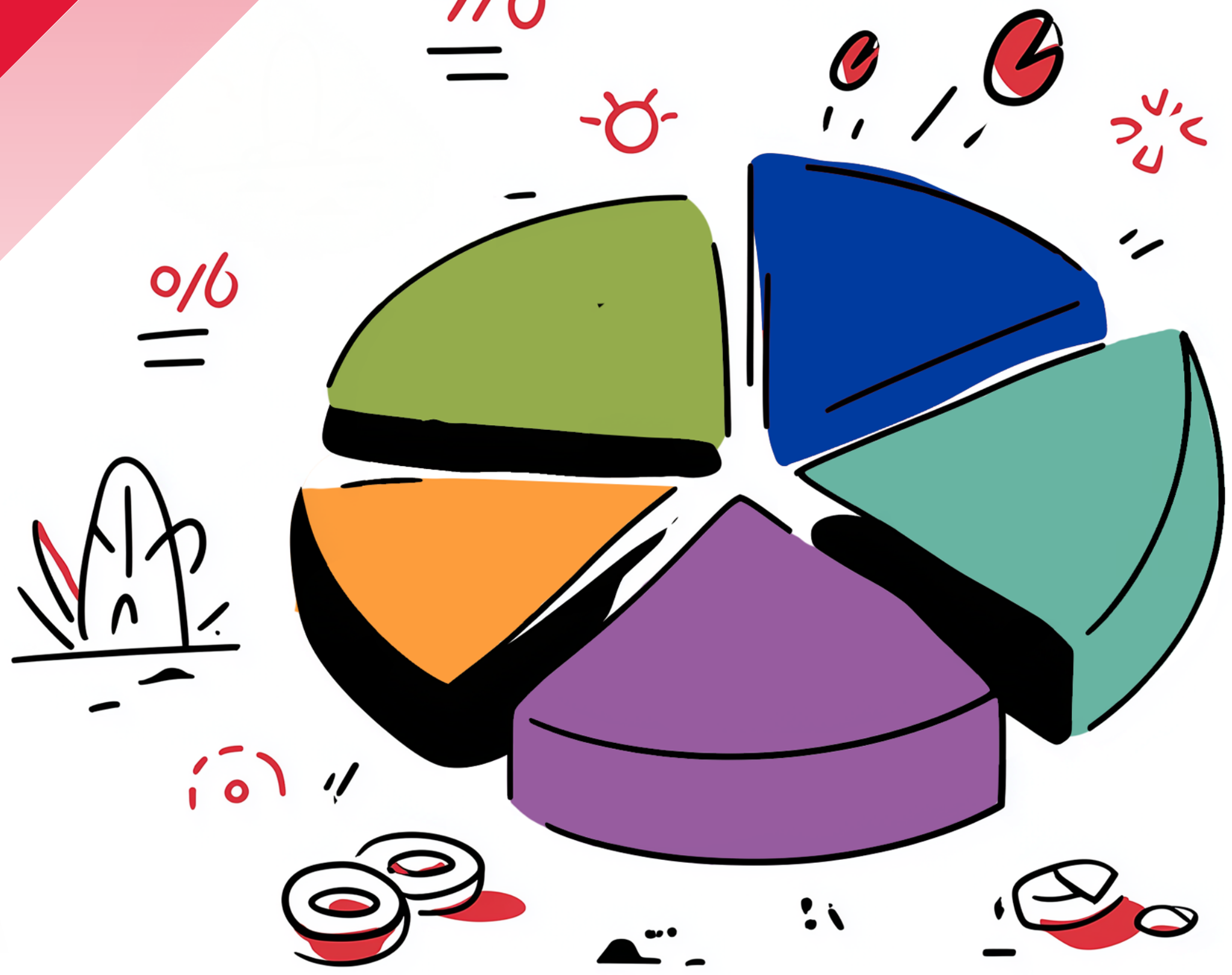


# CAPITALS

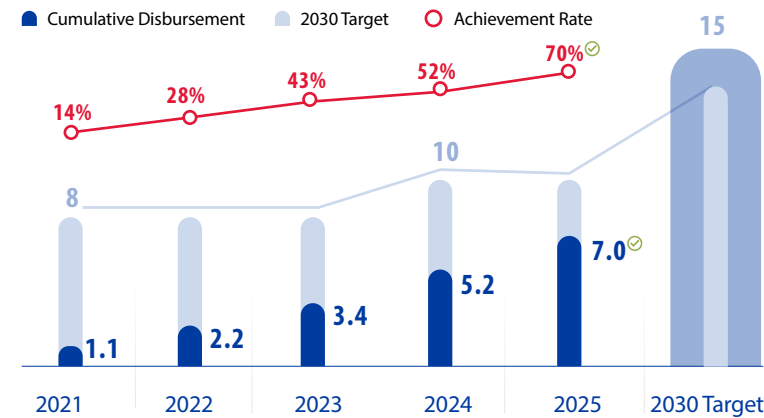
- 68 Financial Capital
- 92 Natural Capital
- 130 Social Capital
- 144 Human Capital
- 156 Intellectual and Manufactured Capital

THE PAST, PRESENT, AND  
FUTURE OF DEVELOPMENT



# FINANCIAL CAPITAL

**Target:** Provide USD 15 billion or more in SDG-linked financing by 2030



**Target:** Maintain the share of SDG-linked loans in the total portfolio at 90% or above

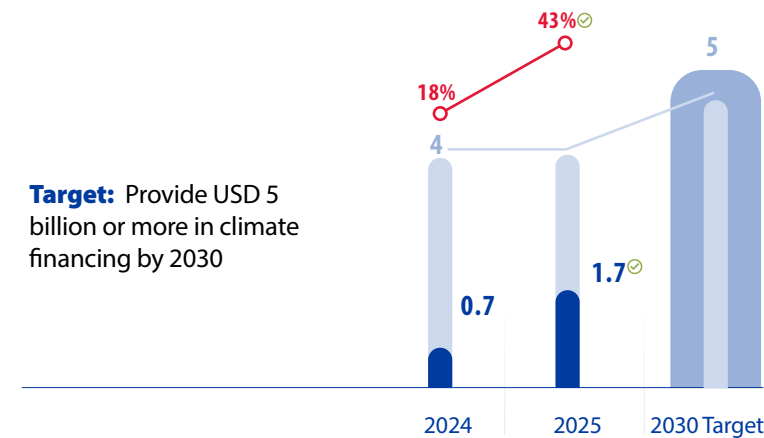
**Target:** Maintain the share of loans contributing to climate- and environment-related SDGs in the total loan portfolio at 60% or above

## 2025 Target Performance

**SDG-linked loans** 92% ✓

**Climate and environment focused SDG-linked loans** 59% ✓

■ Cumulative Disbursement ■ 2030 Target ○ Achievement Rate



**Target:** Provide USD 5 billion or more in climate financing by 2030

**Target:** Provide USD 600 million in **earthquake recovery financing** between 2024 and 2026 ✓

600  
USD MILLION  
IN FINANCING

**Target:** Provide USD 600 million or more in **SDG-linked financing focused on social development** by year-end 2026 ✓

600  
USD MILLION  
IN FINANCING

**Target:** Provide USD 200 million or more in financing for **women's employment and women's empowerment** by year-end 2026 ✓

200  
USD MILLION  
IN FINANCING

**New Target\*:** Provide USD 3 billion or more in social financing by 2030

3  
USD BILLION  
IN FINANCING

## FUTURE TARGETS

- Provide USD 15 billion or more in SDG-linked financing between 2021 and 2030.
- Maintain the share of SDG-linked loans in the total portfolio at 90% or above by 2030.
- Provide USD 5 billion or more in climate finance between 2024 and 2030.
- Maintain the share of loans contributing to climate- and environment-related SDGs in the total loan portfolio at 60% by 2030.
- Provide USD 3 billion or more in social finance between 2024 and 2030.
- Generate financing to support the transition of real sector companies to a low-carbon economy in line with our Net Zero target for 2050.
- Do not finance new or capacity expansion investments in coal-fired power plants and coal mining for power generation, and phase out coal-related exposure in the loan portfolio by the end of 2035.

\*The social finance target, previously defined across sub-themes, has been consolidated into a single target effective from 2025, with its scope redefined in line with the SDG Mapping Model methodology.

# FINANCIAL CAPITAL

In 2025, TSKB continued to support its growth strategy with capital adequacy ratios well above legal requirements.

# 350

## USD MILLION

5-year bond issuance

### HIGHLIGHTS OF 2025

#### Financial performance in line with targets, supported by strong liquidity, diversified funding capacity, and high capital adequacy

In 2025, TSKB provided approximately USD 2 billion in long-term cash financing for Türkiye's sustainable and inclusive development, increasing its loan portfolio to TL 235.9 billion, representing 11.2% growth on an FX-adjusted basis. The Bank maintained its distinct performance with a net interest margin of 5.6%, reaching a cumulative net profit of TL 11.4 billion. A record level of funding was achieved during the year, with a total of USD 1.8 billion secured from international markets and financial institutions—including a Eurobond, bilateral agreements, private placements, and a syndication loan—in addition to USD 1.1 billion in loan agreements signed with six different development finance institutions.

The Bank maintained its prudent approach with a total loan coverage ratio of 4.5%, above the sector average, and a free provision buffer of TL 1.1 billion, while the ratio of Stage 2 and Stage 3 loans remained below 10% of total loans. In 2025, the Bank continued to support its growth strategy with capital adequacy ratios well above legal requirements. It achieved a capital adequacy ratio of 20.3% on a basis excluding BRSA regulatory adjustments. Furthermore, the Bank recorded a return on equity of 29.3% as of year-end 2025, maintaining a level above the sector average for the past three years. Details on the financial results can be found on page 91.

#### Diversified funding structure through strong collaborations

In 2025, TSKB signed five different funding agreements with OPEC, AIIB, OeEB, EBRD, and KfW. In the last quarter of the year, the Bank secured over USD 1 billion in development-focused funding, including a EUR 300 million loan agreement with a partial guarantee from the IBRD and a counter-guarantee from the Republic of Türkiye Ministry of Treasury and Finance. Over 80% of the non-withdrawn DFI funding, fully guaranteed by the Republic of Türkiye Ministry of Treasury and Finance, is climate- and environment-related, while the remainder supports the green transformation of earthquake-affected regions. As an active player in international capital markets for over a decade, TSKB successfully completed a USD 350 million, five-year bond issuance in June through an intraday transaction. The transaction, which was more than twice oversubscribed, added 10 new investors to the Bank's investor base. The funding structure was diversified during the year with private placements amounting to USD 30 million. Full details on the funding structure can be found starting on page 72.

#### Sustainable finance targets revised upward with a focus on the SDGs

Under the SDG Mapping Model which was developed in 2020, TSKB first set its SDG-linked finance target in 2021 and expanded it in 2024 by adding a climate finance target. As of 2026, the Bank revised its targets upward, increasing its SDG-linked finance target from USD 10 billion to USD 15 billion and its climate finance target from USD 4 billion to USD 5 billion. The Bank also strengthened its commitment to social development, which is among its co-priority strategic focus areas, by setting a social finance target of USD 3 billion by 2030 with the same maturity as its other two targets. All financial targets and the Bank's performance can be found on page 68.

#### Themes from the Climate Change and Inclusivity Perspective in 2025

In addition to its ongoing themes of combating climate change and empowering women in the economy, TSKB signed significant funding agreements in 2025 under the themes of Adaptation and Youth Employment. The in-house developed AdapTool is used to conduct quantitative and qualitative analyses of clients' exposure levels to physical climate risks, their adaptation capacities, and corporate awareness. Similarly, an assessment tool for youth employment analyzes clients' current status and commitments regarding youth inclusivity policies and practices, including recruitment, career development, training, and communication. By enhancing the effectiveness of its thematic financing through the assessment tools it has developed across various themes, the Bank continues to be a key stakeholder in its clients' transformation journeys. Details on the impact created through themes, particularly renewable energy and women's employment, can be found on page 72.

#### First investment of the Türkiye Green Fund

The first investment of the Türkiye Green Fund—the first venture capital fund in Türkiye and worldwide established with credit financing and focused on emissions reduction and inclusive transformation, established by TSKB with a USD 155 million loan from the World Bank under the guarantee of the Republic of Türkiye Ministry of Treasury and Finance—was made to Ateş Çelik, one of the pioneering domestic equipment manufacturers in the renewable energy sector. Following the partnership, it is planned to undertake new investments within Ateş Çelik, a key player in the Turkish market, and to significantly increase its export capacity, thereby substantially expanding its share in international markets. Investments under the Türkiye Green Fund will continue in the period ahead. Details on the Türkiye Green Fund can be found on page 77.

#### Growth focused on investment loans

In 2025, within the scope of its Corporate Banking and Project Finance activities, TSKB disbursed USD 2 billion in cash loans to support inclusive and strategic development areas such as climate and earthquake finance, renewable energy, energy and resource efficiency, capacity expansion in manufacturing, new technology investments, and women's and youth employment. Of this amount, USD 1.9 billion was extended to corporate clients as long-term investment and medium-term working capital loans. Details on the impact created through the Bank's loan portfolio can be found starting on page 77.

#### SELECTED PROJECTS FINANCED DURING THE YEAR

##### First Transition Finance-Labeled Investment

The Bank entered into a collaboration with a client in the cement sector for investments in a solar power plant and a waste heat recovery facility aimed at mitigating climate change-related risks. The loan agreement, executed in line with Net Zero commitments approved by the Science Based Targets Initiative supports Türkiye's transition to a low-carbon economy and pioneers the green transformation of the cement sector. This collaboration, which marks the first loan structured by TSKB as Transition Finance under its Sustainable Finance Framework in line with international standards, reflects the two institutions' shared vision on renewable energy, energy efficiency, and climate risk mitigation, and will contribute to Türkiye's sustainable development in line with its 2053 Net Zero target.

#### First Project Finance Transaction in the Agricultural Sector in Türkiye

TSKB provided financing for Türkiye's largest modern greenhouse project, which was funded by the IBRD. This collaboration, which represents the first project finance transaction in the agricultural sector in Türkiye, will implement good agricultural practices. As part of the project, greenhouse areas will be heated in a cyclical manner using geothermal energy, a renewable energy source, and innovative technologies will be used to ensure the efficient use of water resources. The project, in which 75% of employees are expected to be women, aims to create direct employment for more than 800 people.

#### Türkiye's longest-term financing

A long-standing client of the Bank, recognized among the leading institutions in Türkiye's renewable energy and energy storage sectors, obtained cash financing from a leading German investment bank, backed by a letter of guarantee provided by TSKB. This collaboration was a milestone for Türkiye's energy sector; it marked the signing of the longest-term financing agreement in Türkiye's history, with a 22-year maturity. In addition to wind capacity expansion investments, the financing will enable one of the largest investments to date in Türkiye's energy storage sector.

#### Digital infrastructure investment from TSKB

The fiber optic infrastructure extending from eastern to western Türkiye will be strengthened with a loan obtained under a project finance facility provided by the Asian Infrastructure Investment Bank (AIIB). A TSKB client operating a 1,850 km fiber optic network spanning Türkiye from east to west aims to make the country's digital backbone more resilient through financing obtained for investments in upgrading the energy infrastructure at its communication points and data operations facilities.

Thanks to the new investments, infrastructure resilience will be enhanced, making it possible to ensure service continuity even during potential power outages. This will help improve the quality of service offered to domestic and international telecom companies and strengthen Türkiye's strategic role in the digital economy.

**Support for Türkiye's largest unlicensed wind power plant (WPP) project**

Through the financing it provided to its client, one of the fastest-growing companies in Türkiye's energy sector, TSKB will support investments in wind and solar power plants intended for the self-consumption of the client's group companies. Under this model, known as a Renewable Energy Investment and Supply Agreement and representing Türkiye's largest unlicensed WPP investment, the energy facility required by the consumer is built and operated, with the full investment cost covered by the operator.

**27% market share in medium and long-term loans**

With a 27% market share in medium- and long-term loans, TSKB provides its clients with medium- and long-term financing in line with its vision of being a leading bank in Türkiye's sustainable development. During 2025, the Bank allocated cash and non-cash loan limits of USD 2.8 billion to corporate clients and signed new loan agreements exceeding USD 2.5 billion. As of year-end 2025, 13% of TSKB's loan portfolio consisted of loans with maturities of less than one year, while 34% had maturities of five years or more. The average loan maturity is approximately five years. As of year-end 2025,

investment loans constituted 81% of TSKB's total loan portfolio. In the same period, the share of working capital loans was 12%, while other loans, including APEX, accounted for 7%.

**TSKB FUNDING STRUCTURE**

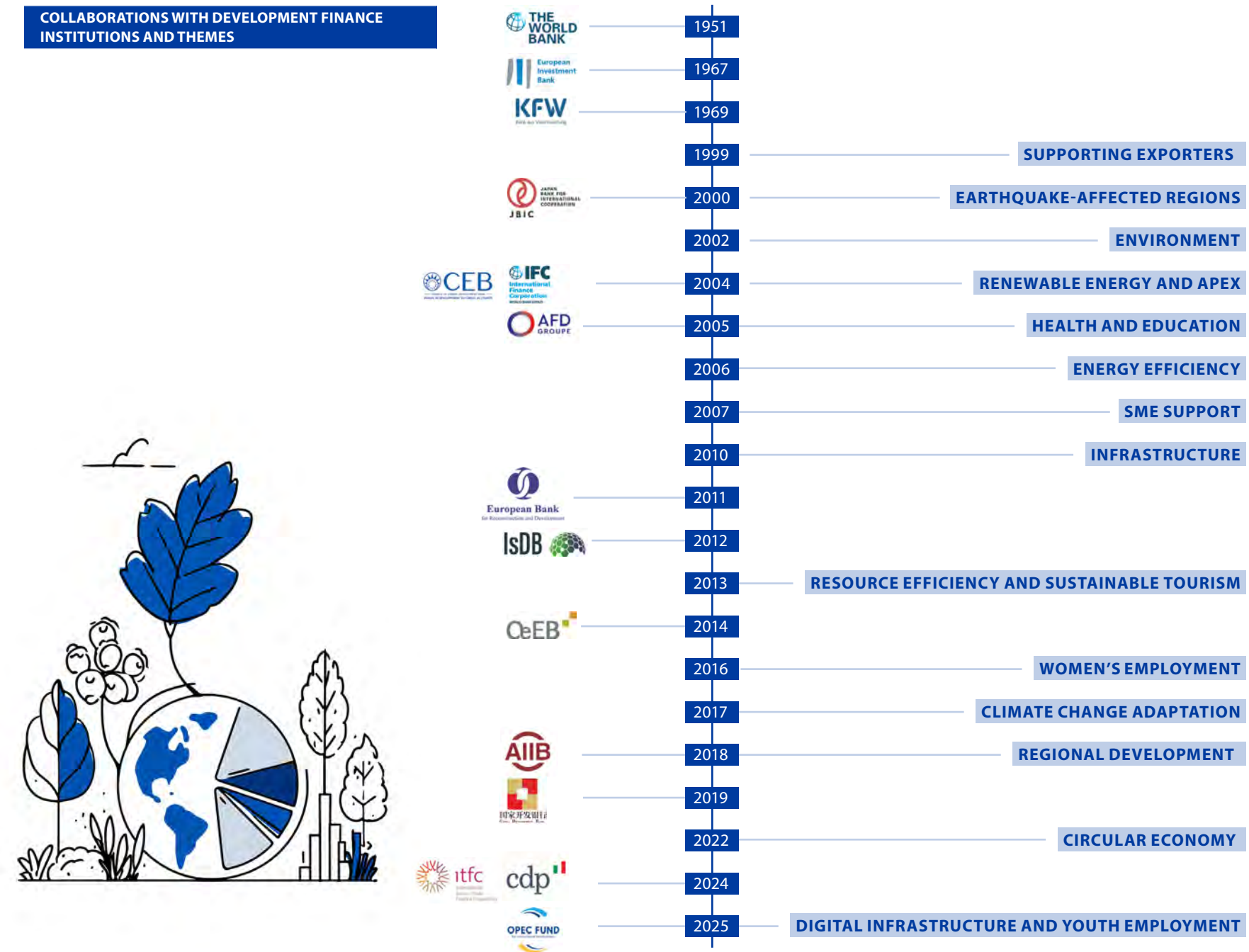
**Close Collaboration with Development Finance Institutions**

Funding obtained from development finance institutions (DFIs) accounted for 61% of TSKB's funding structure during the reporting period, reflecting the Bank's strong recognition in international financial markets. 83% of these funding were obtained under the guarantee of the Republic of Türkiye Ministry of Treasury and Finance. TSKB works in close collaboration with development finance institutions such as the International Bank for Reconstruction and Development (IBRD), the European Investment Bank (EIB), the German Development Bank (KfW), the Asian Infrastructure Investment Bank (AIIB), the Islamic Development Bank (IsDB), the French Development Agency (AFD), the China Development Bank (CDB), the Council of Europe Development Bank (CEB), the Japan Bank for International Cooperation (JBIC), the International Finance Corporation (IFC), the European Bank for Reconstruction and Development (EBRD), the Development Bank of Austria (OeEB), and, since 2024, the International Islamic Trade Finance Corporation (ITFC), the Italian National Promotional Institution (CDP), and the OPEC Fund for International Development. With the IsDB and ITFC loan agreements signed to finance projects and investments aimed at supporting economic recovery and social rehabilitation in the provinces affected by the earthquakes in Türkiye on February 6, 2023, we have also integrated



Islamic banking practices into our value creation model. In this context, Advisory Committee services have been engaged to oversee the compliance of interest-free banking products offered by TSKB with relevant legislation and the provisions of Islamic law. The Advisory Committee Report can be found on page 202.

**COLLABORATIONS WITH DEVELOPMENT FINANCE INSTITUTIONS AND THEMES**



## OPEC Fund Loan

On February 10, 2025, TSKB secured EUR 50 million in financing from the OPEC Fund for International Development. The purpose of the loan was defined as contributing to Türkiye's green transformation goals by financing sustainable investment areas such as renewable energy, energy efficiency, climate change adaptation, climate-related equipment manufacturing, and the circular economy. The financing was secured through the on-lending of external debt via the Republic of Türkiye Ministry of Treasury and Finance, and this agreement marks the first collaboration between TSKB and the OPEC Fund. The funding is intended to help TSKB diversify its sustainable financing sources and support low-emission, climate-resilient projects.

## OeEB Loan

On May 28, 2025, TSKB signed a EUR 25 million loan agreement with the Development Bank of Austria (Oesterreichische Entwicklungsbank – OeEB). The purpose of the loan was to provide financing for renewable energy and energy efficiency investments throughout Türkiye. This financing marks the third collaboration between TSKB and OeEB and aims to provide long-term funding to sustainable energy projects in the private sector. The funding were planned specifically for financing projects with low environmental impact and a focus on green transformation. This agreement is part of TSKB's strategy to strengthen its partnerships with international financial institutions that focus on sustainable development and environmental issues.

## AIIB Loan

On May 28, 2025, TSKB signed a USD 200 million loan agreement with the Asian Infrastructure Investment Bank (AIIB). The purpose of the loan was defined as providing financing for climate-focused investments throughout Türkiye in line with the Paris Agreement, including renewable energy, energy efficiency, climate change mitigation and adaptation, climate industries, and digital infrastructure. The funding was secured under a repayment guarantee from the Republic of Türkiye Ministry of Treasury and Finance and provides long-term financing for sustainable, low-carbon investments in the private sector. This agreement represents a significant continuation of the sustainable development-focused collaboration between AIIB and TSKB.

## EBRD Loan

On June 5, 2025, TSKB signed a EUR 75 million loan agreement with the European Bank for Reconstruction and Development (EBRD). The purpose of the loan was defined as supporting businesses in Türkiye to increase youth and women's employment and to provide financial support to companies affected by the February 6, 2023 earthquakes; at least 15% of the resources will be allocated to companies supporting youth employment, at least 15% to firms operating in or investing in earthquake-affected regions, and the remainder will be disbursed to companies that support women's employment and adopt inclusive policy practices. This financing was the first loan received from the EBRD under the theme of inclusivity. It is also the first loan among the funds provided by the Bank to include youth employment. Thus, the collaboration between the two institutions has expanded beyond climate-focused agreements.

## World Bank Partially Guaranteed Loan

In October 2025, TSKB secured EUR 300 million in financing from international financial institutions BNP Paribas, Standard Chartered Bank, and ING Bank, with a partial guarantee from the International Bank for Reconstruction and Development (IBRD), a member of the World Bank Group, and a counter-guarantee from the Republic of Türkiye Ministry of Treasury and Finance. Thanks to the Financing Adaptation for Growth Project, awareness of climate risks among companies across Türkiye will be raised, and investments and practices that make them resilient to these risks will be supported, thereby enabling them to achieve a more competitive and sustainable structure. This transaction will also make a tangible contribution to strengthening Türkiye's overall capacity to adapt to climate change and to achieving its climate targets.

As part of the loan, an adaptation-themed assessment tool (AdapTool) was developed by TSKB for application to companies. A first of its kind, AdapTool will raise awareness of climate risks among companies and assess their needs based on their vulnerability profiles. In this context, the plan is to encourage measures and investments such as infrastructure resilience, energy efficiency, water efficiency, flood protection, climate-resilient equipment and process adaptations, and the integration of physical climate risk assessments at the supply chain and market levels into corporate strategies. Within this framework, AdapTool will offer measures and action recommendations to strengthen the overall climate resilience of companies.

Under the inclusive features of the loan, at least 15% of the total financing is expected to be allocated to women-inclusive beneficiary enterprises, which may face greater challenges in adapting to climate change. This agreement constitutes the first phase of a broader project with the IBRD totaling EUR 600 million.

## KfW Loan

On December 12, 2025, TSKB signed a EUR 250 million financing agreement with KfW Development Bank. With the funding provided under the guarantee of the Republic of Türkiye Ministry of Treasury and Finance, investments across Türkiye under the theme of climate finance—including renewable energy, energy efficiency, energy storage, climate change adaptation, climate industries, circular economy, environmental products, and other climate-related investments—will be financed. In addition, priority will be given to investments that strengthen Türkiye's collaboration with the European Union, particularly Germany. With this resource, TSKB is expanding its contribution to low-carbon and climate-resilient development goals. This agreement represents one of the significant steps in the long-standing collaboration between TSKB and KfW in the field of climate finance.

## Strong relationships with international financial institutions

In 2025, in line with its objectives to diversify funding sources and to develop innovative products, TSKB maintained its close contacts and cooperation with domestic and international financial institutions. In the same context, the Bank also maintained intensive and effective communication with credit rating agencies. During the reporting period, special importance was given to relationships and communication with international banks to support clients' foreign trade and correspondent banking needs.

Marking its 11<sup>th</sup> year in international capital markets with its 11<sup>th</sup> issuance, TSKB successfully completed a USD 350 million, 5-year issuance in June through an intraday transaction. The issuance was met with strong demand, exceeding twice the issue size, from a diversified pool of qualified investors, primarily from the United Kingdom, Europe, Asia and the Middle East.

LONG-TERM FUNDING SECURED BY TSKB BETWEEN 2021–2025			
	Loan	Amount	Maturity (Years)
2021	IBRD – Geothermal Development Project Additional Financing Loan	USD 150 million	28
	JBIC GREEN 2	USD 220 million	12
	IFC Women's Employment	USD 100 million	3
2022	EBRD GEFF	EUR 53.5 million	3
	AIIB – Sustainable Energy and Infrastructure Loan	USD 200 million	15
	AFD – Circular Economy Loan	EUR 80 million	12
2023	KfW – Climate Finance Loan	EUR 100 million	15
	OeEB – Renewable Energy and Energy Efficiency Loan	EUR 25 million	12
	IBRD Türkiye Green Fund	USD 155 million	28
2024	JBIC Earthquake Loan	USD 200 million	12
	IsDB Earthquake Loan	USD 100 million	10
	IBRD – Distributed SPP (Direct & APEX)	EUR 300 million	29
	IBRD – Battery Storage Systems	USD 15 million	30
	AFD & CDP – Earthquake and Climate	EUR 100 million	12
	ITFC – Earthquake	USD 50 million	2
	EBRD – GEFF II	EUR 100 million	5
IFC Women's Employment	USD 100 million	3	
2025	KfW – Climate Finance and Economic Cooperation Loan	EUR 250 million	12
	IBRD – Adaptation Financing Project (Partially Guaranteed Loan)	EUR 300 million	10
	EBRD – Inclusive Loan	EUR 75 million	5
	OeEB – 2025	EUR 25 million	8
	AIIB – Sustainable Energy and Infrastructure Loan, Phase 3	USD 200 million	15
	OPEC Fund Loan	EUR 50 million	16

TSKB- APEX LOANS KEY INDICATORS				
Program Name	Year	Agreement Amount	Number of Companies Using the Loans	Current Status of the Program
<b>SME (Women's Employment and Prioritized Regions)</b>				
Second Disbursement of the Access to Inclusive Finance Project Loan (IncA2F)	2024	USD 65 million	20	In Progress
Access to Inclusive Finance Project Loan (IncA2F)	2018	USD 200 million	453	Completed
<b>SMEs and Export Support</b>				
Access to Innovative Finance Project Loan (IA2F)	2014	USD 250 million	231	Completed
<b>Export Support</b>				
EFIL IV Additional Loan	2011	USD 300 million	137	Completed
EFIL IV	2008	USD 300 million	133	Completed
EFIL III	2005	USD 305 million	168	Completed
EFIL II	2004	USD 303 million	211	Completed
<b>SMEs</b>				
TSKB SOURCE*	2017	EUR 150 million	340	In Progress
AKKB V APEX	2016	EUR 100 million	960	Completed
AKKB IV APEX	2013	EUR 100 million	416	Completed
AKKB III APEX	2010	EUR 100 million**	223	Completed
KfW APEX	2004	EUR 7.7 million	54	Completed
EIB APEX	2005	EUR 150 million	343	Completed

\* Re-utilization of repaid loans

\*\* EUR 90.9 million of the agreement amount was utilized as APEX.

This transaction added 10 new investors to the Bank's investor base. The issue price improved by 50 basis points from opening to closing, settling at 7.5% with a zero new issue premium.

In the private placement market, where the Bank has been active since the last quarter of 2023, it executed two transactions totaling USD 30 million in 2025. As of year-end 2025, Eurobond issuances accounted for 22% of TSKB's total liabilities excluding equity, with a total amount of USD 380 million.

In July, the Bank diversified the maturity structure of its syndicated loan by adding new 734-day tranches in addition to the 367-day tranches. It successfully renewed its syndicated loan, totaling USD 238 million with the participation of 16 international banks, at a rollover ratio of 120%.

#### First Investment in the Türkiye Green Fund

The Türkiye Green Fund (TGF), launched in 2024 with financing provided by the World Bank under the guarantee of the Republic of Türkiye Ministry of Treasury and Finance, is the first venture capital fund in Türkiye and the world established with credit financing focused on emissions reduction and inclusive transformation. It aims to contribute to Türkiye's 2053 Net Zero target with a roadmap centered on managing climate risks. The fund's first investment was made in Ateş Çelik, one of the leading Türkiye-based manufacturers of renewable energy equipment. This investment is planned to support the company's new investments, increase its export capacity, and strengthen its share in international markets. In line with climate change mitigation targets, TGF aims to provide companies with capital to increase their capacity, accelerate their investment processes, and contribute to reducing global emissions. The fund, which prioritizes investments in innovative green or green transition-focused companies, also aims to support inclusive investments by identifying

#### 11 YEARS IN INTERNATIONAL BOND MARKETS

<b>October 2014</b>	<b>First bond issuance in International Capital Markets</b>
<b>May 2016</b>	First Sustainable Finance Framework
<b>May 2016</b>	First Sustainable/Green Bond issuance in the CEEMEA region and Türkiye
<b>March 2017</b>	World's first Basel-III compliant Sustainable Tier-2 Bond issuance
<b>May 2017</b>	Türkiye's first Allocation and Impact Reporting
<b>December 2020</b>	Updated Sustainable Finance Framework with an expanded scope
<b>January 2021</b>	Third Sustainable Bond issuance
<b>September 2023</b>	Fourth Sustainable Bond issuance
<b>March 2024</b>	First Additional Tier-I issuance
<b>October 2024</b>	10 <sup>th</sup> Eurobond issuance in our 10 <sup>th</sup> year in international capital markets
<b>July 2024</b>	Updated Sustainable Finance Framework with the integration of Transition Finance
<b>June 2025</b>	Eleventh Eurobond issuance

women-inclusive companies with strong investment potential. It is anticipated that the mobilization of private sector capital will continue through new investments under the fund in the upcoming period.

