

AKBANK T.A.Ş.

**PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
STATEMENTS AND RELATED DISCLOSURES
AT 31 DECEMBER 2023 TOGETHER WITH INDEPENDENT
AUDITOR'S REPORT**

**(Convenience translation of publicly announced consolidated
financial statements, related disclosures and auditor's review report
originally issued in Turkish, See Note. I.b of Section three)**

**CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT
ORIGINALLY ISSUED IN TURKISH
(See Note I of Section Three)**

INDEPENDENT AUDITOR'S REPORT

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

A. Audit of the Consolidated Financial Statements

1. Opinion

We have audited the accompanying consolidated financial statements of Akbank T.A.Ş. (the "Bank"), and its subsidiaries (collectively referred to as the "Group"), which comprise the statement of consolidated balance sheet as at 31 December 2023, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows for the year then ended and the notes to the consolidated financial statements and a summary of significant accounting policies and consolidated financial statement notes.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Board and circulars and interpretations published by BRSA and Turkish Financial Reporting Standards ("TFRS") for those matters not regulated by the aforementioned regulations.

2. Basis for Opinion

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

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of loans and lease receivables in accordance with TFRS 9

The Group has total provision for impairment of TL 32.781.486 thousand in respect to loans and lease receivables of TL 981.783.457 thousand which represent a significant portion of the Group's total assets in its consolidated financial statements as at 31 December 2023. Explanations and notes related to provision for impairment of loans and lease receivables are presented section III part VII-e, section III part VIII, section IV part II-h, section IV part II-l, 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 2023.

The Group recognizes provisions for impairment in accordance with "TFRS 9 Financial Instruments" requirements in line with the "Regulation on the Procedures and Principles for Classification of Loans and Provisions to be Provided" as published in the Official Gazette dated 22 June 2016 with number 29750. TFRS 9 is a complex accounting standard which requires considerable judgement and interpretation. These judgements are key in the development of the financial models built to measure the expected credit losses on loans recorded at amortized cost. In addition, the operation of the models requires large data inputs that are generated through more than one system and the accuracy and completeness of the data are key in the determination of expected credit losses on loans. Impairment allowances are calculated on a collective basis for portfolios of loans of a similar nature and on individual basis for significant loans taking into account Management's best estimate at the balance sheet date and historical losses incurred.

Our audit was focused on this area due to existence of complex estimates and information used in the impairment assessment such as developing macro-economic scenarios and their weightings, historical loss experiences; the significance of the loan balances; the appropriateness of classification of loans and lease receivables as per their credit risk (staging) in accordance with applicable regulation and the importance of determination of the associated impairment allowances. Timely and correctly identification of loss event and the level of judgements and estimations made by the management have significant impacts on the 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 line with the TFRS 9. 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 in respect to segmentation, use of macro-economic expectations, life time expected credit losses, losses given default.

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.

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.

Valuation of Pension Fund Obligations

The Bank has booked provision amounting to TL 1.045.849 thousand for Pension Fund Liabilities in the accompanying consolidated financial statements as at 31 December 2023. Explanations on Valuation of Pension Obligations are presented in the section III part XVII-b and section V part II-h in the accompanying consolidated financial statements.

The Bank's Personnel Pension Fund Foundation ("Pension Fund") is established in accordance with the Social Security Law numbered 506 article No 20 and is within the scope of Funds to be transferred to the Social Security Institution ("SSI"). The President of the Republic of Turkey is authorized to determine the transfer date. The total obligation of the fund is estimated using separate methods and assumption for benefits to be transferred and for non-transferrable benefits. The valuations of the pension obligations require significant judgement and technical expertise in choosing appropriate assumptions. The Bank's management uses external actuarial consulting firm for the purpose of valuations of pension obligations.

The reason we focused on this area during our audit is; uncertainty of the transfer date, the importance of the actuarial and economic assumptions such as technical interest rate determined by the law that regulate the transfer conditions, salary increases, demographic assumptions used in the valuation of pension obligations and the significant impact that may arise from the possible change in the assumptions used in the evaluation of pension fund liabilities.

Within our audit, we tested on a sample basis the accuracy of the retired and employee data supplied by the Bank management to the external consulting firm for the purpose of evaluation pension obligation. In addition, we have verified the existence and values of the Pension Fund assets.

We checked whether significant changes in actuarial assumptions used in calculation, employee benefits in the year, plan assets and liabilities, and laws and regulations related to valuations exist, and tested significant changes.

Through use of actuarial specialists, we assessed the reasonableness of assumptions and evaluation made by the external actuaries in the calculation of the liability.

In addition to the above procedures, we evaluated the adequacy of the disclosures made with respect to Pension Fund in the accompanying consolidated financial statements.

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 2023 period are not in compliance with the TCC and provisions of the Bank's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

Additional Paragraph for Convenience Translation

BRSR Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 December 2023. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

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

Zeynep Uras, SMMM
Partner

Istanbul, 1 February 2024

**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 2023**

Address : Sabancı Center 34330, 4. Levent / İstanbul
Telephone : (0 212) 385 55 55
Fax : (0 212) 319 52 52
Website : www.akbank.com
E-mail : <http://www.akbank.com/tr-tr/genel/Sayfalar/Iletisim-Formu.aspx>

The consolidated financial report, prepared in accordance with "Communiqué on the Financial Statements and the Related Policies and Disclosures to be Publicly Announced" as regulated by the Banking Regulation and Supervision Agency, is consist of the sections listed below.

- **Section One** - GENERAL INFORMATION ABOUT THE PARENT BANK
- **Section Two** - CONSOLIDATED FINANCIAL STATEMENTS OF THE PARENT BANK
- **Section Three** - EXPLANATIONS ON ACCOUNTING POLICIES
- **Section Four** - INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP
- **Section Five** - INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS
- **Section Six** - OTHER EXPLANATIONS
- **Section Seven** - INDEPENDENT AUDITOR'S REPORT

Investments in associates, joint ventures and subsidiaries whose financial statements have been consolidated in this reporting package are as follows:

	Subsidiaries	Investments in Associates	Joint Ventures
1.	Ak Finansal Kiralama A.Ş.	-	-
2.	Ak Yatırım Menkul Değerler A.Ş.	-	-
3.	Ak Portföy Yönetimi A.Ş.	-	-
4.	Akbank AG	-	-
5.	AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş.	-	-

A.R.T.S. Ltd., which is not subsidiary of the Bank has been included in the consolidation due to the reason that this company is "Structured Entity"

The accompanying consolidated financial statements and notes to these financial statements which are expressed, unless otherwise stated, in thousands of Turkish Lira (TL), have been prepared based on the accounting books of the Bank in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, and the related appendices and interpretations on these, and have been independently reviewed.

1 February 2024

Suzan SABANCI	Eyüp ENGİN	Levent DEMİRAĞ	Cenk Kaan GÜR	Türker TUNALI	Gökhan KAZCILAR
Chairman of the 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

	Page
SECTION ONE	
General Information about the Bank	
I. Parent Bank's foundation date, start-up status, history regarding the changes in this status	1
II. Explanation about the Parent Bank's capital structure, shareholders of the Parent Bank who are in charge of the management and/or auditing of the Bank directly or indirectly, changes in these matters (if any) and the Group that the Parent Bank belongs to	1
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	1
IV. Information on the individual and corporate shareholders having control shares of the Parent Bank	2
V. Information on the Parent Bank's service types and fields of operation	2
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	2
VII. Existing or potential, actual or legal obstacles to immediate transfer of capital between Parent Bank and its subsidiaries and repayment of debts	2
SECTION TWO	
Consolidated Financial Statements of the Bank	
I. Consolidated Balance sheet	3
II. Consolidated Off Balance Sheet Commitments	5
III. Consolidated Income statement	6
IV. Consolidated Statement of profit or loss and other comprehensive income	7
V. Consolidated Statement of changes in shareholders' equity	8
VI. Consolidated Statement of cash flows	10
VII. Statement of profit appropriation	11
SECTION THREE	
Explanations on Accounting Policies	
I. Explanations on basis of presentation	12
II. Explanations on strategy of using financial instruments and explanations on foreign currency transactions	12
III. Explanations on equity investments	12
IV. Explanations on forward transactions, options and derivative instruments	13
V. Explanations on interest income and expense	14
VI. Explanations on fee and commission income and expenses	14
VII. Explanations on financial assets	14
VIII. Explanations on expected credit loss	18
IX. Explanations on offsetting financial instruments	19
X. Explanations on sales and repurchase agreements and securities lending transactions	19
XI. Explanations on assets held for sale and related to discontinued operations (Net)	20
XII. Explanations on goodwill and other intangible assets	20
XIII. Explanations on property and equipment	20
XIV. Explanations on leasing transactions	21
XV. Explanations on provisions and contingent liabilities	22
XVI. Explanations on contingent assets	22
XVII. Explanations on obligations related to employee rights	22
XVIII. Explanations on taxation	23
XIX. Explanations on borrowings	25
XX. Explanations on issuance of share certificates	25
XXI. Explanations on avalized drafts and acceptances	25
XXII. Explanations on government grants	25
XXIII. Explanations on segment reporting	25
XXIV. Profit reserves and profit distribution	25
XXV. Earnings per share	26
XXVI. Related parties	26
XXVII. Cash and cash equivalent assets	26
XXVIII. Reclassifications	26
SECTION FOUR	
Information Related to Financial Position and Risk Management of the Group	
I. Explanations on equity	27
II. Explanations on credit risk	37
III. Explanations on currency risk	47
IV. Explanations on interest rate risk	49
V. Explanations on position risk of equity securities	51
VI. Explanations on liquidity risk management and liquidity coverage ratio	51
VII. Explanations on leverage ratio	58
VIII. Explanations on the presentation of financial assets and liabilities at their fair values	59
IX. Explanations on the activities carried out on behalf and account of other persons	62
X. Explanations on risk management target and policies	62
XI. Explanations on risk hedge transactions	82
XII. Explanations on qualitative disclosures on remuneration policies	85
XIII. Explanations on business segments	86
SECTION FIVE	
Information and Disclosures Related to Consolidated Financial Statements	
I. Explanations and notes related to consolidated assets	88
II. Explanations and notes related to consolidated liabilities	106
III. Explanations and notes related to consolidated off-balance sheet accounts	115
IV. Explanations and notes related to consolidated income statement	118
V. Explanations and notes related to consolidated statement of changes in the shareholders' equity	123
VI. Explanations and notes related to consolidated statement of cash flows	124
VII. Explanations and notes related to risk group that the group belongs to	125
VIII. Explanations and notes related to the domestic, foreign, off-shore branches and foreign representatives of the bank	126
IX. Explanations and notes related to subsequent events	127
SECTION SIX	
Other Explanations	
I. Other explanations	127
SECTION SEVEN	
Explanations on Independent Auditor's Report	
I. Explanations on auditor's report	127
II. Explanations and notes prepared by independent auditors	127s

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

SECTION ONE GENERAL INFORMATION ABOUT THE BANK

I. PARENT BANK'S FOUNDATION DATE, START-UP STATUS, HISTORY REGARDING THE CHANGES IN THIS STATUS:

Akbank T.A.Ş. ("the Bank", "the Parent Bank" or "Akbank") was established on 30 January 1948 as a private commercial bank, in accordance with the decision of the Council of Ministers, No.3/6710 and is authorized to perform all economic, financial and commercial activities, which are allowed by the laws of the Turkish Republic ("T.C."). The status of the Bank has not changed since its foundation.

II. EXPLANATION ABOUT THE PARENT BANK'S CAPITAL STRUCTURE, SHAREHOLDERS OF THE BANK WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS (IF ANY) AND THE GROUP THAT THE PARENT BANK BELONGS TO:

The Bank's shares have been quoted on the Borsa Istanbul ("BIST") since 1990. In 1998, 4,03% of the outstanding share capital of the Bank was offered and sold in an international offering outside of Turkey in the form of Ordinary Shares and American Depository Receipts ("ADRs"). As of 31 December 2023, approximately 51% of the shares are publicly traded, including the ADRs (31 December 2022: 51%).

The major shareholder of the Parent Bank, directly or indirectly, is 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:

<u>Title</u>	<u>Name</u>	<u>Responsibility</u>	<u>Education</u>
Chairman:	Suzan SABANCI	Chairman of the Board of Directors	Graduate
Board of Directors:	S. Hakan BİNBAŞGİL	Vice Chairman and Executive Board Member	Graduate
	A. Fuat AYLA	Executive Board Member	Undergraduate
	Eyüp ENGİN	Board Member	Undergraduate
	Ş. Yaman TÖRÜNER	Board Member	Undergraduate
	Emre DERMAN	Board Member	Graduate
	N. Orhun KÖSTEM	Board Member	Graduate
	Mehmet Tuğrul BELLİ	Board Member	Graduate
	Levent DEMİRAĞ	Board Member	Undergraduate
	C. Kaan GÜR	Board Member and CEO	Graduate
CEO:	C. Kaan GÜR	CEO	Graduate
Head of Internal Audit:	Savaş KÜLCÜ	Head of Internal Audit	Graduate
Executive Vice Presidents:	Bülent OĞUZ	SME Banking	Graduate
	H.Burcu ÇİVELEK YÜCE	Consumer Banking and Digital Solutions	Graduate
	Ege GÜLTEKİN	Credit Monitoring and Follow-up	Graduate
	Levent ÇELEBİOĞLU	Corporate and Investment Banking	Undergraduate
	Gökhan GÖKÇAY	Technology	Graduate
	Çetin DÜZ	Commercial Banking	Graduate
	Türker TUNALI	Financial Management	Undergraduate
	Dalya KOHEN	Private Banking and Wealth Management	Undergraduate
	Yunus Emre ÖZBEN	Credit Allocation	Graduate
	Zeynep ÖZTÜRK ŞARSEL	Special Credits	Graduate
	Gamze Şebnem MURATOĞLU	Treasury	Graduate
	Pınar ANAPA	People and Culture	Graduate
Internal Audit Committee:	Eyüp ENGİN	Head of the Audit Committee	Undergraduate
	Levent DEMİRAĞ	Member of the Audit Committee	Undergraduate

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

IV. INFORMATION ON THE INDIVIDUAL AND CORPORATE SHAREHOLDERS HAVING CONTROL SHARES OF THE PARENT BANK:

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 consumer banking, SME banking, commercial banking, corporate-investment banking and private banking and wealth management, foreign exchange, money markets, securities transactions (treasury transactions) and international banking services. In addition to regular banking operations, the Bank also provides insurance intermediary services as an agency of Aksigorta A.Ş. and AgeSA Hayat ve Emeklilik A.Ş. via its branch network. As of 31 December 2023, the Bank has 704 branches dispersed throughout the country and 1 branch operating abroad (31 December 2022: 710 branches and 1 branch operating abroad). As of 31 December 2023, the Bank has 12.864 employees (31 December 2022: 12.717).

The Parent Bank and its subsidiaries, Ak Finansal Kiralama A.Ş., Ak Yatırım Menkul Değerler A.Ş., AK Portföy Yönetimi A.Ş., Akbank AG, AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş. and together with A.R.T.S. Ltd., which is not subsidiary of the Bank, this company is a "Structured Entity", has been included in the scope of consolidation. The Parent Bank together with its consolidated subsidiaries are referred to as the "Group".

As at 31 December 2023, the Group employed 13.451 people (31 December 2022: 13.247).

VI. A SHORT EXPLANATION ON THE DIFFERENCES BETWEEN THE COMMUNIQUE ON CONSOLIDATED FINANCIAL STATEMENT REPORTING AND THE CONSOLIDATION PROCEDURES REQUIRED BY TURKISH ACCOUNTING STANDARDS AND ABOUT INSTITUTIONS THAT ARE SUBJECT TO FULL CONSOLIDATION, PROPORTIONAL CONSOLIDATION, BY WAY OF DEDUCTION FROM CAPITAL OR THOSE THAT ARE SUBJECT TO NONE:

The Bank sees no difference between the Communiqué on Consolidated Financial Reporting and the consolidation procedures required by Turkish Accounting Standards. Information in regards to consolidated subsidiaries and consolidation methods are given in Section III. Note III.

VII. EXISTING OR POTENTIAL, ACTUAL OR LEGAL OBSTACLES TO IMMEDIATE TRANSFER OF CAPITAL BETWEEN PARENT BANK AND ITS SUBSIDIARIES AND REPAYMENT OF DEBTS:

None.

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.Ş.

I. CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2023 (STATEMENT OF FINANCIAL POSITION)

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

ASSETS	Note (Section Five)	CURRENT PERIOD (31/12/2023)			PRIOR PERIOD (31/12/2022)		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		350.025.897	373.591.232	723.617.129	154.190.916	244.411.958	398.602.874
1.1 Cash and Cash Equivalents		131.196.111	225.695.449	356.891.560	25.476.114	141.893.059	167.369.173
1.1.1 Cash and Balances with Central Bank	(I-a)	128.922.940	168.476.759	297.399.699	23.686.721	103.846.070	127.532.791
1.1.2 Banks	(I-d)	862.598	57.220.532	58.083.130	332.181	38.048.441	38.380.622
1.1.3 Money Markets		1.415.550	-	1.415.550	1.462.376	-	1.462.376
1.1.4 Expected Loss Provision (-)		4.977	1.842	6.819	5.164	1.452	6.616
1.2 Financial Assets at Fair Value Through Profit or Loss	(I-b)	14.200.881	2.053.235	16.254.116	9.611.275	947.850	10.559.125
1.2.1 Government Debt Securities		343.448	446.295	789.743	437.765	164.826	602.591
1.2.2 Equity Instruments		2.425.372	1.096.752	3.522.124	6.035.618	555.909	6.591.527
1.2.3 Other Financial Assets		11.432.061	510.188	11.942.249	3.137.892	227.115	3.365.007
1.3 Financial Assets at Fair Value Through Other Comprehensive Income	(I-e)	158.019.584	125.745.884	283.765.468	87.872.708	83.955.065	171.827.773
1.3.1 Government Debt Securities		127.142.989	90.781.116	217.924.105	82.359.177	60.593.581	142.952.758
1.3.2 Equity Instruments		112.097	109	112.206	97.121	109	97.230
1.3.3 Other Financial Assets		30.764.498	34.964.659	65.729.157	5.416.410	23.361.375	28.777.785
1.4 Derivative Financial Assets	(I-c, I-l)	46.609.321	20.096.664	66.705.985	31.230.819	17.615.984	48.846.803
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		19.042.113	18.137.137	37.179.250	12.416.155	15.553.504	27.969.659
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income		27.567.208	1.959.527	29.526.735	18.814.664	2.062.480	20.877.144
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		790.375.904	323.529.257	1.113.905.161	483.990.069	219.957.230	703.947.299
2.1 Loans	(I-f)	662.832.567	299.248.666	962.081.233	411.479.548	204.429.567	616.109.115
2.2 Lease Receivables	(I-k)	7.411.833	12.290.391	19.702.224	3.829.091	8.096.500	11.925.591
2.3 Factoring Receivables		-	-	-	-	-	-
2.4 Other Financial Assets Measured at Amortised Cost	(I-g)	147.032.731	17.894.029	164.926.760	86.174.530	11.980.146	98.154.676
2.4.1 Government Debt Securities		147.032.731	16.284.267	163.316.998	86.174.530	10.660.402	96.834.932
2.4.2 Other Financial Assets		-	1.609.762	1.609.762	-	1.319.744	1.319.744
2.5 Expected Credit Loss (-)		26.901.227	5.903.829	32.805.056	17.493.100	4.748.983	22.242.083
III. ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(I-q)	501.671	-	501.671	591.213	-	591.213
3.1 Held for Sale Purpose		501.671	-	501.671	591.213	-	591.213
3.2 Related to Discontinued Operations		-	-	-	-	-	-
IV. EQUITY INVESTMENTS		71.328	2.990.538	3.061.866	18.957	-	18.957
4.1 Investments in Associates (Net)	(I-h)	19.528	-	19.528	18.957	-	18.957
4.1.1 Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		19.528	-	19.528	18.957	-	18.957
4.2 Subsidiaries (Net)	(I-i)	51.800	2.990.538	3.042.338	-	-	-
4.2.1 Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated Non-Financial Subsidiaries		51.800	2.990.538	3.042.338	-	-	-
4.3 Joint Ventures (Net)	(I-j)	-	-	-	-	-	-
4.3.1 Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures		-	-	-	-	-	-
V. PROPERTY AND EQUIPMENT (Net)	(I-m)	25.151.884	165.505	25.317.389	15.126.029	105.974	15.232.003
VI. INTANGIBLE ASSETS (Net)	(I-n)	3.969.747	33.686	4.003.433	2.686.426	19.697	2.706.123
6.1 Goodwill		134.405	-	134.405	-	-	-
6.2 Other		3.835.342	33.686	3.869.028	2.686.426	19.697	2.706.123
VII. INVESTMENT PROPERTY (Net)	(I-o)	-	-	-	-	-	-
VIII. CURRENT TAX ASSET		112.084	-	112.084	-	355.563	355.563
IX. DEFERRED TAX ASSET	(I-p)	117.755	54.509	172.264	21.360	192.285	213.645
X. OTHER ASSETS (Net)	(I-r)	29.710.001	4.368.490	34.078.491	23.399.038	2.227.465	25.626.503
TOTAL ASSETS		1.200.036.271	704.733.217	1.904.769.488	680.024.008	467.270.172	1.147.294.180

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

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.Ş.

I. CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2023 (STATEMENT OF FINANCIAL POSITION)

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

LIABILITIES	Note (Section Five)	CURRENT PERIOD (31/12/2023)			PRIOR PERIOD (31/12/2022)		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	(II-a)	766.343.721	526.570.743	1.292.914.464	370.274.245	351.287.683	721.561.928
II. FUNDS BORROWED	(II-c)	5.073.113	106.951.944	112.025.057	1.549.474	73.513.480	75.062.954
III. MONEY MARKETS		9.172.567	90.231.099	99.403.666	31.404.500	31.119.953	62.524.453
IV. SECURITIES ISSUED (Net)	(II-d)	4.351.409	38.574.096	42.925.505	6.094.990	19.723.455	25.818.445
4.1 Bills		566.351	-	566.351	2.663.511	-	2.663.511
4.2 Asset Backed Securities		-	-	-	-	-	-
4.3 Bonds		3.785.058	38.574.096	42.359.154	3.431.479	19.723.455	23.154.934
V. FUNDS		-	-	-	-	-	-
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		-	-	-	-	-	-
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	(II-b, II-g)	11.839.039	3.131.595	14.970.634	11.240.035	3.815.567	15.055.602
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		10.986.566	3.131.595	14.118.161	10.745.559	3.815.566	14.561.125
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		852.473	-	852.473	494.476	1	494.477
VIII. FACTORING LIABILITIES		-	-	-	-	-	-
IX. LEASE LIABILITIES (Net)	(II-f)	1.412.070	92.585	1.504.655	802.416	63.966	866.382
X. PROVISIONS	(II-h)	6.826.417	1.237.692	8.064.109	5.406.719	455.795	5.862.514
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reserve for Employee Benefits		3.297.406	18.722	3.316.128	2.249.152	5.960	2.255.112
10.3 Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4 Other Provisions		3.529.011	1.218.970	4.747.981	3.157.567	449.835	3.607.402
XI. CURRENT TAX LIABILITY	(II-i)	10.972.354	1.621.896	12.594.250	10.476.097	485.464	10.961.561
XII. DEFERRED TAX LIABILITY	(II-i)	1.322.868	630.990	1.953.858	3.066.604	418.170	3.484.774
XIII. LIABILITIES FOR ASSETS HELD FOR SALE AND RELATED TO THE DISCONTINUED OPERATIONS (Net)		-	-	-	-	-	-
13.1 Held for Sale Purpose		-	-	-	-	-	-
13.2 Related to Discontinued Operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT INSTRUMENTS	(II-j)	-	23.736.225	23.736.225	-	16.800.082	16.800.082
14.1 Loans		-	-	-	-	-	-
14.2 Other Debt Instruments		-	23.736.225	23.736.225	-	16.800.082	16.800.082
XV. OTHER LIABILITIES	(II-e)	45.231.944	38.226.414	83.458.358	27.438.039	28.251.576	55.689.615
XVI. SHAREHOLDERS' EQUITY	(II-k)	224.609.092	(13.390.385)	211.218.707	162.706.574	(9.100.704)	153.605.870
16.1 Paid-in capital		5.200.000	-	5.200.000	5.200.000	-	5.200.000
16.2 Capital Reserves		5.320.613	-	5.320.613	5.320.613	-	5.320.613
16.2.1 Share Premium		3.505.742	-	3.505.742	3.505.742	-	3.505.742
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		1.814.871	-	1.814.871	1.814.871	-	1.814.871
16.3 Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss		12.388.603	67.307	12.455.910	7.302.760	37.347	7.340.107
16.4 Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss		26.711.628	(13.457.692)	13.253.936	27.438.475	(9.138.051)	18.300.424
16.5 Profit Reserves		108.313.918	-	108.313.918	57.238.547	-	57.238.547
16.5.1 Legal Reserves		2.944.561	-	2.944.561	2.058.326	-	2.058.326
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		93.843.688	-	93.843.688	55.003.132	-	55.003.132
16.5.4 Other Profit Reserves		11.525.669	-	11.525.669	177.089	-	177.089
16.6 Income or (Loss)		66.674.330	-	66.674.330	60.206.179	-	60.206.179
16.6.1 Prior Periods' Income or (Loss)		178.095	-	178.095	180.472	-	180.472
16.6.2 Current Period Income or (Loss)		66.496.235	-	66.496.235	60.025.707	-	60.025.707
16.7 Minority Interest	(II-l)	-	-	-	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1.087.154.594	817.614.894	1.904.769.488	630.459.693	516.834.487	1.147.294.180

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

AKBANK T.A.S.**II. CONSOLIDATED OFF-BALANCE SHEET COMMITMENTS AS OF 31 DECEMBER 2023**

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

Note (Section Five)	CURRENT PERIOD (31/12/2023)			PRIOR PERIOD (31/12/2022)		
	TL	FC	Total	TL	FC	Total
A. OFF-BALANCE SHEET COMMITMENTS (I-III)	1.200.586.115	1.336.587.534	2.537.173.649	525.650.073	1.076.078.174	1.601.728.247
I. GUARANTEES AND WARRANTIES (III-a-2, 3)	138.582.824	99.969.581	238.552.405	68.058.116	73.263.918	141.302.034
1.1 Letters of Guarantee	113.288.749	71.160.669	184.449.418	51.738.063	45.730.576	97.468.639
1.1.1 Guarantees Subject to State Tender Law	1.658.437	9.038.030	10.696.467	1.375.563	6.044.920	7.420.483
1.1.2 Guarantees Given for Foreign Trade Operations	-	4.203.676	4.203.676	-	2.595.601	2.595.601
1.1.3 Other Letters of Guarantee	111.630.312	57.918.963	169.549.275	50.362.500	37.090.055	87.452.555
1.2 Bank Acceptances	-	745.358	745.358	4.785	190.323	195.108
1.2.1 Import Letter of Acceptance	-	745.358	745.358	4.785	190.323	195.108
1.2.2 Other Bank Acceptances	-	-	-	-	-	-
1.3 Letters of Credit	2.878.946	24.643.608	27.522.554	2.058.977	19.176.718	21.235.695
1.3.1 Documentary Letters of Credit	2.878.946	21.251.899	24.130.845	2.058.977	16.898.022	18.956.999
1.3.2 Other Letters of Credit	-	3.391.709	3.391.709	-	2.278.696	2.278.696
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	-	20.987	20.987	-	12.651	12.651
1.8 Other Guarantees	6.046.843	3.394.791	9.441.634	5.349.753	8.127.523	13.477.276
1.9 Other Collaterals	16.368.286	4.168	16.372.454	8.906.538	6.127	8.912.665
II. COMMITMENTS (III-a-1)	532.282.671	31.843.606	564.126.277	154.992.537	16.668.298	171.660.835
2.1 Irrevocable Commitments	520.235.045	30.762.048	550.997.093	152.086.287	15.161.502	167.247.789
2.1.1 Asset Purchase Commitments	7.672.829	25.079.592	32.752.421	1.025.346	6.826.708	7.852.054
2.1.2 Deposit Purchase and Sales Commitments	-	-	-	-	-	-
2.1.3 Share Capital Commitments to Associates and Subsidiaries	-	-	-	-	-	-
2.1.4 Loan Granting Commitments	35.691.022	5.555.705	41.246.727	23.069.404	8.330.744	31.400.148
2.1.5 Securities Issue Brokerage Commitments	-	-	-	-	-	-
2.1.6 Commitments for Reserve Requirements	-	-	-	-	-	-
2.1.7 Commitments for Cheque Payments	7.436.908	-	7.436.908	4.523.116	-	4.523.116
2.1.8 Tax and Fund Liabilities from Export Commitments	4.748	-	4.748	5.260	-	5.260
2.1.9 Commitments for Credit Card Limits	395.206.857	-	395.206.857	106.067.149	-	106.067.149
2.1.10 Commitments for Credit Cards and Banking Services Promotions	296.301	-	296.301	125.777	-	125.777
2.1.11 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	73.926.380	126.751	74.053.131	17.270.235	4.050	17.274.285
2.2 Revocable Commitments	12.047.626	1.081.558	13.129.184	2.906.250	1.506.796	4.413.046
2.2.1 Revocable Loan Granting Commitments	10.887.904	-	10.887.904	2.193.045	-	2.193.045
2.2.2 Other Revocable Commitments	1.159.722	1.081.558	2.241.280	713.205	1.506.796	2.220.001
III. DERIVATIVE FINANCIAL INSTRUMENTS (III-b)	529.720.620	1.204.774.347	1.734.494.967	302.599.420	986.165.958	1.288.765.378
3.1 Hedging Derivative Financial Instruments	62.769.058	218.230.196	280.999.254	31.550.734	155.500.288	187.051.022
3.1.1 Fair Value Hedges	17.778	118.164.150	118.181.928	20.741	75.872.844	75.893.585
3.1.2 Cash Flow Hedges	62.751.280	100.066.046	162.817.326	31.529.993	79.627.444	111.157.437
3.1.3 Foreign Net Investment Hedges	-	-	-	-	-	-
3.2 Trading Derivative Financial Instruments	466.951.562	986.544.151	1.453.495.713	271.048.686	830.665.670	1.101.714.356
3.2.1 Forward Foreign Currency Buy/Sell Transactions	63.297.449	83.064.394	146.361.843	41.690.954	63.683.648	105.374.602
3.2.1.1 Forward Foreign Currency Transactions-Buy	60.576.350	14.549.396	75.125.746	40.929.678	12.991.907	53.921.585
3.2.1.2 Forward Foreign Currency Transactions-Sell	2.721.099	68.514.998	71.236.097	761.276	50.691.741	51.453.017
3.2.2 Swap Transactions Related to Foreign Currency and Interest Rates	380.430.614	683.196.897	1.063.627.511	194.674.148	616.588.649	811.262.797
3.2.2.1 Foreign Currency Swap-Buy	27.618.831	291.782.803	319.401.634	20.880.418	237.803.498	258.683.916
3.2.2.2 Foreign Currency Swap-Sell	216.765.895	146.516.098	363.281.993	129.095.692	159.453.265	288.548.957
3.2.2.3 Interest Rate Swap-Buy	68.022.944	122.448.998	190.471.942	22.349.019	109.665.943	132.014.962
3.2.2.4 Interest Rate Swap-Sell	68.022.944	122.448.998	190.471.942	22.349.019	109.665.943	132.014.962
3.2.3 Foreign Currency, Interest Rate and Securities Options	7.869.569	103.664.290	111.533.859	16.287.381	54.269.717	70.557.098
3.2.3.1 Foreign Currency Options-Buy	3.514.800	41.072.144	44.586.944	14.853.112	9.143.046	23.996.158
3.2.3.2 Foreign Currency Options-Sell	3.553.171	41.177.118	44.730.289	854.013	22.589.883	23.443.896
3.2.3.3 Interest Rate Options-Buy	-	10.707.514	10.707.514	-	11.268.394	11.268.394
3.2.3.4 Interest Rate Options-Sell	-	10.707.514	10.707.514	-	11.268.394	11.268.394
3.2.3.5 Securities Options-Buy	99.931	-	99.931	35.733	-	35.733
3.2.3.6 Securities Options-Sell	701.667	-	701.667	544.523	-	544.523
3.2.4 Foreign Currency Futures	13.826.069	13.153.072	26.979.141	17.799.388	17.211.205	35.010.593
3.2.4.1 Foreign Currency Futures-Buy	12.608.317	965.958	13.574.275	16.167.045	1.519.274	17.686.319
3.2.4.2 Foreign Currency Futures-Sell	1.217.752	12.187.114	13.404.866	1.632.343	15.691.931	17.324.274
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	1.527.861	103.465.498	104.993.359	596.815	78.912.451	79.509.266
B. CUSTODY AND PLEDGES RECEIVED (IV+V+VI)	2.542.449.459	1.788.421.242	4.330.870.701	1.674.318.659	1.128.558.597	2.802.877.256
IV. ITEMS HELD IN CUSTODY	235.791.880	254.395.334	490.187.214	142.848.015	145.032.321	287.880.336
4.1 Customer Fund and Portfolio Balances	92.793.271	50.169.719	142.962.990	46.394.383	12.805.794	59.200.177
4.2 Investment Securities Held in Custody	34.210.987	46.076.331	80.287.318	25.968.734	28.918.489	54.887.223
4.3 Cheques Received for Collection	93.932.362	14.871.043	108.803.405	59.865.366	9.750.401	69.615.767
4.4 Commercial Notes Received for Collection	13.867.424	21.961.541	35.828.965	9.930.098	14.741.077	24.671.175
4.5 Other Assets Received for Collection	-	-	-	-	-	-
4.6 Assets Received for Public Offering	-	-	-	-	-	-
4.7 Other Items Under Custody	987.836	121.316.700	122.304.536	687.434	78.816.560	79.503.994
4.8 Custodians	-	-	-	-	-	-
V. PLEDGES RECEIVED	654.464.663	446.796.877	1.101.261.540	434.688.930	303.111.736	737.800.666
5.1 Marketable Securities	491.163	9.914.264	10.405.427	481.495	5.799.505	6.281.000
5.2 Guarantee Notes	1.796.175	3.034.689	4.830.864	1.004.209	2.039.754	3.043.963
5.3 Commodity	1.342.000	699.620	2.041.620	842.908	653.844	1.496.752
5.4 Warranty	-	-	-	-	-	-
5.5 Immovables	415.629.542	356.406.108	772.035.650	268.059.922	232.870.595	500.930.517
5.6 Other Pledged Items	235.205.783	76.742.196	311.947.979	164.300.396	61.748.038	226.048.434
5.7 Pledged Items-Depository	-	-	-	-	-	-
VI. ACCEPTED BILL, GUARANTEES AND WARRANTIES	1.652.192.916	1.087.229.031	2.739.421.947	1.096.781.714	680.414.540	1.777.196.254
TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)	3.743.035.574	3.125.008.776	6.868.044.350	2.199.968.732	2.204.636.771	4.404.605.503

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

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.Ş.

III. CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2023

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

INCOME AND EXPENSE ITEMS	Note (Section Five)	CURRENT PERIOD (01/01-31/12/2023)	PRIOR PERIOD (01/01-31/12/2022)
I. INTEREST INCOME	(IV-a)	231.411.237	131.769.840
1.1 Interest on Loans	(IV-a-1)	132.273.422	68.741.376
1.2 Interest on Reserve Requirements		-	282.414
1.3 Interest on Banks	(IV-a-2)	2.235.298	489.425
1.4 Interest on Money Market Transactions		2.448.892	207.845
1.5 Interest on Marketable Securities Portfolio	(IV-a-3)	90.510.814	60.571.492
1.5.1 Fair Value Through Profit or Loss		148.329	70.206
1.5.2 Fair Value Through Other Comprehensive Income		40.481.396	21.806.731
1.5.3 Measured at Amortised Cost		49.881.089	38.694.555
1.6 Financial Lease Interest Income		3.188.601	1.162.761
1.7 Other Interest Income		754.210	314.527
II. INTEREST EXPENSE (-)	(IV-b)	162.542.255	52.685.992
2.1 Interest on Deposits	(IV-b-4)	141.485.398	38.943.395
2.2 Interest on Funds Borrowed	(IV-b-1)	7.669.954	3.123.264
2.3 Interest Expense on Money Market Transactions		7.831.054	4.456.856
2.4 Interest on Securities Issued	(IV-b-3)	4.759.148	3.932.991
2.5 Interest on Leases		189.903	111.722
2.6 Other Interest Expenses		606.798	2.117.764
III. NET INTEREST INCOME (I - II)		68.868.982	79.083.848
IV. NET FEES AND COMMISSIONS INCOME		34.187.840	11.888.474
4.1 Fees and Commissions Received		42.570.720	15.372.150
4.1.1 Non-cash Loans		1.899.651	1.004.684
4.1.2 Other		40.671.069	14.367.466
4.2 Fees and Commissions Paid (-)		8.382.880	3.483.676
4.2.1 Non-cash Loans		4.142	4.722
4.2.2 Other		8.378.738	3.478.954
V. DIVIDEND INCOME	(IV-c)	86.382	91.618
VI. TRADING INCOME / (LOSS) (Net)	(IV-d)	41.104.944	16.804.289
6.1 Trading Gains / (Losses) on Securities		8.147.129	2.983.305
6.2 Gains / (Losses) on Derivative Financial Transactions		2.500.003	(13.519.444)
6.3 Foreign Exchange Gains / (Losses)		30.457.812	27.340.428
VII. OTHER OPERATING INCOME	(IV-e)	6.194.046	3.908.323
VIII. GROSS OPERATING INCOME (III+IV+V+VI+VII)		150.442.194	111.776.552
IX. EXPECTED CREDIT LOSS (-)	(IV-f)	15.719.943	7.249.000
X. OTHER PROVISION EXPENSES (-)		77.018	3.830.656
XI. PERSONNEL EXPENSE (-)		17.003.315	6.893.875
XII. OTHER OPERATING EXPENSES (-)	(IV-g)	30.584.793	13.532.213
XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X-XI-XII)		87.057.125	80.270.808
XIV. EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER		-	-
XV. INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD		35.139	-
XVI. INCOME/(LOSS) ON NET MONETARY POSITION		-	-
XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)	(IV-j)	87.092.264	80.270.808
XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)	(IV-k)	20.596.029	20.245.101
18.1 Current Tax Provision		14.637.383	20.613.875
18.2 Deferred Tax Expense Effect (+)		13.924.490	6.013.962
18.3 Deferred Tax Income Effect (-)		7.965.844	6.382.736
XIX. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)	(IV-l)	66.496.235	60.025.707
XX. INCOME FROM DISCONTINUED OPERATIONS		-	-
20.1 Income from Non-current Assets Held for Sale		-	-
20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures		-	-
20.3 Income from Other Discontinued Operations		-	-
XXI. EXPENSES FOR DISCONTINUED OPERATIONS (-)		-	-
21.1 Expenses for Non-current Assets Held for Sale		-	-
21.2 Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-
21.3 Expenses for Other Discontinued Operations		-	-
XXII. PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)	(IV-j)	-	-
XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)	(IV-k)	-	-
23.1 Current Tax Provision		-	-
23.2 Deferred Tax Expense Effect (+)		-	-
23.3 Deferred Tax Income Effect (-)		-	-
XXIV. CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)	(IV-l)	-	-
XXV. NET INCOME/(LOSS) (XIX+XXIV)	(IV-m)	66.496.235	60.025.707
25.1 Income/(Loss) from the Group		66.496.235	60.025.707
25.2 Income/(Loss) from Minority Interest	(IV-h)	-	-
Earning/(Loss) per share (in TL full)		0,12788	0,11543

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

AKBANK T.A.Ş.**IV. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2023**

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

	CURRENT PERIOD	PRIOR PERIOD
	(31/12/2023)	(31/12/2022)
I. CURRENT PERIOD INCOME/LOSS	66.496.235	60.025.707
II. OTHER COMPREHENSIVE INCOME	97.055	18.832.450
2.1 Not Reclassified Through Profit or Loss	5.143.543	4.827.251
2.1.1 Property and Equipment Revaluation Increase/Decrease	5.492.106	7.317.241
2.1.2 Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3 Defined Benefit Plan Remeasurement Gain/Loss	(685.160)	(1.799.206)
2.1.4 Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	1.364
2.1.5 Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	336.597	(692.148)
2.2 Reclassified Through Profit or Loss	(5.046.488)	14.005.199
2.2.1 Foreign Currency Translation Differences	13.115.517	4.452.298
2.2.2 Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other Comprehensive Income	(14.166.217)	13.442.627
2.2.3 Cash Flow Hedge Income/Loss	(970.010)	2.555.107
2.2.4 Foreign Net Investment Hedge Income/Loss	(10.489.392)	(3.815.477)
2.2.5 Other Comprehensive Income Items Reclassified Through Profit or Loss	-	-
2.2.6 Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	7.463.614	(2.629.356)
III. TOTAL COMPREHENSIVE INCOME (I+II)	66.593.290	78.858.157

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

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

AKBANK T.A.Ş.

V. CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2023

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

	Note (Section Five)	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss						Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss						Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total Equity Except from Minority Interest	Minority Interest	Total Shareholders' Equity
		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	Other Comprehensive Income Items Reclassified Through Other Profit or Loss)					
CURRENT PERIOD (31/12/2023)																		
I. Prior Period End Balance		5.200.000	3.505.742	-	1.814.871	9.019.728	(1.690.567)	10.946	14.330.784	8.495.893	(4.526.253)	57.238.547	180.472	60.025.707	153.605.870	-	153.605.870	
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	9.019.728	(1.690.567)	10.946	14.330.784	8.495.893	(4.526.253)	57.238.547	180.472	60.025.707	153.605.870	-	153.605.870	
IV. Total Comprehensive Income		-	-	-	-	5.512.044	(368.501)	-	13.115.517	(10.404.854)	(7.757.151)	-	-	66.496.235	66.593.290	-	66.593.290	
V. Capital Increase by Cash		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VI. Capital Increase by Internal Sources		-	-	-	-	-	-	15.547	-	-	-	-	-	-	15.547	-	15.547	
VII. Paid-in capital inflation adjustment difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
VIII. Convertible Bonds to Shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IX. Subordinated Debt Instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
X. Increase/Decrease by Other Changes		-	-	-	-	(43.287)	-	-	-	-	-	45.664	(2.377)	-	-	-	-	
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	51.029.707	-	(60.025.707)	(8.996.000)	-	(8.996.000)	
11.1 Dividends paid	(V-a)	-	-	-	-	-	-	-	-	-	-	-	-	(8.996.000)	(8.996.000)	-	(8.996.000)	
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	51.029.707	-	(51.029.707)	-	-	-	
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Period-End Balance (I+II+III+...+XI)		5.200.000	3.505.742	-	1.814.871	14.488.485	(2.059.068)	26.493	27.444.301	(1.908.961)	(12.283.404)	108.313.918	178.095	64.496.235	211.218.707	-	211.218.707	

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 2022

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

	Note (Section Five)	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss				Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss				Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total Equity Except from Minority Interest		Total Shareholders' Equity		
		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 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)		Minority Interest	Minority Interest
PRIOR PERIOD																	
(31/12/2022)																	
I. Prior Period End Balance		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
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	2.997.829	(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
IV. Total Comprehensive Income		-	-	-	-	6.152.998	(1.327.111)	1.364	4.452.298	10.299.262	(744.361)	-	-	60.025.707	78.858.157	-	78.858.157
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		-	-	-	-	(131.099)	-	-	-	-	-	355.029	(223.930)	-	-	-	-
XI. Profit Distribution		-	-	-	-	-	-	-	-	-	-	10.930.220	(14.629)	(12.127.191)	(1.211.600)	-	(1.211.600)
11.1 Dividends paid	(V-a)	-	-	-	-	-	-	-	-	-	-	-	-	(1.211.600)	(1.211.600)	-	(1.211.600)
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	10.930.220	(14.629)	(10.915.591)	-	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Period-End Balance (I+III+IV+V+VI+VII+VIII+IX+X+XI)		5.200.000	3.505.742	-	1.814.871	9.019.720	(1.690.567)	10.946	14.330.784	8.495.893	(4.526.253)	57.238.547	180.472	60.025.707	153.605.870	-	153.605.870

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 2023

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

	Note (Section Five)	CURRENT PERIOD (31/12/2023)	PRIOR PERIOD (31/12/2022)
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1		35.452.885	27.649.715
1.1.1		168.464.778	82.440.128
1.1.2		(134.797.893)	(47.682.151)
1.1.3		86.382	91.618
1.1.4		45.237.384	15.790.965
1.1.5		10.647.132	14.143.508
1.1.6		6.775.625	4.055.243
1.1.7		(18.529.897)	(7.536.919)
1.1.8		(16.973.271)	(13.120.180)
1.1.9	(VI-b)	(25.457.355)	(20.532.497)
1.2		112.426.813	3.207.747
1.2.1		(4.789.368)	9.439.318
1.2.2		5.824.862	9.066.867
1.2.3		(345.205.337)	(232.976.934)
1.2.4		(181.522.384)	(83.315.188)
1.2.5		20.603.571	2.312.895
1.2.6		524.916.804	261.480.393
1.2.7		-	-
1.2.8		37.290.416	18.407.713
1.2.9		-	-
1.2.10	(VI-b)	55.308.249	18.792.683
I.		147.879.698	30.857.462
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II.		(155.554.235)	(42.479.754)
2.1		(2.589.175)	-
2.2		-	-
2.3		(7.349.053)	(4.180.268)
2.4		146.119	65.153
2.5		(161.242.019)	(82.296.141)
2.6		49.222.354	33.182.254
2.7		(29.740.102)	(12.928.334)
2.8		5.337.086	6.056.237
2.9		(9.339.445)	17.621.345
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III.		13.586.575	(8.154.097)
3.1		49.134.125	32.471.475
3.2		(25.716.356)	(38.979.583)
3.3		-	-
3.4		(8.996.000)	(1.211.600)
3.5		(835.194)	(434.389)
3.6		-	-
IV.	(VI-b)	21.318.649	13.280.276
V.		27.230.687	(6.496.113)
VI.	(VI-a)	42.120.003	48.616.116
VII.	(VI-a)	69.350.690	42.120.003

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

AKBANK T.A.Ş.**VII. PROFIT APPROPRIATION STATEMENT**

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

	CURRENT PERIOD	PRIOR PERIOD
	(31/12/2023)	(31/12/2022)
I. DISTRIBUTION OF CURRENT YEAR INCOME		
1.1	CURRENT YEAR INCOME	84.445.910
1.2	TAXES AND DUTIES PAYABLE	79.260.402
1.2.1	Corporate Tax (Income Tax)	17.966.970
1.2.2	Income Withholding Tax	19.236.318
1.2.3	Other taxes and duties	11.873.408
		-
		-
		6.093.562
		(587.013)
A.	NET INCOME FOR THE YEAR (1.1-1.2)	66.478.940
		60.024.084
1.3	PRIOR YEAR LOSSES (-)	-
1.4	FIRST LEGAL RESERVES (-)	-
1.5	OTHER STATUTORY RESERVES (-)	-
B.	NET INCOME AVAILABLE FOR DISTRIBUTION [(A)-(1.3+1.4+1.5)]	66.478.940
		60.024.084
1.6	FIRST DIVIDEND TO SHAREHOLDERS (-)	-
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 (-)	8.736.000
1.9.1	To Owners of Ordinary Shares	8.736.000
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	50.147.140
1.13	OTHER RESERVES	873.600
1.14	SPECIAL FUNDS	7.344
II. DISTRIBUTION OF RESERVES		
2.1	APPROPRIATED RESERVES	-
2.2	SECOND LEGAL RESERVES (-)	-
2.3	DIVIDENDS TO SHAREHOLDERS (-)	-
2.3.1	To Owners of Ordinary Shares	-
2.3.2	To Owners of Privileged Shares	-
2.3.3	To Owners of Preferred Shares	-
2.3.4	To Profit Sharing Bonds	-
2.3.5	To Holders of Profit and (Loss) Sharing Certificates	-
2.4	DIVIDENDS TO PERSONNEL (-)	-
2.5	DIVIDENDS TO BOARD OF DIRECTORS (-)	-
III. EARNINGS PER SHARE (*)		
3.1	TO OWNERS OF ORDINARY SHARES	0,128
3.2	TO OWNERS OF ORDINARY SHARES (%)	0,115
3.3	TO OWNERS OF PRIVILEGED SHARES	12,8
3.4	TO OWNERS OF PRIVILEGED SHARES (%)	11,5
		-
		-
IV. DIVIDEND PER SHARE		
4.1	TO OWNERS OF ORDINARY SHARES	-
4.2	TO OWNERS OF ORDINARY SHARES (%)	0,017
4.3	TO OWNERS OF PRIVILEGED SHARES	-
4.4	TO OWNERS OF PRIVILEGED SHARES (%)	1,7
		-
		-

[*] Amounts are expressed in TL.

NOTES:**[1]** Authorized body for profit appropriation of the current period is the General Assembly. On the preparation date of these financial statements, yearly ordinary meeting of the General Assembly has not been held yet.**[2]** Profit appropriation is being done according to unconsolidated financial statements.

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

**SECTION THREE
EXPLANATIONS ON ACCOUNTING POLICIES**

I. EXPLANATIONS ON BASIS OF PRESENTATION:

a. The preparation of the consolidated financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on Accounting Applications for Banks and Safeguarding of Documents:

The consolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Law numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), in case where a specific regulation is not made by BRSA, "Turkish Financial Reporting Standards" ("TFRS") and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA"). The format and content of the publicly announced consolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements" and "Communiqué On Disclosures About Risk Management To Be Announced To Public By Banks" and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Law, Turkish Commercial Code and Turkish Tax Legislation.

The consolidated financial statements have been prepared in TL, under the historical cost convention except for the financial assets and liabilities carried at fair value. Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.

The preparation of consolidated financial statements in conformity with TFRS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates, which include the fair value calculations of financial instruments and impairments of financial assets are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement. Assumptions and estimates that are used in the preparation of the accompanying financial statements are explained in the following related disclosures.

Explanation for convenience translation to English:

The differences between accounting principles, as described in these preceding paragraphs and accounting principles generally accepted in countries in which consolidated financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in these consolidated financial statements. Accordingly, these consolidated financial statements are not intended to present the financial position, results of operations and changes in financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

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).

Public Oversight Accounting and Auditing Standards Authority ("POA"), with its announcement dated 23 November 2023, applied that the financial statements of businesses applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting in Hyperinflationary Economies ("TAS 29"), however, institutions or organizations authorized to regulate and supervise in their own fields may determine different transition dates for the applying of TAS 29. Based on this announcement of POA, BRSA, with its decision dated 12 December 2023 and numbered 10744, decided that the financial statements dated 31 December 2023 of banks and financial leasing, factoring, financing, savings financing and asset management companies should not be subject to the inflation adjustment required within the scope of TAS 29. In accordance with the BRSA's decision dated 11 January 2024 and numbered 10825, it has been decided that banks and financial leasing, factoring, financing, savings financing and asset management companies will be applied inflation

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

accounting as of 1 January 2025. Accordingly, the Group has not applied the inflation accounting required by TAS 29 in its financial statements for the year ended 31 December 2023.

c. Items Subject to different accounting policies in the preparation of consolidated financial statements:

There are no items subject to different accounting policies in the preparation of these consolidated financial statements.

II. EXPLANATIONS ON STRATEGY OF USING FINANCIAL INSTRUMENTS AND EXPLANATIONS ON FOREIGN CURRENCY TRANSACTIONS:

The Group's core business activities include consumer banking, SME banking, commercial banking, and corporate-investment banking and private banking and wealth management, foreign exchange, money markets, securities transactions (Treasury transactions) and international banking services. The Group performs financial leasing transactions through Ak Finansal Kiralama A.Ş. By nature, the Group's activities are principally related to the use of financial instruments. As the main funding source, the Group accepts deposits from customers for various periods and invests these funds in high quality assets with high interest margins. Other than deposits, the Group's most important funding sources are equity, marketable securities issued, money market borrowings and mostly borrowings from foreign financial institutions. The Group follows an asset-liability management strategy that mitigates risk and increases earnings by balancing the funds borrowed and the investments in various financial assets. The main objective of asset-liability management is to limit the Group's exposure to liquidity risk, interest rate risk, currency risk and credit risk while increasing profitability and strengthening the Group's equity. The Asset-Liability Committee ("ALCO") manages the assets and liabilities within the trading limits on the level of exposure placed by the Executive Risk Committee ("ERC").

Foreign currency denominated monetary assets and liabilities have been evaluated by buying exchange rates of last period for the Parent Bank and by the exchange rates of the Central Bank of the Republic of Turkey for domestic subsidiaries. Gains and losses arising from such transactions are recognized in the income statement under the account of "Net foreign exchange income/expense". Assets and liabilities of foreign subsidiaries are translated into Turkish lira using the foreign exchange rates prevailing at the balance sheet date, income and expenses of foreign subsidiaries are translated into Turkish Lira at the average exchange rates and all resulting exchange differences are accounted in the shareholders' equity under "Other profit reserves".

As of 31 December 2023, foreign currency denominated balances are translated into TL using the exchange rates of TL 29,4382 and TL 32,5739 for USD and EURO respectively.

III. EXPLANATIONS ON EQUITY INVESTMENTS:

Consolidated financial statements are prepared in accordance with the "Turkish Financial Reporting Standard for Consolidated Financial Statements" ("TFRS 10") and "Communiqué on Preparation of Consolidated Financial Statements of Banks" published in the Official Gazette no.26340 dated 8 November 2006.

Consolidation principles for subsidiaries:

Subsidiaries are the entities controlled directly or indirectly by the Bank.

Financial subsidiaries are consolidated using the full consolidation method. Financial statements of related subsidiaries are consolidated from the date when the control is transferred to the Bank.

Control is defined as the power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Bank's returns.

Subsidiaries owned by the Parent Bank and its subsidiaries within the scope of consolidation and which are not financial institutions are accounted for using the equity method defined in "TAS 28 Investments in Associates and Joint Ventures".

In the full consolidation method, 100% of subsidiaries' assets, liabilities, income, expense and off-balance sheet items are combined with the Parent Bank's assets, liabilities, income, expense and off-balance sheet items.

The carrying amount of the Group's investment in each subsidiary and the Group's portion of the cost value of the capital of each subsidiary are eliminated. Intragroup balances and intragroup transactions and resulting unrealized profits and losses are eliminated. Minority interests in the net income of consolidated subsidiaries are identified and adjusted against the income of the

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Group in order to arrive at the net income attributable to the Group and presented separately in the Group's income. Minority interests are presented in the consolidated balance sheet, in the shareholders' equity.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Parent Bank and its subsidiaries, Ak Finansal Kiralama A.Ş., Ak Yatırım Menkul Değerler A.Ş., AK Portföy Yönetimi A.Ş., Akbank AG, AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş. and together with A.R.T.S. Ltd., which is not subsidiary of the Bank, this company is a "Structured Entity", has been included in the scope of consolidation. The Parent Bank together with its consolidated subsidiaries are referred to as the "Group".

Ak Yatırım Menkul Değerler A.Ş. was established on 11 December 1996 to trade in capital markets in accordance with Capital Market Law. This company is delivering intermediary services in capital markets, discretionary portfolio management, derivative transactions, repurchase and reverse repurchase agreements with authorizations given by the Capital Markets Board for each transaction.

Ak Finansal Kiralama A.Ş. was established in 1988 for leasing operations and all kinds of agreements and transactions related to these operations.

Ak Portföy Yönetimi A.Ş. was established on 28 June 2000 and manages its own investment (mutual) funds and AgeSA Hayat ve Emeklilik A.Ş. and some of the pension funds established by Axa Hayat Emeklilik A.Ş., Allianz Hayat Emeklilik A.Ş. and Allianz Yaşam Emeklilik A.Ş., The company also is managing both individual and institutional customers' portfolios, it continues investing in the Fund SICAV 2 Turkey on the international market and founder of 1 Sompo Japan in money market funds management activities.

Akbank AG operates in Germany, providing corporate, consumer and private banking services.

Aköde Elektronik Para ve Ödeme Hizmetleri A.Ş., 100% owned by the Bank, has been established on 19 February 2018 to provide payment services and electronic money issuance under the Law No. 6493 on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions registered in the trade registry.

A.R.T.S. Ltd. is a "Structured Entity" which was established in Jersey in November 1999 for the purpose of supplying long-term financing.

IV. EXPLANATIONS ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS:

The Group's major derivative instruments consists of foreign currency and interest rate swaps, cross currency swaps, currency options and currency forwards.

The Bank classifies its derivative instruments as "Derivative Financial Assets Measured at Fair Value Through Profit and Loss" in accordance with "IFRS 9 Financial Instruments" (IFRS 9).

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts at their contractual values.

Derivative instruments are remeasured at fair value after initial recognition. In accordance with the classification of the derivative instrument, if the fair value of a derivative financial instrument is positive, it is recorded to the account "Derivative Financial Assets Measured at Fair Value Through Profit and Loss" or "Derivative Financial Assets Measured at Fair Value Through Other Comprehensive Income"; if the fair value difference is negative, it is disclosed in "Derivative Financial Liabilities Measured at Fair Value Through Profit and Loss" or "Derivative Financial Liabilities Measured at Fair Value Through Other Comprehensive Income". Differences in the fair value of trading derivative instruments are accounted as income/loss from derivative financial transactions under "trading income/loss" item in the income statement. The basis on accounting of derivative instruments for hedging purposes are explained in Note XI of Section Four. The fair values of the derivative financial instruments are calculated using quoted market prices or by using discounted cash flow models.

As of 31 December 2023, the Group has no embedded derivative instruments (31 December 2022: None).

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

The Group recognize a financial asset into financial statements when it becomes a party to the contractual terms of a financial instrument. During the first recognition of a financial asset into the financial statements, business model determined by Bank management and the nature of contractual cash flows of the financial asset are taken into consideration.

When the business model determined by the Group management is changed, all financial assets affected by this change are reclassified and the reclassification is applied in the future. In this case, no adjustment is made for the gain, loss or interest rates previously recognized in the financial statements.

a. Financial assets at the fair value through profit or loss:

Financial assets at fair value through profit/loss" are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and interest at certain date; that are either acquired for generating a profit from short-term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the income statement.

b. Financial assets at fair value through other comprehensive income

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial asset with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates, they are classified as fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Interest income calculated with effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to income statement. "Unrealized gains and losses" arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the income statement of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the "Accumulated other comprehensive income or expense to be reclassified through profit or loss" under shareholders' equity. When these securities are collected or disposed of, the related fair value differences accumulated in the shareholders' equity are transferred to the income statement.

Equity instruments classified as financial assets at fair value through other comprehensive income are accounted at their fair values. Exceptionally, cost can be an appropriate estimation method in determining fair value. This is only possible if there is insufficient recent information on the measurement of fair value or if fair value can be measured by more than one method and the cost reflects the fair value estimate in the best way. In the case of using this method, the accumulated fair value differences will not be reflected in the income statement.

During initial recognition the Bank can choose in an irrevocable was to record the changes of the fair value of the investment in an equity instrument that is not held for trading purposes in the other comprehensive income. In the case of this preference, the dividend from the investment is taken into the financial statements as profit or loss.

c. Financial assets measured at amortized cost:

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortized cost.

Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs, which reflect the fair value of those instruments and subsequently recognized at amortized cost by using effective interest rate method. Interest income obtained from financial assets measured at amortized cost is accounted in income statement.

"Fair value through other comprehensive income" and "measured at amortized cost" securities portfolio of the Group include Consumer Price Indexed (CPI) Bonds. These securities are valued and accounted using the effective interest rate method based on the real coupon rates and the reference inflation index at the issue date and the estimated inflation rate. The reference indices used in calculating the actual coupon payment amounts of these assets are based on the Consumer Price Index (CPI) of prior two

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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 "IFRS 9 Financial Instruments" ("IFRS 9"), "Derivative Financial Assets Designated at Fair Value through Profit or Loss".

Payables and receivables arising from the derivative instruments are recorded in the off-balance sheet accounts at their contractual values.

Derivative transactions are valued at their fair values subsequent to their acquisition. In accordance with the classification of derivative financial instruments, if the fair value is positive, the amount is classified as "Derivative Financial Assets Designated at Fair Value Through Profit or Loss" or "Derivative Financial Assets Designated at Fair Value Through Other Comprehensive Income", if the fair value is negative, the amount is classified as "Derivative Financial Liabilities Designated at Fair Value Through Profit or Loss" or "Derivative Financial Liabilities Designated at Fair Value Through Other Comprehensive Income". The fair value differences of derivative financial instruments are recognized in the income statement under trading profit/loss line in profit/loss from derivative financial transactions. The principles for the recognition of derivative transactions intended for hedging purposes are disclosed in the note numbered XI of Section Four. The fair value of derivative instruments is calculated by taking into account the market value of the derivatives or by using the discounted cash flow model. When inactive market conditions exist, observable inputs used in the determination of fair values are adjusted using appropriate assumptions and considering the volume and level of activity in the markets.

e. Loans

Loans are financial assets that have fixed or determinable payments terms and are not quoted in an active market. Loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the "Effective Interest Rate (internal rate of return) Method".

1. Loans measured at amortized cost:

These financial assets are divided into three categories depending on the gradual increase in credit risk observed since their initial recognition:

Stage 1:

For the financial assets at initial recognition or that, do not have a significant increase in credit risk since initial recognition. Impairment for credit risk is recorded in the amount of 12-month expected credit losses.

Stage 2:

In the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2. Impairment for credit risk is determined based on the instrument's lifetime expected credit losses.

Stage 3:

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit losses are recognized.

2. Loans measured at fair value through profit or loss:

Loans at fair value through profit and loss, terms of the contract for loans, if at certain dates it does not result in cash flows involving interest payments arising from the principal and principal balances, it is recorded at fair value and is subject to fair value assessment following the recognition. Gains and losses resulting from the valuation are included in profit/loss accounts.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

In certain circumstances, restructuring or altering the contractual cash flows of a financial instrument may result in the disposal of the existing financial asset in accordance with TFRS 9. A revised financial asset is considered as a new financial asset when the change in the financial asset is once excluded from the financial statement and the revised financial asset is recognized in accordance with TFRS 9.

The Bank assesses whether the new financial asset contains solely payments of principal and interest when the new conditions for the instrument have determined that there are significant changes compared to the initial conditions in the relevant contracts.

In the event that the contractual conditions for the financial asset do not result in cash flows that include solely payments of principal and interest on certain dates, the related financial asset is recognized with its fair value and is subject to valuation.

Significant increase in credit risk:

If the credit risk of financial assets determined to be significantly increasing, afore-mentioned assets are transferred to the stage II. For stage I loans, expected loss (provision) amounts are calculated for 1-year and for stage II loans expected loss (provision) is calculated for the remaining life of the loan.

In addition, the key considerations in determining whether a significant increase in the credit risk of financial asset and transferring it to stage 2, but are not limited with these, the following;

- Past due date is 30 or more
- Restructuring of loans
- If the loan classified as under follow-up
- Assessment of significant increase in the probability of impairment based on rating notes.

Definition of increase in the probability of default is the comparison between the probability of default on loan's opening date, obtained from bank's internal rating-based credit rating models and probability of default on reporting date. If the loan's estimated probability of default on reporting date exceeds the threshold values determined, it is considered to be worsening of the probability of default.

Definition of Default:

The Bank considers that there is a default on the relevant debt in the following two cases:

1. Objective Default Definition: It means that the debt is overdue by more than 90 days. The definition of default, which is applicable to the Bank and its consolidated financial institutions, is based on the criteria that the debt is overdue by more than 90 days.
2. Subjective Default Definition: It means the determination that the debt will not be paid. If it is determined that the borrower cannot fulfill its debts related to the loan, regardless of whether there is a balance in delay or the number of days of delay, the debtor is considered in default.

Write-off Policy:

Within the framework of the provisions of the "Regulation Amending the Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions for These" published in the Official Gazette dated 6 July 2021 and numbered 31533 the portion of the loans that are classified under "Fifth Group-Loans with a Loss Qualification" and for which a lifetime expected loan loss provision or special provision is made due to the default of the borrower, for which there are no reasonable expectations for the recovery of the loans, within the scope of TFRS 9, as of the first reporting period (interim or year-end reporting period) following their classification in this Group, deducted from the records within the period deemed appropriate by the bank, taking into account the situation of the debtor. In determining the cluster within this scope, the following indicators are used;

- In the corporate, commercial, SME and consumer segment follow-up portfolio, with very low or no collection expectation
- Monitored in the 5th group as of the last reporting period,
- Having a provision rate of 90% or more,
- No active payment plans
- No Credit Guarantee Fund (CGF) secured loan

Loans and provision ratio of 100% all abusive and fraudulent tracking accounts are included in the deletion of the active account.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

expected cash flows from the customer or the collateral sales to their present value with the effective interest rate. Within the scope of individual evaluations, regional developments are also taken into account as well as sectoral risks.

The Parent Bank has reflected the possible effects of the earthquake in February in its financial statements in the calculation of the expected credit loss for its loans, taking into account the reasonable and supportable information.

Macro-economic indicators are taken into account in determining the PD component in the expected credit loss calculation. Future macroeconomic forecasts are reflected in the ECLs using more than one scenario.

The risk parameters used in the TFRS 9 calculations include prospective macroeconomic information. While macroeconomic information is included, models and estimates reflecting the relationships between model risk parameters and macroeconomic variables are taken into consideration. The main macroeconomic indicator of these estimation models are the Gross Domestic Product (GDP) growth rate. Macroeconomic estimation models include more than one scenario and the related scenarios are taken into account in the expected credit loss calculations.

Expected credit loss calculations are reviewed at least once a year, the macroeconomic model used in the process has been revised and scenario weights has been no revised during the reporting period.

No revisions were made to the scenario weights after the review.

-The expected credit loss calculation is made by considering 3 different scenarios the best, the worst, and the base.

Within the scope TFRS 9, macroeconomic expectations directly affect provisions (Expected Credit Loss-ECL). Related impact is realized when the default ratio of the Bank moves the default rate calculated for each maturity up or down. The main parameters of default ratio model are macroeconomic variables and the provision figures change when prospective estimations are revised.

The PD values subject to the ECL calculation have been obtained for the following portfolios.

Consumer/Commercial	Portfolio
Retail	Consumer
Retail	Automotive
Retail	Mortgage
Retail	Credit Card
Retail	Overdraft Account
Commercial	Micro
Commercial	Company
Commercial	Commercial
Commercial	Corporate

In prospective expectations, 3 scenarios are being used as the base, the worst and the best. Final provisions are calculated by weighting on the possibilities given to the scenarios.

IX. EXPLANATIONS ON OFFSETTING FINANCIAL INSTRUMENTS:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Group has a legally enforceable right to offset the recognized amounts and there is an intention to collect/pay the related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously.

X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS:

Securities subject to repurchase agreements ("Repos") are classified as "Financial assets at fair value difference through profit or loss", "Financial assets at fair value difference through other comprehensive income" and "Measured at amortised cost" in the balance sheet according to the investment purposes and measured according to the portfolio of the Bank to which they belong. Funds obtained under repurchase agreements are accounted under "Funds provided under repurchase agreements" in liability

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

accounts and differences between the sale and repurchase prices determined by these repurchase agreements are accrued evenly over the life of the repurchase agreement using the "Effective interest (internal return) method".

Funds given against securities purchased under agreements to resell ("Reverse repos") are accounted under "Receivables from money market" in the balance sheet. The difference between the purchase and resell price determined by these repurchase agreements is accrued evenly over the life of repurchase agreements using the "Effective interest rate method".

The Group has securities lending transactions amounting TL 2.409.719 as of 31 December 2023 (31 December 2022: TL 1.733.498).

XI. EXPLANATIONS ON ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (NET):

Assets held-for-sale consist of tangible assets that were acquired due to non-performing receivables, and are accounted in the financial statements in accordance with the regulations of "Turkish Financial Reporting Standard for Assets Held for Sale and Discontinued Operations (TFRS 5)".

The Group has no discontinued operations.

XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS:

When the accounts of a partnership are included in the consolidation process for the first time, the difference between the acquisition cost of this partnership and the share of its equity is accounted for as consolidation goodwill. In case of consolidation goodwill, the difference is considered as an asset and shown in intangible assets in the assets of the consolidated balance sheet. Goodwill calculated in accordance with "TFRS 3 Business Combinations Standard" is not subject to depreciation, it is tested for impairment annually or in cases where changes in conditions indicate that there may be an impairment in the framework of "TAS 36 Turkish Accounting Standard on Impairment of Assets". According to the test, if the recoverable amount is below the book value of the related asset, a provision for impairment is made.

Intangible assets are measured at cost on initial recognition and any directly attributable costs of setting the asset to work for its intended use are included in the initial measurement. Subsequently, intangible assets are carried at historical costs after the deduction of accumulated depreciation and the provision for value decreases.

Intangibles are amortised over three to fifteen years (their estimated useful lives) using the straight-line method. The useful life of the asset is determined by assessing the expected useful time of the asset, technical, technological and other kinds of wear and tear and all required maintenance expenses necessary to utilize the economic benefit from the asset.

XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT:

Property and equipment is measured at its cost when initially recognized and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement. Subsequently, property and equipment is carried at cost less accumulated depreciation and provision for value decrease.

The Group has started to account properties under the tangible assets with their revalued amount instead of cost values in accordance with "TAS 16 Plant and Equipment". The revaluation difference arising from the valuations made by the appraisal firms authorized by Capital Markets Board ("CMB") and BRSA is accounted in Investment Properties Revaluation Differences line under the Shareholders' Equity.

As of each reporting date, the Bank evaluates whether there is any indication that its assets may be impaired; If such indication exists, it estimates the recoverable amount of the related asset in accordance with TAS 36 - Impairment in Assets and if the recoverable amount is below the book value of the related asset, it reserves provision for impairment.

Depreciation is calculated over the cost of property and equipment using the straight-line method over estimated useful lives. The estimated useful lives are stated below:

Buildings	50 years
Vault	5-50 years
Transportation Vehicles	5-7 years
Other property and equipments	3-15 years

Gains and losses on the disposal of property and equipment are determined by deducting the net book value of the property and equipment from its sales revenue.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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 "IFRS 16 Leases" standard, which became effective as of 1 January 2019, the difference between the operating lease and financial lease was removed and the lease transactions were started to be recognised under "Tangible Fixed Assets" as an asset (tenure) and under "Liabilities from Leasing" as a liability.

The Group performs financial leasing operations as a "Lessor" through Ak Finansal Kiralama A.Ş. which is a consolidated subsidiary. The asset subject to the financial leasing is presented in the balance sheet as receivable equal to the net leasing amount. Interest income is recognized over the term of the lease using the net investment method that reflects a constant periodic rate of return and the unearned portion is followed under unearned interest income account.

The Group assesses whether the contract has the quality of a lease or whether the lease includes the transaction at the beginning of a contract. In case the contract is transferred for a certain period of time to control the use of the asset defined for a price, it is either leased or includes a lease. The Group reflects the existence of a right of use and a lease liability to the financial statements at the effective date of the lease.

Right of use assets:

The right to use asset is first recognized by cost method and includes:

- a) The initial measurement amount of the lease obligation,
- b) the amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease;
- c) all initial direct costs incurred by the Group

When Group applying the cost method, the existence of the right to use:

- a) accumulated depreciation and accumulated impairment losses are deducted and
- b) Measures the restatement of the lease obligation at the restated cost.

The Group applies the provisions of depreciation regulated under the TAS 16 Tangible Assets Standards, while depreciating the rights of use assets.

The Lease Obligations:

At the effective date of the lease, the Group measures its leasing liability at the present value of the lease payments not paid at that time. Lease payments are discounted using the Group's average borrowing interest rates.

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease.

After the effective date of the lease, the Group measures the leasing liability as follows:

- a) Increase the book value to reflect the interest on the lease obligation
- b) Reduces the book value to reflect the lease payments made and
- c) The book value is measured to reflect reassessments and restructuring, or reflect to fixed lease payments as of revised nature.

The interest on the lease liability for each period in the lease period is the amount calculated by applying a fixed periodic interest rate to the remaining balance of the lease liability.

Lease agreements for vehicles and ATMs, which are determined as low value by the Bank with short-term lease agreements with a duration of 12 months or less, have been evaluated within the scope of the exemption granted by the standard.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

XV. EXPLANATIONS ON PROVISIONS AND CONTINGENT LIABILITIES:

Provisions and contingent liabilities are accounted in accordance with the "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets" ("TAS 37").

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence in accordance with the periodicity principle.

A liability is recognized as a contingent liability where a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of more than one events not wholly within the control of the Group; or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability and disclosed in the footnotes.

XVI. EXPLANATIONS ON CONTINGENT ASSETS:

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise in the Group, the asset and the related income are recognized in the financial statements in which the change occurs.

XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS:

a. Employment termination benefits and vacation rights:

Obligations related to employment termination and vacation rights are accounted in accordance with "Turkish Accounting Standard for Employee Rights" ("TAS 19").

Under the Turkish Labor Law, the Bank and its subsidiaries operating in Turkey are required to pay a specific amount to the employees who have retired or whose employment is terminated other than the reasons specified in the Turkish Labor Law. According to the related regulation, the Bank is obliged to pay termination benefits for employees who retire, quit for their military service obligations, who have been dismissed as defined in the related regulation or who have completed at least one year of service. The reserve for employment termination benefits represents the present value of the estimated total reserve for the future probable obligation of the Group arising from this liability. In accordance with TAS 19, actuarial gains and losses are recognized in equity.

b. Retirement Rights:

The Bank's personnel are members of the "Akbank T.A.Ş. Personnel Pension Fund Foundation" ("Pension Fund") established in accordance with the Social Security Law numbered 506, temporary article No.20. Defined Benefit Obligations have been determined as of year-ends by an independent actuary in accordance with the 38th article of the Insurance Supervisory Law and the "Actuarial Regulation" based on the same article.

