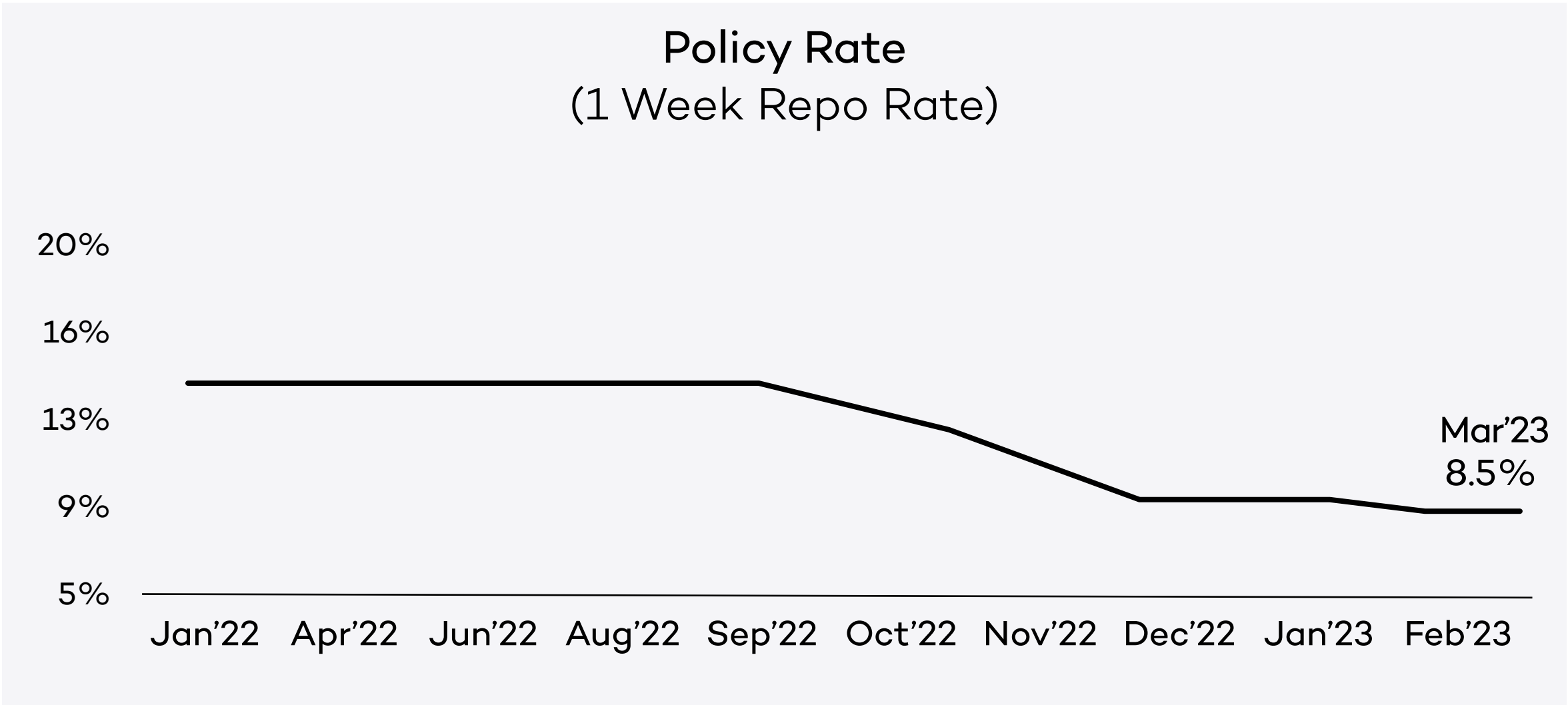
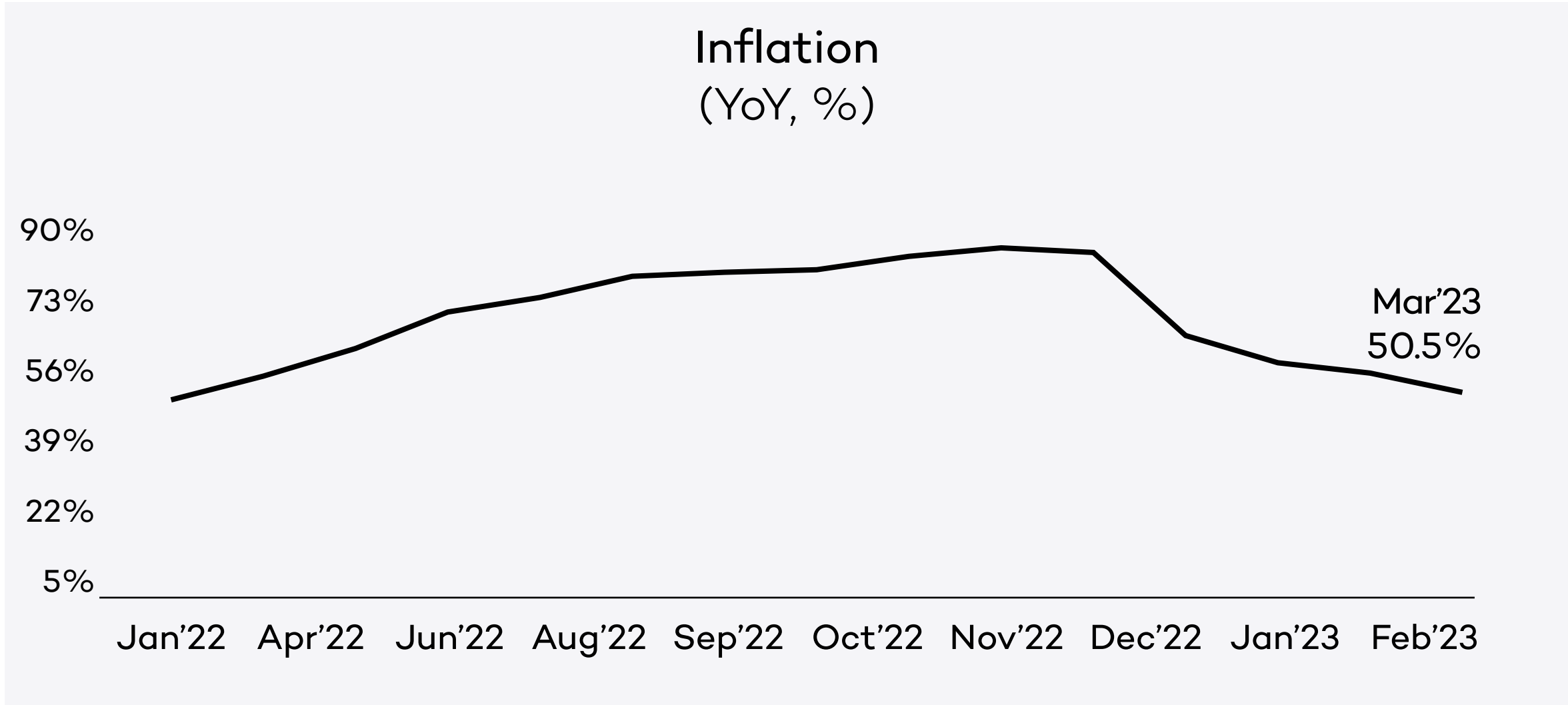
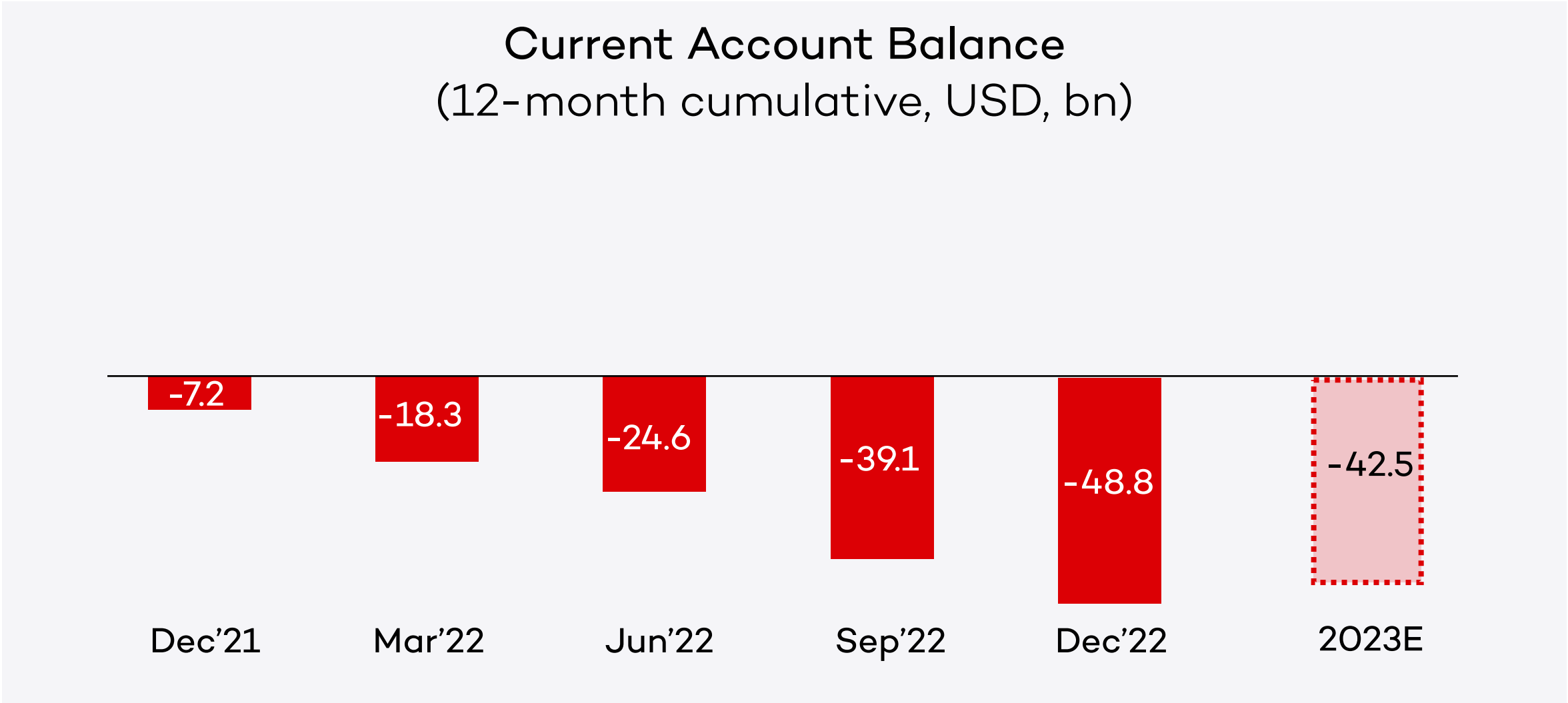
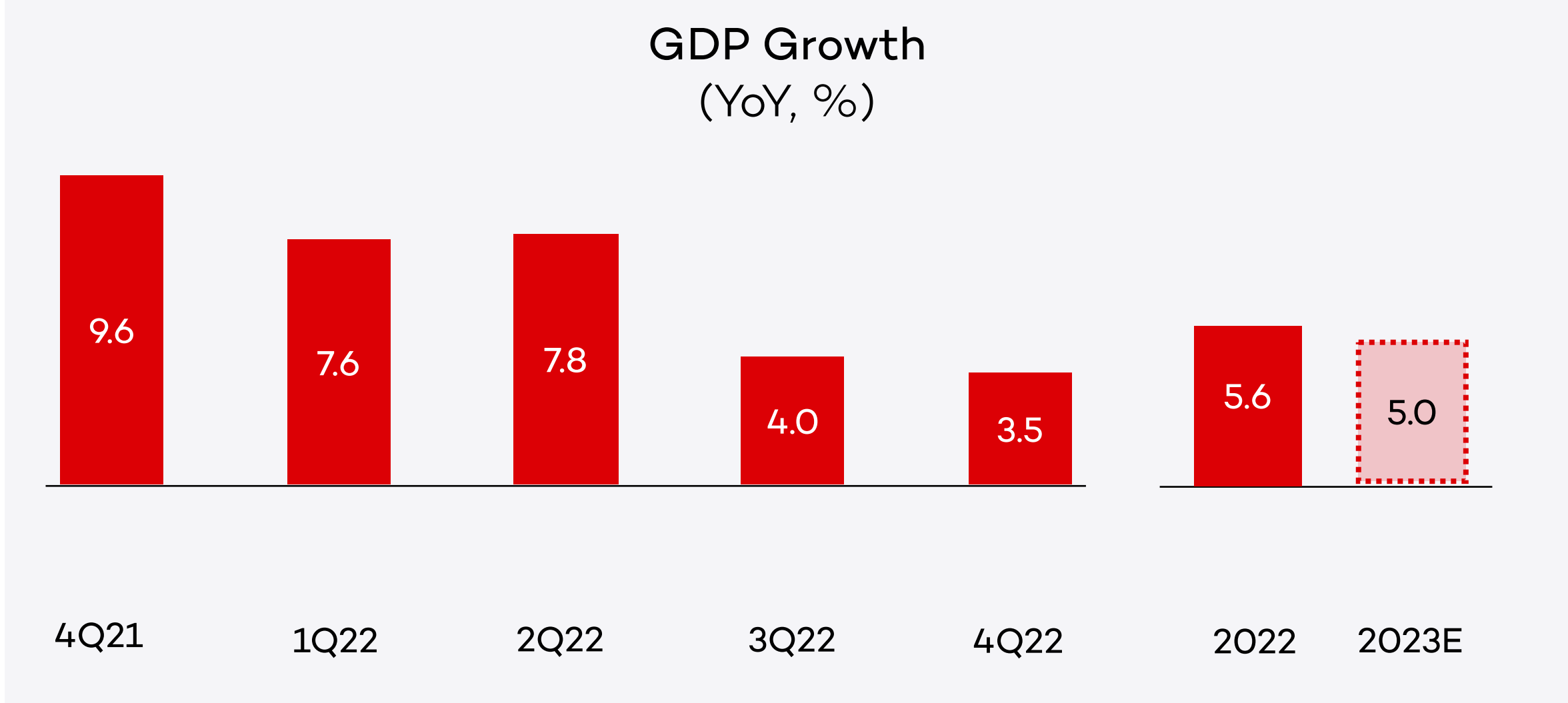


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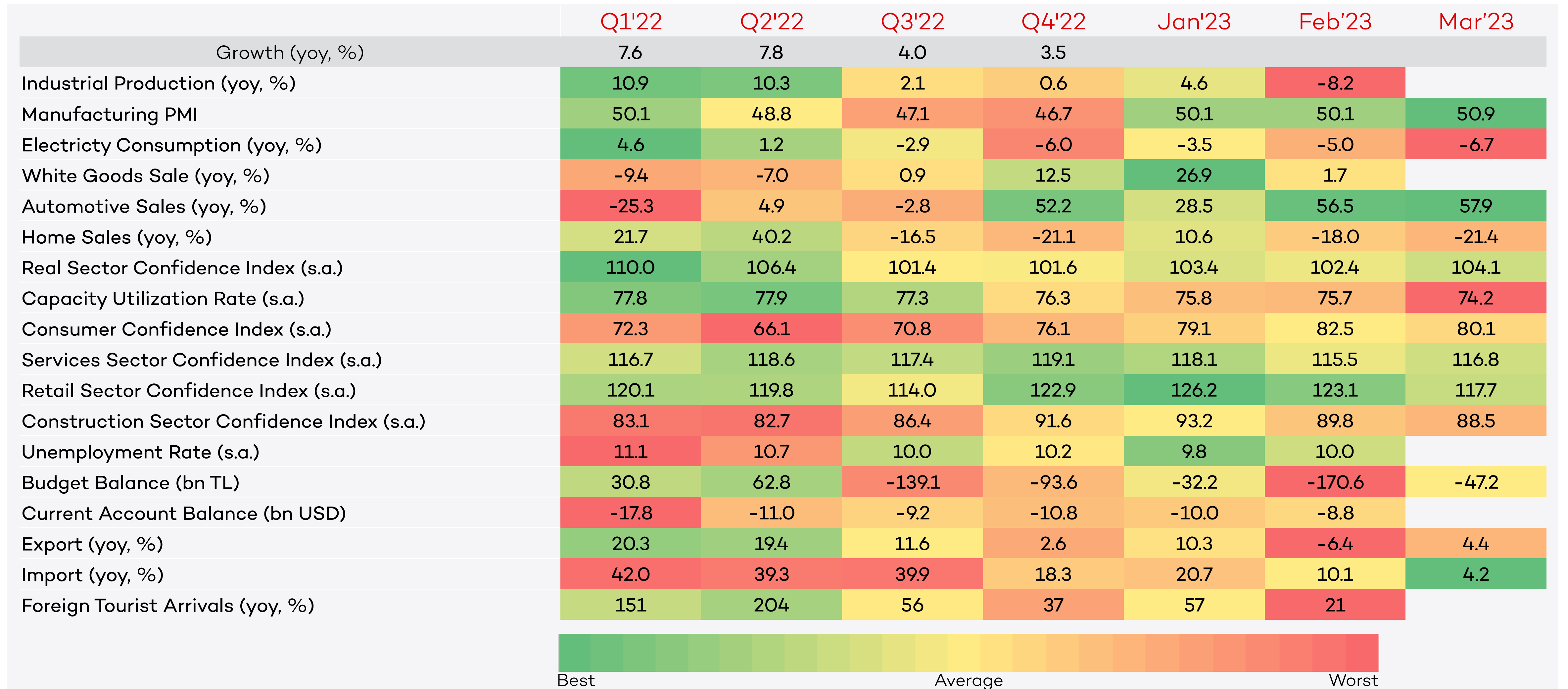
1Q23 Consolidated  
Financial Results