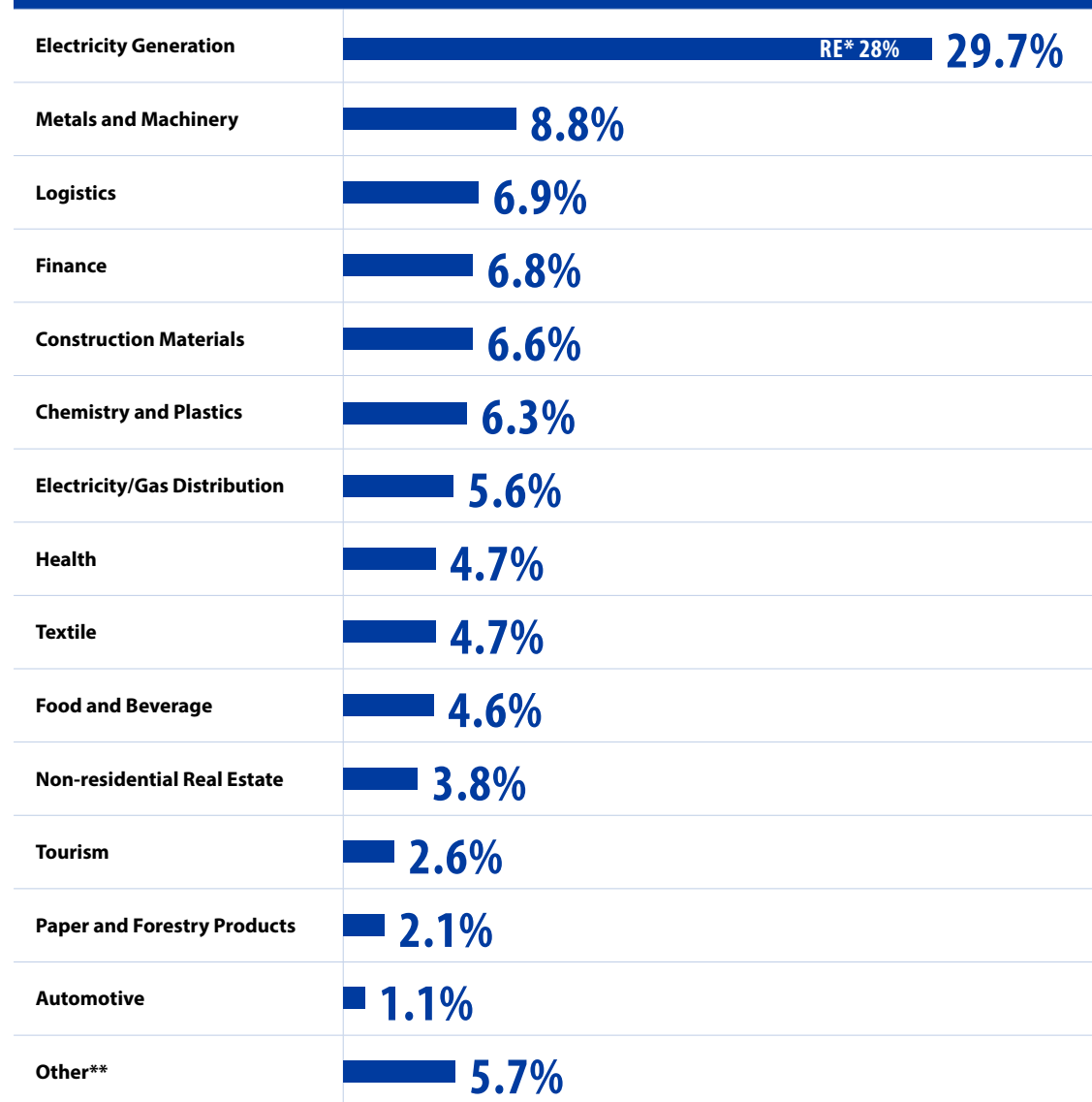
#### IMPACT CREATED THROUGH THEMES

##### SDG Mapping Model

TSKB's SDG Mapping Model aims to measure the environmental and social impact generated by its loan portfolio by analyzing how the financing provided to clients relates to the 17 SDGs.

Under the model, which was developed specifically for TSKB, SDG alignment and impact levels are monitored throughout the analysis and implementation phases of projects; the results are reported regularly to provide input for management processes. The model's outputs serve as a fundamental reference for monitoring the Bank's sustainable finance strategy and strengthening the alignment of its loan portfolio with the SDGs.

## SECTORAL BREAKDOWN OF TSKB'S LOAN PORTFOLIO IN 2025



\*Renewable Energy Loans

\*\*Mining, Packaging, Electromechanical, Retail, and others

TSKB identifies its SDG-linked loans at the loan allocation process using the SDG Mapping Model. As part of ex-post evaluation studies, the alignment of loans with the SDGs is analyzed, and new links identified during monitoring activities are established. The initial assessment, portfolio review, and data quality checks conducted in this context ensure that the outputs of the SDG Mapping Model are reported accurately and on a data-driven basis throughout the loan's maturity.

The analyses provide an opportunity for transparent impact reporting to investors and stakeholders, while further strengthening TSKB's impact-based lending approach.

Through analyses conducted under the model, performance related to TSKB's targets of USD 15 billion in SDG-linked financing and USD 5 billion in climate financing, as well as its ratio targets for 90% of the loan portfolio to be SDG-linked and 60% to be climate and environment-linked, is monitored on both an amount and ratio basis.

As of year-end 2025, TSKB's loan portfolio was found to generate impact linked to 15 of the 17 SDGs, most notably SDG 8 (Decent Work and Economic Growth), SDG 7 (Affordable and Clean Energy), SDG 13 (Climate Action), SDG 9 (Industry, Innovation and Infrastructure), and SDG 1 (No Poverty).

In 2026, efforts to enhance the scope and methodology of the SDG Mapping Model will continue, with the goal of measuring and reporting the impact created through the loan portfolio in a more holistic, comparable, and transparent manner. In this context, the model's outputs will continue to be used as an important tool supporting impact-based decision-making processes for both the Bank's management and its stakeholders.

## Renewable Energy

During the reporting period, electricity generation was the sector with the largest share in TSKB's loan portfolio, at 29.7%. Of the electricity generation portfolio, 94% consisted of renewable energy projects. The share of renewable energy projects in the Bank's total loan portfolio was 28%.

## Financed Renewable Energy Installed Capacity: 10,204 MW

Since 2002, TSKB has been channeling its medium and long-term resources to various renewable energy power plant projects in Türkiye, primarily hydroelectric, solar, wind, biomass/biogas, and geothermal power plants. In addition, a significant amount of financing has been provided in recent years for prosumer investments in rooftop and land-based solar power plants by clients operating in the manufacturing industry.

The total installed capacity of the 495 renewable energy projects financed by the Bank is 10,204 MW, representing approximately 14% of Türkiye's total installed renewable energy capacity as of year-end 2025. ☺ The emissions reduction contribution of the renewable energy projects financed to date has reached approximately 15 million tons of CO<sub>2</sub>e. ☺

As part of its Climate Change Mitigation and Adaptation Policy, published in 2021, the Bank committed not to finance new coal-fired power plants and coal-mining investments for electricity generation. In January 2024, TSKB updated the scope of its relevant policy, announcing that it will also not finance additional capacity expansion investments in coal-fired thermal power plants and coal mining for electricity generation.

## RENEWABLE ENERGY, ENERGY EFFICIENCY, AND RESOURCE EFFICIENCY\*

176☺

## Energy and Resource Efficiency Projects

106 HPPs ☺

4,388 MW

Total Installed Capacity ☺

3.3 MILLION HOUSEHOLDS

104 WPPs ☺

3,238 MW

Total Installed Capacity ☺

3 MILLION HOUSEHOLDS

18 GPPs ☺

655 MW

Total Installed Capacity ☺

1.4 MILLION HOUSEHOLDS

240 SPPs ☺

2,011 MW

Total Installed Capacity ☺

0.9 MILLION HOUSEHOLDS

64 Land/Rooftop SPPs ☺

782 MW

Total Installed Capacity ☺

28 Biomass/Waste ☺

252 MW

Total Installed Capacity ☺

0.4 MILLION HOUSEHOLDS

\*Projects we have financed to date

## In 2025, TSKB continued to provide financing for significant projects in the rooftop and land-based solar power plant segments.

In line with its net-zero emission targets submitted to the SBTi and NZBA, TSKB has committed to phasing out coal financing by the end of 2035.

The commissioning rate for renewable energy projects financed by TSKB is 96% on a project count basis.

As of year-end 2025, 96% of the renewable energy projects financed by TSKB on a project count basis and 93% on an installed capacity basis have commenced operations. Thus, the total installed capacity of the commissioned projects reached 9,467 MW. Between 2003 and 2025, the total investment amount for renewable energy projects financed by TSKB was USD 14 billion, while the loan amount committed by the Bank for these projects was approximately USD 7 billion.

### Rooftop and Land-Based SPP Investments for Self-Consumption

Due to rising energy prices and CBAM exposure, investments in rooftop and land-based SPPs for self-consumption have recently become more prominent among companies in the manufacturing sector.



In the period ahead, TSKB will continue to support renewable energy projects that contribute to the use of domestic energy resources in the economy.



In 2025, TSKB continued to finance significant projects in the rooftop and land-based SPP segment. In this context, financing was provided for 26 rooftop SPPs with a total installed capacity of 154 MW and 38 land-based SPPs with a total installed capacity of 629 MW.

TSKB will continue to support renewable energy projects that contribute to the utilization of domestic energy resources in the upcoming period. The agreement signed with the IBRD in 2024 aims to support distributed solar investments and battery energy storage systems to meet the private sector's self-consumption needs. This financing also aims to strengthen companies' capacity to promote gender equality.

### Supporting Transformation through Energy and Resource Efficiency

To date, the Bank has provided approximately USD 1.4 billion in financing for 176 energy and resource efficiency-focused projects, with these investments constituting 8% of the loan portfolio as of year-end 2025. In this context, support is provided for the transformation processes of companies operating in sectors such as iron and steel, cement, textiles, aluminum, automotive sub-industry, and chemicals in the areas of energy and resource efficiency, production process improvement, and waste management.

While energy efficiency investments aim to reduce energy consumption and carbon emissions in energy-intensive sectors, a strong knowledge base has been established in this area through projects financed since 2008. Prominent applications include waste heat recovery for energy generation, energy-efficient technologies, facility modernization, green buildings, energy optimization, lighting, and digital transformation.

In the field of resource efficiency, financing provided since 2013 has supported investments in areas such as water efficiency, waste management, raw material and energy optimization, circular economy, and sustainable technologies, aiming for more efficient use of natural resources and increased value-added.

### Green Asset Ratio

The "Communiqué on the Calculation of the Green Asset Ratio of Banks," published in the Official Gazette No. 32867 on April 11, 2025, established the procedures and principles for the calculation and reporting of key performance indicators to measure banks' contribution to environmental sustainability. Under the Communiqué, the green asset ratio (GAR) is defined as the primary indicator, and banks are obliged to regularly report this ratio on their balance sheets. In accordance with the Communiqué, TSKB reviews its portfolio, prepares periodic reports, and calculates its green asset ratio. Under its reporting obligations, it monitors compliance with technical criteria; using existing climate, environmental, and social risk assessment models, it verifies that its clients meet the Do No Significant Harm (DNSH) criteria with respect to environmental impact, and it ensures that minimum social security standards are in place.

# 1.4<sup>✓</sup>

## USD BILLION

Financing provided for energy and resource efficiency projects

In line with its strategy and policies, TSKB aims to maintain its focus on inclusivity and continue practices that enhance social benefit and raise awareness through its financing and advisory activities in the upcoming period.

### Adaptation

TSKB continues to develop financing models aimed at increasing the resilience of Türkiye's real sector to climate change and supporting sustainable development.

In this regard, the Bank is preparing to launch financing facilities to support private sector investments in gaining resilience against physical climate risks, under the Financing for Adaptation for Growth Project carried out in collaboration with the International Bank for Reconstruction and Development (IBRD), a member of the World Bank Group. While the resources to be provided under the project are intended to be directed toward investments that strengthen companies' climate adaptation capacity and enhance their long-term competitiveness, AdapTool, a risk and adaptation analysis tool developed by TSKB, will be used to evaluate these investments. In this context, the plan is to encourage measures and investments such as infrastructure resilience, energy efficiency, water efficiency, flood protection, climate-resilient equipment and process adaptations, supply chain analyses, and market research. With this financing, which is expected to be provided in the coming period, the Bank aims to create resilience-driven value in the economy by supporting the wider adoption of investments in climate change adaptation, in addition to the green transition. This agreement constitutes the first phase of a broader project with the IBRD totaling EUR 600 million.

In line with its pioneering role in the sector, TSKB continued to lead the GAR technical working group within the Banks Association of Türkiye in 2025. In four separate workshops organized under the working group, discussions were held on how banks could apply the communiqué's criteria, and consultations were conducted with the BRSA on the process. The workshops contributed to strengthening banks' implementation capacities and to putting the technical criteria into practice.

### Inclusivity

In line with its inclusive development approach, TSKB continued to support women's employment and businesses operating in developing regions in 2025, as part of the re-lending activities of the USD 400 million facility secured from the World Bank in 2018. The Bank encourages companies to conduct self-assessments in the area of equal opportunity and supports them in creating concrete action plans to improve their existing practices. In this context, priority is given to practices such as ensuring equal opportunity starting from recruitment processes; reviewing human resources, ethics and disciplinary policies; establishing or improving breastfeeding rooms in workplaces; reducing the gender pay gap; and expanding gender equality training.

In this framework, through a EUR 75 million loan agreement with the EBRD signed in 2025 focused on youth and women's employment, the Bank aimed to increase the participation of women and young people in the labor force through investments that support gender equality and youth employment, including in earthquake-affected regions.

## CIRCULAR ECONOMY

TSKB took a significant step by adding the circular economy to its funding themes with the EUR 80 million funding agreement signed with the French Development Agency (AFD) in December 2022. With this facility from AFD, the Bank provides financing to companies operating in Türkiye for their investments serving the circular economy and to companies aiming to develop circular economy practices. The circular economy theme, which is also a first for AFD, presents a significant opportunity for TSKB to strengthen its technical capacity, as well as that of its clients. In parallel with this loan, TSKB has started working on its Circular Economy Action Plan.

Under the Action Plan, TSKB aims—through its Circular Economy Roadmap and with the support of technical consultancy—to develop methodologies by drawing on the best practices of international development finance institutions, organize training and capacity-building activities for employees and clients, and enhance stakeholder engagement.

TSKB's Circular Economy Roadmap consists of four main focus areas.



TSKB's Circular Economy Roadmap consists of four main focus areas.

### Focus 1 – Circular Economy Strategy and Governance

Developing indicators to assess TSKB's progress and performance in the circular economy

### Focus 2 – Internal Capacity Building in the Circular Economy

Developing and strengthening TSKB's expertise in the circular economy, including the integration of gender considerations

Developing operational guidelines for identifying circular economy investments and conducting analyses to determine priority sectors and investment areas

### Focus 3 – Integration of the Circular Economy into Financial Capital

Designing a special loan program for financing circular economy projects

Developing a methodology to assess the impacts of circular economy investments

### Focus 4 – Stakeholder Engagement in the Circular Economy

Sharing knowledge and experience in working groups, conferences, and stakeholder meetings to raise awareness and contribute to the capacity development of clients, IDFC members, and other industry representatives



## SME FINANCING

Since its establishment, TSKB has operated with the mission of contributing to Türkiye's sustainable development and supporting the real sector. In this context, it works in close cooperation with national and international development finance institutions, multilateral banks, and private funds to offer long-term and sustainable financing opportunities to SMEs.

As of year-end 2025, TSKB collaborated with 31 intermediary institutions within the scope of its wholesale banking activities, generating efficient performance and shared value. Through APEX loans, the Bank has disbursed a total of USD 89 million to 104 SMEs over the last three years. The financing provided helped SMEs increase and maintain their employment levels.

In 2026, the Bank will continue its re-lending activities under the IBRD Inca2F in cooperation with financial institutions within the context of the APEX financing model, and will continue to play an increasing role in providing SMEs with access to themed and long-term funds through APEX loans. At the same time, the IBRD's "Accelerating the Market Transition for Distributed Energy in Türkiye" Project will enter its APEX phase, and activities related to the financing of eligible solar energy projects through PFIs will be initiated.

The program launched in 2016 in cooperation with the EBRD, aimed at facilitating and improving SMEs' access to finance, was expanded in 2019 with a risk-sharing agreement totaling EUR 100 million. In 2025, cooperation with the EBRD continued as part of a joint loan financing arrangement. In 2026, TSKB aims to increase and diversify its collaboration projects and to strengthen the support it provides to SMEs.

As part of the re-lending activities of the loan signed with IBRD Inca2F in 2018, the Bank also continues to support women's participation in the labor force and SMEs in developing regions through direct financing and APEX facilities.

In 2026, the Bank will continue its re-lending activities under the IBRD Inca2F in cooperation with financial institutions within the context of the APEX financing model, and will continue to play an increasing role in providing SMEs with access to themed and long-term funds through APEX loans.

### Loan allocation, portfolio management and monitoring activities

At TSKB, the selection of companies and projects to be financed, as well as the allocation and monitoring functions, are carried out with a comprehensive and prudent approach, contributing to the sustainability of a high-quality loan portfolio. At the Bank, projects undergo a robust evaluation process based on impartial, comprehensive, and in-depth assessments conducted by financial analysts, industry experts, and engineers.

The majority of loans provided by the Bank to companies for their investments and working capital financing are denominated in foreign currency. In this context, it is important for companies to generate foreign currency-denominated income and funds.

A large portion of TSKB's loan portfolio consists of energy project loans, which will maintain their strategic importance in the future. In these projects, the existence of guaranteed prices in foreign currency and additional incentives for domestic components create a natural hedge, elevating the projects' efficiency and solvency to high levels. For the evaluation of projects outside this scope, the electricity price modeling designed by the Bank is utilized.

In addition, the fact that the majority of non-energy sector companies in the portfolio are exporters or have the ability to generate foreign currency revenues contributes to TSKB's loan portfolio being composed of companies capable of managing foreign exchange risk.

At TSKB, monitoring functions are carried out under two main categories: portfolio-level monitoring activities conducted on a holistic basis, and individual monitoring activities performed on a borrower basis.

In 2023, the Loan Portfolio Management and Analysis Department was established to effectively manage the risks to which the Bank is and may be exposed in its lending activities, to monitor the portfolio holistically, and to take the necessary measures. In the same year, the Loan Portfolio Management Committee was established to regularly evaluate the Bank's loan portfolio as a whole in terms of credit risk and to review the loan quality of the portfolio, in particular, changes in stages and provisioning ratios. Results and anomalies identified through sector and portfolio-based analysis are evaluated by this committee.

TSKB conducts private sector reporting, currency risk measurement, debt service coverage and related collateral monitoring, and rating scenarios to provide input and insight into all credit activities.

The management of environmental, social, and climate risks and opportunities integrated into lending processes is monitored through the Bank's ERET, CRET, and SDG Mapping Model and reported to senior management through the Credit Committee. Project-based evaluations are carried out by the Engineering Department as part of the credit processes, in parallel with technical analyses. Portfolio-based studies are conducted by the Climate Change and Sustainability Management Department to ensure that loan projects comply with the Bank's policies, commitments, and targets.

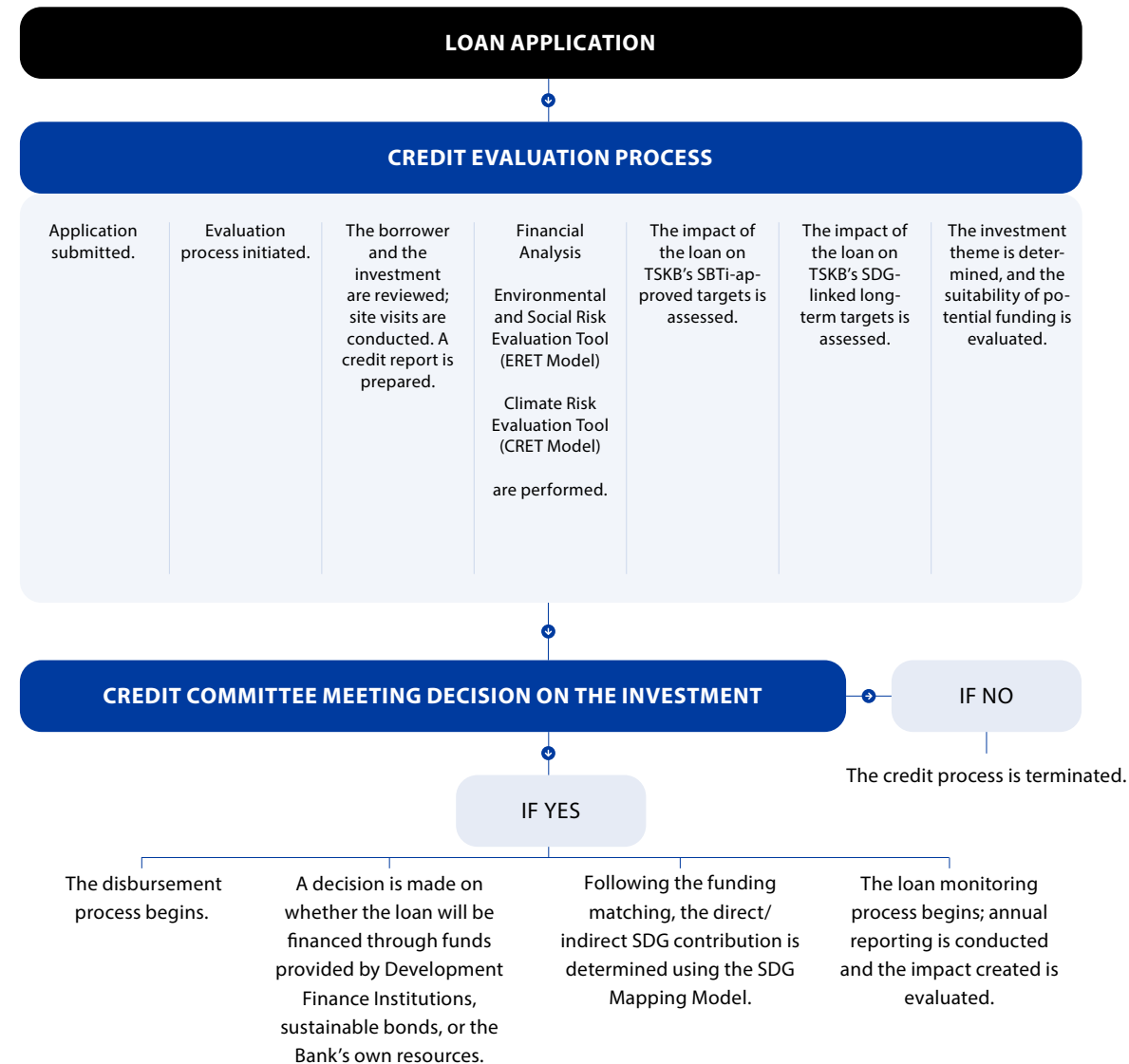
Through the effective management of the loan portfolio, the Bank's ratio of Stage 2 loans stood at 7.2% at year-end, while the ratio of Stage 3 loans remained at 2.4%. TSKB, which is among the banks with the highest coverage ratios in the sector, continued to maintain prudent levels for Stage 2 and Stage 3 loan coverage ratios. As of year-end, the coverage ratios for Stage 2 and Stage 3 loans were 31.6% and 74.1%, respectively. More than 95% of Stage 3 loans consist of loans to companies that are still operational. As of year-end 2025, TSKB's total free provisions amounted to TL 1.1 billion.

At year-end, on a cash risk basis, the restructuring rate was 100% for Stage 2 loans and approximately 33% for Stage 3 loans.

As of year-end 2025, the Stage 3 loan ratio stood at 2.4%. In line with the current outlook for asset quality, the Stage 3 loan ratio is projected to remain below 2.5%, while the net cost of risk is expected to stay below 50 basis points in 2026.

The management of environmental, social, and climate risks and opportunities integrated into lending processes is monitored through the Bank's ERET, CRET, and SDG Mapping Model and reported to senior management through the Credit Committee.

**INTEGRATION OF ENVIRONMENTAL, SOCIAL, AND GOVERNANCE FACTORS INTO LOAN ANALYSIS**



**INVESTMENT BANKING AND ADVISORY SERVICES**

**Proactive Treasury Management**

Market fluctuations arising from uncertainty over tariffs to be applied globally and ongoing disinflationary policies domestically were effectively managed within the scope of risk policies. TSKB continued to support corporate clients in managing their financial risks through the treasury products and hedging solutions it offers. Thanks to its strong liquidity structure, differentiated from commercial banks, as well as its proactive asset-liability management and market risk-sensitive approach, the negative effects of market volatility on the Bank's balance sheet were prevented. A significant contribution to profitability was achieved through opportunity-driven and prudent strategies in the securities and money markets. In 2026, the Bank aims to maintain its risk management discipline amid changing market conditions, continue offering value-added financial solutions to its clients, and sustain proactive balance sheet management that supports sustainable profitability.

**Investment Banking**

In line with the SDGs, the Bank continues to diversify its activities through capital investments that support environmental transformation. In this context, the Türkiye Green Fund (TGF), launched in 2024 with a focus on sustainability, constitutes an important part of the Bank's long-term strategy.



The investment theme of the Türkiye Green Fund is to support companies' green transition processes, particularly by investing in companies that manufacture products and provide services in the fields of green transition and air-conditioning technologies. In this context, the capital increase investments are intended to help these companies accelerate their own investments, increase their capacity, and thus contribute to the reduction of global carbon emissions. The Fund also aims to accelerate the inclusive and green transition in industry in line with Türkiye's 2053 Net Zero target.

The first investment under the Türkiye Green Fund was made in Ateş Çelik in July 2025. The investment in Ateş Çelik, whose main business is the manufacturing and assembly of turbine towers, generators, and their components (bolts, nuts, fasteners) for wind power plants, aims to enhance its contribution to Türkiye's sustainable development goals by developing domestic technology in wind energy.

This investment, which aims to expand Türkiye's renewable energy capacity, was realized through the TSKB Türkiye Green Investment Fund, as well as the Clean Energy Venture Capital Investment Fund and the Atlas Growth Capital Venture Capital Investment Fund, managed by İş Enerji and Maxis Girişim Sermayesi. Under the agreement, an investment of EUR 45 million was made through İş Enerji and Maxis Girişim Sermayesi Yatırım Fonu, affiliates of İş Bankası in the energy and financial sectors. Of this amount, EUR 20 million was provided through the Türkiye Green Fund.

The investments of the Türkiye Green Fund will continue rapidly in 2026 and beyond.

The TSKB Venture Capital Investment Fund, established in 2023 in cooperation with Maxis Girişim Sermayesi, aims to create medium- and long-term value by investing in high-growth potential companies operating in sectors such as energy, technology, food, manufacturing, agriculture, and services. The Fund invests by acquiring minority or majority stakes in the range of USD 1–5 million per company, aiming to support regular cash flow, increased profitability, and sustainable growth. Exit strategies include sales to strategic or financial investors, transfers to existing partners, and initial public offerings.

Under this strategy, the Fund made its first investment of USD 3.4 million in 2024 in Poweren Elektrik, a company operating in the renewable energy sector. The company currently has 20 MW of unlicensed SPP installed capacity, a 160 MW pre-licensed project portfolio with storage (50 MW WPP – Kırklareli, 110 MW SPP), and a 10 MW SPP (Konya) investment planned for commissioning in 2026. The minority investment aims to increase Türkiye's renewable energy capacity and contribute to the security of energy supply.

In 2025, Mergers and Acquisitions (M&A) activity saw an increase in the participation of international investors, particularly in high-value transactions. Tightening financing conditions and high cost of capital have driven down valuations, creating attractive acquisition opportunities for financially strong and strategic buyers. This dynamic was particularly observed in large-scale transactions in the retail and energy sectors. In 2026, an increase in M&A activity is expected, driven by stronger foreign investor interest, a continued focus on technology, and a more active role for domestic strategic investors, provided that macroeconomic stability continues.

## Initial Public Offering Market

In 2025, Borsa İstanbul exhibited two distinct trends. The strong momentum in the early months of the year, supported by positive expectations, gave way to a marked slowdown after March due to political developments, tight monetary policy, and a high interest rate environment.

During this period, trading volumes weakened due to declining risk appetite and increased profit-taking, and the index generally exhibited a sideways and downward trend.

One of the most notable developments for TSKB's capital markets activities in 2025 was the successful completion of the DOF Robotik IPO—the first IPO of the year—led by TSKB and Yatırım Finansman following a nearly six-month period of market stagnation.

In 2026, a significant revival in IPO activities is anticipated as the normalization process in the capital markets accelerates and investor appetite strengthens. In this context, in line with our development-oriented investment banking vision, three new IPOs led by TSKB and two strategic issuances on the debt instruments side that will increase diversity—one sukuk and one bond—are expected to be completed successfully in 2026.

In addition, a period of increased diversity in debt instruments is anticipated. TSKB continues to play an active role in the structuring and issuance processes of debt instruments, particularly green bonds and sustainability-themed sukuk. This approach deepens the Bank's investment banking activities and enables it to offer a variety of financing instruments.

## Advisory Services

The Bank effectively leverages its knowledge and experience in economic, financial, and engineering fields through its advisory services. With the aim of converting this expertise into economic value and diversifying its revenue streams, TSKB delivers services under a single structure through three departments: Advisory Services Sales, Economic Research, and Financial and Technical Advisory. Through its advisory services, within the scope of its strategic objectives, the Bank aims to be a long-term business and solution partner for its clients and to create an impact on sustainable development beyond its lending activities.

Details on advisory services, one of our main business lines, can be found in the [Intellectual and Manufactured Capital](#) section.

## TSKB SUBSIDIARIES

### YATIRIM FINANSMAN

Founded on October 15, 1976, under the leadership of TSKB and İş Bankası with the participation of 13 major banks, Yatırım Finansman Menkul Değerler A.Ş. (Yatırım Finansman) is Türkiye's first stock brokerage firm. TSKB holds a 95.78% equity stake in Yatırım Finansman.

#### The first stock brokerage house in Türkiye leading the sector

In 2025, Yatırım Finansman achieved its goals of providing a satisfactory return to its investors, clients, and stakeholders in line with the principle of responsible profitability.

Yatırım Finansman, which provides services through 13 service points across Türkiye, is one of the most preferred and leading brokerage houses in the sector, with equity of over TL 1,715 million and client assets exceeding TL 124 billion as of 2025.



### Hybrid growth model with digitalization

Within the framework of its Customer-Centric Digital Transformation Project launched in 2022, Yatırım Finansman aimed to generate value-added gains such as improving customer satisfaction and loyalty, enhancing sales force effectiveness, and increasing resource efficiency, while also ensuring that customers receive the right service through the right channel. In this context, the company's existing customers were grouped into two main segments to be served digitally and through branches, and a hybrid growth model with digitalization was implemented.

As part of its continuous efforts to enhance the digital effectiveness of this model, Yatırım Finansman continued throughout 2025 to develop its new mobile application, YaFi, which is designed to offer clients a customizable investment experience and enable all transactions to be carried out on a single platform.

During the reporting period, it completed the revamp of its corporate website, featuring a modern and user-friendly design and an infrastructure developed in line with digital marketing dynamics. Call Center Services were developed to manage the institution's customer communication processes within a professional call management framework and to maintain a high level of satisfaction among digital customers under the new service model.

Within the framework of synergistic collaborations with its main shareholder, İş Bankası, work was completed to implement digital innovations such as becoming a Yatırım Finansman customer using İş Bankası credentials and enabling easy money transfers to Yatırım Finansman via İşCep and the İş Bankası Internet Branch.