Temporary 23rd article paragraph ("the paragraph") 1 of the Banking Law No 5411 published in the Official Gazette no 25983 dated 1 November 2005 envisaged that Banks would transfer their pension funds to the Social Security Institution ("SSI") within three years following the publication date of the Banking Law, and regulated the principles of this transfer. The first paragraph of the related article was rescinded as from the 30 June 2007, the publication date of the decision of the Constitutional Court dated 22 March 2007. The reasoned decree regarding the rescission of the mentioned paragraph was published in the Official Gazette numbered 26731, dated 15 December 2007.

Following the publication of the reasoned decree of the Constitutional Court, Turkish Grand National Assembly commenced to work on a new law regarding the transfer of the members of funds to the Social Security Institution; the related articles of the

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Social Security Law ("New Law") numbered 5754 regarding the transfer of the funds, were ratified by the TGNA General Meeting on 17 April 2008 and came into effect following the publication on the Official Gazette numbered 26870, dated 8 May 2008.

The main opposition party had appealed to the Constitutional Court for the cancellation of some of the articles of the New Law including transfer of the Funds to the SSI on 19 June 2008. The Constitution Court has dismissed the appeal with the decision taken in the meeting dated 30 March 2011. The reasoned decision has been published on the Official Gazette numbered 28156 dated 28 December 2011.

The New Law was requiring that present value of post-employment benefits at the transfer date shall be calculated by a commission consisting of the representatives of SSI, Ministry of Finance, Undersecretariat of Treasury, Undersecretariat of State Planning Organization, BRSA, SDIF and banks and funds, by using a technical discount rate of 9,8 percent taking into consideration the transferrable contributions and payments of the funds including any monthly payment differences paid by the funds above the limits within the framework of SSI regulations. Accordingly, the transfer required by the New Law was to be completed until 8 May 2011. According to the decision of the Council of Ministers published on the Official Gazette dated 9 April 2011 no. 27900, the time frame for related transfer has been extended for two years. Within the postponement right granted to the Council of Ministers through the change in the first clause of the 20th provisional article of the "Social Insurance and General Health Insurance Law no. 5510" published on the Official Gazette no. 28227 dated 8 March 2012, the transfer process has been postponed for one more year with the decision of the Council of Ministers published on the Official Gazette no. 28987 dated 30 April 2014. The Council of Ministers has been lastly authorized to determine the transfer date in accordance with the last amendment in the first paragraph of the 20th provisional article of Law No.5510 implemented by the Law No. 6645 on Amendment of the Occupational Health and Safety Law and Other Laws and Decree Laws published in the Official Gazette dated 23 April 2015 and numbered 29335. According to paragraph (I) of Article 203 of Law no. 703 which published on the Official Gazette no. 30473 dated 9 July 2018, the phrase, placed in 20th provisional article of Social Insurance and General Health Insurance Law no.5510, "Council of Ministers" is authorized to determine the date of transfer to the Social Security Institution has been replaced with "President".

According to the New Law, following the transfer of the members of the fund to the SSI, the funds and institutions will continue to provide the non-transferrable social benefits and payments which are included in the articles of association of the fund.

The total liabilities of the pension fund are calculated using separate methods and assumptions for the benefits to be transferred and the additional benefits that will remain the responsibility of the pension fund.

The Bank has recognized a provision for the technical deficit determined by a report prepared by a registered actuary using actuarial and economic assumptions based on the best estimates for other non-transferable benefits; taking into account the transfer assumption for transfer-based benefits and the technical interest rate and provisions set out in the New Law as explained above, and accounted for in accordance with "TAS 19 - Employee Benefits".

The consolidated affiliates do not have the above mentioned retirement benefit plans for their employees. The retirement related benefits of the employees of the consolidated affiliates are subject to the Social Security Institution and other defined contribution plans.

XVIII. EXPLANATIONS ON TAXATION:

a. Current Tax:

As of 31 December 2023, the current corporate tax rate is 30%. The corporate tax rate has been permanently increased to 25% for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies in accordance with the publication of the Law No. 7394 in the Official Gazette dated 15 April 2022. However, with the Law No. 7456 published on 15 July 2023, the said rate has been increased to 30% in order to be applied to the cumulative bases included in the declarations to be submitted as of 1 October 2023; Starting from the temporary corporate tax return for the period 1 January 2023 – 31 December 2023, the corporate tax rate will be applied as 30% in the upcoming periods.

The corporate tax rate is applied to tax base which is calculated by adding certain non deductible expenses for tax purposes and deducting certain exemptions (like dividend income) and exclusion of deductions on accounting income. If there is no dividend distribution, no further tax charges are made.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Dividends paid to non-resident corporations, which have a place of business in Turkey or are resident corporations, are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 10%. An increase in capital via issuing bonus shares is not considered as profit distribution and thus does not incur withholding tax.

Corporations calculate advance tax with their current rate on quarterly profits and pay until the evening of the same day by declaring until the 17th day of the second month following that period. Advance tax paid by corporations which is for the current period is credited against the annual corporation tax calculated on their annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be refunded or used to offset any other financial liabilities to the government.

A 75% portion of the capital gains derived from the sale of equity investments and a 50% portion of the capital gains derived from the sale of immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special fund account under liability for five years. However, with the Law No. 7456 published on 15 July 2023, this exception has been abolished for real estate to be acquired after the publication date of the decision; If the real estates acquired before this date are sold after the effective date of the decision, 25% of the real estate sales revenue will be exempt from corporate tax.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns until the last day of the following fourth month after the closing of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year following the date of filing during this period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Current tax, related to items recognized directly in equity is also credited or charged directly to equity.

As of the end of the 2021 calendar year, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/A of the Tax Procedure Law. However, with the regulation made with the Law No. 7352 dated 20 January 2022, the application of inflation adjustment in the calculation of corporate tax was postponed to 2023. According to this; TPL financial statements for the 2021 and 2022 accounting periods have not been subjected to inflation adjustment, and the TPL financial statements dated 31 December 2023 have been subjected to inflation adjustment in a way that will not affect corporate tax base. Additionally; With the law number 7491 published in the Official Gazette numbered 32413 dated 28 December 2023, banks, payment and electronic money institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will be subject to inflation adjustments in the 2024 and 2025 accounting periods. It is regulated that the resulting profits or losses will not be taken into account in determining the corporate tax base.

The amendments in duplicate Article 298/Ç and temporary Article 32 of the Tax Procedural Law allows for the permanent and temporary revaluation of companies. Accordingly, as of the beginning of the 2022 accounting period, our Bank first updated the value of its fixed assets recorded in company assets as per temporary Article 32 of the Tax Procedural Law, and then revalued them in accordance with duplicate Article 298/Ç of the Tax Procedural Law. As a result of these transactions, the Tax Procedural Law depreciation amounts subject to corporate income tax are calculated using the updated, revalued amounts. As per the relevant legislation, increased value amounts are recognised in a special fund account under equity.

Information on taxation in foreign subsidiaries are given below:

Akbank AG (Germany)

German-resident corporations (i.e. corporations with legal or business centers located in Germany) are subject to corporate taxation in Germany over their total income. Regardless of any profit distribution corporate tax is levied at 15% over total income. Effective corporate tax rate is 15,825% since an additional solidarity tax of 5,5% is applied over the calculated corporate tax. In addition to that, trade income tax is applied on the basis of local governments. This tax is around 11,6% and when all tax types (corporate tax, solidarity tax and tax on business profits) are taken into account, there is a tax burden of approximately 27,4%.

b. Deferred Tax:

The Bank calculates and reflects deferred tax in accordance with the provisions of "Turkish Accounting Standard for Income Taxes" ("TAS 12") for taxable temporary differences that arise between the book value of an asset or liability and its tax basis

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

determined in accordance with the tax legislation. Deferred tax is calculated over 30% as of 31 December 2023 (31 December 2022: 25%).

Deferred tax liabilities are recognized for all resulting temporary differences whereas deferred tax assets resulting from temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilized.

Deferred tax asset had not been provided over provisions for possible risks and general loan loss provisions according to the circular of BRSA numbered BRSA.DZM.2/13/1-a-3 and dated 8 December 2004. Deferred tax rate calculation has started to be measured over temporary expected provision losses differences according to TFRS 9 articles from 1 January 2018. Deferred tax calculation is not made for free provisions. In accordance with the temporary Article 33 of the Tax Procedure Law, in the financial statements dated 31 December 2023, tax effects arising from the inflation adjustment of corporate tax are included in the deferred tax calculation as of 31 December 2023.

Calculated deferred tax receivables and deferred tax liabilities have shown in net balances in the financial statements separately for domestic and international branches and for different subsidiaries subject to consolidation. Net balances of deferred tax assets and liabilities from companies are shown separately in assets and liabilities.

Deferred tax, related to items recognized directly in equity is also credited or charged directly to equity.

XIX. EXPLANATIONS ON BORROWINGS:

Debt instruments with different characteristics such as syndicated and securitized borrowings and post-financing obtained from foreign financial institutions, marketable securities issued in domestic and foreign markets and money market borrowings are major funding source of the Group. Mentioned borrowings are carried initially at acquisition cost and subsequently recognized at the discounted value calculated using by "Effective interest rate method".

XX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES:

There is no share certificate issuance in 2023.

XXI. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES:

Avalized drafts and acceptances shown as liabilities against assets are included in the off-balance sheet commitments.

XXII. EXPLANATIONS ON GOVERNMENT GRANTS:

As of 31 December 2023 and 31 December 2022, there is no government grant for the Bank.

XXIII. EXPLANATIONS ON SEGMENT REPORTING:

An operating segment is a component of an entity;

- 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),
- 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
- for which discrete financial information is available.

Reporting according to the operational segments is presented in Note XIII of Section Four.

XXIV. PROFIT RESERVES AND PROFIT DISTRIBUTION:

Retained earnings as per the statutory financial statements other than legal reserves are available for distribution, subject to the legal reserve requirement referred to below.

Under the Turkish Commercial Code, legal reserves consist of first legal reserve and second legal reserve. First legal reserve, appropriated at the rate of 5%, until the total reserve is equal to 20% of issued and fully paid-in share capital. Second legal reserve, appropriated at the rate of 10% of distributions in excess of 5% of issued and fully paid-in share capital, but Holding companies are

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

not subject to such transaction. According to the Turkish Commercial Code, legal reserves can only be used to compensate accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital

The Ordinary General Assembly Meeting of the Bank was held on 28 March 2023. In the Ordinary General Assembly, it was decided to distribute TL 8.996.000 cash dividend over the TL 60.024.084 net income from 2022 operations to the Bank's shareholders. It was also resolved in the General Assembly to transfer TL 7.334 to special funds account under other capital reserves, to allocate TL 873.600 as legal and TL 50.147.140 as extraordinary reserves.

XXV. EARNINGS PER SHARE:

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

	Current Period	Prior Period
	31 December 2023	31 December 2022
Net Profit for the Period of the Group	66.496.235	60.025.707
Average Number of Issued Common Shares (Thousand)	520.000.000	520.000.000
Earnings Per Share (Amounts presented as full TL)	0,12788	0,11543

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("Bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period. In case bonus shares are distributed after the balance sheet date but before the preparation of the financial statements, earnings per share is calculated considering the new number of shares.

The number of rights issued in 2023: None (2022: None).

XXVI. RELATED PARTIES:

Parties defined in Article 49 of the Banking Law No.5411 are deemed as related parties. Transactions with related parties are presented in Note VII of Section Five.

XXVII. CASH AND CASH EQUIVALENT ASSETS:

For the purposes of the cash flow statement, cash includes cash effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and cash equivalents include interbank money market placements, time deposits at banks with original maturity periods of less than three months and investments on marketable securities other than common stocks.

XXVIII. RECLASSIFICATIONS:

None.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

SECTION FOUR

INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP

I. EXPLANATIONS ON EQUITY:

Total capital amount and Capital adequacy ratio have been calculated in accordance with the "Regulation on Equity of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy of Banks". Additionally, calculated according to BRSA regulations dated 21 December 2021, numbered 9996 and 31 January 2023, numbered 10496. As of 31 December 2023 based on recent regulation changes;

1) In the calculation of the amount based on credit risk, the CBRT exchange rate for 31 December 2022 can be used when calculating the valuation amounts in foreign currency,

2) In case the net valuation differences of the securities owned by banks and acquired before 21 December 2021 in the "Securities at Fair Value through Other Comprehensive Income" portfolio are negative, these differences may not be taken into account in the equity amount.

As of 31 December 2023, taking into consideration the above-mentioned regulations, the current period equity of the Group has been calculated as TL 241.161.069 (31 December 2022: TL 174.444.085), and the capital adequacy ratio is 21,04% (31 December 2022: 23,50%). This ratio is above the minimum ratio required by the legislation.

a. Information about total consolidated capital items:

	Current Period 31 December 2023	Amounts related to treatment before 1/1/2014(*)
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	7.014.871	
Share issue premiums	3.505.742	
Reserves	108.313.918	
Gains recognized in equity as per TAS	45.023.128	
Profit	66.674.330	
Current Period Profit	66.496.235	
Prior Period Profit	178.095	
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	26.492	
Minorities' Share	-	
Common Equity Tier 1 Capital Before Deductions	230.558.481	
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	17.908.739	
Improvement costs for operating leasing	228.205	
Goodwill (net of related tax liability)	134.405	
Other intangibles other than mortgage-servicing rights (net of related tax liability)	3.861.168	3.861.168
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	3.088.339	
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected 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	-	

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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	25.220.856
Total Common Equity Tier 1 Capital	205.337.625

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

	Current Period 31 December 2023	Amounts related to treatment before 1/1/2014(*)
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	
Debt instruments and premiums approved by BRSA	-	
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	
Third parties' share in the Additional Tier I capital	-	
Third parties' share in the Additional Tier I capital (Temporary Article 3)	-	
Additional Tier I Capital before Deductions	-	
Deductions from Additional Tier I Capital		
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	
Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Consolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	
Other items to be defined by the BRSA	-	
Transition from the Core Capital to Continue to deduce Components		
Goodwill and other intangible assets and related deferred tax liabilities which will not be deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	
Total Deductions From Additional Tier I Capital	-	
Total Additional Tier I Capital	-	
Total Tier I Capital (Tier I Capital+Common Equity+Additional Tier I Capital)	205.337.625	
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	23.349.255	
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	
Third parties' share in the Tier II Capital	-	
Third parties' share in the Tier II Capital (Temporary Article 3)	-	
Provisions (Article 8 of the Regulation on the Equity of Banks)	12.505.212	
Tier II Capital Before Deductions	35.854.467	
Deductions From Tier II Capital		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Other items to be defined by the BRSA (-)	-	
Total Deductions from Tier II Capital	-	
Total Tier II Capital	35.854.467	
Total Capital (The sum of Tier I Capital and Tier II Capital)	241.192.092	
Deductions from Total Capital		
Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	-	
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	
Other items to be defined by the BRSA	31.023	
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Deduct Components		
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	-	

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

	Current Period 31 December 2023	Amounts related to treatment before 1/1/2014 (*)
TOTAL CAPITAL		
Total Capital (Total of Tier I and Tier II Capital)	241.161.069	
Total Risk Weighted Amounts	1.146.377.103	
Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	17,91%	
Tier 1 Capital Adequacy Ratio (%)	17,91%	
Capital Adequacy Ratio (%)	21,04%	
BUFFERS		
Total additional Common Equity Tier 1 Capital requirement ratio (a+b+c)	4,02%	
a) Capital conservation buffer requirement (%)	2,50%	
b) Bank specific total common equity tier 1 capital ratio (%)	0,02%	
c) Systemic significant bank buffer ratio (%)	1,50%	
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	9,91%	
Amounts below the Excess Limits as per the Deduction Principles		
Portion of the total of net long positions of investments in equity items of Consolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Portion of the total of investments in equity items of Consolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Amount arising from mortgage-servicing rights	-	
Amount arising from deferred tax assets based on temporary differences	(1.781.594)	
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	20.669.361	
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	12.505.212	
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	
Excess amount of total provision amount to &0,6 of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	

(*) Amounts in this column represents the amounts of items that are subject to transition provisions in accordance with the temporary Articles of "Regulations regarding to changes on Regulation on Equity of Banks" and taken into consideration at the end of transition process.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

	Prior Period 31 December 2022	Amounts related to treatment before 1/1/2014 (*)
COMMON EQUITY TIER 1 CAPITAL		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	7.014.871	
Share issue premiums	3.505.742	
Reserves	57.238.547	
Gains recognized in equity as per TAS	35.882.851	
Profit	60.206.179	
Current Period Profit	60.025.707	
Prior Period Profit	180.472	
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	10.945	
Minorities' Share	-	
Common Equity Tier 1 Capital Before Deductions	163.859.135	
Deductions from Common Equity Tier 1 Capital		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	384	
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	7.825.624	
Improvement costs for operating leasing	93.650	
Goodwill (net of related tax liability)	-	
Other intangibles other than mortgage-servicing rights (net of related tax liability)	2.328.914	2.328.914
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	4.036.445	
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	
Gains arising from securitization transactions	-	
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	
Defined-benefit pension fund net assets	-	
Direct and indirect investments of the Bank in its own Common Equity	-	
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	
Excess amount arising from mortgage servicing rights	-	
Excess amount arising from deferred tax assets based on temporary differences	-	
Other items to be defined by the BRSA	-	
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	
Total Deductions From Common Equity Tier 1 Capital	14.285.017	
Total Common Equity Tier 1 Capital	149.574.118	

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

	Prior Period 31 December 2022	Amounts related to treatment before 1/1/2014 (*)
ADDITIONAL TIER I CAPITAL		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	
Debt instruments and premiums approved by BRSA	-	
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	
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)	149.574.118	
TIER II CAPITAL		
Debt instruments and share issue premiums deemed suitable by the BRSA	16.695.703	
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	
Third parties' share in the Tier II Capital	-	
Third parties' share in the Tier II Capital (Temporary Article 3)	-	
Provisions (Article 8 of the Regulation on the Equity of Banks)	8.231.002	
Tier II Capital Before Deductions	24.926.705	
Deductions From Tier II Capital		
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	24.926.705	
Total Capital (The sum of Tier I Capital and Tier II Capital)	174.500.823	
Deductions from Total Capital		
Deductions from Capital Loans granted contrary to the 50th and 51th Article of the Law	-	
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	
Other items to be defined by the BRSA (-)	56.738	
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	-	

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

	Prior Period 31 December 2022	Amounts related to treatment before 1/1/2014 (*)
TOTAL CAPITAL		
Total Capital (Total of Tier I and Tier II Capital)	174.444.085	
Total Risk Weighted Amounts	742.372.819	
Capital Adequacy Ratios		
Core Capital Adequacy Ratio (%)	20,15%	
Tier 1 Capital Adequacy Ratio (%)	20,15%	
Capital Adequacy Ratio (%)	23,50%	
BUFFERS		
Total additional Common Equity Tier 1 Capital requirement ratio (a+b+c)	4,01%	
a) Capital conservation buffer requirement (%)	2,50%	
b) Bank specific total common equity tier 1 capital ratio (%)	0,01%	
c) Systemic significant bank buffer ratio (%)	1,50%	
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets	12,15%	
Amounts below the Excess Limits as per the Deduction Principles		
Portion of the total of net long positions of investments in equity items of Consolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Portion of the total of investments in equity items of Consolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	
Amount arising from mortgage-servicing rights	-	
Amount arising from deferred tax assets based on temporary differences	(3.271.129)	
Limits related to provisions considered in Tier II calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	11.215.871	
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	8.231.002	
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	
Excess amount of total provision amount to &0,6 of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	
Debt instruments subjected to Article 4 (to be implemented between January 1, 2018 and January 1, 2022)		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	

(*) Amounts in this column represents the amounts of items that are subject to transition provisions in accordance with the temporary Articles of "Regulations regarding to changes on Regulation on Equity of Banks" and taken into consideration at the end of transition process.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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

**Current Period
31 December 2023**

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)	14.716 million TL (in full TL amount)
Nominal value of instrument	14.716 million TL (in full TL amount)
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number)
Issuance date of instrument	22 June 2021
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	Maturity date: 22 June 2031
Issuer call subject to prior supervisory (BRSA) approval	Yes
Optional call date, contingent call dates and redemption amount	There is an early repayment option on 22.06.2026. The reimbursement amount is 14.716 million TL (in full TL amount)
Subsequent call dates, if applicable	-
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	6,8%
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down.
If bond can be written-down, full or partial	Partially or fully
If bond can be written-down, permanent or temporary	Continuously
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms.
Position in subordination hierarchy in case of liquidation (instrument type 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.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE**

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

**Current Period
31 December 2023**

Details on Subordinated Liabilities:	
Issuer	AKBANK T.A.Ş
Identifier(s) [CUSIP, ISIN vb.]	XS2611747234
Governing law (s) of the instrument	Subject to British Common Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Debt Instruments Disclosure of the Capital Markets Board and the Regulation on Equities of Banks of the BRSA.
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	No
Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidated
Instrument type	Subordinated Liabilities (Securities)
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	2.208 million TL (in full TL amount)
Nominal value of instrument	2.208 million TL (in full TL amount)
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number)
Issuance date of instrument	25 July 2023
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	Maturity date: 25 July 2033
Issuer call subject to prior supervisory (BRSA) approval	Yes
Optional call date, contingent call dates and redemption amount	There is an early repayment option on 25.07.2028. The reimbursement amount is 2.208 million TL (in full TL amount)
Subsequent call dates, if applicable	-
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	9,6%
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down.
If bond can be written-down, full or partial	Partially or fully
If bond can be written-down, permanent or temporary	Continuously
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms.
Position in subordination hierarchy in case of liquidation (instrument type 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.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE**

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

**Current Period
31 December 2023**

Details on Subordinated Liabilities:	
Issuer	AKBANK T.A.Ş
Identifier(s) [CUSIP, ISIN vb.]	XS2659197151/ XS2611752317
Governing law (s) of the instrument	Subject to British Common Law and in terms of certain articles to 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)	4.416 million TL (in full TL amount)
Nominal value of instrument	4.416 million TL (in full TL amount)
Accounting classification of the instrument	Subordinated Loans [347011 Accounting Number]
Issuance date of instrument	25 July 2023
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	Maturity date: 25 July 2033
Issuer call subject to prior supervisory (BRSA) approval	Yes
Optional call date, contingent call dates and redemption amount	There is an early repayment option on 25.07.2028. The reimbursement amount is 4.416 million TL (in full TL amount)
Subsequent call dates, if applicable	-
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	9,6%
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down.
If bond can be written-down, full or partial	Partially or fully
If bond can be written-down, permanent or temporary	Continuously
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms.
Position in subordination hierarchy in case of liquidation (instrument type 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.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE**

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

**Current Period
31 December 2023**

Details on Subordinated Liabilities:	
Issuer	AKBANK T.A.Ş
Identifier(s) [CUSIP, ISIN vb.]	XS2611752663
Governing law (s) of the instrument	Subject to British Common Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Debt Instruments Disclosure of the Capital Markets Board and the Regulation on Equities of Banks of the BRSA.
Regulatory treatment	
Subject to 10% deduction as of 1/1/2015	No
Eligible on unconsolidated and /or consolidated basis	Unconsolidated and Consolidated
Instrument type	Subordinated Liabilities (Securities)
Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	2.208 million TL (in full TL amount)
Nominal value of instrument	2.208 million TL (in full TL amount)
Accounting classification of the instrument	Subordinated Loans (347011 Accounting Number)
Issuance date of instrument	25 July 2023
Maturity structure of the instrument (demand/maturity)	Maturity
Original maturity of the instrument	Maturity date: 25 July 2033
Issuer call subject to prior supervisory (BRSA) approval	Yes
Optional call date, contingent call dates and redemption amount	There is an early repayment option on 25.07.2028. The reimbursement amount is 2.208 million TL (in full TL amount)
Subsequent call dates, if applicable	-
Coupon/dividend payment	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	9,6%
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
Convertible or non-convertible into equity shares	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
Write-down feature	
If bonds can be written-down, write-down trigger(s)	Due to the losses incurred, where the Bank is at the point at which the BRSA may determine pursuant to Article 71 of the Banking Law that: (i) its operating license is to be revoked and the Bank is liquidated or (ii) the rights of all of its shareholders (except to dividends), and the management and supervision of the Bank, are to be transferred to the SDIF on the condition that losses are deducted from the capital of existing shareholders (occurrence of either condition means the issuer has become non-viable), or (iii) it is probable that the Issuer will become non-viable; then the bonds can be written-down.
If bond can be written-down, full or partial	Partially or fully
If bond can be written-down, permanent or temporary	Continuously
If temporary write-down, description of write-up mechanism	There are no any temporary write-up mechanisms.
Position in subordination hierarchy in case of liquidation (instrument type 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.

- 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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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	602.963.938	490.474.776
Conditional and unconditional receivables from regional or local governments	423.536	97.268
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	9.383.725	3.570.378
Conditional and unconditional receivables from multilateral development banks	-	-
Conditional and unconditional receivables from international organizations	-	-
Conditional and unconditional receivables from banks and brokerage houses	187.017.484	181.063.697
Conditional and unconditional receivables from corporate	597.098.547	580.695.183
Conditional and unconditional receivables from retail portfolios	769.017.371	542.978.702
Conditional and unconditional receivables secured by mortgages	67.882.102	55.790.366
Past due receivables	8.287.288	5.622.483
Receivables defined under high risk category by BRSA	151.710.992	95.005.728
Collateralized securities	-	-
Securitization positions	-	-
Short-term receivables from banks, brokerage houses and corporate	-	-
Investments similar to collective investment funds	5.225.598	1.815.291
Equity security investments	4.025.927	1.392.177
Other receivables	66.416.374	62.258.721
Total	2.469.452.882	2.020.764.770

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

b. Risk control limits exist that are placed against credit and market risk from of forward transaction and option agreements and other similar agreements. Control limits exist on forward and option agreements and other similar agreements. The undertaken credit risk of these types of instruments is managed together with market risk.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

- c. The risks of the forward, option and other similar type agreements are followed regularly and as deemed necessary based on the credit risk, the risks are tried to be minimized.
- d. Non-cash loans turned into cash loans are included in the same risk group as overdue cash loans which are not collected upon maturity. Credit risk management is applied for all positions involving counterparty risk.

Rescheduled or restructured loans are followed according to Group's credit risk management and follow-up principles. Relevant customer's financial status and commercial operations are constantly analyzed and payment schedule is closely monitored by related business segment. Monitoring continues until the receivables from the loans are completely collected.

The Group considers that long-term commitments are more exposed to credit risk than short-term commitments, and points such as defining risk limits for long-term risks and obtaining collateral are treated in a wider extent than short-term risks.

- e. The Group's banking activities in foreign countries and credit transactions do not constitute an important risk in terms of the related countries' economic conditions and activities of customers and companies.

When considered within the financial activities of other financial institutions, the Group as an active participant in the national and international banking market is not exposed to a significant credit risk concentration.

As seen in the Group's balance sheet, the ratio of loans under follow-up to total loans is as low as 2,2% (31 December 2022: 2,8%).

- f. 1. The proportion of the Group's top 100 and 200 cash loan balances in total cash loans is 32% and 40% respectively (31 December 2022: 35% and 43%).
2. The proportion of the Group's top 100 and 200 customers' non-cash loan balances in total non-cash loans is 44% and 55% (31 December 2022: 52% and 64%).
3. The proportion of the Group's top 100 and 200 customers' cash and non-cash loan balances in total balance sheet assets and non-cash loans is 16% and 20% respectively. (31 December 2022: 19% and 24%).
- g. The Bank provided expected credit loss provision (Stage 1 and Stage 2) amounting to TL 19.678.986 (31 December 2022: TL 10.405.059).

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

Current Period- 31.12.2023	Commercial Loans		Consumer Loans		Credit Cards		Financial Lease			Total	
	Balance	Expected Credit Loss	Balance	Expected Credit Loss	Balance	Expected Credit Loss	Balance	Expected Credit Loss	Balance	Expected Credit Loss	
Loans	598.811.985	18.395.526	178.320.096	5.236.080	184.949.152	8.837.093	19.702.224	312.789	981.783.457	32.781.488	
Stage 1	540.464.147	2.120.281	164.734.435	1.861.377	174.830.420	5.469.579	18.781.571	62.143	898.810.573	9.513.380	
Stage 2	42.661.604	7.048.021	10.326.001	1.019.873	8.345.899	2.091.324	290.095	6.388	61.623.599	10.165.606	
Stage 3	15.686.234	9.227.224	3.259.660	2.354.830	1.772.833	1.276.190	630.558	244.258	21.349.285	13.102.502	
Financial Assets	508.190.908	672.938	-	-	-	-	-	-	508.190.908	672.938	
Other	39.139.173	119.358	-	-	-	-	-	-	39.139.173	119.358	
Non-Cash Loans	238.552.405	645.396	-	-	-	-	-	-	238.552.405	645.396	
Stage 1 and 2	232.449.857	198.080	-	-	-	-	-	-	232.449.857	198.080	
Stage 3	6.102.548	447.316	-	-	-	-	-	-	6.102.548	447.316	
Total	1.384.694.471	19.833.218	178.320.096	5.236.080	184.949.152	8.837.093	19.702.224	312.789	1.767.665.943	34.219.180	

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 2022)	3.710.309	6.694.750	11.785.309
Additions (*)	4.171.577	639.620	3.118.911
Disposals (**)	(787.004)	(481.783)	(1.093.561)
Effect of change in foreign exchange	306.778	2.646.590	-
Stage 1 and 2 movement			
Loans classified under Stage 1 in two periods (Model effect)	895.506	-	-
Loans classified under Stage 1 in two periods (Change in balance effect)	1.260.051	-	-
Transfers from Stage 1 to Stage 2 (Stating and balance change effect)	(157.440)	1.802.938	-
Loans classified under Stage 2 in two periods (Model effect)	-	(42.568)	-
Loans classified under Stage 2 in two periods (Change in balance effect)	-	(386.228)	-
Transfers from Stage 2 to Stage 1 (Stating and balance change effect)	137.493	(571.137)	-
Stage 3 movement			
Transfers from Stage 1 to Stage 3	(23.890)	-	1.624.265
Transfers from Stage 2 to Stage 3	-	(137.456)	432.416
Transfers from Stage 3 to Stage 2	-	880	(47.628)
Transfers from Stage 3 to Stage 1	-	-	(2)
Loans classified under Stage 2 in two periods (Change in balance and model effect)	-	-	(1.065.595)
Write-offs	-	-	(605.543)
Sold Portfolio effect	-	-	(1.046.070)
Closing (31 December 2023)	9.513.380	10.165.606	13.102.502

(*) Loans which are not included in the loan portfolio as of 31 December 2022 and included in the loan portfolio and calculated provisions as of 31 December 2023.

(**) Loans which are included in the loan portfolio and calculated provisions as of 31 December 2022 but which are not included in the loan portfolio as of 31 December 2023.

(***) In the calculations the transitions between the records in both periods have been considered by making additions and disposals.

j. Information on movement of loans:

	Stage 1	Stage 2	Stage 3	Total
Opening (31 December 2022)	569.582.472	40.868.784	17.583.450	628.034.706
Additions	566.999.241	18.156.473	6.138.088	591.293.802
Disposals	(325.001.545)	(11.758.614)	(3.595.222)	(340.355.381)
Sold portfolio	-	-	(1.046.070)	(1.046.070)
Write-offs	-	-	(605.543)	(605.543)
Transfers to Stage 1	2.430.794	(2.430.794)	-	-
Transfers to Stage 2	(3.232.629)	3.247.079	(14.450)	-
Transfers to Stage 3	(2.138.152)	(750.880)	2.889.032	-
Foreign exchange effect	90.170.392	14.291.551	-	104.461.943
Closing (31 December 2023)	898.810.573	61.623.599	21.349.285	981.783.457

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 2023	Financial Assets at Fair Value Through P&L	Financial Assets at Fair Value Through Other Comprehensive Income	Financial Assets Measured at Amortised Cost	Total
Moody's Rating				
Aaa	-	819.730	-	819.730
Aa1, Aa2, Aa3	-	1.415.312	-	1.415.312
A1, A2, A3	-	1.777.267	-	1.777.267
Baa1, Baa2, Baa3	-	1.960.579	-	1.960.579
Ba1	-	-	-	-
Ba2	-	-	-	-
Ba3	-	-	-	-
B1, B2, B3	7.943.668	276.251.094	164.926.760	449.121.522
C and lower than C	6.037	-	-	6.037
NR	-	-	-	-
Total	7.949.705	282.223.982	164.926.760	455.100.447

Current Period - 31 December 2022	Financial Assets at Fair Value Through P&L	Financial Assets at Fair Value Through Other Comprehensive Income	Financial Assets Measured at Amortised Cost	Total
Moody's Rating				
Aaa	8.216	10.866.459	-	10.874.675
Aa1, Aa2, Aa3	-	443.456	-	443.456
A1, A2, A3	-	690.854	-	690.854
Baa1, Baa2, Baa3	-	1.551.160	-	1.551.160
Ba1	-	-	-	-
Ba2	-	-	-	-
Ba3	-	-	-	-
B1, B2, B3	1.714.561	156.644.199	98.154.676	256.513.436
C and lower than C	2.217	-	-	2.217
NR	-	129.843	-	129.843
Total	1.724.994	170.325.971	98.154.676	270.205.641

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

I. Profile on significant risks in significant regions:

Current Period (**)		Risk Categories (*)																
31 December 2023	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Total
Domestic	587.294.669	423.508	9.053.806	-	-	53.406.922	506.333.519	274.119.182	63.316.352	8.287.219	149.772.835	-	-	-	5.225.598	51.800	66.416.374	1.723.701.784
European Union																		
Countries	15.668.169	-	-	-	-	71.354.183	10.989.978	40.954	14.602	19	11.229	-	-	-	-	-	-	98.079.134
OECD Countries(***)	-	-	-	-	-	9.206.474	516.441	2.511	1.507	2	453	-	-	-	-	-	-	9.727.388
Off- Shore Regions	-	-	-	-	-	2.180.434	7	21	-	-	245	-	-	-	-	-	-	2.180.707
USA, Canada	-	-	-	-	-	18.271.542	795.651	8.562	6.090	18	1.067	-	-	-	-	-	-	19.082.930
Other Countries	-	-	-	-	-	6.279.402	1.342.909	26.014	9.921	29	5.746	-	-	-	-	-	-	7.664.021
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.974.127	-	3.974.127
Undistributed Assets / Liabilities(****)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	602.962.838	423.508	9.053.806	-	-	160.698.957	519.978.505	274.197.244	63.348.472	8.287.287	149.791.575	-	-	-	5.225.598	4.025.927	66.416.374	1.864.410.091

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	345.842.264	70.956	749.862	-	-	30.516.346	378.190.183	139.359.382	39.706.287	5.802.827	74.585.095	-	-	-	1.176.544	-	47.641.649	1.063.641.395
European Union																		
Countries	11.985.086	-	-	-	-	65.630.110	6.669.895	55.849	12.092	44.599	3.287	-	-	-	-	-	-	84.400.918
OECD Countries(***)	-	-	-	-	-	7.345.166	76.933	3.356	2.323	-	195	-	-	-	-	-	-	7.427.973
Off- Shore Regions	-	-	-	-	-	248	118.400	14	-	2	-	-	-	-	-	-	-	118.664
USA, Canada	7.746.107	-	-	-	-	12.329.416	102.739	4.335	6.466	-	177	-	-	-	-	-	-	20.189.240
Other Countries	-	-	-	-	-	1.264.313	1.457.758	20.285	6.787	17	741	-	-	-	-	-	-	2.749.901
Investment and associates, subsidiaries and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	574.497	-	574.497
Undistributed Assets / Liabilities(****)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	365.573.457	70.956	749.862	-	-	117.085.599	386.615.908	139.443.221	39.733.955	5.847.445	74.589.495	-	-	-	1.176.544	574.497	47.641.649	1.179.102.588

(*) 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.