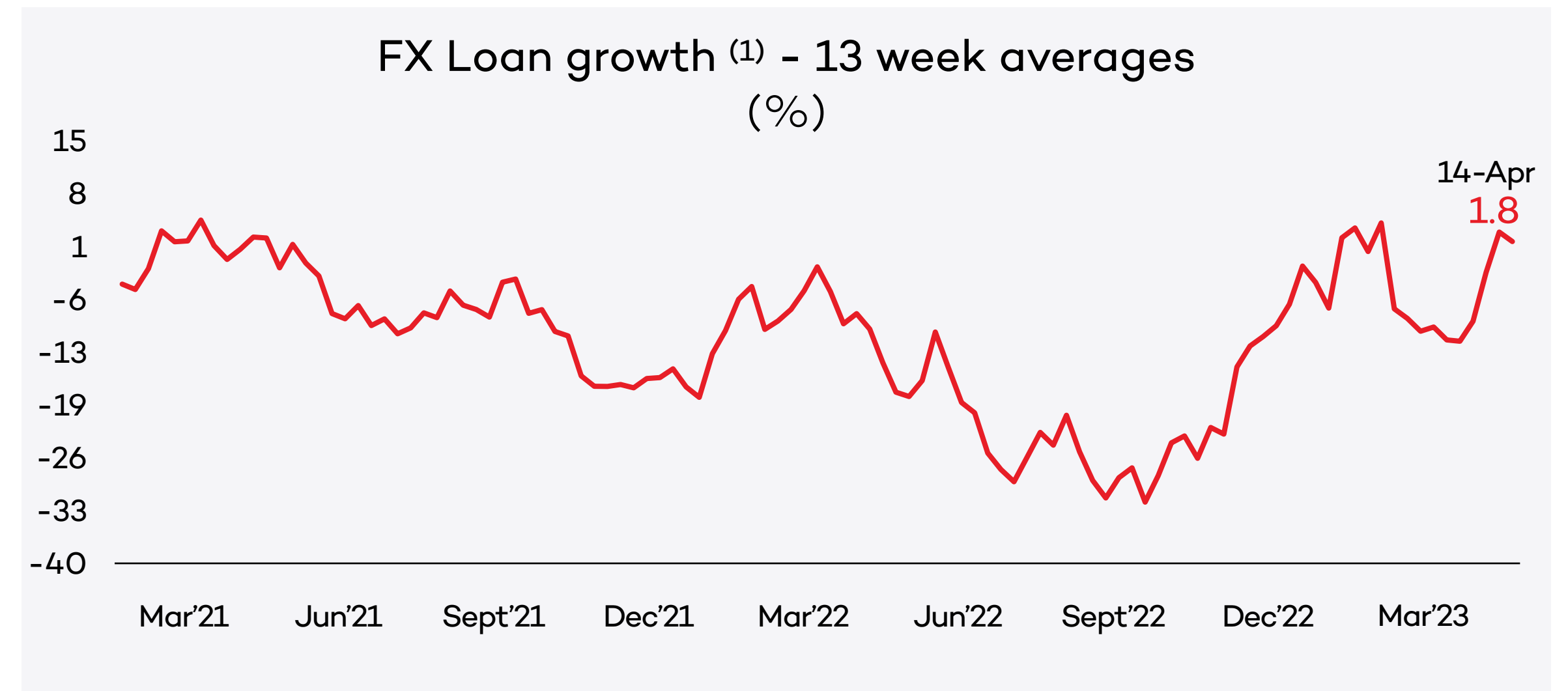
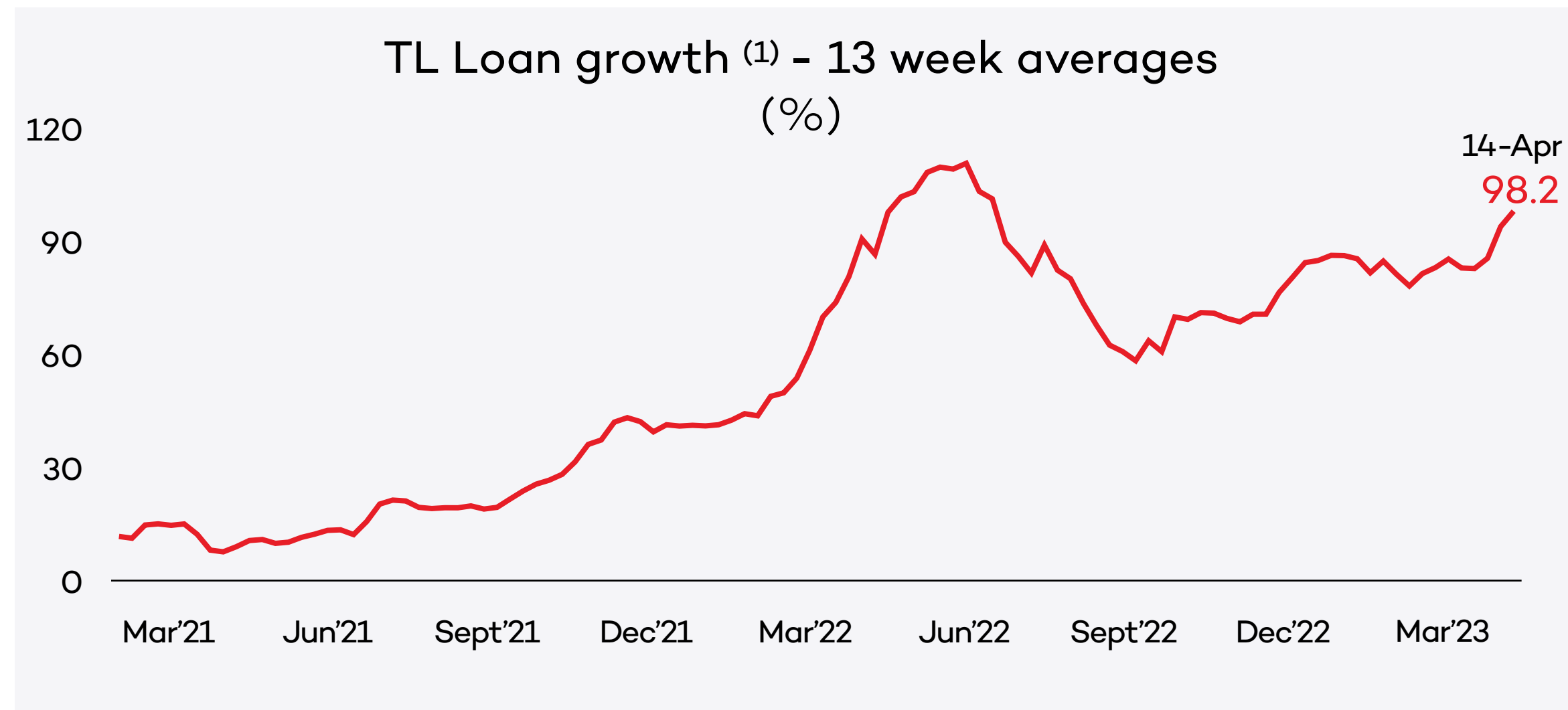
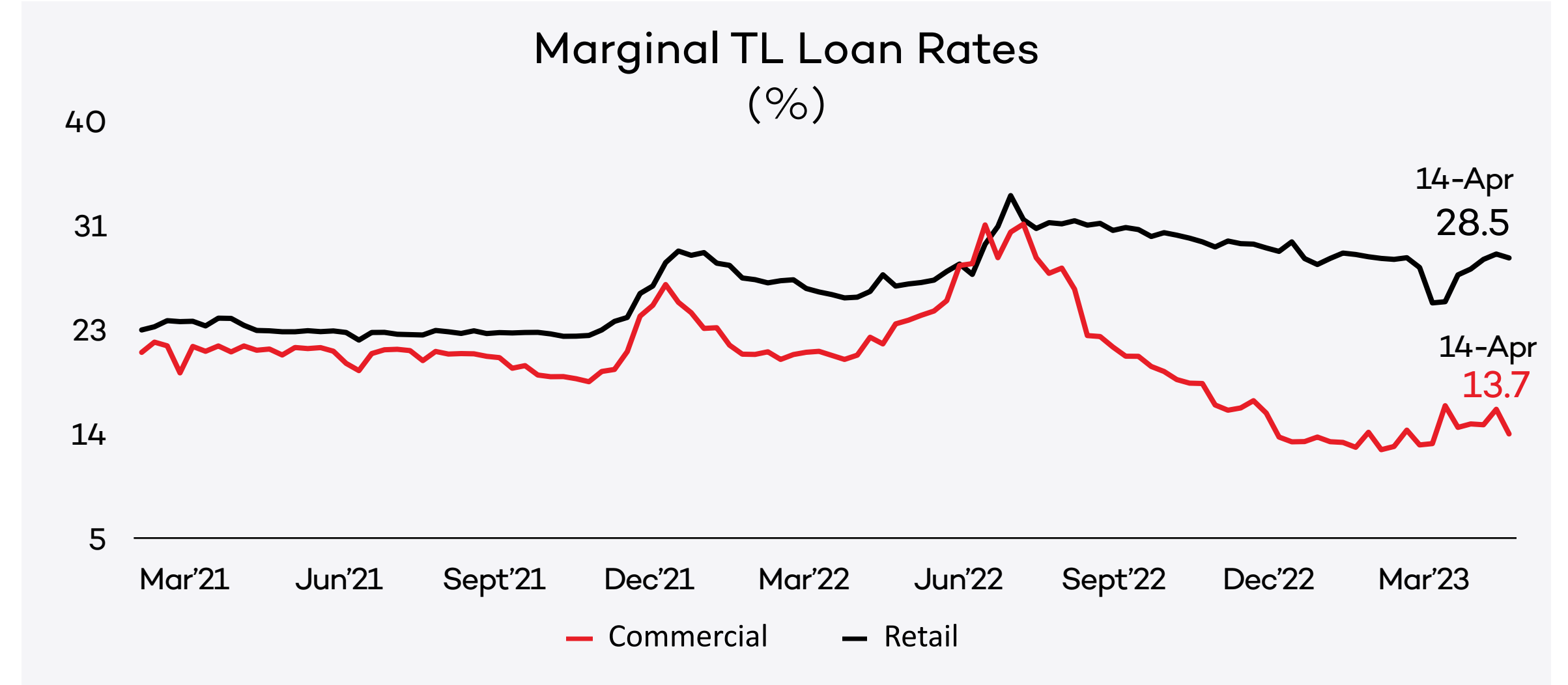
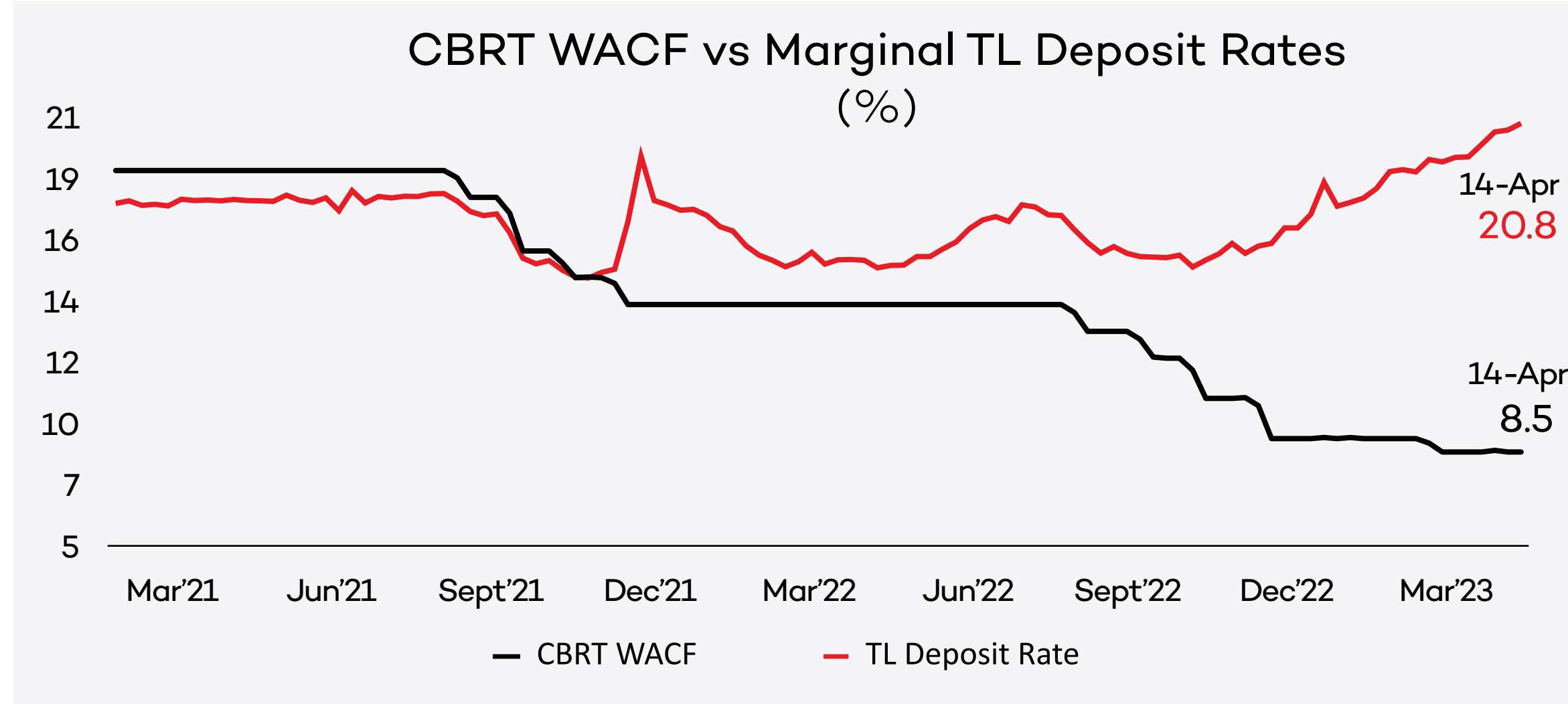
# Turkish Economy Overview



# Economic activity heat map



# Banking Sector: Key indicators



Sources: BRSA & CBRT weekly data

4

(1) Excluding participation banks

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# Demonstration of financial strength & operational resilience

CAR <sup>(1)</sup>  
**18.4%**

## Superior Capital Buffers

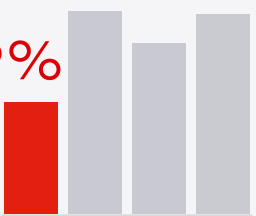
- Significant competitive advantage for sustainable & profitable growth
- 20.3% excl. temporary RW increases <sup>(2)</sup> applied by BRSA for certain consumer & commercial loans

Stage 2+3  
coverage  
**33.4%**

## Prudent Risk Management

- Optimized portfolio supported by AI based loan decision models & solid reserve build
- Stage 2+3 loans / total is limited to 8.6% with strong coverage
- Proactive TL 930 mn provisioning for earthquake impacted regions (Qly. RoE impact of 180 bps)

ΔEVE <sup>(3)</sup>  
**2.9%**



## Lowest TL Interest Rate Risk

- Agile ALM, active BS hedging, strategic & timely positioning in securities
- 80% of TL loan will reprice / mature by 23YE <sup>(4)</sup>

Sticky TL  
Deposits  
**64.0%**

## Solid Deposit Franchise

- Broad-base deposits with sticky & low cost TL Time Deposits <sup>(6)</sup> up +222% since 21YE
- +70bps market share gain in TL deposits under 1 mn on top of 250bps in 2022 <sup>(7)</sup>

CBRT pledged  
bonds / assets  
**~2%**

## Proactive Compliance with Regulations

- TL deposit / Total deposits <sup>(5)</sup> reached 60% as of Feb'23
- Fixed rate bonds for CBRT pledge is around TL 30 bn as of Apr'23

FX liquidity <sup>(8)</sup>  
**\$ 10.1 bn**

## Robust FX Liquidity Buffer

- More than 4x FX liquidity buffer vs ST FX debt
- USD 500 mn first social syndicated loan
- Average FX LCR is 457%

(1) w/o forbearances: Fixing MtM losses of securities & FX rate for RWA calculation to 2022YE FX rate

(2) BRSA implemented higher RW for newly generated consumer CCs, GPLs (from 75% to 150%) & comm. loans excl. SME, export, investment (from 100% to 200%)

(3) Change in Economic Value of Equity calculation for 500 bps increase in TL interest rate according to BRSA (2022 YE, Unconsolidated Financials)

(4) Excluding CC, overnight and overdraft loans

(5) CBRT's securities maintenance ratio calculation incorporates bank-only figures

(6) Consumer & SME according to MIS segmentation

(7) Among private banks, based on BRSA monthly data as of February 2023

(8) Consolidated FX liquidity buffer includes FX reserves under ROM, swaps, money market placements and CBRT eligible unencumbered securities

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# Unlocking franchise power with leading market presence

## Robust Customer Acquisition (1Q23)

**+730K**

Net Active Customer

**+750K**

Digital Active Customer

## Market Share Gains in Loans <sup>(1)</sup> (1Q23)

**+190bps**

Consumer Loan

**+20bps**

SME Loan <sup>(2,3)</sup>

## Market Share Gains in Deposits <sup>(1)</sup> (1Q23)

**+180bps**

TL Demand Deposit

**+70bps**

< 1 mn TL Deposit <sup>(3)</sup>

Momentum in customer acquisition & market share gains supported by cutting-edge infrastructure, sophisticated digital capabilities & competitive product offerings

6 (1) Among private banks  
(2) SME: According to BRSA definition  
(3) Based on bank only BRSA monthly data as of Feb'23

# Strong momentum in customer acquisition & agile ALM

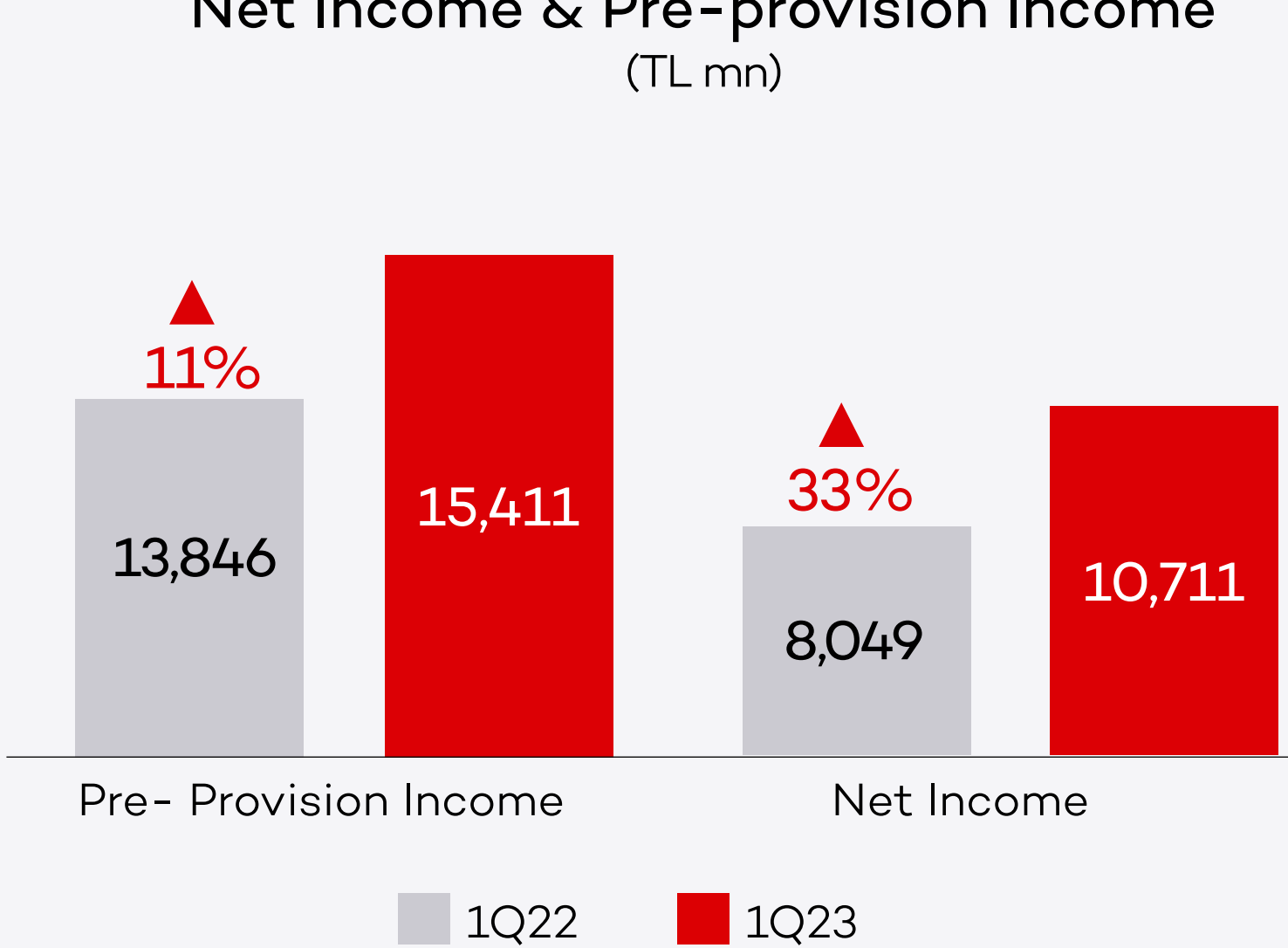
## 1Q23 Summary

- ▶ Reached a solid 3.6% RoA & 27.9% RoE with 8.2x leverage (w/ 35% CPI estimation for linker valuation)
  - Buffer remains with our 23YE CPI expectation at 45% (RoA & RoE would be 4.2% & 32.9%)
- ▶ Added 730K net active customers on top of 2.3 mn gained in 2022
- ▶ Achieved record-high quarterly market share gain in consumer loans
- ▶ Accelerated momentum in customer acquisition led to outstanding fee performance
- ▶ Continued agile & prudent ALM with maturity mismatch focus
- ▶ Maintained robust solvency ratios (18.6% CAR & 15.7% Tier-1) <sup>(1)</sup>

## 2023 Strategic Priorities

- ▶ Sustainable profitability to remain in focus
- ▶ Retail-led market share gains & momentum in customer acquisition to continue
- ▶ Leveraging robust solvency ratios, low opex base, strong efficiency, advanced analytics & technology
- ▶ Non-stop investments in our people & future of work

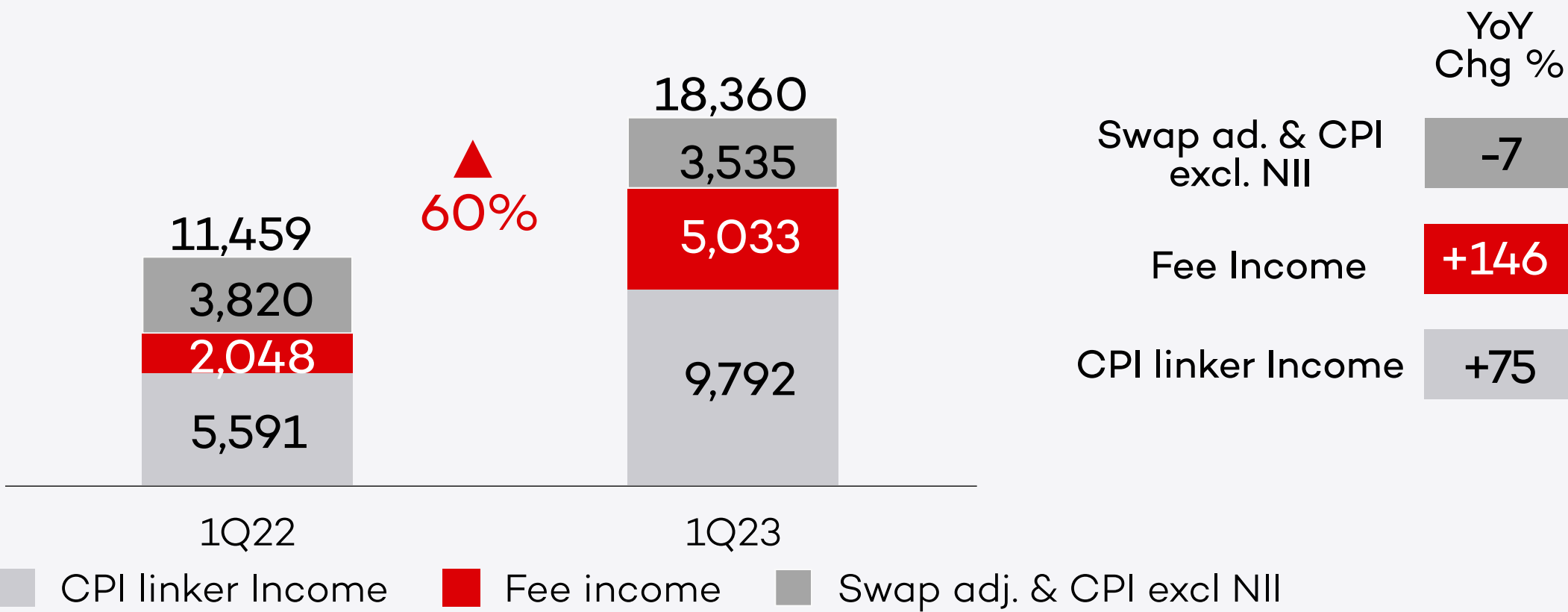
Net Income & Pre-provision Income  
(TL mn)



1Q23  
RoE  
27.9%

1Q23  
RoA  
3.6%

Revenue  
(TL mn)



7 (1) w/o forbearances: Fixing MtM losses of securities & FX rate for RWA calculation to 2022YE FX rate

# Achieved record-high market share gains in consumer loans

1Q23

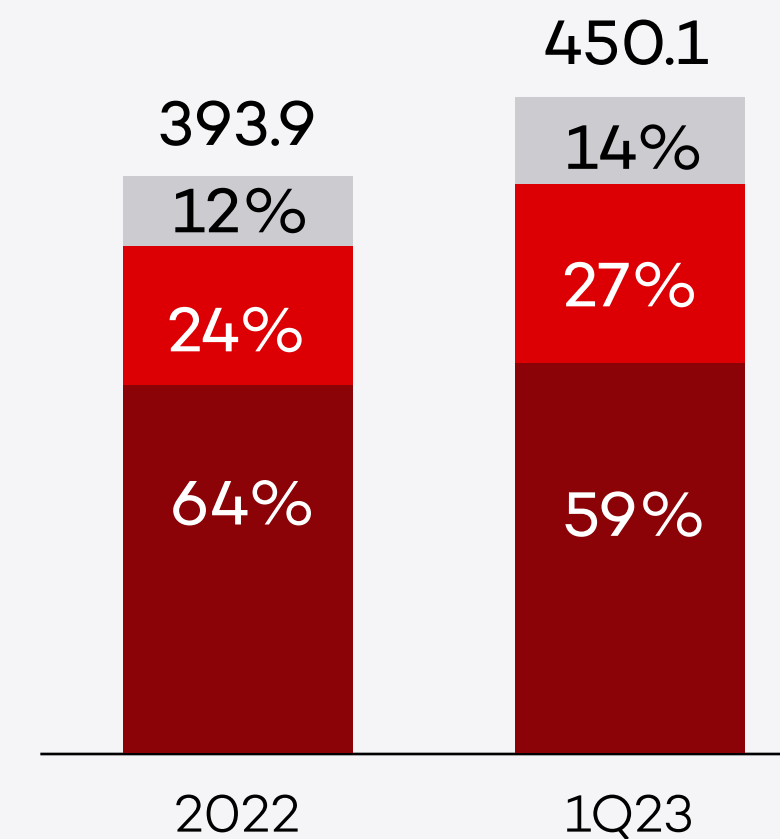
- ▶ Gained +190 bps <sup>(1,2)</sup> across the board market share in consumer loans (+90 bps in 2022) & +50 bps <sup>(1,2)</sup> in consumer credit card
- ▶ Maintained market share in business banking loans (while reducing maturity) due to regulatory pricing cap
  - ◉ +20 bps in SME <sup>(2,3)</sup> (+200 bps in 2022)
- ▶ Excellence in AI based consumer credit decision systems
  - ◉ Almost 100% automated loan decision process
  - ◉ Maintaining low probability of default while growing in retail loans <sup>(4)</sup>
  - ◉ 75% GPLs <sup>(4)</sup> pre-approved and 30% are to salary customers