It enhanced the infrastructure of its video call account opening system, one of the key tools for acquiring new customers through digital channels, thereby improving the account opening processes via this channel and completing a significant system integration that increased the number of successful account openings.

### Pioneering applications in investments

Under its broad-authorized intermediary institution status, Yatırım Finansman offers domestic and international individual and institutional investors reliable and fast access to capital markets through its branch network, online channels, and mobile applications.

Investors benefit from YFTRADE, YFTRADEMOBILE, and YFTRADEINT trading platforms developed by Yatırım Finansman, as well as the YF FACE-TO-FACE application for opening online accounts, by conducting secure, intermediary-free transactions in both domestic and foreign markets. These transactions can be performed using portable or desktop computers, as well as next-generation smart devices, allowing flexibility regardless of time and location.

In 2025, Yatırım Finansman, which collaborates with TSKB on various investment banking projects, continued to offer customers a range of financial products and instruments suitable for them as part of its asset management services, primarily in the equity and futures markets, and to help customers generate returns on their investments, following its strategy of broadening its customer base.

### Collaborations raising awareness for financial literacy

To increase investors' financial literacy levels and provide them with the necessary tools to make sound investment decisions, Yatırım Finansman held in-person investor meetings in İstanbul, İzmir, Antalya, Gaziantep, and Adana, attended by 760 people.

In 2025, a total of five-hour online seminars were held with Prof. Dr. Hakkı Öztürk as part of the "Investor's Guide to Finance" training series.

### TSKB REAL ESTATE INVESTMENT TRUST

Established in 2006, TSKB Gayrimenkul Yatırım Ortaklığı A.Ş. (TSKB REIT), in which TSKB holds an 88.61% stake, is a real estate investment company dedicated to creating and developing a strong real estate portfolio.

As a capital markets institution, TSKB REIT invests in real estate, real estate projects, rights related to real estate, and capital market instruments; establishes ordinary partnerships to carry out specific projects; and engages in other activities permitted by the relevant regulations of the Capital Markets Board of Türkiye (CMB).

In line with its core values of consistency, transparency, quality, social responsibility, customer focus, and teamwork, TSKB REIT focuses its investment strategy on growth through project development, sustainability, and risk management.

Authorized by the CMB and BRSA, TSKB Real Estate Appraisal demonstrated strong sector expertise in 2025 through its triple-licensed structure, internationally certified expert staff, and appraisal activities carried out both in Türkiye and abroad.

#### A set of consistent, transparent, high-quality, and customer-oriented values

With core values of consistency, transparency, quality, social responsibility, customer focus, and teamwork, TSKB REIT's investment strategy focuses on growth through project development, sustainability, and risk management.

Established with an initial capital of TL 10 million, the Company's capital was increased to TL 650 million in 2021. As of December 31, 2025, TSKB REIT's total assets reached approximately TL 7.0 billion, and its leasable area under management reached approximately 65,000 m<sup>2</sup>.

As of year-end 2025, TSKB REIT's real estate portfolio included the Pendorya Shopping Center in Pendik, Istanbul, which opened on December 17, 2009, with approximately 80,648 m<sup>2</sup> of indoor space and 30,573 m<sup>2</sup> of leasable area; two office buildings in Fındıklı, Istanbul, with 17,827 m<sup>2</sup> of indoor space; Tahir Han in Karaköy, Istanbul; and a 50% stake in the Divan Adana Hotel and its independent units, which opened in downtown Adana in September 2015.

#### Efforts to increase rental income and diversify the portfolio

TSKB REIT's investment strategies include increasing existing rental income and diversifying its portfolio. Accordingly, in 2025 the Company continued its efforts to increase the occupancy rate and rental income of Pendorya Shopping Center and likewise aimed to improve the profitability of the Divan Adana Hotel by leveraging its competitive advantage in the region.

#### TSKB REAL ESTATE APPRAISAL

TSKB Gayrimenkul Değerleme A.Ş. (TSKB Real Estate Appraisal) was established in November 2002. In February 2003, the Company was included in the list of "Real Estate Appraisal Institutions" by the Capital Markets Board and became one of the first institutions to hold a CMB license.

TSKB Real Estate Appraisal is one of the first companies in Türkiye to receive the internationally recognized Royal Institute of Chartered Surveyors (RICS) certificate. It is also authorized by the BRSA to provide appraisal services for real estate, real estate projects, and rights and benefits attached to real estate.

With its visionary consulting services, the Company guides both domestic and foreign investors on how to take the right and sound steps in real estate investments.

With an extensive service network of branches across all geographical regions of Türkiye, TSKB Gayrimenkul Değerleme aims, through its increasingly strong team of experienced experts, to deliver strategic, innovation-oriented, and sustainable solutions in response to the structural transformation of the real estate sector and changing user preferences.

Focusing on enhancing its knowledge base and competencies, collaborating with leading international organizations, and keeping abreast of innovations in its field, the Company has completed appraisal assignments in 28 different countries to date.

Detailed information is available in the [Intellectual and Manufactured Capital](#) section.

#### Escarus

Launched in April 2011, Escarus (TSKB Sürdürülebilirlik Danışmanlığı A.Ş.), with its experienced and expert team, aims to integrate globally accepted international environmental and sustainable approaches into the Turkish business community and to strengthen sustainable development, one of the Bank's core missions through consultancy services.

Escarus' operations are divided into three primary areas: "Strategic Sustainability," "Operational Sustainability," and "Research, Reporting, and Training." Escarus specializes in designing and implementing high-value consultancy solutions across a wide range of areas, including sustainability management systems and strategies, sustainable finance, resource and energy efficiency, climate risk management, carbon-water management, and various non-financial reporting such as sustainability reports and gender equality, particularly in critical sectors such as energy, finance, construction, and manufacturing.

Escarus also conducts research and provides advisory services on specific topics such as the European Green Deal, the Emissions Trading System, carbon markets, and the BIST Sustainability Index. Specifically for sectors with high transformation potential, it offers services in areas such as solutions compliant with national and international legislation and regulations, clean production roadmaps, responsible supply chain practices, and rating preparation. In addition to its advisory role, it has a proven track record in various sectors with its guiding approach during the post-project implementation phase.

You can find detailed information in the [Intellectual and Manufactured Capital](#) section about Escarus, which is one of the institutions authorized by the Ministry of Trade to provide consulting services for the Responsible Program launched by the Ministry of Trade as part of the European Union Green Deal Harmonization Project, including its collaborations with relevant Ministries and development finance institutions.

#### TSKB Stock Performance in 2025

As one of the pioneers in the development of Türkiye's capital markets, TSKB went public in 1986, and its shares, traded under the ticker "TSKB," were listed on the BIST 50 Stars Market in 2025. The Bank, which has received corporate governance rating services annually since 2009 and consistently ranks among the institutions with the highest scores, has maintained its position in the BIST Corporate Governance Index. The Bank was also included in the BIST Sustainability Index and the BIST Sustainability 25 Index.

The Bank's stock traded with an average volume of 27 million shares in 2025. It ended the year with a market capitalization of TL 34.6 billion (USD 807 million).

During the reporting period, the Bank continued its efforts to actively inform and develop its equity and bond investor base. A total of 140 meetings and discussions were held, including four investor relations conferences with domestic and international participation, virtual roadshow meetings held prior to bond issuances, and meetings focused on portfolio management companies. Investors' verbal and written requests for information were responded to promptly.

As part of its investor relations activities, TSKB will continue its engagement with domestic and foreign investment communities, including ESG and impact investors, in 2026.

TSKB STOCK PERFORMANCE IN 2025					
	2021	2022	2023	2024	2025
<b>TSKB Share Closing Price (TL)*</b>	1.44	4.37	6.55	12.22	12.35
<b>Change (%)</b>	17.5	203.5	49.9	86.6	1.1
<b>BIST Bank Index</b>	1,558	5,028	8,717	14,555	16,540
<b>Change (%)**</b>	2.4	215.1	71.7	66.97	13.6
<b>BIST 100 Index</b>	1,858	5,509	7,470	9,831	11,262
<b>Change (%)**</b>	25.8	196.6	36.4	31.6	14.6
<b>Relative Return to BIST Bank Index (%)</b>	-19.5	-3.7	-13.6	11.7	-11.1

Source: Fintel

\*Retrospective closing prices are adjusted for cash dividends and bonus issue capital increase after the related dates.

\*\*Change compared to the beginning of the year

### Assessment on Financial Status Profitability, Solvency, and Financial Results in 2025

In 2025, TSKB's total assets increased by 41.3% to TL 326.7 billion. Of the Bank's assets, 22.1% were denominated in Turkish lira (TL) and 77.9% in foreign currency (FX). The ratio of the Bank's interest-earning assets to total assets is 91%.

In 2025, a total of USD 1.9 billion in long- and short-term cash loans were disbursed through Corporate Banking, Project Finance, and APEX Banking activities. In line with the Bank's funding structure, 93.4% of loans are denominated in foreign currency.

The cash loan portfolio, which grew by 41.7% to reach TL 235.9 billion in 2025, recorded an 11.2% increase on an FX-adjusted basis. Gross loans constituted 72.2% of total assets.

Approximately 81% of the Bank's loans are investment loans, 12% are working capital loans, and the remainder consists of APEX and other loans. The currency breakdown of loans, including FX-indexed loans, is 40.6% in USD, 52.9% in EUR, and 6.5% in TL.

Within the total loan portfolio, the share of SDG-linked loans is 92.3%, while the share of loans contributing to climate- and environment-related SDGs is 59.2%.

In loans disbursed in 2025, investments in the energy sector were prominent, with a 19% share. The energy sector was followed by the financial sector at 13% and the metal and machinery sector at 11%. The sectoral breakdown of the loan portfolio at year-end shows that 30% consists of loans to the electricity generation sector and 9% to the metal and machinery sector.

These were followed by the finance, logistics, textile, construction, and chemicals and plastics sectors, each accounting for between 4% and 7% of the portfolio.

The ratio of non-performing loans (NPLs) to total loans, which was 2.2% at the end of 2024, stood at 2.4% at the end of 2025. The ratio of Stage 2 loans to the total portfolio was 7.2%. At the end of 2025, the coverage ratio was 31.6% for Stage 2 loans and 74.1% for Stage 3 loans. The FX-adjusted net cost of risk was 55 basis points.

The securities portfolio, the second-largest item on the asset side with a 17% share, grew by 26.8% year-over-year to reach TL 52.6 billion. As of year-end, 56.7% of the securities portfolio was denominated in TL. Within this portion, securities measured at fair value through other comprehensive income accounted for 47.9%, while securities measured at amortized cost accounted for 52.1%.

A comparison between the beginning and end of the year shows that the share of inflation-linked securities in the TL portfolio declined from 47% to 36%. The average maturity of the TL portfolio, which is fully funded by free equity, is 2.9 years.

FX liabilities make up 84% of the liabilities side of the balance sheet, in line with the asset composition. The majority of these loans are denominated in foreign currencies and are medium to long-term funds obtained from international lenders. 48.5% of the funds on the balance sheet were borrowed with the guarantee of the Republic of Türkiye Ministry of Treasury and Finance.

Assets and liabilities are managed efficiently, taking into account that the borrowing and placement interest rates in TSKB's asset and liability balance are mainly variable, and the maturity of borrowings is longer than the placements, which distinguishes it from the banking sector, ensuring that the interest rates and liquidity levels meet the minimum regulatory ratios.

TSKB's income statement indicates that net interest income for 2025 increased by 13% to approximately TL 17.1 billion. The Bank's year-end net interest margin was recorded at 5.6%.

As a major player in capital markets and a Bank that continues to expand its range of advisory services year by year, TSKB's fee and commission income declined by 17% in 2025 due to market conditions and weaker transaction volumes.

On the other hand, total employee and other operating expenses rose by 56.9% to TL 3.4 billion. In parallel, the expense/income ratio rose from 13.8% to 17.1%.

The total expenditure for aid and social responsibility projects during the year amounted to TL 5.7 million.

TSKB's profit before provisions and taxes increased by 8.4% to TL 14.8 billion, and net profit for the period increased by 12.3% to TL 11.4 billion in 2025. A return on equity of 29.3% was achieved in 2025. The Bank's shareholders' equity increased by 40.6% year-over-year to TL 45.7 billion, representing 14% of total liabilities and equity.

The Bank's capital adequacy ratio was 25.7% as of year-end 2025. The ratios excluding BRSA temporary measures were 20.3%, 19.2%, and 14.9%, respectively.

These ratios are well above the legal limits and support TSKB's growth strategy.

### Impact of sustainability-related risks and opportunities on financial capital

Through its dynamic value creation model, long-standing collaborations with development finance institutions and financial organizations, and activities aligned with national policies, TSKB continuously monitors and evaluates the areas in which it creates impact in light of its customers' needs and international best practices.

The outputs of the surveys and workshops conducted within the scope of stakeholder and materiality analyses, which provide key inputs to the Bank's strategy, shed light on future initiatives. The risks, opportunities, and impact areas analyzed with respect to priority topics directly affect TSKB's financial capital.

Sustainability-related risks and opportunities, particularly climate-related risks and opportunities, that may directly affect TSKB or indirectly through its loan and investment portfolio, shape the Bank's thematic funding negotiations with development finance institutions and international financial institutions.

As of year-end 2025, of TSKB's approximately USD 1 billion in signed but undrawn funding—all guaranteed by the Republic of Türkiye Ministry of Treasury and Finance—82% was climate- and environment-related, while the remainder was allocated to the green transformation of earthquake-affected regions.

This funding, recorded on the liabilities side of the balance sheet, directly affects the loans item on the asset side.

TSKB aims to maintain the share of climate- and environment-related loans in its total loan portfolio at approximately 60% by 2030, up from 59.2% at year-end 2025. Under its target announced in 2024 and revised upward for 2026, the Bank commits to providing USD 5 billion in climate financing by that date.

TSKB views sustainability-related risks, particularly those concerning the climate crisis, as opportunities, leveraging its comprehensive assessment and monitoring processes and the strong contribution of its human capital, which possesses advanced expertise in sustainable finance.

The Bank focuses on addressing these areas and expanding its impact not only through its lending activities but also through synergies developed across its investment banking,

advisory services, and subsidiaries. The Bank will continue to deliver multifaceted impact through the Türkiye Green Fund—which made its first investment in Ateş Çelik, a leading domestic equipment manufacturer, during the reporting period—as well as through services aimed at deepening the transition to a low-carbon economy. The Türkiye Green Fund, the first venture capital investment fund in Türkiye and globally, established with credit financing and focused on emissions reduction and inclusive transformation, is expected to reach a total size of USD 405 million.

TSKB aims to increasingly leverage its expertise and capabilities to strengthen its impact in sustainability, both directly and through its subsidiaries, and to increase the contribution of sustainability-linked activities to its consolidated financial performance.

Financial Guidance (Bank Only)	2025 Year-End Guidance (%)	2025 Year-End Results (%)	2026 Year-End Guidance (%)
<b>Growth</b>			
FX-Adjusted Loan Growth	Low Teens	11.2	Low Teens
<b>Profitability</b>			
Net Interest Margin	~5	5.6	~4.5
Fees and Commissions Growth	~ Average CPI	-17	>50
Return on Equity	~30	29.3	~25
<b>Efficiency</b>			
OPEX Growth	> Average CPI	53	> Average CPI
<b>Solvency*</b>			
Capital Adequacy Ratio	~21	20.3	~19
Tier 1 Ratio	~20	19.2	~18
<b>Asset Quality</b>			
NPL Ratio	<2.5	2.4	~2.5
Net Cost of Risk (excluding currency impact)	<50 bps	55 bps	~50 bps

\*Excluding BRSA regulatory forbearance measures

# 235.9

## TL BILLION

Cash loan portfolio as of year-end 2025

# NATURAL CAPITAL

Target	Performance
--------	-------------

Continue efforts to define technical screening criteria for lending practices and conduct portfolio analysis in line with the forthcoming Türkiye Green Taxonomy Regulation and the BRSA Green Asset Ratio Communiqué	The BRSA Green Asset Ratio Communiqué was published in April 2025. In line with the Communiqué, TSKB reviews its portfolio, carries out periodic reporting and calculates its green asset ratio. Following the publication of the Türkiye Green Taxonomy Regulation in the Official Gazette, a feasibility study will be conducted to assess the related obligations and implementation steps.
Continue efforts on the governance, measurement and financial quantification of climate-related risks, as well as on stress testing and scenario analyses related to these risks, in line with local and global regulations, including the draft Guideline on the Effective Management of Climate-Related Financial Risks by Banks	Following the publication of the Guideline on the Management of Climate-Related Financial Risks by the BRSA in July 2025, the Bank conducted a comprehensive gap analysis under the coordination of the relevant departments. Action steps have been defined to ensure the internalization of practices across the Bank and to achieve full compliance. In this context, climate-related responsibilities, relevant department and reporting processes have been clarified, and efforts to integrate these into the Bank's internal policies and procedures are ongoing.
Continue capacity building under the Carbon Border Adjustment Mechanism (CBAM) through gap analyses	Guidance documents published by the European Commission have been closely monitored. Questions from portfolio clients regarding CBAM reporting have been addressed, and capacity has been enhanced through the analysis of responses received.
Conduct information sessions with subsidiaries, affiliates and clients in line with TSRS 2 Climate-Related Financial Disclosures	Four information sessions were conducted for subsidiaries and affiliates.
Maintain a leading reporting approach by adhering to best practices and internationally recognized standards, and continue to improve TSRS alignment in forthcoming integrated annual reports	TSRS-aligned Sustainability Reports for 2024 and 2025 have been published, and the 2025 Report can be accessed on page 194.
Conduct internal rating studies by integrating a climate risk management perspective into credit processes	Efforts are ongoing in collaboration with the Climate Change and Sustainability Management and Risk Management Departments.
Continue the development of the TSKB Circular Economy Strategic Plan	A Circular Economy Roadmap has been developed in line with the Circular Economy Strategic Plan. The Roadmap can be accessed on page 82 under the Financial Capital section.
Develop a policy by building technical capacity in nature and biodiversity.	The Nature and Biodiversity Policy has been developed and disclosed to the public on the Bank's corporate website. The Policy can be accessed <a href="#">here</a> .
Continue to develop methodologies and metrics to monitor emissions in carbon-intensive sectors and increase the share of loans covered by financed emissions calculations	In the 2025 greenhouse gas inventory, the coverage of emissions calculations for carbon-intensive sectors increased from 91% to 94%. In addition, the scope of financed emissions calculations was expanded to include emissions from private sector bonds, funds owned by the Bank and affiliates.
Strengthen capacity as a signatory to PCAF	TSKB has become a signatory to PCAF. The Bank's PCAF signatory status and membership support capacity building in portfolio emissions calculations by providing technical guidance and enabling collaboration with global financial institutions.
Expand the scope of embedded emissions calculations	During the year, the calculation approach was reviewed, methodological developments were closely monitored, and efforts were undertaken to update the datasets used in calculations and to enhance the representativeness of actual data.
Evaluate carbon pricing approaches for managing portfolio risks in credit processes	As part of the scenario analyses conducted in 2025, national and international carbon pricing mechanisms were researched and evaluated; this approach contributed to a better understanding of the underlying principles of these mechanisms within ongoing carbon pricing efforts.



## FUTURE TARGETS

- Build capacity in nature and biodiversity by 2030, conduct portfolio analyses to identify sectoral dependencies and impacts, define related risks and opportunities, and establish and advance international collaborations for knowledge sharing.
- Continue efforts on the governance, measurement and financial quantification of climate-related risks, as well as stress testing and scenario analyses, in line with local and global legislative frameworks, including the Guideline on the Effective Management of Climate-Related Financial Risks by Banks.
- Keep the Bank's climate, environmental and social risk assessment tools up to date in line with local regulations and evolving international standards, and enhance their functionality.
- Conduct internal rating studies by integrating a climate risk management perspective into credit processes.
- Expand the share of clients and portfolio coverage included in financed emissions calculations in carbon-intensive sectors.
- Evaluate carbon pricing approaches for managing portfolio risks in credit processes.
- Apply AdapTool to at least 100 clients by 2030 to assess their vulnerability to physical climate risks and their adaptation capacities.
- Ensure full alignment with the Circular Economy Roadmap, while strengthening internal capacity and raising awareness among clients.
- Implement the Circular Economy Self Assessment Tool to analyze clients' circular practices and identify areas for improvement.

# NATURAL CAPITAL

The Nature and Biodiversity Policy has been added as a complementary policy to the Bank’s Sustainability Policy.

It is acknowledged that the ecosystem crisis is a critical global risk affecting the environment, ways of life, and business practices, and that a significant responsibility has been assumed in this context. The fundamental approach is to conduct activities that support sustainable development in collaboration with stakeholders to combat this unprecedented crisis. Guided by a financing strategy focused on a triple transformation that includes a nature-positive approach, TSKB will continue to shape the future of development as it has in the past.

TSKB, which operates with the mission of contributing to Türkiye’s inclusive and sustainable development, took a pioneering step in the 1980s by being the first to integrate environmental factors into its credit assessment processes. By the 1990s, the Bank further advanced its sustainable finance approach by starting to offer environmental loans.

The Environmental Management System, established in 2005, was developed over time and evolved into the Sustainability Management System (SMS). SMS practices are supported by policies and procedures, and systematic monitoring mechanisms are in place to track their effectiveness. The system is regularly reviewed and updated in line with international management standards (ISO 14001 Environmental Management System and ISO 14064-1 Greenhouse Gas Accounting and Verification Standard) and strategic priorities.

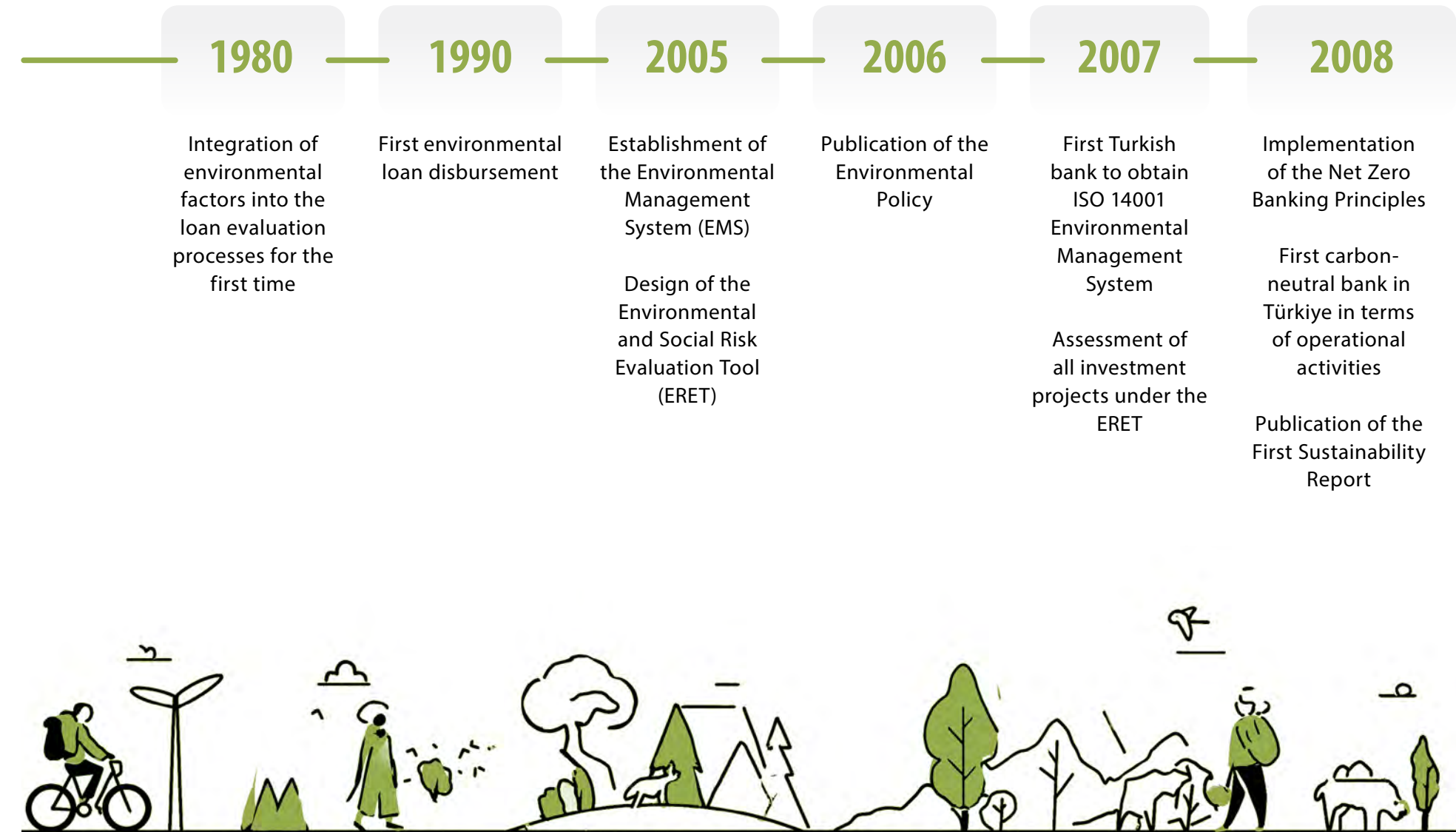
The Environmental and Social Risk and Impact Management Policy and the Climate Change Mitigation and Adaptation Policy form the cornerstones of the Bank’s environmental, social, and climate risk management strategy. The Environmental and Social Risk and Impact Management Policy enables the Bank to systematically assess and manage the environmental and social impacts that may arise from its operations and financing processes.

The Climate Change Mitigation and Adaptation Policy ensures the management of risks and opportunities arising from climate change and aims to strengthen the Bank’s resilience to transition and physical risks. Through this policy, the Bank commits not to finance new or capacity-expansion investments in coal-fired thermal power plants and coal mining for electricity generation, and to phase out financing the coal sector by the end of 2035. You can access the policies on the Bank’s [corporate website](#).

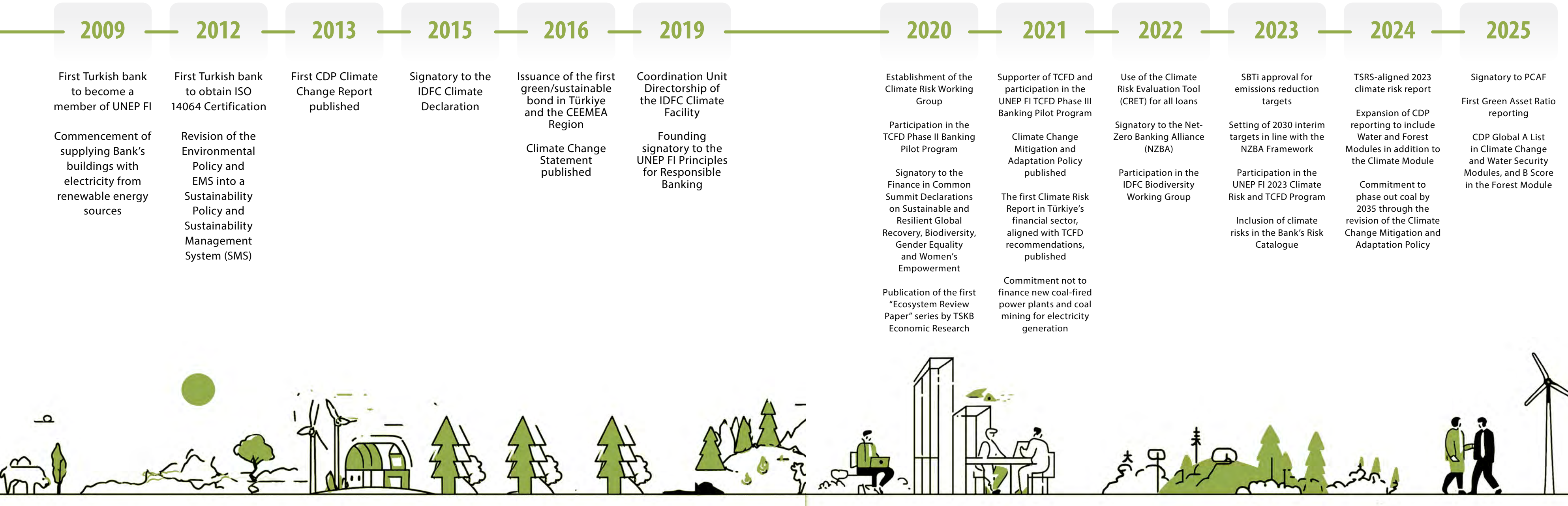
The Bank manages greenhouse gas emissions from its operational and lending activities in line with its net-zero commitment, following emission reduction targets approved by the Science Based Targets initiative (SBTi). Portfolio targets in this context are considered a strategic reference in shaping the portfolio’s sectoral distribution and in financing allocation decisions.

Following the reporting period, in February 2026, the Sustainability Policy and its complementary policies, which are central to TSKB’s sustainability vision, were reviewed and updated by resolution of the Board of Directors (BoD) to ensure holistic alignment among the policies, to reflect national and international developments, expectations of funding institutions, ESG rating methodologies, local and global trends, the requirements of certificates and initiatives to which the Bank is a signatory or holder, and best practices. Furthermore, the Nature and Biodiversity Policy, which the Bank developed in 2025, came into effect during the same period with the approval of the Board of Directors. This development is a significant step, representing the integration of a focus on nature and biodiversity into the Bank’s strategic framework in 2025.

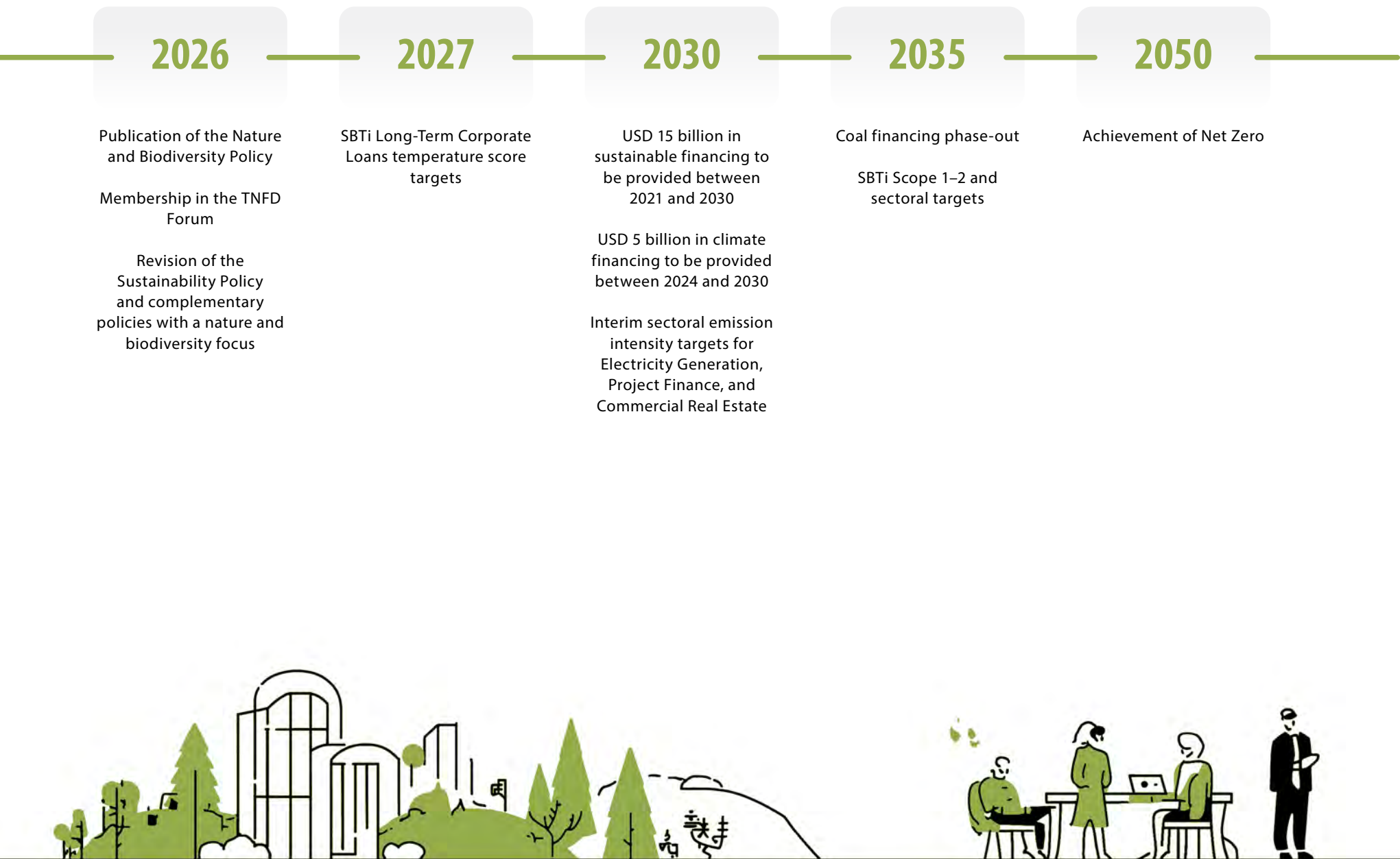
## TSKB’S CLIMATE AND NATURE JOURNEY



TSKB'S CLIMATE AND NATURE JOURNEY



**TSKB'S CLIMATE AND NATURE JOURNEY**



The climate and nature journey, shaped by the triple transformation framework and the net-zero target, aligns with the thematic financing approach that TSKB has long adopted as a development and investment bank. In the Bank's funding structure, development finance institutions provide long-term, theme-based resources; in the loan portfolio, climate finance for the transition to a low-carbon economy and for adaptation prioritizes themes such as renewable energy, energy efficiency, resource efficiency, and the circular economy. In line with its climate strategy and within the scope of the SDG Mapping Model detailed in the Financial Capital section, the Bank aims to maintain the ratio of climate- and environment-related loans in its loan portfolio at 60% or higher by the end of 2030 and to provide USD 5 billion in climate financing by 2030.

