, when the capital decrease made during the current period is taken into account and due to the acquisition of 0.01% share of Ak Finansal Kiralama A.Ş., and increase in the previous period by TL 35.000 in the capital of AkÖde Elektronik Para ve Dağıtım Hizmetleri A.Ş., the Bank's 100% subsidiary.

(**) 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:

Subsidiaries	Current Period 31 December 2021	Prior Period 31 December 2020
Banks	13.215.503	7.525.427
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	1.327.425	1.103.162
Finance Companies	-	-
Other Financial Subsidiaries	1.517.202	977.039

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

7. Subsidiaries quoted to a stock exchange: None (31 December 2020: None).

j. Information on joint ventures: None (31 December 2020: None).

k. Information on finance lease receivables (Net):

	Current Period 31 December 2021		Prior Period 31 December 2020	
	Gross	**Net**	**Gross**	**Net**
2021	-	-	2.122.120	1.871.231
2022	3.146.461	2.754.364	1.463.086	1.278.772
2023 and following years	5.393.114	4.824.465	2.061.533	1.865.136
Total	**8.539.575**	**7.578.829**	**5.646.739**	**5.015.139**

l. Information on the hedging derivative financial assets:

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Fair Value Hedge	2.169.626	587.379	3.217.726	12.998
Cash Flow Hedge	13.243.236	189.325	4.738.479	-
Net Investment Hedge in a foreign operation	-	-	-	-
Total	**15.412.862**	**776.704**	**7.956.205**	**12.998**

m. Information on tangible assets:

	Immovables (*)	Other Tangible Fixed Assets	Construction in Progress	Total
Prior Period End: 31 December 2020				
Cost	5.160.043	2.719.643	10.224	7.889.910
Accumulated Depreciation(-)	458.611	1.427.893	-	1.886.504
Net Book Value	**4.701.432**	**1.291.750**	**10.224**	**6.003.406**
Current Period End: 31 December 2021				
Net Book Value at the Beginning of the Period	4.701.432	1.291.750	10.224	6.003.406
Additions	148.334	434.142	35.475	617.951
Investment Properties Revaulation differences	-	-	-	-
Transferred	26.772	-	(26.772)	-
Disposals (-), net	203.376	19.356	-	222.732
Depreciation (-)	153.695	370.216	-	523.911
Impairment	-	-	-	-
Currency Translation Differences on Foreign Operations, Net	18.233	1.889	-	20.122
Cost at Period End	5.095.796	3.019.002	18.927	8.133.725
Accumulated Depreciation at Period End (-)	558.096	1.680.793	-	2.238.889
Closing Net Book Value	**4.537.700**	**1.338.209**	**18.927**	**5.894.836**

(*) Immovables includes the asset usage rights of the real estates rented under the "TFRS 16 Leases" Standard. As of 31 December 2021, asset usage rights are TL 706.655, and accumulated depreciation amount is TL 314.165.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Immovables (*)	Other Tangible Fixed Assets	Construction in Progress	Total
Prior Period End: 31 December 2019				
Cost	4.405.887	2.159.285	7.069	6.572.241
Accumulated Depreciation(-)	516.290	1.136.254	-	1.652.544
Net Book Value	**3.889.597**	**1.023.031**	**7.069**	**4.919.697**
Current Period End: 31 December 2020				
Net Book Value at the Beginning of the Period	3.889.597	1.023.031	7.069	4.919.697
Additions	168.616	600.174	25.322	794.112
Investment Properties Revaulation differences	912.544	-	-	912.544
Transferred	22.167	-	(22.167)	-
Disposals (-), net	153.771	1.780	-	155.551
Depreciation (-)	141.695	329.808	-	471.503
Impairment	(11.922)	-	-	(11.922)
Currency Translation Differences on Foreign Operations, Net	15.896	133	-	16.029
Cost at Period End	5.160.043	2.719.643	10.224	7.889.910
Accumulated Depreciation at Period End (-)	458.611	1.427.893	-	1.886.504
Closing Net Book Value	**4.701.432**	**1.291.750**	**10.224**	**6.003.406**

(*) Immovables includes the asset usage rights of the real estates rented under the "TFRS 16 Leases" Standard. As of 31 December 2020, asset usage rights are TL 756.191, and accumulated depreciation amount is TL 328.392.

n. Information on intangible assets:

1. Cost and accumulated amortization at the beginning and end of the period:

	Current Period 31 December 2021	Prior Period 31 December 2020
Cost	2.503.491	1.918.033
Accumulated Amortization (-)	1.003.889	727.124
Net Book Value	**1.499.602**	**1.190.909**

2. Reconciliation of movements for the current period and prior period:

	Current Period 31 December 2021	Prior Period 31 December 2020
Opening Balance Net Book Value	**1.190.909**	**953.188**
Additions	603.608	451.476
Disposals (-), net	9.696	234
Depreciation (-)	287.090	214.978
Currency Translation Differences on Foreign Operations, Net	1.871	1.457
Closing Net Book Value	**1.499.602**	**1.190.909**

o. Information on the investment properties: None (31 December 2020: None).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

p. Information on deferred tax asset:

As of 31 December 2021, the Group has TL 152.170 deferred tax asset (31 December 2020: TL 147.990). 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 temporary differences		Deferred tax assets / (liabilities)	
	31 December 2021	**31 December 2020**	**31 December 2021**	**31 December 2020**
Employee benefits	776.749	557.621	155.439	111.631
Stage 1 and 2 loans provisions	7.642.859	6.353.998	1.594.838	1.278.422
Differences between book value and tax base of property, plant and equipment	(2.018.402)	(1.512.325)	(403.680)	(302.465)
Differences between book value and tax base of financial assets	(14.721.970)	(6.717.646)	(3.209.893)	(1.338.309)
Investment Properties Revaulation differences	(3.119.611)	(3.359.193)	(362.222)	(389.766)
Country risk provision	(1.348.059)	(574.424)	(369.031)	(157.249)
Other	11.415.255	4.078.548	2.292.414	821.268
Deferred Tax Asset/(Liabilities) Net			**(302.135)**	23.532

q. Information on property and equipment held for sale and related to discontinued operations:

	Current Period 31 December 2021	**Prior Period 31 December 2020**
Cost	232.296	250.782
Accumulated Depreciation (-)	-	4
Net Book Value	**232.296**	**250.778**

	Current Period 31 December 2021	**Prior Period 31 December 2020**
Opening Balance Net Book Value	**250.778**	**666.067**
Additions	200.398	265.721
Disposals (-), net	217.363	184.122
İmpairment (-)	1.517	496.888
Depreciation (-)	-	-
Closing Net Book Value	**232.296**	**250.778**

r. Information on other assets:

Other assets amounting to TL 7.424.182 (31 December 2020: TL 5.220.074) on the balance sheet and do not exceed 10% of the total assets, excluding the off-balance sheet commitments.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 2021:

	Demand	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 Year and Over	Deposits Cumulative	Total
Saving Deposits	16.220.310	17.312.806	52.488.212	290.188	819.167	1.662.919	6.767	**88.800.369**
Foreign Currency Deposits	105.075.415	32.031.939	90.898.217	2.873.107	6.479.328	27.459.363	1.310	**264.818.679**
Residents in Turkey	92.359.711	31.343.567	84.498.360	2.586.257	2.723.389	4.760.770	1.310	**218.273.364**
Residents Abroad	12.715.704	688.372	6.399.857	286.850	3.755.939	22.698.593	-	**46.545.315**
Public Sector Deposits	1.428.883	8.524	36.624	322	2.600	96	-	**1.477.049**
Commercial Deposits	13.742.954	22.459.071	15.814.287	194.541	349.210	204.301	-	**52.764.364**
Other Institutions Deposits	409.829	528.784	3.029.456	616.258	909.300	490.833	-	**5.984.460**
Precious metals Deposits	24.196.677	52.845	363.534	-	1.116.370	139.690	-	**25.869.116**
Interbank Deposits	1.776.500	984.914	7.736.003	1.980.405	1.358.720	-	-	**13.836.542**
The CBRT	-	-	-	-	-	-	-	**-**
Domestic Banks	13.266	326.586	628.901	-	1.358.720	-	-	**2.327.473**
Foreign Banks	373.197	658.328	7.107.102	1.980.405	-	-	-	**10.119.032**
Participation Banks	1.390.037	-	-	-	-	-	-	**1.390.037**
Other	-	-	-	-	-	-	-	**-**
Total	**162.850.568**	**73.378.883**	**170.366.333**	**5.954.821**	**11.034.695**	**29.957.202**	**8.077**	**453.550.579**

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, started to be offered to bank customers as of the current accounting period reported. As of 31 December 2021, TL deposit amount includes TL 4.875.953 thousand TL deposits within this scope.

1 (ii). Prior period - 31 December 2020:

	Demand	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 Year and Over	Deposits Cumulative	Total
Saving Deposits	12.219.978	12.032.234	44.243.460	435.333	316.374	485.258	8.061	**69.740.698**
Foreign Currency Deposits	49.705.965	15.155.554	67.252.208	3.171.751	4.735.719	16.111.230	950	**156.133.377**
Residents in Turkey	42.865.558	14.956.249	62.805.067	1.162.030	2.081.927	3.187.223	950	**127.059.004**
Residents Abroad	6.840.407	199.305	4.447.141	2.009.721	2.653.792	12.924.007	-	**29.074.373**
Public Sector Deposits	1.041.580	12.763	35.227	3.617	644	520	-	**1.094.351**
Commercial Deposits	11.118.180	9.619.587	10.810.507	146.115	72.611	297.154	-	**32.064.154**
Other Institutions Deposits	352.519	474.871	2.466.462	36.556	19.203	1.547	-	**3.351.158**
Precious metals Deposits	16.589.623	10.417	142.711	13.185	710.877	94.649	-	**17.561.462**
Interbank Deposits	280.804	757.377	10.126.576	715.540	692.597	913	-	**12.573.807**
The CBRT	-	-	-	-	-	-	-	**-**
Domestic Banks	16.068	456.097	135.598	173.372	684.219	-	-	**1.465.354**
Foreign Banks	228.705	301.280	9.990.978	542.168	8.378	913	-	**11.072.422**
Participation Banks	36.031	-	-	-	-	-	-	**36.031**
Other	-	-	-	-	-	-	-	**-**
Total	**91.308.649**	**38.062.803**	**135.077.151**	**4.522.097**	**6.548.025**	**16.991.271**	**9.011**	**292.519.007**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 2021	**Prior Period 31 December 2020**	**Current Period 31 December 2021**	**Prior Period 31 December 2020**
Saving Deposits	36.088.544	30.216.189	52.711.668	39.523.989
Foreign Currency Saving Deposits	26.052.560	18.887.429	121.287.412	68.523.730
Other Deposits in the Form of Saving Deposits	8.767.847	7.892.207	14.796.515	8.201.705
Foreign Branches' Deposits under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits under Foreign Authorities' Insurance	-	-	-	-

3. Saving deposits of real persons which are not under the guarantee of saving deposit insurance fund:

	Current Period 31 December 2021	**Prior Period 31 December 2020**
Foreign Branches' Deposits and other accounts	40	24
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	2.457.795	1.855.160
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	-	-

b. Information on trading derivative financial liabilities:

Table of derivative financial liabilities (*):

	Current Period 31 December 2021		**Prior Period 31 December 2020**	
	TL	**FC**	**TL**	**FC**
Forward Transactions	3.902.610	-	231.359	405
Swap Transactions	17.767.991	2.418.025	10.615.699	2.390.107
Futures Transactions	-	-	-	-
Options	3.788	564.064	5.632	157.932
Other	-	-	-	-
Total	**21.674.389**	**2.982.089**	**10.852.690**	**2.548.444**

(*) Excluding hedge transactions.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

c. Information on borrowings:

1. Information on banks and other financial institutions:

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Borrowings from the CBRT	-	-	-	-
From Domestic Banks and Institutions	676.304	4.015.282	367.411	4.939.707
From Foreign Banks, Institutions and Funds	-	55.281.454	-	34.955.496
Total	**676.304**	**59.296.736**	**367.411**	**39.895.203**

2. Information on maturity structure of borrowings:

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Short-term	188.156	2.094.685	256.276	705.426
Medium and Long-term	488.148	57.202.051	111.135	39.189.777
Total	**676.304**	**59.296.736**	**367.411**	**39.895.203**

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.

d. Information on securities issued (Net):

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Bank bills	7.058.313	-	5.313.725	-
Bonds	2.394.145	20.830.603	2.399.203	11.593.289
Total	**9.452.458**	**20.830.603**	**7.712.928**	**11.593.289**

e. Information on other foreign liabilities:

Other foreign liabilities amounting to TL 4.126.582 under "Other Liabilities" (31 December 2020: TL 3.001.989) and do not exceed 10% of the total balance sheet.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 2021		Prior Period 31 December 2020	
	Gross	**Net**	**Gross**	**Net**
Less Than 1 Year	149.709	67.943	139.140	63.288
Between 1-4 Years	384.315	208.890	351.773	183.105
More Than 4 Years	435.079	313.527	425.611	296.166
Total	**969.103**	**590.360**	**916.524**	**542.559**

g. Information on the hedging derivative financial liabilities:

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Fair Value Hedge	55.317	481.616	81.056	679.914
Cash Flow Hedge	276.256	213.015	343.604	335.265
Net Investment Hedge in a foreign operation	-	-	-	-
Total	**331.573**	**694.631**	**424.660**	**1.015.179**

h. Information on provisions:

1. Information on reserves for employee rights:

Balance Sheet Obligations for:	**Current Period 31 December 2021**	**Prior Period 31 December 2020**
- Reserve for employment termination benefits	620.807	428.234
- Reserve for unused vacation	155.942	129.387
Total	**776.749**	**557.621**

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:

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Current Period 31 December 2021	Prior Period 31 December 2020
Discount Rate (%)	3,54	3,64
Rate for the Probability of Retirement (%)	95,35	95,52

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 31 December 2021	Prior Period 31 December 2020
Prior Period Closing Balance	**428.234**	**324.669**
Recognized as an Expense During the Period	97.827	77.788
Actuarial Loss / (Gain)	158.728	68.211
Paid During the Period	(63.982)	(42.434)
Balance at the End of the Period	**620.807**	**428.234**

As of 31 December 2021, the Group has allocated vacation liability amounting to TL 155.942 (31 December 2020: TL 129.387).