2023  
Guidance

## TL Loan Growth: ~ 40%

- ▶ Sustainable profitability and healthy market share gain in retail segment
  - ◉ 360° customer-oriented holistic organizational structure
  - ◉ Competitive products & digital solutions

TL Loans Breakdown  
(net, TL bn, %)

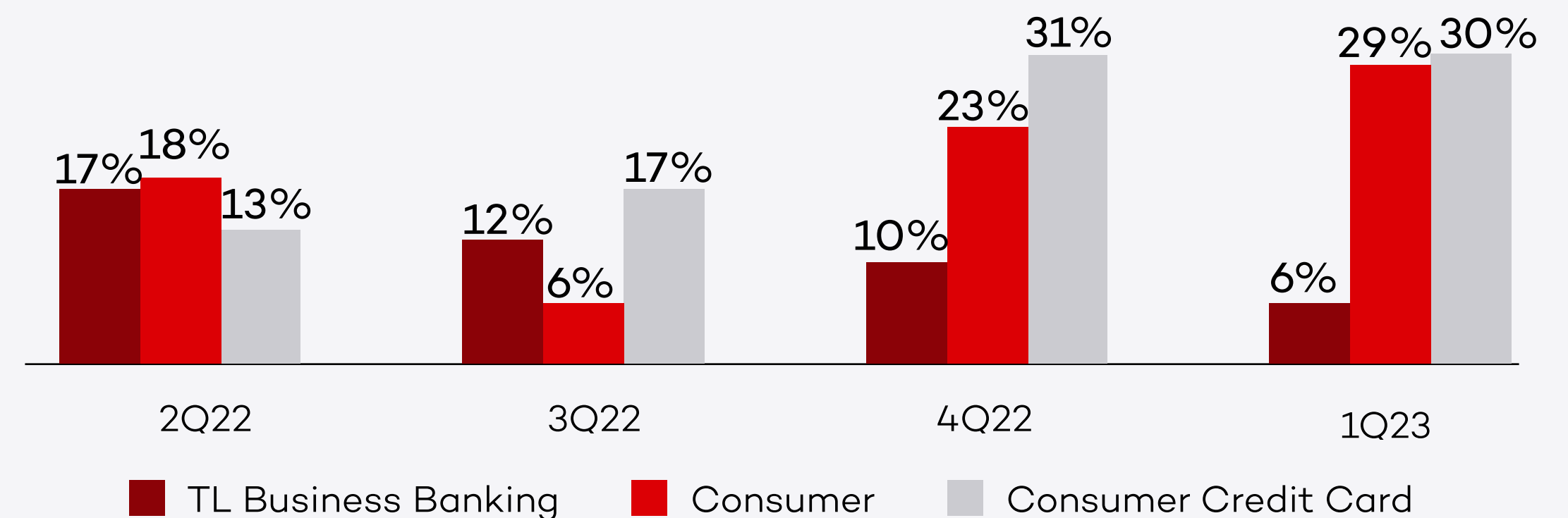


Market Share <sup>(1)</sup> (%)

YtD Change (%)	Private Sector	Sector
+14.3	16.2	8.0
+29.6	13.8	11.0
+29.4	17.3	10.1
+5.7	16.4	6.8

Consumer Credit Card  
 Consumer  
 TL Business Banking

Quarterly TL Loan Growth



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(1) Market share data based on bank only BRSA weekly data as of March 31, 2023

8 (2) Among private banks

(3) Market share data based on bank only BRSA monthly data as of February, 2023

(4) Retail loans: consumer and SME loans

(5) General Purpose Loan



# Disciplined FX lending policies support resilience

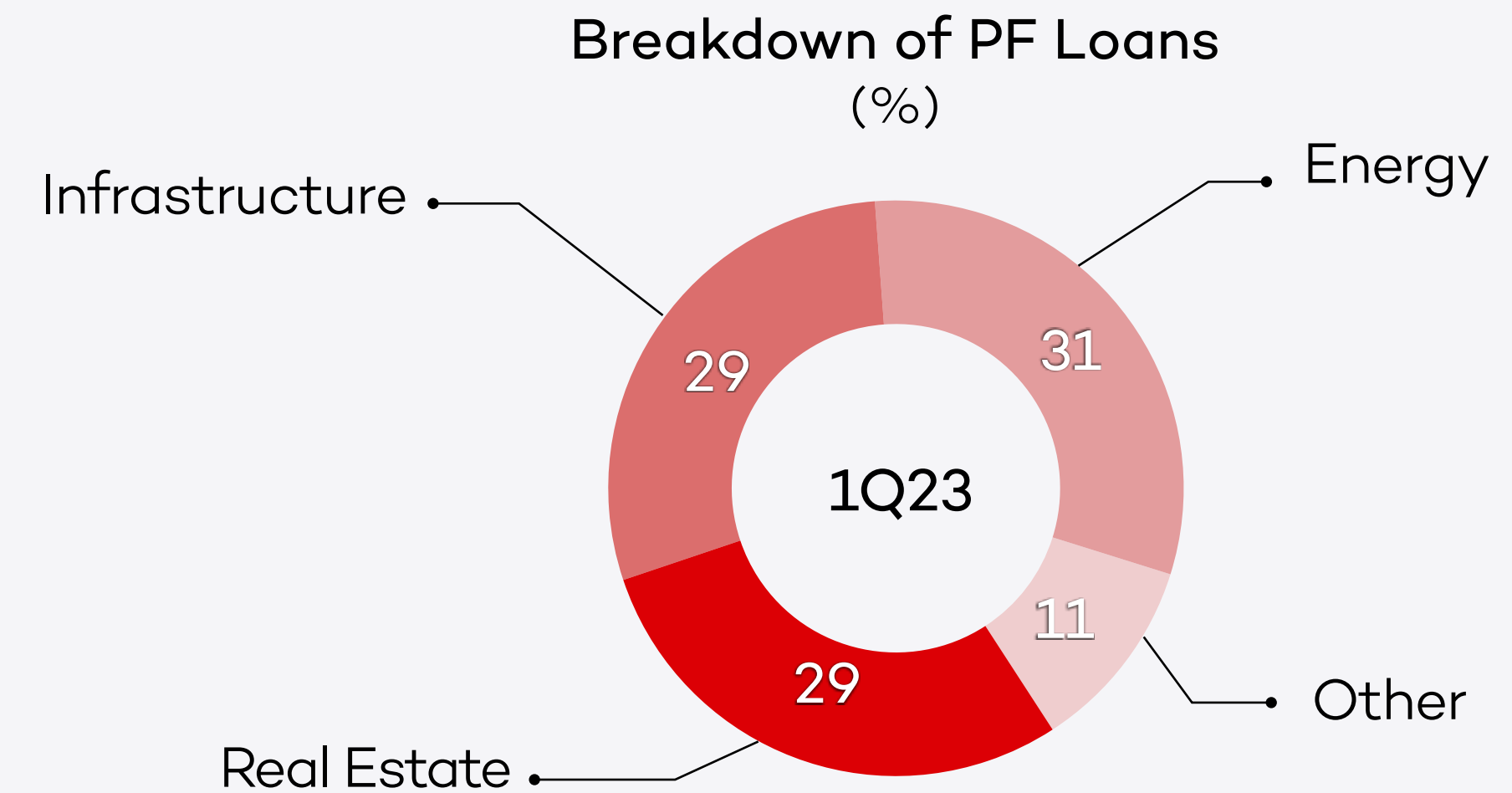
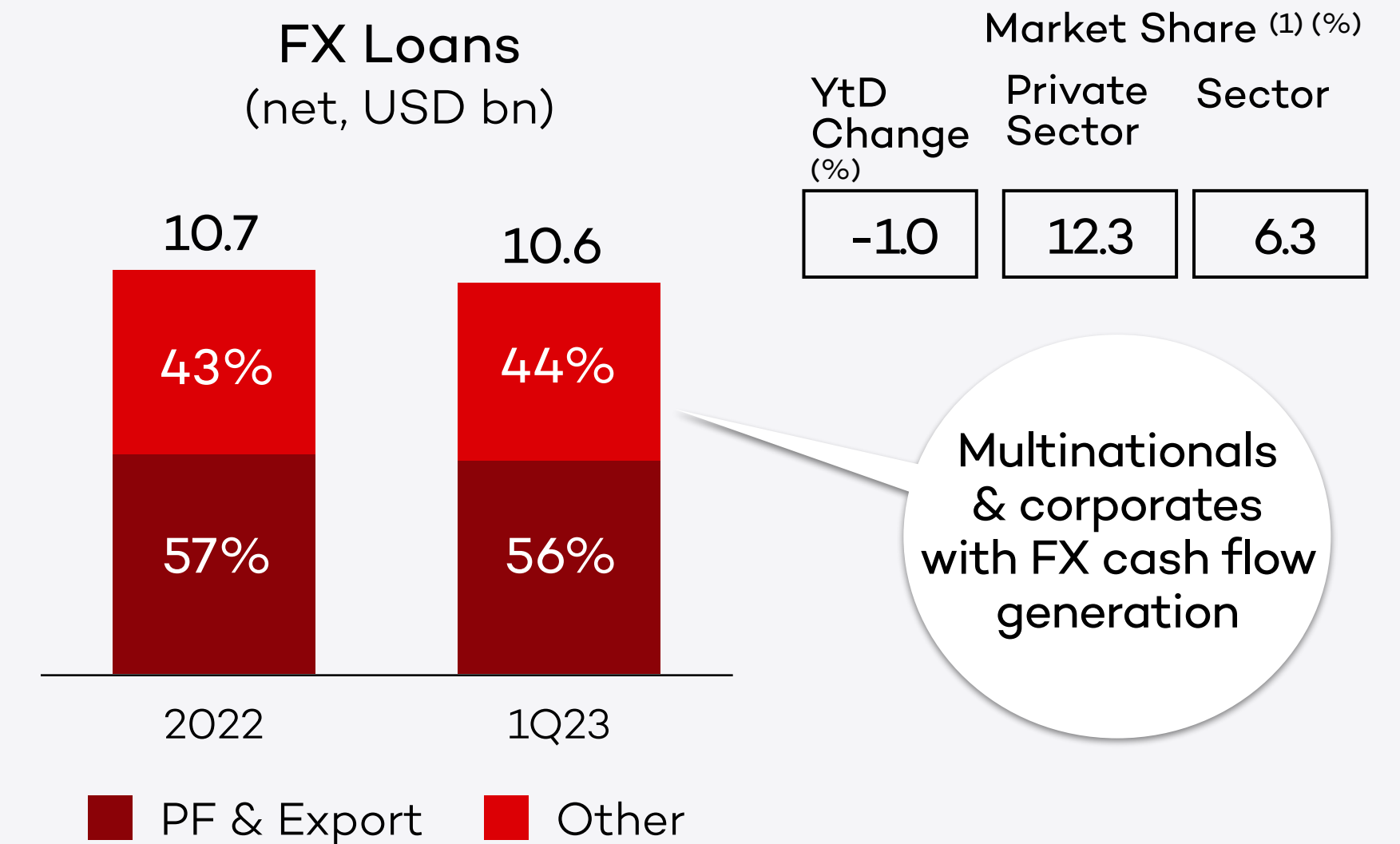
1Q23

- ▶ Muted demand in FX loans in line with guidance
- ▶ FX lending limited to corporates with adequate FX revenue generation
- ▶ Significantly mitigated FX risk
  - FX loan book down from ~USD 22 bn to below USD 11 bn since 2017
  - Stage 2 FX provisions are fully hedged

## FX Loan Growth: Low-single digit

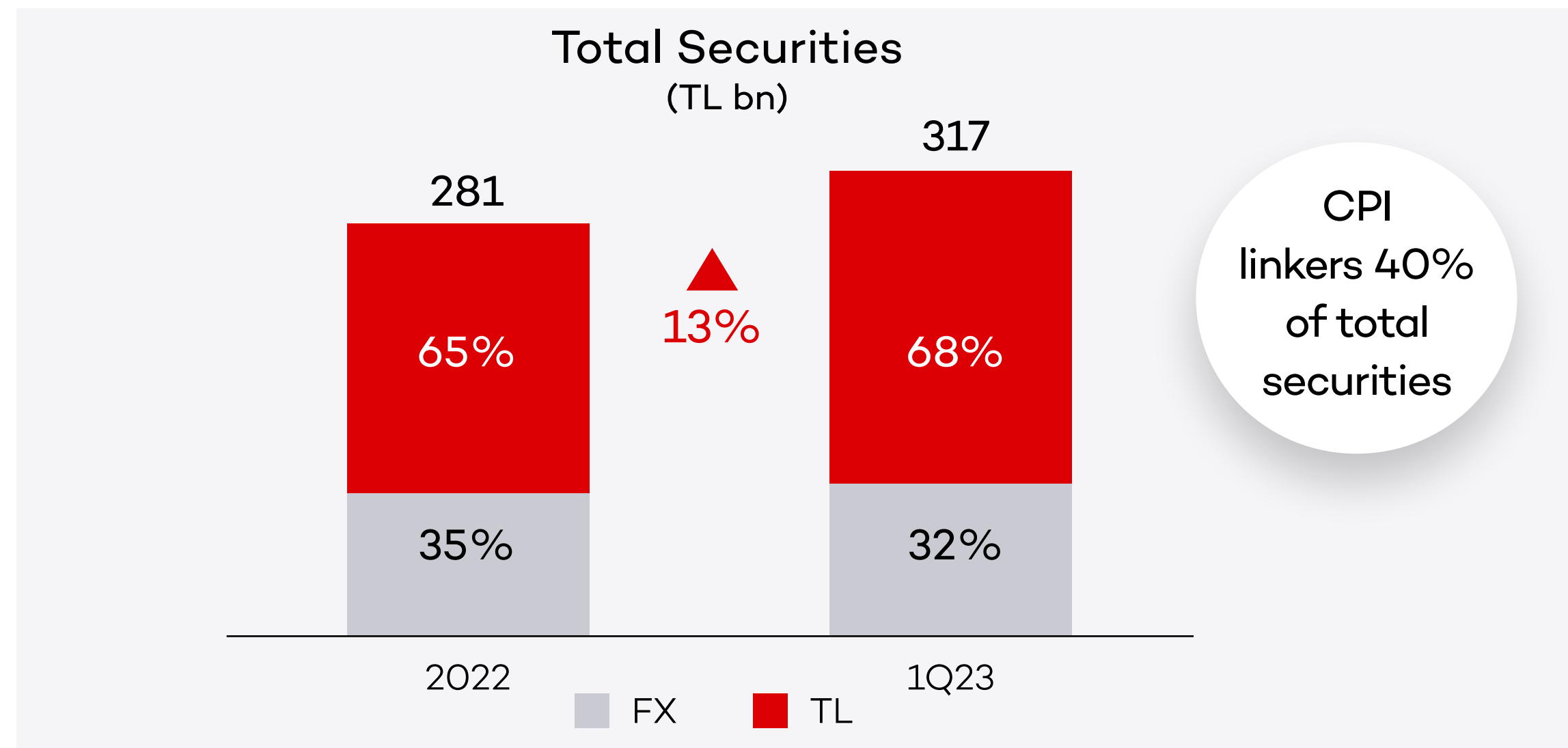
- ▶ Already deleveraged FX loan book
- ▶ Demand expected to be moderate

2023  
Guidance

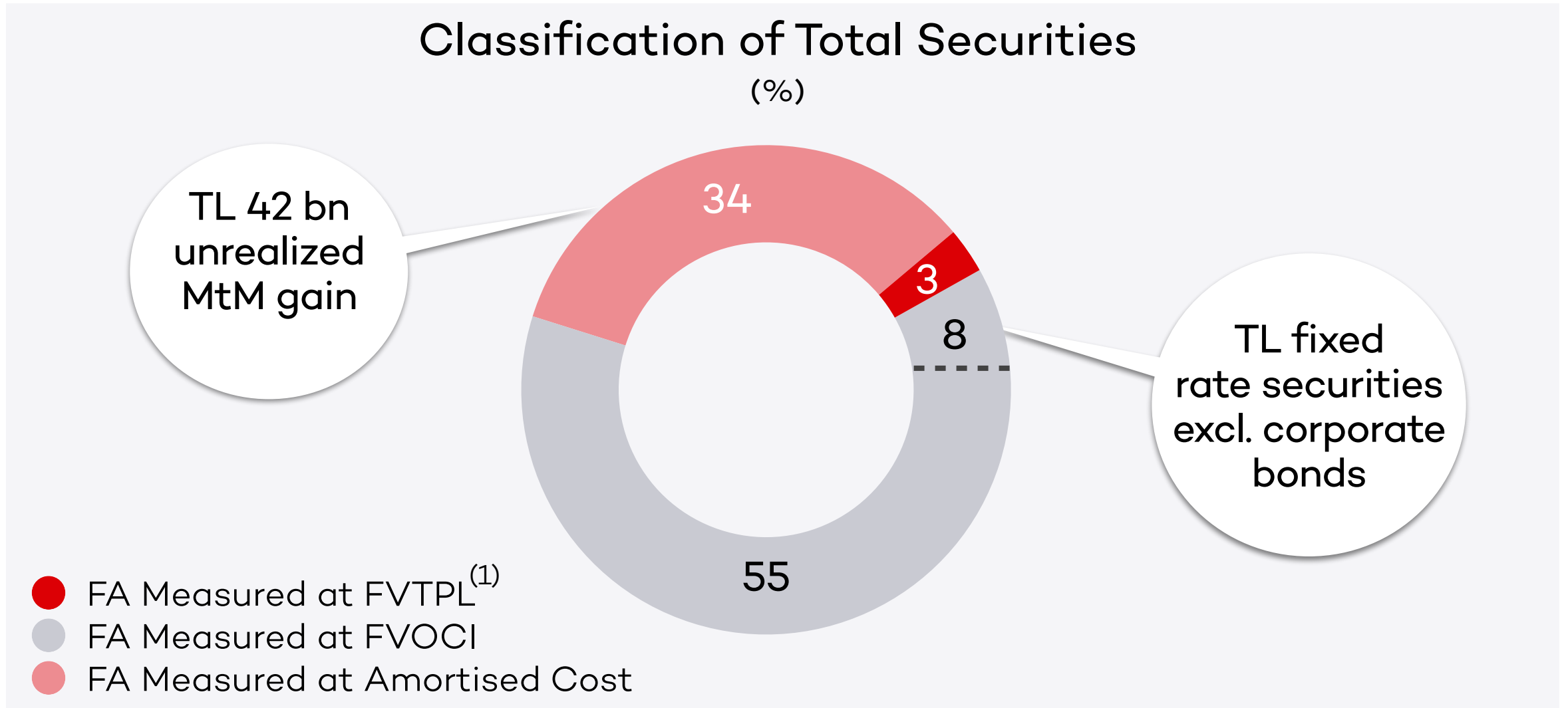
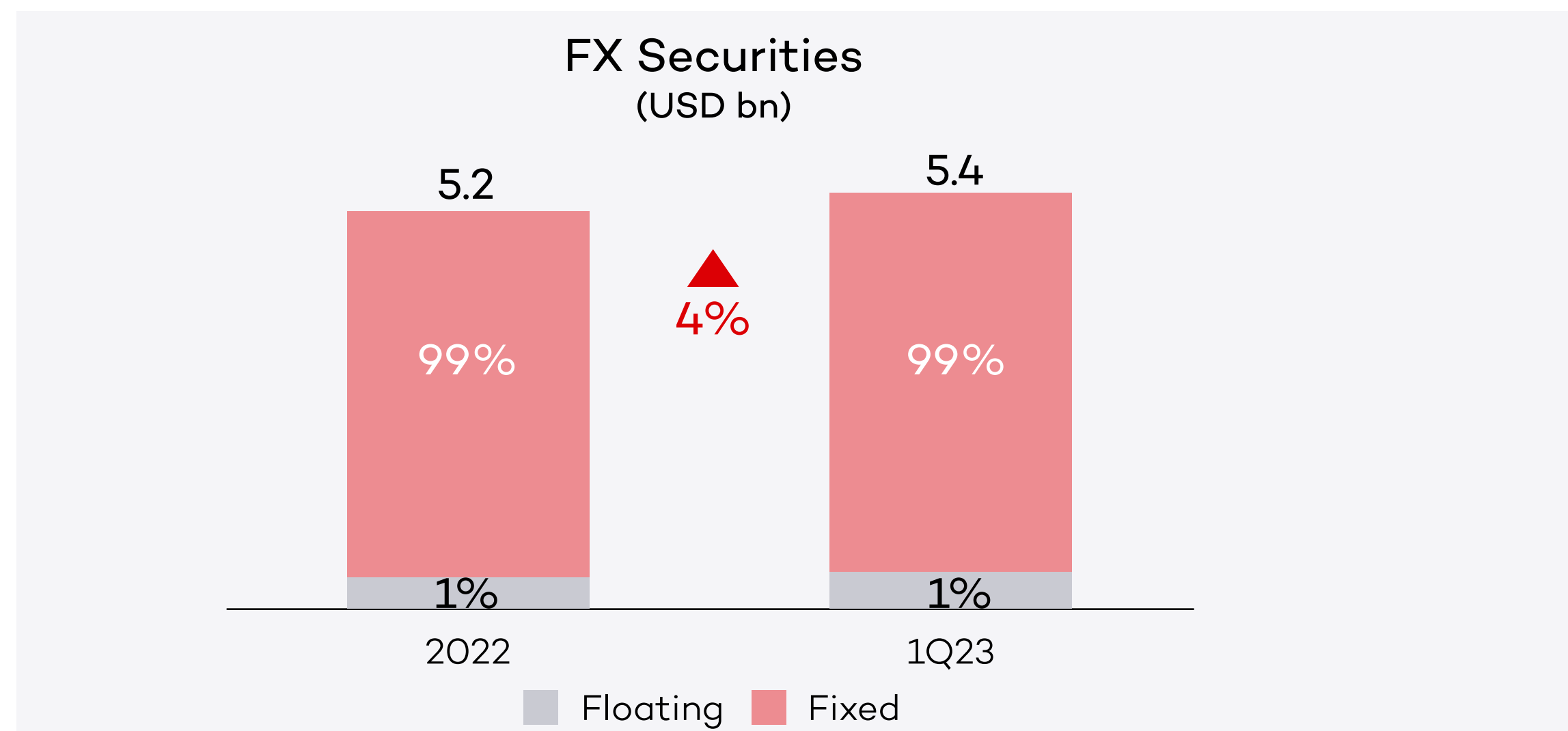