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

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

(****) Assets and liabilities that are not distributed according to a consistent principle

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
 ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

m. Risk Profile according to sectors and counterparties:

Current Period (**)	Risk Classifications (*)																	TL	FC	Total							
	1	2	3	4	5	6	7	8	9	10	11	1	1	1	15	16	17										
31 December 2023																											
Agricultural	-	-	3.790	-	-	-	1.107.881	838.091	547.686	5.191	154.198	-	-	-	-	-	-	2.371.917	284.920							2.656.837	
Farming and raising livestock	-	-	3.790	-	-	-	2.708	449.707	374.993	2.576	59.378	-	-	-	-	-	-	893.137	15							893.152	
Forestry	-	-	-	-	-	-	1.105.160	381.788	168.870	249	93.630	-	-	-	-	-	-	1.464.792	284.905							1.749.697	
Fishing	-	-	-	-	-	-	13	6.596	3.823	2.366	1.190	-	-	-	-	-	-	13.988	-							13.988	
Manufacturing	-	-	8.003.834	-	-	-	188.931.864	20.889.394	12.628.528	835.085	12.203.253	-	-	-	-	-	-	156.913.953	86.578.005							243.491.958	
Mining	-	-	213	-	-	-	25.717.837	3.151.872	2.353.324	66.854	1.107.654	-	-	-	-	-	-	17.056.885	15.340.869							32.397.754	
Production	-	-	8.003.621	-	-	-	119.420.771	17.411.277	10.165.590	408.451	10.945.405	-	-	-	-	-	-	126.114.805	40.240.310							166.355.115	
Electricity, Gas, Water	-	-	-	-	-	-	43.793.256	326.245	109.614	359.780	150.194	-	-	-	-	-	-	13.742.263	30.996.826							44.739.089	
Construction	-	-	659	-	-	-	77.882.073	7.172.727	4.742.745	4.312.923	3.691.916	-	-	-	-	-	-	36.782.497	61.020.546							97.803.043	
Services	252.269.230	423.508	806.138	-	-	160.367.087	223.578.826	71.224.401	26.237.282	1.875.356	32.527.991	-	-	-	4.350.893	27.188	8.798	433.625.064	340.071.634							773.696.698	
Wholesale and Retail Trade	-	-	400.962	-	-	-	97.525.601	45.979.203	16.165.571	319.919	17.946.853	-	-	-	-	-	-	161.044.598	17.293.511							178.338.109	
Hotel,Food,Beverage	-	-	1.149	-	-	-	14.692.138	4.319.081	3.621.760	622.945	1.095.777	-	-	-	-	-	-	11.220.739	13.132.111							24.352.850	
Transportation and Telecommunication	-	-	84.459	-	-	-	11.025.535	7.500.701	1.495.290	23.054	4.492.917	-	-	-	-	-	-	20.315.894	4.306.062							24.621.956	
Financial Institutions	252.268.139	-	61	-	-	160.367.087	82.194.881	332.886	809.846	741.562	3.241.221	-	-	-	4.350.893	17.043	8.798	202.439.530	301.892.887							504.332.417	
Real Estate and Lending	60	-	10.695	-	-	-	1.339.141	1.037.258	353.642	9.778	173.718	-	-	-	-	-	-	2.865.126	59.166							2.924.292	
Self employment Service	-	423.508	48.144	-	-	-	12.213.596	8.817.316	2.551.861	152.891	4.487.500	-	-	-	-	10.145	-	27.258.460	1.446.501							28.704.961	
Education Service	1.031	-	170.368	-	-	-	367.735	709.400	183.036	1.762	97.223	-	-	-	-	-	-	1.392.283	138.272							1.530.555	
Health and social	-	-	90.300	-	-	-	4.220.199	2.528.556	1.056.276	3.445	992.782	-	-	-	-	-	-	7.088.434	1.803.124							8.891.558	
Other	350.693.608	-	239.385	-	-	331.870	28.477.861	174.072.631	19.192.231	1.258.732	101.214.217	-	-	-	874.705	3.998.739	66.407.576	646.632.633	100.128.922							746.761.555	
Total	602.962.838	423.508	9.053.806	-	-	160.698.957	519.978.505	274.197.244	63.348.472	8.287.287	149.791.575	-	-	-	5.225.598	4.025.927	66.416.374	1.276.326.064	588.084.027							1.864.410.091	

(*) 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.

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

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Prior Period (**)	Risk Classifications (*)																	TL	FC	Total
	31 December 2022	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16			
Agricultural	-	-	6	-	-	-	631.407	549.294	437.237	4.740	73.000	-	-	-	-	-	-	1.501.026	194.658	1.695.684
Farming and raising livestock	-	-	6	-	-	-	10.951	323.512	256.934	1.828	21.544	-	-	-	-	-	-	609.515	5.260	614.775
Forestry	-	-	-	-	-	-	620.456	220.491	175.921	465	50.989	-	-	-	-	-	-	878.924	189.398	1.068.322
Fishing	-	-	-	-	-	-	-	5.291	4.382	2.447	467	-	-	-	-	-	-	12.587	-	12.587
Manufacturing	-	-	92.550	-	-	-	163.085.625	11.821.643	8.788.586	1.145.050	8.452.438	-	-	-	-	-	-	117.178.957	76.206.935	193.385.892
Mining	-	-	-	-	-	-	22.440.192	1.892.653	1.234.304	165.149	676.480	-	-	-	-	-	-	13.638.033	12.770.745	26.408.778
Production	-	-	92.550	-	-	-	103.475.485	9.705.822	7.179.289	328.276	7.385.659	-	-	-	-	-	-	92.406.750	35.760.331	128.167.081
Electricity, Gas, Water	-	-	-	-	-	-	37.169.948	223.168	374.993	651.625	390.299	-	-	-	-	-	-	11.134.174	27.675.859	38.810.033
Construction	-	-	564	-	-	-	62.654.214	3.911.803	3.222.314	2.090.452	2.805.020	-	-	-	-	-	-	24.012.791	50.671.576	74.684.367
Services	139.915.206	70.956	597.082	-	-	114.401.584	144.107.002	40.147.517	18.019.355	1.885.570	20.805.594	-	-	-	-	26.617	-	250.485.997	229.490.486	479.976.483
Wholesale and Retail Trade	-	-	221.185	-	-	-	57.945.170	26.310.259	10.488.914	465.520	12.784.203	-	-	-	-	-	-	96.439.953	11.775.298	108.215.251
Hotel,Food,Beverage Services	-	-	256	-	-	-	13.445.274	2.350.224	3.053.411	543.001	195.107	-	-	-	-	-	-	8.334.891	11.252.382	19.587.273
Transportation and Telecommunication	-	-	30.780	-	-	-	12.571.156	3.908.414	873.209	25.593	1.795.309	-	-	-	-	-	-	10.446.140	8.758.321	19.204.461
Financial Institutions	139.913.484	-	130	-	-	114.401.584	48.395.312	192.390	669.944	669.918	3.753.987	-	-	-	-	17.043	-	112.399.243	195.614.549	308.013.792
Real Estate and Lending Services	-	-	6.351	-	-	-	1.636.727	514.834	338.145	25.203	143.682	-	-	-	-	-	-	2.531.406	133.536	2.664.942
Self employment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service	691	70.956	138.381	-	-	-	7.573.288	4.824.239	1.716.394	138.932	1.722.637	-	-	-	-	9.574	-	15.457.732	737.360	16.195.092
Education Service	1.031	-	40.923	-	-	-	288.203	447.328	180.190	1.627	128.434	-	-	-	-	-	-	898.225	189.511	1.087.736
Health and social Services	-	-	159.076	-	-	-	2.251.872	1.599.829	699.148	15.776	282.235	-	-	-	-	-	-	3.978.407	1.029.529	5.007.936
Other	225.658.251	-	59.660	-	-	2.684.015	16.137.660	83.012.964	9.266.463	721.633	42.453.443	-	-	-	1.176.544	547.880	47.641.649	355.887.817	73.472.345	429.360.162
Total	365.573.457	70.956	749.862	-	-	117.085.599	386.615.908	139.443.221	39.733.955	5.847.445	74.589.495	-	-	-	1.176.544	574.497	47.641.649	749.066.588	430.036.000	1.179.102.588

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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

31 December 2023 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	18.881.562	225.445.823	16.966.048	10.119.560	331.549.845	-
Conditional and unconditional receivables from regional or local governments	25.382	-	3.019	10.983	384.124	-
Conditional and unconditional receivables from administrative bodies and non-commercial enterprises	203.943	2.816.429	5.425.664	402.696	205.074	-
Conditional and unconditional receivables from multilateral development banks	-	-	-	-	-	-
Conditional and unconditional receivables from international organizations	-	-	-	-	-	-
Conditional and unconditional receivables from banks and brokerage houses	54.346.744	26.351.413	23.643.044	28.328.831	28.028.925	-
Conditional and unconditional receivables from corporates	70.919.893	71.903.426	50.275.216	97.618.332	229.261.638	-
Conditional and unconditional receivables from retail portfolios	5.237.957	8.660.648	19.475.448	47.811.345	193.011.846	-
Conditional and unconditional receivables secured by mortgages	1.897.968	4.162.461	3.717.705	15.917.777	37.652.561	-
Past due receivables	-	-	-	-	-	8.287.287
Receivables defined under high risk category by BRSA	5.034.228	9.939.425	8.098.635	45.940.060	80.779.227	-
Collateralized securities	-	-	-	-	-	-
Securitization positions	-	-	-	-	-	-
Short-term receivables from banks, brokerage houses and corporates	-	-	-	-	-	-
Investments similar to collective investment funds	5.225.598	-	-	-	-	-
Equity security investments	-	4.025.927	-	-	-	-
Other Receivables	-	-	-	-	-	66.416.374
Total	161.773.275	353.305.552	127.604.779	246.149.584	900.873.240	74.703.661

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

o. Explanations regarding risk categories mentioned in 6th clause of Capital Adequacy Measurement and Evaluation Communiqué:

Ratings given by Fitch Ratings are used in determining risk weight class of the counterparties. Countries' credit note is considered all risk class of receivables from central governments and Central Banks. The ratings of Fitch Ratings are used for Banks and Corporate Receivables asset class and are limited to receivables that have counterparties abroad. If the risk weight class solely consists of receivables from central governments and central banks, the credit ratings of the countries are taken into account. The ratings given by JCR-ER are used for TL receivables whose counterparty is corporate asset class. "Credit Quality Degrees" corresponding to the grades of Fitch Ratings and JCR-ER are given in the table below.

Credit Quality Degrees	Fitch	JCR-ER
1	AAA and AA-	AAA and AA-
2	A+ and A-	A+ and A-
3	BBB+ and BBB-	BBB+ and BB-
4	BB+ and BB-	
5	B+ and B-	BB- below
6	CCC+ and below	

p. Risk amounts according to risk weights (*):

31 December 2023	0%	10%	20%	25%	35%	50%	75%	100%	150%	250%	Other Risk Weights	Deducted from Equity
Risk Weights												
Amount Before Credit Risk Mitigation												
Amount After Credit Risk Mitigation	596.352.052	-	132.437.030	-	-	149.672.234	282.277.795	479.058.568	109.764.183	-	41.271.905	-
Amount Before Credit Risk Mitigation												
Amount After Credit Risk Mitigation	599.607.622	-	114.640.763	-	28.682.613	152.601.682	241.456.890	425.105.829	109.458.624	-	41.271.905	-

(* Excludes counterparty credit risk and securitization positions)

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

q. Miscellaneous information regarding important sectors or counterparty type:

31 December 2023 Sectors / Counterparties	Loans (*)		Provisions (*)	
	Impaired Receivables			
	Significant Increase in Credit Risk (Stage II)	Credit-Impaired Losses (Stage III / Specific Provision)	Expected Credit Loss Provisions	
Agricultural	22.932	18.614	18.185	
Farming and raising livestock	17.855	10.034	10.621	
Forestry	4.681	2.903	4.146	
Fishing	396	5.677	3.418	
Manufacturing	8.599.911	3.050.436	4.535.975	
Mining	1.321	5.241	5.137	
Production	2.561.822	1.768.636	1.956.929	
Electricity, Gas, Water	6.036.768	1.276.559	2.573.909	
Construction	21.142.233	8.964.977	6.967.655	
Services	5.092.754	4.498.727	3.692.528	
Wholesale and Retail Trade	1.227.892	1.694.418	1.548.680	
Hotel, Food, Beverage Services	3.279.195	891.890	1.078.604	
Transportation and Telecommunication	247.595	86.735	74.769	
Financial Institutions	17.090	1.406.561	668.104	
Real Estate and Lending Service	133.148	46.244	49.522	
Self Employment Service	92.435	298.655	185.445	
Education Service	18.545	9.136	12.002	
Health and social services	76.854	65.088	75.402	
Other	26.765.769	4.816.531	8.053.765	
Total	61.623.599	21.349.285	23.268.108	

(*) Breakdown of cash loans

r. Information related to impairment and loan loss provisions:

31 December 2023	Opening balance	Provisions reserved during the period	Provision reversals	Other adjustments (*)	Closing balance
Stage 3 Provisions	11.785.309	5.175.592	[2.206.786]	[1.651.613]	13.102.502
Stage 1 and 2 Provisions	10.405.060	11.861.432	[2.587.506]	-	19.678.986

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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

31 December 2023

Country of ultimate risk	Private sector credit exposures in banking book	Risk Weighted Equivalent trading book	Total
Turkey	849.105.370	8.890.306	857.995.676
Germany	4.783.533	14	4.783.547
Ireland	1.771.862	9.410	1.781.272
USA	799.472	2.685	802.157
France	630.903	-	630.903
Other	5.603.379	5.774	5.609.153

III. EXPLANATIONS ON CURRENCY RISK:

The difference between the Group's foreign currency denominated and foreign currency indexed assets and liabilities is defined as the "Net Foreign Currency Position" and is the basis of currency risk. Foreign currency denominated assets and liabilities, together with purchase and sale commitments, give rise to foreign exchange exposure. The Bank keeps the foreign exchange exposure amount within the limits set by the ERC. The ERC, taking into account the economic conditions and market developments, sets a limit for the size of a foreign exchange exposure. Those limits are individually determined and followed for both the net overall foreign currency position and for the foreign exchange exposure. Derivative financial instruments like forward foreign exchange contracts and currency swaps are used as tools for foreign exchange exposure management.

The Parent Bank's foreign exchange bid rates as of the date of the financial statements and for the last five days prior to that date are presented below:

	USD	EURO
Balance Sheet Evaluation Rate	TL 29,4382	TL 32,5739
1.Day bid rate	TL 29,4382	TL 32,5739
2.Day bid rate	TL 29,3973	TL 32,6937
3.Day bid rate	TL 29,3374	TL 32,4186
4.Day bid rate	TL 29,2647	TL 32,2421
5.Day bid rate	TL 29,2108	TL 32,1766

The simple arithmetic average of the Parent Bank's foreign exchange bid rates for the last thirty days preceding the balance sheet date for major foreign currencies are presented in the table below:

USD : TL 29,0552
EURO : TL 31,7410

As of 31 December 2022;

	USD	EURO
Balance Sheet Evaluation Rate	TL 18,6983	TL 19,9349

Information related to Group's Currency Risk:

The table below summarizes the Group's foreign currency net balance sheet position and net off-balance account position, categorized by currency. Foreign currency indexed assets are classified as Turkish Lira assets according to the Uniform Chart of Accounts. In currency risk calculation, foreign currency indexed assets are considered as foreign currency items. In accordance with the "Communiqué on Calculation of Foreign Currency Net Position/Capital Standard Ratio by banks in stand-alone and consolidated basis"; prepaid expenses in assets and shareholders' equity in liabilities are excluded in the currency risk calculation. Therefore, there are differences between the amounts of foreign currency denominated assets and liabilities demonstrated on the table below and the amounts on the balance sheet.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Current Period – 31 December 2023	EURO	USD	Other FC	Total
Assets				
Cash Equivalents and Central Bank (*)	46.939.112	103.001.322	18.536.325	168.476.759
Banks (*****)	21.138.159	30.020.723	6.061.650	57.220.532
Financial Assets at Fair Value through Profit or Loss	114.579	1.938.656	-	2.053.235
Interbank Money Market Placements	-	-	-	-
Financial Assets measured at other comprehensive income	12.092.060	110.243.967	3.409.857	125.745.884
Loans (**)	174.409.477	137.193.133	68.463	311.671.073
Investments in Associates, Subsidiaries and Joint Ventures	-	2.990.538	-	2.990.538
Financial assets measured at amortised cost	-	17.894.029	-	17.894.029
Hedging Derivative Financial Assets	618.955	3.783.457	2.024.665	6.427.077
Tangible Assets (Net)	97.562	67.943	-	165.505
Intangible Assets (Net)	33.686	-	-	33.686
Other Assets (***)	(73.659)	12.036.629	14.556	11.977.526
Total Assets	255.369.931	419.170.397	30.115.516	704.655.844
Liabilities				
Bank Deposits (****)	7.416.294	28.434.441	909.037	36.759.772
Foreign Currency Deposits (****)	169.940.335	242.550.714	77.319.922	489.810.971
Funds from Interbank Money Market	2.927.694	87.303.405	-	90.231.099
Borrowings	29.004.474	77.947.470	-	106.951.944
Marketable Securities Issued (Net) (****)	329.451	55.498.582	6.482.288	62.310.321
Miscellaneous Payables	3.122.585	32.178.977	32.837	35.334.399
Hedging Derivative Financial Liabilities	-	-	-	-
Other Liabilities	4.762.684	4.711.860	132.229	9.606.773
Total Liabilities	217.503.517	528.625.449	84.876.313	831.005.279
Net on Balance Sheet Position	37.866.414	(109.455.052)	(54.760.797)	(126.349.435)
Net off-Balance Sheet Position (*****)	(32.367.144)	124.948.510	56.367.447	148.948.813
Financial Derivative Assets	56.058.251	314.934.777	75.867.499	446.860.527
Financial Derivative Liabilities	88.425.395	189.986.267	19.500.052	297.911.714
Non-cash Loans	47.261.251	48.905.422	3.802.908	99.969.581
Prior Period - 31 December 2022				
Total Assets	188.848.588	266.840.694	11.755.551	467.444.833
Total Liabilities	134.614.945	343.363.625	47.956.621	525.935.191
Net on-Balance Sheet Position	54.233.643	(76.522.931)	(36.201.070)	(58.490.358)
Net off-Balance Sheet Position (*****)	(51.689.736)	78.698.708	36.456.212	63.465.184
Financial Derivative Assets	42.268.133	234.467.034	49.002.130	325.737.297
Financial Derivative Liabilities	93.957.869	155.768.326	12.545.918	262.272.113
Non-cash Loans	33.777.155	36.006.112	3.460.651	73.243.918

(*) Of the Cash Equivalents and Central Bank and Other FC, TL 16.767.560 (31 December 2022: TL 4.174.588) are precious metal deposit account in demand.

(**) The foreign currency indexed loans balance in the Turkish Lira accounts is TL 132.016 (31 December 2022: TL 307.517).

(***) Derivative financial assets and expected credit losses are classified under other assets. The expected loss amount of foreign currency indexed loans balance is TL 709 (31 December 2022: TL 2.716). Prepaid assets amounted TL 208.680 (31 December 2022: TL 130.140) is excluded in the financial statements.

(****) Of the foreign currency deposits TL 60.554.792 (31 December 2022: TL 35.783.135) and Bank Deposits Other FC of the TL 59.949 (31 December 2022: TL 58.579) are precious metal deposit account in demand.

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

(*****) Presents the net balance of receivables and payables from derivative transactions. Foreign Exchange spot dealings shown under "Asset purchase commitments" in the financial statements are included in the net off-balance sheet position. Currency option nominal transaction included in the Financial Derivatives Assets/Liabilities item are taken into account by multiplying them with delta values.

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

IV. 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 2023	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	116.751.600	-	-	-	-	180.648.099	297.399.699
Banks [****]	18.418.758	4.482.331	1	-	-	35.182.040	58.083.130
Financial Assets at Fair Value Through Profit or Loss	84.594	219.246	125.192	360.416	114.188	15.350.480	16.254.116
Interbank Money Market Placements	1.414.537	1.013	-	-	-	-	1.415.550
Financial Assets at measured Fair Value Other Comprehensive Income	36.846.588	47.346.926	37.287.203	136.036.977	24.706.288	1.541.486	283.765.468
Loans (*)	377.703.360	164.531.749	280.744.824	106.654.975	30.731.330	21.417.219	981.783.457
Financial Assets measured at amortised cost	70.069.526	6.542.159	50.876.894	29.251.430	8.186.751	-	164.926.760
Other Assets (**)	12.856.657	40.988.422	17.683.560	5.238.501	60.048	24.314.120	101.141.308
Total Assets	634.145.620	264.111.846	386.717.674	277.542.299	63.798.605	278.453.444	1.904.769.488
Liabilities							
Bank Deposits	17.864.184	6.812.570	11.464.799	-	-	1.136.478	37.278.031
Other Deposits	488.127.809	286.996.086	84.126.131	10.018.246	1.863.807	384.504.354	1.255.636.433
Funds from Interbank Money Market	54.689.088	31.376.919	13.337.659	-	-	-	99.403.666
Miscellaneous Payables	6.985.268	14.338.612	9.366.521	719.303	-	36.597.130	68.006.834
Marketable Securities Issued (Net) (***)	878.023	2.083.601	11.143.945	28.881.166	23.674.995	-	66.661.730
Borrowings	19.872.027	36.711.209	46.945.935	8.287.107	208.779	-	112.025.057
Other Liabilities (****)	5.127.691	8.253.412	8.711.433	2.417.296	1.028.379	240.219.526	265.757.737
Total Liabilities	593.544.090	386.572.409	185.096.423	50.323.118	26.775.960	662.457.488	1.904.769.488
Balance Sheet Long Position	40.601.530	-	201.621.251	227.219.181	37.022.645	-	506.464.607
Off-balance Sheet Short Position	-	(122.460.563)	-	-	-	(384.004.044)	(506.464.607)
Off-balance Sheet Long Position	9.956.709	56.716.505	-	353.710	-	-	67.026.924
Off-balance Sheet Short Position	-	-	(31.885.053)	-	-	-	(31.885.053)
Total Position	50.558.239	(65.744.058)	169.736.198	227.572.891	37.022.645	(384.004.044)	35.141.871

(*) 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.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Prior Period – 31 December 2022	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Non-Interest Bearing	Total
Assets							
Cash Equivalents and Central Bank	22.974.986	-	-	-	-	104.557.805	127.532.791
Banks [****]	9.556.309	3.591.941	-	-	-	25.232.372	38.380.622
Financial Assets at Fair Value Through Profit or Loss	28.641	173.196	336.083	119.991	164.095	9.737.119	10.559.125
Interbank Money Market Placements	985.674	476.702	-	-	-	-	1.462.376
Financial Assets at measured Fair Value Other Comprehensive Income	16.585.316	17.889.311	38.938.246	71.594.574	25.318.524	1.501.802	171.827.773
Loans (*)	185.479.287	117.925.592	187.608.877	101.862.336	17.551.548	17.607.066	628.034.706
Financial Assets measured at amortised cost	40.382.262	1.103.650	38.665.799	14.935.049	3.067.916	-	98.154.676
Other Assets (**)	9.073.917	31.721.896	10.896.498	2.602.473	38.651	17.008.676	71.342.111
Total Assets	285.066.392	172.882.288	276.445.503	191.114.423	46.140.734	175.644.840	1.147.294.180
Liabilities							
Bank Deposits	5.321.984	7.095.018	2.369.133	-	-	1.476.192	16.262.327
Other Deposits	271.150.262	140.759.595	34.674.898	15.920.599	1.160.630	241.633.617	705.299.601
Funds from Interbank Money Market	46.381.820	11.776.257	3.874.851	491.525	-	-	62.524.453
Miscellaneous Payables	4.978.572	11.550.362	7.748.181	342.177	-	24.458.319	49.077.611
Marketable Securities Issued (Net) [***]	256.139	2.173.604	2.880.644	20.413.088	16.895.052	-	42.618.527
Borrowings	9.748.864	38.247.433	22.941.161	4.125.496	-	-	75.062.954
Other Liabilities [****]	4.166.531	6.797.111	5.924.605	889.583	1.055.481	177.615.396	196.448.707
Total Liabilities	342.004.172	218.399.380	80.413.473	42.182.468	19.111.163	445.183.524	1.147.294.180
Balance Sheet Long Position	-	-	196.032.030	148.931.955	27.029.571	-	371.993.556
Balance Sheet Short Position	(56.937.780)	(45.517.092)	-	-	-	(269.538.684)	(371.993.556)
Off-balance Sheet Long Position	8.629.361	40.798.857	-	-	-	-	49.428.218
Off-balance Sheet Short Position	-	-	(23.592.577)	(1.081.620)	-	-	(24.674.197)
Total Position	(48.308.419)	(4.718.235)	172.439.453	147.850.335	27.029.571	(269.538.684)	24.754.021

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

(**) 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 2023	EURO	USD	Yen	TL
Assets				
Cash Equivalents and Central Bank	-	-	-	-
Banks	3,92	5,94	-	42,33
Financial Assets at Fair Value Through Profit or Loss	4,95	8,15	-	45,52
Interbank Money Market Placements	-	-	-	43,00
Financial Assets at Fair Value Other Comprehensive Income	2,89	6,12	3,09	33,98
Loans	7,19	9,03	-	38,31
Financial Assets measured at amortised cost	-	6,13	-	43,82
Liabilities				
Bank Deposits (**)	5,32	7,49	-	35,38
Other Deposits (**)	0,97	1,67	0,84	32,19
Funds from Interbank Money Market	3,50	6,69	-	37,99
Miscellaneous Payables	-	3,65	-	-
Marketable Securities Issued (Net) (*)	4,00	6,87	-	38,75
Borrowings	7,57	8,02	-	39,09

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

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Prior Period – 31 December 2022	EURO	USD	Yen	TL
Assets				
Cash Equivalents and Central Bank	-	-	-	-
Banks	1,87	1,86	-	21,24
Financial Assets at Fair Value Through Profit or Loss	4,89	7,36	-	14,07
Interbank Money Market Placements	-	-	-	14,87
Financial Assets at Fair Value Other Comprehensive Income	2,86	5,75	3,09	29,35
Loans	5,85	8,82	-	20,50
Financial Assets measured at amortised cost	-	6,22	-	76,44
Liabilities				
Bank Deposits (**)	2,77	4,81	-	15,93
Other Deposits (**)	0,39	1,93	0,01	15,79
Funds from Interbank Money Market	1,51	5,06	-	10,80
Miscellaneous Payables	-	3,65	-	-
Marketable Securities Issued (Net) (*)	4,00	6,43	-	15,53
Borrowings	4,18	6,66	-	24,27

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

(**) 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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

prepared and analyses made, and informs the top management. Liquidity risk reporting consists of periodic and special purpose reports prepared to be discussed in the ERC and ALCO meetings, stress tests, scenario analyses, risk limit compliance reports and legal liquidity reports.

b) Information on the centralization degree of liquidity management and funding strategy and the functioning between the Bank and the Bank's subsidiaries:

Each of the Bank's subsidiaries within the consolidation scope manages its own liquidity. Nevertheless, there are defined limits related to the funding amount that the Bank will provide to a subsidiary, in case of liquidity issues. Cumulative liquidity gap resulted in stress scenarios of subsidiaries, should not exceed the fund limits provided by the Bank.

c) Information on the Bank's funding strategy including the policies on funding types and variety of maturities:

The Bank targets to obtain additional funding sources besides the strong capital structure, from the most possible diversified, long term stable sources, considering cost factors. In this direction, concentration ratios such as share of retail funding sources in total funding sources, share of deposits of high amount in total deposit, share of borrowings made from the market in total market volume are monitored and limited with the applied risk limits. Treasury Unit performs necessary work to obtain long term foreign funding.

d) Information on liquidity management on the basis of currencies constituting a minimum of five percent of the Bank's total liabilities:

Almost all of the Bank's liabilities are in TL, USD or EUR currencies and TL funds comprise of mainly equity and deposits. The Bank's liquidity in TL is managed with repurchase agreements made at CBRT/BIST using high quality securities owned by the Bank. Together with keeping the main purpose as using liabilities in TL in funding assets in TL, foreign currency liabilities are used in creating assets in TL using foreign exchange swaps, when necessary. Liquidity management is performed in the scope of internal risk limits, such as short term borrowing limits from markets determined by the Bank, market concentration limits, liquidity stress scenario, and cumulative liquidity gap.

Foreign currency funds are obtained through foreign exchange deposit accounts, foreign based, foreign currency loans, securities issued and repurchase agreements. Foreign currency liquidity management is performed using internal risk limits defined for liquidity buffer kept at correspondent banks and monitored daily in the scope of the Bank's risk limits, and cumulative gap in the scope of liquidity stress scenario, and other risk limits defined for wholesale funding and concentration. The Bank has available foreign currency borrowing limits at CBRT/BIST and other banks.

e) Information on liquidity risk mitigation techniques:

Liquidity risk is mitigated by using techniques such as maintaining high quality liquid asset buffer to cover possible fund outflows, diversification of funding sources so far as possible and inclusion to the base, homogenizing the maturity distribution of repayments as far as possible, obtaining limits from funding institutions to use when necessary and ensuring that a determined portion of funding sources are comprised of deposit.

f) Information on the use of stress tests:

In cases of negative conditions such as an impairment in the securities in the Bank's portfolio, inability to replace short and long term borrowings, fast cash outflow, increase in non-performing loan ratio, high margin calls, the extent and duration of sufficient liquidity is analyzed by the stress tests made by the Risk Management Department. Risk limits determined according to analysis results exist within the Bank. It is ensured that the necessary actions are taken by sharing the analysis results and risk limit compliance status with the ALCO, ERC and related business units. The effects of cash inflows and outflows under different stress scenarios have been studied and evaluated.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 (*)		
	TL+FC	FC	TL+FC	FC	
Current Period - 31 December 2023					
HIGH QUALITY LIQUID ASSETS (HQLA)					
1	High quality liquid assets		405.485.134	172.467.696	
CASH OUTFLOWS					
2	Retail and Customers Deposits	801.594.436	290.319.550	72.234.952	29.031.955
3	Stable deposits	158.503.773	-	7.925.886	-
4	Less stable deposits	643.090.663	290.319.550	64.309.066	29.031.955
Unsecured Funding other than Retail and Small Business					
5	Customers Deposits	373.884.665	182.739.101	192.119.518	108.671.671
6	Operational deposits	1.729.989	-	432.497	-
7	Non-Operational Deposits	328.221.488	149.221.013	153.618.590	75.157.535
8	Other Unsecured Funding	43.933.188	33.518.088	38.068.431	33.514.136
9	Secured funding			16.940.632	16.899.181
10	Other Cash Outflows	55.483.033	73.859.076	25.647.936	60.062.950
11	Liquidity needs related to derivatives and market valuation changes on derivatives transactions	18.965.905	57.046.277	20.160.760	58.241.132
12	Debts related to the structured financial products	95.592	-	95.592	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	36.421.536	16.812.799	5.391.584	1.821.818
14	Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	9.628.480	-	481.424	-
15	Other irrevocable or conditionally revocable commitments	562.952.780	80.981.113	28.147.639	4.049.056
16	TOTAL CASH OUTFLOWS			335.572.101	218.714.813
CASH INFLOWS					
17	Secured Lending Transactions	4.121.597	-	-	-
18	Unsecured Lending Transactions	137.933.134	51.818.105	94.071.802	43.607.766
19	Other contractual cash inflows	6.003.121	87.920.486	6.001.418	87.920.220
20	TOTAL CASH INFLOWS	148.057.852	139.738.591	100.073.220	131.527.986
			Upper limit applied amounts		
21	TOTAL HQLA STOCK			405.485.134	172.467.696
22	TOTAL NET CASH OUTFLOWS			235.498.881	87.186.827
23	Liquidity Coverage Ratio (%)			172,18	197,81

(*) Simple arithmetic average calculated for the last three months of values calculated by taking the simple arithmetic average was used for calculating the average in last days of the related last three months.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Prior Period - 31 December 2022	Rate of "Percentage to be taken into account" not Implemented Total value (*)		Rate of "Percentage to be taken into account" Implemented Total value (*)	
	TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS (HQLA)				
1 High quality liquid assets			247.642.182	152.700.995
CASH OUTFLOWS				
2 Retail and Customers Deposits	458.729.930	229.006.553	42.641.875	22.900.655
3 Stable deposits	64.622.373	-	3.231.119	-
4 Less stable deposits	394.107.557	229.006.553	39.410.756	22.900.655
Unsecured Funding other than Retail and Small Business				
5 Customers Deposits	254.665.372	140.594.818	137.778.867	83.176.619
6 Operational deposits	-	-	-	-
7 Non-Operational Deposits	216.307.366	111.747.649	102.839.876	54.331.391
8 Other Unsecured Funding	38.358.006	28.847.169	34.938.991	28.845.228
9 Secured funding			475.548	475.548
10 Other Cash Outflows	22.882.218	34.947.786	8.969.813	25.728.951
11 Liquidity needs related to derivatives and market valuation changes on derivatives transactions	7.435.203	24.712.183	7.435.203	24.712.183
12 Debts related to the structured financial products	9.515	-	9.515	-
13 Commitment related to debts to financial markets and other off balance sheet liabilities	15.437.500	10.235.603	1.525.095	1.016.768
14 Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments	1.988.067	-	99.403	-
15 Other irrevocable or conditionally revocable commitments	191.189.887	58.541.867	9.559.494	2.927.093
16 TOTAL CASH OUTFLOWS			199.525.000	135.208.866
CASH INFLOWS				
17 Secured Lending Transactions	36.820	-	-	-
18 Unsecured Lending Transactions	70.244.003	32.841.103	49.258.293	28.509.167
19 Other contractual cash inflows	3.327.971	88.988.927	3.319.522	88.986.250
20 TOTAL CASH INFLOWS	73.608.794	121.830.030	52.577.815	117.495.417
			Upper limit applied amounts	
21 TOTAL HQLA STOCK			247.642.182	152.700.995
22 TOTAL NET CASH OUTFLOWS			146.947.185	33.802.217
23 Liquidity Coverage Ratio (%)			168,52	451,75

(*) Simple arithmetic average calculated for the last three months of values calculated by taking the simple arithmetic average was used for calculating the average in last days of the related last three months.

Liquidity coverage ratio is calculated by comparing the high quality liquid assets owned by the Bank to net cash outflow in one month maturity. Balance sheet accounts that are significant on the ratio can be listed as reserve requirements maintained at CBRT, marketable securities that are not subject to repurchase agreements or not given as collateral, corporate deposits, bank deposits, foreign funds and borrowings from banks. The effect of these accounts on the liquidity coverage ratio is higher than other accounts, since these accounts have a higher share in liquid assets and net cash outflows.

Periodic increases are observed in the liquidity coverage ratio during the weeks where the foreign currency reserve option is used in reserve requirements in CBRT, high amounts are maintained in bank placements or repurchase agreement volume decreases, on the other hand, fluctuations may occur in the liquidity coverage ratio during the weeks where the share of corporate or bank funds increase, or long term foreign funds which are replaced when due, such as syndicated loans are due in one month. Despite these fluctuations, it is observed that the ratio does not decrease below 171% during the period and remain at a quite higher level that the legal lower limit.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 58% and securities issued by Treasury of Republic of Turkey by 35%. Funding sources are mainly distributed between individual and retail deposits by 66%, corporate deposits by 25%, borrowings from banks by 3% and collateralized borrowings such as repurchase agreements by 3%.

Cash outflow amounting to TL 2.015 million (in full TL amount) is calculated based on the change of margin call amounts of derivative transactions during the last two years.

Akbank AG, part of the consolidation group and has an effect on liquidity coverage ratio in respect of its size, is subject to legal liquidity ratio projected by regulatory authority situated in its business location. In respect of its long term deposit insurance and borrowing structure which is hard to withdraw before maturity because of legal regulations, consolidated liquidity coverage ratio is higher than unconsolidated ratio.

In accordance with the "Regulation On Calculation of Bank's Liquidity Coverage Ratio", published in Official Gazette no. 28948, dated 21 March 2014, liquidity coverage ratio is calculated for the last three months are presented below.