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%). Based on the actuary report, as of 31 December 2021, the deficit of the Fund amounts to TL 294.503 (31 December 2020: TL 126.263 excess).

	Current Period 31 December 2021	Prior Period 31 December 2020
Total Obligations	(9.063.017)	(7.690.175)
Cash value of future contributions	6.336.667	5.601.360
Total Transfer Obligations to SSI	**(2.726.350)**	**(2.088.815)**
Past service obligation	(452.546)	(366.677)
Total Transfer to SSI and Other Obligations	**(3.178.896)**	**(2.455.492)**
Fair value of assets	2.884.393	2.329.229
Deficit	**(294.503)**	**(126.263)**

The amount of the post-employment medical benefits transferrable to SSI are calculated over discounted net present value of medical liabilities and health premiumsThe principal actuarial assumptions used were as follows:

Discount rate:

	Current Period 31 December 2021	Prior Period 31 December 2020
- Pension benefits transferrable to SSI	9,80%	9,80%
- Post-employment medical benefits transferrable to SSI	9,80%	9,80%
- Other non-transferrable benefits	3,54%	3,64%

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

Mortality rate

The average life expectancy in years of a pensioner retiring at age 60 for men, 58 for women determined using mortality table depending on statistical data is 19,7 years for men and 25,3 years for women.

The movement in the fair value of plan assets of the year is as follows:

	Current Period 31 December 2021	Pior Period 31 December 2020
Prior period end	**2.329.229**	**2.065.470**
Actual return on plan assets	492.765	227.741
Employer contributions	498.701	432.814
Employee contributions	330.903	284.885
Benefits paid	(767.205)	(681.681)
Period end	**2.884.393**	**2.329.229**

Plan assets are comprised as follows:

	Current Period 31 December 2021		Prior Period 31 December 2020	
Bank placements	546.798	19%	275.016	12%
Property and equipment	15.955	1%	16.421	1%
Marketable securities and share certificates	1.473.310	51%	1.551.810	67%
Other	848.330	29%	485.982	20%
Period end	**2.884.393**	**100%**	**2.329.229**	**100%**

2. Information on provisions related with foreign currency difference of foreign indexed loans:

   As of 31 December 2021, the Bank has no provision related to foreign currency differences of foreign indexed loans (31 December 2020: None) and the related prior period amount is offset with the balance of foreign currency indexed loans.

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 641.035 as of 31 December 2021 (31 December 2020: TL 492.437).

4. Information on other provisions:

4 (i).Information on free provision for possible risks: TL 1.400.000 (31 December 2020: TL 1.150.000).

(ii). Information on provisons for banking services promotion:The Group has provision for credit cards and banking services promotion activities amounting to TL 85.010 (31 December 2020: TL 64.932).

i. 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 2021, the remaining tax liability after the deduction of taxes paid is TL 1.486.717 (31 December 2020: TL 1.126.257). There is no current tax asset as of 31 December 2021 (31 December 2020: None).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

1 (i). Information on taxes payable:

	Current Period 31 December 2021	Prior Period 31 December 2020
Corporate Taxes Payable	1.486.717	1.126.257
Taxation on Marketable Securities	206.958	162.786
Property Tax	2.502	1.210
Banking Insurance Transaction Tax (BITT)	301.097	172.963
Foreign Exchange Transaction Tax	69.469	9.632
Value Added Tax Payable	61.155	11.499
Other	267.362	174.939
Total	**2.395.260**	**1.659.286**

1 (ii). Information on premium payables:

	Current Period 31 December 2021	Prior Period 31 December 2020
Social Security Premiums – Employee	1.908	1.516
Social Security Premiums – Employer	357	308
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	2.389	2.038
Unemployment Insurance – Employer	4.448	3.818
Other	123	270
Total	**9.231**	**7.956**

2. Information on deferred tax liability:

As of 31 December 2021, Turkish Lira deferred tax liability of the Group amounts to TL 454.305 (31 December 2020: TL 124.458). 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 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Debt Instruments subject to common equity	-	-	-	-
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	-	-	-	-
Debt Instruments subject to tier 2 equity	-	18.725.534	-	6.718.414
Subordinated Loans		-		-
Subordinated Debt Instruments	-	18.725.534	-	6.718.414
Total	**-**	**18.725.534**	**-**	**6.718.414**

(*) Explanation about the subordinated loans is given in Note I-b of Section Four.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

k. Information on shareholders' equity:

1. Presentation of paid-in capital:

	Current Period 31 December 2021	Prior Period 31 December 2020
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.
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:

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	-	-	-	-
Valuation Difference	1.021.928	(2.968.937)	73.752	305.059
Foreign Currency Differences	-	-	-	-
Total	**1.021.928**	**(2.968.937)**	**73.752**	**305.059**

a. Information on minority shares:

	Current Period 31 December 2021	Prior Period 31 December 2020
Beginning Balance	182	159
Net Profit Share of other shareholders	-	23
Previous Term Dividend	-	-
Net Currency difference due to foreign subsidiaries	-	-
Effect of Changes within scope of consolidation	(182)	-
Balance end of Period	**-**	**182**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

III. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED OFF-BALANCE SHEET ACCOUNTS

Explanations on off-balance sheet commitments:

1. Type and amount of irrevocable commitments: 21.552.473 asset purchase commitments (31 December 2020: TL 7.908.110), TL 34.314.098 commitments for credit card limits (31 December 2020: TL 29.118.196) and TL 3.394.242 commitments for cheque books (31 December 2020: TL 2.730.978).