# Proactively built securities portfolio with maturity mismatch in focus

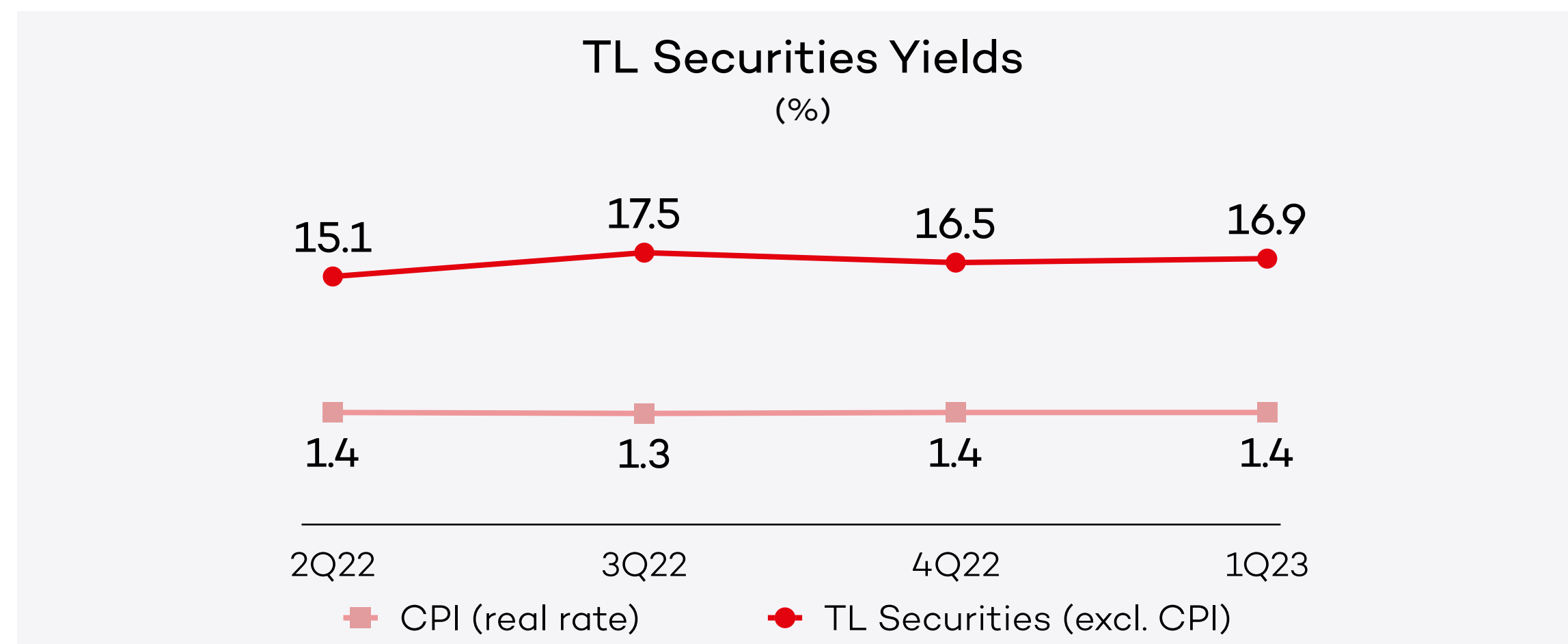
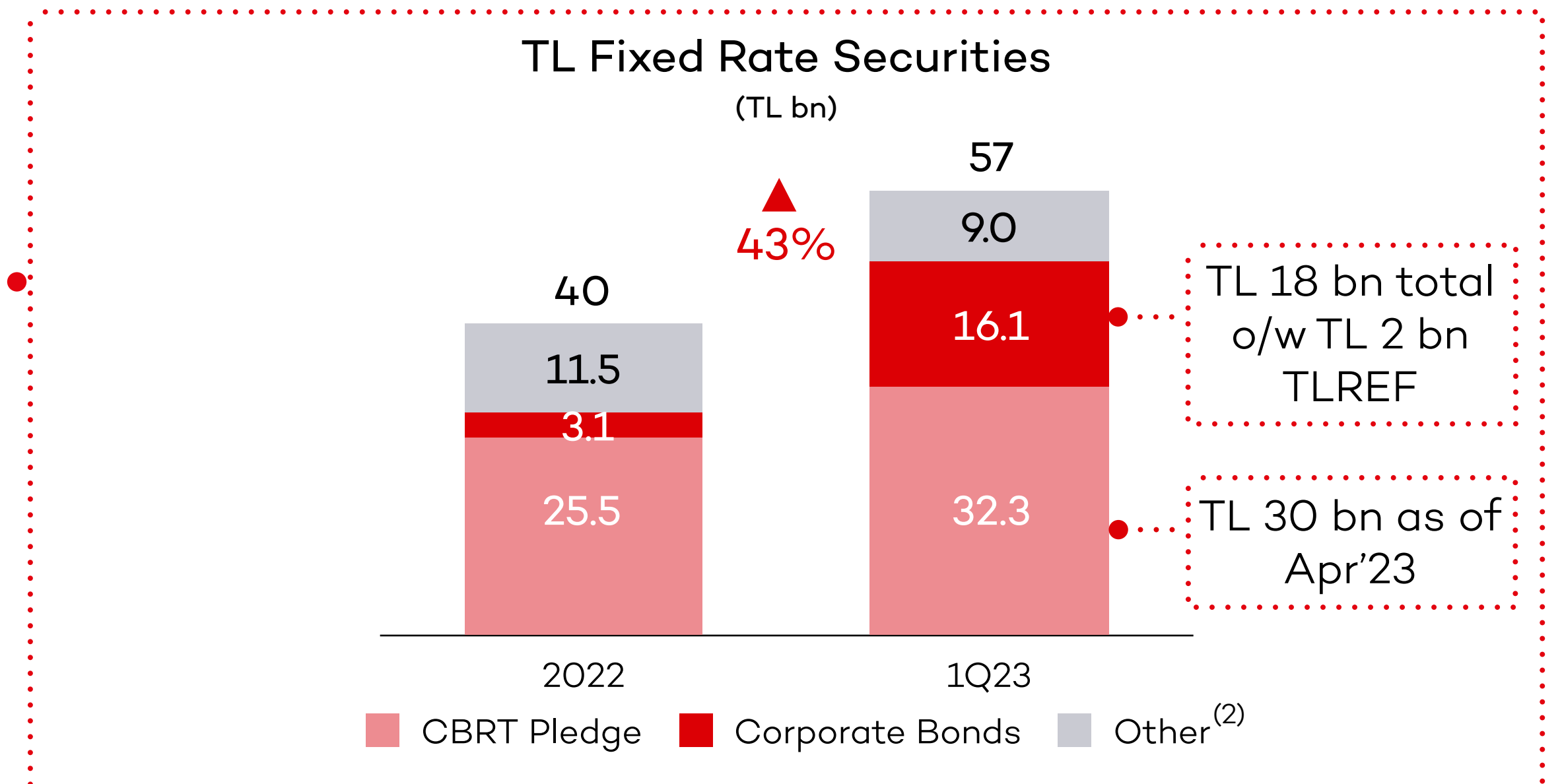
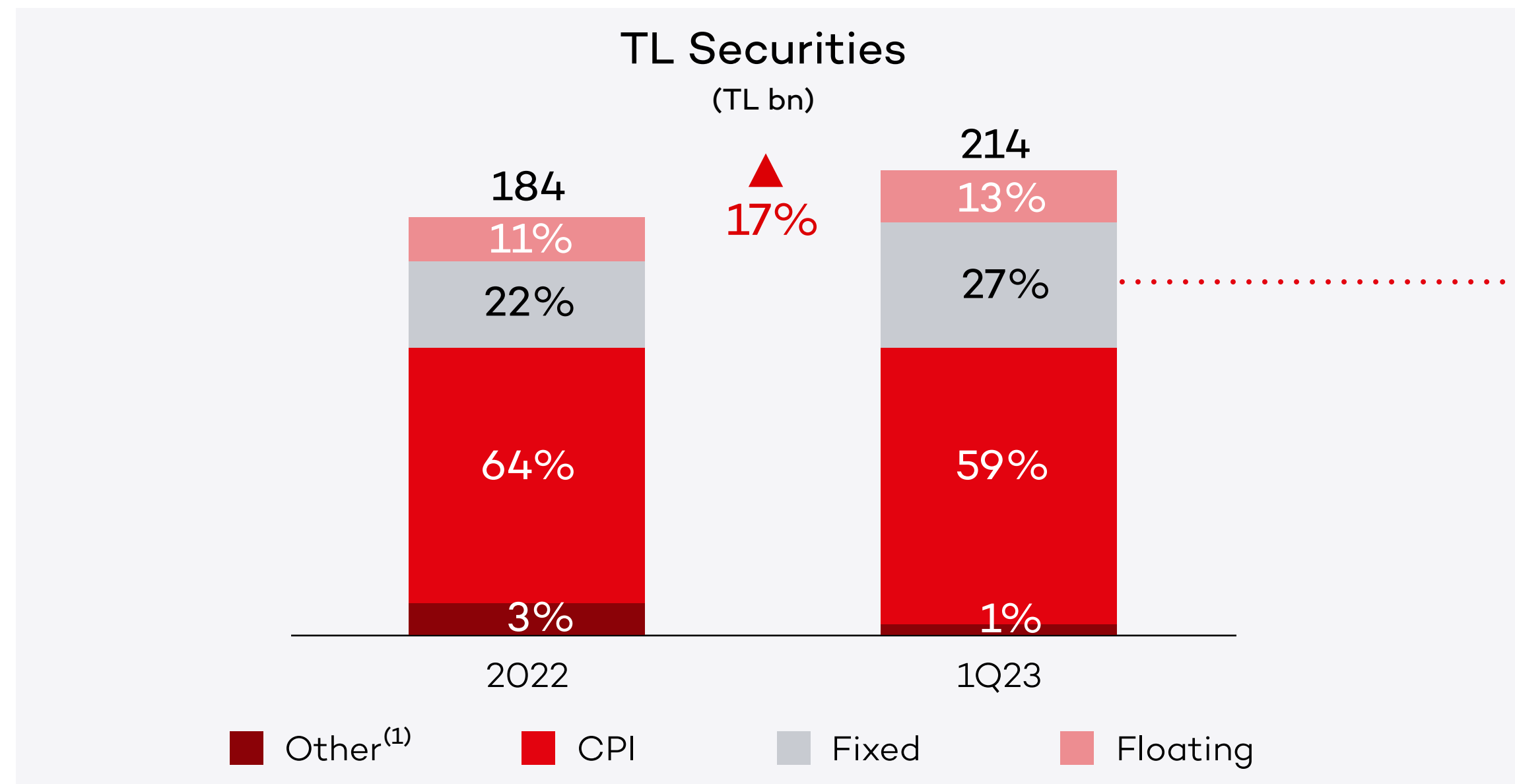


- ▶ 1/2 of total securities are floating, including CPI linkers
- ▶ 1/3 of total securities are FX & timely hedged against FED rate hikes
- ▶ TL fixed rate securities (excl. corporate bonds) classified as FVOCI is limited at 8% of total securities
- ▶ Positive real yielding CPI-linker portfolio (TL 127 bn & 83% of equity & 10% of total assets) to be NIM supportive in 2023
  - ◉ Every +1% CPI has c. TL 800 mn NI and +7 bps NIM & +45 bps RoE impact





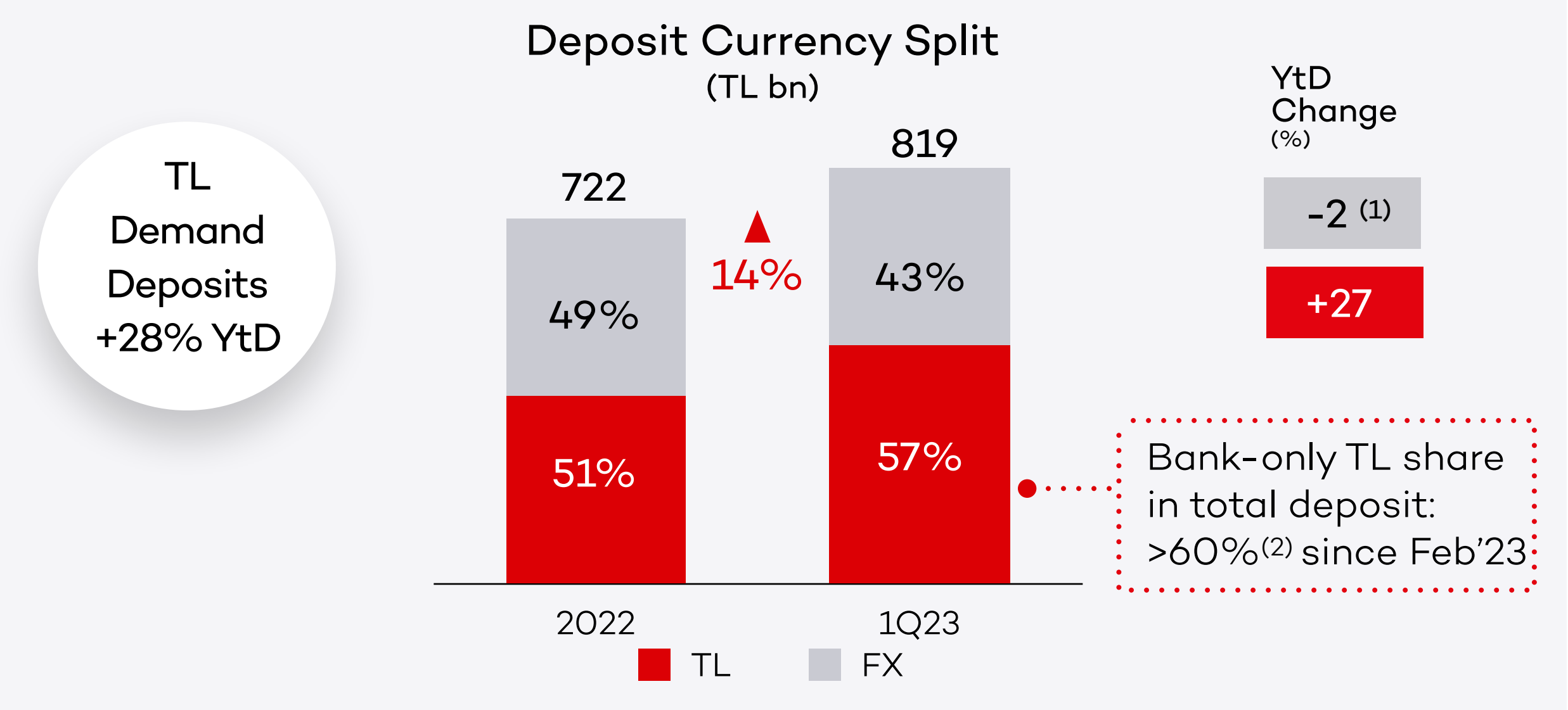
# Strategic positioning in high-yielding corporate bonds



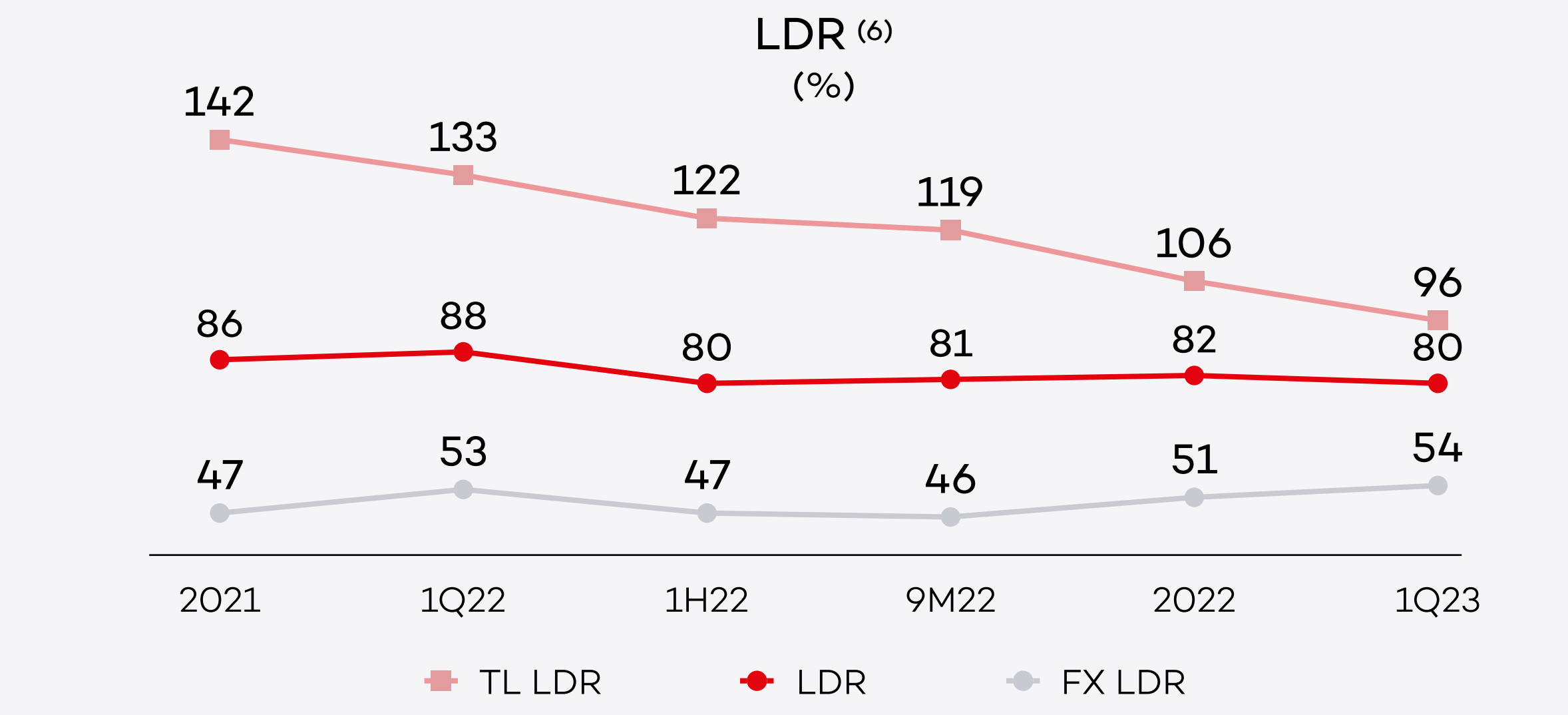
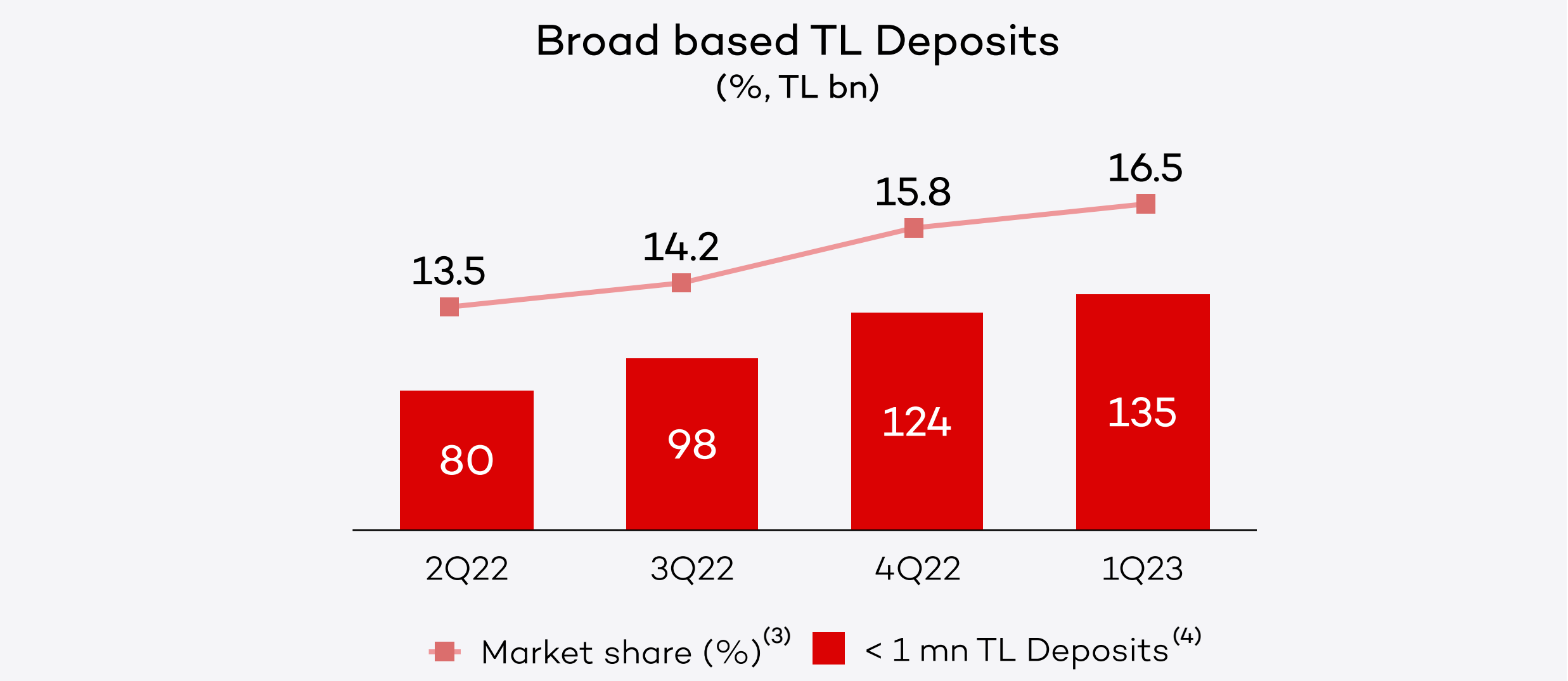
- ▶ Proactive purchase of fixed rate bonds for CBRT pledge with yields above current levels
  - ◉ Fixed rate bonds for CBRT pledge is down to TL 30 bn as of Apr'23 (2% of total assets) from TL 32 bn in 1Q23
- ▶ Leading positioning in corporate bonds in the sector
  - ◉ TL 18 bn, 1% of total assets
  - ◉ Average yield of 32% with less than 1 year maturity for fix rated corporate bonds