	Current Period - 31 December 2023	
	TL+FC	FC
October	171,68	149,24
November	173,07	230,35
December	171,81	235,20

	Prior Period - 31 December 2022	
	TL+FC	FC
October	166,56	440,00
November	180,40	484,33
December	158,73	436,21

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Breakdown of assets and liabilities according to their outstanding maturities:

Current Period – 31 December 2023	Demand	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Unallocated (*)	Total
Assets								
Cash Equivalents and Central Bank Banks (*****)	183.315.598	114.084.101	-	-	-	-	-	297.399.699
Financial Assets at Fair Value Through Profit or Loss	35.182.040	18.418.758	4.482.331	1	-	-	-	58.083.130
Interbank Money Market Placements	15.350.480	583	11.229	106.059	577.254	208.511	-	16.254.116
Financial Assets measured at other comprehensive income	-	1.414.537	1.013	-	-	-	-	1.415.550
Loans (*)	1.541.486	6.548.242	9.184.092	22.847.590	199.942.173	43.701.885	-	283.765.468
Financial Assets measured at amortised cost	66.829	321.973.145	142.611.404	249.505.130	176.891.894	69.385.770	21.349.285	981.783.457
Other Assets (**)	-	-	1.580.462	13.834.206	107.028.906	42.483.186	-	164.926.760
Other Assets (**)	2.754.684	7.414.521	3.334.363	12.242.169	45.943.240	7.860.633	21.591.698	101.141.308
Total Assets	238.211.117	469.853.887	161.204.894	298.535.155	530.383.467	163.639.985	42.940.983	1.904.769.488
Liabilities								
Bank Deposits	1.136.478	17.864.184	6.812.570	11.464.799	-	-	-	37.278.031
Other Deposits	384.504.354	488.127.810	287.026.045	84.216.011	9.898.406	1.863.807	-	1.255.636.433
Borrowings	-	5.567.026	6.083.839	70.030.460	28.694.922	1.648.810	-	112.025.057
Funds from Interbank Money Market	-	47.511.317	19.093.205	22.511.289	6.705.172	3.582.683	-	99.403.666
Marketable Securities Issued (Net) (***)	-	878.974	2.082.650	11.153.344	28.871.767	23.674.995	-	66.661.730
Miscellaneous Payables	3.786.464	2.228.580	3.044.863	8.933.463	14.875.632	2.258.299	32.879.533	68.006.834
Other Liabilities (****)	186.013	10.108.933	2.590.573	8.503.985	9.198.572	2.110.167	233.059.494	265.757.737
Total Liabilities	389.613.309	572.286.824	326.733.745	216.813.351	98.244.471	35.138.761	265.939.027	1.904.769.488
Net Liquidity Excess / (Gap)	(151.402.192)	(102.432.937)	(165.528.851)	81.721.804	432.138.996	128.501.224	(222.998.044)	-
Net Off-balance sheet Position								
Financial Derivative Assets	-	725.381	(2.142.099)	4.248.705	29.093.456	3.216.428	-	35.141.871
Financial Derivative Liabilities	-	220.799.053	202.464.209	189.024.352	206.097.279	82.616.273	-	901.001.166
Non-cash Loans (*****)	-	10.381.193	959.557	42.796.788	104.752.874	79.661.993	-	238.552.405
Prior Period - 31 December 2022								
Total Assets	107.637.456	205.498.681	112.486.518	217.756.694	315.654.602	156.283.607	31.976.622	1.147.294.180
Total Liabilities	271.206.193	327.005.546	167.131.371	93.640.410	90.595.633	27.606.785	170.108.242	1.147.294.180
Net Liquidity Excess/ (Gap)	(163.568.737)	(121.506.865)	(54.644.853)	124.116.284	225.058.969	128.676.822	(138.131.620)	-
Net Off-balance sheet Position								
Financial Derivative Assets	-	1.362.220	728.124	1.864.595	7.722.298	13.076.784	-	24.754.021
Financial Derivative Liabilities	-	195.544.081	124.508.062	86.666.208	158.945.935	94.915.857	-	660.580.143
Financial Derivative Liabilities	-	194.181.861	123.779.938	84.801.613	151.223.637	81.839.073	-	635.826.122
Non-cash Loans (*****)	-	5.629.394	989.835	40.684.111	45.433.094	48.565.600	-	141.302.034

(*) Included lease receivables. The non-performing loans is presented "Unallocatable" column.

(**) Assets that are necessary for banking activities and that cannot be liquidated in the short-term, such as fixed and intangible assets, derivative financial assets, investments, subsidiaries, stationery, pre-paid expenses and loans under follow-up, are shown in this column. Expected credit losses are included.

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

(****) Shareholders' Equity is presented under "Other Liabilities" item in the "Unallocated" column.

(*****) Amounts related to Letters of Guarantee represent contractual maturity and related amounts. Amounts are demand and can be withdrawn optional.

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Breakdown of liabilities due to their remaining contractual maturities:

Current Period - 31 December 2023	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total
Liabilities						
Deposits	954.935.606	243.398.510	106.191.482	10.589.075	1.973.116	1.317.087.789
Funds borrowed from other financial institutions	5.701.405	6.975.024	76.299.624	31.248.706	1.777.005	122.001.764
Funds from interbank money market	47.794.209	19.690.319	23.745.286	8.314.683	3.710.974	103.255.471
Marketable Securities Issued	908.058	2.333.914	14.440.285	38.315.985	30.626.853	86.625.095

Prior Period - 31 December 2022	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Total
Liabilities						
Deposits	560.068.459	112.029.161	39.828.594	16.390.577	1.247.903	729.564.694
Funds borrowed from other financial institutions	590.682	7.018.939	39.944.109	32.411.498	1.692.500	81.657.728
Funds from interbank money market	42.381.286	8.600.532	4.688.828	6.290.087	2.459.951	64.420.684
Marketable Securities Issued	276.346	2.392.070	4.795.312	28.031.189	19.516.453	55.011.370

Breakdown of derivative instruments due to their remaining contractual maturities:

Current Period - 31 December 2023	Up to 1 month	1-3 months	3-12 months	1-5 years	5 Years and Over
Derivatives held for trading					
Foreign exchange derivatives:					
- Inflow	220.041.535	139.770.674	80.080.348	31.026.781	6.783.685
- Outflow	(236.603.107)	(164.035.457)	(78.695.043)	(28.672.436)	(6.251.724)
Interest rate derivatives:					
- Inflow	585.810	5.665.972	16.593.538	18.289.996	1.433.837
- Outflow	(516.431)	(5.960.044)	(16.112.086)	(17.967.812)	(1.746.677)
Derivatives held for hedging					
Foreign exchange derivatives:					
- Inflow	1.694	544.626	2.409.166	29.996.315	9.124.683
- Outflow	(421)	(263.442)	(617.594)	(6.341.777)	(4.805.808)
Interest rate derivatives:					
- Inflow	1.156.263	2.679.402	6.082.197	7.530.232	1.359.143
- Outflow	(1.039.194)	(2.388.669)	(3.277.768)	(5.012.452)	(1.122.043)
Total Inflow	221.785.302	148.660.674	105.165.249	86.843.324	18.701.348
Total Outflow	(238.159.153)	(172.647.612)	(98.702.491)	(57.994.477)	(13.926.252)

Prior Period - 31 December 2022	Up to 1 month	1-3 months	3-12 months	1-5 years	5 Years and Over
Derivatives held for trading					
Foreign exchange derivatives:					
- Inflow	189.016.139	113.902.220	59.692.494	23.149.081	6.313.217
- Outflow	(199.367.202)	(129.764.945)	(61.039.300)	(22.313.757)	(5.827.772)
Interest rate derivatives:					
- Inflow	712.536	968.267	5.635.399	8.887.319	1.433.194
- Outflow	(567.448)	(961.813)	(4.373.962)	(7.946.885)	(1.259.393)
Derivatives held for hedging					
Foreign exchange derivatives:					
- Inflow	945.384	303.012	2.379.012	5.980.162	20.591.405
- Outflow	(316.205)	(246.364)	(896.534)	(3.163.337)	(7.337.791)
Interest rate derivatives:					
- Inflow	423.413	1.040.097	4.117.787	8.784.124	1.638.450
- Outflow	(412.244)	(790.608)	(2.217.546)	(5.170.987)	(1.486.620)
Total Inflow	191.097.472	116.213.596	71.824.692	46.800.686	29.976.266
Total Outflow	(200.663.099)	(131.763.730)	(68.527.342)	(38.594.966)	(15.911.576)

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 2023, the leverage ratio of the Group calculated from 3 months average amounts is 7,56% (31 December 2022: 9,94%). This ratio is above the minimum ratio which is 3%.

b. Comparison table of total assets and total risk amounts in the financial statements prepared in accordance with TAS:

	Current Period	Prior Period
	31 December 2023 (**)	31 December 2022 (**)
1 Total assets in the consolidated financial statements prepared in accordance with TAS (*)	1.826.264.606	1.124.777.297
2 Differences between the total assets in the consolidated financial statements prepared in accordance with TAS and the total assets in the consolidated financial statements prepared in accordance with Communiqué 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 Communiqué on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	8.970.898	10.899.659
4 Differences between the balances of securities financing transactions in the consolidated financial statements prepared in accordance with the Communiqué on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	(93.639.943)	(56.066.639)
5 Differences between off-balance sheet items in the consolidated financial statements prepared in accordance with the Communiqué on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	(10.497.624)	(3.911.000)
6 Other differences in the consolidated financial statements prepared in accordance with the Communiqué on Preparation of Consolidated Financial Statements of the Banks and their risk exposures	853.729.150	350.577.884
7 Total Risk	2.584.827.087	1.426.277.201

(*) The consolidated financial statements prepared in accordance with the sixth paragraph of the Article 5 in the Communiqué 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	Prior Period
Balance sheet Assets	1.755.347.034	1.074.091.424
2 (Assets deducted from Core capital)	-	-
3 Total risk amount of balance sheet assets (sum of lines 1 and 2)	1.755.347.034	1.074.091.424
Derivative financial assets and credit derivatives		
4 Cost of replenishment for derivative financial assets and credit derivatives	31.667.023	44.903.205
5 Potential credit risk amount of derivative financial assets and credit derivatives	8.970.898	10.899.659
6 Total risk amount of derivative financial assets and credit derivatives (sum of lines 4 and 5)	40.637.921	55.802.864
Financing transactions secured by marketable security or commodity		
7 Risk amount of financing transactions secured by marketable security or commodity	48.129.788	9.232.239
8 Risk amount arising from intermediary transactions	-	-
9 Total risk amount of financing transactions secured by marketable security or commodity	48.129.788	9.232.239
Off-balance sheet transactions		
10 Gross notional amount of off-balance sheet transactions	751.209.968	291.061.674
11 (Correction amount due to multiplication with credit conversion rates)	(10.497.624)	(3.911.000)
12 Total risk of off-balance sheet transactions (sum of lines 10 and 11)	740.712.344	287.150.674
Capital and total risk		
13 Core Capital	195.290.172	141.766.313
14 Total risk amount (sum of lines 3, 6, 9 and 12)	2.584.827.087	1.426.277.201
Leverage ratio		
15 Leverage ratio	7,56	9,94

(*) Three months average values.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(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 liabilities 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 2023	Prior Period 31 December 2022	Current Period 31 December 2023	Prior Period 31 December 2022
Financial Assets	1.489.974.365	937.860.153	1.502.954.647	995.568.437
Interbank Money Market Placements	1.415.550	1.462.376	1.413.817	1.468.465
Banks	58.083.130	38.380.622	58.082.490	38.361.932
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	283.765.468	171.827.773	283.765.468	171.827.773
Financial Assets Measured at Amortised Cost	164.926.760	98.154.676	170.188.679	133.750.871
Loans	981.783.457	628.034.706	989.504.193	650.159.396
Financial Liabilities	1.539.624.764	888.489.491	1.532.251.564	890.017.710
Bank Deposits	37.278.031	16.262.327	37.518.817	16.287.563
Other Deposits	1.255.636.433	705.299.601	1.242.519.030	706.667.561
Borrowings	112.025.057	75.062.954	115.305.212	77.274.134
Marketable Securities Issued (Net)	66.661.730	42.618.527	68.884.992	40.542.370
Miscellaneous Payables	68.023.513	49.246.082	68.023.513	49.246.082

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 2023	1st Level	2nd Level	3rd Level	Total
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	789.743	-	-	789.743
- Share Certificates	3.522.124	-	-	3.522.124
- Other Financial Assets	4.440.148	7.502.101	-	11.942.249
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	217.924.105	-	-	217.924.105
- Share Certificates	112.206	-	-	112.206
- Other Financial Assets	36.183.025	29.546.133	-	65.729.158
Derivative Financial Assets				
- Derivative Financial Assets at Fair Value Through Profit or Loss	418	37.178.832	-	37.179.250
- Derivative Financial Assets at Fair Value Through Other Comprehensive Income	-	29.526.735	-	29.526.735
Loans	-	989.504.193	-	989.504.193
Financial Assets Measured at Amortised Cost				
- Government Debt Securities	168.590.850	-	-	168.590.850
- Other Financial Assets	1.597.830	-	-	1.597.830
Total Assets	433.160.449	1.093.257.994	-	1.526.418.443
Derivative Financial Liabilities				
- Derivative Financial Liabilities at Fair Value Through Profit or Loss	1.124	14.117.037	-	14.118.161
- Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	-	852.473	-	852.473
Deposits	-	1.280.037.846	-	1.280.037.846
Funds Borrowed	-	115.305.212	-	115.305.212
Funds from Interbank Money Market	-	99.833.070	-	99.833.070
Securities Issued (Net)	-	68.884.992	-	68.884.992
Total Liabilities	1.124	1.579.030.630	-	1.579.031.754

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Prior Period - 31 December 2022	1st Level	2nd Level	3rd Level	Total
Financial Assets at Fair Value Through Profit or Loss				
- Government Debt Securities	540.826	61.765	-	602.591
- Share Certificates	6.591.527	-	-	6.591.527
- Other Financial Assets (*)	674.946	2.690.061	-	3.365.007
Financial Assets at Fair Value Through Other Comprehensive Income				
- Government Debt Securities	142.952.758	-	-	142.952.758
- Share Certificates	97.230	-	-	97.230
- Other Financial Assets	21.593.854	7.183.931	-	28.777.785
Derivative Financial Assets				
- Derivative Financial Assets at Fair Value Through Profit or Loss	-	27.969.659	-	27.969.659
- Derivative Financial Assets at Fair Value Through Other Comprehensive Income	-	20.877.144	-	20.877.144
Loans	-	650.159.396	-	650.159.396
Financial Assets Measured at Amortised Cost				
- Government Debt Securities	132.442.825	-	-	132.442.825
- Other Financial Assets	1.308.046	-	-	1.308.046
Total Assets	306.202.012	708.941.956	-	1.015.143.968
Derivative Financial Liabilities				
- Derivative Financial Liabilities at Fair Value Through Profit or Loss	-	14.561.125	-	14.561.125
- Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	-	494.477	-	494.477
Deposits	-	722.955.124	-	722.955.124
Funds Borrowed	-	77.274.134	-	77.274.134
Funds from Interbank Money Market	-	62.662.778	-	62.662.778
Securities Issued (Net)	-	40.542.370	-	40.542.370
Total Liabilities	-	918.490.008	-	918.490.008

(*) Fair value of the financial assets at fair value through profit or loss classified under third level, has been determined based on results of valuation work that include various valuation technics. The potential changes in the fundamental estimations and assumptions included in the valuation work can affect the carrying fair value of the loan.

As explained in the note of VII-b of the Third Section, share certificates, that are classified as financial assets at fair value through other comprehensive income are carried at cost less impairment since they are not traded in active markets and their fair values cannot be measured reliably, are not shown in the table above.

There are no transfers between the 1st and the 2nd levels in the current year.

The movement of financial assets in Level 3 is presented below:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Balances at Beginning of Period	-	7.342.910
Purchases During the Period	-	-
Disposals Through Sale/Redemptions (*)	-	(7.342.910)
Valuation Effect	-	-
Transfers	-	-
Balances at the End of Period	-	-

(*) Share transfer agreement was signed with the Turkey Wealth Fund regarding the sale of all of Türk Telekomünikasyon A.Ş.'s shares in LYY Telekomünikasyon A.Ş.'s assets. The sale and transfer transaction was realized on 31 March 2022.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

IX. EXPLANATION ON THE ACTIVITIES CARRIED OUT ON BEHALF AND ACCOUNT OF OTHER PERSONS:

The Bank carries out trading, custody, management and consulting services on behalf of customers and on their account. Details of these transactions are provided in the off-balance sheet table. The Bank has no trust transactions.

X. EXPLANATIONS ON RISK MANAGEMENT TARGET AND POLICIES:

a. Explanations on Risk Management and Risk Weighted Amount (RWA)

1. The Bank's risk management approach:

Effective risk management constitutes one of the most important competitive strength of the Bank. Risk management system is assessed as a critical process which includes all units starting from the Board of Directors level. General strategies regarding Bank's risk management are given below:

- Effective management of risks within the Group's risk profile based on materiality; implementing a centralized risk framework that includes all major risk areas.
- Managing existing and potential risks from the beginning through forward looking risk strategies, policies and procedures, models and parameters.
- Applying a risk-focused management approach in the strategic decision process.
- Complying with all national risk management requirements, where the Bank operates.

The Bank's Board of Directors has the ultimate responsibility for setting up and monitoring the efficiency of such a risk management system. The Board of Directors fulfills its monitoring responsibility through the Auditing Committee, the Executive Risk Committee, the Credit Committee and other related intermediary committees and by means of regular risk, control and audit reporting system.

The Board of Directors approves and regularly reviews Bank's main risk approach, risk principles and policies which are initially discussed and decided by the Executive Risk Committee.

The Board of Directors also determines Bank's risk appetite by risk limits taking market conditions and Bank's risk taking capacity into consideration. Risk limits are made up of regulatory and internal limits on the basis of risk types.

Bank's Senior Management is responsible to the Bank's Board of Directors that daily activities are executed within the risk management procedures and risk limits determined by the Board of Directors and that risk management system operates in effective and efficient manner. The Internal Audit, the Internal Control, Compliance Presidency and The Risk Management Departments which directly report to the Board of Directors operate in coordination with the business units of the Bank. In this scope, it is also Senior Management's responsibility to take necessary measures in order to resolve identified weaknesses, deficiencies and errors stated in the reports of internal and external audits, internal control and risk management.

Locally and internationally accepted risk models and parameters are used in the identification, measurement and monitoring of risks within the scope of risk management. The Bank strives continuously for development and improvement of internal methods and models. Forward looking risk reports prepared through regular and close monitoring of the market developments are made available for the Senior Management and the Board of Directors. In order to analyze the potential risks that the Bank may be exposed in extreme cases, various scenario analyses are performed and contingency plans are prepared. The Bank's internal capital adequacy assessment process ("ICAAP") has been established and the ICAAP has been performed parallel to the annual budget process on an annual basis. Moreover, various risk mitigation techniques are utilized to limit and provide protection against risks the Bank is exposed. The effectiveness and efficiency of the risk mitigation techniques are regularly monitored.

Notes and explanations in this section have been prepared in accordance with the Communiqué on Disclosures about Risk Management to be announced to Public by Banks that have been published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016. Due to usage of standard approach for the calculation of capital adequacy ratio by the Bank, tables, which have to be prepared within the scope of Internal Rating-Based (IRB) approach, are not presented.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

In the event of unexpected negative economic conditions, stress tests are carried out regularly considering the exchange rate and interest rate shocks and the deterioration of the loan portfolio at different stress rates.

2. Overview of RWA:

	Risk Weighted Amount		Minimum capital requirement
	Current Period	Prior Period	Current Period
	31 December 2023	31 December 2022	31 December 2023
1 Credit risk (excluding counterparty credit risk) (CCR)	962.170.458	618.460.539	76.973.637
2 Standardized approach (SA)	962.170.458	618.460.539	76.973.637
3 Internal rating-based (IRB) approach	-	-	-
4 Counterparty credit risk	35.986.804	38.615.081	2.878.944
5 Standardized approach for counterparty credit risk (SA-CCR)	35.986.804	38.615.081	2.878.944
6 Internal model method (IMM)	-	-	-
7 Basic risk weight approach to internal models equity position in the banking account	-	-	-
8 Investments made in collective investment companies – look-through approach	-	-	-
9 Investments made in collective investment companies – mandate-based approach	2.259.682	1.404.572	180.775
10 Investments made in collective investment companies – 1250% weighted risk approach	-	-	-
11 Settlement risk	-	-	-
12 Securitization positions in banking accounts	-	-	-
13 IRB ratings-based approach (RBA)	-	-	-
14 IRB Supervisory Formula Approach (SFA)	-	-	-
15 SA/simplified supervisory formula approach (SSFA)	-	-	-
16 Market risk	39.297.827	32.350.529	3.143.826
17 Standardized approach (SA)	39.297.827	32.350.529	3.143.826
18 Internal model approaches (IMM)	-	-	-
19 Operational Risk	106.662.332	51.542.098	8.532.987
20 Basic Indicator Approach	106.662.332	51.542.098	8.532.987
21 Standard Approach	-	-	-
22 Advanced measurement approach	-	-	-
23 The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24 Floor adjustment	-	-	-
25 Total (1+4+7+8+9+10+11+12+16+19+23+24)	1.146.377.103	742.372.819	91.710.169

b. Linkages between financial statements and regulatory exposures:

1. Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories:

Legal consolidation refers to the consolidation that includes the consolidation of subsidiaries which are credit institutions or financial institutions in accordance with Article 5 paragraph 1 of the Communiqué on the Preparation of Consolidated Financial Statements of Banks published in the Official Gazette dated November 8, 2006 and numbered 26340. Accounting consolidation refers to the consolidation in which all of the subsidiaries are included in the scope of consolidation in accordance with the Article 5 paragraph 6 of the same communiqué, irrespective of whether these subsidiaries are credit institutions or financial institutions, or not.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

	Carrying values as reported in published financial statements (*)	Carrying values of items				Not subject to capital requirements or subject to deduction from capital
		Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework (**)	
Current Period - 31.12.2023						
Assets						
Cash and balances at central bank	297.399.699	297.399.699	-	-	-	-
Banks	58.076.311	58.076.311	-	-	-	-
Receivables from money markets	1.415.550	1.415.550	-	-	-	-
Financial assets at fair value through P&L	16.254.116	15.350.264	-	-	903.852	-
Financial assets at fair value through other comprehensive income	283.765.468	283.765.468	110.784.307	-	-	-
Derivative financial assets	66.705.985	66.705.985	66.705.985	-	9.625.287	-
Loans (Net)	929.612.535	929.581.512	-	-	-	31.023
Lease Receivables (Net)	19.389.435	19.389.435	-	-	-	-
Factoring Receivables	-	-	-	-	-	-
Financial assets measured at amortised cost (Net)	164.903.191	164.903.191	25.249.869	-	-	-
Non-current assets and disposal groups classified as held for sale (Net)	501.671	501.671	-	-	-	-
Investments in associates (Net)	19.528	19.528	-	-	-	-
Investments in subsidiaries (Net)	3.042.338	3.042.338	-	-	-	-
Investments in joint ventures (Net)	-	-	-	-	-	-
Tangible assets (Net)	25.317.389	25.089.184	-	-	-	228.205
Intangible assets (Net)	4.003.433	-	-	-	-	4.003.433
Investment properties (Net)	-	-	-	-	-	-
Tax assets	112.084	112.084	-	-	-	-
Deferred tax assets	172.264	172.264	-	-	-	-
Other assets	34.078.491	34.078.491	-	-	-	-
Total assets	1.904.769.488	1.832.896.990	202.740.161	-	10.529.139	4.262.661
Liabilities						
Deposits	1.292.914.464	-	-	-	-	1.292.914.464
Funds Borrowed	112.025.057	-	-	-	-	112.025.057
Money Markets	99.403.666	-	92.851.994	-	-	-
Securities Issued	42.925.505	-	-	-	-	42.925.505
Funds	-	-	-	-	-	-
Financial Liabilities At Fair Value Through Profit Or Loss	-	-	-	-	-	-
Derivative Financial Liabilities	14.970.634	-	-	-	5.665.962	-
Factoring Liabilities	-	-	-	-	-	-
Lease Liabilities	1.504.655	-	-	-	-	1.504.655
Provisions	8.064.109	-	-	-	-	8.064.109
Current Tax Liability	12.594.250	-	-	-	-	12.594.250
Deferred Tax Liability	1.953.858	-	-	-	-	1.953.858
Liabilities For Property and Equipment Held For Sale and Related To Discontinued Operations (Net)	-	-	-	-	-	-
Subordinated Debt Instruments	23.736.225	-	-	-	-	23.736.225
Other Liabilities	83.458.358	-	-	-	-	83.458.358
Shareholders' Equity	211.218.707	-	-	-	-	211.218.707
Total liabilities	1.904.769.488	-	92.851.994	-	5.665.962	1.790.395.188

(*) Since the accounting and legal consolidation scope of the Bank are identical, the financial statement information is shown in one column.

(**) The Amounts of financial instruments, which are measured in accordance with TAS and included in trading accounts within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks" are represented in "Subject to market risk framework" column.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

	Carrying values as reported in published financial statements (*)	Carrying values of items				Not subject to capital requirements or subject to deduction from capital
		Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework (**)	
Prior Period - 31.12.2022						
Assets						
Cash and balances at central bank	127.532.791	127.532.791	-	-	-	-
Banks	38.374.006	38.374.006	-	-	-	-
Receivables from money markets	1.462.376	1.462.376	-	-	-	-
Financial assets at fair value through P&L	10.559.125	9.990.948	-	-	568.177	-
Financial assets at fair value through other comprehensive income	171.827.773	171.827.487	42.299.686	-	-	286
Derivative financial assets	48.846.803	-	48.846.803	-	11.580.587	-
Loans (Net)	594.203.359	594.146.621	-	-	-	56.738
Lease Receivables (Net)	11.640.978	11.640.978	-	-	-	-
Factoring Receivables	-	-	-	-	-	-
Financial assets measured at amortised cost (Net)	98.102.962	98.102.962	22.917.094	-	-	-
Non-current assets and disposal groups classified as held for sale (Net)	591.213	591.213	-	-	-	-
Investments in associates (Net)	18.957	18.957	-	-	-	-
Investments in subsidiaries (Net)	-	-	-	-	-	-
Investments in joint ventures (Net)	-	-	-	-	-	-
Tangible assets (Net)	15.232.003	15.138.353	-	-	-	93.650
Intangible assets (Net)	2.706.123	-	-	-	-	2.706.123
Investment properties (Net)	-	-	-	-	-	-
Tax assets	355.563	355.563	-	-	-	-
Deferred tax assets	213.645	213.645	-	-	-	-
Other assets	25.626.503	25.626.503	-	-	-	-
Total assets	1.147.294.180	1.095.022.403	114.063.583	-	12.148.764	2.856.797
Liabilities						
Deposits	721.561.928	-	-	-	-	721.561.928
Funds Borrowed	75.062.954	-	-	-	-	75.062.954
Money Markets	62.524.453	-	57.277.871	-	-	-
Securities Issued	25.818.445	-	-	-	-	25.818.445
Funds	-	-	-	-	-	-
Financial Liabilities At Fair Value Through Profit Or Loss	-	-	-	-	-	-
Derivative Financial Liabilities	15.055.602	-	-	-	7.418.104	-
Factoring Liabilities	-	-	-	-	-	-
Lease Liabilities	866.382	-	-	-	-	866.382
Provisions	5.862.514	-	-	-	-	5.862.514
Current Tax Liability	10.961.561	-	-	-	-	10.961.561
Deferred Tax Liability	3.484.774	-	-	-	-	3.484.774
Liabilities For Property and Equipment Held For Sale and Related To Discontinued Operations (Net)	-	-	-	-	-	-
Subordinated Debt Instruments	16.800.082	-	-	-	-	16.800.082
Other Liabilities	55.689.615	-	-	-	-	55.689.615
Shareholders' Equity	153.605.870	-	-	-	-	153.605.870
Total liabilities	1.147.294.180	-	57.277.871	-	7.418.104	1.069.714.125

(*) 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.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 - 31.12.2023		Total	Items subject to credit risk framework	Items subject to securitisation framework	Items subject to counterparty credit risk framework	Items subject to market risk framework(*)
1	Asset carrying value amount under scope of regulatory consolidation	1.785.151.737	1.832.896.990	-	202.740.161	10.529.139
2	Liabilities carrying value amount under regulatory scope of consolidation	114.374.300	-	-	92.851.994	5.665.962
3	Total net amount under regulatory scope of consolidation	1.670.777.437	1.832.896.990	-	109.888.167	4.863.177
4	Off-balance sheet amounts	1.662.280.331	139.867.318	-	28.605.156	-
5	Differences in valuations		-	-	-	-
6	Differences due to different netting rules, other than those already included in row 2		-	-	-	-
7	Differences due to consideration of provisions		-	-	-	-
8	Differences due to prudential filters		(237.099.402)	-	(68.083.117)	34.434.650
9	Differences due to risk reduction		(19.672.859)	-	-	-
10	Exposure amounts considered for regulatory purposes		1.715.992.047	-	70.410.206	39.297.827

(*)The Amounts of financial instruments, which are measured according to TAS and included in trading accounts within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks", are represented in "Subject to market risk framework" column are presented.

Prior Period - 31.12.2022		Total	Items subject to credit risk framework	Items subject to securitisation framework	Items subject to counterparty credit risk framework	Items subject to market risk framework(*)
1	Asset carrying value amount under scope of regulatory consolidation	1.072.387.449	1.095.022.403	-	114.063.583	12.148.764
2	Liabilities carrying value amount under regulatory scope of consolidation	77.580.055	-	-	57.277.871	7.418.104
3	Total net amount under regulatory scope of consolidation	994.807.394	1.095.022.403	-	56.785.712	4.730.660
4	Off-balance sheet amounts	408.598.062	87.496.267	-	43.885.310	-
5	Differences in valuations		-	-	-	-
6	Differences due to different netting rules, other than those already included in row 2		-	-	-	-
7	Differences due to consideration of provisions		-	-	-	-
8	Differences due to prudential filters		(121.844.367)	-	(30.260.816)	27.619.869
9	Differences due to risk reduction		(16.574.640)	-	-	-
10	Exposure amounts considered for regulatory purposes		1.044.099.663	-	70.410.206	32.350.529

(*)The Amounts of financial instruments, which are measured according to TAS and included in trading accounts within the scope of the "Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks", are represented in "Subject to market risk framework" column are presented.

3. Explanations of differences between accounting and regulatory exposure amounts:

- a) Financial and regulatory scope of consolidation:

There is no difference between the financial and regulatory scope of consolidation.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

b) Differences between accounting and regulatory exposure amounts:

On counterparty credit risk related transactions, the differences between the valued amounts in accordance with TAS in the scope statutory consolidation and the amounts after risk reduction arise from the addition of potential risk amounts per maturity and transaction type to renewal cost of derivative transactions related to counterparty credit risk.

The valued amounts of the items which are subject to market risk per TAS represent the fair value of trading financial instruments. Despite that, the amount at the risk amount line represents the amount which is subject market risk that derives from the calculation of capital requirements due to the loss on interest rate risk of market risk, share price risk, currency risk in the scope of "Regulation on Measurement and Evaluation of Banks Capital Adequacy Ratio".

c) Explanations related to the systems and controls which are defined to ensure prudence and reliability of valuation estimates in accordance with prudent valuation procedures and principles within the scope of appendix 3 of "Regulation on Measurement and Evaluation of Capital Adequacy of Banks":

In case financial instruments that are accounted at their fair values are traded in an active market, the valuation is made based on market price. The accuracy of market price that is used at valuation is being confirmed periodically.

The fair value of financial instruments that are not traded in an active market are being calculated in accordance TFRS 13. Derivative financial instruments are valued by discounted cash flow model with the use of market data. For the valuation of certain financial instruments, third party valuations and generally accepted valuation models can be used. The accuracy and independence of inputs that are used at the valuation of market value and/or used at valuation methods by modelling are being controlled periodically. In addition, there are control processes for the comparison of the current market value of financial instruments with the recalculated values.

c. Credit risk explanations:

1. General qualitative information about credit risk:

Risk limits are defined by Board of Directors in a such manner that covers all possible important risk components, in accordance with the Bank's operations and the size and complexity of products and services. Care is taken to ensure that the risk limits are in line with market expectations and reflect the Bank's risk appetite and Bank's strategies. The credit policies are established in consistence with risk limits.

Credit rating models are used in loan allocation processes in accordance with the risk appetite, credit policies and targets of the Bank. Rating all credit customers is essential for the Bank. Credit ratings are used as the main factor in determining target segments, authority levels, prices, limits and collateralization levels in loan portfolios. Application models are used during initial loan underwriting and behavioral models are used for customers whose previous credit performance could be monitored. Behavioral models are mainly used in the credit monitoring process and in the evaluation process of portfolio risk.

In order to ensure timely and complete fulfillment of all obligations arising from the loan, it is essential to obtain adequate collateral from the customers. The main purpose of collateralization of any loan is to minimize the credit, foreign exchange and maturity risk. In this context, the minimum margin is determined by considering the quality of the collateral and collection expectancy in case of default and it is ensured that appropriate collateral is obtained for the loan type.

Credit risk is encountered when the counterparty is unable to fulfill its obligations defined with the agreement. All credit risk bearing banking products are managed with prudent credit policies and procedures in the Bank. The credit quality of the counterparty is evaluated with an internal rating score in all credit transactions. In order to monitor the credit risk, internal limits are determined on the basis of sector, customer, credit type and customer segment.

Credit risk management is a process in which credit risks are assessed and monitored in a consistent manner, besides all credit portfolios are included on a consolidated basis. During the process of credit risk management, the Risk Management Department conducts measurement, monitoring and reporting activities of the credit risk using statistical models. In addition to the credit risk-related risk limits, various concentrations in the loan portfolio are also analyzed. It is assured to act within the policy of allocation, monitoring, Limit Follow-up and management, by establishing policy regarding to Country risk and concentration risk management. Cost of loan and collections of non-performing loans are monitored periodically. In addition, stress testing and scenario analysis studies are carried out on the loan portfolio.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 - 31.12.2023		Defaulted exposures	Non-defaulted exposures	Allowances/ impairments	Net values
1	Loans	21.349.285	960.434.172	32.781.486	949.001.971
2	Debt Securities	-	455.496.742	665.716	454.831.026
3	Off-balance sheet exposures	6.217.898	783.331.600	678.805	788.870.693
4	Total	27.567.183	2.199.262.514	34.126.007	2.192.703.690

		Gross carrying values of (according to TAS)			
Prior Period - 31.12.2022		Defaulted exposures	Non-defaulted exposures	Allowances/ impairments	Net values
1	Loans	17.583.450	610.451.256	22.190.368	605.844.338
2	Debt Securities	-	270.407.007	589.811	269.817.196
3	Off-balance sheet exposures	1.557.704	306.992.119	487.004	308.062.819
4	Total	19.141.154	1.187.850.382	23.267.183	1.183.724.353

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

		Current Period 31.12.2023	Prior Period 31.12.2022
1	Defaulted loans and debt securities at end of the previous reporting period	19.141.154	19.771.988
2	Loans and debt securities that have defaulted since the last reporting period	15.807.198	17.591.522
3	Returned to non-defaulted status	33.591	105.622
4	Amounts written off	1.651.613	14.167.113
5	Other changes	5.695.965	3.949.621
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5) Definitions	27.567.183	19.141.154

4. Additional disclosure related to the credit quality of assets:

a) Definitions of overdue and provision allocated receivables are presented below:

The Group considers loans that have overdue principal and interest payments and are classified as 2nd Group in accordance with Communiqué on "Determining the Quality of Loans and Other Receivables by Banks and Procedures and Principles of Provisions to be made" as "past due loans." Loans that have overdue principal and interest payments for more than 90 days after the maturity date or the debtor of which are deemed unworthy by the Group are considered impaired loans. Impaired consumer loans are evaluated on account basis and commercial loans on customer basis.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(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 2022.

c) Definitions of the methods used when determining the provision amount, are presented in Note VIII of Section Three.

d) Definitions of restructured receivables:

Banks can restructure both the first, second group loans and other receivables as well as non-performing loans and receivables. The first, second group loans and other receivables are restructured to enhance customer's ability to repay the loan. Besides, it involves changes in the contractual conditions with the demand of customer. While Non-performing loans and receivables are restructured to ensure the collection of the receivables by changing the cash flow of the loan.

e) Breakdown of receivables by geographical area, sector and outstanding maturity:

Breakdown by geographical area:

	Current Period	Prior Period
	31.12.2023	31.12.2022
Domestic	946.837.229	601.306.997
European Union Countries	10.275.916	7.027.797
OECD Countries (*)	1.550.454	832.981
Off-Shore Banking Regions	78.873	378
USA, Canada	230.306	151.316
Other	1.461.394	1.131.787
Total	960.434.172	610.451.256

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

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Breakdown by sector:

	Current Period 31.12.2023	Prior Period 31.12.2022
Agricultural	1.875.086	1.641.685
Farming and raising livestock	670.497	946.408
Forestry	1.200.597	687.300
Fishing	3.992	7.977
Manufacturing	223.286.408	179.188.292
Mining	5.969.692	7.583.797
Production	174.006.680	130.917.432
Electricity, Gas, Water	43.310.036	40.687.063
Construction	97.906.357	57.655.871
Services	209.063.019	166.423.326
Wholesale and Retail Trade	100.176.141	71.987.903
Hotel,Food,Beverage Services	23.606.719	17.733.277
Transportation and Telecommunication	18.764.773	16.073.908
Financial Institutions	56.777.274	51.024.101
Real Estate and Lending Services	983.273	1.595.809
Self employment Service	2.964.480	3.402.547
Education Service	628.228	535.399
Health and social Services	5.162.131	4.070.382
Other	428.303.302	205.542.082
Total	960.434.172	610.451.256

Breakdown by outstanding maturity:

Current Period 31.12.2023	Demand Deposit	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Total
Loans	66.829	321.973.145	142.611.404	249.505.130	176.891.894	69.385.770	960.434.172
Prior Period 31.12.2022	Demand Deposit	Up to 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	5 Years and Over	Total
Loans	23.615	130.622.177	104.572.294	175.822.115	143.785.442	55.625.613	610.451.256

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Breakdown by geographical area:

	Current Period - 31.12.2023		Prior Period - 31.12.2022	
	Loans Under Follow-up	Stage 3 Provisions	Loans Under Follow-up	Stage 3 Provisions
Domestic	21.349.125	13.102.390	16.263.207	11.059.392
European Union Countries	83	64	1.320.138	725.829
OECD Countries (*)	3	1	-	-
Off-Shore Banking Regions	-	-	30	30
USA, Canada	39	20	1	1
Other	35	27	74	57
Total	21.349.285	13.102.502	17.583.450	11.785.309

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

Breakdown by sector:

	Current Period - 31.12.2023		Prior Period - 31.12.2022	
	Loans Under Follow-up	Stage 3 Provisions	Loans Under Follow-up	Stage 3 Provisions
Agricultural	18.614	13.529	22.951	18.469
Farming and raising livestock	10.034	7.556	13.537	11.959
Forestry	2.903	2.662	3.095	2.638
Fishing	5677	3311	6319	3872
Manufacturing	3.050.436	2.216.040	3.637.905	2.500.373
Mining	5.241	4.749	134.007	106.724
Production	1.768.636	1.293.827	1.619.715	1.160.405
Electricity, Gas, Water	1.276.559	917.464	1.884.183	1.233.244
Construction	8.964.977	4.688.973	5.894.822	3.927.684
Services	4.498.727	2.653.953	4.813.085	2.824.026
Wholesale and Retail Trade	1.694.418	1.386.914	1.828.644	1.373.732
Hotel,Food,Beverage Services	891.890	255.942	845.766	228.276
Transportation and				
Telecommunication	86.735	71.726	116.846	93.622
Financial Institutions	1.406.561	664.999	1.275.682	605.763
Real Estate and Lending				
Services	46.244	36.806	72.539	47.681
Self employment Service	298.655	166.878	288.889	165.194
Education Service	9.136	8.359	14.889	13.842
Health and social Services	65.088	62.329	369.830	295.916
Other	4.816.531	3.530.007	3.214.687	2.514.757
Total	21.349.285	13.102.502	17.583.450	11.785.309

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

g) Aging analysis for overdue receivables:

	Current Period	Prior Period
	31.12.2023	31.12.2022
30-60 days overdue	8.448.331	994.201
60-90 days overdue	2.053.900	568.197
More than 90 days overdue	57.531	79.407
Total	10.559.762	1.641.805

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

Restructured Receivables	Current Period	Prior Period
	31.12.2023	31.12.2022
Loans restructured from Loans under Follow-up and Other Receivables	44.578.887	35.380.807
Loans restructured from Non-Performing Loans	1.224.253	1.250.431

General provision is allocated for the loans restructured from standard loans and loans under Follow-up and other receivables, specific provision is allocated for the loans restructured from non-performing loans.

i) Credit risk mitigation techniques:

In order to ensure timely and complete fulfillment of all obligations arising from the loan, it is essential to obtain appropriate collaterals.