On the other hand, the rapidly evolving regulatory framework at the national level, increasing stakeholder expectations, and regular dialogue processes with relevant institutions are of strategic importance to the Bank. Policy and guidance efforts on climate risks, sustainable finance, taxonomy, and carbon markets, conducted by relevant public authorities, particularly the Banking Regulation and Supervision Agency (BRSA) and the Directorate of Climate Change, are among the key reference points in determining the Bank's strategic direction and processes.

Indeed, the expectations set forth in the BRSA's "2025-2028 Strategic Plan," the "Communiqué on the Calculation of Banks' Green Asset Ratio" published in April 2025, and the "Guideline on the Management of Climate-Related Financial Risks" published in July 2025, respectively, played a guiding role in the Bank's activities throughout 2025. In this context, progress was made in 2025 on efforts to reflect these expectations in risk policies, the risk appetite framework, and capital allocation processes through a phased approach, taking into account the maturity of the data infrastructure, methodological development, and applicability.

With the publication of the Nature and Biodiversity Policy in February 2026, the scope of the Bank's environmental and social risk management approach was expanded in line with the "twin crisis" perspective that addresses climate change and nature loss together. The goal is to gradually integrate dependencies on and impacts on nature, as well as related risks and opportunities, into the Bank's sustainability and risk management processes. In this regard, TSKB plans to identify and prioritize risks and opportunities for all its activities and internal operations in the field of nature and biodiversity using science-based analytical tools and data-driven methods.

In this process, the Bank supports more effective management of nature-related risks, the development of impact mitigation practices, and the adoption of nature-positive solutions by initiating proactive engagement with clients in sectors with high dependencies on and impacts on nature. To accelerate the nature-positive transformation and protect biodiversity, the Bank aims to strengthen collaborations with national and international stakeholders, undertake joint projects with the public sector, private sector, academia, and civil society organizations, support knowledge sharing, and contribute to the development of national policies, standards, databases, and best practices.

Scientific studies in the fields of climate and nature show that achieving net-zero targets is not possible through a purely technical transformation based on emission reductions; it requires a multidimensional transformation that includes land use, ecosystems, value chains, and social dimensions. This approach also forms the conceptual basis of the "triple transformation" framework, which addresses the green transformation aligned with net-zero and nature-positive goals, alongside social and digital transformations.



TSKB's 2050 net-zero emissions target is not just a goal to reduce carbon intensity for the Bank; it is treated as a holistic process encompassing portfolio structure, sector preferences, supply chains, and financing priorities. From this perspective, the Bank considers alignment with its net-zero target not only as an area of environmental responsibility but also as a strategic priority for strengthening its social capital, including the sustainability of its financial capital, the competence and transformation capacity of its human resources, its relationships with stakeholders, and its reputation.

## STRATEGIC FOCUS: NATURE AND BIODIVERSITY

### NATURE AND GLOBAL IMPACTS

Nature is defined as a holistic system encompassing all non-human living beings and the network of interactions these beings have with other living or non-living elements and processes (IPBES Global Assessment, 2019). Globally, economic activities are highly dependent on nature; it is estimated that 55% of the world's gross domestic product—approximately USD 58 trillion—is moderately or highly dependent on nature and the ecosystem services it provides (WWF Living Planet Report, 2024). This reality clearly demonstrates that nature is not only an environmental asset but also the fundamental infrastructure of the economic system.

Assessments published by the Intergovernmental Panel on Climate Change (IPCC), the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), and the World Economic Forum (WEF) emphasize the need for stronger and more holistic policy and financial actions in the face of the urgent climate and ecological crises. The World Economic Forum's Global Risks Report 2025 identified biodiversity loss and ecosystem collapse as the second-highest global risk over the next ten years, with risks related to natural capital accounting for five of the top ten risks.

The IPBES Business & Biodiversity Assessment report, the summary of which was approved by 150 countries in February 2026, highlights a critical reality for the business world: traditional business models that appear profitable in the short term lead to the crossing of hard-to-reverse thresholds in ecosystems through accumulated impacts across different sectors, resulting in systemic consequences on a global scale. The report clearly states that nature is the foundation of the economy, nature loss poses a systemic risk to businesses, and all businesses both impact and depend on nature.

The common finding of scientific studies is that the diversity of species and ecosystems is essential for the sustainability of the services nature provides to humanity—food, raw materials, a habitable environment, and other life-support systems. The conservation of biodiversity directly supports not only ecological balance but also food security, public health, economic stability, employment, and the fight against poverty. At the same time, biodiversity is a fundamental element that enhances the resilience of habitats, particularly against the impacts of climate change.

The Kunming-Montreal Global Biodiversity Framework (GBF), adopted at COP15 in 2022, establishes an international roadmap toward a “nature-positive” world by 2030 and constitutes the nature equivalent of the Paris Agreement on climate change. However, current trends indicate that global financial flows are not aligned with these targets.

According to data from the Biodiversity Finance Factbook – COP30 Edition, published in November 2025, the GBF's annual financing target of USD 700 billion has a shortfall of approximately USD 1.3 trillion as of the end of 2024. Although biodiversity finance has surpassed USD 300 billion, subsidies harmful to nature have increased by over USD 900 billion since 2022. This picture reveals that global policy and incentive mechanisms are not sufficiently aligned with nature-related targets.

Similarly, the State of Finance for Nature 2026 report, published under the coordination of UNEP, highlights the need for urgent action to initiate the “Big Nature Turnaround.” According to the report, only USD 220 billion is allocated annually to nature conservation, while approximately USD 7.3 trillion is directed toward activities that cause environmental destruction. This stark imbalance shows that nature conservation is not just an environmental priority but a strategic imperative for the sustainability of the economic system.

### NATURE AND BIODIVERSITY AT TSKB

In its Integrated Annual Report for the 2024 fiscal year, TSKB identified nature and biodiversity as a future focus area, setting a goal to develop technical capacity and formulate policy. In line with this goal, the Bank took concrete steps in 2025 to strengthen its corporate capacity, making nature and biodiversity one of its strategic priorities.

In this regard, TSKB strengthened its corporate technical capacity by participating in training and knowledge-sharing platforms organized by the Taskforce on Nature-related Financial Disclosures (TNFD) and other international initiatives. It also actively participated in the IDFC Biodiversity Working Group, taking part in capacity-building programs that covered global financial frameworks, the TNFD LEAP approach, investment assessment methodologies, and biodiversity risk and materiality analysis, all of which support the integration of nature into financial decision-making processes.

With its Nature and Biodiversity Policy published in February 2026, the Bank's climate-focused environmental risk management approach was reviewed in line with the “twin crisis” perspective, which addresses climate change and nature loss together. Additionally, TSKB comprehensively reviewed and updated its sustainability policy set, which forms the foundation of its sustainability vision, and its exclusion list from the perspective of nature and biodiversity conservation and restoration.

TSKB acknowledges the strong reciprocal interaction between climate change and the natural environment and recognizes that the importance of this approach will continue to grow. The Bank recognizes that the degradation of natural ecosystems can accelerate climate change by reducing the capacity of carbon sinks, and conversely, that climate change can deepen biodiversity loss by weakening ecosystem resilience.

Similarly, it foresees that nature loss can create risks in the human rights dimension by affecting the livelihoods of local communities and can undermine circular economy goals through resource inefficiency.

Through this multi-layered interaction, the Bank advocates that issues of nature, climate, human rights, and resource efficiency should not be addressed independently but from a holistic system perspective.



The reciprocal interactions among natural capital, climate change, and the circular economy create interconnected risks and opportunities. TSKB aims to assess these relationships with a holistic approach and guide them through sustainable financing decisions.

The relationship between economic activities and nature is a complex system built on dynamics of mutual dependency and impact. Companies' business models and value chains rely on natural capital and ecosystem services at all stages, from raw material procurement to production, and from financing to investment.

At the same time, these activities have direct or indirect impacts on nature through factors such as land-use change, resource consumption, emissions, and habitat pressure. Financial institutions, through their own operations as well as their lending and investment activities, are integrated into their clients' value chains and thus have both dependencies and impacts on natural capital.

Therefore, for the financial sector, understanding nature-related risks and opportunities is a fundamental component not only of environmental responsibility but also of financial risk management.

When assessing TSKB's impacts on nature, it is evident that the impacts arising from financed activities extend beyond the Bank's own operational impacts. While direct control over operational activities is possible, managing the impacts of financed projects on nature requires a transformation process conducted in collaboration with clients.

Therefore, to ensure the effective management of nature-related risks and to support the alignment of activities with planetary boundaries, the Bank will prioritize a holistic analysis of the impacts and dependencies of its financed activities on nature.

In this framework, the Bank has planned to structure its analysis approach to be consistent with the LEAP (Locate, Evaluate, Assess, Prepare) methodology developed by TNFD.

In this context, scientific tools such as ENCORE and WWF Biodiversity Risk Filter will first be used to examine the portfolio's sectoral and geographical distribution to identify which activities have more intensive interactions with nature. Subsequently, the criticality and materiality levels will be determined by assessing the dependencies of these activities on natural capital and ecosystem services, as well as their impacts on nature.

The physical, transition, and systemic risks, along with nature-positive opportunities arising from the identified critical dependencies and impacts, will be analyzed. The potential impacts of these elements on the Bank's financial risk profile, credit terms, and portfolio composition will be assessed. Based on the findings, the integration of the analysis results into credit processes, portfolio management, and policy frameworks will be considered to make the management of nature-related risks and the assessment of opportunities a part of corporate decision-making mechanisms.

Within this framework, TSKB aims to assess environmental and social issues as interconnected areas of risk and opportunity, and to identify financing opportunities that support sustainable transformation in parallel with nature-related dependency and impact analyses in the coming years.

Thus, the Bank's approach will not be limited to a risk-management approach focused solely on mitigating negative impacts; it will also encompass strategic financing solutions that support nature-aligned development in areas such as climate adaptation, emissions reduction, and the circular economy.

#### ERET MODEL

The ERET Model, developed by the Bank in 2005, forms the basis of its impact monitoring and reporting, which is considered one of its strongest areas of expertise by stakeholders. Following a comprehensive update in 2020, the model is implemented in alignment with current environmental and social risk management approaches in the international financial sector.

ERET analyzes the environmental and social performance of companies and investment projects in the portfolio using multi-dimensional, nature-related indicators, including natural resource and water use, land-use change, proximity to protected areas, habitat impacts, emissions, waste management, hazardous substance and pesticide use, and pressures on the ecosystem. This structure enables the Bank to identify potential impacts on biodiversity at an early stage in its financing decisions and to integrate action plans for risk management into its credit processes.

ERET outputs take the identified action plans and areas for improvement into account when assessing the ability of the investment and/or the client to manage risks over the life of the loan. Thus, ERET is positioned not only as a risk evaluation tool but also as a strategic management framework that enables TSKB to systematically address nature and biodiversity in its financial decision-making processes.

From this perspective, the Bank's updated Sustainable Finance Framework of July 2024, with its included theme of "Natural Resource and Land Use Management," is an example set by TSKB for the systematic definition and classification of nature-related financing areas.

#### COLLABORATION WITH STAKEHOLDERS

By signing the Biodiversity Declaration published by the International Development Finance Club (IDFC), of which the Bank has been an active member since 2011 and a Steering Committee member since 2019, the Bank declared its support in 2020 for the ambitious and effective implementation of the Kunming-Montreal Global Biodiversity Framework. This commitment demonstrates the Bank's determination to systematically integrate biodiversity into its financial decision-making processes and reflects its mission to strengthen nature-based solutions and support sustainable development. In the joint IDFC statement released ahead of COP30 in Brazil, TSKB supported the collective goal of contributing to the dissemination of financing approaches that provide simultaneous benefits in the climate and nature and mobilizing USD 100 billion in biodiversity finance by 2027. With this statement, the goal is for at least 10% of IDFC's green financing to generate measurable biodiversity outcomes by 2030.

In Türkiye, in 2025, under the coordination of the Ministry of Agriculture and Forestry and the Nature Conservation Center, and within the scope of the "Global Biodiversity Framework Early Action Support Project" (GEF-7 Project) supported by the Global Environment Facility (GEF) and the United Nations Environment Programme (UNEP), efforts were initiated to review the alignment of National Biodiversity Strategies and Action Plans (NBSAPs) with the new global framework, assess gaps in monitoring systems, and create a national monitoring action plan. Additionally, under GEF-8, a process has been initiated in collaboration with the Ministry of Agriculture and Forestry, the General Directorate of Nature Conservation and National Parks, and the United Nations Development Programme (UNDP) to prepare a National Biodiversity Finance Plan to support



Türkiye in achieving its national biodiversity targets. In line with its pioneering role in development banking and its institutional expertise in sustainable finance, TSKB has actively contributed to these workshops as a stakeholder from the financial sector.

You can find details on TSKB's climate and nature journey on page 95.



#### TSKB BECAME A MEMBER OF THE TNFD FORUM IN JANUARY 2026

With this step, we contribute to the development of international standards for nature-related financial risk management while strengthening our knowledge and technical capacity in line with global best practices.



#### STRENGTHENED PERFORMANCE IN CDP

In CDP's 2025 assessment, we were included in the global A List for the Climate Change and Water Security modules. In the Forest module, where we pioneered reporting among banks in Türkiye last year, we maintained our B score.



#### TSKB 75<sup>TH</sup> ANNIVERSARY MEMORIAL FOREST

With a vision for a sustainable future, we continue to expand our TSKB Memorial Forest project, which was launched in 1996 by planting 46,000 saplings in Sarıyer Rumeli Feneri to contribute to Türkiye's afforestation efforts on the Bank's 46<sup>th</sup> anniversary. In 2025, as part of our 75<sup>th</sup> anniversary, we expanded the project to include different areas in Istanbul and Ankara, reaching a total of 75,000 saplings.



## CLIMATE CHANGE MITIGATION, ADAPTATION, AND TRANSITION TO A RESILIENT ECONOMY

For many years, emissions reduction has been the focus of the policy and finance agenda in addressing climate change. While mitigation investments remain critically important, current scientific projections show that the world is moving away from the target of limiting global temperature rise to 1.5°C, and the likelihood of higher temperature scenarios is increasing. This situation demonstrates that it is imperative not only to transition to low-carbon economies but also to build economic systems and societies resilient to climate conditions. Physical impacts such as droughts, floods, extreme heat, and storms create risks that can directly affect economic activities, social welfare, and financial stability. Türkiye is among the economies highly exposed to climate risks. Water stress, floods, forest fires, and supply chain vulnerabilities are among the main risk areas that can directly impact economic performance and social welfare.

Considering these risks in Türkiye and around the world, adaptation investments stand out not as a complementary but as a fundamental component of climate action. Despite this, adaptation finance remains a significant gap on a global scale. International assessments show that adaptation investments are technically feasible and cost-effective in most cases; the main problem is not technological inadequacy but the absence of investment demand, driven by a tendency to postpone, and the insufficient mobilization of capital flows.

The current situation points to a structural paradox for the financial system: as long as sufficient financing is not provided for adaptation investments, economic losses grow; as losses grow, risk perception increases, and access to finance becomes even more difficult. Therefore, the primary need in the area of adaptation is not only to provide more resources but also to develop analytical tools, risk measurement methodologies, and financing structures that will direct capital to the impactful projects.

TSKB supports the expansion of adaptation capacity by developing financial solutions that enable companies to include their suppliers in their transformation processes through direct or supply chain analyses. In this context, the Bank treats climate change adaptation not just as a risk management issue, but as a strategic financing area that strengthens economic resilience, creates investment opportunities, and supports sustainable development. In this regard, and in line with Türkiye's national climate policies, TSKB initiated efforts at the end of 2024 to develop a financing program with the IBRD, part of the World Bank Group, based on a Partial Credit Guarantee structure. This structure aims to accelerate private sector investments by strengthening risk sharing in adaptation finance. One of the program's key components is the development of an analytical infrastructure to ensure the accurate identification of adaptation investments. As part of this analysis, AdapTool, developed by TSKB in 2025, was designed as an analytical assessment tool to measure the risk exposure to climate change and the adaptation capacity of companies' facilities in specific locations, and it was positioned as part of the evaluation criteria within the IBRD financing program.

### ADAPTOOL

AdapTool analyzes four key dimensions—measures at the level of business assets, supply chain resilience, market diversity, and dependencies on third-party infrastructure—to evaluate not only risk exposure but also the capacity to adapt to identified risks and impacts, taking into account their effects on business operations and financials. Using the outputs of the CRET as input, AdapTool provides companies with concrete roadmaps by identifying, for each risk category, priority investment areas and applicable adaptation measures based on the assessment outputs.

In this respect, AdapTool is not just a measurement tool but also a decision-support mechanism that helps companies shape their adaptation strategies. It aims to contribute to increasing adaptation capacity by guiding firms on which strategic measures to prioritize, even in cases where access to financing is limited.

### TRANSITION FINANCE

Under the transition financing heading in the TSKB Sustainable Finance Framework, the Bank;

- A climate transition strategy aligned with Türkiye's national strategy or with scientific studies,
- Emission reduction targets aligned with the Paris Agreement and/or national roadmaps, and
- The Bank finances the green investments of companies in high-emission sectors that have publicly disclosed metrics.

A second-party opinion was obtained from Sustainalytics for the framework document prepared by TSKB, which is one of the first implementations in the world and is aligned with the International Capital Market Association (ICMA) Climate Transition Finance Handbook. You can review the Sustainable Finance Framework [here](#).

### CLIMATE RISKS AND OPPORTUNITIES

Climate risk refers to the economic, social, and environmental consequences of adverse effects arising from climate change. These effects can pose significant financial risks for organizations in the short, medium, and long term. The Bank is aware of the climate risks in the business area in which it operates when making rational and strategic decisions. Risks arising from climate change are classified as physical and transition risks. The Bank considers physical and transition risk factors when creating and implementing its business strategies and assesses the impact of these risk factors on its business model.

#### Physical Risks

Physical risks are risks arising from the potential physical impacts of climate change on institutions' assets, operations, workforces, supply chains, and markets. These risks can arise from sudden events (acute) or from long-term changes in climate (chronic), and can therefore have short-, medium-, and long-term impacts. The climate-related hazards that can cause chronic and acute risks are summarized below.

#### Acute Risks

- Heat Wave
- Landslide
- Wildfire
- Heavy Rainfall and Flooding
- Severe Wind

#### Chronic Risks

- Water Stress
- Sea Level Rise
- Meteorological Drought

#### Transition Risks

Transition risks refer to the potential risks arising from the process of transitioning to a low-carbon economy. This process may include policy, legal regulations, technological innovations, and market changes aimed at meeting emission reduction and adaptation needs related to climate change. The nature, speed, and focus of these changes may cause transition risks to pose varying degrees of financial and reputational risk for organizations. In this context, risks can arise from regulatory and legal obligations, the transformational pressure created by the shift to low-carbon technologies, market shifts in supply-demand dynamics, and changes in stakeholder perception regarding the institution's position in the transition process.

TSKB assesses the short-, medium-, and long-term financial impacts of potential sustainability-related risks and opportunities, including climate, and directs its activities in light of this information, taking preventive steps when necessary. The process of identifying, assessing, and monitoring climate-related risks and opportunities is a result of the Bank having integrated these risks and opportunities into its core strategy. The Environmental and Social Risk Evaluation Tool (ERET), applied to all loans, examines projects' environmental and social risks, including climate risks, to provide data for the Bank's credit rating system. The results of the Climate Risk Evaluation Tool (CRET) are reviewed monthly by the Credit Committee using a Heat Map and integrated into decision-making processes. As a result, the aim is to closely monitor climate-related risks and opportunities and to enhance the portfolio's climate resilience. Furthermore, monitoring these risks and opportunities plays a significant role in financing decisions, as it is directly linked to the Bank's SBTi-approved targets. The Bank's commitment to phase out coal financing by the end of 2035, in line with its 2050 net-zero emissions target, stands out as a strategic decision for managing climate risks at the portfolio level.

The Bank monitors its clients by classifying them according to their transition risk levels to track and manage the credit portfolio's exposure to climate change transition risk and to detect potential risk concentrations in carbon-intensive sectors at an early stage. In this context, the share of clients operating in high and medium-high transition risk sectors within the portfolio, risk concentration, and its evolution over time are regularly monitored through the Climate Risk Evaluation Tool and the Heat Map, and reported to the General Management and the Audit Committee by the Risk Management Department. TSKB has additional monitoring mechanisms for clients operating in high-transition-risk sectors. Within this scope, the portfolio ratio of loans to clients

with high transition risk is monitored within the risk management framework, taking into account their progress in the green transition and their greenhouse gas emission reduction targets.

Climate risks to the Bank are examined from the perspective of direct and indirect impacts. Direct risks focus on the impacts of climate change on the Bank's operations and activities, while indirect risks focus on the impacts of climate change on

the Bank's products, services, and loan portfolio. The Bank's Risk Catalog includes climate risk and its transmission to other risk types.

The Bank defines the impacts of sustainability-related risks and opportunities, including climate, on its operations, strategy, and financial structure at the short-, medium-, and long-terms which it applies in its strategy and projection studies.

<p><b>Short</b>  <b>&lt;1 year</b></p>	<p><b>The Bank defines the short term as a period of up to one year.</b></p> <p>The Bank monitors the targets set within its medium- and long-term strategy on a monthly basis. It repeats its scenario analyses for sustainability-related risks and opportunities, including climate, annually. By continuously monitoring its portfolio from an environmental, social, and climate risk management perspective, TSKB can detect any misalignment affecting its performance or resilience early and incorporate the necessary actions into its business plan.</p>
<p><b>Medium</b>  <b>1-5 years</b></p>	<p><b>The Bank defines the medium term as a period of one to five years.</b></p> <p>Over the one- to five-year period, the Bank assesses climate- and sustainability-related risks and takes strategic steps to adapt to acute physical risks and new regulations. Developments in national and international legislation expected to come into force rapidly are anticipated to have a medium-term impact on Türkiye's economy. In line with this forecast, the Bank closely follows developments, aims to maintain alignment between its strategy and these developments, and continues to support Türkiye's sustainable and inclusive development. Within this framework, the Bank takes an active role in national and international initiatives, contributing to related efforts and shaping its future plans.</p>
<p><b>Long</b>  <b>5 years&lt;</b></p>	<p><b>The Bank defines the long term as a period of five years or more.</b></p> <p>With its 2050 net-zero emissions commitment, TSKB aims to zero out emissions from its own operational activities while aligning its portfolio with net-zero emissions, and it formulates its strategy and sets targets accordingly. This timeframe is a critical period for taking strategic steps to achieve SBTi-approved emission reduction targets and to realize SDG-linked lending targets. The long-term strategy is critically important both for minimizing sustainability risks, including climate, and for capitalizing on opportunities that arise during the transformation process. Negotiations with development finance institutions and international financial organizations, which are among the Bank's most important stakeholders, are also conducted in this direction.</p>

To manage its sustainability-related risks, including climate, and to capitalize on opportunities, TSKB addresses its impacts on, dependencies on, and the links between risks and opportunities related to the climate and environment as a whole. In this regard, the Bank prioritizes risks and opportunities with a significant financial or strategic impact in its processes for responding to risks, adapting to developments, and creating opportunities. TSKB defines a material financial or strategic impact as one that could lead to significant operational, financial, or strategic changes in the Bank's activities, and identifies it to represent all sustainability-related risks and opportunities that are expected to reasonably affect the Bank's future financial adequacy.

Based on analyses conducted by the Risk Management, Budget Planning, and Climate Change and Sustainability Management departments, any impact that is approved by senior management and that equals 3% of the Bank's Tier 1 capital is defined as a material impact. The material impact threshold is calculated separately each year in projection studies that also feed into scenario analyses, and the materiality of the relevant risks and opportunities is determined. Risks and opportunities that may have a significant impact are assessed and monitored within certain limits and within the risk policy framework. The material impact threshold is based on capital levels and other regulatory thresholds that may change over time. The material impact threshold is assessed periodically at least once a year, and the related projection studies are updated if deemed necessary.

Through these analyses, the probability and severity of risks and opportunities are examined in the short, medium, and long term. In accordance with the TCFD guidelines, which are part of the IFRS Foundation, TSKB analyzes the physical and transition risks in its loan portfolio and assesses short-, medium-, and long-term risks and opportunities. These risks are incorporated into the Bank's risk management processes.

### Managing Environmental, Social, and Climate-Related Risks, Opportunities, and Impacts in Lending Activities

The Bank conducts analyses using a heat map and the CRET, which it developed in 2021, to assess the resilience of its loan portfolio to climate-related risks. Additionally, the environmental and social risks of all loans are examined using the ERET developed in 2005. To monitor the alignment of its financing structure with SBTi targets, the Bank analyzes the impact of each loan on these targets. Loans are examined within the scope of long-term sustainable finance goals and the SDG Mapping Model. CRET scores, Heat Map results, and the performance of SBTi targets are updated monthly in line with loan requests and presented to the Credit Committee to show their potential impact on the portfolio. Thus, a current situation analysis is conducted within the context of climate risks and opportunities, and the potential future impact on the portfolio is assessed within the framework of the targets. Based on climate risk assessments, sectors with high exposure to climate risks are closely monitored, and sector-specific scenario analyses are conducted. In the context of all these activities, the Bank aims to manage the environmental and social impacts of its portfolio and increase its climate resilience.

Elements Integrated into the Credit Evaluation and Decision-Making Process:

1. ERET
2. CRET - Heat Map
3. Portfolio Temperature Score Analysis
4. SDG Analysis

### Environmental and Social Risk Evaluation Tool (ERET)

In 2005, TSKB designed the Environmental and Social Risk Evaluation Tool (ERET) based on the standards of international development finance institutions and the Equator Principles to measure the environmental and social risks of investment projects and started to implement the tool in 2007.

The environmental and social risk rating methodology of the ERET is periodically reviewed by TSKB. Through a comprehensive study conducted in 2020, the model was updated to align with current environmental and social risk management principles in the international financial sector. In the same year, TSKB expanded its environmental and social risk management approach to include working capital loans and created the ERET for Working Capital Loans. With this tool, TSKB monitors the environmental and social impacts and performance of clients receiving working capital loans.

ERET assesses the risks of companies and investment loans in its portfolio from multiple perspectives, ranging from natural resources and water use to factors like waste management, air quality, and emissions. Additionally, health and safety risks, land use, and impacts on cultural heritage and biodiversity are examined. Other important elements included in the ERET assessment are the monitoring and reporting of greenhouse gas emissions, and systems such as the greenhouse gas management system (ISO 14064) and the energy management system (ISO 50001). The analysis conducted with ERET identifies clients' environmental impacts and dependencies, determining areas where they are vulnerable to risks. Based on the results, areas for improvement are identified for clients, and a customized action plan is prepared for them when deemed necessary. The gender sensitivity of the prepared plans and actions taken is also an important consideration.

ERET assessments are included as a notching criterion in the Bank's internal rating model. Thus, ERET results are incorporated into the expected credit loss calculations through the internal rating system, shaping the Bank's financial position.

### Investment Projects Evaluated with ERET

The current project risk measurement model, consisting of 35 questions under five headings, is based on studying the potential environmental and social impacts, as well as possible legal and financial liabilities, of an investment project being considered for financing by the Bank from both a current and forward-looking perspective. Based on the environmental and social risk score obtained from the assessment, a plan is developed in collaboration with the investor to mitigate and monitor those impacts. The 2025 assessment results are provided below.

The two high-risk projects assessed in 2025 were the establishment of an advanced chemical recycling facility and an investment in marina renovation and upgrades. Effective risk management is conducted for investments assessed as high-risk by carrying out environmental and social assessment studies. In this context, the companies' environmental and social impacts are examined, Environmental and Social Management Plans and Environmental and Social Action Plans are prepared, and the impacts are monitored at minimum 6-month intervals with support from independent expert consultants. For projects with medium sensitivity to risk, in 2025 infrastructure investments, machinery and equipment, and energy and resource efficiency investments in the metal and machinery, food and beverage, construction and building materials, and chemical and plastics industries, as well as renewable energy

facilities such as solar and wind energy, came to the forefront. For these investments as well, Environmental and Social Management Plans are prepared for project risks, and their implementation status is closely monitored. This year, the Bank again engaged directly with local communities, the primary project stakeholders, during its site visits to renewable energy projects to receive their feedback on project impacts.

#### Clients with Investment Projects Evaluated with ERET

As required by TSKB's risk management approach, the environmental and social risks arising from the existing activities of financed customers and investors are also measured with the ERET. The assessment within the ERET, defined as customer risk, consists of 12 questions under five headings. The 2025 assessment results are provided below.

#### ERET for Working Capital Loans

The sole customer assessed in with medium sensitivity in 2025, operates in the copper-alloy parts manufacturing industry. Similar to investment loans, the environmental and social performance of customers with working capital loans is measured, their risks and mitigation methods are monitored, and improvements are encouraged. The environmental and social risk scores of customers assessed under working capital loans in 2025 are provided below.

### Climate Risk Evaluation Tool (CRET)

The Bank developed the CRET to assess climate risks in its credit decision processes, conduct comprehensive analyses, and support its development banking strategy. This tool separately scores the transition and physical risks of investment and working capital loans for clients in the portfolio.

The scores, classified into five main categories, are finalized by Bank experts based on the model's results, taking into account clients' adaptation capacity, current physical conditions, action plans, and strategies. In developing the CRET, support was received from Escarus and academic experts on climate and environmental risks. This system, launched as a pilot in 2021, was fully commissioned in 2022 following improvements.

Transition risks are measured in accordance with UNEP FI methodologies. The risks that sectors classified by NACE codes may face during the transition to a low-carbon economy are assessed. The sector's emission intensity, companies' awareness of environmental risks and opportunities, their emission reduction and adaptation efforts, and future investment plans are taken into account.

Physical risks are assessed for every sector in all regions of Türkiye in the short, medium, and long term, considering nine different climate risks. The assessment study considers the IPCC's RCP 4.5 and RCP 8.5 scenarios. The Physical CRET calculates the final score by combining factors related to climate hazards, environmental dependencies, exposure, sensitivity, and adaptation capacity. The results of the CRET, which are considered by the Credit Committee and integrated into decision-making processes, aim to identify climate-related risks at an early stage and to manage and mitigate their financial impacts. The tools used to measure climate risks have a dynamic structure that is constantly evolving internationally.

TSKB continues to closely monitor relevant international innovations and best practices to enhance the effectiveness of the CRET methodology.