# Growth funded by solid customer deposits



- ▶ 65% of assets funded by solid deposit base
- ▶ Significant YtD market share gains among private banks in TL deposits: +180 bps in demand & +70 bps in less than TL 1 mn ticket size <sup>(4)</sup>
- ▶ Sticky & low cost TL Time Deposits <sup>(5)</sup> up +27% YtD with share in total TL time deposit at 64%
- ▶ Further 10 pp improvement in TL LDR YtD (on top of 35 pp in 2022) thanks to strong deposit franchise & market dynamics



12

(1) In USD terms  
(2) CBRT's securities maintenance ratio calculation incorporates bank-only figures  
(3) Among private banks  
(4) Based on bank only BRSA monthly data as of Feb'23  
(5) Consumer & SME according to MIS segmentation  
(6) Bank-only TL LDR includes domestic TL bond issuances and merchant payables



# Agile ALM with prudent & proactive maturity mismatch management

1Q23

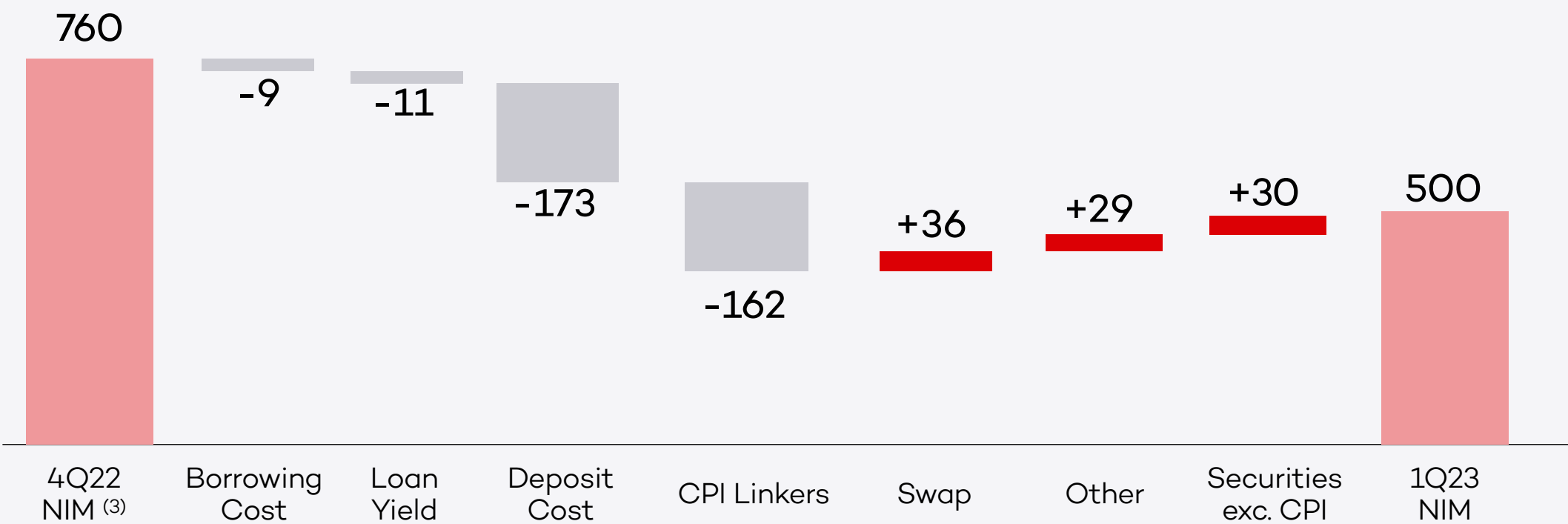
- ▶ 1Q23 NIM at 4.8% inline with FY guidance
- ▶ Strategically designed & well-positioned BS for quick recovery in core spreads
  - Lowest TL interest rate risk among peers with 2.9%  $\Delta$ EVE <sup>(1)</sup>
  - c. 80% of TL loan book will reprice / mature by 23YE<sup>(2)</sup>
- ▶ Strategically built CPI-linker portfolio
  - Every +1% CPI has c. TL 800 mn NI and +7 bps NIM & +45 bps RoE impact
  - 2023 Oct-Oct CPI linker valuation estimate: 35%
- ▶ Buffer remains with our 23YE CPI expectation at 45%
  - Quarterly net income would have been TL 2bn higher leading to RoA & RoE of 4.2% & 32.9%, respectively

2023  
Guidance

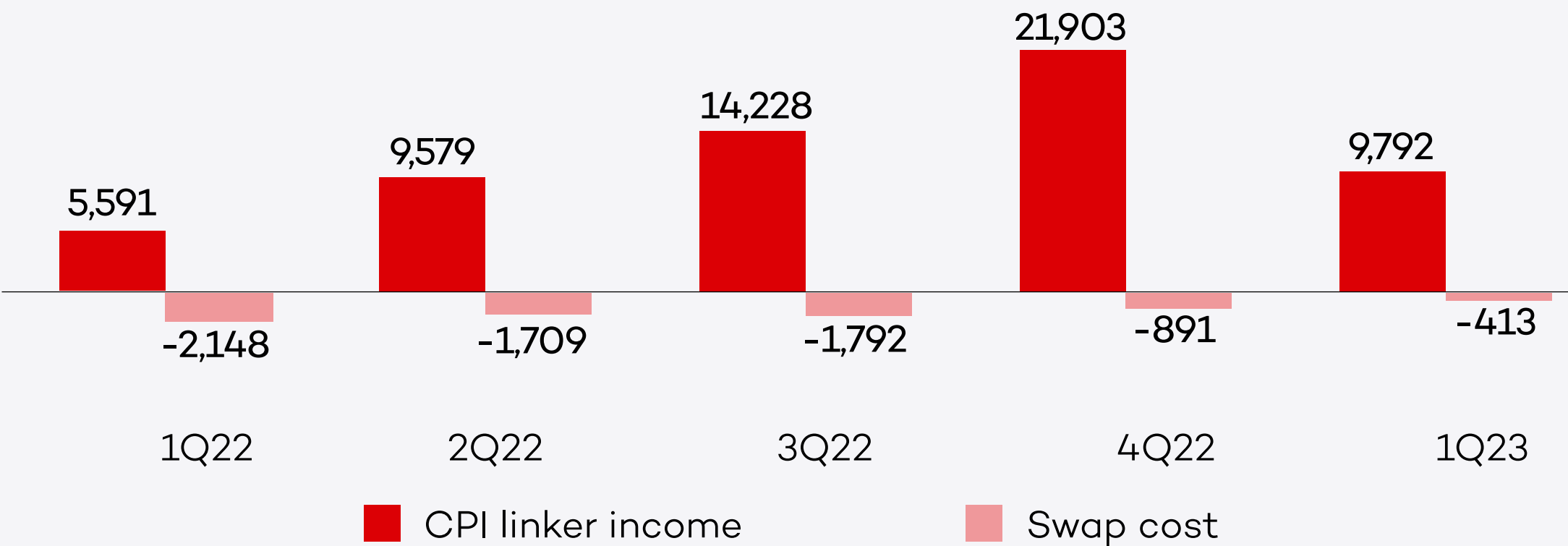
NIM (Swap Adj.): 4-5%

- ▶ Agile asset-liability management & proactive CPI linker positioning to be supportive for NIM evolution

Quarterly Swap Adj. NIM Waterfall (bps)



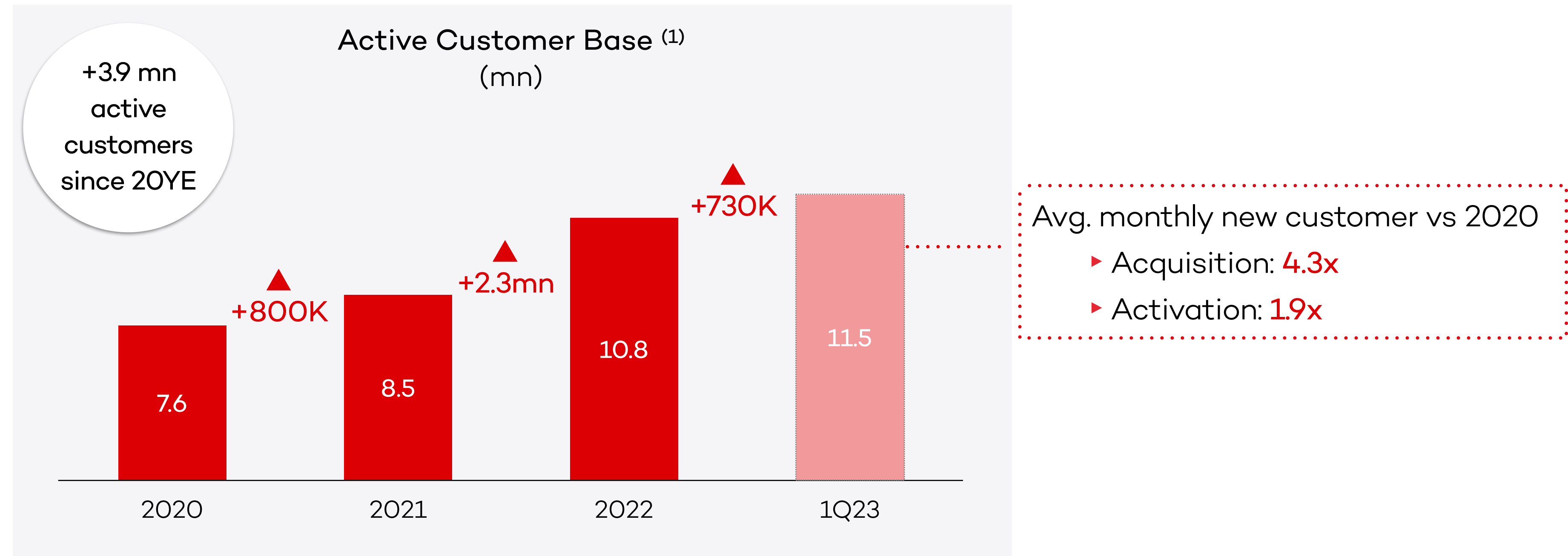
Quarterly Total Swap Cost & CPI Linker Income (TL mn)



(1) Change in Economic Value of Equity calculation for 500 bps increase in TL interest rate according to BRSA (2022 YE, Unconsolidated Financials)  
(2) Excluding CC, overnight and overdraft loans  
(3) 4Q22 NIM normalized for 85.5% Oct to Oct 2022 CPI



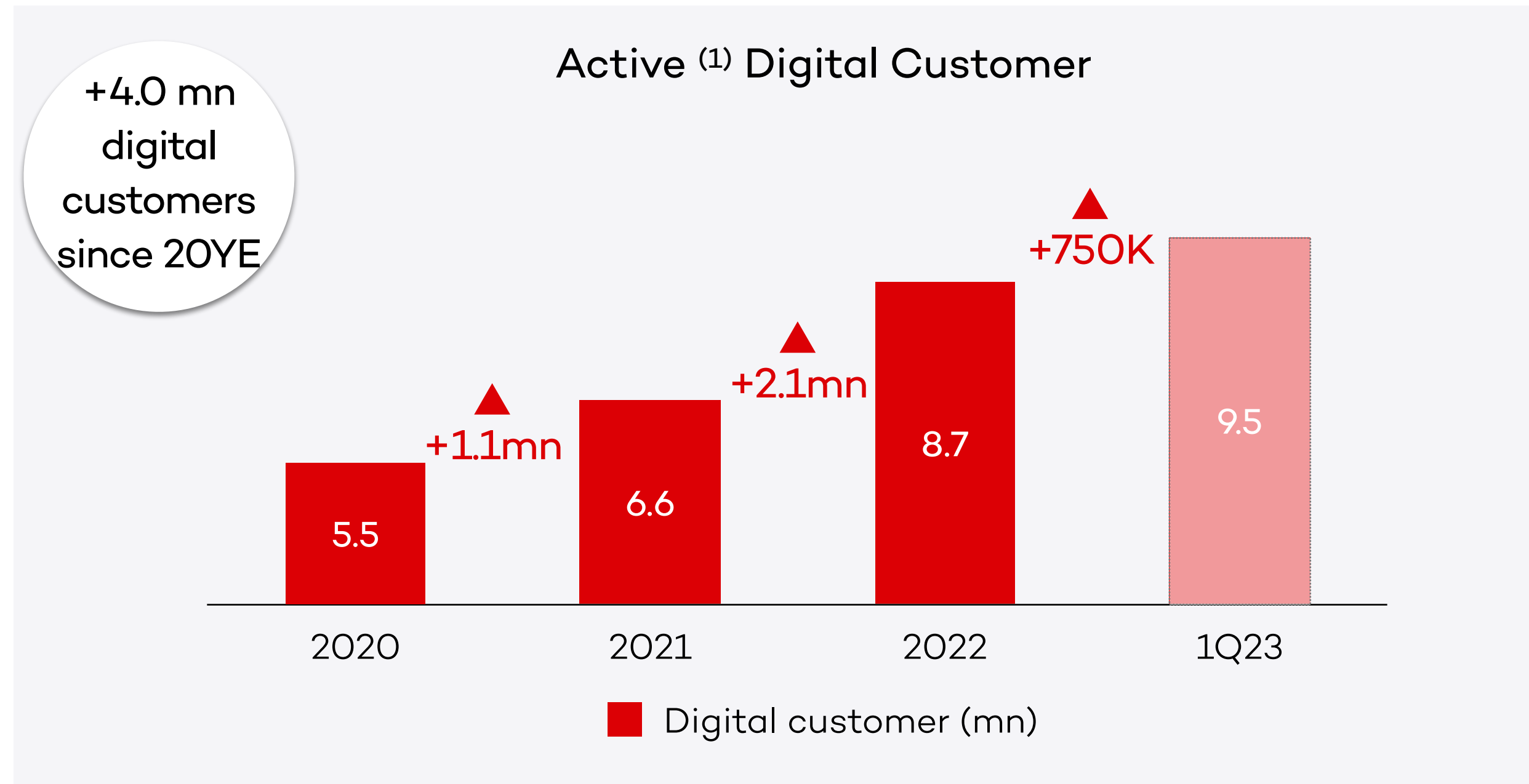
# Accelerated momentum in customer acquisition & activation



- Strong momentum in digital customer acquisition via DoB <sup>(2)</sup>
  - 60% of new to bank customer acquisition (+20pp vs 2022)
  - 4x monthly digital customer acquisition YoY
- Further penetrated in demand deposits and daily cash flow by almost doubling salary & pension customers
- Active young customer base (18-26) reached 1.7x YoY
- Boosted customer acquisitions with innovative offerings
- Customer-based revenue generation solidified with active product portfolio<sup>(3)</sup> +35% YoY, reaching all time high thanks to
  - Accelerated customer activation / acquisition
  - Higher x-sell



# Digitalization solidifies sustainable customer-based revenue growth



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

In 1Q23

**2x**  
Digital customer x-sell compared to non-digital

**86%**  
GPLs sold through digital channels

**69%**  
Credit Cards sold through digital channels

**95%**  
Digital channel migration of transactions <sup>(2)</sup>

**95%+**  
Share of digital in broad based time deposits

**70%**  
Bancassurance Products sold through digital channels



# Significant customer acquisition leads to outstanding fee performance

1Q23

**Payment Systems (+90% YoY, +16% QoQ)**

- ▶ Strong customer acquisition & new product innovations

**Business Loans (+158% YoY, +14% QoQ)**

- ▶ Increased volume and effective pricing in both cash & non-cash loans

**Wealth Management (+172% YoY, +1% QoQ)**

- ▶ Ak Asset Management #1 among peers with TAuM of TL 260 bn

**Bancassurance (+166% YoY, +26% QoQ)**

- ▶ Digital Bancassurance sales +256% YoY

**Money Transfers (+140% YoY, +54% QoQ)**

- ▶ Increased volume and effective pricing

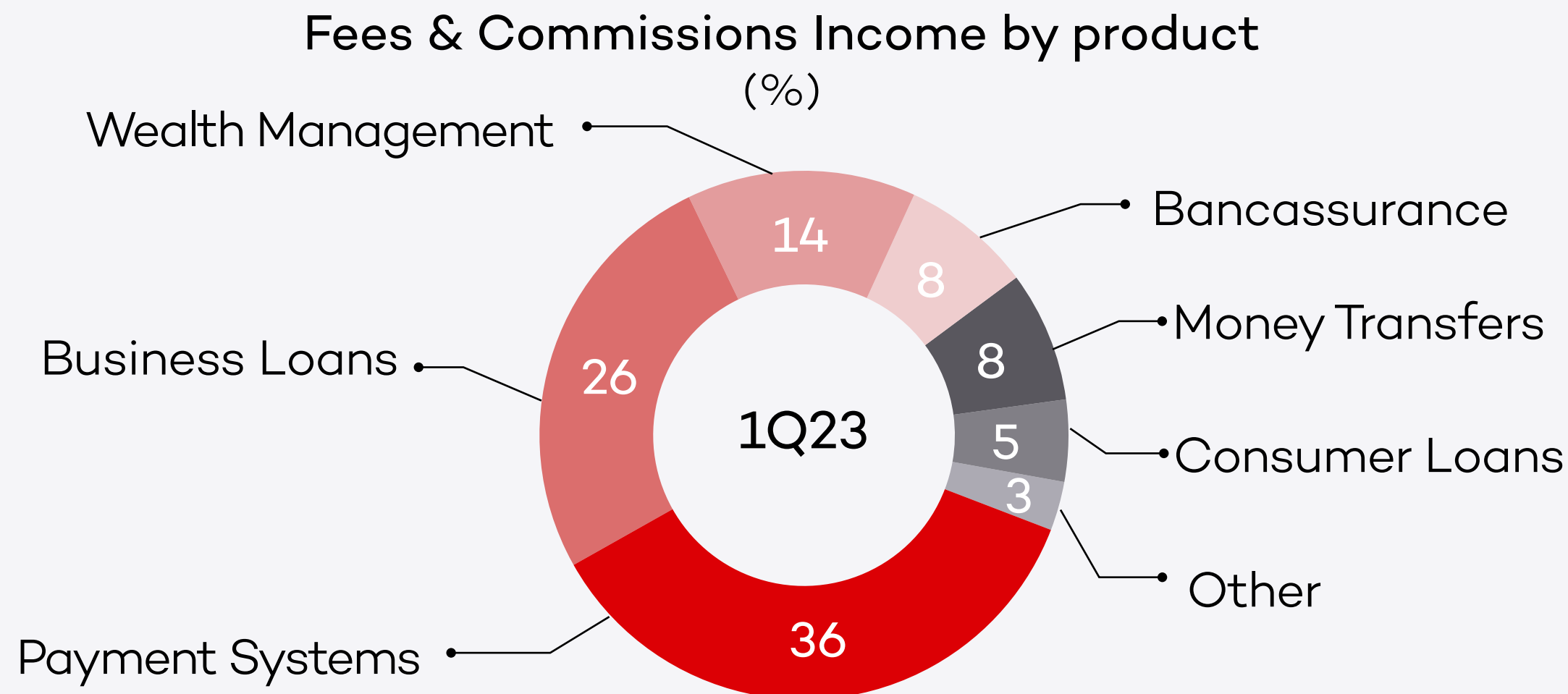
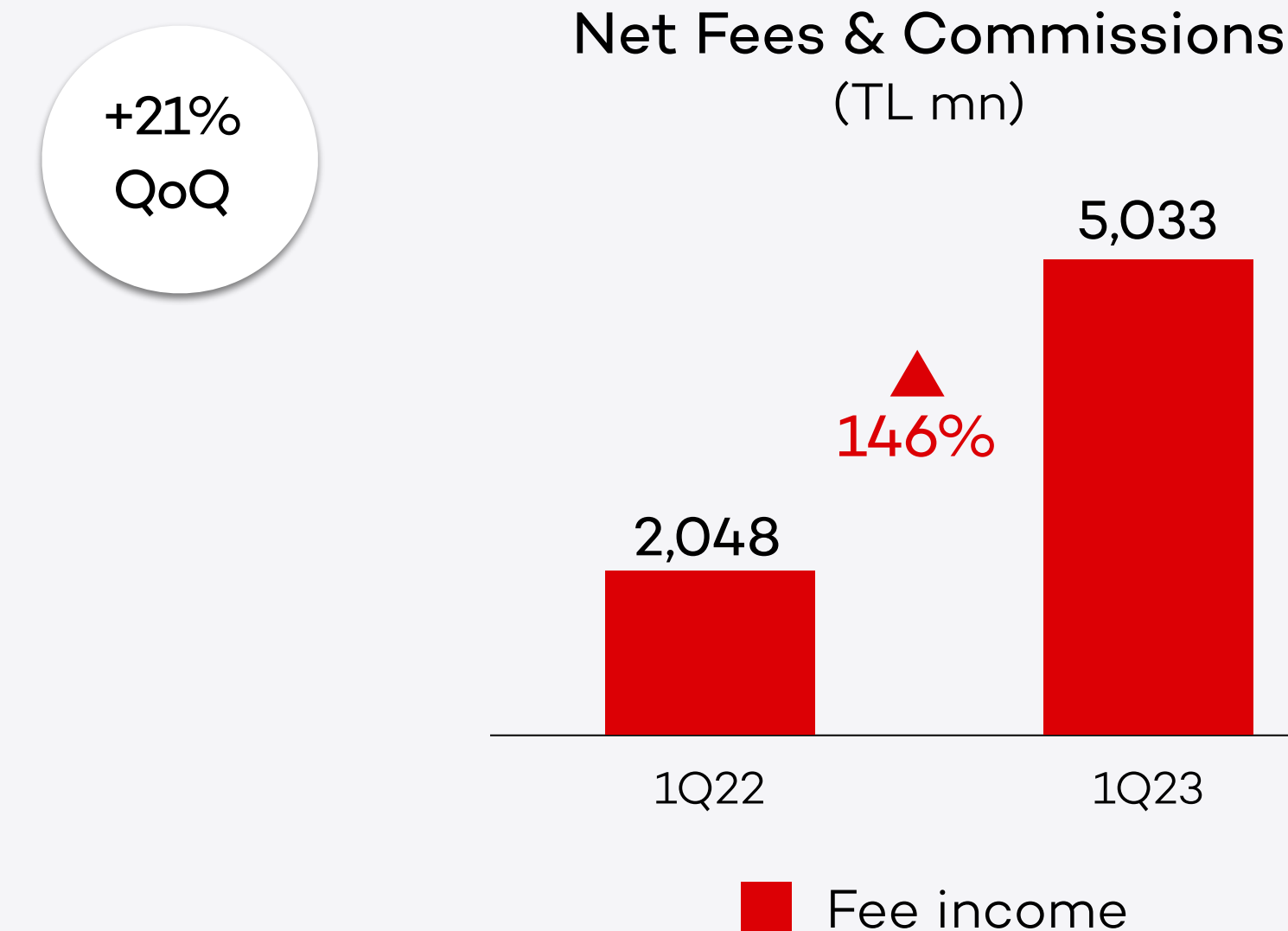
**Consumer Loans (+409% YoY, +53% QoQ)**