The main purpose of collateralization of any loan is to minimize the credit, foreign exchange and maturity risk. Within this scope, the minimum margin of guarantee is determined and the guarantees suitable for the loan types are obtained. There is collateral matching in the system for each loan. In addition, the appropriateness of the margin for each guarantee is also checked.

The risk amount and the amount of collateral are also compared against the value losses that may occur in the collateral, and in case of gap between risk and collateral, the Bank Monitoring System automatically generates "Risky Transaction Registration".

In the calculation of capital adequacy ratio, real estate mortgages are subject to valuation process in accordance with the related legislation. There is no physical collateral used for risk reduction other than real estate.

Financial guarantees used in capital adequacy calculations are blocked deposits held at the bank and there is no netting other than these.

Collateral management processes are written in credit policies and checks are made to ensure that there is no concentration of third party guarantor type and collateral.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

5. Credit risk mitigation techniques – overview:

	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
Current Period - 31.12.2023							
1 Loans	924.954.757	24.047.214	19.672.859	3.888.701	3.255.570	-	-
2 Debt Securities	454.831.026	-	-	-	-	-	-
3 Total	1.379.785.783	24.047.214	19.672.859	3.888.701	3.255.570	-	-
4 Of which defaulted	27.567.183	-	-	-	-	-	-

	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
Prior Period - 31.12.2022							
1 Loans	585.263.329	20.581.009	16.574.641	6.522.812	5.568.364	-	-
2 Debt Securities	269.817.196	-	-	-	-	-	-
3 Total	855.080.525	20.581.009	16.574.641	6.522.812	5.568.364	-	-
4 Of which defaulted	19.141.154	-	-	-	-	-	-

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

The ratings given by Fitch Ratings and JCR-ER are used to determine the risk weights to be applied in the capital adequacy calculation. The degrees of Fitch Ratings are limited to the receivables whose counterparty is a resident abroad; receivables from central governments or central banks, banks and corporate receivables are used for asset classes. JCR-ER's ratings are used for TL-denominated receivables whose counterparty is corporate asset class.

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

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Current Period - 31.12.2023		Exposures before credit conversion factor and CRM		Exposures post-credit conversion factor and CRM		RWA and RWA density	
		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	584.357.949	204.459	587.613.519	203.360	261.636	0,04%
2	Exposures to regional governments or local authorities	398.098	25.438	398.098	25.382	211.740	50,00%
3	Exposures to public sector entities	8.860.732	501.991	8.763.757	166.126	8.929.883	100,00%
4	Exposures to multilateral development banks	-	-	-	-	-	0,00%
5	Exposures to international organisations	-	-	-	-	-	0,00%
6	Exposures to institutions	65.616.434	40.621.998	65.616.434	14.280.407	30.563.446	38,25%
7	Exposures to corporates	387.633.194	176.795.240	369.805.536	99.393.834	368.026.644	78,44%
8	Retail exposures	256.078.571	512.274.978	252.414.972	17.097.583	209.148.332	77,60%
9	Exposures secured by residential property	28.058.479	1.219.397	28.027.204	648.037	10.036.334	35,00%
10	Exposures secured by commercial real estate	28.456.893	10.147.333	28.456.893	6.183.365	19.887.726	57,41%
11	Past-due loans	8.287.288	-	8.287.288	-	7.013.051	84,62%
12	Higher-risk categories by the Agency Board	147.914.425	3.796.567	147.907.009	1.869.225	247.384.737	165,17%
13	Collateralized securities	-	-	-	-	-	0,00%
14	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	0,00%
15	Exposures in the form of units or shares in collective investment undertakings (CIUs)	5.225.598	-	5.225.598	-	5.225.598	100,00%
16	Other assets	66.416.374	-	66.416.374	-	53.715.086	80,88%
17	Investments in equities	4.025.927	-	4.025.927	-	4.025.927	100,00%
18	Total	1.591.329.962	745.587.401	1.572.958.609	139.867.319	964.430.140	56,31%

Prior Period - 31.12.2022		Exposures before credit conversion factor and CRM		Exposures post-credit conversion factor and CRM		RWA and RWA density	
		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	324.925.464	143.566	330.493.828	39.024	398.014	0,12%
2	Exposures to regional governments or local authorities	70.956	-	70.956	-	35.478	50,00%
3	Exposures to public sector entities	571.299	293.367	562.980	158.520	721.500	100,00%
4	Exposures to multilateral development banks	-	-	-	-	-	0,00%
5	Exposures to international organisations	-	-	-	-	-	0,00%
6	Exposures to institutions	42.810.576	17.198.643	42.796.818	8.536.515	18.624.963	36,28%
7	Exposures to corporates	308.138.820	117.964.708	291.108.305	66.726.506	300.997.313	84,12%
8	Retail exposures	130.004.086	143.828.534	125.865.544	8.339.453	108.312.307	80,71%
9	Exposures secured by residential property	13.935.231	526.436	13.908.141	233.699	4.949.644	35,00%
10	Exposures secured by commercial real estate	22.594.255	5.073.158	22.594.255	2.968.818	15.178.835	59,38%
11	Past-due loans	5.844.336	-	5.844.336	-	4.643.514	79,45%
12	Higher-risk categories by the Agency Board	74.093.620	1.086.174	73.965.545	493.730	127.504.622	171,24%
13	Collateralized securities	-	-	-	-	-	0,00%
14	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	0,00%
15	Exposures in the form of units or shares in collective investment undertakings (CIUs)	1.176.544	-	1.176.544	-	1.176.544	100,00%
16	Other assets	47.641.649	-	47.641.649	-	36.747.879	77,13%
17	Investments in equities	574.497	-	574.497	-	574.496	100,00%
18	Total	972.381.333	286.114.586	956.603.398	87.496.265	619.865.109	59,37%

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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

Current Period - 31.12.2023												Total risk amount[*]
Asset Classes / Risk Weight	%0	%10	%20	%25	%35	%50	%75	%100	%150	%250	Other	
1 Exposures to central governments or central banks	586.780.974	-	854.389	-	-	181.516	-	-	-	-	-	587.816.879
2 Exposures to regional governments or local authorities	-	-	-	-	-	423.480	-	-	-	-	-	423.480
3 Exposures to public sector entities	-	-	-	-	-	-	-	8.929.883	-	-	-	8.929.883
4 Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5 Exposures to international organisations	-	-	-	-	-	-	-	-	-	-	-	-
6 Exposures to institutions	125.363	-	31.176.687	-	-	48.533.363	-	61.428	-	-	-	79.896.841
7 Exposures to corporates	-	-	82.609.685	-	-	70.169.956	-	316.419.729	-	-	-	469.199.370
8 Retail exposures	-	-	-	-	-	-	241.456.890	28.055.665	-	-	-	269.512.555
9 Exposures secured by residential property	-	-	-	-	28.675.241	-	-	-	-	-	-	28.675.241
10 Exposures secured by commercial real estate	-	-	-	-	-	29.505.064	-	5.135.194	-	-	-	34.640.258
11 Past-due loans	-	-	-	-	-	3.788.302	-	3.259.158	1.239.828	-	-	8.287.288
12 Higher-risk categories by the Agency Board	-	-	-	-	7.372	1	-	278.160	108.218.796	-	41.271.905	149.776.234
13 Collateralized securities	-	-	-	-	-	-	-	-	-	-	-	-
14 Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	5.225.598	-	-	-	5.225.598
16 Investments in equities	-	-	-	-	-	-	-	4.025.927	-	-	-	4.025.927
17 Other assets	12.701.285	-	2	-	-	-	-	53.715.087	-	-	-	66.416.374
18 Total	599.607.622	-	114.640.763	-	28.682.613	152.601.682	241.456.890	425.105.829	109.458.624	-	41.271.905	1.712.825.928

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

Prior Period - 31.12.2022												Total risk amount[*]
Asset Classes / Risk Weight	%0	%10	%20	%25	%35	%50	%75	%100	%150	%250	Other	
1 Exposures to central governments or central banks	328.545.737	-	1.985.145	-	-	1.970	-	-	-	-	-	330.532.852
2 Exposures to regional governments or local authorities	-	-	-	-	-	70.956	-	-	-	-	-	70.956
3 Exposures to public sector entities	-	-	-	-	-	-	-	721.500	-	-	-	721.500
4 Exposures to multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5 Exposures to international organisations	-	-	-	-	-	-	-	-	-	-	-	-
6 Exposures to institutions	327.228	-	23.013.799	-	-	27.940.205	-	52.101	-	-	-	51.333.333
7 Exposures to corporates	-	-	39.870.273	-	-	49.882.560	-	268.081.978	-	-	-	357.834.811
8 Retail exposures	-	-	-	-	-	-	103.570.763	30.634.234	-	-	-	134.204.997
9 Exposures secured by residential property	-	-	-	-	14.141.840	-	-	-	-	-	-	14.141.840
10 Exposures secured by commercial real estate	-	-	-	-	-	20.768.475	-	4.794.598	-	-	-	25.563.073
11 Past-due loans	-	-	-	-	-	3.075.780	-	2.094.420	674.136	-	-	5.844.336
12 Higher-risk categories by the Agency Board	-	-	-	-	9.006	25.507	-	321.840	44.122.417	-	29.980.505	74.459.275
13 Collateralized securities	-	-	-	-	-	-	-	-	-	-	-	-
14 Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
15 Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	-	-	-	-	-	1.176.544	-	-	-	1.176.544
16 Investments in equities	-	-	-	-	-	-	-	574.497	-	-	-	574.497
17 Other assets	10.893.764	-	4	-	-	-	-	36.747.881	-	-	-	47.641.649
18 Total	339.766.729	-	64.869.221	-	14.150.846	101.765.453	103.570.763	345.199.593	44.796.553	-	29.980.505	1.044.099.663

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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 from banks regular loan approval processes and limits are conducted.

The counterparty credit risk limits for financial institutions are also determined separately and presented to the Board of Directors for approval. The determined limits are reviewed at least once a year. In case of deterioration of market conditions or in case of deterioration of credit quality of some counterparties, limits are reviewed and necessary changes are made. If deemed necessary, the approved limits are blocked by the Credit Committee / Credit Allocation Business Unit and by the approval of the Board of Directors.

In counterparty credit risk management of financial institutions, risk mitigation methods such as netting agreements, collateral and "margin" agreements are used. Collateralization principles and procedures are applied for companies and individuals other than financial institutions within the framework of credit policies and application principles currently applied in the Bank.

The potential, current and maximum risk amounts of the transactions are calculated / determined in order to determine the CCR. The risks of transactions that are subject to the legally binding bilateral netting agreement and to which the netting transaction can be applied are followed together.

The risk of reverse tendency within the scope of the CCR appears in two ways as the risk of general reversal and the risk of specific reversal.

To avoid the general counter trend risk;

- Depending on the direction of the financing expenses of the corporate and commercial companies, it is taken care that the interest swap transactions made are aimed at "hedging". If the short-term liability of the firm is more than short-term liabilities susceptible to interest, interest rate swaps will be applied to the firm with the fixed interest rate. In the other case, interest rate swap transactions that the company pays variable interest are made.
 - It is also important to note that the transactions are "hedged" for foreign currency transactions. If the firm is in a long position in the foreign exchange market, the transactions that the foreign exchange seller is the company and if the company is in the short position in the foreign exchange market, the transactions that the foreign exchange buyer is the company are taken into consideration.
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**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE**

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

To avoid the risk of specific counter trend risk;

- In the option transactions made on the other party's own shares, transactions are not made where the same counterparty is the option seller.
- In the credit derivative transactions on the counterparty's own credit risk, there are no transactions that the counterparty is the protection seller

For the actions taken under the CCR, the obligation to provide additional collateral due to the possible decline in the credibility of the Bank is followed.

2. Analysis of counterparty credit risk exposure by approach:

Current Period - 31.12.2023		Replacement cost	Potential future exposure	EEPE (*)	Alpha used for computing regulatory exposure at default	Exposure at default post CRM	RWA
1	Standardised Approach (for derivatives)	18.532.637	8.251.837		1,4	26.784.474	12.018.223
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)			-	-	-	-
3	Simple Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)						
4	Comprehensive Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					36.719.335	18.674.954
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					36.719.335	18.674.954
6	Total						30.693.177

(*) Effective Expected Positive Exposure

Prior Period - 31.12.2022		Replacement cost	Potential future exposure	EEPE (*)	Alpha used for computing regulatory exposure at default	Exposure at default post CRM	RWA
1	Standardised Approach (for derivatives)	33.930.356	10.850.123		1,4	44.780.479	22.900.111
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)			-	-	-	-
3	Simple Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)						
4	Comprehensive Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or EMTIA lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					14.976.008	4.231.471
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					14.976.008	4.231.471
6	Total						27.131.582

(*) Effective Expected Positive Exposure

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

3. Credit valuation adjustment (CVA) capital charge:

	Current Period - 31.12.2023		Prior Period - 31.12.2022	
	Exposure at default post-CRM	RWA	Exposure at default post-CRM	RWA
Total portfolios subject to the Advanced CVA capital charge				
1 (i) Value at Risk (VaR) component (including the 3xmultiplier)	-	-	-	-
2 (ii) Stressed VaR component (including the 3xmultiplier)	-	-	-	-
3 All portfolios subject to the Standardised CVA capital charge	26.784.474	4.978.433	44.780.479	11.111.863
4 Total subject to the CVA capital charge	26.784.474	4.978.433	44.780.479	11.111.863

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

Current Period - 31.12.2023

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure (*)
Regulatory portfolio									
Claims from central governments and central banks	8.329.011	-	-	-	-	-	-	-	-
Claims from regional and local governments	-	-	-	-	-	-	-	-	-
Claims from administration and non commercial entity	-	-	-	-	-	427	-	-	427
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Claims from international organizations	-	-	-	-	-	-	-	-	-
Claims from institutions	-	-	17.183.921	18.784.754	-	744.642	-	-	13.573.803
Corporates	-	-	1.265.412	436.581	-	16.313.114	-	-	16.784.487
Retail portfolios	-	-	-	-	445.947	-	-	-	334.460
Other claims(**)	-	-	-	-	-	-	-	-	-
Total	8.329.011	-	18.449.333	19.221.335	445.947	17.058.183	-	-	30.693.177

(*) Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

(**) Other receivables: Includes the amounts excluded in counterparty credit risk reported in CCR8.

Prior Period - 31.12.2022

Risk Weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure (*)
Regulatory portfolio									
Claims from central governments and central banks	2.719.578	-	-	-	-	-	-	-	-
Claims from regional and local governments	-	-	-	-	-	-	-	-	-
Claims from administration and non commercial entity	-	-	-	-	-	7.741	-	-	7.741
Claims from multilateral development banks	-	-	-	-	-	-	-	-	-
Claims from international organizations	-	-	-	-	-	-	-	-	-
Claims from institutions	-	-	17.583.267	27.341.644	-	-	-	-	17.187.475
Corporates	-	-	2.324.845	277.223	-	8.815.252	-	-	9.418.833
Retail portfolios	-	-	-	-	683.828	-	-	-	512.871
Other claims(**)	-	-	-	-	-	-	3.108	-	4.662
Total	2.719.578	-	19.908.112	27.618.867	683.828	8.822.993	3.108	-	27.131.582

(*) Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

(**) Other receivables: Includes the amounts excluded in counterparty credit risk reported in CCR8.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 - 31.12.2023		Prior Period - 31.12.2022	
	Protection bought	Protection Sold	Protection bought	Protection Sold
Nominal				
Single-name credit default swaps	2.119.550	-	2.281.193	-
Index credit default swaps	-	-	-	-
Total return swaps	-	14.306.965	-	13.088.810
Credit options	-	-	-	-
Other credit derivatives	-	-	-	-
Total notionals	2.119.550	14.306.965	2.281.193	13.088.810
Fair values				
Positive fair value (asset)	56.684	6.226.596	176.001	5.567.837
Negative fair value (liability)	-	-	-	-

7. Exposures to central counterparties (CCP):

	Current Period - 31.12.2023		Prior Period - 31.12.2022	
	Exposure at default (post-CRM)	RWA	Exposure at default (post-CRM)	RWA
1 Exposure to Qualified Central Counterparties (QCCPs) (total)		315.194		371.636
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	10.072.519	302.320	12.560.964	366.457
3 (i) OTC Derivatives	10.072.519	302.320	12.560.964	366.457
4 (ii) Exchange-traded Derivatives	-	-	-	-
5 (iii) Securities financing transactions	-	-	-	-
6 (iv) Netting sets where cross-product netting has been approved	-	-	-	-
7 Segregated initial margin	-	-	-	-
8 Non-segregated initial margin	-	-	-	-
9 Pre-funded default fund contributions	258.511	12.874	94.807	5.179
10 Unfunded default fund contributions	-	-	-	-
11 Exposures to non-QCCPs (total)				
12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
13 (i) OTC Derivatives	-	-	-	-
14 (ii) Exchange-traded Derivatives	-	-	-	-
15 (iii) Securities financing transactions	-	-	-	-
16 (iii) Netting sets where cross-product netting has been approved	-	-	-	-
17 Segregated initial margin	-	-	-	-
18 Non-segregated initial margin	-	-	-	-
19 Pre-funded default fund contributions	-	-	-	-
20 Unfunded default fund contributions	-	-	-	-

e. Securitization explanations: The Bank has no securitization transactions.

f. Explanations on market risk:

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

1. Qualitative disclosure requirements related to market risk:

The risk principles, policies and risk limits related to the management of market risk are approved by the Board of Directors and reviewed on a regular basis. The Bank's Senior Management performs day to day management of the market risk in accordance with the limits assigned by the Board of Directors. The Bank is exposed to market risk as a result of fluctuations in foreign exchange rates, interest rates, and market prices of stocks. Exchange rate risk and interest rate risk are evaluated as the two most important components of market risk. The Bank engages in derivative transactions for hedge purposes when found necessary.

Market risk is calculated by two different methods, namely the "inherent model" and the "standard method". According to inherent model market risk is measured by Value at Risk ("VaR") approach which takes into account different risk factors. VaR calculations use historical simulation and Monte Carlo simulation methods. The software used can perform calculations with an advanced yield curve and volatility models. The VaR model is based on the assumptions of 99% confidence interval and a 10-day holding period. VaR analyses are performed on a daily basis and reported to the Senior Management. VaR analyses are also used as risk and limit management instrument for trading transactions. The limits are reviewed periodically according to market conditions and the application of specified limits is subject to authority restrictions and therefore the control effectiveness is increased. VaR analyses are supported with scenario analyses and stress tests, and take into consideration the effects of low-probability events which have significant impact and the effects of market fluctuations. Retrospective tests of the model outputs are performed regularly. The standard method is used for the legal reporting.

The following table indicates the details of the market risk calculation as of 31 December 2022, in accordance with the Market Risk Calculation principles pursuant to the Third Section of the "Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette no. 29511 on 23 October 2015.

2. Standardised approach:

	Current Period	Prior Period
	31.12.2023	31.12.2022
	RWA	RWA
Outright products (*)		
1 Interest rate risk (general and specific)	4.897.300	3.598.138
2 Equity risk (general and specific)	4.818.113	14.084.699
3 Foreign exchange risk	25.512.549	13.837.669
4 Commodity risk	3.199.902	20.185
Options		
5 Simplified approach	-	-
6 Delta-plus method	869.963	809.838
7 Scenario approach	-	-
8 Securitisation	-	-
9 Total	39.297.827	32.350.529

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

g. Explanations on operational risk:

The "Basic Indicator Method" that is mentioned in "Regulation on Measurement and Assessment of Capital Adequacy of Banks" Communiqué published in the Official Gazette no. 29511 on 23 October 2015 and entered into force as of 31 March 2016, is used in the annual operational risk calculation of the Bank. The amount subject to the operational risk as of 31 December 2022 is calculated by using the gross income of the Bank in 2020, 2021 and 2022.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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.

	31.12.2020	31.12.2021	31.12.2022	Total/Positive GI year number	Ratio (%)	Total
Gross income	24.461.462	37.297.431	108.900.838	3	15	8.532.987
Amount subject to Operational Risk (Amount*12,5)						106.662.332

h. Interest rate risk related to banking book:

Interest rate risk for all banking transactions outside the trading portfolio are followed under interest rate risk related to the banking book. Interest rate risk related to the trading portfolio is followed under market risk.

ALCO performs daily management of interest rate risk in accordance with the risk limits set by the Executive Risk Committee in relation to interest rate sensitivities of the banking book. ALCO meetings are held on a weekly basis.

In addition to interest rate sensitivities measured and reported weekly, daily and transaction-based analyses are also performed when significant fluctuations occur in markets.

Repricing term mismatch and duration mismatch analyses, net economic value change analyses under different interest rate stress scenarios and income simulations are used for interest rate risk management. Repricing risk, yield curve risk, basis risk and optionality risk are considered under interest rate risk scope.

The interest rate risk arising from banking book is calculated and reported on a monthly basis according to "Regulation on Measurement and Evaluation of Interest Rate Risk in Banking Accounts with Standard Shock Method" published in the Official Gazette no 28034 on 23 August 2011.

The Group's calculation of the interest rate risk derived from banking books is presented below:

Currency	Applied Shock (+/- x basis points)	Gains / Losses	Gains / Shareholders' Equity - Losses/ Shareholders' Equity
TL	(400)	9.061.913	3,75%
TL	500	(9.674.850)	-4,00%
USD	(200)	(1.063.727)	-0,44%
USD	200	1.175.497	0,49%
EURO	(200)	(2.033.458)	-0,84%
EURO	200	2.064.903	0,85%
Total (for negative shocks)		5.964.728	2,47%
Total (for positive shocks)		(6.434.450)	-2,66%

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

XI. EXPLANATIONS ON HEDGE TRANSACTIONS:

The Group hedges its TL and foreign denominated fixed rate financial assets with cross currency swaps and interest rate swaps. Within the scope of fair value hedge, fair value changes of hedging instrument and hedged item are accounted in the income statement. As long as the hedge relationship is effective, fair value change of the hedged item is disclosed together with its related asset or liability in the balance sheet for TL denominated fixed rate mortgage loans. Fair value changes which have already been booked in equity, have been reclassified from equity to income statement for TL and FC denominated fixed rate financial assets measured at fair value through other comprehensive income.

The Group hedges against its cash flow risk stemming from foreign currency denominated floating rate financial liabilities with interest rate and cross currency swaps. Within the scope of cash flow hedge accounting, effective part of the fair value changes of the hedging instrument are accounted in equity under "Cash Flow Hedge Gain/Loss, Shares of Investments Valued by Equity Method in Other Comprehensive Income Classified Through Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income Items Reclassified Through Other Profit or Loss" whereas ineffective part is accounted in the income statement. At instances when cash flows relating to hedged item (interest expense) affect the income statement, profit/loss of the related hedging item is taken out of the equity and reflected on the income statement.

Prospective tests are performed at the inception of the hedge relationships and both prospective and retrospective tests are performed at each reporting period-end regularly by using "Dollar off-set method". In this method, changes in the fair value of the hedged item and changes in the fair value of the hedging instruments between the designation date and each reporting period-end are compared and effectiveness ratio is calculated. In the determination of the fair values of hedging instruments and hedged item, market yield curves are used. Hedge accounting principles are applied by assessing the calculated effectiveness ratio within the scope of TAS 39.

When the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked due to ineffectiveness of efficiency tests;

- The hedging gains and losses that were previously recognized under equity are transferred to profit or loss when the cash flows of the hedged item are realized,
- Adjustments made to the carrying amount of the hedged item are transferred to profit and loss with straight line method for portfolio hedges or with effective interest rate method for micro hedges.

In case the hedged item is derecognized, hedge accounting is discontinued and within context of fair value hedge accounting, adjustments made to the value of the hedged item are accounted in income statement.

The replacement or rollover of a hedging instrument into another hedging instrument is not an expiration or termination if such replacement or rollover is part of the entity's documented hedging strategy.

The Group also applies net investment risk hedging in order to hedge its foreign currency risk from its investments abroad. The effective part of the fair value change of the hedging instrument in the hedging transaction in question was accounted in the "Accumulated Other Comprehensive Income or Expenses to be Reclassified in Profit or Loss" account under equity.

Within the scope of the Major Indicative Interest Rates Reform, the replacement of currently used benchmark interest rates, especially Libor, with newly accepted alterbnative interest rates has been completed. The benchmark interest rate change has been applied to all foreign currency transactions subject to hedge accounting and there is no significant effect on profit/loss.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

As of 31 December 2023, contractual amounts of derivative financial instruments designated as hedging instruments and the net fair values carried in the balance sheet of the Bank are summarized in the following table:

	Current Period 31 December 2023			Prior Period 31 December 2022		
	Notional Amount	Assets	Liabilities	Notional Amount	Assets	Liabilities
Interest Rate and Cross Currency Swaps						
-TL	62.769.058	27.644.678	852.473	31.550.734	18.868.111	494.476
-FC	218.230.196	6.427.077	-	155.500.288	5.651.771	1
Total	280.999.254	34.071.755	852.473	187.051.022	24.519.882	494.477

1. Explanations on Accounting Net Investment Hedge:

The Group applies a net investment hedging strategy to hedge the foreign exchange risk arising from the net investment value of Akbank AG, its subsidiary, amounting to EUR 787 million (31 December 2022: EURO 787 million), and the net investment value of Akbank Ventures BV, its subsidiary, amounting to USD 100 million (31 December 2022: None). EUR 787 million and USD 100 million of the Group's borrowing are designated as "hedging instruments".

2. Explanations on Fair Value Hedge:

Current Period: 31 December 2023

Hedging Instrument	Hedged Item	Risk Exposure	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items (*)	Ineffective Portion (**)
Interest Rate Swap	Fixed interest rate FC Loans	Interest rate and currency risk	118.489	(127.770)	(9.281)
Interest Rate Swap	Fixed interest rate FC financial assets at other comprehensive income	Interest rate risk	1.045.137	(1.345.887)	(300.750)
Cross-currency swap	Fixed interest rate FC financial assets at fair value through other comprehensive income, FC borrowings	Interest rate and currency risk	(74.524)	74.492	(32)
Cross-currency swap	Fixed interest rate TL Commercial Loans. FC borrowings	Interest rate and currency risk	6.216	(6.260)	(44)

(*) Includes fair value differences arising from changes in foreign exchange rates for 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.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Prior Period - 31 December 2022

Hedging Instrument	Hedged Item	Risk Exposure	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items (*)	Ineffective Portion (**)
Interest Rate Swap	Fixed interest rate FC Loans	Interest rate and currency risk	238.099	(241.371)	(3.272)
Interest Rate Swap	Fixed interest rate FC financial assets at other comprehensive income	Interest rate risk	1.812.353	(1.878.106)	(65.753)
Cross-currency swap	Fixed interest rate FC financial assets at fair value through other comprehensive income, FC borrowings	Interest rate and currency risk	48.507	(48.327)	180
Cross-currency swap	Fixed interest rate TL Commercial Loans, FC borrowings	Interest rate and currency risk	8.096	(8.574)	(478)

(*) Includes fair value differences arising from changes in foreign exchange rates for 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 2023, related to fair value hedge transactions, there is no remaining net amount after amortization of the fair value change of the hedged items since the beginning of hedge accounting (31 December 2022: TL (38)).

3. Explanations on Cash Flow Hedge:

Hedging instrument	Hedged item	Nature of risk hedged	Hedging 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	266.601	-	252.745	464.101	2.012
Cross Currency Swap	Short term FC commercial deposits	Cash Flow risk due to changes in interest rate of funds	25.823.761	-	207.590	750.525	88.735
Interest Rate Swap	Short term TL deposits	Cash Flow risk due to changes in interest rate of funds	1.651.985	-	881.938	473.277	(15.660)
Interest Rate Swap	Short term FC deposits	Cash Flow risk due to changes in interest rate of funds	1.692.926	-	951.682	931.967	7.807
Interest Rate Swap	Floating-rate TL financial assets at fair value through other comprehensive income	Cash Flow risk due to changes in interest rate of funds	91.462	852.473	(864.810)	(224.710)	15.188

In addition, when the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked with the information related discontinuous transactions are given below:

- As of 31 December 2023, related to cash flow hedge transactions, there is no remaining before tax amount in equity after amortization of the fair value change of the hedging instruments, from the beginning of hedge accounting (31 December 2022: None).

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

XII. QUALITATIVE DISCLOSURES ON REMUNERATION POLICIES:

Explanations on Remuneration Committee:

The Remuneration Committee consisting of two members from the board of directors who have no executive duties convened and evaluated the remuneration policies twice in 2022. As a result of the meeting and related evaluations, the committee decided on updating of the policies in accordance with the existing practices. The main duties and responsibilities of the Remuneration Committee have been determined briefly as follows:

- Overseeing the remuneration processes and practices with the aim of providing an independent and effective remuneration system.
- Reviewing the remuneration policy practices within the framework of the Corporate Governance principles and ensuring that the remuneration management system is up to date.
- Submitting the evaluation and recommendations on remuneration policies and practices within the framework of Corporate Governance principles to the Board of Directors as an annual report
- Reviewing as to whether remuneration policies, processes and practices comply with risk appetite, strategies and long term targets of the Bank
- Ensuring the implementation of premium payments within the framework of Corporate Governance principles.
- Determining payments to the members of the Board of Directors if they assume a different function in the bank
- Ensuring the preparation of the decisions regarding the remuneration, particularly the decisions about the remuneration of qualified employees, submitted to the approval of the Board of Directors; the regular observation of compliance and effectiveness of the remuneration policies with the risk appetite and targets of the bank; providing support and opinion to the Board of Directors with regard to the establishment and supervising of the operations of the remuneration system; overseeing the remuneration of the senior management of the units within the scope of Internal Systems

The general principles of the Bank's remuneration policy apply to all bank employees.

Members of the Board of Directors and senior executives that have a significant impact on the Bank's risk profile are classified under the qualified employees. By the end of 2022, there are 27 employees that are considered as qualified employees in the Bank.

Information on the Design and Structure of the Remuneration Process:

While determining the Bank's wage structure;

- Internal balance of wages and budgetary opportunities,
- Job description and level of responsibility of employees,
- Individual performance of each employee,
- The overall performance of the team and general performance of the bank,
- Employee competencies,
- Compliance with the Bank's internal and external legislation

are taken into consideration.

Structured the Remuneration Policy for gaining, keeping, rewarding and motivating human resources are necessary for sustainable success to the bank is created as follows.

- Complying with the scope and structure of the Bank's operations, strategies, long-term targets and risk management structures,
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AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

- Preventing the excessive risk taking and contributing the effective risk management,

Evaluation of Remuneration Process Regarding the Methods of Addressing Current and Future Risks

In the remuneration processes, credit risk, operational risk, legal risk and reputation risk are taken into consideration with the applied risk management. The risks arising from employees during the determination of premiums are also taken into consideration. Some portion of the premium payments of the qualified employees are paid with non-cash assets indexed to the Bank's share value and some portion of them is postponed. In certain cases, written agreements have been made with these employees for the cancellation of deferred payments. In the recent year, there has been no change in the methods of handling risks in remuneration practices.

Evaluation of the Methods of Associating Premiums with Performance

Performance and risks generally determined for the Bank are considered on a preferential basis for calculating the total amount of premiums. The premium budget is distributed to the employees in line with the unit performance affiliated with individual performance and fixed income.

The units within the scope of Internal Systems have independent premium systems from Bank's performance system hence their budgets are separately managed. All decisions regarding the wage and premium processes of these units are agreed at the Board of Directors level.

XIII. EXPLANATIONS ON BUSINESS SEGMENTS:

The Group operates consumer banking, SME banking, commercial banking, and corporate-investment and private banking and wealth network providing services to customers in accordance with the Bank's organizational structure.

The profitability system generating segment information provides profitability information on the basis of account customer, customer relationship manager, branch segment and product. This information is made available to the branch and Head Office personnel through a web-based management reporting system.

Consumer banking offers a variety of retail services such as deposit accounts, retail loans, commercial installment loans, credit cards, insurance products and asset management services. The consumer banking products and services also include bank cards, investment funds trading, automatic payment services, foreign currency trading, safe deposit box rentals, cheques, money transfers, investment banking, telephone and internet banking. In the scope of private banking, The Bank serves the members of the high-income customers who have expectations for upper-class service quality both in banking and investment transactions.

Corporate banking, commercial banking and SME banking, provide financial solutions and banking services to large, medium and small size corporate and commercial customers. The products and services offered to corporate and commercial customers include TL and foreign currency denominated working capital loans financing for investments, foreign trade financing, derivative instruments for hedging purposes of foreign currency and interest risk, letters of credit, foreign currency trading, corporate finance services and deposit and cash management services. In addition, the Bank provides timely and permanent solutions for corporate customers' working capital management, delivers cash management services tailored based on customers' requests that include collection and payment services and liquidity and information management. Project finance loans are provided within the context of investment banking activities. Within the scope of international banking activities, activities are also being carried out in order to provide long-term funding, to provide funding under a price reflecting the country's risk, to diversify funding resources and to form an international investor base on this area.

The Treasury Unit conducts TL and FC spot and forward transactions, treasury bonds, government bonds, Eurobond and private sector bond transactions and also derivative trading activities within determined limits. These transactions are performed according to the Bank's requirements. In addition to marketing and pricing activities for the branch network of Treasury products and customers, foreign trade financing, foreign exchange and TL "clearing" services are also carried out for customers.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE**

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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 2023 and 31 December 2022 presented in the following tables. Explanations on business segments are prepared on the basis of data obtained from Bank Management Reporting System.