#### CRET Next Term Project

Within the scope of the CRET, the goal is to move the Bank's climate change-related transition and physical risk assessment processes from the current manual structure, conducted in excel, to an application-based, integrated data infrastructure. This aims to enable a more accurate, traceable, and standardized analysis of climate risks on a customer and sector basis, thereby increasing data quality and the reliability of reporting. The system to be developed will enable transition and physical risk indicators to be monitored digitally, scenario-based analyses to be performed, and risk scoring to be managed through an automated, sustainable, and reportable framework.

#### CRET Transition Risks

The Transition CRET assesses transition risks in line with UNEP FI methodologies, also incorporating the opinions of Bank's experts. In this process, the Bank's sector experts analyze how sectors in the NACE classification, particularly those sensitive to climate change, will be affected by the transition to a low-carbon economy. During the assessment, factors such as companies' awareness of climate risks and opportunities, their emission reduction and adaptation efforts, and future investment plans are also taken into account. The Bank uses the final results to determine applicable action plans and considers them in its risk management processes as well as in the implementation of its existing net-zero targets. The Bank is conducting studies to integrate carbon pricing efforts into its transition risk assessment process.

### Transition Risk Factors

- Direct emissions costs that may arise from political and legal regulations
- Indirect emission costs that may arise from carbon pricing
- Changes in consumer behavior and resulting revenue losses or gains
- Increased capital expenditures due to the transition to low-emission technology

#### CRET Physical Risks

Physical risks are operational threats faced by all sectors at a global level. The region and geographical conditions where companies operate play a critical role in determining their sensitivity to climate hazards and, consequently, the magnitude of the risk.

Physical CRET analyzes climate hazards that companies may face and how those hazards change over time, evaluating them at regional and provincial levels. For RCP 4.5 and 8.5 scenarios of the Intergovernmental Panel on Climate Change (IPCC), which are frequently used in international studies, Physical CRET assesses the nine climate hazards listed at the side over two periods (2021–2040 and 2041–2060), on a sector-by-sector basis across all provinces of Türkiye.

The location-based data used in the CRET's physical risk module are obtained from the Republic of Türkiye Ministry of Agriculture and Forestry's Climate Water Project and global sources (data provided by Aqueduct, Copernicus, and NASA). The Physical CRET combines factors related to climate hazards, exposure, sensitivity, and adaptation capacity to generate the final score. Thanks to this approach, the Physical CRET enables a detailed and comprehensive assessment of clients and credit projects based

on two climate scenarios, two time horizons, 81 locations, various sectors, and adaptation capacity scores. Based on the results, action plans related to risk management are requested from the companies, and the identified risk is incorporated into the credit decision process. Additionally, the tools, models, and physical risk data sources used are continuously reviewed, and updates are made to the CRET scoring model when necessary.

#### Acute Risks

- Heat Waves
- Landslide
- Wildfires
- Heavy Rainfall and Flooding
- Severe Wind

#### Chronic Risks

- Water Stress
- Sea Level Rise
- Meteorological Drought

	Investment Loans Investment Evaluation Results	Investment Loans Customer Evaluation Results	Working Capital Loans Customer Evaluation Results
<b>High Risk A</b>	2	3	0
<b>Moderate-Sensitive Risk B+</b>	34	36	1
<b>Medium Risk B-</b>	97	65	1
<b>Low Risk C</b>	39	7	0

**Transition Risks Heat Map**

As of year-end 2025, 14.6% of the Bank’s total loan portfolio is in sectors with moderately high transition risk, and 7.6% is in sectors with high transition risk.

A significant portion of the sectors with moderately high transition risk includes iron and steel (EAF), chemicals, textiles, and paper/cardboard production.

Detailed analyses are conducted for sectors considered to have high transition risk, such as thermal power plants, natural gas combined-cycle power plants, iron and steel (BOF), cement, glass-ceramics, and petroleum and petrochemicals. In these sectors, scenario analyses are performed to determine how they will be affected by regulations and developing technologies, as direct and indirect emission costs, as well as additional investment and operating costs, are expected to arise.

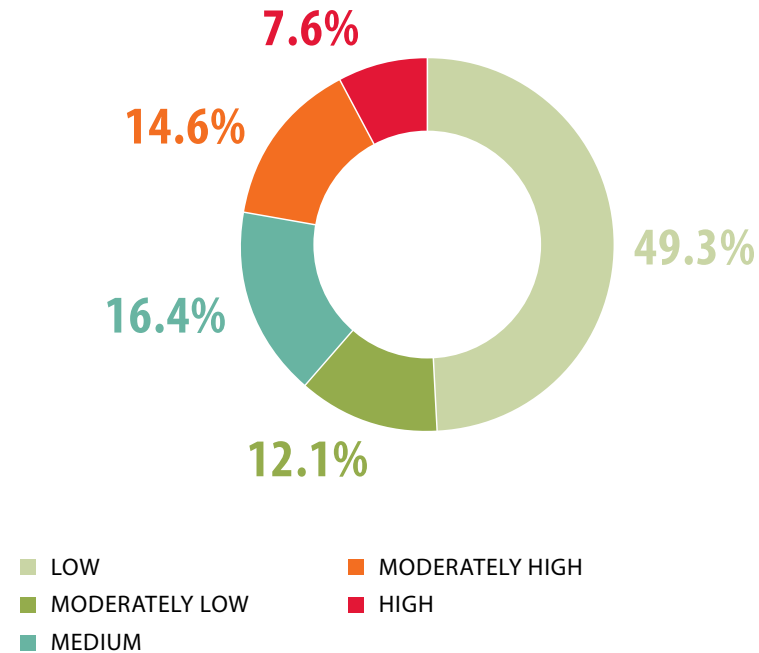
Sectors with Moderately High Transition Risk	Share (%)
Iron and Steel (EAF)	6.3%
Dyeing/Washing, Yarn/ Twisting /Weaving	5.0%
Basic Chemicals	1.0%
Paper and Cardboard Production	0.8%
Fertilizer	0.7%
Production of Other Metals	0.7%
Road Transport	0.1%
<b>Total</b>	<b>14.6%</b>

Sectors with High Transition Risk	Share (%)
Cement	2.9%
Non-Renewable Power Generation	1.9%
Petroleum Products, Petrochemicals	1.2%
Iron and Steel (BOF)	1.1%
Glass-Ceramics	0.5%
<b>Total</b>	<b>7.6%</b>
<b>Transition Total</b>	<b>22.2%</b>

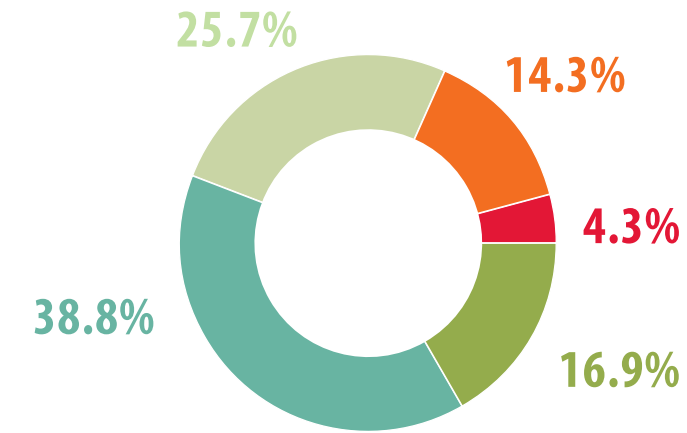
The fact that approximately 78% of the portfolio is exposed to low and medium levels of transition risk is considered a manageable risk level. The Bank closely monitors high-emission sectors indicated by the Heat Map’s results and conducts periodic analyses.

Additionally, companies’ exposure to transition risk and their risk-reduction actions are closely monitored, and we work with them both in financing potential emissions-reducing investments and in providing advisory services. The ratio of climate- and environment-related loans provided to firms assessed as high or moderately high risk is monitored monthly as an indicator of how risks in this area are managed. By the end of 2025, the power generation sector holds the largest share in TSKB’s loan portfolio at 30%, while 94% of the energy portfolio consists of renewable energy projects. An examination of TSKB’s loan portfolio shows that the energy sector has maintained its weight over the years.

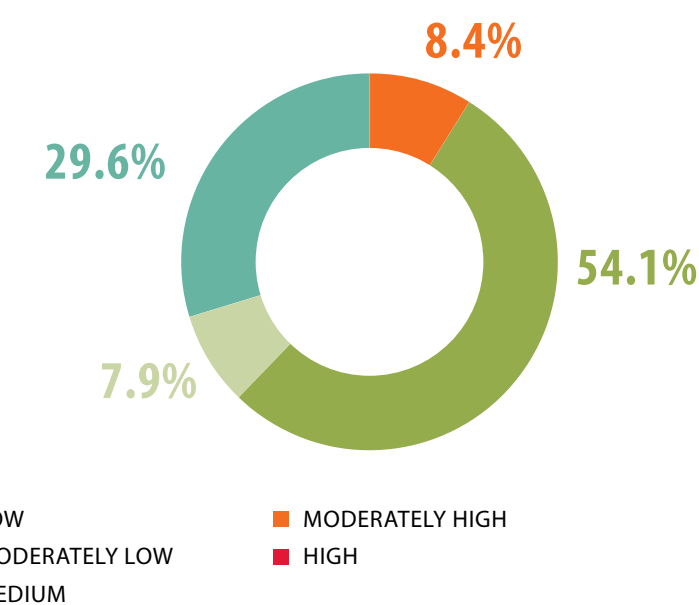
**PORTFOLIO TRANSITION RISK DISTRIBUTION**



**PORTFOLIO CHRONIC PHYSICAL RISK DISTRIBUTION**



**PORTFOLIO ACUTE PHYSICAL RISK DISTRIBUTION**



**Physical Risk Heat Map**

By the end of 2025, 17.8% of TSKB’s total loan portfolio consists of sectors exposed to moderately high physical climate risk, and 4.3% consists of sectors exposed to high physical climate risk.

Since approximately 78% of the portfolio falls into the low and medium physical climate risk categories, the overall physical risks in the portfolio are considered to be at a manageable level.

In the context of physical climate risks, an analysis of the portfolio’s CRET results has determined that the vulnerability in the operations and investments of companies posing high and moderately high risk is linked to water stress. When examining the effects of physical climate risks to which Türkiye is exposed on water resources, impacts are expected, particularly in the agricultural sector and in the water-intensive energy and industrial sectors. Some industrial sectors, such as power generation from fossil fuels, hydroelectric power generation, textiles, food and beverage, and iron and steel, are considered to have high physical risks due to the critical importance of water. In these sectors, there is a significant sensitivity to extreme climate events.

Through geographical concentration analyses for physical climate risks, the impact of high and moderately high-risk companies and investments on the portfolio is monitored holistically. The Bank periodically reviews the adaptation measures taken by companies in sectors with high physical climate risk and encourages them to take action. These risks are used in credit decision-making processes, and importance is given to collateral and insurance obtained for risk mitigation.

Sectors with Moderately High Physical Risk	Share (%)
Textiles	5.4%
Food and Beverage	4.1%
Electricity Distribution	3.5%
Non-Renewable	1.9%
Iron - Steel (BOF)	1.1%
Paper and Cardboard Production	0.8%
Mining (Other)	0.7%
Packaging	0.3%
<b>Total</b>	<b>17.8%</b>

Sectors with High Physical Risk	Share (%)
HPP	3.8%
Agriculture and Livestock	0.5%
<b>Total</b>	<b>4.3%</b>



TSKB Heat Map					
SECTOR		Risk Distribution (%) 31/12/2025	TRANSITION RISK	ACUTE PHYSICAL RISK	CHRONIC PHYSICAL RISK
Power Generation	WPP	13.2%	LOW	MEDIUM	MODERATELY LOW
	GPP	4.4%	MODERATELY LOW	MODERATELY LOW	MEDIUM
	SPP	5.4%	MODERATELY LOW	MEDIUM	MODERATELY LOW
	HPP	3.8%	MODERATELY LOW	MODERATELY HIGH	HIGH
	BPP	1.9%	MODERATELY LOW	MODERATELY LOW	MEDIUM
	Non-Renewable	1.9%	HIGH	MEDIUM	MODERATELY HIGH
Financial Institutions		7.0%	MODERATELY LOW		
Metals and Machinery	Iron & Steel (EAF)	6.3%	MODERATELY HIGH	MODERATELY LOW	MEDIUM
	Iron & Steel (BOF)	1.1%	HIGH	MODERATELY LOW	MODERATELY HIGH
	Other Metal Production	0.7%	MODERATELY HIGH	MODERATELY LOW	MEDIUM
	Aluminum (Secondary)	0.4%	MEDIUM	MODERATELY LOW	MEDIUM
	Machinery/Other Metals	0.0%	MEDIUM	MODERATELY LOW	MEDIUM
Other Services / Holding Companies		4.4%	MODERATELY LOW	MODERATELY LOW	MODERATELY LOW
Electricity Distribution		3.5%	MODERATELY LOW	MODERATELY HIGH	MODERATELY LOW
Natural Gas Distribution		1.8%	MODERATELY LOW	MEDIUM	MODERATELY LOW
Tourism		4.5%	MODERATELY LOW	MODERATELY LOW	MEDIUM
Chemicals	Petroleum Products, Petrochemicals	1.2%	HIGH	MODERATELY LOW	MEDIUM
	Basic Chemicals	1.0%	MODERATELY HIGH	MODERATELY LOW	MEDIUM
	Other Chemical Products	3.2%	MEDIUM	MODERATELY LOW	MEDIUM
Healthcare		4.0%	MODERATELY LOW	MODERATELY LOW	MEDIUM

■ LOW 
 ■ MODERATELY LOW 
 ■ MEDIUM 
 ■ MODERATELY HIGH 
 ■ HIGH

TSKB Heat Map					
SECTOR		Risk Distribution (%) 31/12/2025	TRANSITION RISK	ACUTE PHYSICAL RISK	CHRONIC PHYSICAL RISK
Construction/Construction Materials	Cement	2.9%	HIGH	MODERATELY LOW	MEDIUM
	Construction/Contracting	1.1%	MODERATELY LOW	MEDIUM	MEDIUM
	Glass-Ceramics	0.5%	HIGH	MODERATELY LOW	MEDIUM
	Other Building Materials	1.3%	MEDIUM	MODERATELY LOW	MODERATELY LOW
Textiles	Dyeing/Washing, Yarn/Spinning/Weaving	5.0%	MODERATELY HIGH	MODERATELY LOW	MODERATELY HIGH
	Apparel/Ready-to-Wear	0.3%	MEDIUM	MODERATELY LOW	MODERATELY HIGH
Food and Beverage		4.1%	MEDIUM	MODERATELY LOW	MODERATELY HIGH
Port Operations		2.6%	MODERATELY LOW		
Real Estate Development/Commercial Real Estate		2.0%	MODERATELY LOW		MEDIUM
Wholesale/Retail Trade and Merchandising		0.8%	MODERATELY LOW	MEDIUM	MODERATELY LOW
Paper and Cardboard Production		0.8%	MODERATELY HIGH	MEDIUM	MODERATELY HIGH
Other Manufacturing		4.0%	MEDIUM		
Fertilizer		0.7%	MODERATELY HIGH	MODERATELY LOW	MEDIUM
Batteries		0.8%	MODERATELY LOW		MODERATELY LOW
Maritime Transport		0.5%	MEDIUM	MODERATELY LOW	
Road Transport		0.1%	MODERATELY HIGH	MEDIUM	MODERATELY LOW
Automotive Sub-Industry		1.0%	MEDIUM	MODERATELY LOW	
Mining (Other)		0.7%	MEDIUM	MODERATELY HIGH	
Packaging		0.3%	MEDIUM		MODERATELY HIGH
Agriculture and Livestock		0.5%	MEDIUM	MODERATELY HIGH	HIGH
Automotive		0.0%	MODERATELY HIGH	MODERATELY LOW	
<b>TOTAL</b>		<b>100.0%</b>			

■ LOW 
 ■ MODERATELY LOW 
 ■ MEDIUM 
 ■ MODERATELY HIGH 
 ■ HIGH



### Portfolio Temperature Score Analysis

TSKB monitors on a monthly basis its SBTi-approved target for long-term corporate loans covering emissions-intensive industrial sectors such as iron and steel, cement, aluminium, and fertilizers, as well as other corporate loans in the industrial sector, which account for approximately 30% of its loan portfolio, and discloses its performance on an annual basis. In this context, clients' absolute emission data and emission reduction plans are closely monitored to efficiently manage the impact of portfolio changes on the Bank's targets. The effects of companies discussed in Credit Committee meetings on the portfolio's temperature score are evaluated at both the company and portfolio levels. Thus, during the lending decision-making stage, any potential impact exceeding the Bank's targets is also taken into consideration. Projection studies conducted during the year analyze how the relevant target performance will evolve in the coming years, and clients with investment opportunities are identified. Details on the year-end 2025 temperature score analyses can be found in the Greenhouse Gas Emission Management section under the heading Other Long-Term Corporate Loans on page 127.

### SDG Analysis

TSKB tracks the impact of its loans by mapping them to the SDGs through the SDG Mapping Model it developed in 2020. With the SDG Mapping Model, the climate- and environment-focused impacts of financed projects are quantified, and long-term targets are set.

The climate- and environment-focused SDGs addressed by TSKB through its financed projects are:

- No Poverty
- Zero Hunger
- Clean Water and Sanitation
- Affordable and Clean Energy
- Decent Work and Economic Growth
- Industry, Innovation, and Infrastructure
- Sustainable Cities and Communities
- Responsible Consumption and Production
- Climate Action
- Life on Land

### SCENARIO ANALYSES

The risk and opportunity inventory created in 2024 for managing climate risks and opportunities was re-evaluated through the annual review conducted in 2025. As a result of the review, no new risk or opportunity items were added to the inventory; the validity of existing items and their related action and control processes was maintained.

According to the inventory, no risk with a material climate-related impact was identified in the short term. In the medium and long term, risks arising from direct operations and from climate-related physical impacts to which customers, suppliers, and service providers in the value chain may be exposed were assessed as having low materiality. On the opportunities side, a low materiality assessment was also made for opportunities related to direct operational activities. It was observed that short-, medium-, and long-term opportunities are fundamentally related to new collaborations in the ecosystem that stem from risks and/or are likely to emerge.

Within the inventory, risks and opportunities with a material financial or strategic impact on the Bank's performance were identified. The Bank's environmental, social, and climate-related risk evaluation tools—ERET, CRET, and the Heat Map methodologies—were used in the materiality analysis.

As a result of the 2025 assessments, the primary transition and physical risks that will significantly affect the loan portfolio were identified as carbon pricing mechanisms, such as the Carbon Border Adjustment Mechanism (CBAM) and the National Emissions Trading System (ETS), and water stress.

Supporting clients' green transitions and financing climate change mitigation and adaptation investments are among TSKB's strategic focus areas, and these areas of risk are also considered opportunities.

### Portfolio Transition Risks and Opportunities

The European Union (EU), with which Türkiye has close economic ties, aims to be climate-neutral by 2050. In line with this goal, the EU, which aims to implement stricter emission reduction policies, plans to steer its trading partners toward greener production practices through the CBAM.

The EU ETS and CBAM aim to minimize carbon emissions, protect the EU's competitiveness, and prevent carbon leakage. The CBAM Regulation, published in May 2023, covers the iron and steel, cement, aluminum, fertilizer, electricity, and hydrogen sectors. The transitional period for CBAM began on October 1, 2023, during which importers are only expected to report emissions. Financial obligations will begin as of 2026, and importers will be required to pay a certificate fee for each ton of emissions exceeding the threshold set in the regulation. The year-over-year reduction in permitted emissions means that companies may face higher financial obligations.

In addition to the EU CBAM, which has entered its final phase, the draft Regulation published by the Directorate of Climate Change on July 22, 2025, regarding the Turkish Emissions Trading System (ETS)—mandated for establishment by the Climate Law No. 7552 dated July 2, 2025—was also included in the scope of the scenario analysis during the reporting period.

According to the draft regulation, although allowances will be distributed 100% free of charge during the pilot period of 2026–2027, starting with the first implementation period in 2028, companies will be required to purchase allowances to cover the greenhouse gas emissions for which they are responsible. This obligation will create additional costs for companies covered by the ETS, on top of the CBAM.

If companies in TSKB's loan portfolio do not incorporate the obligations arising from the CBAM and the National ETS into their business plans and strategies and fail to manage the risk effectively, this risk could first be reflected in the companies' financial performance, thereby increasing the severity of the impact on the Bank. In this case, the Bank may increase its provision rates as part of its effective and prudent risk management. If companies take no action to eliminate the risk arising from this situation, which would affect profitability and asset quality, the Bank's credit risk costs may increase, and its capital may be adversely affected.

According to 2025 data, the sectors in the Bank's portfolio covered by the CBAM are cement, iron and steel, aluminum, and fertilizer, which have an 11% share in the portfolio. In the scenario analysis study, clients in the relevant sectors were classified according to the products they manufacture. Based on emission limit values and the IEA Announced Pledges Scenario, financial obligations that will arise by 2034 were taken into account, and projections were made. Taking into account companies' credit ratings and the temperature scores affected by their emission-reduction targets, the potential impacts of CBAM and the National ETS on companies' balance sheets were examined, and the impact on the Bank was calculated. Details on the financial impact outputs of the scenario analysis can be found in the TSRS-aligned Sustainability Report on page 194.

Given that the obligations under the CBAM and the National ETS will affect companies to varying degrees depending on their financial positions, clients in TSKB's portfolio with strong financial capacity and sound climate-change strategies are expected to remain resilient to these obligations by investing to reduce and manage the costs of embedded emissions.

The financing needs arising in companies from increased awareness and the action plans established accordingly increase the Bank's capacity to respond to risks in this scope while also creating opportunities. Loans provided in this context will increase clients' capacity to comply with the CBAM and the National ETS, thereby reducing the severity of the risk's impact on company balance sheets. This situation is expected to have a downward effect on the non-performing loans ratio and the net cost of credit risk, positively impacting the Bank's capital and profitability. Through its dynamic business model aligned with national policies, TSKB anticipates that expected developments on the public side will rapidly increase opportunities in this area in the coming period. Developments such as the National Green Taxonomy Regulation and regulations for establishing the Emissions Trading System, which are expected to come into force following the Climate Law, will accelerate TSKB's ability to effectively evaluate collaboration opportunities with both existing portfolio companies and potential clients.

TSKB provides loans themed around climate risk mitigation and adaptation, such as energy and resource efficiency and the circular economy, to meet the financing needs of companies. The transition finance dimension, implemented for the first time in Türkiye, was included in the Bank's Sustainable Finance Framework, which was updated in August 2024. As of year-end 2025, 57% of the loans granted to CBAM sectors are compliant with the aforementioned themes. More than 80% of the funds secured from Development Finance Institutions are climate and environment related, and the increasing demand and, in light of the funders' strategic focus, increasing demand and evolving client needs, have influenced the target of providing USD 5 billion in climate finance from the beginning of 2024 to the end of 2030. With the loans provided in line with this target, TSKB's asset quality will be strengthened, and its net income and capital will be positively affected.

As of year-end 2025, the ratio of climate and environment-focused SDG-linked loans in its portfolio was 59.2%, and the Bank aims to increase this ratio to 60% or higher by 2030. In this regard, the Bank may revise its targets, as it has in the past, and create new targets for changing and developing focus areas. Developments in the ecosystem are a significant opportunity for the Bank, as well as its subsidiaries Escarus and TSKB Gayrimenkul Değerleme, which offer sustainability advisory and green building valuation services, to expand their sphere of influence.



## Portfolio Physical Risks and Opportunities

Water stress is considered one of the significant climate risks for Türkiye. Scenario studies for the 2021–2040 and 2041–2060 periods, based on the RCP 4.5 and RCP 8.5 scenarios, show that Türkiye faces a high risk of water stress. Furthermore, water scarcity is expected to become significantly more widespread in Türkiye by the 2030s. In light of these developments, it is anticipated that water stress will begin to show its effects on the companies in the Bank's portfolio in the medium term.

30% of the Bank's portfolio consists of sectors that are operationally dependent on water, such as power generation, chemicals and plastics, metals and machinery, construction and building materials, food and beverage, paper and forest products, textiles, leather, and tourism. When difficulties in accessing water arise in these sectors, customers' production may be disrupted, or some companies may be unable to continue operating and may have to halt operations. Clients unable to sustain their operations may face difficulties in loan repayments. This situation could cause the Bank's nonperforming loan ratio and provisioning rates—and, consequently, the cost of credit risk—to increase, adversely affecting profitability and capital adequacy.

In the scenario analysis study conducted for 2025, water-dependent clients in TSKB's portfolio were classified by sector, and potential production decline rates due to water needs were determined. Assumptions regarding potential production declines were made by taking into account the outputs of the RCP 8.5 scenario, companies' credit ratings, their roadmaps to address water stress, and the adaptation investments they have made or planned. As indicated by RCP 8.5, water stress is expected to affect the financial performance of the Bank's portfolio in the medium term, with these effects anticipated to become particularly pronounced in 2030.

Companies are affected by water stress at different levels depending on their financial situation and the adaptation measures they have taken. Through the environmental, social, and climate-related risk evaluation tools integrated into TSKB's credit processes, the location of clients' operations, their sector, and their production processes are analyzed in depth to determine their level of water dependency and the resulting risks. Through its Circular Economy Self-Assessment Tool, developed as part of a loan agreement provided in 2022, the Bank evaluates its customers' circular business models and supports their development with action plans identified based on gap analyses. Reducing water withdrawals from sources, using water resources in a circular manner, and developing a strategy in this context are among the tool's action plans. In this context, technical support is provided to clients who wish to enhance their adaptive capacity

and transform their business processes, both through the Bank's in-house advisory services and through its subsidiary, Escarus, which also provides water management consulting services. In addition, AdapTool, developed under the Bank's climate adaptation-themed financing agreement in 2025, analyzes the level of exposure of companies' facilities at specific locations to physical climate risks, including water stress; the operational and financial impacts of these risks; and the facilities' current adaptation capacity. The assessment results present concrete and applicable roadmaps for companies by identifying priority investment areas and applicable adaptation measures for each risk category. While the development of circular water use and strategic water management approaches is among the priority items of these plans, applicable cross-sector measures such as rainwater harvesting, graywater recycling, treatment and reuse of process wastewater, and optimization of water consumption through automatic control systems are encouraged; additionally, detailed technical measures and sector- and facility-specific investment needs are also analyzed. TSKB's target of providing USD 5 billion in climate finance from the beginning of 2024 to the end of 2030 also covers the theme of adaptation, which is among the Bank's main focus areas in the coming periods.

Loans disbursed under the adaptation theme, which is among the Bank's main focus areas going forward, will increase companies' capacity to adapt to water stress and reduce operational risks stemming from potential disruptions reflected in their balance sheets. This will positively affect the Bank's provision ratios, the credit quality of its loans under follow-up, and, consequently, its cost of credit risk and return on equity. It will also support environmental sustainability by contributing to a more efficient use of water resources.

In line with Türkiye's 2053 Long-Term Climate Strategy, the Water Efficiency Regulation, published in the Official Gazette in December 2024, is expected to lead to increased investments in the adoption of techniques and technologies that improve water efficiency in the coming period.

As of year-end 2025, with a 59.2% ratio of climate and environment-focused SDG-linked loans in its portfolio and a target to increase this to 60% or higher by 2030, TSKB will continue to provide financing support for projects that increase water efficiency and will prioritize solutions that promote sustainable water management in industrial sectors. While supporting the industrial sector's compliance with the Water Efficiency Regulation, long-term value will be created by offering awareness-raising activities, technical guidance, sustainable finance instruments, and advisory services to increase the resilience of clients operating in sectors facing water stress.

## GREENHOUSE GAS EMISSIONS MANAGEMENT

TSKB has been measuring its carbon footprint since 2006 and has been supplying the electricity for its operations from renewable energy sources since 2009. To ensure the reliability of its efforts, the Bank has been conducting its work in accordance with the ISO 14064-1 Greenhouse Gas Accounting and Verification Standard since 2012, and it offsets all its direct and indirect emissions, excluding financed emissions, by purchasing carbon credits. In 2024, in addition to the ISO 14064-1 standard, the Bank conducted its calculations in accordance with the GHG Protocol's reporting standards and had them verified under the TSRS. During the reporting period, the Bank, expanded its consolidated emissions to include the indirect emissions of its subsidiaries, in addition to the previous year.

In 2021, the Bank reviewed its portfolio and began calculating its indirect emissions to include those from projects financed in carbon-intensive sectors such as thermal power plants, iron and steel, cement, and aluminum.

In 2024, the calculation efforts covered 35.4% of the loan portfolio and 91% of the carbon-intensive sectors within the portfolio. In the reporting period, the Bank calculated emissions from 50.3% of its loan portfolio and 94% of

the carbon-intensive sectors within the portfolio, expanding the scope of its financed emission calculations by also including emissions from corporate bonds, its own funds, and affiliates. Emissions from carbon-intensive sectors in the loan portfolio constitute 88% of the Bank's total calculated financed emissions.

In the calculations, Partnership for Carbon Accounting Financials (PCAF) methodology recommended by SBTi was used. Primary emissions and consumption data collected from customers were used as the data source. The Bank prioritizes the use of primary-quality data in its financed emissions calculations for tracking target achievement. Therefore, emissions from investments for which quality data could not be accessed were excluded from the scope.

The portfolio's data quality was assessed according to the PCAF methodology's data quality scoring system. According to the scoring system, 89% of the data obtained is verified and of the highest quality, while 10% is of the second-highest quality, representing declared emission values without any verification. The Bank aims to broaden the scope of portfolio emissions calculations and to improve data quality; work in this regard is ongoing.

TSKB Greenhouse Gas Emissions (Solo)*						
Scopes	Emission Sources	2021 (Base Year)	2022	2023	2024	2025
Scope 1 Direct GHG Emissions	Stationary Combustion, Mobile Combustion, Fugitive Emissions	449	411	343	422	402
	Electricity - Market-Based	0	0	0	0	0
Scope 2 Indirect Greenhouse Gas Emissions	Electricity - Location-Based	494	624	531	515	482
	Purchased Goods and Services	139	225	389	550	663
	Capital Goods	34	96	145	154	157
Scope 3 Other Indirect Emissions**	Business Travel	47	115	163	260	394
	Employee Commuting	130	80	91	108	112
	Investments	2,748,096	2,632,903	2,089,349	1,266,435	1,815,924
TOTAL MT CO <sub>2</sub> e***		2,748,895	2,633,830	2,090,481	1,267,930	1,817,653

\*TSKB's solo emissions were verified in accordance with ISO 14064-1 and ISO 14064-3 criteria. The uncertainty for Scope 1 was calculated as 2.50%, and for Scope 3 it was 8.60%. The assurance level is reasonable for Scope 1 and limited for Scope 3. In addition to ISO standards, the Bank's emissions were reported and verified in accordance with the GHG Protocol under the TSRS. The activity data used to calculate emissions from the Bank's operational activities are based on primary data, while the emission factors are based on international emission factor databases such as IPCC, Defra, and ADEME. The Türkiye-wide Electricity Generation Emission Factor published by the Ministry of Energy and Natural Resources was used to calculate Scope 2 location-based emissions.

\*\*TSKB Scope 3 emissions include employee shuttle services and remote work, business travel, purchased goods and services, capital goods, and investments. Transportation of purchased stationery and office supplies, employee commutes by ferry, purchased paper and plastics, desktop computers, phones and tablets, disposal of domestic waste, and courier services were excluded from the scope as they fell below the materiality level according to the prioritization analysis. In the 2025 reporting year, total Scope 3 emissions are 1,817,251 tCO<sub>2</sub>e. Total indirect emissions, excluding financed emissions, are 1,327 tCO<sub>2</sub>e. In 2025, the ratio of loan portfolio companies included in the calculation scope to the total portfolio increased from 35% to 50% compared to 2024. In addition to the loan portfolio, emissions from private sector bonds, funds that are 100% owned by the bank, and affiliates are also included in the scope of the calculation.

\*\*\*The majority of TSKB's emissions are attributed to financed emissions. Total emissions, excluding financed emissions, are 1,729 tCO<sub>2</sub>e. Total greenhouse gas emissions, excluding financed emissions, will be offset by purchasing carbon credits during the year.