- ▶ Solid market share gains

**Net Fees & Comm. growth: ~ 60%**

- ▶ Across all business lines & customer acquisition driven
- ▶ Diversified product offerings & digital solutions supported by our sophisticated AI capabilities

2023  
Guidance



**AKBANK**



# Low opex base provides flexibility

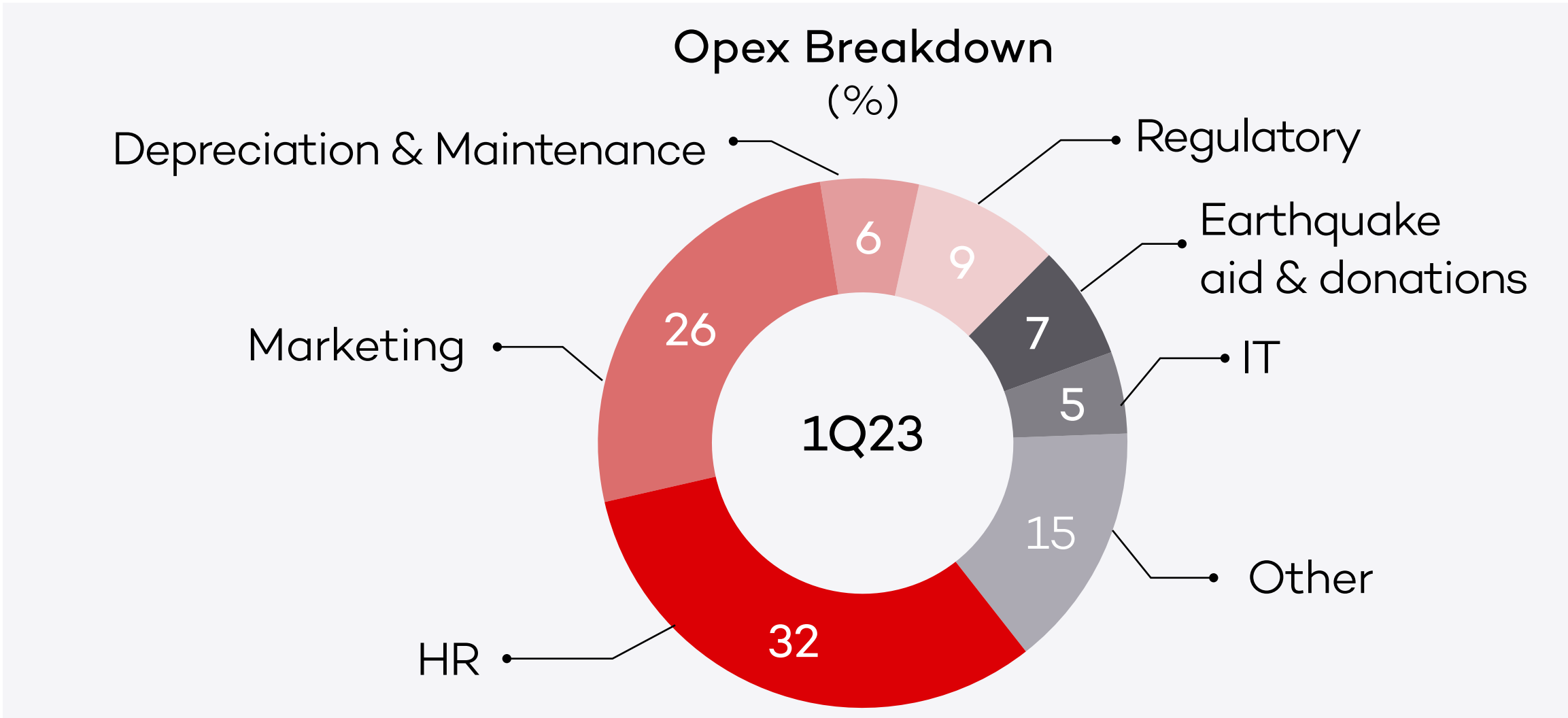
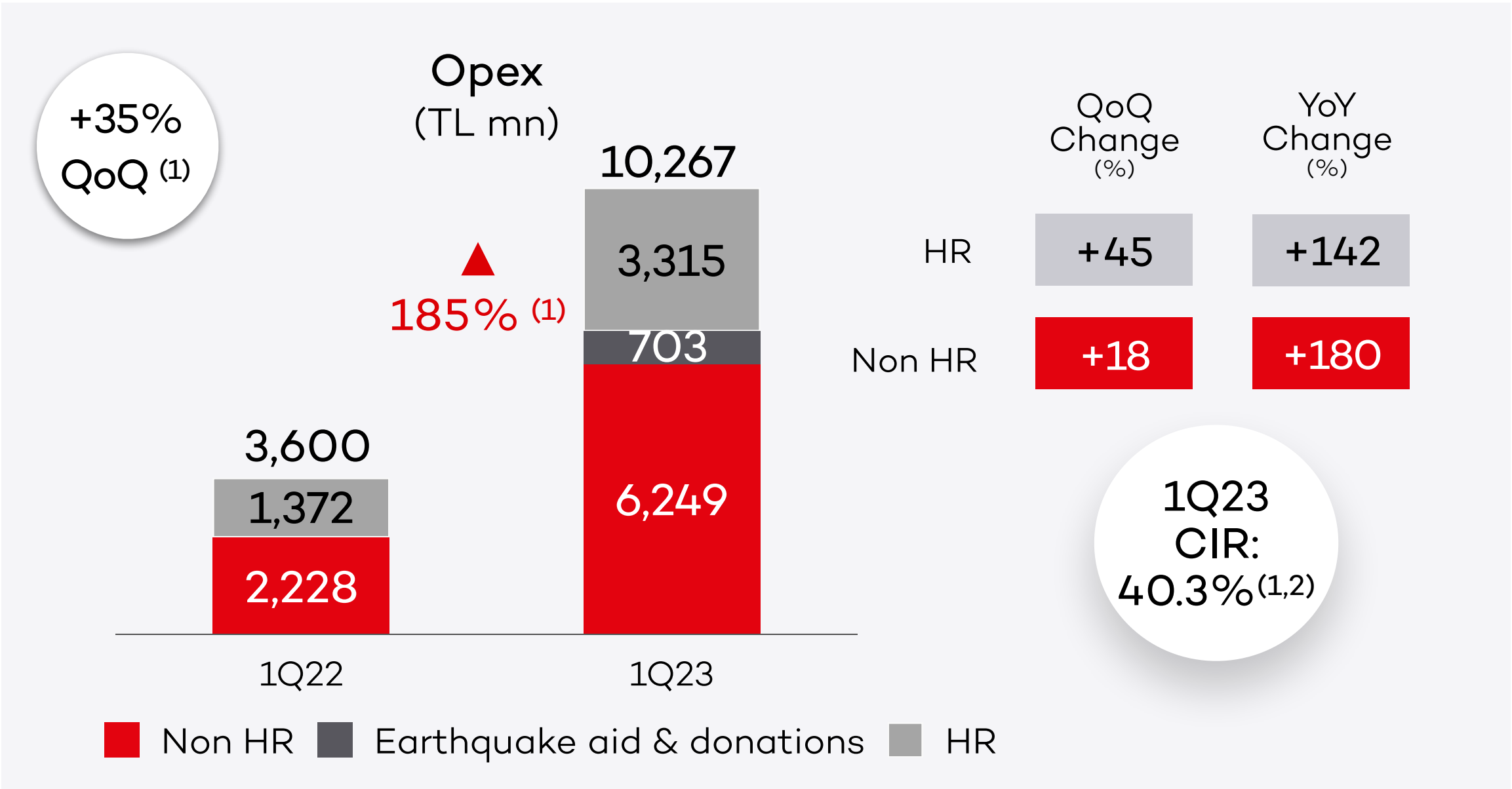
1Q23

- ▶ QoQ opex increase mainly driven by
  - Salary adjustments
  - ~TL 700 mn aid & donations related to earthquake
- ▶ Adjusted by ~TL 700 mn earthquake aid & donations opex increased by 166% YoY & 26% QoQ resulting in 37.5% CIR
- ▶ Share of marketing expense increased by 9 pps YoY serving customer acquisition initiatives for core revenue generation

2023  
Guidance

## Opex Increase: Improvement

- ▶ Cost discipline to remain in focus
- CIR: Low 30%'s
- ▶ Low opex base vs. peers creates notable advantage in high inflationary environment



17 (1) Excluding earthquake aid & donations opex increased by 166% YoY & 26% QoQ resulting in 37.5% CIR  
(2) CIR calculation excludes FX gain from hedge position related with stage 1&2 provisions

# Healthy loan portfolio thanks to prudent risk management

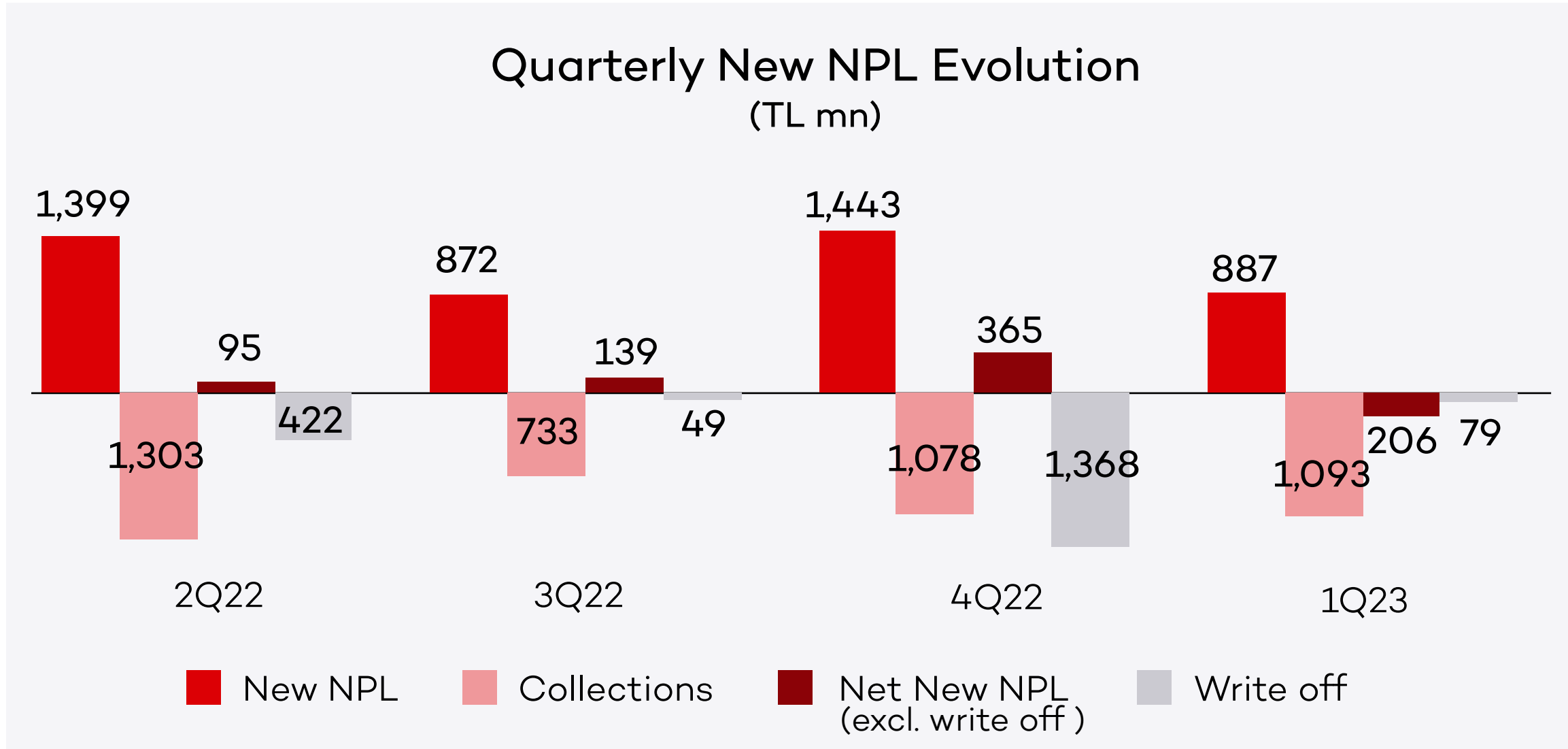
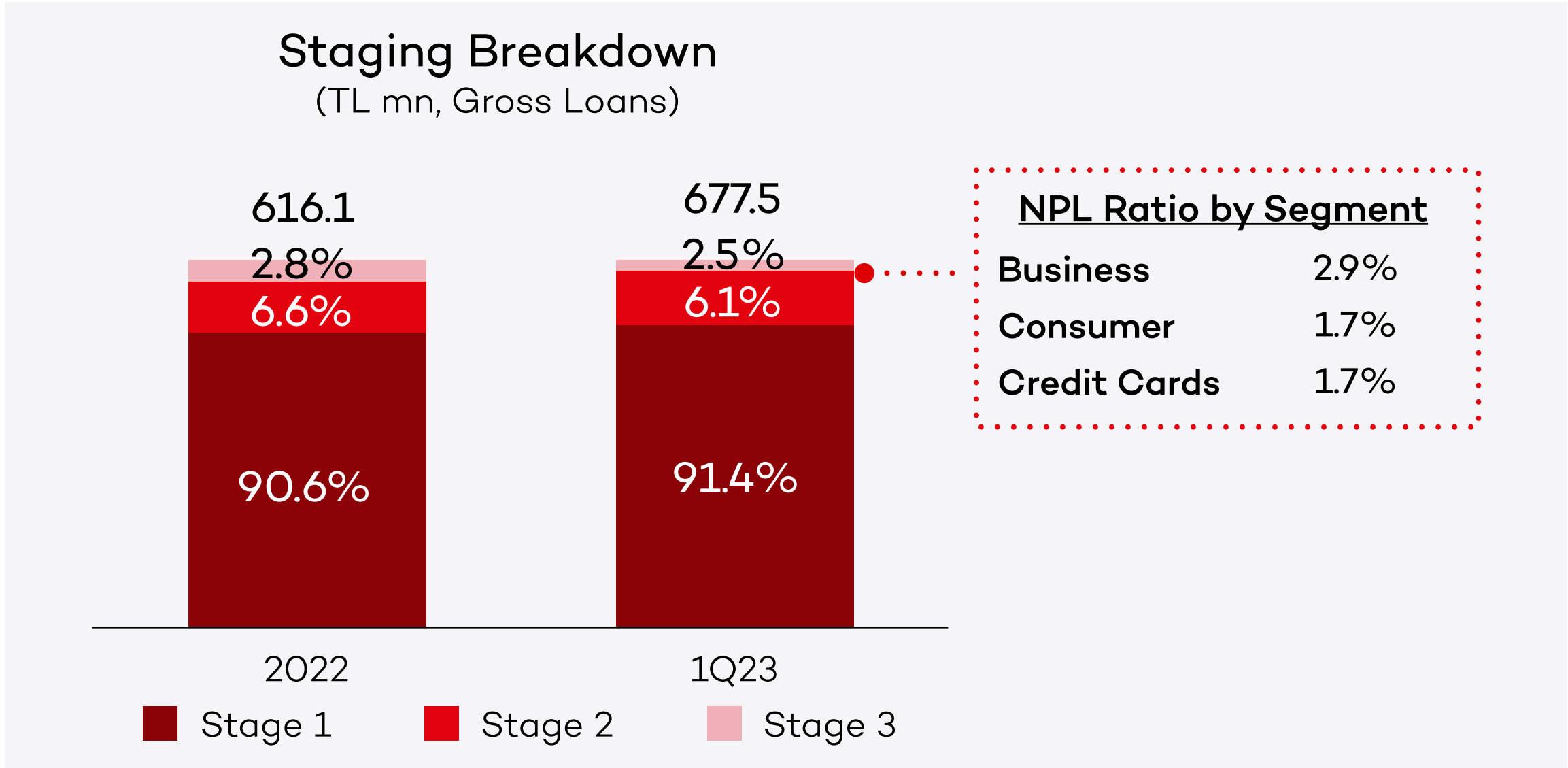
1Q23

- ▶ Strong repayment performance & limited inflow into Stage 2 (excl. currency impact) & Stage 3
- ▶ Negative net NPL inflow due to broad-based robust collection performance
- ▶ Stage 2+3 loans / total is limited to 8.6% with strong coverage

2023  
Guidance

2023 FY NPL ratio: < 3%

- ▶ We do not expect a material increase in NPL inflow





# Further provision build with increased coverages

1Q23

- ▶ Increased coverage across all stages reaching total provisions of TL 25.5 bn including free provisions
- ▶ CoC performance underlines proactive provisioning & healthy portfolio composition
- ▶ Net total CoC (excl. ccy impact) at 125 bps
  - 58 bps (TL 930 mn) due to earthquake related cautious provisioning
- ▶ FX provisions are hedged

2023 CoC (excl. currency): ~ 100 bps

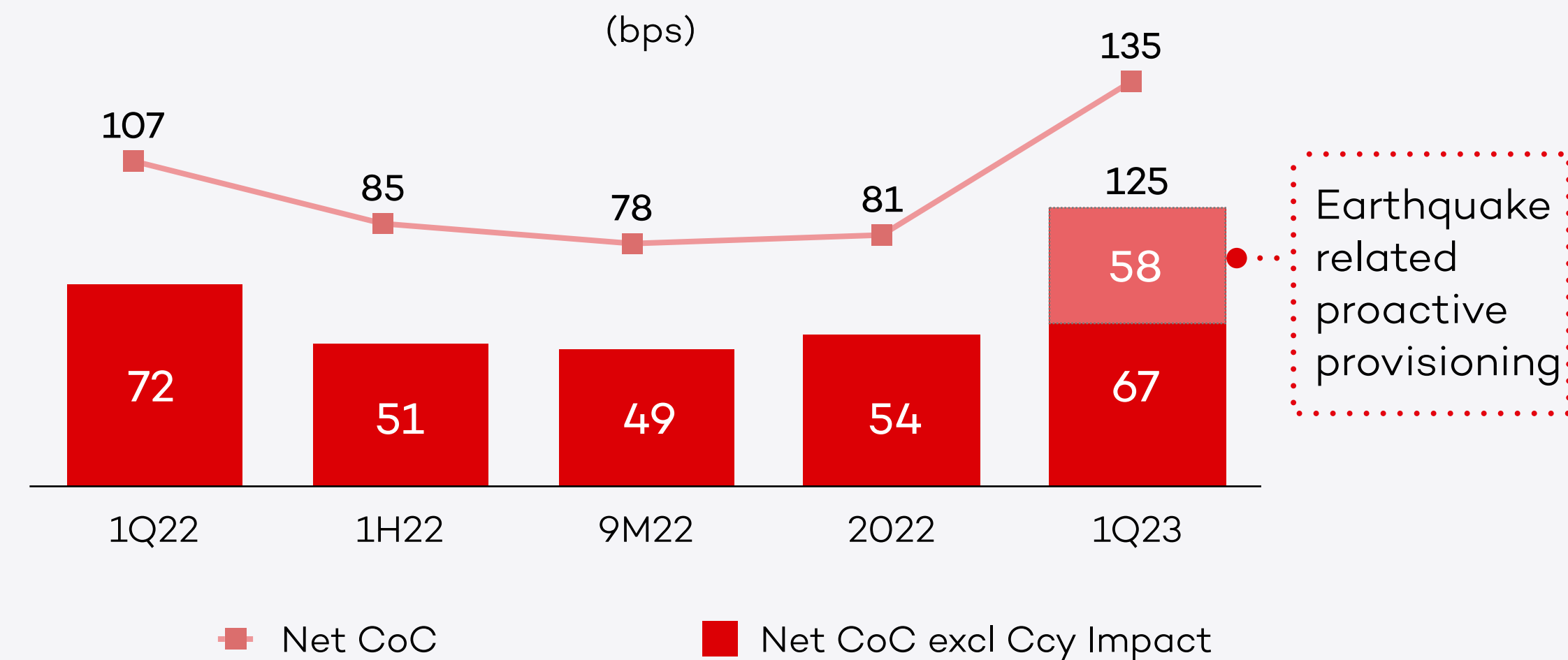
2023  
Guidance

- ▶ Significant provision build & solid collateral values to limit additional provision need
- ▶ Already strong coverages