	Consumer Banking and Private Banking	Commercial Banking, Corporate Banking and SME Banking	Treasury, Other and Unallocated	Bank's Total Activities
Current Period - 31 December 2023				
Operating Income	53.688.822	68.797.182	27.869.808	150.355.812
Profit from Operating Activities	16.229.015	55.662.834	15.078.894	86.970.743
Income from Subsidiaries	-	-	86.382	86.382
Income/(loss) from investments in subsidiaries consolidated based on equity method	-	-	35.139	35.139
Profit before Tax	16.229.015	55.662.834	15.200.415	87.092.264
Corporate Tax	-	-	(20.596.029)	(20.596.029)
Net Profit for the Period	16.229.015	55.662.834	(5.395.614)	66.496.235
Segment Assets	471.527.002	680.593.456	673.248.905	1.825.369.363
Investments in Associates	-	-	3.061.866	3.061.866
Undistributed Assets	-	-	76.338.259	76.338.259
Total Assets				1.904.769.488
Segment Liabilities	921.114.199	445.303.039	234.803.896	1.601.221.134
Undistributed Liabilities	-	-	92.329.647	92.329.647
Shareholders' Equity	-	-	211.218.707	211.218.707
Total Liabilities				1.904.769.488

	Consumer Banking and Private Banking	Commercial Banking, Corporate Banking and SME Banking	Treasury, Other and Unallocated	Bank's Total Activities
Prior Period - 31 December 2022				
Operating Income	22.594.234	31.705.995	57.486.452	111.786.681
Profit from Operating Activities	7.515.270	26.179.946	46.483.974	80.179.190
Income from Subsidiaries	-	-	91.618	91.618
Profit before Tax	7.515.270	26.179.946	46.575.592	80.270.808
Corporate Tax	-	-	(20.245.101)	(20.245.101)
Net Profit for the Period	7.515.270	26.179.946	26.330.491	60.025.707
Segment Assets	198.533.395	477.773.960	416.734.740	1.093.042.095
Investments in Associates	-	-	18.957	18.957
Undistributed Assets	-	-	54.233.128	54.233.128
Total Assets				1.147.294.180
Segment Liabilities	484.329.393	290.973.243	151.276.243	926.578.879
Undistributed Liabilities	-	-	67.109.431	67.109.431
Shareholders' Equity	-	-	153.605.870	153.605.870
Total Liabilities				1.147.294.180

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

**SECTION 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 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Cash/Foreign Currency	4.285.667	11.562.251	3.041.404	7.978.805
The CBRT (*)	124.637.273	155.970.274	20.645.317	95.135.790
Other (**)	-	944.234	-	731.475
Total	128.922.940	168.476.759	23.686.721	103.846.070

(*) Precious metal account amounting to TL 15.823.329 are included in FC (31 December 2022: TL 3.443.117).

(**) Precious metal account amounting to TL 944.231 are included in FC (31 December 2022: TL 731.471).

2. Information related to the account of the CBRT:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Unrestricted Demand Deposits	1.927	-	1.214	-
Unrestricted Time Deposits	-	5.890.339	-	2.330.773
Restricted Time Deposits	-	-	-	-
Reserve Requirement	124.635.346	150.079.935	20.644.103	92.805.017
Total	124.637.273	155.970.274	20.645.317	95.135.790

3. Explanation on reserve requirements:

In accordance with the "Communiqué Regarding the Reserve Requirements no. 2013/15, the Bank is required to maintain reserves in CBRT for TL and foreign currency liabilities. The reserve requirements can be maintained as TL, USD, EUR and standard gold.

The required rates for the required reserves established in the CBRT are between 0% and 8%, excluding accounts provided with exchange rate/price protection support by the Central Bank, according to the maturity structure in Turkish currency (31 December 2022: between 3% and 8%); accounts provided with exchange rate/price protection support by the Central Bank, it is between 10% and 30% (31 December 2022: None); in foreign currency, it is between 5% and 30% depending on the maturity structure (31 December 2022: between 5% and 31%) as of 31 December 2023.

b. Financial Assets at Fair Value Through Profit or Loss

As of 31 December 2023, financial assets at fair value through profit or loss given as collateral/blocked amounting to TL 68.556 (31 December 2022: TL 387.799). There are no financial assets at fair value through profit or loss subject to repo transactions (31 December 2022: None).

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Other Financial Assets: TL 3.520.491 (31 December 2022: TL 2.041.238) of other financial assets consist Fourth Real Estate Investment Fund of Ak Portföy Yönetimi A.Ş. established by Ak Portföy Yönetimi A.Ş. and the fund is followed at its fair value and the related valuation differences are recognized in profit or loss.

c. Trading derivative financial assets:

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

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Forward Transactions	2.122.806	-	2.275.577	-
Swap Transactions	16.508.577	12.783.779	10.064.350	11.255.138
Futures Transactions	-	-	-	-
Options	333.260	885.808	22.781	709.075
Other	-	-	-	-
Total	18.964.643	13.669.587	12.362.708	11.964.213

(*) Excluding hedging derivatives financial assets.

d. Information on banks account and foreign banks:

1. Information on banks account:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Banks				
Domestic	496.906	1.638.605	330.627	2.933.531
Foreign (*)	365.692	55.581.927	1.554	35.114.910
Head Quarters and Branches Abroad	-	-	-	-
Total	862.598	57.220.532	332.181	38.048.441

(*) Includes collateral of TL 5.390.011 for derivative transactions made with foreign banks (31 December 2022: TL 7.486.972).

2. Information on foreign banks account:

	Unrestricted Amount		Restricted Amount (**)	
	Current Period 31 Aralık 2023	Prior Period 31 Aralık 2022	Current Period 31 Aralık 2023	Prior Period 31 Aralık 2022
European Union Countries	19.013.622	8.618.119	7.377.766	4.825.191
USA, Canada	17.742.539	8.436.694	1.157.127	1.150.802
OECD Countries (*)	8.378.916	6.539.656	1.729.578	5.396.433
Off-Shore Banking Regions	-	-	-	-
Other	547.514	145.564	557	4.005
Total	45.682.591	23.740.033	10.265.028	11.376.431

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

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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

1. As of 31 December 2023, financial assets fair value through other comprehensive income subject to repurchase agreements amounting to TL 110.784.307 (31 December 2022: TL 42.299.686); and those given as collateral/blocked amounting to TL 80.866.957 (31 December 2022: TL 60.619.771).

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

	Current Period	Prior Period
	31 December 2023	31 December 2022
Debt Securities	294.038.922	176.929.176
Quoted at Stock Exchange (*)	264.492.788	169.493.452
Unquoted at Stock Exchange	29.546.134	7.435.724
Share Certificates	112.205	97.230
Quoted at Stock Exchange	-	-
Unquoted at Stock Exchange	112.205	97.230
Impairment Provision (-)	10.385.659	5.198.633
Total	283.765.468	171.827.773

[*] Investment funds are included.

f. Information related to loans:

1. Information on all types of loans and advances given to shareholders and employees of the Bank:

	Current Period		Prior Period	
	31 December 2023		31 December 2022	
	Cash	Non-cash	Cash	Non-cash
Direct Loans Granted to Shareholders	-	159	459.027	159
Corporate Shareholders	-	159	459.027	159
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	18.578.260	7.976.515	11.044.533	4.863.784
Loans Granted to Employees	606.978	-	322.086	-
Total	19.185.238	7.976.674	11.825.646	4.863.943

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 2023	Loans and other receivables under follow up			
	Standard Loans and Other Receivables	Loans and Receivables Not Subject to restructuring	Restructured Loans and Receivables	
Loans and Receivables with Revised Contract Terms			Refinance	
Cash Loans				
Non-specialized Loans				
Loans given to enterprises	139.803.026	729.405	150.701	9.346.806
Export Loans	94.415.879	426.343	2.377	50.284
Import Loans	3.673.075	-	-	-
Loans Given to Financial Sector	74.148.493	643	-	59
Consumer Loans	164.734.435	8.563.726	1.657.241	105.034
Credit Cards	174.830.420	5.675.758	2.670.141	-
Other	247.205.245	1.389.304	1.946.878	28.908.899
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
Total	898.810.573	16.785.179	6.427.338	38.411.082

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

Expected Credit Loss Stage I and Stage II (*)	Current Period 31 December 2023		Prior Period 31 December 2022	
	Standard Loans	Loans under Follow-up	Standard Loans	Loans under Follow-up
12 Month Expected Credit Losses	9.513.380	-	3.710.309	-
Significant Increase in Credit Risk	-	10.165.606	-	6.694.750
Total	9.513.380	10.165.606	3.710.309	6.694.750

(*) Included expected credit losses of lease receivables.

3. Breakdown of loans according to their maturities:

	Loans Under Follow-up		
	Standard Loans	Non-restructured	Restructured or rescheduled
Short-term Loans	414.896.423	8.879.881	2.557.137
Medium and Long-term Loans	483.894.077	7.925.371	42.281.283
Total	898.790.500	16.805.252	44.838.420

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 2023	Short-term	Medium and Long-term	Total
Consumer Loans-TL	10.235.965	142.788.680	153.024.645
Mortgage Loans	1.684	32.976.505	32.978.189
Automotive Loans	30.910	5.141.521	5.172.431
Consumer Loans	10.203.371	104.670.654	114.874.025
Other	-	-	-
Consumer Loans- Indexed to FC	-	182	182
Mortgage Loans	-	182	182
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	141.024.235	2.276.160	143.300.395
With Installment	58.674.671	2.276.092	60.950.763
Without Installment	82.349.564	68	82.349.632
Consumer Credit Cards-FC	214.139	-	214.139
With Installment	1	-	1
Without Installment	214.138	-	214.138
Personnel Loans-TL	18.970	234.505	253.475
Mortgage Loans	-	10.795	10.795
Automotive Loans	109	4.467	4.576
Consumer Loans	18.861	219.243	238.104
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	349.252	884	350.136
With Installment	164.115	884	164.999
Without Installment	185.137	-	185.137
Personnel Credit Cards-FC	3.367	-	3.367
With Installment	-	-	-
Without Installment	3.367	-	3.367
Credit Deposit Account-TL (Real Person)	21.696.599	-	21.696.599
Credit Deposit Account-FC (Real Person)	-	-	-
Total Consumer Loans	173.542.527	145.300.411	318.842.938

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Prior Period – 31 December 2022	Short-term	Medium and Long-term	Total
Consumer Loans-TL	16.262.853	74.752.442	91.015.295
Mortgage Loans	22.517	16.421.141	16.443.658
Automotive Loans	91.910	2.299.009	2.390.919
Consumer Loans	16.148.426	56.032.292	72.180.718
Other	-	-	-
Consumer Loans- Indexed to FC	-	216	216
Mortgage Loans	-	216	216
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Credit Cards-TL	46.660.620	1.298.001	47.958.621
With Installment	20.100.091	1.297.905	21.397.996
Without Installment	26.560.529	96	26.560.625
Consumer Credit Cards-FC	68.410	-	68.410
With Installment	-	-	-
Without Installment	68.410	-	68.410
Personnel Loans-TL	32.393	126.927	159.320
Mortgage Loans	-	5.783	5.783
Automotive Loans	79	2.289	2.368
Consumer Loans	32.314	118.855	151.169
Other	-	-	-
Personnel Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	161.739	257	161.996
With Installment	75.006	257	75.263
Without Installment	86.733	-	86.733
Personnel Credit Cards-FC	770	-	770
With Installment	-	-	-
Without Installment	770	-	770
Credit Deposit Account-TL (Real Person)	4.962.978	-	4.962.978
Credit Deposit Account-FC (Real Person)	-	-	-
Total Consumer Loans	68.149.763	76.177.843	144.327.606

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 2023	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TL	2.095.940	58.685.836	60.781.776
Mortgage Loans	1.412	1.107.707	1.109.119
Automotive Loans	180.865	12.855.810	13.036.675
Consumer Loans	1.913.663	44.722.319	46.635.982
Other	-	-	-
FC Indexed Commercial Installment Loans	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Commercial Installment Loans-FC	5.022	1.229.288	1.234.310
Mortgage Loans	-	-	-
Automotive Loans	-	165.430	165.430
Consumer Loans	5.022	1.063.858	1.068.880
Other	-	-	-
Corporate Credit Cards-TL	38.453.813	837.182	39.290.995
With Installment	20.787.062	837.178	21.624.240
Without Installment	17.666.751	4	17.666.755
Corporate Credit Cards-FC	17.287	-	17.287
With Installment	-	-	-
Without Installment	17.287	-	17.287
Credit Deposit Account-TL (Legal Person)	2.136.042	-	2.136.042
Credit Deposit Account-FC (Legal person)	-	-	-
Total	42.708.104	60.752.306	103.460.409
Prior Period - 31.12.2022	Short-term	Medium and Long-term	Total
Commercial Installment Loans-TL	12.048.304	24.623.556	36.671.860
Mortgage Loans	67.077	1.353.369	1.420.446
Automotive Loans	3.243.506	9.517.469	12.760.975
Consumer Loans	8.737.721	13.752.718	22.490.439
Other	-	-	-
FC Indexed Commercial Installment Loans	-	2.709	2.709
Mortgage Loans	-	1.450	1.450
Automotive Loans	-	364	364
Consumer Loans	-	895	895
Other	-	-	-
Commercial Installment Loans-FC	7.111	818.084	825.195
Mortgage Loans	-	-	-
Automotive Loans	-	100.600	100.600
Consumer Loans	7.111	717.484	724.595
Other	-	-	-
Corporate Credit Cards-TL	12.099.444	279.187	12.378.631
With Installment	6.344.982	279.136	6.624.118
Without Installment	5.754.462	51	5.754.513
Corporate Credit Cards-FC	8.544	-	8.544
With Installment	32	-	32
Without Installment	8.512	-	8.512
Credit Deposit Account-TL (Legal Person)	983.429	-	983.429
Credit Deposit Account-FC (Legal person)	-	-	-
Total	25.146.832	25.723.536	50.870.368

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

6. Loans according to types of borrowers:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Public	36.345.065	26.160.837
Private	945.438.392	601.873.869
Total	981.783.457	628.034.706

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

	Current Period	Prior Period
	31 December 2023	31 December 2022
Domestic Loans	967.717.687	618.611.041
Foreign Loans	14.065.770	9.423.665
Total	981.783.457	628.034.706

(*): Included leasing receivables.

8. Loans granted to investments in associates and subsidiaries: None.

9. Credit-Impaired Losses (Stage III / Special Provision) (*):

	Current Period	Prior Period
	31 December 2023	31 December 2022
Loans and Other Receivables with Limited Collectibility	3.255.870	875.932
Loans and Other Receivables with Doubtful Collectibility	1.290.082	826.471
Uncollectible Loans and Receivables	8.556.550	10.082.906
Total	13.102.502	11.785.309

(*): Included leasing receivables.

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

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

	III. Group	IV. Group	V. Group
	Loans and Other	Loans and Other	Uncollectible Loans
	Receivables with	Receivables with	and Other Receivables
	Limited Collectibility	Doubtful Collectibility	
Current Period: 31 December 2023			
(Gross Amounts Before Specific Provisions)	65.408	48.337	850.975
Rescheduled Loans and Other Receivables	65.408	48.337	850.975
Prior Period: 31 December 2022			
(Gross Amounts Before Specific Provisions)	34.957	96.976	854.936
Rescheduled Loans and Other Receivables	34.957	96.976	854.936

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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

	III. Group	IV. Group	V. Group
	Loans and Other	Loans and Other	Uncollectible Loans
	Receivables with	Receivables with	and Other
	Limited Collectibility	Doubtful Collectibility	Receivables
Prior Period End Balance: 31 December 2022	1.459.788	1.162.844	14.960.818
Additions (+)	9.573.486	98.139	1.475.379
Transfers from Other Categories of Non-Performing Loans (+)	-	3.708.676	2.461.890
Transfers to Other Categories of Non-Performing Loans (-)	3.708.676	2.461.890	-
Collections (-)	1.095.481	588.395	4.045.679
Write-offs (-) (**)	317.507	11.309	276.727
Sold Portfolio (***)	-	46.991	999.079
Corporate and Commercial Loans	-	46.991	103.522
Consumer Loans	-	-	519.096
Credit Cards	-	-	376.461
Other	-	-	-
Balance at the End of the Period	5.911.610	1.861.074	13.576.601
Specific Provisions (-)	3.255.870	1.290.082	8.556.550
Net Balance at Balance Sheet	2.655.740	570.992	5.020.051

(*) Included leasing receivables.

(**) In the current period, based on the amendment made in the "Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions for These" published in the Official Gazette dated 6 July 2021 and numbered 31533, there is no write-off process. (31 December 2022: TL 12.626.511 and its effect on the NPL ratio is 192 basis points).

(***) The Bank sold the part of its non-performing loans portfolio amounting to 1.786 million TL (full TL amount) for a fee of 781 million TL (full TL amount) to Gelen Varlık Yönetimi A.Ş., Dünya Varlık Yönetimi A.Ş., Birikim Varlık Yönetimi A.Ş., Ortak Varlık Yönetimi A.Ş., AGS Altın Planet Varlık Yönetimi A.Ş. and Sümer Varlık Yönetimi A.Ş. 740 million TL of the 1.786 million TL portfolio consists of receivables written off from assets in 2022 and earlier years. The effect of the NPL portfolio sale on the NPL conversion rate is 10 basis points.

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

	III. Group	IV. Group	V. Group
	Loans and Other	Loans and Other	Uncollectible Loans
	Receivables with	Receivables with	and Other
	Limited	Doubtful	Receivables
	Collectibility	Collectibility	Receivables
Current Period: 31 December 2023			
Balance at the End of the Period	2.542.369	3.344	5.502.354
Specific Provision (-)	1.266.058	2.343	3.189.927
Net Balance on Balance Sheet	1.276.311	1.001	2.312.427
Prior Period: 31 December 2022			
Balance at the End of the Period	511.321	184.569	6.134.551
Specific Provision (-)	306.919	136.763	3.519.753
Net Balance at Balance Sheet	204.402	47.806	2.614.798

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

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

(iv) Breakdown of non-performing loans according to their gross and net values (*):

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period (Net): 31 December 2023			
Loans granted to corporate entities and real persons (Gross)	5.911.610	1.861.074	13.576.601
Specific Provision Amount (-)	3.255.870	1.290.082	8.556.550
Loans granted to corporate entities and real persons (Net)	2.655.740	570.992	5.020.051
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Advances Receivables (Net)	-	-	-
Prior Period (Net): 31 December 2022			
Loans granted to corporate entities and real persons (Gross)	1.459.788	1.162.844	14.960.818
Specific Provision Amount (-)	875.932	826.471	10.082.906
Loans granted to corporate entities and real persons (Net)	583.856	336.373	4.877.912
Banks (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Advances Receivables (Gross)	-	-	-
Specific Provision Amount (-)	-	-	-
Other Loans and Advances Receivables (Net)	-	-	-

(*) Included leasing receivables.

(v) Information on the collection policy of non-performing loans and other receivables (*):

	III. Group	IV. Group	V. Group
	Loans and Other Receivables with Limited Collectibility	Loans and Other Receivables with Doubtful Collectibility	Uncollectible Loans and Other Receivables
Current Period: 31 December 2023			
Interest accruals and valuation differences	509.710	194.276	3.611.762
Provision (-)	288.600	133.858	2.318.901
Prior Period: 31 December 2022			
Interest accruals and valuation differences	93.608	108.193	3.583.451
Provision (-)	49.521	75.608	2.253.943

(*) Included leasing receivables.

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.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

g. Other financial assets measured at amortised cost:

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

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Given as collateral/blocked	99.746.723	-	59.862.341	-
Subject to repurchase agreements	8.019.510	17.230.359	12.345.942	10.571.152
Total	107.766.233	17.230.359	72.208.283	10.571.152

2. Information about Government debt securities:

	Current Period 31 December 2023	Prior Period 31 December 2022
Government debt	160.462.364	95.023.206
Treasury bonds	-	-
Other government debts	2.854.634	1.811.726
Total	163.316.998	96.834.932

3. Information on other financial assets measured at amortised cost:

	Current Period 31 December 2023	Prior Period 31 December 2022
Debt Securities	164.944.385	98.157.324
Quoted at stock exchange	164.944.385	98.157.324
Not quoted at stock exchange	-	-
Impairment (-)	17.625	2.648
Total	164.926.760	98.154.676

4. The movement of financial assets at amortised costs:

	Current Period 31 December 2023	Prior Period 31 December 2022
Balance at the Beginning of the Period	98.154.676	52.585.560
Foreign Currency Differences on Monetary Assets	6.299.057	3.327.702
Purchases During Year	29.740.102	12.928.334
Disposals Through Sales and Redemptions	(5.337.086)	(6.056.237)
Impairment Provision	(14.977)	75.128
Change in Amortised Cost	36.084.988	35.294.189
Balance at the End of the Period	164.926.760	98.154.676

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 June 2023 [*].

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	3.880.800	3.344.720	398.104	511.366	-	2.659.647	207.418	-
2	1.201.571	242.443	456.171	29.452	-	128.363	29.975	-
3	181.747	142.869	10.447	15.346	561	100.751	58.825	-
4	154.849	82.473	2.582	-	-	11.492	9.637	-

[*] In the table above, 30 June 2023 financial data of Birleşik İpotek Finansmanı A.Ş., 31 December 2022 financial data of JCR Avrasya Derecelendirme A.Ş. are used.

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

	Current Period 31 December 2023	Prior Period 31 December 2022
Balance at the Beginning of the Period	18.957	18.129
Movements During the Period		
Purchases	-	-
Bonus Shares and Contributions to Capital	571	828
Dividends from Current Year Income	-	-
Sales/Liquidation	-	-
Revaluation Increase	-	-
Impairment Provision (-)	-	-
Balance at the End of the Period	19.528	18.957
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

2. Consolidated subsidiaries within the current period: None.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 2023 prepared in accordance with legislation in which the bank are subject to.

	Ak Finansal Kiralama A.Ş.	Ak Yatırım Menkul Değerler A.Ş.	Ak Portföy Yönetimi A.Ş.	Akbank AG	AkÖde A.Ş.	Akbank Ventures BV
Paid in Capital	360.007	96.802	30.534	740.648	330.000	2.401.175
Share Premium	-	-	-	-	-	-
Reserves	1.638.456	76.251	54.029	26.880.509	(14)	542.645
Gains recognized in equity as per TAS	(4.419)	(23.642)	(1.782)	-	(955)	-
Profit/Loss	962.935	5.194.242	1.243.325	6.167.408	(83.198)	46.718
- Net Current Period Profit	962.935	3.067.706	850.419	2.454.523	(82.831)	46.718
- Prior Year Profit/Loss	-	2.126.536	392.906	3.712.885	(367)	-
Development Cost of Operating Lease (-)	160	1.643	-	2.971	-	-
Remaining other intangible assets after offset with the related deferred tax liability excluding mortgage servicing rights	17.890	161.754	5.635	30.539	-	-
Total Common Equity	2.938.929	5.180.256	1.320.471	33.755.055	245.833	2.990.538
Total Additional Tier I Capital	-	-	-	-	-	-
Portion of Goodwill and Other Intangible Assets and Related Deferred Tax Liabilities not deducted from the Common Equity as per the 1st Clause of Provisional Article 2 of the "Regulation on the Equity of Banks" (-)	-	-	-	-	-	-
Total Tier I Capital	2.938.929	5.180.256	1.320.471	33.755.055	245.833	2.990.538
Tier II Capital	48.673	33	18	425.409	-	-
CAPITAL	2.987.602	5.180.289	1.320.489	34.180.464	245.833	2.990.538
Deductions from Capital	-	-	-	-	-	-
TOTAL CAPITAL	2.987.602	5.180.289	1.320.489	34.180.464	245.833	2.990.538

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

2. Non-consolidated subsidiaries:

Title	Address (City / Country)	Bank's share percentage- If different voting percentage (%)	Bank's risk group share percentage (%)
1 Akbank Ventures BV	Amsterdam/Netherlands	100,00	100,00
2 Stablex Bilişim Teknoloji A.Ş.	İstanbul/Turkey	-	76,00

	Total Assets	Shareholder s' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	2.990.538	2.990.538	-	46.718	-	46.718	-	-
2	847	-	496	2.849	-	(19.560)	(13.410)	-

The Parent Bank has established a new company, Akbank Ventures BV, located in the Netherlands, with a capital of USD 30 million, which it owns 100%. The Company's capital reached 100 million USD with an increase of 70 million USD during the period. Ak Yatırım Menkul Değerler A.Ş., a 100% subsidiary of the Parent Bank, became a shareholder of 76% of Stablex Bilişim Teknoloji A.Ş.

Subsidiaries owned by the Parent Bank and its subsidiaries within the scope of consolidation, which are not financial institutions, are not included in the scope of consolidation in accordance with the BRSA's "Communiqué on the

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Preparation of Consolidated Financial Statements of Banks", and are accounted for using the equity method defined in "TAS 28 Investments in Subsidiaries and Joint Ventures".

3. Consolidated subsidiaries:

Title	Address (City / Country)	Bank's Share Percentage-If Different Voting Percentage (%)	Bank's Risk Group Share Percentage [%]
1 Ak Finansal Kiralama A.Ş.	Istanbul/Turkey	100,00	100,00
2 Ak Yatırım Menkul Değerler A.Ş.	Istanbul/Turkey	100,00	100,00
3 Ak Portföy Yönetimi A.Ş.	Istanbul/Turkey	100,00	100,00
4 Akbank AG	Eschborn/Germany	100,00	100,00
5 AkÖde Elektronik Para ve Ödeme Hizmetleri A.Ş.	Istanbul/Turkey	100,00	100,00

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

The financial figures have been obtained from the financial statements as at 31 December 2023 prepared in accordance with regulations of the parent bank.

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/ Loss	Prior Period Profit/Loss	Fair Value
1	29.344.504	2.956.979	1.232.766	3.357.923	494.997	962.935	670.272	-
2	16.805.050	5.343.653	178.849	2.521.771	2.514.715	3.067.706	1.067.686	-
3	1.564.470	1.326.106	37.824	26.644	337.684	850.419	373.476	-
4	125.804.366	33.788.565	131.248	6.906.573	358.842	2.454.523	1.061.076	-
5	354.676	245.833	7.327	88.076	2.233	[82.831]	[99.662]	-

Though not being the subsidiary of the Bank, A.R.T.S Ltd. which was established in November 1999 respectively in connection with rising long-term financing, is included in the full scope of consolidation as "Structured Entity".

5. Movement schedule for consolidated subsidiaries:

	Current Period 31 December 2023	Prior Period 31 December 2022
Balance at the Beginning of the Period	23.528.038	16.060.130
Movements During the Period		
Additions (*)	188.000	70.000
Bonus Shares and Contributions to Capital	-	-
Dividends from Current Year Income	7.264.287	3.073.735
Sales/Liquidation	-	-
Revaluation Increase (**)	12.680.811	4.324.173
Revaluation/Impairment	-	-
Balance at the End of the Period	43.661.136	23.528.038
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

(*) The mentioned amounts arise from the net increase of 188,000 TL in the capital of AkÖde Elektronik Para ve Dağıtım Hizmetleri A.Ş., which is a 100% subsidiary of the Bank, for the current period, taking into account the capital decrease made during the period, and the increase of 70.000 TL in the capital of AkÖde Elektronik Para ve Dağıtım Hizmetleri A.Ş., which is a 100% subsidiary of the Bank, for the current period.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

[**] 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		Prior Period	
	31 December 2023		31 December 2022	
Banks	33.788.565		18.736.762	
Insurance Companies	-		-	
Factoring Companies	-		-	
Leasing Companies	2.956.979		1.994.044	
Finance Companies	-		-	
Other Financial Subsidiaries	6.915.592		2.797.232	

7. Subsidiaries quoted to a stock exchange: None (31 December 2022: None).

j. Information on joint ventures: None (31 December 2022: None).

k. Information on finance lease receivables (Net):

	Current Period		Prior Period	
	31 December 2023		31 December 2022	
	Gross	Net	Gross	Net
2023	-	-	5.536.783	4.504.252
2024	10.028.632	7.533.125	3.658.791	2.987.065
2025 and following years	13.575.632	11.530.498	4.502.958	4.060.111
Total	23.604.264	19.063.623	13.698.532	11.551.428

l. Information on the hedging derivative financial assets:

	Current Period		Prior Period	
	31 December 2023		31 December 2022	
	TL	FC	TL	FC
Fair Value Hedge	77.470	4.467.550	53.447	3.589.291
Cash Flow Hedge	27.567.208	1.959.527	18.814.664	2.062.480
Net Investment Hedge in a foreign operation	-	-	-	-
Total	27.644.678	6.427.077	18.868.111	5.651.771

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

m. Information on tangible assets:

	Immovables (*)	Other Tangible Fixed Assets	Construction in Progress	Total
Prior Period End: 31 December 2022				
Cost	12.708.410	5.254.816	50.952	18.014.178
Accumulated Depreciation(-)	594.986	2.187.189	-	2.782.175
Net Book Value	12.113.424	3.067.627	50.952	15.232.003
Current Period End: 31 December 2023				
Net Book Value at the Beginning of the Period	12.113.424	3.067.627	50.952	15.232.003
Additions	1.020.971	4.436.587	502.079	5.959.637
Investment Properties Revaluation differences	5.491.836	-	-	5.491.836
Transferred	48.721	-	(48.721)	-
Disposals (-), net	42.485	16.687	-	59.172
Depreciation (-)	375.465	976.071	-	1.351.536
Impairment	1.696	-	-	1.696
Currency Translation Differences on Foreign Operations, Net	38.386	4.539	-	42.925
Cost at Period End	19.115.784	9.418.051	504.310	29.038.145
Accumulated Depreciation at Period End (-)	818.700	2.902.056	-	3.720.756
Closing Net Book Value	18.297.084	6.515.995	504.310	25.317.389

(*) Immovables includes the asset usage rights of the real estates rented under the "IFRS 16 Leases" Standard. As of 31 December 2023, asset usage rights are TL 1.947.608, and accumulated depreciation amount is TL 577.923.

	Immovables (*)	Other Tangible Fixed Assets	Construction in Progress	Total
Prior Period End: 31 December 2021				
Cost	5.095.796	3.019.002	18.927	8.133.725
Accumulated Depreciation(-)	558.096	1.680.793	-	2.238.889
Net Book Value	4.537.700	1.338.209	18.927	5.894.836
Current Period End: 31 December 2022				
Net Book Value at the Beginning of the Period	4.537.700	1.338.209	18.927	5.894.836
Additions	486.671	2.310.209	74.210	2.871.090
Investment Properties Revaluation differences	7.322.171	-	-	7.322.171
Transferred	42.185	-	(42.185)	-
Disposals (-), net	93.105	5.368	-	98.473
Depreciation (-)	194.460	577.250	-	771.710
Impairment	4.970	-	-	4.970
Currency Translation Differences on Foreign Operations, Net	7.292	1.827	-	9.119
Cost at Period End	12.708.410	5.254.816	50.952	18.014.178
Accumulated Depreciation at Period End (-)	594.986	2.187.189	-	2.782.175
Closing Net Book Value	12.113.424	3.067.627	50.952	15.232.003

(*) Immovables includes the asset usage rights of the real estates rented under the "IFRS 16 Leases" Standard. As of 31 December 2022, asset usage rights are TL 1.165.007, and accumulated depreciation amount is TL 422.001.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

n. Information on intangible assets:

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

	Current Period	Prior Period
	31 December 2023	31 December 2022
Cost	6.387.885	4.239.899
Accumulated Amortization (-)	2.384.452	1.533.776
Net Book Value	4.003.433	2.706.123

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

	Current Period	Prior Period
	31 December 2023	31 December 2022
Opening Balance Net Book Value	2.706.123	1.499.602
Additions	2.226.326	1.724.726
Disposals (-), net	107.936	-
Depreciation (-)	833.568	522.271
Currency Translation Differences on Foreign Operations, Net	12.488	4.066
Closing Net Book Value	4.003.433	2.706.123

o. Information on the investment properties: None (31 December 2022: None).

p. Information on deferred tax asset:

As of 31 December 2023, the Group has TL 172.264 deferred tax asset (31 December 2022: TL 213.645). Temporary differences subject to deferred tax calculation result from mainly the differences between the book values, tax values and debts of fixed assets and financial assets, and provision for employee rights.

Deferred tax assets and liabilities, which are accounted for the temporary differences arising between applicable accounting policies and valuation principles and tax legislation in the Bank and in consolidated subsidiaries, are presented as net on an individual entity level. As noted in Note XVIII of Section Three, for the purposes of consolidated financial statements deferred taxes arising from different consolidated subsidiaries are presented separately in assets and liabilities. There are no carry forward tax losses that can be used as deductions for the tax calculation. An explanation about the net deferred tax liability is given in Note II-i-2 of Section Five.

	Accumulated temporary differences		Deferred tax assets / (liabilities)	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Employee benefits	3.316.128	2.255.112	992.400	563.237
Stage 1 and 2 loans provisions	20.669.361	11.215.871	6.191.027	2.811.760
Differences between book value and tax base of property, plant and equipment	1.198.862	(2.776.126)	359.659	(694.032)
Differences between book value and tax base of financial assets	(36.058.985)	(17.971.112)	(10.813.052)	(4.490.798)
Investment Properties Revaluation differences	(6.228.503)	(10.383.529)	(1.506.525)	(1.526.464)
Country risk provision	(2.719.777)	(1.942.437)	(744.539)	(531.742)
Other	12.463.649	2.387.874	3.739.436	596.910
Deferred Tax Asset/(Liabilities) Net			(1.781.594)	(3.271.129)

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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

	Current Period 31 December 2023	Prior Period 31 December 2022
Cost	501.671	591.213
Accumulated Depreciation (-)	-	-
Net Book Value	501.671	591.213

	Current Period 31 December 2023	Prior Period 31 December 2022
Opening Balance Net Book Value	591.213	232.296
Additions	204.501	601.564
Disposals (-), net	293.490	242.522
Impairment (-)	553	125
Depreciation (-)	-	-
Closing Net Book Value	501.671	591.213

- r. Information on other assets:** Other assets amounting to TL 34.078.491 (31 December 2022: TL 25.626.503) on the balance sheet and do not exceed 10% of the total assets, excluding the off-balance sheet commitments.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 2023:

	Demand	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 Year and Over	Deposits Cumulative	Total
Saving Deposits	52.372.525	13.152.456	263.310.479	175.431.291	17.375.555	16.077.049	5.367	537.724.722
Foreign Currency Deposits	212.080.382	30.539.339	113.544.098	12.655.830	12.192.068	48.243.110	1.352	429.256.179
Residents in Turkey	185.912.387	29.794.282	106.851.167	11.237.232	6.148.304	8.829.734	1.352	348.774.458
Residents Abroad	26.167.995	745.057	6.692.931	1.418.598	6.043.764	39.413.376	-	80.481.721
Public Sector Deposits	4.270.185	6.761	42.304	414.975	1.479	47	-	4.735.751
Commercial Deposits	55.357.238	19.468.185	20.579.463	72.032.009	16.140.524	29.346.690	-	212.924.109
Other Institutions Deposits	1.212.397	920.852	3.508.378	3.875.440	881.645	42.170	-	10.440.882
Precious metals Deposits	59.211.627	-	29.660	9.307	1.204.485	99.713	-	60.554.792
Interbank Deposits	1.136.476	3.461.121	4.637.019	14.850.562	4.121.533	9.071.318	-	37.278.029
The CBRT	811	-	-	-	-	-	-	811
Domestic Banks	535.251	7.009	1.000	29.211	3.280.601	-	-	3.853.072
Foreign Banks	564.629	3.454.112	4.636.019	14.821.351	840.932	9.071.318	-	33.388.361
Participation Banks	35.785	-	-	-	-	-	-	35.785
Other	-	-	-	-	-	-	-	-
Total	385.640.830	67.548.714	405.651.401	279.269.414	51.917.289	102.880.097	6.719	1.292.914.464

Foreign exchange-protected deposit instrument, the operating rules of which are determined by the Ministry of Treasury and Finance and the CBRT, and which ensures that TL deposits are valued with interest rates and are protected against foreign exchange rates, is offered to bank customers. As of 31 December 2023, TL deposit amount includes TL 228.132.000 (31 December 2022: 98.451.375 TL) thousand TL deposits within this scope.

1 (ii). Prior period - 31 December 2022:

	Demand	Up to 1 Month	1 – 3 Months	3 – 6 Months	6 Months – 1 Year	1 Year and Over	Deposits Cumulative	Total
Saving Deposits	32.784.230	15.364.567	126.007.327	51.514.569	4.730.496	9.088.080	5.978	239.495.247
Foreign Currency Deposits	139.175.596	13.291.362	109.753.661	8.552.502	4.028.195	28.098.247	942	302.900.505
Residents in Turkey	123.209.403	12.649.665	104.048.228	8.175.477	2.107.028	6.060.991	942	256.251.734
Residents Abroad	15.966.193	641.697	5.705.433	377.025	1.921.167	22.037.256	-	46.648.771
Public Sector Deposits	2.229.173	6.791	84.763	1.297	800	46	-	2.322.870
Commercial Deposits	33.497.094	27.287.709	32.691.846	8.877.864	9.343.978	7.449.948	-	119.148.439
Other Institutions Deposits	777.277	480.397	4.047.773	251.217	73.528	19.213	-	5.649.405
Precious metals Deposits	33.170.247	108.459	635.352	301.858	1.402.738	164.481	-	35.783.135
Interbank Deposits	1.476.193	2.065.090	4.716.401	2.397.469	5.579.339	27.835	-	16.262.327
The CBRT	26.673	-	-	-	-	-	-	26.673
Domestic Banks	970.915	1.643.746	995.325	-	2.000.620	-	-	5.610.606
Foreign Banks	422.303	421.344	3.721.076	2.397.469	3.578.719	27.835	-	10.568.746
Participation Banks	56.302	-	-	-	-	-	-	56.302
Other	-	-	-	-	-	-	-	-
Total	243.109.810	58.604.375	277.937.123	71.896.776	25.159.074	44.847.850	6.920	721.561.928

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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 2023	Prior Period 31 December 2022	Current Period 31 December 2023	Prior Period 31 December 2022
Saving Deposits	180.270.248	82.641.629	357.433.308	156.853.618
Foreign Currency Saving Deposits	57.531.400	30.778.917	409.217.884	133.373.036
Other Deposits in the Form of Saving Deposits	25.503.564	12.176.457	28.283.765	19.450.803
Foreign Branches' Deposits under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits under Foreign Authorities' Insurance	-	-	-	-

(* In the framework of the "Regulation on Insured Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 22 December 2022 and numbered 32051, the amount of insured deposit and participation fund amounting to TL 200 thousand as of 2022, It has been determined as TL 400 thousand, effective from the beginning of the calendar year of 2023.