Loans*					
Financed Emissions (with PCAF Methodology, Scope 1&2 - tCO <sub>2</sub> e)				Emission Intensity (tCO <sub>2</sub> e/USD million)	
Corporate Loans					
Sector**	Share in the 2025 Loan Portfolio	2024	2025	2024	2025
Cement	2.34%	199,822.52	756,741.63	6,783.52	5,849.19
Iron and Steel	7.35%	182,482.18	353,208.40	527.29	868.85
Power Generation	0.54%	341,757.83	74,205.47	6,439.79	2,491.86
Coal***	0.54%	341,757.83	74,205.47	6,439.79	2,491.86
Fertilizer	0.00%	-	-	-	-
Aluminum	0.37%	1,809.14	1,342.50	90.39	65.70
Commercial and Residential Real Estate	0.09%	35.47	785.65	37.28	11.91
Transportation	0.00%	-	-	-	-
Oil and Gas	0.00%	-	-	-	-
Agriculture	0.00%	-	-	-	-
Chemicals and Plastics	4.51%	27,766.25	73,406.08	204.06	294.13
Textiles and Leather	3.55%	4,041.87	20,899.53	62.03	106.46
Mining	0.20%	-	17,441.03	278.76	1,581.93
Construction and Building Materials	1.32%	342.53	15,295.82	30.82	209.94
Food and Beverage	2.27%	7,406.26	10,746.18	106.13	85.52
Paper and Forest Products	1.45%	9,452.71	7,914.10	121.26	98.63
Metal and Machinery	0.52%	-	6,954.00	-	240.83
Fuel and Energy Distribution	0.92%	-	3,055.55	-	60.08
Tourism	0.69%	1,376.12	2,642.96	37.25	69.05
Logistics	1.56%	3,037.79	2,547.28	33.92	29.56
Packaging	0.15%	335.40	1,083.08	105.98	131.48
Healthcare	1.53%	-	87.64	-	4.71
Automotive and Sub-Industry	0.61%	867.97	741.57	80.40	22.00
Electromechanical	0.44%	219.70	429.07	16.86	17.47
Finance	4.61%	74.35	77.22	1.24	0.30
Holding	0.00%	294.71	-	29.07	-

\* Emissions from undrawn loan commitments were not included in the calculations for the reporting period. During the reporting period, total equity and debt values were used in the emissions calculations for publicly listed companies.

\*\*Sector breakdowns, primarily for carbon-intensive sectors, are monitored in emissions reporting with more detailed subcategories than the sectoral distributions of the Bank's loan portfolio presented in the Bank's financial results presentations.

\*\*\*TSKB's portfolio companies operating in the coal sector are coal-fired thermal power plants that generate electricity. The relevant data are provided in both the power generation sector category and the coal category.

Loans*					
Financed Emissions (per PCAF Methodology, Scope 1&2 - tCO <sub>2</sub> e)				Emission Intensity (tCO <sub>2</sub> e/USD million)	
Project Finance					
Sector**	Share in the 2025 Loan Portfolio	2024	2025	2024	2025
Power Generation	1.36%	184,020.20	219,690.48	3,290.34	2,928.31
Coal***	1.00%	178,719.77	194,279.55	3,377.54	3,520.94
Cement	0.46%	180,211.44	111,974.02	6,203.19	4,431.61
Fertilizer	0.68%	47,329.86	75,569.65	1,156.03	1,997.42
Real Estate	1.83%	3,523.95	1,306.82	74.24	12.93
Aluminum	0.01%	-	156.95	-	232.39
Transportation	0.02%	16.78	12.26	9.32	9.03
Oil and Gas	0.00%	-	-	-	-
Agriculture	0.00%	-	-	-	-
Electromechanical	0.73%	35,521.95	23,290.11	979.12	580.00
Fuel and Energy Distribution	1.73%	6,309.46	9,589.47	144.22	100.16
Textiles and Leather	0.63%	-	7,183.62	-	206.33
Healthcare	1.77%	12,144.04	6,294.98	214.07	64.46
Logistics	3.91%	4,411.58	3,033.74	33.93	14.04
Chemicals and Plastics	0.09%	4,548.92	2,460.78	605.22	491.04
Mining	0.25%	4,627.89	922.61	278.76	65.67
Tourism	1.81%	577.94	422.20	6.50	4.23
Holding	0.09%	2,068.12	154.38	49.70	30.46

\* Emissions from undrawn loan commitments were not included in the calculations for the reporting period. For the reporting period, total equity and debt values were used in the emission calculations for publicly traded companies.

\*\*For more effective emissions management, particularly in carbon-intensive sectors, the sector breakdowns used for emissions reporting are monitored in more detail, using sub-breakdowns, than the sectoral distributions of the loan portfolio presented in the Bank's financial results presentations.

\*\*\*Within the Bank's portfolio, companies operating in the coal sector are thermal power plants that generate electricity from coal. The relevant data is presented both in the power generation sector and separately in the coal category.

Other Financial Assets*					
Financed Emissions (per PCAF Methodology, tCO <sub>2</sub> e)				Emissions Intensity (tCO <sub>2</sub> e/million USD)	
Asset Class	2024	2025	2024	2025	
Private Sector Bonds	-	3,853.57	-	403.47	
Funds**	-	252.19	-	10.69	
Affiliates	-	151.37	-	25.68	

\*The Bank has included all private sector bonds in which it has invested, all companies in the Türkiye Green Fund, and all affiliates included in the consolidated financial report in its calculations.

\*\*Türkiye Green Fund

TSKB tracks its greenhouse gas inventory boundaries within two different frameworks.

Since 2008, Scope 1, 2, and 3 emissions have been measured to include the Istanbul Headquarters Building, where operational activities are carried out. The Ankara Development Hub, which became operational in June 2023, was included in the greenhouse gas inventory for the first time in 2024 after completing one full year of activity.

As of 2024, to assess the impact of climate-related risks on consolidated financial performance, the greenhouse gas inventory boundaries were expanded to include the Scope 1 and 2 emissions of subsidiaries. In the reporting period, in addition to the previous year, the indirect emissions of subsidiaries were also included in the consolidated emissions calculations.

Since 2021, the operational control approach has been used for calculations, as it is the consolidation approach that allows for the most accurate management of emissions and the most effective implementation of emission reduction strategies. TSKB continued to use the operational control approach in 2025.

The consolidated emissions calculations were verified in accordance with the GHG Protocol reporting standards both to meet TSRS requirements and to ensure the international validity of the work.

The table shows the emissions data for TSKB's consolidated and unconsolidated subsidiaries and affiliates.

Greenhouse Gas Emissions of TSKB, its Subsidiaries, and Affiliates								
	2024 Scope 1 (tCO <sub>2</sub> e)	2025 Scope 1 (tCO <sub>2</sub> e) ✓	2024 Scope 2 - Market- Based (tCO <sub>2</sub> e)	2025 Scope 2 - Market- Based (tCO <sub>2</sub> e) ✓	2024 Scope 2 - Location- Based (tCO <sub>2</sub> e)	2025 Scope 2 - Location- Based (tCO <sub>2</sub> e) ✓	2024 Scope 3 (tCO <sub>2</sub> e)	2025 Scope 3 (tCO <sub>2</sub> e) ✓
<b>TSKB</b>	422	402	0	0	515	482	1,267,508	1,817,251
<b>Parent Company and Consolidated Subsidiaries</b>	522	595	0	671	680	820	1,267,508	1,818,440
<b>Unconsolidated Subsidiaries</b>	106	120	16	3	16	3	-	129
<b>Consolidated Emissions*</b>	628	715	16	673	696	1,304	1,267,508	1,818,569
<b>Affiliates**</b>	-	470	-	137	-	185	-	-

\*Calculated based on the operational control approach; Scope 1, 2, and 3 emissions of unconsolidated subsidiaries are also included in consolidated emissions.

\*\*Emissions from affiliates are assessed under Scope 3, Category 15 (Investments).

### TARGETS

In 2022, TSKB became a signatory to the UNEP FI Net-Zero Banking Alliance (NZBA) and set a target to achieve net-zero emissions by 2050. In line with this, TSKB established its Near-Term Science-Based Targets for Scope 1, 2, and 3 emissions reduction in accordance with SBTi guidelines. The Scope 3 targets, approved by the SBTi, also form the basis for the 2030 interim targets declared in line with NZBA guidelines.

In 2025, the NZBA discontinued its membership system, ending its commitments and mandatory obligations; however, it has continued to publish guidance documents, allowing for the voluntary implementation of its recommendations. Maintaining its determination to fulfill its net-zero commitment, TSKB will continue its efforts to align its portfolio with net-zero targets by following the NZBA recommendations.

Integrating its efforts to measure and reduce its impact on climate change into its business processes, the Bank calculates the emissions resulting from its lending activities.

Scope 1 and 2 emissions cover the Istanbul Headquarters Building and the Ankara Development Hub, where operational activities are carried out. As the Ankara Development Hub was not operational in the 2021 base year and completed its first full reporting year of activity in 2024, it was included within the greenhouse gas inventory boundaries in the corresponding 2024 reporting year.

TSKB's Scope 3 targets correspond to 53% of the Bank's total assets and cover 70% of its loan and investment portfolio. You can access the SBTi-approved targets [here](#).

The Bank's sectoral decarbonization targets, set according to SBTi guidelines and projected to be achieved by 2035, also form the basis for its 2030 interim targets.

The targets, developed under the leadership of the Board of Directors, were approved by the SBTi in 2023. At TSKB, the impact of allocated loans on targets is assessed on a per-project and per-company basis and reported to the Credit Committee. The topic, which is a separate agenda item in the Committee process, not only influences the credit decision but also facilitates an assessment of clients' decarbonization plans. In addition to the credit assessment processes, the performance of portfolio-level SBTi targets

is calculated monthly, and analyses are conducted based on projections to regularly evaluate the Bank's progress toward its SBTi and 2030 interim targets. The Bank also continuously improves the scope and quality of its analyses using data from its portfolio.

The cement, iron and steel, power generation, fertilizer, aluminum, real estate, and transportation sectors within TSKB's loan portfolio are classified as carbon-intensive sectors, and the emissions of clients operating in these sectors are closely monitored. The Bank, which has set sectoral decarbonization targets for the power generation and real estate sectors in its loan portfolio, manages the emissions and decarbonization roadmaps of other carbon-intensive sectors in its portfolio under its SBTi-approved long-term corporate loans target. TSKB annually evaluates the establishment of sectoral decarbonization targets for all carbon-intensive sectors in its loan portfolio, taking into account their materiality levels.

In line with SBTi's guidance documents, short-term loans and SMEs were excluded from the Scope 3 target scope.



**METRICS AND TARGETS FOR DIRECT IMPACTS**

SBTi Targets for Operational Activities	Scope	Scenario	Method	Metric	Base Year Performance	Base Year	Target Year	2024 Performance	2025 Performance	Target Achievement Rate
<b>To reduce Scope 1 GHG emissions by 63% from the 2021 baseline year to 2035</b>	Scope 1	SBTi 1.5°C Scenario	Absolute Contraction Approach	tCO <sub>2</sub> e	449	2021	2035	422	402	17%
<b>To source 100% of electricity from renewable energy sources by 2030</b>	Scope 2	SBTi 1.5°C Scenario	Renewable Energy	%	100	2021	2030	100	100	100%


**Scope 1 Absolute Reduction Target**

As part of the net-zero roadmap and to reduce the impact of operational activities on climate change, the Scope 1 absolute emissions reduction target was set using the SBTi Target Setting Tool in line with SBTi scenarios for limiting global warming to 1.5°C.

TSKB commits to reducing its Scope 1 GHG emissions by 63% by 2035 from a 2021 base year. The action plan established to achieve this target consists of four steps.


As part of the action plan to reach the target, the investment to transition the Bank’s entire fire suppression system to the use of gases with low global warming potential was completed in 2024. The entire rental vehicle fleet was replaced with hybrid vehicles. The Bank is monitoring the developing electric vehicle market and developing future investment plans. In 2026, the cooling systems are planned to be modernized to use gases with low global warming potential.

TSKB will continue to measure Scope 1 emissions from its operational activities at the Istanbul Headquarters Building and the Ankara Development Hub, implement an action plan consistent with its targets, and transparently share its current status with stakeholders.




**Next Period Plan**

**1- Modernization of the heating system:** Integration of energy-efficient technologies




**In progress**

**2- Modernization of the cooling system:** Integration of energy-efficient technology



**In progress**

**3- Company vehicle investment:** Replacement of the fleet with hybrid and electric vehicles



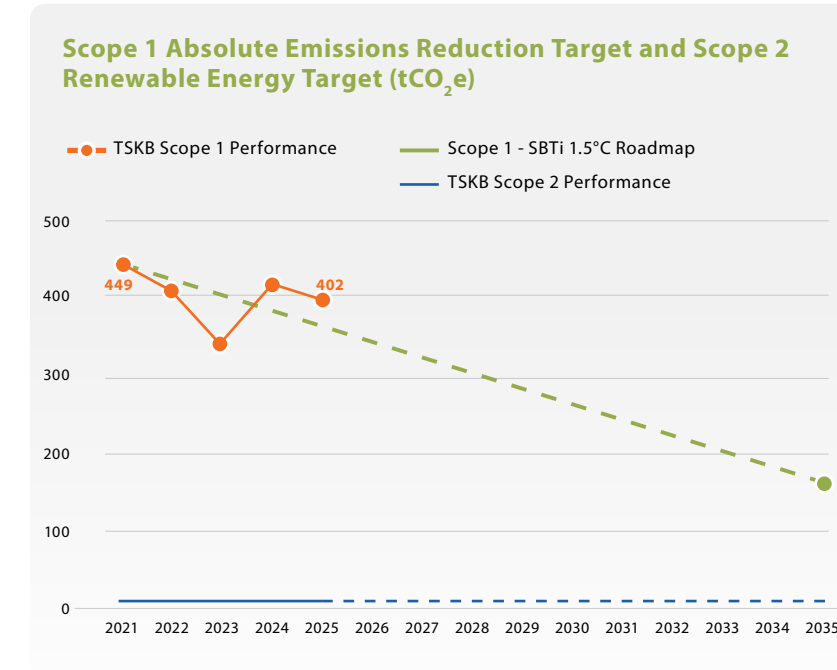
**Completed**

**4- Modernization of the fire suppression system:** Integration of gases with low global warming potential into the building

**Scope 2 Renewable Energy Target**

TSKB maintains its Scope 2 market-based emissions at zero by purchasing green electricity from I-REC certified power plants. In line with SBTi guidelines, the Bank aims to reduce the climate change impact of its purchased energy under its commitment to source 100% renewable energy from 2021 to 2030 for its Scope 2 emissions, and to continue this practice beyond 2030.

To manage its electricity consumption, the Bank tracks its Scope 2 emissions on both a market- and location-based basis and shares the results transparently with its stakeholders. In 2024 and 2025, location-based Scope 2 emissions changed due to cooling demand that varied with climatic conditions.



Criteria and Targets within the Scope of TSKB's Lending and Investment Portfolio											
Scope/Asset Class	Base Year Portfolio Share	SBTi Targets	Interim Targets	Scenario	Method	Metric	Base Year Performance	Target Year	2024 Performance	2025 Performance	Target Achievement Rate
<b>Scope 3 / Electricity Generation Project Finance</b>	27%	To reduce GHG emissions from the power generation project finance portfolio by 85.6% per kWh by 2035 compared with the 2021 base year	To reduce by 73.6% by 2030	SBTi 1.5°C Scenario	Sectoral Decarbonization Approach	tCO <sub>2</sub> e/MWh	0.23	2035	0.25	0.25	-13%
<b>Scope 3 / Power Generation Corporate Loans</b>	3%	To reduce GHG emissions per kWh from the power generation sector within the corporate loan portfolio by 85.7% by 2035 compared with a 2021 base year	To reduce by 73.7% by 2030	SBTi 1.5°C Scenario	Sectoral Decarbonization Approach	tCO <sub>2</sub> e/MWh	0.84	2035	0.64	0.34	69%
<b>Scope 3 / Commercial and Residential Real Estate</b>	2%	To reduce GHG emissions from the commercial real estate sector in the corporate loan portfolio by 71% per square meter by 2035 from a 2021 base year	To reduce by 53% by 2030	IEA ETP B2DS	Sectoral Decarbonization Approach	tCO <sub>2</sub> eq/m <sup>2</sup>	0.21	2035	0.07	0.20	5%
<b>Scope 3 / Long-Term Corporate Loans</b>	30%	To reduce the Scope 1+2 temperature score of the other long-term corporate loans portfolio from 3.2°C in the 2021 base year to 2.74°C by 2027, and to reduce the Scope 1+2+3 portfolio temperature score from 3.2°C to 2.82°C	-	SBTi Well Below 2°C Scenario	Temperature Rating	°C	3.20	2027	2.77	2.77	93%
							3.20		3.07	3.02	47%
<b>Scope 3 / Private Sector Bonds</b>	0.3%	To reduce the private sector bonds portfolio's Scope 1+2 temperature rating from 2.57°C in the 2021 base year to 2.31°C by 2027, and its Scope 1+2+3 temperature rating from 2.86°C in the 2021 base year to 2.59°C by 2027	-	SBTi Well Below 2°C Scenario	Temperature Rating	°C	2.57	2027	2.80	2.58	-4%
							2.86		3.18	2.90	-15%
Phase-out Commitments											
Scope	Base Year Portfolio Share	Commitment	-	-	-	Metric	Base Year Performance	Target Year	2024 Performance	2025 Performance	Achievement Rate of the Target
<b>Scope 3 / Coal Phase-out Commitment*</b>	3%	We commit not to finance any new coal-fired power plants or coal mining investments for power generation and to completely phase out the sector by reducing our exposure to coal-related activities in our outstanding loan portfolio to zero by the end of 2035	-	-	-	%	3%	2035	2.4%	1.5%	50%

\* Companies in TSKB's portfolio with activities directly related to coal are coal-fired power plants and fall within the Bank's target scope. The absolute emissions and production-based emissions intensity values attributable to these companies are disclosed to the public separately, both within the electricity generation portfolio and under the coal sector.

### Power Generation Project Finance

The Bank's decarbonization target specific to the power generation sector was set in line with SBTi's 1.5°C scenario to limit global warming to 1.5°C above pre-industrial levels. The science-based target set by the Bank was approved by the SBTi in 2023 and formed the basis for the 2030 interim target.

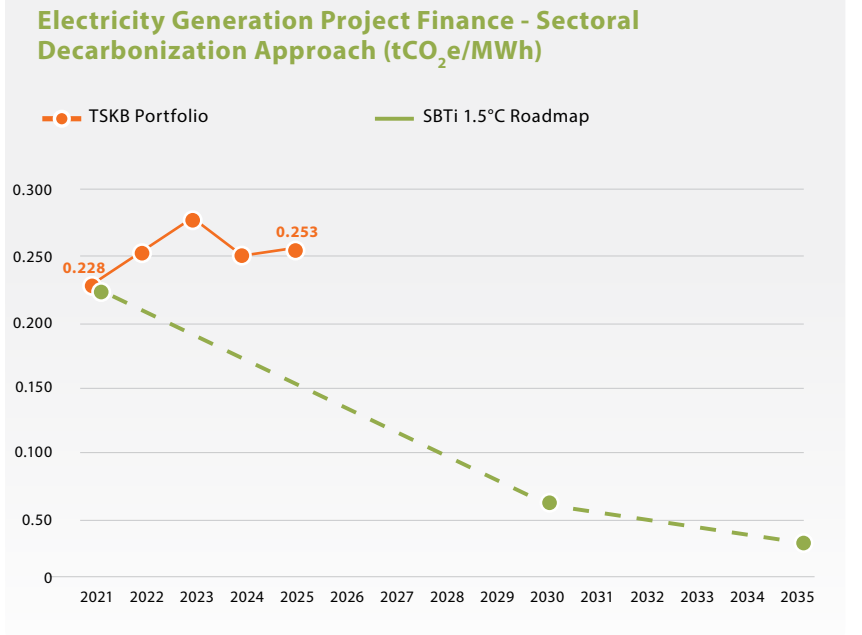
Following the 2021 base year, an increase in emission intensity was observed due to the repayment of loans in the power generation project finance portfolio.

In 2025, TSKB also carried out lending activities for this asset class within the climate finance framework. As of year-end 2025, power generation is the largest sector in the Bank's loan portfolio, with a 30% share. Renewable energy projects constitute 94% of this portfolio.

In its relevant policy, TSKB has declared that it will not finance newly established coal-fired thermal power plants, capacity expansions, or coal mining investments, and will phase out coal financing by the end of 2035.

The Bank has structured its roadmap to achieve its targets of 73.6% for 2030 and 85.6% for 2035 in line with its approach of continuing to finance renewable energy.

Although the emission intensity of the project finance portfolio increased in 2025 compared to 2024 due to the repayment of loans in the renewable energy portfolio, TSKB will continue to focus on renewable energy and manage its portfolio in line with its net-zero targets, as it has in the past.

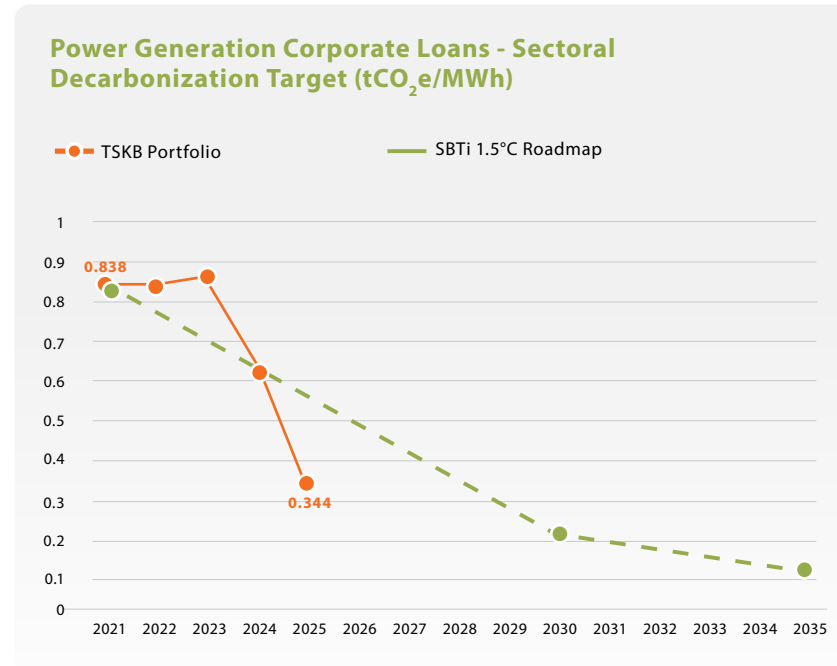


### Power Generation Corporate Loans

To support the rehabilitation and/or environmental investments of power generation facilities and to promote the use of cleaner technologies in Türkiye’s electricity generation, TSKB has established its science-based target in line with the SBTi’s 1.5°C scenario for limiting climate change relative to the pre-industrial era. Within the scope of the target monitored by the performance of customers in the corporate loan portfolio that operate fossil-fuel-fired thermal power plants and renewable energy firms, a downward trend has emerged compared with 2024 due to TSKB’s climate policies and repayment schedules.

The science-based target set by the Bank was approved by the SBTi in 2023 and forms the basis for the 2030 interim target.

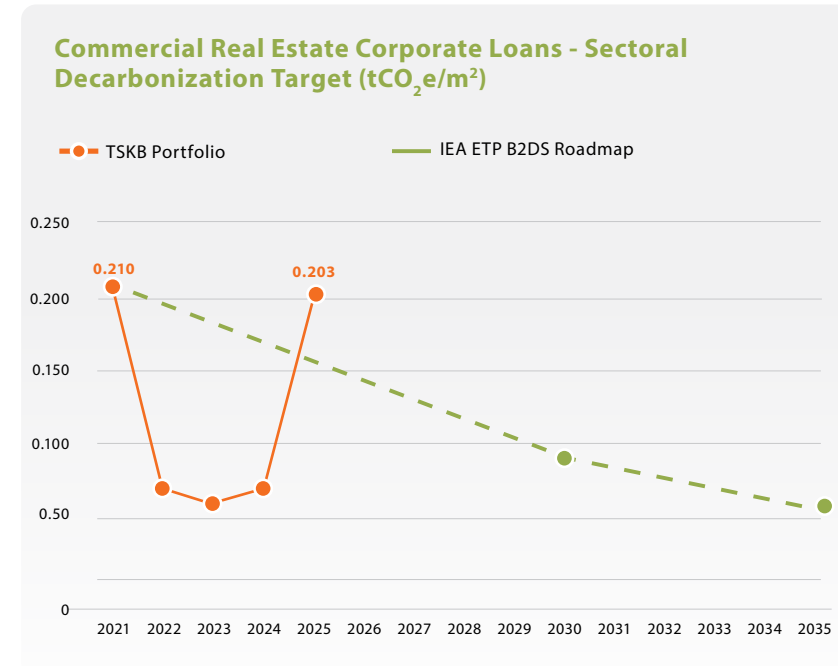
In addition to its green lending activities, and by supporting customers’ transitions to a low-carbon economy through Escarus, reduction targets of 73.7% by 2030 and 85.7% by 2035 were set relative to the 2021 base year.



### Commercial Real Estate Corporate Loans

TSKB has set science-based targets aligned with the IEA ETP B2DS scenario to contribute to reducing indirect emissions from the energy used by commercial real estate properties in its corporate loan portfolio—such as office buildings, shopping malls, warehouse investments, and hospital investments—during both their construction and operational phases for needs like heating, cooling, and lighting. The target, approved by the SBTi in 2023, which projects a 71% reduction by 2035 relative to the 2021 base year, also forms the basis for the interim target of a 53% reduction by 2030.

Although new investments made in 2025 increased emissions intensity compared to 2024, the alignment of the companies in the real estate portfolio with the target scenario is being monitored. In the future, the Bank will continue to compose its real estate portfolio with energy-efficient or green building-certified structures, closely monitor its portfolio, and manage its emissions.



### Other Long-Term Corporate Loans

TSKB monitors its SBTi-approved target for other long-term corporate loans on a monthly basis and discloses its performance annually. This target covers emission-intensive industrial sector companies such as iron and steel, cement, aluminum, and fertilizer, as well as other corporate loans in the industrial sector, affecting an average of 30% of the loan portfolio. In line with its development mission, the Bank supports the transition of its portfolio customers to a low-carbon economy through its activities, financing their green transition investments and investments aimed at reducing on-site energy consumption, such as solar power plants (SPPs) and energy- and resource-efficiency projects.

In 2025, the Bank continued to raise awareness among customers in its portfolio, encouraging greenhouse gas measurement and risk analysis studies. Through Escarus, it provided support to customers in creating decarbonization and green transition roadmaps.

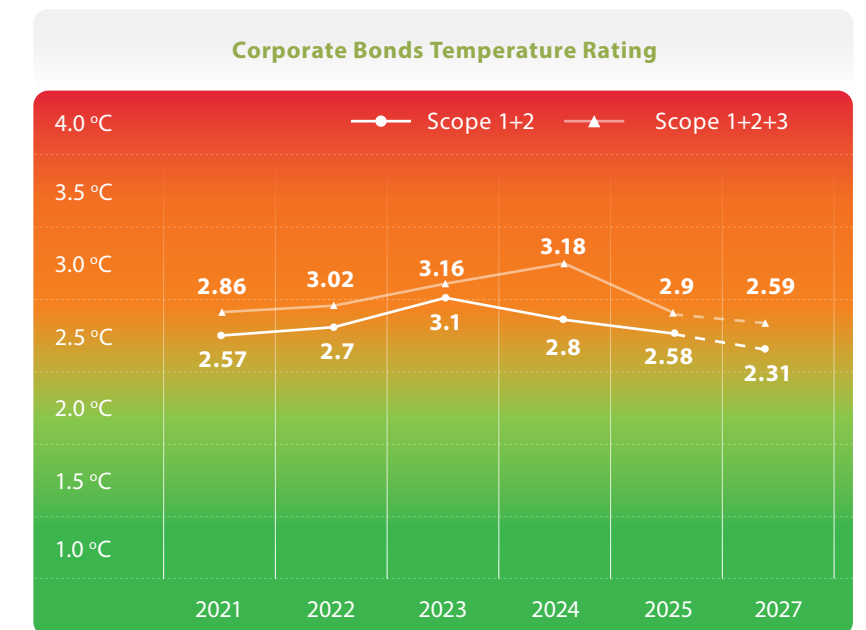
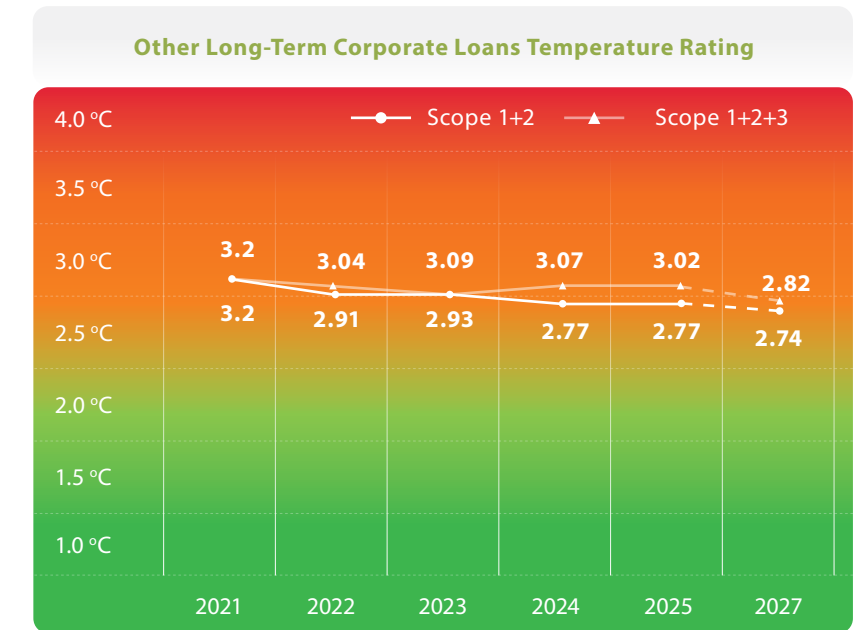
With the contribution of its green investment strategies, TSKB maintained the Scope 1+2 temperature score of its long-term corporate loan portfolio at 2.77°C at year-end 2025, while reducing the Scope 1+2+3 temperature score to 3.02°C. TSKB closely monitors its portfolio by conducting monthly temperature score analyses. Projections are made for investments to be reviewed by the Bank’s Credit Committee, and the impact of these investments on TSKB’s temperature score is integrated into the lending decision-making processes. The matter is regularly reported to senior management during committee meetings.

This approach allows for the management of the portfolio in line with its targets. TSKB will continue to closely monitor its portfolio through temperature score analyses in the upcoming periods.

### Corporate Bonds

Private sector bond transactions are carried out by TSKB’s Treasury Department with a focus on optimizing the balance sheet’s assets and liabilities. Throughout the year, corporate bond purchases are made based on market conditions, with a focus on efficiency. Although current market conditions leave limited room for improvement, and temperature scores show an increase compared to the base year, it was observed that in 2025, the Scope 1+2 temperature score decreased to 2.58°C, and the Scope 1+2+3 temperature score decreased to 2.90°C.

In the upcoming period, TSKB will continue to direct its investments in line with the SBTi-approved science-based targets it has set as part of responsible investment principles.



**ENVIRONMENTAL IMPACTS OF THE BANK'S OPERATIONS**

TSKB manages the environmental impacts of its operational activities within the framework of its Sustainability Management System (SMS), referencing the ISO 14001 Environmental Management System Standard. The Bank's objective ensures the continuity of its ISO 14001 Certification, which it has held since 2007.

Within the scope of the SMS, resource consumption such as electricity, water, and natural gas is periodically monitored, and initiatives are implemented to meet reduction targets.