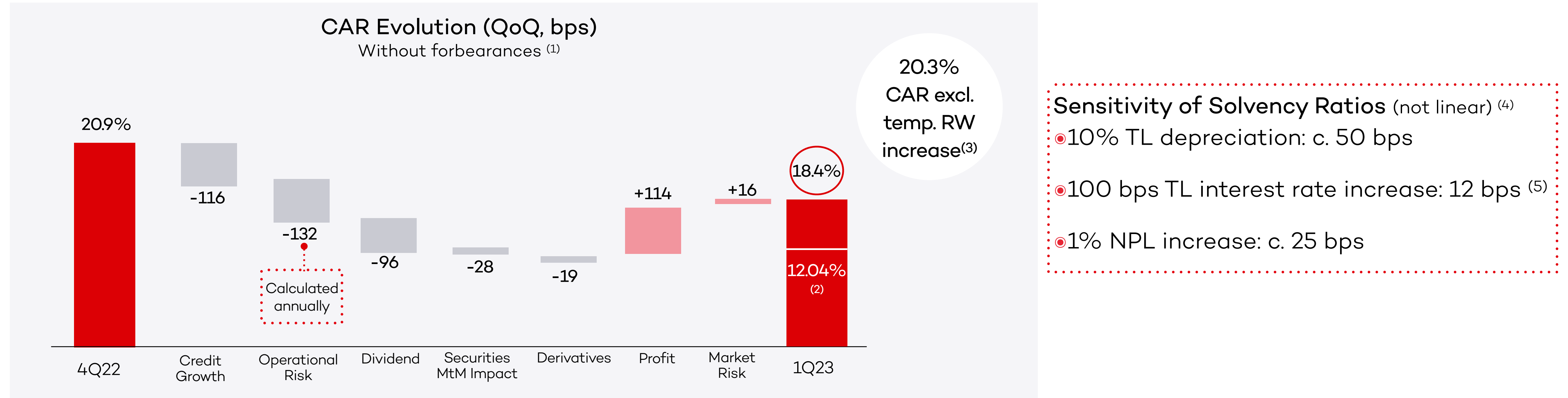
## Provision Build & Coverages

(%)	2022	1Q23
Stage 1 Coverage	0.7	0.8
Stage 2 Coverage	16.4	18.5
Stage 3 Coverage	67.6	69.7
Stage 2+3 Coverage	31.6	33.4
Total Provision Build <sup>(1)</sup> (TL bn)	21.9	24.1
Free Provisions (TL mn)	1,400	1,400

## Net Cumulative CoC Breakdown



# Superior capital buffers provide significant competitive advantage



(%, TL bn)	<u>CAR</u>	<u>Excess Capital</u> <sup>(6)</sup>	<u>Tier 1</u>	<u>Excess Tier 1</u> <sup>(6)</sup>	<u>CET-1</u>	<u>Excess CET-1</u> <sup>(6)</sup>
<u>Without forbearances</u>	18.4%	60.4	15.6%	52.3	15.6%	66.5
<u>With forbearances</u> <sup>(1)</sup>	18.9%	64.0	16.0%	55.7	16.0%	69.7

(1) Fixing MtM losses of securities & FX rate for RWA calculation to 2022YE FX rate

(2) Min Basel III required: Including buffers (Capital Conservation Buffer: 2.50%, D-SIB Buffer: 1.50% Countercyclical Capital Buffer: 0.04%)

(3) BRSA implemented higher RW for newly generated consumer CCs, GPLs (from 75% to 150%) & comm. loans excl. SME, export, investment (from 100% to 200%)

(4) Diminishing sensitivity for higher amount of changes

(5) Includes 20 bps real rate change for CPI-linkers (FVOCI)

(6) Basel III min. requirements: CAR: 12.04%, Tier-1: 10.04%, CET-1 8.54%



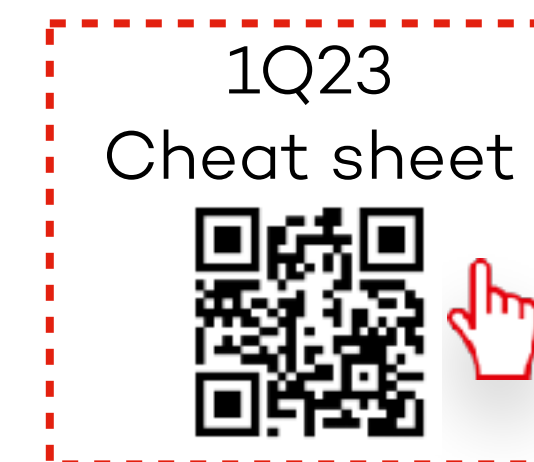
# On track with 2023 guidance

	2023 Guidance	1Q23
TL Loan Growth	~ 40%	14.3%
FX Loan Growth (in USD)	Low-single digit	0.6%
NIM (swap adj.)	4-5%	4.8%
Net fees & com. growth	~ 60%	146%
Opex increase <i>excl. earthquake impact</i>	Improvement <sup>(1)</sup>	185% <i>166%</i>
Cost/ income <sup>(2)</sup> <i>excl. earthquake impact</i>	Low 30%'s	40.3% <i>37.5%</i>
NPL	< 3%	2.5%
Net total CoC (excl. ccy impact) <i>excl. earthquake impact</i>	~ 100 bps	125 bps <i>67 bps</i>
ROE <i>excl. earthquake impact</i>	~ 30%	27.9% <i>30.9%</i>

## 2023 Guidance Key Drivers

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

- 1 Retail driven growth with sustainable profitability & healthy market share gains in focus
- 2 Boosting customer acquisition with disruptive new offerings
- 3 Leveraging robust solvency ratios & strong efficiency
- 4 Taking advantage of advanced analytics & cutting-edge technology
- 5 Non-stop investments in our people & future of work
- 6 Mitigating environmental footprint while increasing positive impact



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21 (1) Indicates lower increase YoY compared to 2022  
(2) CIR calculation excludes FX gain from hedge position related with stage 1&2 provisions

# Sustainable finance for green & inclusive transformation

1Q23

## On track for long-term goals in sustainable finance

- ▶ Provided TL 18 bn in sustainable finance <sup>(1)</sup>
- ▶ Total ESG-themed funds AuM reached TL 1.5 bn, with 66K investors

April'23

- ▶ Published revised Sustainable Finance Framework with SPO in April
  - ◉ More comprehensive green and social use of proceeds
  - ◉ Further integration of EU Taxonomy
  - ◉ New green and social categories (ex. hydrogen, climate adaptation, disaster relief)

## ESG share in total wholesale funding transactions reached 49%

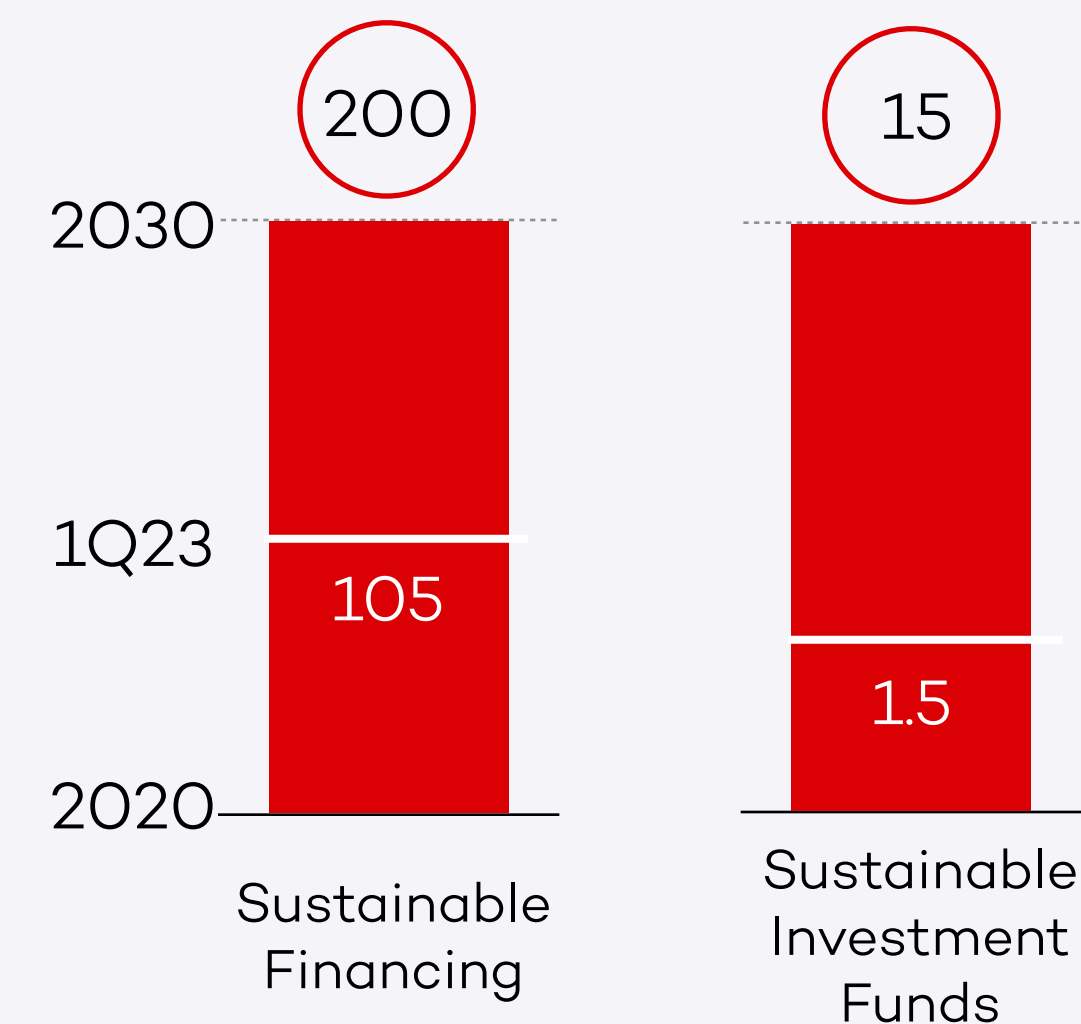
- ▶ Türkiye's first syndicated social loan in April 2023, providing USD 500 mn for trade finance transactions in the earthquake area

2023  
Outlook



- ▶ Sustainable Finance Framework revised with recent trends, to be published with SPO
- ▶ Continue focus on ESG-linked funding
- ▶ Introduce Responsible Investment Policy
- ▶ Support decarbonization by engaging with customers and product innovation

## Progress on Sustainable Finance Targets (TL bn)



For more on sustainable finance





# Advance efforts to mitigate environmental footprint & manage climate risk

1Q23

## Spatial climate risk analysis for PF portfolio

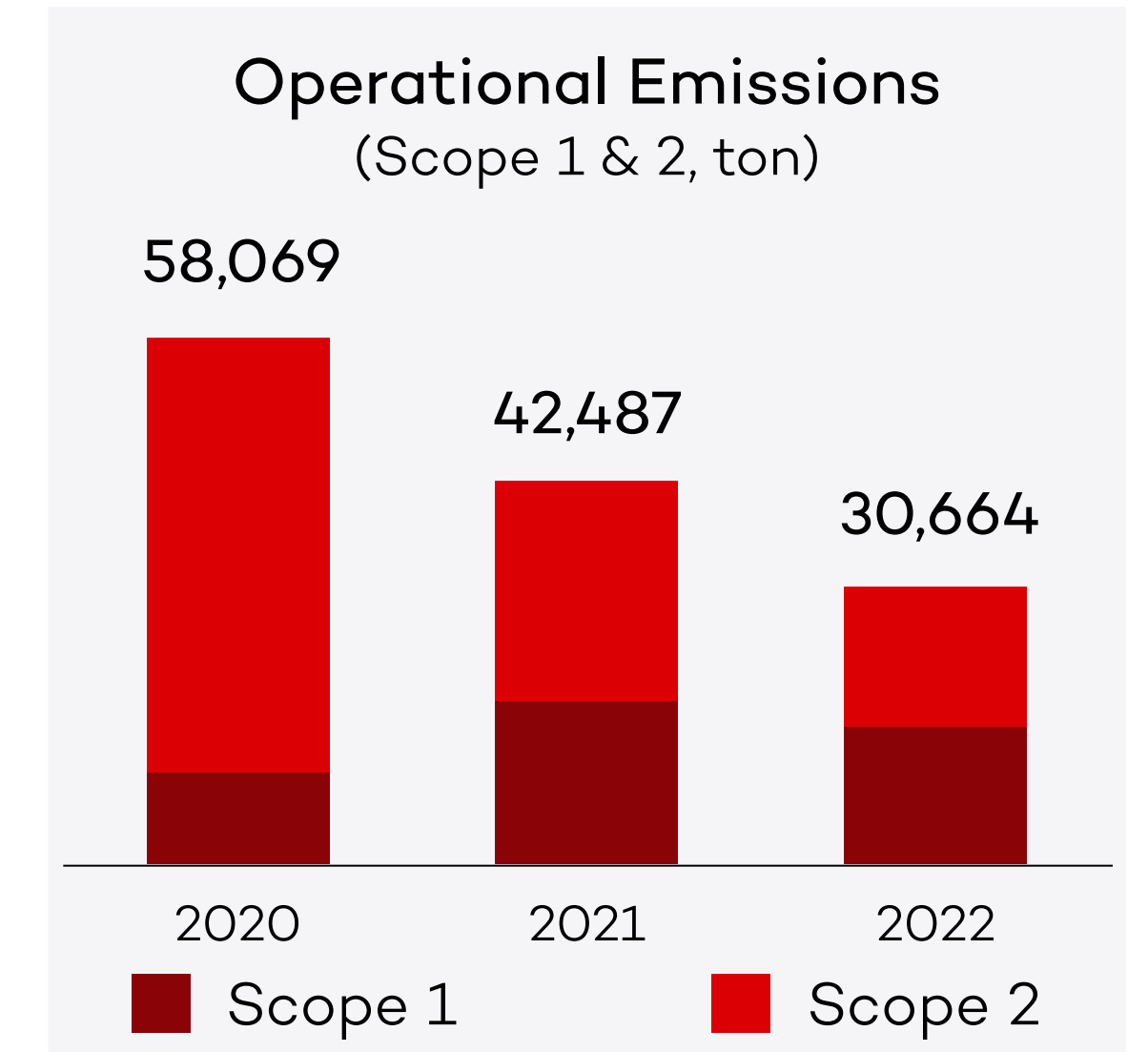
- ▶ Addressing location and sector-specific climate risks for all PF loans

## On track to become carbon-neutral in operational emissions by 2025

- ▶ 28% YoY reduction in Scope 1 and 2 emissions in 2022
- ▶ 100% of bank's electricity sourced from renewable resources
- ▶ Capacity building in energy efficiency and waste management
  - ISO 50001 (Energy Management) & 14001 (Environmental Management) trainings completed in 45% of branches (+ 300 branches in total)

2023  
Outlook

- ▶ Launch decarbonization roadmap for portfolio and operations, with interim targets to reach net zero by 2050
- ▶ Expand ISO 50001 & 14000 certificates to include to more branches
- ▶ Increase electricity sourcing from renewable resources
- ▶ Publish 1<sup>st</sup> TCFD report



For more, please see  
our integrated report

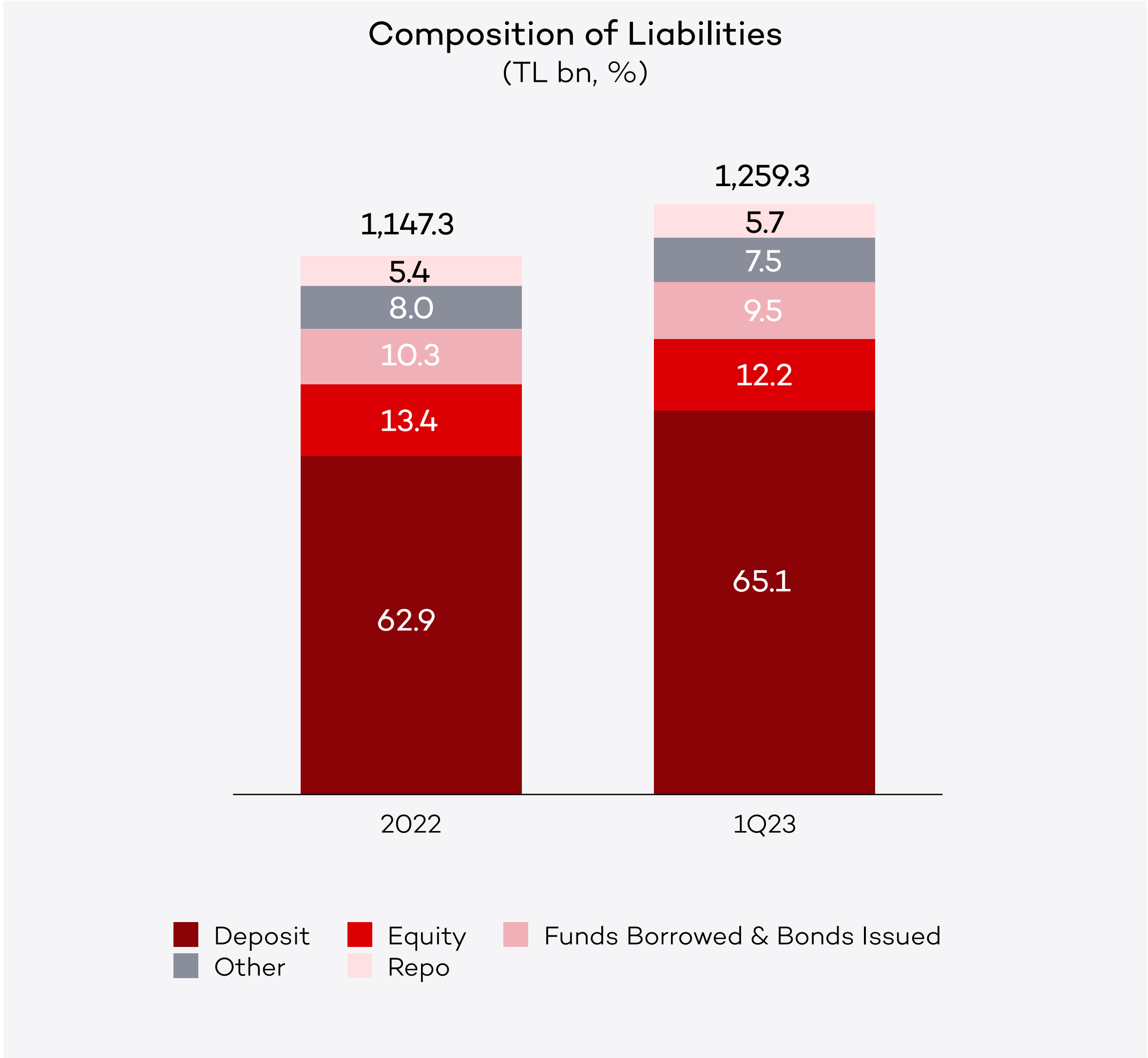
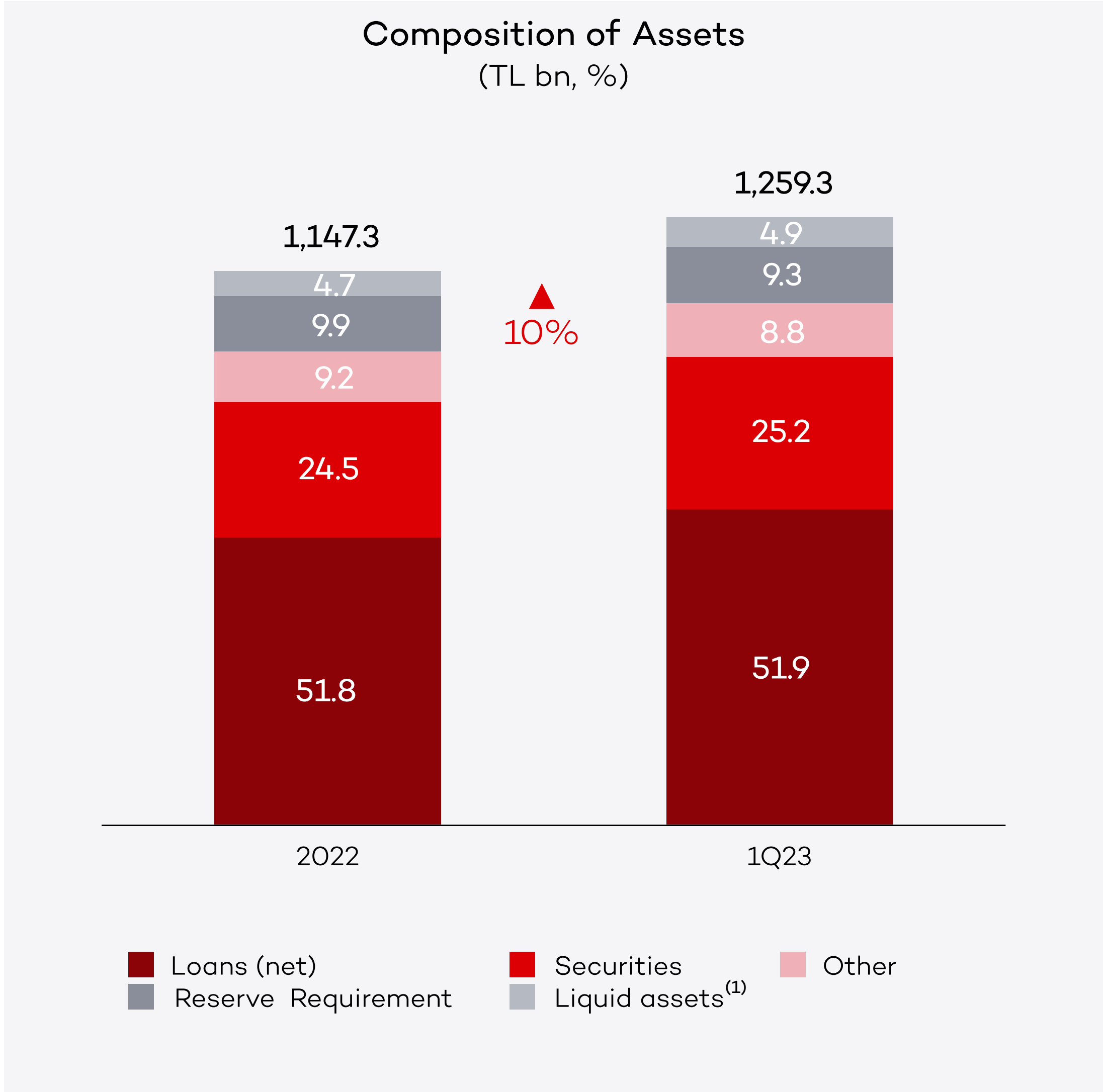