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 31 December 2021	Prior Period 31 December 2020
Bank Acceptance Loans	159.525	47.814
Letters of Credit	15.170.426	4.660.989
Other Guarantees and Warranties	14.457.525	9.202.231
Total	**29.787.476**	**13.911.034**

2 (ii). Revocable, irrevocable guarantees and other similar commitments and contingencies:

	Current Period 31 December 2021	Prior Period 31 December 2020
Revocable Letters of Guarantee	3.007.119	1.961.090
Irrevocable Letters of Guarantee	28.770.082	18.532.178
Letters of Guarantee Given in Advance	5.813.769	1.920.439
Guarantees Given to Customs	3.047.435	3.529.766
Other Letters of Guarantee	17.910.235	11.581.145
Total	**58.548.640**	**37.524.618**

3. Information on non-cash loans:

3.(i) Total amount of non-cash loans:

	Current Period 31 December 2021	Prior Period 31 December 2020
Non-cash Loans Given against Cash Loans	26.184.515	20.144.761
With Original Maturity of 1 Year or Less Than 1 Year	9.852.927	6.778.686
With Original Maturity of More Than 1 Year	16.331.588	13.366.075
Other Non-cash Loans	62.151.601	31.290.891
Total	**88.336.116**	**51.435.652**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

(ii) Information on sectoral risk concentrations of non-cash loans:

	Current Period 31 December 2021				Prior Period 31 December 2020			
	TL	**(%)**	**FC**	**(%)**	**TL**	**(%)**	**FC**	**(%)**
Agricultural	43.137	0,13	875	-	24.574	0,10	528	-
Farming and Raising Livestock	1.096	-	-	-	957	-	-	-
Forestry	41.683	0,13	875	-	20.841	0,09	528	-
Fishing	358	-	-	-	2.776	0,01	-	-
Manufacturing	6.763.308	20,64	26.967.004	48,53	4.537.393	18,22	13.866.185	52,26
Mining	163.896	0,50	325.398	0,59	70.244	0,28	108.785	0,41
Production	5.466.832	16,69	23.671.986	42,60	3.391.055	13,62	11.587.684	43,67
Electric, Gas and Water	1.132.580	3,46	2.969.620	5,34	1.076.094	4,32	2.169.716	8,18
Construction	5.243.489	16,00	10.748.857	19,34	3.594.829	14,44	5.188.283	19,55
Services	19.686.741	60,09	14.116.906	25,40	16.014.704	64,31	5.437.015	20,49
Wholesale and Retail Trade	14.135.956	43,15	6.480.534	11,66	11.346.592	45,57	1.917.137	7,22
Hotel, Food and Beverage Services	225.950	0,69	627.491	1,13	148.820	0,60	188.219	0,71
Transportation and Telecommunication	967.103	2,95	2.465.015	4,44	599.461	2,41	1.494.399	5,63
Financial Institutions	3.851.836	11,76	4.291.922	7,72	3.549.366	14,24	1.730.104	6,52
Real Estate and Leasing Services	35.253	0,11	50.907	0,09	16.257	0,07	51.780	0,20
Self-Employment Services	94.105	0,29	4.287	0,01	52.050	0,21	2.314	0,01
Education Services	37.582	0,11	11.903	0,02	32.800	0,13	10.671	0,04
Health and Social Services	338.956	1,03	184.847	0,33	269.358	1,08	42.391	0,16
Other	1.026.410	3,14	3.739.389	6,73	729.474	2,93	2.042.667	7,70
Total	**32.763.085**	**100,00**	**55.573.031**	**100,00**	**24.900.974**	**100,00**	**26.534.678**	**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	**31.908.244**	**53.509.201**	**655.688**	**718.813**
Letters of Guarantee	25.785.827	29.973.926	606.314	663.942
Bank Acceptances	-	159.525	-	-
Letters of Credit	49.289	15.069.392	-	26.206
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Guarantees	-	23.003	-	-
Other Commitments and Contingencies	6.073.128	8.283.355	49.374	28.665

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

b. Information on derivative transactions:

	Current Period 31 December 2021	**Prior Period 31 December 2020**
Types of Trading Transactions		
Foreign Currency Related Derivative Transactions (I)	535.874.641	297.261.898
FC Trading Forward Transactions	54.551.923	20.445.780
Trading Swap Transactions	438.671.660	262.687.956
Futures Transactions	16.321.564	5.485.064
Trading Option Transactions	26.329.494	8.643.098
Interest Related Derivative Transactions (II)	294.444.852	190.708.198
Forward Interest Rate Agreements	-	-
Interst Rate Swaps	267.089.208	172.954.232
Interest Rate Options	27.355.644	17.753.966
Interest Rate Futures	-	-
Other Trading Derivative Transactions (III)	56.007.408	34.587.518
A. Total Trading Derivative Transactions (I+II+III)	886.326.901	522.557.614
Types of Hedging Transactions		
Fair Value Hedges	59.210.909	29.780.002
Cash Flow Hedges	101.944.477	54.738.337
Foreign Currency Investment Hedges	-	-
B. Total Hedging Related Derivatives	161.155.386	84.518.339
Total Derivative Transactions (A+B)	**1.047.482.287**	**607.075.953**

c. Explanations on credit derivatives and risks beared due to these:

As of 31 December 2021: 2.292.588 (31 December 2020: TL 1.298.395).

d. Explanations on contingent assets and liabilities:

1. Contingent Liabilities:

The Bank has accounted a provision amounting to TL 82.062 (31 December 2020: TL 75.471) 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 2020: 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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED INCOME STATEMENT

a. Information on interest income:

1. Information on interest income on loans (*) :

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Short-term Loans	13.694.258	1.223.592	7.607.769	837.767
Medium and Long-term Loans	15.001.482	4.245.061	10.891.532	4.033.972
Interest on Loans Under Follow-Up	570.096	-	854.402	-
Premiums Received from the Resource Utilization Support Fund	-	-	-	-
Total	**29.265.836**	**5.468.653**	**19.353.703**	**4.871.739**

(*) Fee and commission income from cash loans are included.

2. Information on interest income on banks:

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
From the CBRT	-	-	-	-
From Domestic Banks	55.081	37.514	195.015	8.396
From Foreign Banks	273	29.817	-	86.583
From Headquarters and Branches Abroad	-	-	-	-
Total	**55.354**	**67.331**	**195.015**	**94.979**

3. Information on interest income on marketable securities:

	Current Period 31 December 20210		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
From Financial Assets at Fair Value through Profit or Loss	27.612	12.356	7.034	9.273
Financial Assets at Fair Value through Other Comprehensive Income	5.146.257	2.060.916	4.100.730	1.468.739
Financial Assets Measured at Amortised Cost	6.678.362	406.528	3.585.511	300.248
Total	**11.852.231**	**2.479.800**	**7.693.275**	**1.778.260**

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 mentioned securities are valued and accounted for according to the effective interest method based on the index calculated based on the real coupon rates and the reference inflation index on the issue date and the estimated inflation rate. 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. At the end of the year, the real inflation rate is used.

4. Information on interest income received from associates and subsidiaries: None.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

b. Information on interest expense:

1. Information of interest expense on borrowings (*):

	Current Period 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Banks	77.138	941.625	49.564	973.458
The CBRT	-	-	-	-
Domestic Banks	76.403	41.120	49.564	127.743
Foreign Banks	735	900.505	-	845.715
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	168.796	-	156.001
Total	**77.138**	**1.110.421**	**49.564**	**1.129.459**

(*) 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 31 December 2021		Prior Period 31 December 2020	
	TL	**FC**	**TL**	**FC**
Interest expense on securities issued	1.266.930	1.532.711	976.182	952.437

4. Maturity structure of the interest expense on deposits :

There are no seven-day notification deposits.

		Time Deposits					
Current Period - 31.12.2021	**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	-	155.061	311.141	-	-	-	466.202
Saving Deposits	-	1.826.724	8.668.597	315.957	172.842	197.596	11.181.716
Public Sector Deposits	-	1.010	4.920	203	56	15	6.204
Commercial Deposits	-	2.649.109	1.636.625	58.828	52.546	55.339	4.452.447
Other Deposits	-	67.800	324.597	25.723	107.398	60.299	585.817
Total	**-**	**4.699.704**	**10.945.880**	**400.711**	**332.842**	**313.249**	**16.692.386**
FC							
Foreign Currency Deposits	5.417	126.869	554.850	19.575	49.499	245.658	1.001.868
Bank Deposits	78	3.778	83.377	19.498	10.459	-	117.190
Precious Metals Deposits	-	142	1.134	73	2.419	647	4.415
Total	**5.495**	**130.789**	**639.361**	**39.146**	**62.377**	**246.305**	**1.123.473**
Grand Total	**5.495**	**4.830.493**	**11.585.241**	**439.857**	**395.219**	**559.554**	**17.815.859**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