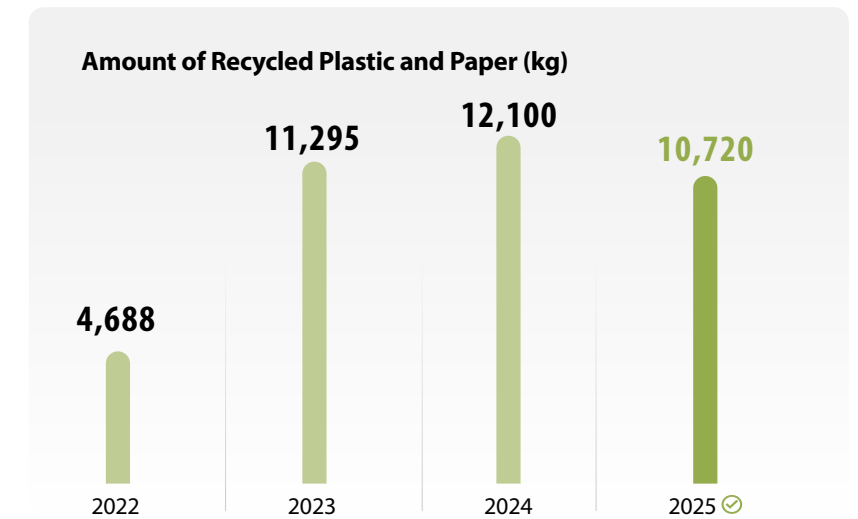
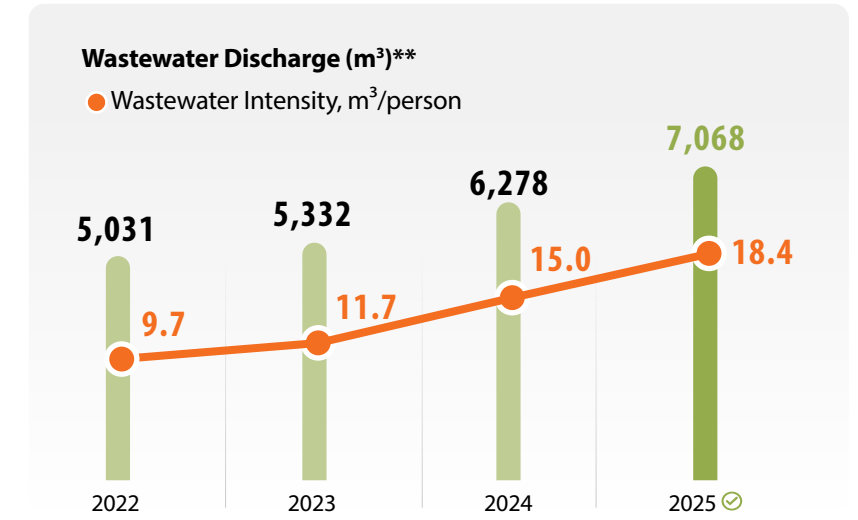
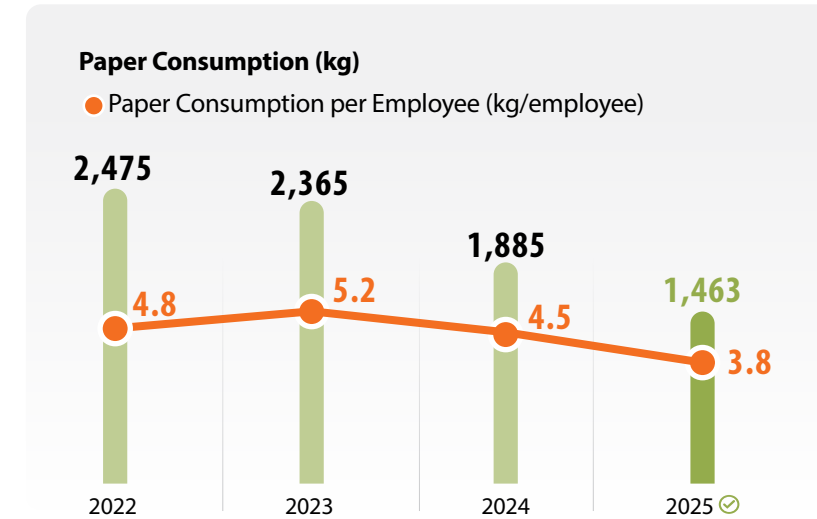
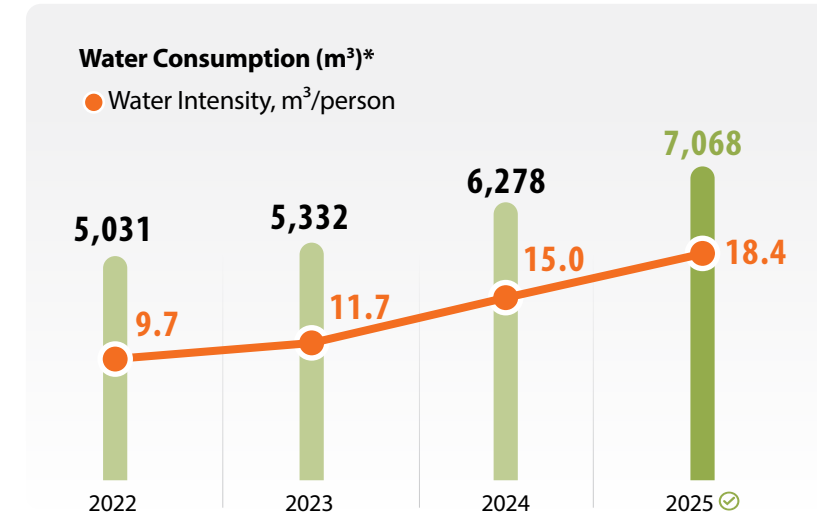
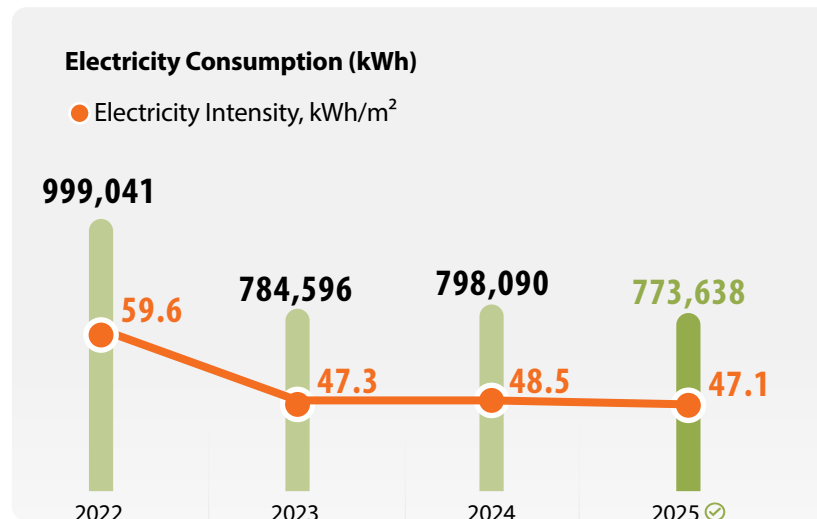
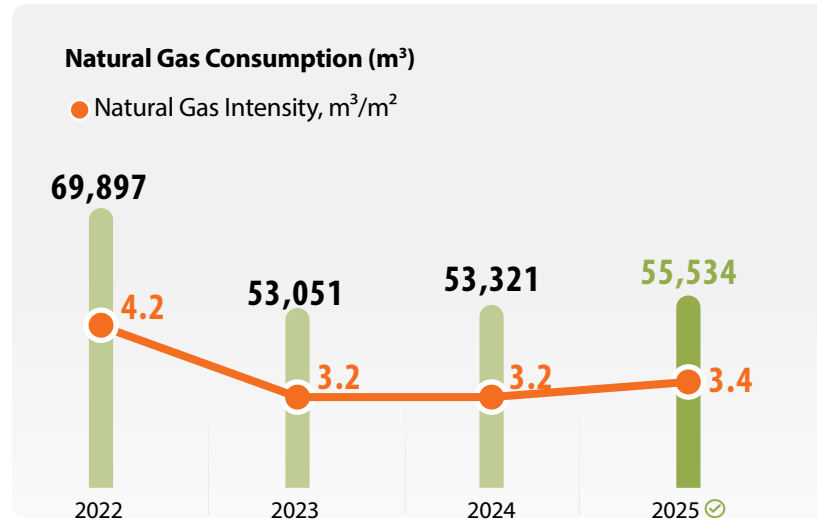
Variations in natural gas and electricity consumption due to climate change are carefully assessed.

The greenhouse gas emissions from the Bank's operations are calculated according to the ISO 14064-1: 2018 Greenhouse Gas Accounting and Verification Standard, and actions are taken to reduce these emissions.

The waste management plan, implemented according to the integrated waste management hierarchy, aims for the environmentally responsible disposal of waste and its reintegration into the economy by maximizing recycling. Through its awareness-raising activities, the Bank aims to reduce the amount of waste per capita.

As part of its sustainable office practices, which are integral to waste management, TSKB separates organic waste using biodegradable waste bins placed in common areas, in addition to the battery, paper, metal, glass, plastic, and mask waste bins that are actively used on the path to zero waste. Porcelain and glass cups are used instead of single-use paper cups on the Bank's premises. In collaboration with Wastespresso, coffee grounds from the Headquarters buildings are upcycled using a micro-waste method. This minimizes carbon and methane emissions from coffee waste and supports the production of alternatives to plastic products that persist in the environment for long periods.

All new employees at the Bank receive SMS training, ensuring the internalization of the scope of sustainability.



\*During the reporting period, the hottest summer since 2015 led to an increased need for water for garden irrigation and human consumption. Therefore, water consumption in 2025 increased compared to 2024. The air temperature around the Bank's Headquarters building is measured and recorded throughout the year by the building operations team using building thermometers. When water consumption figures for 2025 are examined on a monthly basis, an increase was observed particularly in June, July, August, and September.  
\*\*All water consumed on TSKB's premises is discharged as wastewater into the municipal sewer system.

# SOCIAL CAPITAL

## Target

## Performance

Open 11 libraries in 11 provinces affected by the earthquake by 2025 as part of the Republic's 100 <sup>th</sup> anniversary projects	By opening of three libraries in 2025 under the project, the "11 Libraries in 11 Provinces" initiative has been completed.
Add approximately 500 new resources to the TSKB Library in 2025	A total of 670 resources have been added to the TSKB Library.
Organize a Sustainability Workshop to enhance students' sustainability literacy	In its 13 <sup>th</sup> year, the TSKB Sustainability Workshop was attended by students across nine universities.
Organize engaging and educational activities to raise awareness on economics and sustainability among children aged 4–6 and 7–10 within the scope of the TSKB Children's Festival organized for the children of our employees	The 3 <sup>rd</sup> TSKB Children's Festival was held in January.
Establish four new kindergarten classrooms or renovate existing ones by year-end 2025	Through the TSKB 75 <sup>th</sup> Anniversary Kindergarten Project, launched in celebration of the Bank's 75 <sup>th</sup> anniversary, seven kindergarten classrooms has been established.
Implement value-driven projects aligned with our sustainable development mission in celebration of TSKB's 75 <sup>th</sup> anniversary	The following projects were implemented as part of TSKB's 75 <sup>th</sup> anniversary: the 75 <sup>th</sup> Anniversary Commemorative Forest, 75 Years of TSKB Impact from a Stakeholder Perspective, the Interview Series, the 75 <sup>th</sup> Anniversary Contemporary Art Competition, and the TSKB 75 <sup>th</sup> Anniversary Composition
Integrate a gender equality perspective into the Bank's credit assessment processes by year-end 2025 to raise awareness in the real sector, and conduct studies on the evaluation of analytical outputs and impact measurement	A gender equality perspective is also considered within environmental and social risk assessments in the Bank's lending activities.
Extend loans to companies using the Social Performance Measurement Tool and enhance their capacity	As part of the pilot implementation, the applicability of the tool was tested under different scenarios with two clients in the pharmaceutical and port sectors in 2025.
Develop the TSKB Inclusive Language Guide	The TSKB Guide to Inclusive Language, developed in collaboration with Kadir Has University, aims to raise awareness on reflecting diversity—including gender, disability, age, seniority, religion, sexual orientation and gender identity—in an inclusive manner in both language and business processes.
Evaluate and advance the implementation of an ethics hotline and a whistleblowing mechanism for internal and external stakeholders to enhance transparency and strengthen trust	An Ethics Hotline reporting channel has been established to enable internal and external stakeholders to safely and easily report behaviors and situations that are inconsistent with the Bank's Code of Ethics.
Track and analyze ESG data collected from suppliers	Through the annual Sustainable Supplier Survey, suppliers' ESG performance is monitored, the company's environmental and social risks are assessed, and compliance with sustainability standards is tracked.



## FUTURE TARGETS

- Open two libraries in 2026 under the TSKB 100<sup>th</sup> Anniversary Republic Libraries Project and measure the use of existing libraries across 11 provinces.
- Open two kindergarten classrooms in 2026 under the TSKB 75<sup>th</sup> Anniversary Kindergarten Project and organize workshops to raise environmental awareness in existing schools.
- Develop projects under a to-be-defined umbrella brand in the areas of diversity, equity and inclusion by year-end 2026, in line with the Bank's sustainable development mission.
- Conduct analyses while integrating gender equality and youth employment perspectives into the Bank's credit assessment processes to raise awareness in the real sector.
- Continue to build capacity among customers through inclusiveness focused projects.
- Support COP31 through of value created and partnerships established.
- Build capacity in managing nature, climate and environmental and social risks within the supply chain.
- Undertake initiatives to strategically frame the impact generated through our development banking activities and enhance its visibility among stakeholders.
- Continue efforts to create impact and value aligned with the Sustainable Development Goals.

# SOCIAL CAPITAL

TSKB, which began its sustainability journey in the 1980s with an environmental focus, has since integrated the social dimension of sustainability into its strategy aligned with evolving practices and priorities, accelerating its efforts in this area.

## TSKB'S SOCIAL POLICIES

TSKB's social policies, prepared in alignment with its vision and mission, serve as a guide for both internal operations and relations with external stakeholders.

These policies, with their fair, inclusive, and equitable perspective, increase employee motivation and commitment while enabling the Bank to contribute to social development, generate social benefits, and achieve its sustainability goals. Additionally, the sustainability and social impact strategies designed to manage social risks support TSKB in leading the sector and preserving its reputation for reliability.

Following the reporting period, the Sustainability Policy and its supplementary policies were reviewed by a resolution of the Board of Directors in February 2026 and updated in light of national and international developments, the expectations of funding institutions, ESG rating methodologies, the requirements of certificates and initiatives of which the Bank is a signatory or holder, and examples of best practice. Additionally, the TSKB Ethical Principles was drafted based on the Ethical Principles of the Banks Association of Türkiye (TBB), which the Bank adopted in 2014, and it came into effect at the same time following approval by the Board of Directors.



- Sustainability Policy
- Environmental and Social Risk and Impact Management Policy
  - Appendix: TSKB Exclusion List
- Human Rights Policy
- Occupational Health and Safety Policy
- Equal Opportunity and Inclusion Policy
- Gender Equality Policy
- Anti-Bribery and Anti-Corruption Policy
- Gift and Hospitality Policy
- Sustainable Supply Management Policy
- Responsible Communication Policy
- Ethical Principles
- Nature and Biodiversity Policy
- Board of Directors Diversity and Inclusion Policy

### SOCIAL DEVELOPMENT-FOCUSED MILESTONES IN TSKB'S SUSTAINABILITY JOURNEY

TSKB, which began its sustainability journey in the 1980s with an environmental focus, has since integrated the social dimension of sustainability into its strategy aligned with evolving practices and priorities, accelerating its efforts in this area. Today, social sustainability has become a permanent fixture on the Bank's agenda as a focus area given equal priority to climate and the environment, both directly through social-themed loans and as a complementary element in financing primarily focused on the environment.

- 2010 - Commitment to the United Nations Global Compact
- 2015 - Signatory to the Women's Empowerment Principles (WEPs)

In 2010, TSKB committed to the United Nations Global Compact, which comprises ten fundamental principles in the areas of human rights, labor conditions, the environment, and anti-corruption. In 2015, to support the economic empowerment of women, the Bank became a signatory to the Women's Empowerment Principles, the most significant international initiative established in partnership by the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and the United Nations Global Compact.

- 2016 - Loan Agreement with the French Development Agency (AFD) to improve women's employment and occupational health and safety conditions

With the loan signed with AFD in 2016, TSKB began supporting investments by companies operating in Türkiye that foster gender equality in the workplace and enable women's participation in the workforce, under the gender equality theme that was adopted as one of its thematic priorities. Through a self-assessment tool, the Bank designs action plans for its clients to improve their existing practices.

In this context, it provides support for implementing action plans such as ensuring equal opportunity for employees from recruitment onward; revising human resources, ethics, and disciplinary policies; improving or establishing lactation rooms in companies; reducing or eliminating disparities in pay between women and men; and supporting training on gender equality. This impact journey, which began with AFD in 2016, continued with the World Bank in 2018, with AFD again in 2019, with the IFC in 2022 and 2024, and with the EBRD in 2024 and 2025.

- 2017 - Empowerment Through Education Fund, in collaboration with TSKB and the Turkish Education Foundation (TEV)
- 2018 - Women Stars of Tomorrow Education Support Fund, in collaboration with TSKB and İKSV, as part of the Istanbul Music Festival

To increase women's participation in the economy, TSKB annually supports third- and fourth-year female university students through the TSKB Empowerment Through Education Scholarship Fund, established in 2017 in collaboration with the Turkish Education Foundation (TEV). Additionally, through the education support fund launched in collaboration with İKSV in 2018, the Bank supports the career advancement of exceptionally talented young female musicians in the international arena in the fields of instrumental performance, vocals, and conducting. Details are available on page 140.

- 2020 – Revision of the Environmental and Social Risk Evaluation Tool (ERET)

Following the publication of the World Bank’s Environmental and Social Framework, the Bank revised the ERET model, which it developed in 2005 and has been applying in its credit assessment processes since 2007, in line with the updated standards. In this context, the model was expanded to include the assessment of potential social impacts, such as land acquisition processes, stakeholder engagement activities, a grievance mechanism, local employment, and physical and economic displacement. Ensuring that the prepared plans and actions taken are gender-sensitive is among TSKB’s primary areas of focus. Full details on the ERET Model are available in the Natural Capital section on page 107.

- 2020 – Sustainable Development Goals Mapping Model

Using the SDG Mapping Model that it launched in 2020, the Bank measures the social impacts of the projects it finances within a methodological framework and demonstrates its contribution to social sustainability with concrete indicators. The targets set in this context can be found in the Financial Capital section on page 68.

- 2022 – IDFC Gender Finance Mapping Tool

The mapping tool, developed in collaboration with TSKB and AFD as co-chairs of the IDFC Gender Equality Working Group and with the support of the Frankfurt School of Finance and Management, enables IDFC members to monitor and report their gender-responsive financing activities within a systematic framework. The collected data, in turn, allows for a comprehensive mapping of members’ contributions to gender finance. The work carried out in 2025 within the scope of the IDFC Gender Equality Working Group can be found on page 139.



- 2024 – First Place in the Equileap Emerging Markets Gender Equality Index

TSKB ranked first in the “Gender Equality in Emerging Markets Index” conducted by Equileap, an independent data company based in the Netherlands. Following an assessment of 1,500 companies in emerging markets, the Bank secured the top spot with a gender equality score of 71% and was the only institution from Türkiye to be included in the 2024 list.

- 2025 – Loan Agreement with EBRD on the Theme of Youth and Women’s Employment

Under this new agreement, signed with the goal of increasing youth and women’s employment and reducing inequalities in Türkiye, the Bank will enable institutions to conduct situation analyses and determine action plans from a youth employment perspective using a self-assessment tool it developed, similar to its gender equality tool. With this loan, The Bank also added youth employment as a lending theme. Details are available in the Financial Capital section on page 68.

Other social impact-focused projects and initiatives implemented during the reporting period are addressed under the headings on the next page.



In 2025, TSKB added Youth Employment to its financing themes.

## SOCIAL IMPACT MANAGEMENT

### MANAGING THE SOCIAL IMPACT OF THE BANK’S INTERNAL ACTIVITIES

An important dimension of TSKB’s sustainability strategy is its work in the social sphere, guided by a perspective of inclusion, equality, and diversity. The perspective of inclusion, equality, and diversity is one of the most important elements forming the foundation of TSKB’s vision and mission.

To ensure its employees work in a happy and equal environment and to foster better workforce participation, TSKB has adopted international social standards that go beyond legal regulations.

With a female employee ratio of 53%, the Bank continues to lead the sector in gender equality through its equal opportunity model in human resources practices, a near-zero gender pay gap, training programs, and collaborations with international institutions. You can access the Human Capital section from page 144 onwards.

### GENDER EQUALITY CERTIFICATE PROGRAM

The Gender Equality Certificate Program, a 60-hour course conducted in collaboration with Galatasaray University and the Yanındayız Association, was held exclusively for a closed group of 20 TSKB employees. The content was designed to address the theoretical foundations of gender equality and its practical reflections from an academic perspective.

At the end of the program, participants presented their projects in which they proposed solutions to problems identified in reports on gender equality in the banking sector.

### Examples of focus areas

- The Transformative Role of Finance and Its Social Impact Potential in Empowering Women in the Workplace,
- Women’s Representation in Senior Management and the Glass Ceiling,
- The Unseen Cost of an Aging Population: Care Labor and Women’s Employment,
- The Socialization of Domestic Labor: The Effects of Paternal Involvement on Women’s Employment and Development,
- Low Representation of Women in Software Departments in the Banking Sector.

### INCLUSIVE LANGUAGE GUIDE

In 2024, a survey was conducted among employees to measure how they perceive TSKB’s approach to inclusion, diversity, and equality, and its practices in these areas. The results of the Inclusion, Diversity, and Equality Perception and Awareness Survey were analyzed by an independent consulting firm. Benchmarking studies were conducted based on the survey results, and action recommendations were prepared.

The Bank prepared an implementation plan to carry out the recommended actions in the short, medium, and long term. One of the actions identified was the creation of an Inclusive Language Guide to raise awareness among Bank employees and other stakeholders about stereotypical and use of language that can lead to discrimination in communication. The TSKB Inclusive Language Guide, developed in collaboration with Kadir Has University, promotes avoiding expressions that reinforce

stereotypes that can lead to discrimination. It aims to create awareness of situations where individual characteristics such as gender, religion, national and social origin, race, marital status, age, political opinion, or mental or physical disability are reflected in a non-inclusive manner in daily language and business processes. The guide serves as a practical reference for employees and aims to contribute to the widespread use of inclusive and anti-discriminatory language in daily life and the business world. It is shared on the website, making it accessible to the public and all stakeholders.

### TSKB ETHICAL PRINCIPLES, ETHICS COMMITTEE, AND ETHICS HOTLINE

In February 2026, TSKB established and published its Ethical Principles, based on the Ethical Principles it had formed in 2014 by adopting the TBB Banking Ethical Principles and the TSPB Capital Market Employees’ Ethical Principles and Rules of Conduct. The TSKB Ethical Principles was established by adding the elements of Responsible and Sustainable Banking, Inclusion, Equality and Diversity, and Responsible and Effective Communication to fundamental principles such as Integrity, Impartiality, Reliability, and Transparency, in alignment with TSKB’s value creation model.

As part of the Ethical Principles efforts, a reporting channel of Ethics Hotline was established in addition to the Bank’s existing Grievance and Feedback Mechanism. This channel allows internal and external stakeholders to securely and easily report behaviors and situations contrary to the Bank’s Ethical Principles, including sensitive complaints.

## An Ethics Hotline was established to enable internal and external stakeholders to securely and easily report conduct and situations that violate the Bank’s Ethical Principles.

The system’s accessibility has been expanded through various communication channels such as telephone, email, postal mail, and the website, and it also allows anonymous reporting. The system’s independence was strengthened by routing applications directly to the Board of Internal Auditors. As part of the update efforts, it was also decided to establish the TSKB Ethics Committee with the duty of overseeing the proper functioning of systems and processes. The Inspection Board will regularly inform the Board, which is composed of members of the Executive Committee.

### FINANCING AND VALUE CREATED

As mentioned in the milestones, TSKB began tracking the value it created under the theme of Gender Equality with the loan themed “Women’s Employment and Improvement of Occupational Health and Safety Conditions,” signed with the French Development Agency (AFD) in 2016.

In this context, action plans are designed to improve clients’ existing practices using a self-assessment tool developed by the Bank. Thus, the Bank provides support for implementing action plans such as ensuring equal opportunity for employees from recruitment onward, revising human resources, ethics, and disciplinary policies, improving or establishing lactation rooms at companies, reducing/closing the gender pay gap, and supporting training on gender equality.

In 2018, through the Access to Inclusive Finance loan provided by the World Bank, the Bank met the working capital and investment loan needs of private sector companies across Türkiye that support women’s participation in

the workforce and provide suitable working environments. In all projects carried out following this collaboration with the World Bank, TSKB continues to indirectly support women’s participation in the workforce, even in funds where women’s empowerment is not the primary impact area, and encourages companies to adopt best practices in this field.

In the following years, the Bank continued to expand its impact by signing collaborations with various development finance institutions under the same theme, leveraging the practical experience and deepened technical capacity it had gained.

Finally, during the reporting period, the Bank added Youth Employment to its themes with the Youth and Women’s Employment Loan signed with the EBRD. With the self-assessment tool developed within the Bank, the aim was to conduct a situation analysis from a youth employment perspective and determine action plans for institutions, just as with the gender equality tool.

Furthermore, following the earthquake disaster that affected many provinces in Türkiye in 2023, TSKB engaged in numerous collaborations under the earthquake theme—a theme first added in the 2000s—focusing on green and restorative financing for the earthquake-affected regions.

Having successfully completed its three separate targets under the social theme last year, TSKB announced in this report a social financing target of USD 3 billion to be achieved by 2030, effective as of 2024. Full details are available in the Financial Capital section on page 144.

### MANAGING THE SOCIAL IMPACT OF FINANCING

TSKB uses various methodologies to assess and measure the social impacts of every project it finances, regardless of the investment amount. The process of identifying stakeholders who will be affected by the project and determining the extent to which the project will affect each stakeholder is an important element in managing these impacts. Site visits are organized for experts to conduct in-depth analyses of the social impacts of projects. During site visits, consultation meetings, face-to-face interviews, and in-depth discussions are held with all affected stakeholders (local communities, municipalities, village heads, local authorities, etc.) to observe and analyze the social impacts of the projects. At the same time, focus group meetings are organized for stakeholders in vulnerable groups (women, the elderly, persons with disabilities, refugees, etc.)



to analyze the extent to which the project will affect these groups. Discussions are held with the project’s employees, its most important stakeholders; the project’s workforce and working conditions are assessed for compliance with international standards that go beyond legal requirements.

TSKB uses its proprietary Environmental and Social Risk Evaluation Tool (ERET) to measure the environmental and social risk of every project, regardless of the investment amount. Using this model, detailed environmental and social impact assessments of projects are carried out; projects are categorized according to the resulting risk score, and a separate action plan is provided for each environmental and social risk category. The Bank, in collaboration with its clients, structures how environmental and social impacts will be managed and monitored within an action plan and monitoring program. This helps clients develop their capacity in environmental and social matters while also mitigating potential risks related to the social impacts of projects. Full details on the ERET model are available in the Natural Capital section on page 107.

### SDG MAPPING OF LOANS

Through SDG mapping, social impacts, one of the three fundamental dimensions of sustainable development in financed projects, are measured using a methodological approach, and the contribution to social and sustainable development is quantified. During the reporting period, the Bank contributed to the following social development-focused SDGs through the projects it financed. Since 2024, a total of USD 1.3 billion in financing has been provided in this context.

As part of the SDG Mapping Model update in 2024, the impact of investments on SDG 5 - Gender Equality was reassessed, and the model’s scope of impact was deepened. In addition to investments that directly impact SDG 5, the model was expanded to include criteria for indirect impacts on SDG 5 because some companies and investments have indirect effects.

The direct impacts of investments in women’s employment and empowerment on sustainable development are assessed through analyses conducted at different stages of the investment (ex-ante, in itinere, and ex-post). These analyses provide transparent impact reporting for investors and stakeholders while also strengthening TSKB’s impact-oriented lending approach. Furthermore, the impacts arising from the integration of a gender equality perspective into climate finance are considered indirect impacts and are meticulously monitored by relevant experts.



**3**  
USD BILLION

Social financing target by 2030

## SOCIAL PERFORMANCE MEASUREMENT TOOL

To measure the social performance of the companies, investments, and projects it finances, TSKB uses the Social Performance Measurement Tool developed by the Bank's experts.

The Measurement Tool was designed to assess both the social standards set by national legislation and international social performance standards within a broad framework. In this context, measurement criteria were observed in the areas of Stakeholder Engagement and Communication, Equal Opportunity, Inclusion, and Gender Equality, Human Rights, Human Resources, Social Management, Social Investments and Corporate Social Responsibility Activities, Supply Chain, and Occupational Health and Safety.

This tool aims to determine the social performance of financed companies and investments and to enable their capacity development by identifying gaps. Performance improvements are tracked based on the data obtained to better manage social impacts.

As part of a pilot application in 2025, the tool was applied to two clients in the pharmaceutical and port sectors, and its applicability under different scenarios was tested.

## IMPACT MEASUREMENT REPORT OF WOMEN'S EMPLOYMENT PROJECTS

Through ex-post impact assessments of the loan agreements signed with AFD in 2016 on the theme of Women's Employment and Occupational Health and Safety, and in 2019 on the theme of Women's Employment, the success of the financing was measured not only by repayment performance but also by real-life outcomes such as job creation, improvements in working conditions, and corporate policy transformation.

A comprehensive impact measurement study was conducted in 2024 and 2025 by an independent consulting firm, analyzing the projects' alignment, effectiveness, sustainability, and impacts, and evaluating the consistency of the impacts with the projects' objectives and expected outcomes. Using a multifaceted approach, the impacts of the projects on the gender equality strategies and capacities of TSKB and the borrowing firms, as well as the contributions of the partnership established with AFD to the process, were analyzed.

Key impacts and results:

- The 2016 loan resulted in an additional 1,335 women being employed, while the 2019 loan resulted in 141 women being employed despite COVID-19.
- Increased awareness of gender equality and the use of gender-disaggregated data were encouraged at the company level.
- Companies were supported in identifying their gender gaps and taking concrete steps such as HR policy reforms, grievance mechanisms, and workplace infrastructure improvements.
- Contributions were made to improvements in workplace safety, childcare support, and harassment-prevention mechanisms.
- A gradual cultural transformation was supported in male-dominated sectors.

## CIRCULAR ECONOMY AND GENDER EQUALITY

Under the circular economy-themed loan obtained from AFD at the end of 2022, a study on the circular economy and gender equality was conducted with an independent consultant. The study, which incorporated TSKB's expertise and client experiences to reflect conditions in Türkiye, reveals that the shift toward circular economy practices presents a dual picture

for women, offering both opportunities and systemic challenges. The necessity of integrating strategies that consider how women are affected into circular economy initiatives is emphasized to ensure equal participation and the fair distribution of benefits.

## RESPONSIBLE PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

TSKB conducts its procurement and supply chain management processes based on the principle of prioritizing responsible, ethical, and reputable local suppliers who offer high-quality, cost-effective products and services.

In accordance with the Sustainable Supply Management Policy updated in February 2026, the Bank aims to bring its suppliers into compliance with TSKB's sustainability standards. In this context, TSKB encourages its suppliers and provides them with information and expertise when necessary. The Bank supports the establishment of ISO 14001 Environmental Management System, ISO 14064 Greenhouse Gas Emissions Standard, and ISO 45001 Occupational Health and Safety Management System, and endeavors to work with companies that hold these certifications. It expects them to fully comply with the minimum wage, maximum working conditions and hours, overtime pay, prohibition on child labor, and disciplinary and punitive rules determined by the laws and regulations of Türkiye. Within this scope, the ESG performance of suppliers is monitored, the company's environmental and social risks are assessed, and the company's compliance with sustainability standards is tracked through the annual Sustainable Supplier Survey.

## NATIONAL AND INTERNATIONAL COLLABORATIONS

### IDFC WORKING GROUPS

In 2025, TSKB continued its work on climate change, biodiversity, gender equality, and alignment with the SDGs within the International Development Finance Club (IDFC), of which it has been an active member since 2011 and a member of the Management Committee since 2019.