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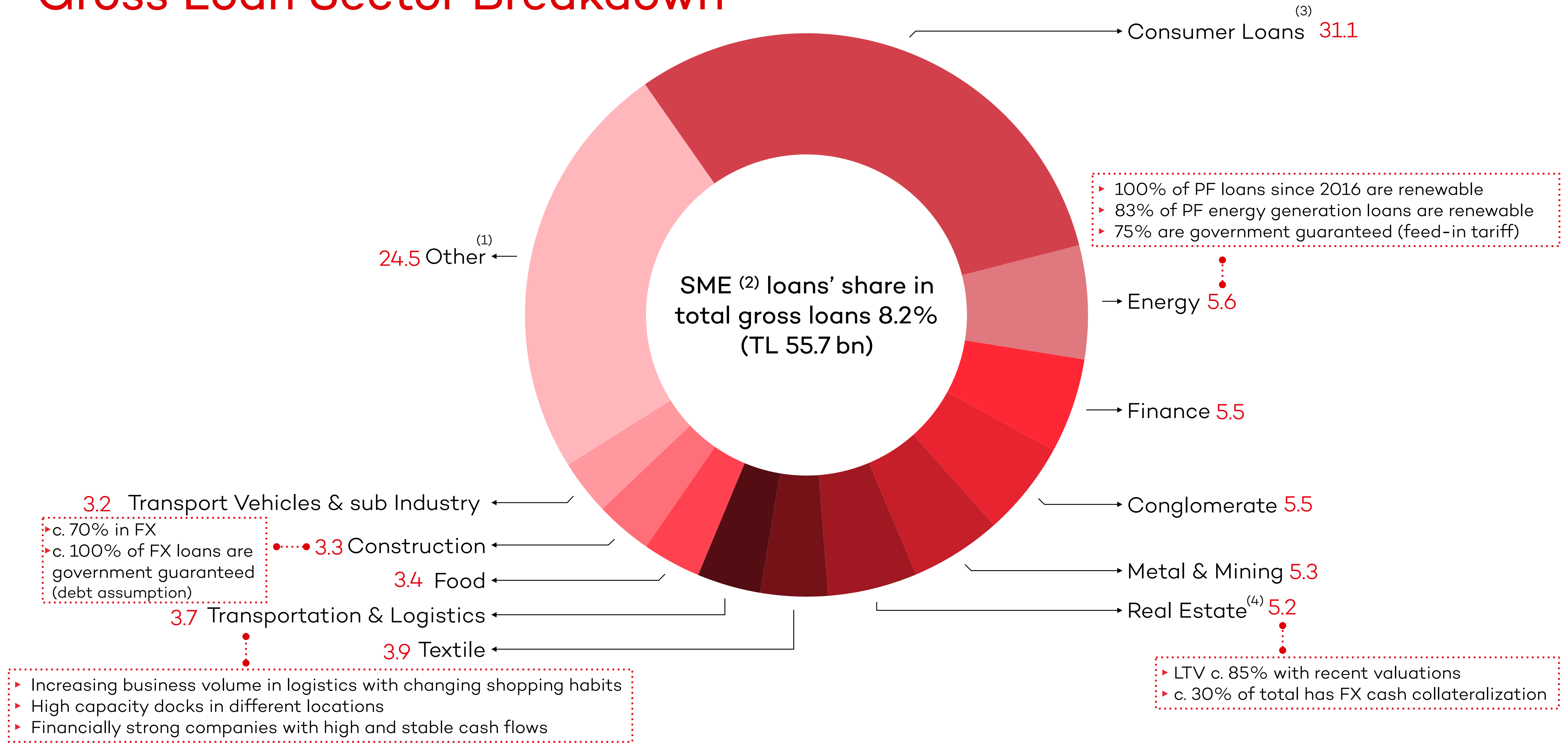
## 01 Annex



# Balanced asset allocation drives sustainable long-term shareholder value



# Gross Loan Sector Breakdown



Consists of consolidated performing and non-performing cash loans & excludes leasing receivables

(1) Loan concentration below 3%

(2) According to MIS segmentation

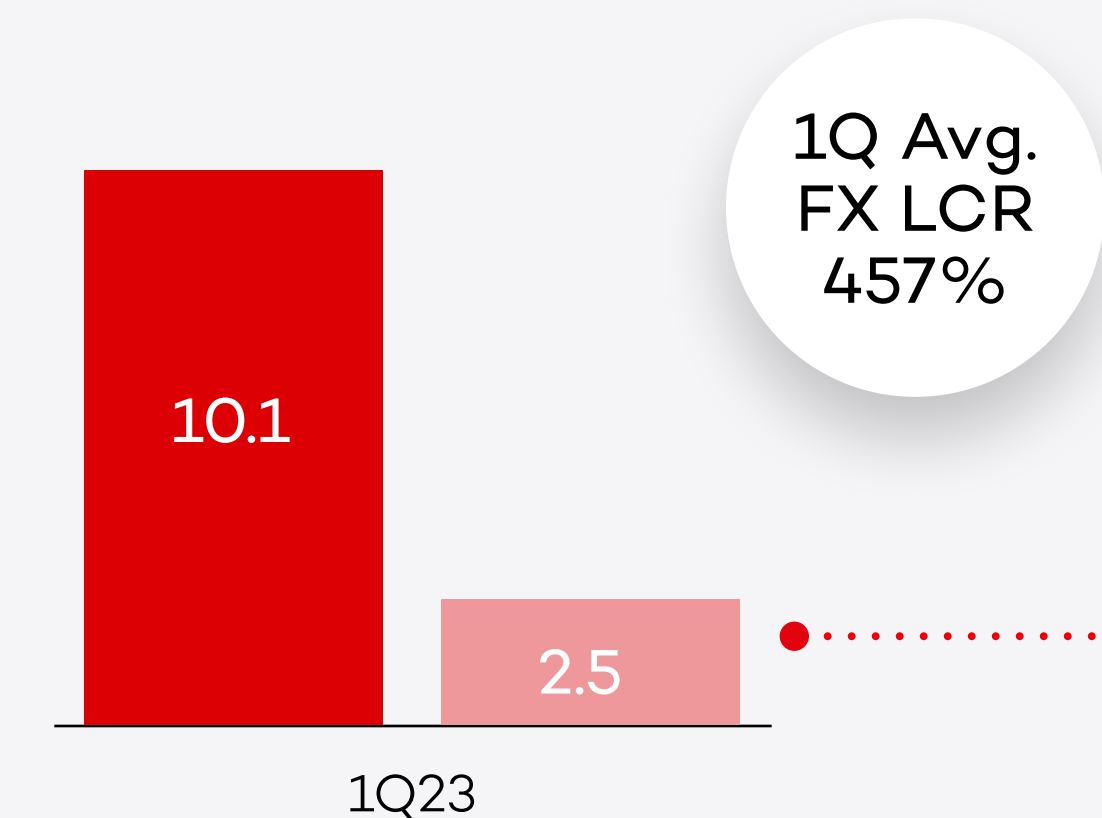
(3) Including credit cards

(4) Assuming Decree 32 to be implemented perpetually



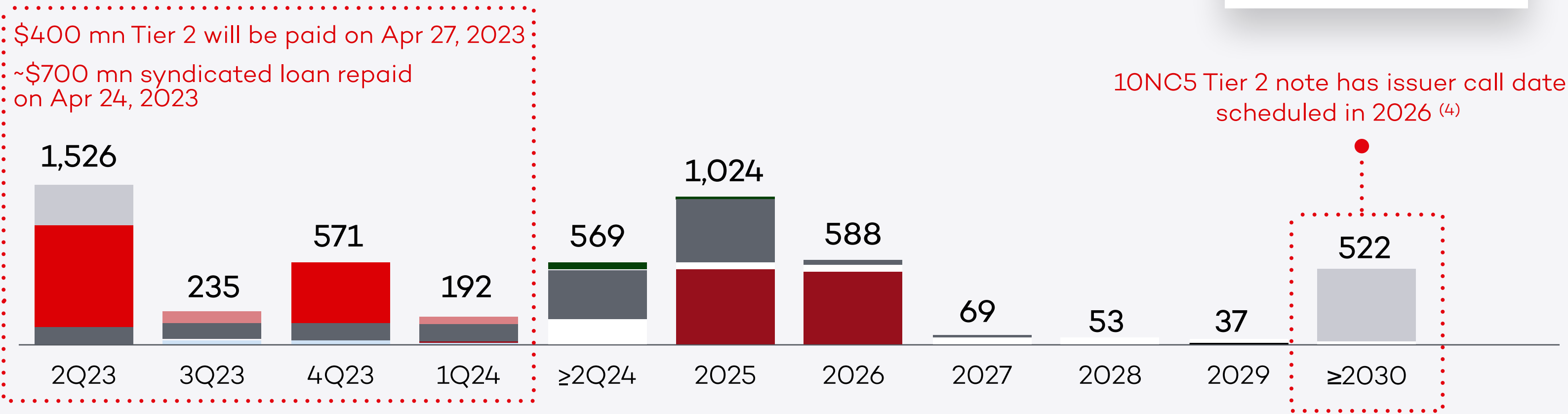
# ESG remains key priority in wholesale funding

Wholesale Funding vs FX Liquidity Buffer  
(USD bn)



ST portion of Wholesale Funding <sup>(1)</sup>  
FX Liquidity Buffer <sup>(2)</sup>

Wholesale Funding Maturity Profile  
(USD mn)



Covered Bond <sup>(3)</sup> Eurobond GMTN Multilateral Securitisation Syndicated Loan Tier 2  
Trade Finance Green Bond

Total sustainable funding share in wholesale transactions is at 49%

As communicated regularly to our investors, we continuously evaluate opportunities as part of our prudent and diligent liquidity and capital management and to duly take the necessary actions. In this regard, we continuously monitor windows of opportunities to issue debt instruments in Turkish lira or foreign currency, domestically or abroad, including senior and/or Tier 2 issuances. We will promptly inform our investors on any developments accordingly.

Balances based on principal outstanding and bank-only MIS data

(1) ≤ 1 year tenor

(2) Consolidated FX liquidity buffer includes FX reserves under ROM, swaps, money market placements and CBRT eligible unencumbered securities

(3) USD equivalent of TL 14 bn Covered Bond issuances

(4) Call exercise in year 5 is subject to BRSA approval

# Successful Wholesale Borrowings

## Syndicated Loans

- ▶ April 2023 Syndicated Loan ~ USD 500 mn
  - ◉ USD 245.5 mn, 367 days tranche @ Sofr+4.25% & EUR 233 mn, 367 days tranche @ Euribor+4.00%
  - ◉ 1<sup>st</sup> syndicated social loan in Türkiye which will be used to support the trade finance transactions of our customers affected by the earthquake
- ▶ October 2022 Syndicated Loan ~ USD 400 mn
  - ◉ USD 225 mn, 367 days tranche @ Sofr+4.25% & EUR 177.5 mn, 367 days tranche @ Euribor+4.00%
  - ◉ Akbank's fourth ESG-linked loan with performance criteria similar to April'22 facility

## IFI Loans 1Q23

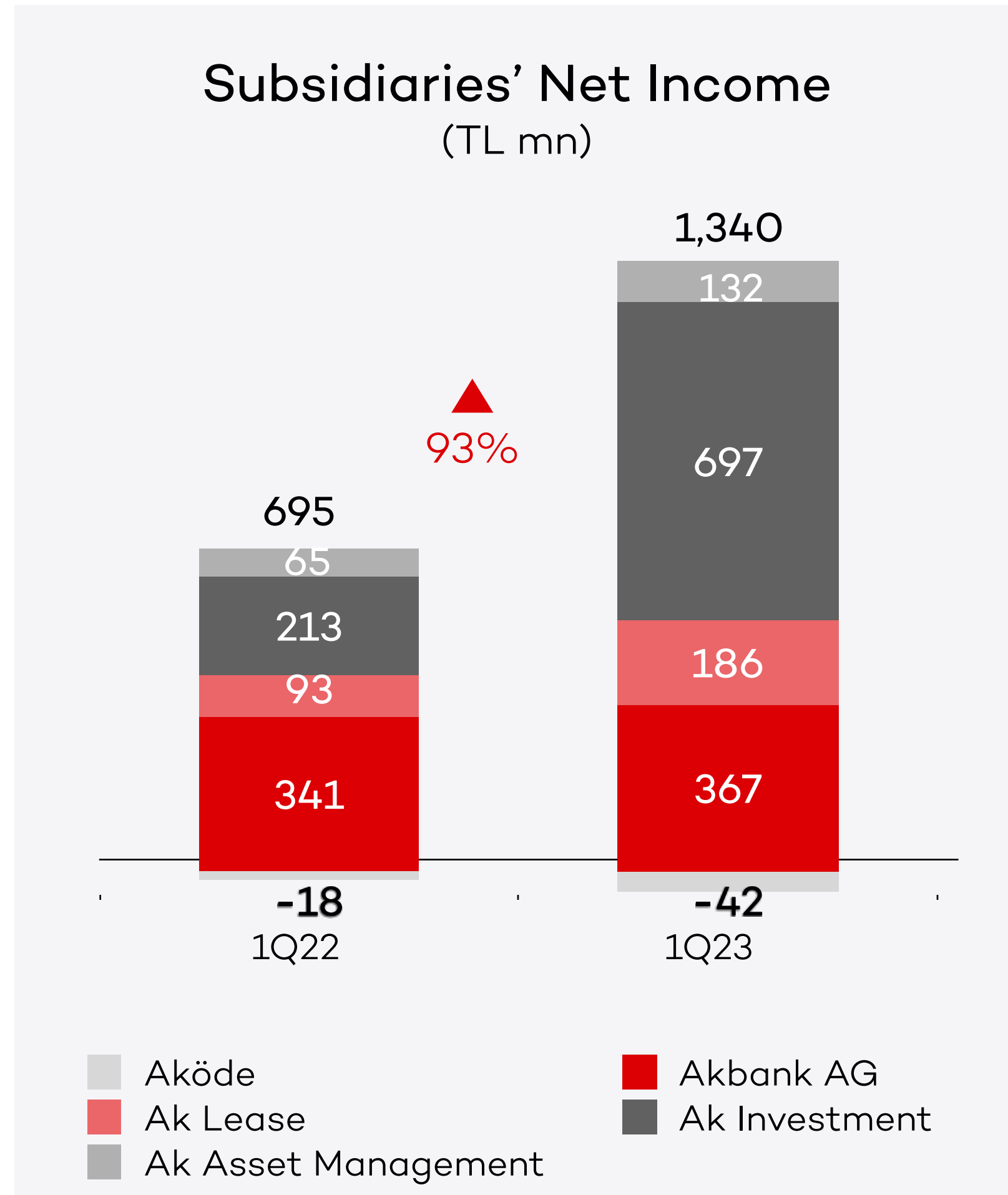
- ▶ Proparco Loan, USD 50 mn
  - ◉ 7 year maturity
  - ◉ SMEs for green projects (renewable energy & energy efficiency) & women entrepreneurship

## Bonds 1Q23

- ▶ RegS Senior Unsecured Social Bond, USD 11.5 mn
  - ◉ 1 year maturity
  - ◉ Priced @ 6.85%
  - ◉ Self-arranged issuance



# Strong presence in financial industry



## **AKBANK AG** / Banking 100%

- ▶ Flagship of Akbank Group in Europe
- ▶ Total assets of EUR 3,931 mn and equity of EUR 956 mn
- ▶ Contribution to net income stands at 3% in 1Q23

## **AKLease** / Leasing 100%

- ▶ Net lease receivables market share of 11.8% <sup>(1)</sup>

## **AKYatırım** / Brokerage 100%

- ▶ Leader in corporate bond issuances <sup>(2)</sup> with 63% market share in 1Q23
- ▶ One of the leading intermediary institutions in equity public offerings <sup>(3)</sup> with USD 1.6 bn transaction size btw 2011-1Q23
- ▶ Leader in FX markets margin trading among bank affiliated brokerage houses with 18% market share in 4Q22

## **AKPortföy** / Asset Management 100%

- ▶ Leader in:
  - ◉ Total AuM with TL 260 bn <sup>(4)</sup>
  - ◉ Pension fund management with TL 80 bn AuM, 17.4% market share
  - ◉ Mutual fund management with TL 122 bn AuM, 13.1% market share
  - ◉ DPM with TL 55 bn AuM

## **AKÖde** / E-Money 100%

- ▶ Tosla, first mobile application of AkÖde was launched at Sep'19
- ▶ AKÖde POS, virtual POS & Link Payment products for consumers & merchants
  - ◉ User friendly product without rent cost, transaction fee & turnover commitment

(1) As of Feb'23

(2) Excluding issuances of banks and affiliated companies. All data are based on BIST

(3) Excluding privatization transactions

(4) Among private institutions

# Innovative products & services to enhance businesses and financial health

1Q23

## Empowered SMEs with financial support

- ▶ USD 50 mn secured from Proparco for Eco Transformation Package

## Non-financial support for SMEs

- ▶ New partnerships with leading technology and e-commerce companies, such as SolarVis (a B2B company supporting digitalization of solar energy providers)

## Fostered sustainable entrepreneurship ecosystem

- ▶ Türkiye's 1st full time spin-off program Akbank+ provided a total of USD 1 mn for 2 start-ups founded by Akbank employees
  - ◉ Waste Log: digitalizing waste management processes
  - ◉ Voltla: offering solutions for EV route planning



- ▶ Continue to support green transformation journey of SMEs and women-owned SMEs
- ▶ Offer tailor-made programs to customers to enhance digital & financial literacy
- ▶ Further strengthen accessible banking through innovation

For more on how we empower SMEs



**AKBANK**



# Empowering our people and communities

1Q23

## Active support for humanitarian efforts in disaster-struck areas

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

## Further strengthened D&I culture

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

For more on  
D&I



2023  
Outlook

- ▶ Continue efforts for a more diverse & inclusive workplace, with focus on women, youth, vulnerable groups
  - ◉ Flagship projects include "Strong Women in Technology", "Role Model Akbank", and "Accessible Akbank"
- ▶ Support our youth with leading education and financial literacy programs

**AKBANK**

# Snapshot of Results

	1Q22	1H22	9M22	2022	1Q23
Profitability (%)					
ROE	38.6	47.1	51.5	54.7	27.9
ROE, Quarterly	38.6	54.2	59.6	62.3	27.9
ROA	4.0	4.9	5.6	6.2	3.6
ROA, Quarterly	4.0	5.7	6.7	7.9	3.6
Swap Adj. NIM	5.05	6.16	7.09	8.25	5.0
Swap Adj. NIM, Quarterly	5.05	7.16	8.63	11.12	5.0
CIR <sup>(1)</sup>	23.5	18.4	18.2	19.0	40.3
CIR, Quarterly	23.5	16.4	18.0	19.4	40.3
(%)					
Total LDR <sup>(2)</sup>	88	80	81	82	80
TL <sup>(2)</sup>	133	122	119	106	96
FX	53	47	46	51	54
Leverage (x)	9.4	9.6	8.5	7.5	8.2
Asset Quality (%)					
NPL Ratio	4.0	3.5	3.3	2.8	2.5
Stage 3 Coverage	65.7	68.2	68.8	67.6	69.7
Stage 2/ Total Gross Loans	8.7	7.8	7.5	6.6	6.1
Stage 2 Coverage	14.3	15.5	15.5	16.4	18.5
Net CoC	1.07	0.85	0.78	0.81	1.35
Net CoC, Quarterly	1.07	0.65	0.66	0.89	1.35
Net CoC (excl. Currency)	0.72	0.51	0.49	0.54	1.25
Net CoC(excl. Currency), Quarterly	0.72	0.32	0.45	0.66	1.25
Solvency <sup>(3)</sup> (%)					
CAR	17.7	18.0	19.3	20.9	18.4
CET-1	14.4	14.7	16.1	17.9	15.6
Tier-1	14.4	14.7	16.1	17.9	15.6

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

32 (2) Bank-only, TL LDR includes domestic TL bond issuances and merchant payables

(3) w/o forbearances: Fixing MtM losses of securities & FX rate for RWA calculation to 2021 average FX rate for 1Q22; fixing MtM losses of securities & FX rate for RWA calculation to 2021YE FX rate for 1H22, 9M22 and 2022; fixing MtM losses of securities & FX rate for RWA calculation to 2022YE FX rate for 1Q23

**AKBANK**



# Balance Sheet Highlights

	2022	1Q23	YtD (%)
Consolidated (TL mn)			
Cash and due from Banks	167,376	178,355	7
Securities	280,542	316,949	13
TL	183,659	214,025	17
FX (USD)	5,181	5,374	4
Loans (net)	594,203	653,340	10
TL	393,861	450,096	14
FX (USD)	10,714	10,611	(1)
Other	105,173	110,631	5
Total Assets	1,147,294	1,259,275	10
Deposits	721,562	819,227	14
TL	370,274	470,870	27
FX (USD)	18,787	18,471	(2)
Funds Borrowed and Bonds Issued	117,681	119,852	2
Repo	62,524	72,057	15
Other	91,920	94,398	3
Equity	153,606	153,741	-
Total Liabilities and S/H Equity	1,147,294	1,259,275	10






# Income Statement Highlights

Consolidated (TL mn)	1Q22	2Q22	3Q22	4Q22	1Q23	QoQ(%)	YoY(%)
Net Interest Income incl. swap cost	9,411	15,038	20,085	28,009	13,327	(52)	42
NII	11,559	16,747	21,877	28,901	13,740	(52)	19
o/w CPI-linker income	5,591	9,579	14,228	21,903	9,792	(55)	75
Swap Cost	(2,148)	(1,709)	(1,792)	(891)	(413)	(54)	(81)
Fees and Commissions (Net)	2,048	2,579	3,105	4,156	5,033	21	146
Net Trading Gain (Loss)	5,712	7,149	5,558	4,925	6,894	40	21
LYY hedge gain/ (loss)	1,627	1,835	-	-	-	-	-
ECL hedge gain/ (loss)	366	394	270	340	166	(51)	(55)
Other	3,720	4,920	5,288	4,585	6,728	47	81
Other Income	276	349	363	316	424	34	54
Operating Expense	(3,600)	(4,058)	(5,157)	(7,611)	(10,267)	35	185
Pre- Provision Income	13,846	21,058	23,955	29,795	15,411	(48)	11
Provision for Loan Losses, net of collections	(1,123)	(780)	(871)	(1,300)	(2,171)	67	93
Stage 1+2 (net)	(265)	(391)	(320)	(844)	(1,885)	123	610
Stage 3	(1,153)	(824)	(684)	(921)	(1,151)	25	-
Stage 3 Recoveries	661	829	402	805	1,030	28	56
Currency Impact (fully hedged)	(366)	(394)	(270)	(340)	(166)	(51)	(55)
Other Provisions	(2,059)	(2,328)	(350)	428	(154)	-	(93)
LYY MtM gain/ (loss)	(1,518)	(1,946)	-	-	-	-	-
Free Provisions	-	-	-	-	-	-	-
Other	(541)	(382)	(350)	428	(154)	-	(93)
Income Before Tax	10,664	17,950	22,733	28,923	13,086	(55)	23
Tax	(2,615)	(4,843)	(5,677)	(7,120)	(2,375)	(67)	(9)
Net Income	8,049	13,107	17,066	21,803	10,711	(51)	33



# Transparent & holistic approach validated in our ratings

## Ratings

	BBB
	A
	16.2 (Low Risk)
	Above sector & country average
	B (Climate change & Water security)

## Initiatives



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