		Time Deposits					
Prior Period - 31.12.2020	**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	22.655	123.307	91.014	-	198	-	237.174
Saving Deposits	-	971.202	4.209.217	17.069	22.427	56.223	5.276.138
Public Sector Deposits	-	1.262	2.912	188	31	46	4.439
Commercial Deposits	-	895.818	1.110.970	38.122	5.123	5.703	2.055.736
Other Deposits	-	30.182	250.649	905	386	81	282.203
Total	**22.655**	**2.021.771**	**5.664.762**	**56.284**	**28.165**	**62.053**	**7.855.690**
FC							
Foreign Currency Deposits	5.553	180.049	724.521	49.884	49.183	231.228	1.240.418
Bank Deposits	277	3.119	89.249	23.451	8.640	71	124.807
Precious Metals Deposits	-	77	353	31	1.939	724	3.124
Total	**5.830**	**183.245**	**814.123**	**73.366**	**59.762**	**232.023**	**1.368.349**
Grand Total	**28.485**	**2.205.016**	**6.478.885**	**129.650**	**87.927**	**294.076**	**9.224.039**

c. Explanations on dividend income:

	Current Period 31 December 2021	**Prior Period 31 December 2020**
From Financial Assets at Fair Value Through Profit or Loss	9.661	1.420
From Financial Assets at Fair Value Through Other Comprehensive Income	3.495	3.211
Other	-	235
Total	**13.156**	**4.866**

d. Information on trading profit/loss (Net):

	Current Period 31 December 2021	**Prior Period 31 December 2020**
Profit	**3.852.076.890**	**1.272.928.284**
Income From Capital Market Transactions	1.374.289	781.034
Income From Derivative Financial Transactions (*)	56.558.722	23.547.537
Foreign Exchange Gains	3.794.143.879	1.248.599.713
Loss (-)	**3.845.284.872**	**1.273.603.831**
Loss from Capital Market Transactions	473.188	335.126
Loss from Derivative Financial Transactions (*)	57.555.040	27.798.195
Foreign Exchange Loss	3.787.256.644	1.245.470.510
Total (Net)	**6.792.018**	**(675.547)**

(*) The net profit resulting from the foreign exchange differences related to derivative financial transactions is TL 14.406.534 (31 December 2020: TL 85.257).

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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

f. Provision expenses related to loans and other receivables of the Group:

Expected provision expense:

	Current Period 31 December 2021	Prior Period 31 December 2020
Expected Credit Loss	5.175.780	6.954.251
12 month expected credit loss (Stage 1)	98.815	1.102.536
Significant increase in credit risk (Stage 2)	1.122.285	1.239.130
Non-performing loans (Stage 3)	3.954.680	4.612.585
Marketable Securities Impairment Expense	-	10
Financial Assets at Fair Value through Profit or Loss	-	10
Financial Assets at Fair Value through Other Comprehensive Income	-	-
Investments in Associates and Subsidiaries Securities Value Decrease	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other (*)	7.798.299	2.628.511
Total	**12.974.079**	**9.582.772**

(*) 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 31 December 2021	Prior Period 31 December 2020
Reserve for Employee Termination Benefits	33.845	35.354
Bank Social Aid Fund Deficit Provision	168.240	88.138
Impairment Expenses of Fixed Assets	-	12.594
Depreciation Expenses of Fixed Assets	523.911	471.503
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expenses	-	-
Amortization Expenses of Intangible Assets	287.090	214.978
Impairment Expenses of Equity Participations for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Resale	1.517	19.621
Depreciation Expenses of Assets Held for Resale	-	-
Impairment Expenses of Fixed Assets Held for Sale	-	-
Other Operating Expenses	4.010.130	3.114.292
Leasing Expenses on TFRS 16 Exceptions	135.321	119.993
Maintenance Expenses	70.294	51.152
Advertisement Expenses	218.227	150.218
Other Expenses	3.586.288	2.792.929
Loss on Sales of Assets	7.341	5.585
Other	1.337.297	1.103.808
Total	**6.369.371**	**5.065.873**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

h. 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.

(KDV hariç tutarlardır.)	Current Period 31 December 2021	Prior Period 31 December 2020
Independent Audit Fee	4.753	3.937
Tax Consultancy Fee	-	-
Other Assurance Services Fee	1.519	821
Other Non-Audit Services Fee	988	949
Toplam	**7.260**	**5.707**

i. Information on income/loss from minority interest:

	Current Period 31 December 2021	Prior Period 31 December 2020
Income/(loss) from minority interest	-	23

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 24.348.108 (31 December 2020: TL 20.698.768), net fees and commission income amounting to TL 6.079.237 (31 December 2020: TL 4.549.000) and the amount of other operating and personal expense is TL 9.905.898 (31 Aralık 2020: TL 8.106.094).
The Bank has no discontinued operations.

k. Information on tax provision of continued and discontinued operations:

As of 31 December 2021, the Group has a current tax expense of TL 3.399.761 (31 December 2020: TL 2.387.901), deferred tax expense of TL 5.419.011 (31 December 2020: TL 1.034.774) and deferred tax income of TL 4.305.501 (31 December 2020: TL 1.398.164). The Group's current tax expense of TL 127.461 (31 December 2020: TL 179.835) and deferred tax income of TL 161.615 (31 December 2020: TL 474 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 12.127.191 (31 December 2020: TL 6.259.625). 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 2020: 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 2020: 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.