In accordance with the "Regulation on Amending the Regulation on the Insurable Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 27 August 2022 and numbered 31936, official institutions in the presence of credit institutions, credit institutions and financial institutions other than those belonging to the credit institutions all deposit and participation funds have been insured. In this context, commercial deposits covered by the insurance amount to TL 22.195.023 and the said amount is not included in the footnote.

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

	Current Period 31 December 2023	Prior Period 31 December 2022
Foreign Branches' Deposits and other accounts	5	33
Saving Deposits and Other Accounts of Controlling Shareholders and Deposits of their Mother, Father, Spouse, Children in care	-	-
Saving Deposits and Other Accounts of President and Members of Board of Directors, CEO and Vice Presidents and Deposits of their Mother, Father, Spouse and Children in care	3.775.076	2.265.541
Saving Deposits and Other Accounts in Scope of the Property Holdings Derived from Crime Defined in Article 282 of Turkish Criminal Law no:5237 dated 26.09.2004	-	-
Saving Deposits in Deposit Banks Established in Turkey solely to Engage in Off-shore Banking Activities	-	-

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

b. Information on trading derivative financial liabilities:

Table of derivative financial liabilities (*):

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Forward Transactions	1.879.233	-	468.099	-
Swap Transactions	9.101.390	2.343.151	10.276.896	3.543.259
Futures Transactions	-	-	-	-
Options	5.943	788.444	564	272.307
Other	-	-	-	-
Total	10.986.566	3.131.595	10.745.559	3.815.566

(*) Excluding hedge transactions.

c. Information on borrowings:

1. Information on banks and other financial institutions:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Borrowings from the CBRT	-	-	-	-
From Domestic Banks and Institutions	5.073.113	2.938.462	1.549.474	2.924.437
From Foreign Banks, Institutions and Funds	-	104.013.482	-	70.589.043
Total	5.073.113	106.951.944	1.549.474	73.513.480

2. Information on maturity structure of borrowings:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Short-term	3.688.949	7.294.031	206.371	3.010.180
Medium and Long-term	1.384.164	99.657.913	1.343.103	70.503.300
Total	5.073.113	106.951.944	1.549.474	73.513.480

Securitized borrowings procured via A.R.T.S. Ltd. ("Structured Entity") are included in external funding sources of the Bank. Under the securitization program agreements, the Bank has sold foreign trade and customer receivables to A.R.T.S. Ltd.

3. The liabilities providing the funding sources of the Group are deposits, borrowings, marketable securities issued and money market borrowings. Deposits are the most important funding source of the Group and the diversification of these deposits by number and type of depositors with a stable structure does not create any risk concentration. The borrowings are composed of funds such as syndicated and securitized borrowings and post-financing obtained from different financial institutions with different maturity-interest structures and characteristics. There is no risk concentration in any of the funding sources of the Group.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

d. Information on securities issued (Net):

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Bank bills	566.351	-	2.663.511	-
Bonds	3.785.058	38.574.096	3.431.479	19.723.455
Total	4.351.409	38.574.096	6.094.990	19.723.455

e. Information on other foreign liabilities:

Other foreign liabilities amounting to TL 15.451.519 under "Other Liabilities" (31 December 2022: TL 6.612.002) and do not exceed 10% of the total balance sheet.

f. Information on financial leasing agreements:

With the "IFRS 16 Leases" standard valid from 1 January 2019, the difference between operating leases and finance leases has been eliminated and the lease transactions have been expressed under the "Lease Payables" as liability by lessees.

Liabilities incurred due to financial leasing agreements:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	Gross	Net	Gross	Net
Less Than 1 Year	388.698	178.946	222.354	101.967
Between 1-4 Years	1.109.951	643.780	572.553	316.650
More Than 4 Years	965.308	681.929	612.421	447.765
Total	2.463.957	1.504.655	1.407.328	866.382

g. Information on the hedging derivative financial liabilities:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Fair Value Hedge	-	-	-	-
Cash Flow Hedge	852.473	-	494.476	1
Net Investment Hedge in a foreign operation	-	-	-	-
Total	852.473	-	494.476	1

h. Information on provisions:

1. Information on reserves for employee rights:

	Current Period 31 December 2023	Prior Period 31 December 2022
Balance Sheet Obligations for:		
- Reserve for employment termination benefits	2.346.374	1.810.432
- Reserve for unused vacation	969.755	444.680
Total	3.316.129	2.255.112

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

1. (i) Employment termination benefits and unused vacation rights:

According to Turkish Labor Law, the Bank is required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires.

The compensation amount equals to one month's salary of an employee for each year of service, but this amount is limited up to severance limit decided by law. This liability is not subject to any funding legally and there is no funding requirement.

The reserve has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of its employees. TAS 19 requires actuarial valuation methods to be developed to estimate the enterprise's obligation for such benefits. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Discount Rate (%)	3,00	0,50
Rate for the Probability of Retirement (%)	94,93	94,96

The principal actuarial assumption is that the current maximum liability will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation.

Movements in the reserve for employment termination benefits during the period are as follows:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Prior Period Closing Balance	1.810.432	620.807
Recognized as an Expense During the Period	462.960	206.750
Actuarial Loss / (Gain)	449.357	1.055.375
Paid During the Period	(376.375)	(72.500)
Balance at the End of the Period	2.346.374	1.810.432

As of 31 December 2023, the Group has allocated vacation liability amounting to TL 969.755 (31 December 2022: TL 444.680).

2. (ii) Post-employment benefits:

The Group's obligation in respect of the post-employment benefits transferrable to SSI, as explained in Note XVII of Section Three, has been calculated by a registered actuary. In this context, the value of the obligation regarding these benefits to be transferred to SSI as of the balance sheet date would equal the approximate payment amount that would need to be made to SSI as part of the transfer. The actuarial parameters and results used for the calculation of this amount reflect the provisions of the New Law for the post-employment pension and medical benefits transferrable to SSI (e.g. a technical interest rate of 9.80%). The deficit amounting to TL 1.045.849 (31 December 2022: TL 935.201) calculated according to the relevant Actuarial Report is in accordance with TAS 19 - Employee Benefits standard, service and interest costs are accounted for in profit and loss accounts, actuarial losses and gains are accounted under equity. In addition, the final amount of the Bank's liability in the event of transfer may vary depending on factors such as the number of participants and turnover rate, particularly the discount rate, inflation and salary increases.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

	Current Period 31 December 2023	Prior Period 31 December 2022
Total Obligations	(32.843.989)	(16.151.721)
Cash value of future contributions	26.131.123	12.388.781
Total Transfer Obligations to SSI	(6.712.866)	(3.762.940)
Past service obligation	(1.668.982)	(1.267.060)
Total Transfer to SSI and Other Obligations	(8.381.848)	(5.030.000)
Fair value of assets	7.335.999	4.094.799
Deficit	(1.045.849)	(935.201)

The amount of the post-employment medical benefits transferrable to SSI is calculated over discounted net present value of medical liabilities and health premiums. Movements of the Plan Asset deficit during the period is as follows:

	Current Period 31 Aralık 2023	Prior Period 31 Aralık 2022
Opening (31 December 2022)	935.201	294.503
Employer contributions	(1.983.143)	(898.934)
Amount recorded in the income statement (*)	1.857.988	797.187
Amount recorded in other comprehensive income	235.803	742.445
Closing (31 December 2023)	1.045.849	935.201

The principal actuarial assumptions used were as follows:

Discount rate:

	Current Period 31 December 2023	Prior Period 31 December 2022
- Pension benefits transferrable to SSI	%9,80	9,80%
- Post-employment medical benefits transferrable to SSI	%9,80	9,80%
- Other non-transferrable benefits	%3,00	0,50%

Mortality rate

The CSO 1980 mortality table has been used in order to calculate the liabilities to be transferred to SSI, life expectancy at a 60 year-old men is 18 years and a 58-year-old women is 24 years in accordance with this table.

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

	Current Period 31 December 2023	Pior Period 31 December 2022
Prior period end	4.094.799	2.884.393
Actual return on plan assets	3.069.030	1.014.061
Employer contributions	1.983.143	898.934
Employee contributions	79.729	48.683
Benefits paid	(1.890.702)	(751.272)
Period end	7.335.999	4.094.799

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Plan assets are comprised as follows:

	Current Period		Prior Period	
	31 December 2023		31 December 2022	
Bank placements	1.097.628	15%	487.995	12%
Property and equipment	14.938	-	44.012	1%
Marketable securities and share certificates	6.084.742	83%	3.487.089	85%
Other	138.691	2%	75.703	2%
Period end	7.335.999	100%	4.094.799	100%

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

As of 31 December 2023, the Bank has no provision related to foreign currency differences of foreign indexed loans (31 December 2022: None) and the related prior period amount is offset with the balance of foreign currency indexed 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 645.396 as of 31 December 2023 (31 December 2022: TL 457.083).

4. Information on other provisions:

(i). Information on free provision for possible risks: TL 1.400.000 (31 December 2022: TL 1.400.000).

(ii). Information on provisions for banking services promotion: The Group has provision for credit cards and banking services promotion activities amounting to TL 393.881 (31 December 2022: TL 202.113).

i. Explanations on tax liability:

1. Explanations on tax liability:

Tax calculations of the Group are explained in Note XVIII of Section Three. As of 31 December 2023, the remaining tax liability after the deduction of taxes paid is TL 9.032.264 (31 December 2022: TL 9.762.078).

1 (i). Information on taxes payable:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Corporate Taxes Payable	9.032.264	9.762.078
Taxation on Marketable Securities	702.688	250.818
Property Tax	7.282	3.937
Banking Insurance Transaction Tax (BITT)	1.715.931	541.074
Foreign Exchange Transaction Tax	21.665	27.075
Value Added Tax Payable	380.210	129.887
Other	676.738	223.690
Total	12.536.778	10.938.559

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

1 (ii). Information on premium payables:

	Current Period 31 December 2023	Prior Period 31 December 2022
Social Security Premiums – Employee	17.373	7.039
Social Security Premiums – Employer	4.682	1.442
Bank Social Aid Pension Fund Premium- Employee	3	3
Bank Social Aid Pension Fund Premium – Employer	3	3
Pension Fund Membership Fees and Provisions – Employee	-	-
Pension Fund Membership Fees and Provisions – Employer	-	-
Unemployment Insurance – Employee	11.439	5.166
Unemployment Insurance – Employer	20.115	9.088
Other	3.857	261
Total	57.472	23.002

2. Information on deferred tax liability:

As of 31 December 2023, Turkish Lira deferred tax liability of the Group amounts to TL 1.953.858 (31 December 2022: TL 3.484.774). An explanation about the net deferred tax asset is given in Note I-p of Section Five.

j. Information on subordinated loan (*):

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Debt Instruments subject to common equity	-	-	-	-
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	-	-	-	-
Debt Instruments subject to tier 2 equity	-	23.736.225	-	16.800.082
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	-	23.736.225	-	16.800.082
Total	-	23.736.225	-	16.800.082

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

k. Information on shareholders' equity:

1. Presentation of paid-in capital:

	Current Period 31 December 2023	Prior Period 31 December 2022
Common Stock	5.200.000	5.200.000
Preferred Stock	-	-

2. Amount of paid-in-capital, explanations as to whether the registered share capital system is applied, if so the amount of registered share capital ceiling:

Capital System	Paid-in capital	Ceiling
Registered Share Capital	5.200.000	10.000.000

3. Capital increases and sources in the current period and other information based on increased capital shares: None.

4. Information on share capital increases from capital reserves during the current period: None.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	-	-	-	-
Valuation Difference	(2.632.742)	81.634	10.460.819	(2.503.023)
Foreign Currency Differences	-	-	-	-
Total	(2.632.742)	81.634	10.460.819	(2.503.023)

I. Information on minority shares:

	Current Period 31 December 2023	Prior Period 31 December 2022
Beginning Balance	-	-
Net Profit Share of other shareholders	-	-
Previous Term Dividend	-	-
Net Currency difference due to foreign subsidiaries	-	-
Effect of Changes within scope of consolidation	-	-
Balance end of Period	-	-

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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

a. Explanations on off-balance sheet commitments:

1. Type and amount of irrevocable commitments: 32.680.671 asset purchase commitments (31 December 2022: TL 7.852.054), TL 395.206.857 commitments for credit card limits (31 December 2022: TL 106.067.149) and TL 7.436.908 commitments for cheque books (31 December 2022: TL 4.523.116).

2. Type and amount of probable losses and obligations arising from off-balance sheet items:

The Group has no probable losses arising from off-balance sheet items. Obligations arising from the off-balance sheet are disclosed in "Off-balance sheet commitments".

- 2 (i). Non-cash loans including guarantees, bank acceptances, collaterals and others that are accepted as financial commitments and other letter of credits:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Bank Acceptance Loans	745.358	195.108
Letters of Credit	27.522.554	21.235.695
Other Guarantees and Warranties	25.835.075	22.402.592
Total	54.102.987	43.833.395

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

	Current Period	Prior Period
	31 December 2023	31 December 2022
Revocable Letters of Guarantee	4.656.442	3.848.901
Irrevocable Letters of Guarantee	88.491.016	47.315.452
Letters of Guarantee Given in Advance	23.907.171	14.444.317
Guarantees Given to Customs	6.001.400	3.129.038
Other Letters of Guarantee	61.393.389	28.730.931
Total	184.449.418	97.468.639

3. Information on non-cash loans:

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

	Current Period	Prior Period
	31 December 2023	31 December 2022
Non-cash Loans Given against Cash Loans	69.277.157	41.287.868
With Original Maturity of 1 Year or Less Than 1 Year	13.811.337	16.472.708
With Original Maturity of More Than 1 Year	55.465.820	24.815.160
Other Non-cash Loans	169.275.248	100.014.166
Total	238.552.405	141.302.034

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH, SEE NOTE I.b OF SECTION THREE

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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

	Current Period 31 December 2023				Prior Period 31 December 2022			
	TL	(%)	FC	(%)	TL	(%)	FC	(%)
Agricultural	531.113	0,38	175.993	0,18	417.532	0,62	255.926	0,35
Farming and Raising								
Livestock	7.264	0,01	-	-	5.183	0,01	-	-
Forestry	522.171	0,37	175.993	0,18	412.221	0,61	255.926	0,35
Fishing	1.678	-	-	-	128	0,00	-	-
Manufacturing	38.343.487	27,67	41.104.929	41,12	17.697.720	26,00	30.473.688	41,61
Mining	1.322.870	0,96	66.710	0,07	314.479	0,46	484.374	0,66
Production	32.872.845	23,72	32.786.518	32,80	15.559.850	22,86	25.752.781	35,16
Electric, Gas and Water	4.147.772	2,99	8.251.701	8,25	1.823.391	2,68	4.236.533	5,79
Construction	21.501.396	15,52	23.055.981	23,06	9.349.768	13,74	17.420.512	23,78
Services	71.554.907	51,63	29.042.772	29,05	37.134.883	54,56	20.251.615	27,65
Wholesale and Retail Trade	48.425.508	34,94	13.262.981	13,27	25.096.688	36,88	8.345.324	11,39
Hotel, Food and Beverage Services	1.448.206	1,05	726.010	0,73	861.555	1,27	534.700	0,73
Transportation and Telecommunication	2.408.115	1,74	3.674.086	3,68	1.606.499	2,36	3.632.680	4,96
Financial Institutions	15.342.734	11,07	10.481.028	10,48	7.548.320	11,09	7.157.797	9,77
Real Estate and Leasing Services	142.506	0,10	4.791	-	83.659	0,12	62.887	0,09
Self-Employment Services	1.544.578	1,11	619.665	0,62	928.828	1,36	459.622	0,63
Education Services	107.097	0,08	14.859	0,01	65.247	0,10	8.844	0,01
Health and Social Services	2.136.163	1,54	259.352	0,26	944.087	1,38	49.761	0,07
Other	6.651.921	4,80	6.589.906	6,59	3.458.213	5,08	4.842.177	6,61
Total	138.582.824	100,00	99.969.581	100,00	68.058.116	100,00	73.243.918	100,00

(iii) Information on the non-cash loans classified in Group I and Group II:

	Group I		Group II	
	TL	FC	TL	FC
Non-Cash Loans	137.872.057	93.525.281	505.620	546.899
Letters of Guarantee	112.644.384	65.482.935	440.068	446.990
Bank Acceptances	-	745.358	-	-
Letters of Credit	2.878.946	23.877.042	-	99.909
Endorsements	-	-	-	-
Underwriting Commitments	-	-	-	-
Factoring Guarantees	-	20.986	-	-
Other Commitments and Contingencies	22.348.727	3.398.960	65.552	-

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

b. Information on derivative transactions:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Types of Trading Transactions		
Foreign Currency Related Derivative Transactions (I)	945.341.847	735.058.122
FC Trading Forward Transactions	146.361.843	105.374.602
Trading Swap Transactions	682.683.629	547.232.873
Futures Transactions	26.979.141	35.010.593
Trading Option Transactions	89.317.234	47.440.054
Interest Related Derivative Transactions (II)	402.358.912	286.566.712
Forward Interest Rate Agreements	-	-
Interest Rate Swaps	380.943.884	264.029.924
Interest Rate Options	21.415.028	22.536.788
Interest Rate Futures	-	-
Other Trading Derivative Transactions (III)	105.794.954	80.089.522
A. Total Trading Derivative Transactions (I+II+III)	1.453.495.713	1.101.714.356
Types of Hedging Transactions		
Fair Value Hedges	118.181.928	75.893.585
Cash Flow Hedges	162.817.326	111.157.437
Foreign Currency Investment Hedges	-	-
B. Total Hedging Related Derivatives	280.999.254	187.051.022
Total Derivative Transactions (A+B)	1.734.494.967	1.288.765.378

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

As of 31 December 2023: 2.119.550 (31 December 2022: TL 2.281.193).

d. Explanations on contingent assets and liabilities:

1. Contingent Liabilities:

The Bank has accounted a provision amounting to TL 257.631 (31 December 2022: TL 175.210) for the contingent liabilities with a high probability of realization regarding continuing opposing trials. There are also some other opposing trials. In Addition the probability of realization of these trials is low so no cash outflow expected regarding these trials.

2. Contingent Assets:

None (31 December 2022: None).

e. Explanations on the activities carried out on behalf and account of other persons:

The policy is explained on note IX in Section Four.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED INCOME STATEMENT

a. Information on interest income:

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

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Short-term Loans	58.398.918	6.009.929	32.145.200	2.594.134
Medium and Long-term Loans	53.141.847	13.934.151	25.657.135	7.809.073
Interest on Loans Under Follow-Up	788.577	-	535.834	-
Premiums Received from the Resource Utilization Support Fund	-	-	-	-
Total	112.329.342	19.944.080	58.338.169	10.403.207

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

2. Information on interest income on banks:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
From the CBRT	-	178.510	-	19.967
From Domestic Banks	330.983	151.368	33.547	27.694
From Foreign Banks	83.291	1.491.146	-	408.217
From Headquarters and Branches Abroad	-	-	-	-
Total	414.274	1.821.024	33.547	455.878

3. Information on interest income on marketable securities:

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
From Financial Assets at Fair Value through Profit or Loss	120.218	28.111	55.678	14.528
Financial Assets at Fair Value through Other Comprehensive Income	34.153.327	6.328.069	17.623.440	4.183.291
Financial Assets Measured at Amortised Cost	49.007.815	873.274	38.011.270	683.285
Total	83.281.360	7.229.454	55.690.388	4.881.104

As stated in the Note VII of Section Three, there are bonds indexed to consumer prices ("CPI") in the securities portfolios of the Bank whose fair value difference is reflected to other comprehensive income and measured with their amortized cost. The reference indices used in the calculation of the actual coupon payment amounts of these securities are created according to the CPI of two months ago. The Bank determines the estimated inflation rate accordingly.

The estimated inflation rate used is updated during the year when deemed necessary. At the end of the year, the real inflation rate is used. Within this scope, as of 31 December 2023, the valuation of the mentioned securities was made according to an annual inflation rate of 61.4%.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

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

b. Information on interest expense:

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

	Current Period 31 December 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Banks	1.087.654	5.772.076	307.849	2.437.467
The CBRT	-	-	-	-
Domestic Banks	1.087.654	67.380	307.849	35.351
Foreign Banks	-	5.704.696	-	2.402.116
Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	810.224	-	377.948
Total	1.087.654	6.582.300	307.849	2.815.415

(*) 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 2023		Prior Period 31 December 2022	
	TL	FC	TL	FC
Interest expense on securities issued	1.475.334	3.283.814	1.378.894	2.554.097

4. Maturity structure of the interest expense on deposits :

There are no seven-day notification deposits.

Current Period – 31.12.2023	Demand Deposits	Time Deposits					Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 Year and Over	
TL							
Bank Deposits	-	413.914	996.142	27.188	-	-	1.437.244
Saving Deposits	-	3.517.621	53.126.063	34.408.878	2.295.872	1.820.683	95.169.117
Public Sector Deposits	-	1.174	18.172	13.176	163	1	32.686
Commercial Deposits	-	6.506.259	13.498.738	7.514.852	3.482.313	4.416.956	35.419.118
Other Deposits	-	113.045	1.066.295	447.302	149.634	1.797	1.778.073
Total	-	10.552.013	68.705.410	42.411.396	5.927.982	6.239.437	133.836.238
FC							
Foreign Currency Deposits	272.009	691.225	1.859.718	545.082	244.846	1.133.685	4.746.565
Bank Deposits	22.601	109.293	192.789	1.372.279	772.169	421.604	2.890.735
Precious Metals Deposits	-	35	4.116	3.375	2.201	2.133	11.860
Total	294.610	800.553	2.056.623	1.920.736	1.019.216	1.557.422	7.649.160
Grand Total	294.610	11.352.566	70.762.033	44.332.132	6.947.198	7.796.859	141.485.398

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

Prior Period - 31.12.2022	Demand Deposits	Time Deposits					Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	1 Year and Over	
TL							
Bank Deposits	-	895.377	505.650	-	-	-	1.401.027
Saving Deposits	-	1.977.106	11.898.923	5.619.693	481.517	561.197	20.538.436
Public Sector Deposits	-	847	6.966	97	650	3	8.563
Commercial Deposits	-	4.987.853	3.332.709	882.962	2.079.830	449.704	11.733.058
Other Deposits	-	128.989	831.470	28.937	56.508	24.549	1.070.453
Total	-	7.990.172	16.575.718	6.531.689	2.618.505	1.035.453	34.751.537
FC							
Foreign Currency Deposits	19.396	538.581	2.058.487	239.942	50.880	487.494	3.394.780
Bank Deposits	3.821	(21.227)	256.610	273.294	271.689	1.271	785.458
Precious Metals Deposits	-	181	3.583	1.811	4.350	1.695	11.620
Total	23.217	517.535	2.318.680	515.047	326.919	490.460	4.191.858
Grand Total	23.217	8.507.707	18.894.398	7.046.736	2.945.424	1.525.913	38.943.395

c. Explanations on dividend income:

	Current Period 31 December 2023	Prior Period 31 December 2022
From Financial Assets at Fair Value Through Profit or Loss	75.372	63.017
From Financial Assets at Fair Value Through Other Comprehensive Income	10.296	5.973
Other	714	22.628
Total	86.382	91.618

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

	Current Period 31 December 2023	Prior Period 31 December 2022
Profit	3.001.040.382	2.288.132.667
Income From Capital Market Transactions	11.671.450	6.009.411
Income From Derivative Financial Transactions (*)	93.581.786	73.038.556
Foreign Exchange Gains	2.895.787.146	2.209.084.700
Loss (-)	2.959.935.438	2.271.328.378
Loss from Capital Market Transactions	3.524.321	3.026.106
Loss from Derivative Financial Transactions (*)	91.081.783	86.558.000
Foreign Exchange Loss	2.865.329.334	2.181.744.272
Total (Net)	41.104.944	16.804.289

[*] The net profit resulting from the foreign exchange differences related to derivative financial transactions is TL 21.064.315 [31 December 2022: TL (4.125.879)].

e. Explanations on other operating income:

Other Operating Income" in the Income Statement mainly includes collections from receivables for which provision has been allocated in prior periods and provisions that have been set aside in prior periods and reversed in the current year with the sale from non-performing loans portfolio.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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	Prior Period
	31 December 2023	31 December 2022
Expected Credit Loss	15.719.943	7.249.000
12 month expected credit loss (Stage 1)	5.607.512	2.064.940
Significant increase in credit risk (Stage 2)	3.611.627	1.460.373
Non-performing loans (Stage 3)	6.500.804	3.723.687
Marketable Securities Impairment Expense	8	-
Financial Assets at Fair Value through Profit or Loss	8	-
Financial Assets at Fair Value through Other	-	-
Comprehensive Income	-	-
Investments in Associates and Subsidiaries Securities	-	-
Value Decrease	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
Other (*)	77.010	3.830.656
Total	15.796.962	11.079.656

(*) Includes provisions for impairment losses on assets held for sale and related to discontinued operations, impairment losses on financial assets at fair value difference through profit or loss, lawsuit provision expenses and free provision expense.

g. Information related to other operating expenses:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Reserve for Employee Termination Benefits	86.585	134.250
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Fixed Assets	4.923	6.010
Depreciation Expenses of Fixed Assets	1.351.536	771.710
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expenses	-	-
Amortization Expenses of Intangible Assets	833.568	522.273
Impairment Expenses of Equity Participations for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Resale	553	125
Depreciation Expenses of Assets Held for Resale	-	-
Impairment Expenses of Fixed Assets Held for Sale	-	-
Other Operating Expenses	22.443.148	9.742.927
Leasing Expenses on TFRS 16 Exceptions	460.537	222.114
Maintenance Expenses	311.257	126.035
Advertisement Expenses	945.465	541.532
Other Expenses	20.725.889	8.853.246
Loss on Sales of Assets	10.449	4.196
Other	5.854.031	2.350.722
Total	30.584.793	13.532.213

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

h. Information on income/loss from minority interest:

	Current Period	Prior Period
	31 December 2023	31 December 2022
Income/(loss) from minority interest	-	-

i. Fees for Services Received from Independent Auditor / Independent Audit Firm:

The fee information for the reporting period regarding the services received from the independent auditor or independent audit firm in accordance with the decision of the KGK dated 26 March 2021 is given in the table below. These fees include the fees for services rendered to the Bank's foreign and domestic subsidiaries.

(Excluding VAT.)	Current Period	Prior Period
	31 December	31 December
	2023	2022
Independent Audit Fee	34.669	10.121
Other Assurance Services Fee	4.703	2.990
Other Non-Audit Services Fee	760	472
Toplam	40.132	13.583

j. Information on profit/(loss) from continued and discontinued operations before tax:

The Group's income before tax consists of net interest income amounting to TL 68.868.982 (31 December 2022: TL 79.083.848), net fees and commission income amounting to TL 34.187.840 (31 December 2022: TL 11.888.474) and the amount of other operating and personal expense is TL 47.588.108 (31 Aralık 2022: TL 20.527.835).

The Bank has no discontinued operations.

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

As of 31 December 2023, the Group has a current tax expense of TL 14.637.383 (31 December 2022: TL 20.613.875), deferred tax expense of TL 13.924.490 (31 December 2022: TL 6.013.962) and deferred tax income of 7.965.844 (31 December 2022: TL 6.382.736). The Group's current tax expense of TL 1.294.202 (31 December 2022: TL 276.107) and deferred tax income of TL 149.436 (31 December 2022: TL 117.400 income) belong to Akbank AG, its subsidiary operating in Germany.

The Group has no discontinued operations.

l. Explanation on current period net profit and loss of continued and discontinued operations:

Net profit of the Group is TL 66.496.235 (31 December 2022: TL 60.025.707). The Group has no discontinued operations.

m. Explanations on current period net profit and loss:

1. Explanation on the quality, amount and frequency of the figures of the income and expense stemming from ordinary banking operations, if necessary to understand the performance of the Group for the current period: None (31 December 2022: None).
2. Explanation on the changes in the estimations regarding the figures on the financial statements, if there exists a possibility that the profit and loss for the current or the following periods will be impacted: None (31 December 2022: None).

n. Other figures on profit and loss statement:

"Other Fee and Commission Income" in the Income Statement mainly consists of commissions received from credit card, money transfer and insurance transactions.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

V. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY

a. Information on distribution of profit:

The Ordinary General Assembly Meeting of the Bank was held on 28 March 2023. In the Ordinary General Assembly, it was decided to distribute TL 8.996.000 cash dividend over the TL 60.024.084 net income from 2022 operations to the Bank's shareholders. It was also resolved in the General Assembly to transfer TL 7.334 to special funds account under other capital reserves, to allocate TL 873.600 as legal and TL 50.147.140 as extraordinary reserves.

General Assembly of the Bank is authorized body for the profit appropriation decisions. The Ordinary General Assembly Meeting has not been held as of the date of these financial statements.

b. Information on hedge funds:

1. Information on cash flow hedge:

Due to facts described in "Explanations of Hedging Transactions" section in Note XI of Section Four, there are discontinued hedge accounting transactions. As of 31 December 2022, the fair value change of the hedging instrument since the beginning of hedge accounting left after amortization has been reflected to profit/loss accounts that is shown under "hedging funds" in equity is none (31 December 2022: TL (38)).

2. Information on net investment hedge:

The Bank is hedged against net investment risk arising from fluctuations in foreign exchange rates through the use of foreign currency denominated financial borrowings. In this context, effective portion of the change in foreign currency denominated financial liabilities resulting from changes in the foreign exchange rates is recognized under "Hedging reserves" within equity. As of 31 December 2022, the amount directly recognized in equity is TL (15.371.746) (31 December 2022: TL (8.562.698)).

c. Information on to foreign exchange difference:

Within the financial statements of the Group's subsidiaries founded abroad, balance sheet items are translated into Turkish Lira with the foreign exchange rates prevailing at the balance sheet date, and income statements items are translated into Turkish Lira with the average foreign exchange rates. Related foreign exchange differences are accounted in the shareholders' equity under "Other profit reserves."

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

"Unrealized gains and losses" arising from changes in the fair value of securities classified as financial assets at fair value through profit or loss are not recognized in current year income statements; they are recognized in the "Marketable securities valuation differences" account under equity, until the financial assets are sold, disposed or impaired.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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	Prior Period
	31 December 2023	31 December 2022
Cash	28.162.889	42.507.765
Cash, Foreign Currency and Other	11.020.213	9.943.357
Demand Deposits in Banks (*)	17.142.676	32.564.408
Cash Equivalents	13.957.114	6.108.351
Interbank Money Market Placements	1.453.629	2.812.468
Time Deposits in Banks	12.503.482	3.289.471
Marketable Securities	3	6.412
Total Cash and Cash Equivalents	42.120.003	48.616.116

[*] The restricted demand accounts are not included.

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

	Current Period	Prior Period
	31 December 2023	31 December 2022
Cash	44.868.082	28.162.889
Cash, Foreign Currency and Other	15.847.921	11.020.213
Demand Deposits in Banks (*)	29.020.161	17.142.676
Cash Equivalents	24.482.608	13.957.114
Interbank Money Market Placements	1.410.562	1.453.629
Time Deposits in Banks	23.072.046	12.503.482
Marketable Securities	-	3
Total Cash and Cash Equivalents	69.350.690	42.120.003

[*] The restricted demand accounts are not included.

b. Explanation about other cash flows items and the effect of changes in foreign exchange rates on cash and cash equivalents:

The "Other" item under "Operating profit before changes in operating assets and liabilities" amounting to TL (25.457.355) [31 December 2022: TL (20.532.497)] consists mainly of items such as fees and commissions paid, other operating income excluding income from doubtful receivables, other operating expense excluding personnel expenses.

The "Net increase/decrease in other liabilities" item under "Changes in operating assets and liabilities" amounting to TL 55.308.249 [31 December 2022: TL 18.792.683] consists mainly of changes in funds from repurchase agreements, miscellaneous payables and other liabilities.

The effect of changes in foreign exchange rates on cash and cash equivalents includes the foreign exchange differences resulted from the translations of cash and cash equivalents in foreign currencies into TL at the exchange rates prevailing at the three months periods, and amounts to TL 21.318.649 [31 December 2022: TL 13.280.276].

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(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 2023:

Group's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
	Loans					
Balance at the Beginning of the Period	-	-	11.503.560	4.863.943	132.122	140.263
Balance at the End of the Period	-	-	18.578.260	7.976.674	101.792	4.532
Interest and Commission Income Received	-	-	2.714.832	41.777	11.594	1.120

2. Prior Period – 31 December 2022:

Group's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Group		Other Real and Legal Persons that have been included in the Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
	Loans and Other Receivables					
Balance at the Beginning of the Period	-	-	9.846.250	2.830.028	77.741	94.948
Balance at the End of the Period	-	-	11.503.560	4.863.943	132.122	140.263
Interest and Commission Income Received	-	-	1.404.589	23.277	7.819	2.947

3. Information on deposits of the Group's risk group:

Bank's Risk Group	Investments in Associates, Subsidiaries and Joint Ventures (Business Partnerships)		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons that have been included in the Risk Group	
	Current		Current		Current	
	Period 31.12.2023	Prior Period 31.12.2022	Period 31.12.2023	Prior Period 31.12.2022	Period 31.12.2023	Prior Period 31.12.2022
Balance at the Beginning of the Period	-	-	11.017.534	9.970.604	1.284.380	960.273
Balance at the End of the Period	1.827.676	-	20.595.193	11.017.534	2.576.250	1.284.380
Interest expense on Deposits	33.458	-	1.402.531	895.454	1.202.315	60.500

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

[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		Current	Prior	Current	Prior
	Period	Prior Period	Period	Period	Period	Period
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Transactions at Fair Value Through Profit or Loss						
Beginning of the Period	-	-	18.150.160	23.469.742	-	-
Balance at the End of the Period	-	-	31.233.932	18.150.160	-	-
Total Income/Loss	-	-	(158.123)	(281.436)	-	-
Transactions for Hedging Purposes						
Beginning of the Period	-	-	-	-	-	-
Balance at the End of the Period	-	-	-	-	-	-
Total Income/Loss	-	-	-	-	-	-

Figures presented in the table above show the total of "sale" and "purchase" amounts of the related transactions. Accordingly, as a result of the nature of these transactions, the difference between the "sale" and "purchase" transactions affects the net exposure of the Group. As of 31 December 2023, the net exposure for direct and indirect shareholders of the Group is TL (577.688) (31 December 2022: TL (348.103)).

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

As of 31 December 2023, benefits provided to the Group's key management amounting to TL 511.575 (31 December 2022: 193.694).

VIII. EXPLANATIONS AND NOTES RELATED TO THE DOMESTIC, FOREIGN, OFF-SHORE BRANCHES AND FOREIGN REPRESENTATIVES OF THE BANK

1. Information on the domestic and foreign branches and representatives of the bank:

	Number	Number of Employees			
			Country of Incorporation	Total Assets	Statutory Share Capital
Domestic Branches	704	12.852			
Foreign Representation Office	-	-	-		
Foreign Branch Off-shore Banking Region Branches	- 1	- 12	- Malta	- 147.336.787	- -

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

In 2023, the Bank has closed up 12 domestic branches.

AKBANK T.A.Ş.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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

IX. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

Following the revision of Türkiye's outlook from "Stable" to "Positive", Moody's has affirmed Akbank's Long-Term Foreign and Local Currency Bank Deposit Ratings and Senior Unsecured Rating at "B3" and revised the outlook to positive from stable. Moody's has also upgraded Türkiye's FC country ceiling rate from "B3" to "B2" and following that, Akbank's Long-Term FC Counterparty Risk Rating (CRR) is upgraded from "B3" to "B2".

**SECTION SIX
OTHER EXPLANATIONS**

I. OTHER EXPLANATIONS

None.

**SECTION SEVEN
EXPLANATIONS ON INDEPENDENT AUDITOR'S REPORT**

II. EXPLANATIONS ON AUDITOR'S REPORT

The consolidated financial statements for the period ended 31 December 2023 have been audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The audit report dated 1 February 2024 is presented preceding the consolidated financial statements.

III. EXPLANATIONS AND NOTES PREPARED BY INDEPENDENT AUDITORS

None.