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 24 March 2021. In the Ordinary General Assembly, it was decided to distribute TL 626.080 cash dividend over the TL 6.267.167 net income from 2020 operations to the Bank's shareholders. It was also resolved in the General Assembly to transfer TL 702 to special funds account under other capital reserves, to allocate TL 36.608 as legal and TL 5.603.777 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 2021, 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 TL 2.779 (31 December 2020: TL (695)).

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 2021, the amount directly recognized in equity is TL (6.043.843) (31 December 2020: TL (2.284.998)).

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.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 31 December 2021	Prior Period 31 December 2020
Cash	**12.976.210**	**14.265.890**
Cash, Foreign Currency and Other	4.936.243	3.282.210
Demand Deposits in Banks (*)	8.039.967	10.983.680
Cash Equivalents	**519.096**	**4.426.087**
Interbank Money Market Placements	487.793	65.609
Time Deposits in Banks	28.756	4.244.340
Marketable Securities	2.547	116.138
Total Cash and Cash Equivalents	**13.495.306**	**18.691.977**

(*) The restricted demand accounts are not included.

1. Cash and cash equivalents at the end of period:

	Current Period 31 December 2021	Prior Period 31 December 2020
Cash	**42.507.765**	**12.976.210**
Cash, Foreign Currency and Other	9.943.357	4.936.243
Demand Deposits in Banks (*)	32.564.408	8.039.967
Cash Equivalents	**6.108.351**	**519.096**
Interbank Money Market Placements	2.812.468	487.793
Time Deposits in Banks	3.289.471	28.756
Marketable Securities	6.412	2.547
Total Cash and Cash Equivalents	**48.616.116**	**13.495.306**

(*) 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 (4.450.268) (31 December 2020: TL (3.696.528)) 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 38.782.456 (31 December 2020: TL (13.153.510)) 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 13.209.138 (31 December 2020: TL 3.516.122).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 2021:

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	-	-	7.661.495	2.175.351	2.134	1.576
Balance at the End of the Period	-	-	9.574.170	2.830.028	77.741	94.948
Interest and Commission Income Received	-	-	639.383	10.305	2.164	1.258

2. Prior Period – 31 December 2020:

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	-	-	6.723.184	1.048.361	6.429	1.096
Balance at the End of the Period	-	-	7.661.495	2.175.351	2.134	1.576
Interest and Commission Income Received	-	-	761.186	9.467	475	22

3. Information on deposits of 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 Period 31.12.2021	Prior Period 31.12.2020	Current Period 31.12.2021	Prior Period 31.12.2020	Current Period 31.12.2021	Prior Period 31.12.2020
Balance at the Beginning of the Period	-	-	5.935.731	4.572.874	633.839	1.403.075
Balance at the End of the Period	-	-	9.970.604	5.935.731	960.273	633.839
Interest expense on Deposits	-	-	393.987	186.557	39.658	24.870

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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 Period 31.12.2021	Prior Period 31.12.2020	Current Period 31.12.2021	Prior Period 31.12.2020	Current Period 31.12.2021	Prior Period 31.12.2020
Transactions at Fair Value Through Profit or Loss						
Beginning of the Period	-	-	10.166.262	11.408.705	-	-
Balance at the End of the Period	-	-	23.469.742	10.166.262	-	-
Total Income/Loss	-	-	(159.510)	117.896	-	-
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 2021, the net exposure for direct and indirect shareholders of the Group is TL (2.354.032) (31 December 2020: TL (358.416)).

5. Information regarding benefits provided to the Group's key management:

As of 31 December 2021, benefits provided to the Group's key management amounting to TL 104.711 (31 December 2020: TL 91.258).

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	710	12.171			
			Country of Incorporation		
Foreign Representation Office	-	-	-		
				Total Assets	Statutory Share Capital
Foreign Branch	-	-	-	-	-
Off-shore Banking Region Branches	1	13	Malta	69.047.980	-

2. Information on the Bank's branch or representative office openings, closings, significant changes in the organizational structure:

In 2021, the Bank has closed up 5 domestic branches.

IX. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

"Retail Banking and Digital Solutions" and "SME Banking" business units were established at the Bank. In the new organizational structure, Strategy, Digital Banking and Payment Systems Assistant General Manager Burcu Civelek Yüce assumed the role of Retail Banking and Digital Solutions Assistant General Manager; Bülent Oğuz, Deputy General Manager of Retail Banking, assumed the role of Deputy General Manager of SME Banking.

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 2021 have been audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The audit report dated 1 February 2022 is presented preceding the consolidated financial statements.

III. EXPLANATIONS AND NOTES PREPARED BY INDEPENDENT AUDITORS

None.