The Bank participated in the IDFC Steering Committee Meeting held in Seville on June 30–July 1, 2025, and the IDFC Annual Meeting in Washington, actively contributing to the global sustainable finance agenda.

Within the Gender Equality Working Group, co-coordinated by TSKB, the Gender Equality Financing Mapping efforts under the "IDFC Collective Roadmap" also continued in 2025. TSKB participated as a speaker at the meeting organized with UN Women on April 8, 2025, which focused on SDG 5. Within the Biodiversity Working Group, TSKB continued to support the nature-positive finance approach in line with the Biodiversity Declaration published at the Finance in Common Summit, contributing to efforts to integrate biodiversity risks and opportunities into financial decision-making processes and promote nature-based solutions.

TSKB, also taking an active role in the SDG Alignment and Climate Change Working Groups, contributed to the update of the SDG self-assessment tool, which is jointly used by IDFC member development banks and allows them to evaluate their financing activities for alignment with the SDGs. The Bank continued to

support climate finance methodologies and risk assessment studies within the scope of the IDFC Facility.

In 2025, the Bank further strengthened its inclusive and climate-sensitive financing approach, aligned with sustainable development goals, at an international level through the IDFC platform.

### BCSD TÜRKİYE

Within BCSD Türkiye's Financial Products and Services Sub-Working Group under the Reducing Inequalities focus area, a project was implemented whose first phase was completed in 2024 and whose second phase was completed in 2025. The project aimed to create a common learning space on gender equality, inclusiveness, equal opportunity, and diversity in the financial system and to support the development of inclusive financial products and services.

Throughout the project, with representatives from the banking and real sectors, existing financial products were examined through an inclusivity lens, and national practices were compared with international best practices. The studies facilitated the identification of internal needs, laid the ground for potential product development processes, and indirectly contributed to inclusive financial access. In the first phase of the project, TSKB delivered a detailed briefing to the working group members detailing the themes of Inclusiveness, Diversity, Equal Opportunity, Human Rights, and Gender Equality. In the second phase, it addressed the concepts of equality, equal opportunity, diversity, and inclusiveness in their strategic and regulatory dimensions, evaluating financial products incorporating these principles, conducting a gap analysis of national legislation versus international standards, and assessing the measurement framework using inequality-focused indices from a holistic perspective.





In line with our vision for an inclusive and sustainable future, we continue to create lasting and transformative value on a societal scale across a broad ecosystem spanning from education to art, and from the environment to entrepreneurship.

## SOCIAL VALUE AND CORPORATE SOCIAL RESPONSIBILITY

Since our establishment, we have approached development from a multifaceted perspective, viewing it as a process of social and cultural advancement in addition to financial success. We believe that inclusive development that creates lasting value is strengthened by equal opportunity.

With this understanding, in 2025, as we celebrated our Bank's 75<sup>th</sup> anniversary, we further strengthened our long-standing environment, people, and culture-focused projects to expand TSKB's impact on social and cultural development.

At our second TSKB Development Day conference, held in May 2025 with the theme Boosting Potential Growth with a Triple Transformation, we addressed the green, digital, and social transformation. With over 600 participants from finance, academia, and the business world, we discussed the strategic roadmap for development that leaves no one behind.

Deepening TSKB's impact in education, we reached nearly 400 young people by supporting the education of 75 students for our 75<sup>th</sup> anniversary through our Empowerment Through Education Scholarship Fund project, carried out in collaboration with TEV.

Following the February 6 earthquakes, we launched our "11 Libraries in 11 Provinces" project in September 2023. In less than two years, we completed opening enriched libraries in all affected cities, bringing more than 7,000 students together with over 50,000 books.

To support preschool education and women's employment, we launched our "TSKB 75<sup>th</sup> Anniversary Kindergarten Class" project in February 2025, opening seven kindergarten classes in four cities and contributing to the education of 160 preschool-aged children.

We continued to foster the creative power of sustainable development through special projects implemented to support artistic production and equal opportunity in the arts. Through the Women Stars of Tomorrow Education Support Fund, which we have maintained in collaboration with IKSİ since 2018, we have supported the artistic education of 120 young women musicians to date. In commemoration of our 75<sup>th</sup> anniversary, we added a new work to Türkiye's classical music repertoire with the work titled "Çember (Circle)," composed by Ceren Türkmenoğlu.

With our TSKB 75<sup>th</sup> Anniversary Contemporary Artwork Competition project, organized under the theme "From Roots to Today, to the Future with Art," we encouraged young people to engage in artistic production, receiving over 600 applications from 102 different universities in 60 cities across Türkiye.

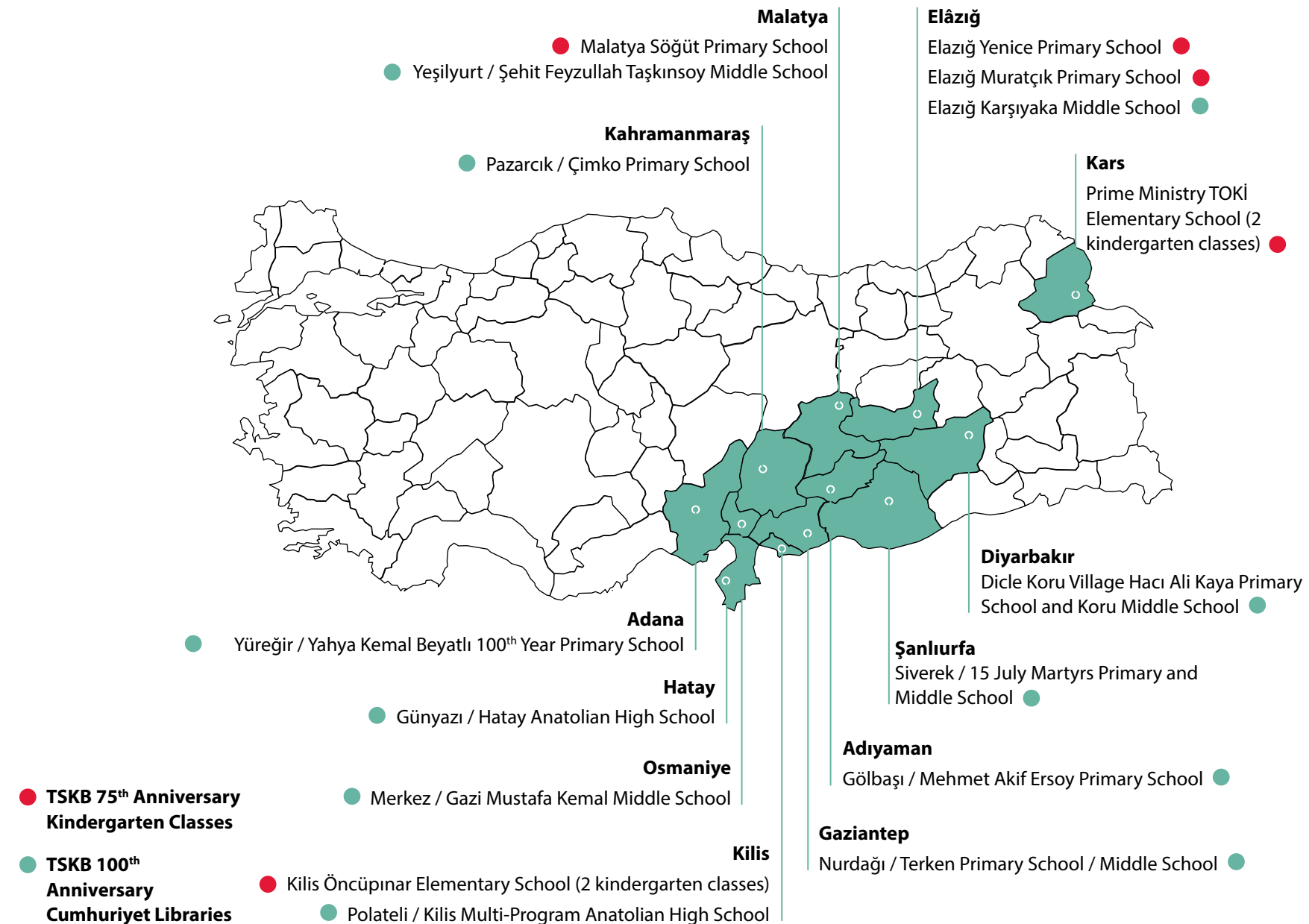
We received nearly 300 applications for our TSKB Co-Venture project, a collaboration with GİRVAK that prioritized women entrepreneurs from the earthquake-stricken region. With the goal of providing training and mentorship support to 15 selected entrepreneurs, we expanded our contribution to the economic and social recovery of the earthquake-affected regions based on sustainability criteria.

In our Development Steps podcast series, which we launched in 2025, we discussed economic, environmental, social, and cultural development with Türkiye's leading academics, artists, athletes, and businesspeople.

With the TSKB 75<sup>th</sup> Anniversary Memorial Forest we established in Istanbul and Ankara, we increased our number of saplings to 75,000, contributing to a sustainable future.

With a vision for a more inclusive and sustainable future, we will continue to build on our 75-year legacy by intensifying our efforts, surpassing the impact of the previous year, and creating shared and lasting value for society.

### TSKB 75<sup>th</sup> Anniversary Kindergarten Classes and TSKB 100<sup>th</sup> Anniversary Republic Libraries



## SUSTAINABILITY PROJECTS

As an institution that placed sustainability at the center of its business practices early on, we brought together students from departments such as engineering, business administration, economics, and related fields from nine different universities at the 13<sup>th</sup> Sustainability Workshop we organized to raise awareness among students.



### WWW.CEVRECIYIZ.COM

Launched in 2007, [www.cevreciyiz.com](http://www.cevreciyiz.com), TSKB's first project in the field of sustainability, offers rich content on various topics such as business ideas on sustainability, eco-friendly innovation, alternative energy sources, the circular economy, the climate crisis, and the green transition. The impact generated by the project is disseminated to broader segments of society through posts on social media channels.

Throughout 2025, with over 178 pieces of content, high-quality and responsible stream of publications were provided to raise awareness by drawing on research in renewable energy, biodiversity, sustainable living, and environmental and air pollution.

Awareness continues to be raised on the climate crisis through social media accounts with various content, including infographics, a climate lens, statistics, and quotations. [cevreciyiz.com](http://cevreciyiz.com) will continue to be a resource for the work of experts, academics, and students on the subject in the coming period.

### SUSTAINABILITY WORKSHOP

The Bank, which placed sustainability at the core of its business practices early on, met with students from departments such as engineering, business administration, and economics from nine different universities at its 13<sup>th</sup> Sustainability Workshop, organized to raise awareness among students.



### #EŞİTADIMLAR (EQUALSTEPS)

The digital platform, launched in collaboration with SKD Türkiye (Sustainable Development Association), offers a comprehensive guide to all companies wishing to support women's employment and take steps to improve their equal opportunity approach. #EşitAdımlar, a digital library that effectively uses social media channels, features successful practices from Türkiye and around the world, roadmaps, relevant standards and regulations, and high-quality research conducted in this field.

The platform has approximately 25,000 followers on social media. In 2025, a total of 160 original pieces of content were published on the #EşitAdımlar website and digital channels.

"Let's Take an Equal Step" and statistical concepts were implemented, and posts were shared to raise awareness of equal opportunity.

### EXPERIENCE SHARING

TSKB shares the economic, environmental, and social impact it generates within its banking service cycle and the experiences it has built with large audiences, thereby enhancing stakeholder engagement.

The Bank receives contributions and suggestions from all stakeholder groups through periodic Stakeholder Dialogue meetings, making sure to involve all relevant parties in the Bank's development process. The Bank actively uses industry organizations to strengthen stakeholder communication.

By participating as a speaker in capacity-building training and global summits, TSKB shares its expertise both in Türkiye and on the international stage. Continuing its effective collaboration with stakeholders in 2025, the Bank provided sponsorship support for 16 events.

- TKYD XVI. International Corporate Governance Summit
- 10<sup>th</sup> ITU Carbon Summit
- Fast Company Sustainability Leaders
- Urla Jazz Festival
- 21<sup>st</sup> International Middle East Economics Association (MEEA) Conference
- BCSD Türkiye-Sustainable Finance Forum
- BCSD Türkiye – Innovation in Agriculture
- 2<sup>nd</sup> Sustainability Conference 2025
- ERTA: Türkiye's Vision in Global Transformation — Global Conference on New Paradigms of Development
- Oggusto Shining Stars Conference
- 4<sup>th</sup> Transforming Leadership Summit
- İKSV 18<sup>th</sup> Istanbul Biennial
- Yanındayız Association Conference
- Oxygen Future Forum
- Istanbul Marketing Summit
- Yanındayız Association
- #womanisequaltomanperiod Conference

To make experience sharing more effective, the Bank participated in events as a speaker or attendee, in addition to providing sponsorship support. TSKB also participated as a speaker in more than 60 events in 2025.

### SOME OF THE NATIONAL AND INTERNATIONAL PANELS ATTENDED THROUGHOUT THE YEAR


- Project on Resilient, Green and Transformative Development in Asian Belt and Road Countries FICS - G20 Infrastructure Investors Dialogue
- 21<sup>st</sup> International Middle East Economics Association (MEEA) Conference
- CDP "Business Matching Platform in Türkiye" opening event
- UN Global Compact Türkiye Summit
- COP 30
- IDFC Gender Equality Working Group "Preventing and Responding to Gender- Based Violence: Leveraging Public Development Banks' Funding to Reach SDG 5" Webinar
- ICCI 2025 Energy Conference "Energy Financing" Session
- ERTA "Türkiye's Green Transformation Adaptation Process: Strategy, Policy, and Practices" Event
- Workshop on the Role of National Development Banks and Competition Policies in the Financial Sector panel
- 1<sup>st</sup> Europe and Central Asia Energy Knowledge Forum
- BofA Türkiye FICC Conference
- Corporate Sustainability Leaders' Summit, Collaboration and Awareness Meetings Series II: Finance

With its deep knowledge and expertise, TSKB continues to create value by participating in summits and sharing its experience on national and international platforms.

# HUMAN CAPITAL

Target	Performance
--------	-------------

Maintain the share of female employees at a minimum of 50%	52%
Maintain the gender pay gap below 5%	4%
Maintain the average annual training hours per employee at a minimum of 45 hours	52 hours
Implement at least one new awareness-raising project under inclusivity initiatives, including support for disadvantaged groups and employee training on inclusion	A certified online training program titled Birlikte Kariyer has been designed for university students with hearing impairments and recent graduates. Through the TSKB Yanında Program, free individual psychological counseling support has been provided to students with disabilities in collaboration with a university and an online therapy platform.
Offer two new programs under the “We Value You!” motto to support employee well-being and work-life balance, covering different themes such as physical and mental health, finance and child development	The Financial Wellbeing Program has been implemented. Well-being applications such as Heltia and Meditopia have been made available to employees and their families.
Launch a new program planned under the TSKB Technology and Entrepreneurship Platform to support entrepreneurs	In 2025, Türkiye’s first venture builder program in the finance sector was established in collaboration with the Türkiye Entrepreneurship Foundation. Through the Venture Builder program, it is aimed to both structure early-stage ventures from scratch and support advanced-stage entrepreneurs in scaling their existing products with an impact and investment focus across two application cycles.
Introduce at least two new programs to enhance real-time feedback and recognition among employees within the organization	In 2025, as part of the program, HR Representatives participated in a session held under the theme of “Development, Recognition & Feedback” and shared their suggestions with HR. Within the framework of the award program established to support feedback, employees who gave and received the most recognition, as well as those who provided and received the most feedback via Reflex, were rewarded.
Implement a mentor-mentee program for university students within an online program focused on development and sustainability themes.	The online training and mentorship program Finance of the Future Academy has been launched. Following technical trainings and career talks held throughout July, mentorship support was provided by TSKB volunteers to 75 students who successfully completed the program.
Launch a mentorship program that brings employees together with senior executives from diverse disciplines	The TSKB Mentorship Program has been launched, creating a development journey that supports mutual learning and intergenerational interaction.

KPI	2025* 
Female ratio on the Board of Directors	27%
Female employee ratio across the Bank	52%
Female ratio in Senior Management	36%
Female ratio in management positions	53%
Female ratio in middle management	59%
Female ratio in revenue-generating departments	46%
Female ratio in STEM-related positions	33%
Gender pay gap (Median)	4%
Gender pay gap (Average)	6%
Return rate after maternity leave	100%
Average training hours per employee	52 hours
High performer turnover rate	2.2%
Voluntary turnover rate	3.8%
Employee engagement survey participation rate	94%
Net promoter score	45%
Hybrid working ratio	49%
Female ratio benefiting from flexible working arrangements	50%
Female ratio with internal mobility (rotation / internal transfer)	40%
Female ratio in recruitment interviews	52%
Female ratio among new hires	48%
Female ratio among interns	48%
Female ratio among promoted employees	48%
Female ratio among participants joining through the TSKB Career Workshop graduate program	43%
Female ratio among employees representing the employer brand externally	55%
Female ratio among students participating in the Sustainability Workshop	56%

\*All KPIs listed above are based on audited data.

## FUTURE TARGETS

- Maintain the female employee ratio at a minimum of 50%.
- Maintain the gender pay gap below 5%.
- Organize four employee-focused events to raise awareness on disability under inclusivity initiatives and undertake actions to improve the physical accessibility of TSKB buildings.
- Expand practices that enhance employee well-being and work-life balance in line with the “We Value You!” motto.
- Maintain the average annual training hours per employee at a minimum of 50 hours.
- Develop internal trainers through the Train-the-Trainer Program, design a training catalog and deliver at least one training session.
- Support venture ideas and advanced-stage startups in the education, health, climate and disaster technologies verticals under the TSKB Co-Venture program through TSKB’s expertise.
- Provide psychological support to students with disabilities at a newly designated university under the TSKB Yanında Program, and deliver a training program for university students with disabilities and recent graduates under the Birlikte Kariyer program.
- Offer a title-based training and development program on Digital Literacy and Productivity with Artificial Intelligence.

# HUMAN CAPITAL

Investments in human capital development are carried out in line with sustainability principles and corporate strategy.

# 10

Awards won in Human Resources in 2025

The Bank aims to maximize the potential of its human capital and make a strong contribution to corporate performance by creating a fair and inclusive work environment.

As an extension of the multifaceted development approach adopted in its banking activities, diversity and inclusiveness is prioritized in human resources.

Investments in human capital development are planned and implemented in line with sustainability principles and corporate strategy.

## TSKB RECEIVES 10 AWARDS FROM 4 SEPARATE AWARD PROGRAMS IN HUMAN RESOURCES

In 2025, TSKB was honored with a total of 10 awards from 4 prestigious programs. At the Excellence Awards 2025, organized by the Brandon Hall Group, TSKB continued its tradition of success, winning awards for the fourth consecutive year. The Bank received a total of three awards, winning gold in the Most Innovative Talent Management Program and Best Employee Recognition Program categories, and silver in the Best Career and Succession Management Program category.

At the Stevie Awards for Great Employers, TSKB received awards in three separate categories based on the evaluation of an international jury, winning a gold award for the Best Team Development Program, and silver awards for Achievement in Employer Branding and Talent Acquisition Team of the Year.

The Bank was awarded a Silver award at the Globee Awards in the Human Resources category for Career Development, Most Innovative Training Program, and Talent Acquisition.

Finally, in 2025, TSKB won its first ATD award in the Skills-Based Career Management category at the Association for Talent Development (ATD)'s 2026 ATD Excellence in Practice Awards program.

### BRANDON HALL GROUP 3 AWARDS



- Most Innovative Talent Management
- Best Employee Recognition
- Career & Succession Management

4 years of uninterrupted success

### STEVIE AWARDS 3 AWARDS



- Best Team Development
- Employer Brand
- Talent Acquisition Team of the Year

Global success in employer branding

### GLOBEE AWARDS 3 AWARDS



- Career Development
- Most Innovative Training
- Talent Acquisition

International recognition in training and career development

### ASSOCIATION FOR TALENT DEVELOPMENT (ATD) 1 AWARD



- Skill-Based Career Management

First ATD award

## HUMAN RESOURCES AND DEVELOPMENT IN 2025

### HUMAN RESOURCES PRINCIPLES

TSKB accepts the principles of the Universal Declaration of Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the UN Sustainable Development Goals, and the UN Convention against Corruption, and conducts all its activities in accordance with these principles and within the framework of the labor legislation in force in Türkiye.

TSKB demonstrates a strong commitment to compliance with international human rights standards and ensures that both its employees and all stakeholders, including its suppliers, adhere to these standards.

Click [here](#) for the TSKB Human Rights Policy.

### HUMAN RESOURCES DATA

As of 2025, the number of bankers working at TSKB is 436. During the reporting period, the ratio of female employees in senior management was 36%, and the ratio of female employees in management positions was 53%. The ratio of female members on the Board of Directors is 27%.

As a result of efforts to maintain the sustainability of employees' high performance levels and keep brand loyalty high, the turnover rate for high-performing bankers was 2.2% in 2025, while the voluntary turnover rate across the Bank was measured at 3.8%.

The Bank continuously improves its human resources strategies and enhances diversity to increase employee satisfaction and support sustainable growth.



### GENDER EQUALITY CERTIFICATE PROGRAM

The Gender Equality Certificate Program, a 60-hour course conducted in collaboration with Galatasaray University and the Yanındayız Association, was held exclusively for a closed group of 20 TSKB employees. The program aimed to address the theoretical foundations of gender equality and its practical reflections from an academic perspective. At the end of the program, participants presented projects developing solutions to issues identified in reports on gender equality in the banking sector.

TSKB continuously improves its human resources strategies and promotes diversity to enhance employee satisfaction and support sustainable growth.

# 53%

Female representation in management positions

## The Sustainability Development Program remained available on the digital training platform, Partnering for the Future.

In 2025, an average of 52 hours of training per employee was provided.

# 7,000+

Content items in the digital library of the Partnering for the Future platform

### PARTNERING FOR THE FUTURE

Partnering for the Future is a digital learning platform that enables employees to closely follow current learning and development trends with its rich, multidimensional content structure covering new-generation skills, personal development, and hobbies, focusing on professional and behavioral competency development. The comprehensive library, which contains over 7,000 content items, supports employee development through skill- and role-based thematic development journeys. Within the framework of an integrated learning approach, it is positioned as a powerful digital learning resource that complements in-class applications in training programs.

The gamification features offered on the platform add an innovative, competitive, and fun dimension to the learning experience; one example is "Guess What!" competitions support the learning process and increase the level of interaction and communication.

Thanks to the Career Portal infrastructure integrated into the Partnering for the Future platform, employees can track technical knowledge and skills, critical experience, and

behavioral competency sets by department, job family, and role. Employees can monitor their development needs for their current roles and the role requirements for potential career steps in line with the determined criteria; they benefit from the development guides and training library offered by the platform when creating their development action plans.

Thanks to this integrated structure, all concepts related to career and development processes are managed holistically with a transparent, measurable approach that is compatible with current learning trends.

Partnering for the Future also offers access via a mobile application, supporting employees' learning and development processes regardless of time and place.

### CONTINUOUS TRAINING AND DEVELOPMENT

TSKB aims to develop its human capital through customized training programs. In line with this goal, The Bank conducts various training and development activities to strengthen employees' personal skills as well as their technical and professional knowledge.

The Bank offers different programs suitable for every level to develop the managerial skills of its employees, prepare them for the future, and create a common corporate culture. While implementing training programs to develop global leadership skills for department managers, one-on-one coaching sessions are organized for managers at different managerial levels through a platform that offers technological coaching solutions.

In 2025:

- An average of 52 hours of training per employee was provided.
- The Sustainability Development Program, established with the support of Escarus, a subsidiary of TSKB, to increase employees' knowledge and awareness within the scope of sustainability activities, remained available on the digital training platform, Partnering for the Future. The program covered topics such as the historical development of the concept of sustainability, ESG, zero waste, energy efficiency, and gender equality.

- Team coaching activities and follow-up meetings were organized to strengthen communication within the team and reinforce the feedback culture.
- One-on-one coaching and domestic and international development training were organized to support employee development. In addition, participation in technical and vocational training programs took place.
- The Bank began working with next-generation language platforms to support its employees' development of professional foreign-language skills.
- At TSKB, employees receive annual training to raise awareness on the prevention of money laundering and the financing of terrorism in line with MASAK regulations. Participants are required to complete an assessment at the end of the training to successfully complete the program.
- Banking Ethics Principles training is conducted annually to raise awareness among bank employees about the operational cycle. Anti-Bribery and Anti-Corruption Training is provided annually to raise awareness across the Bank regarding compliance with applicable anti-bribery and anti-corruption laws and regulations, ethical and professional principles, and universal rules.

As part of the activities marking TSKB's 75th anniversary, the Vision, Mission, and Values set was revisited and updated with a forward-looking perspective through nine workshops with the participation of 155 participants.

In 2026, TSKB will continue its investments in the multifaceted development of its human capital with an approach that considers the requirements of its corporate strategy.

### DIVERSITY AND INCLUSION

In line with the Bank's goal of creating an inclusive, equitable, and safe working environment, a series of initiatives has been implemented to address the importance of language use on business culture, employee experience, and social impact.

In this context, the TSKB Inclusive Language Guide was developed in collaboration with Kadir Has University to strengthen inclusive communication. This study aims to raise awareness of how differences, primarily gender, are reflected in language and business processes, and to promote a more inclusive communication culture among employees and all stakeholders.

The Digital Inclusive Language Dictionary, the second study complementing the guide, encourages the use of more equality, inclusive, and non-discriminatory expressions in communication.

Details on the scope and content of these studies are provided in the Social Capital section.

Work is underway to develop an integration that provides automatic language suggestions for Outlook and MS Office applications, supporting the integration of inclusive language into daily workflows.

The TSKB Inclusive Language Guide has been prepared in collaboration with Kadir Has University to strengthen inclusive communication.





Thanks to this integration, users will be guided away from non-inclusive expressions in their correspondence and supported with suggested inclusive alternatives. Thus, inclusive communication will not be limited to the guide and dictionary content; rather, it will be naturally integrated into day-to-day business processes.

The Bank does not discriminate in its recruitment processes on the grounds of gender, religion, national and social origin, race, marital status, age, political opinion, mental or physical disability, social class, HIV/AIDS status, philosophical belief, trade union membership, sexual orientation, or similar visible or non-visible grounds. The Bank does not permit discrimination among its employees and provides a working environment based on the principle of diversity and inclusion. Matters such as training and development opportunities, remuneration, working hours, job security, performance evaluation and promotion, maternity protection, and occupational health and safety are applied equally to all TSKB employees, and no discrimination is permitted.

The Inclusion Ambassadors program, launched in 2025, aimed to strengthen the inclusive culture in communication and behavior within the organization, increase awareness, and support a working environment where everyone can express themselves equally. The first activity of the project was Disability Awareness Training. This training was also specifically designed for managers and supervisors who have employees with disabilities on their teams. Subsequently, an event focused on experience and empathy was organized with the participation of inclusion ambassadors. Empathy and experience-focused events will continue to be organized with volunteer employees who act as representatives of internal inclusive transformation.

The Bank will continue its accessibility efforts under the theme of inclusion in 2026.

There were no complaints of discrimination filed with the Bank during the reporting period.

#### EMPLOYEE COMMUNICATION MECHANISMS

To increase communication among employees, the “Let an Expert Explain” meetings, where hobbies are shared with colleagues, continued throughout 2025.

TSKB HR employees and HR representatives continue to meet in sessions where they share suggestions and requests from departments. In 2025, as part of the program, HR representatives attended a meeting on the theme of Development, Recognition, and Feedback and shared their suggestions with the Human Resources Department.

By implementing the TSKB Mentoring Program, a development journey was created that supports mutual learning and intergenerational interaction. The mentoring team, composed of senior executives and managers, will continue to meet with TSKB mentees for six months to provide guidance and share experiences.

#### EMPLOYEE WELL-BEING

Under the motto “ We Value Us!”, TSKB implements various practices that focus on employee well-being.

At TSKB, meditation programs, an employee assistance program, psychological counseling services provided by a licensed clinical psychologist, themed webinars, and holistic health activities conducted with a physical therapist are offered to support employees’ work-life balance. As part of Healthy Living Week, workshops focusing on physical activities, hobbies, and mental health awareness are held.

As part of the 2025 activities:

Special sessions for employees with a corporate physical therapist and a pilates instructor continued once a week for six months. Additionally, an employee social support program offering a wide network of facilities was launched to facilitate employees’ access to different sports and to encourage regular physical activity.



The scope of ongoing work with an expert clinical psychologist was expanded. In the program offered under the name Birth Preparation, Return to Work, and Parental Roles, one-on-one counseling sessions continued for expectant mothers, new parents, and parents in special circumstances. Parents of children aged 2-16 participated in closed-group experiential sessions and one-on-one counseling sessions.

A special gift package was created for employees returning from parental leave. This package included the Employee Guide on the Birth Process, which provides details of the legal rights, entitlements, and practices offered by the Bank to new parents, as well as resource books recommended by experts for children and parents.

Within the scope of Thematic Counseling Programs, seminars were organized for parents on topics such as Back to School, Parenting in the Digital Age, Adolescence, Financial Literacy, Breast Cancer Awareness, The Effect of Breathing on Our Lives, and Quality Sleep.

To support our employees in increasing their financial awareness, learning about investment products, and managing their assets effectively, three separate sessions were organized as part of the Financial Well-Being program, with economists, investment product consultants, and an entrepreneur specializing in financial literacy. The Financial Well-being Development Journey, established to support further development through digital training following the sessions, was published on the Partnering for the Future platform.

During Healthy Living Week, 10 different events were organized, including yoga, meditation, breast cancer awareness activities, healthy snack demonstrations, and experiential workshops.

The Bank plans to implement new programs to support training and development activities in 2026.

#### JOB OPPORTUNITIES PROVIDED TO STUDENTS AFTER INTERNSHIPS

TSKB carries forward the engagement it began with young talents during their university years and offers job opportunities.

In 2025, under the TSKB Effective Career brand, 31 long-term interns were employed part-time at the Bank. The buddies assigned to the interns within the program facilitated their adaptation process.

Interns were enabled to participate in the Certified Intern Academy training through the training platform. During the period, five interns joined the Bank as full-time junior associate.

#### AN ORGANIZATION GROWING WITH NEW EMPLOYEES

TSKB, which is growing with new employees, continued its recruitment activities during the reporting period.

A total of 51 people joined the Bank, including 18 new graduates and 33 experienced hires to meet the needs of different departments.

Orientation and mentoring processes were implemented to ensure that new employees adapt to TSKB as quickly as possible.

As part of the 12<sup>th</sup> TSKB Career Workshop program, organized to recruit new graduates to the Bank, 14 Assistant Specialists joined the Bank.

Training was planned during the year to contribute to the professional and personal development of new graduates. The Human Resources Buddy practice continued to accelerate the adaptation and orientation processes of MTs who joined the Bank through the TSKB Career Workshop.



TSKB conducts meditation programs, an employee assistance program, psychological counseling services provided by a licensed clinical psychologist, themed webinars, and holistic health activities conducted with a physical therapist to support employees’ work-life balance.

#### REMUNERATION MANAGEMENT

Remuneration management at TSKB is carried out in line with the principle of equal pay for equal work, as regulated in the remuneration policy.

Gender is not a factor in compensation decisions, and employees who perform similar work receive similar pay. Since employee demographics and seniority distribution can have a differentiating effect on the overall level of median wages for men and women, the gender pay balance is continuously and carefully monitored on a position and gender basis. As of year-end 2025, the median wage ratio of women to men is 0.04.

TSKB implements a competitive remuneration policy that is responsive to the market dynamics. In addition to internal dynamics, current market data is also taken into account when determining wage levels. In this context, support is obtained from independent consultants who are subject-matter experts, and regular compensation market surveys are used.

The Remuneration Policy, which applies to all TSKB employees including managers, serves the Bank's goals of attracting competent individuals with the required skills and qualifications and retaining existing employees. The Bank pays an annual bonus to employees who, in addition to adhering to the principle of gender equality, comply with risk management frameworks and uphold ethical values.

### WORK MODEL AND LOCATIONS

TSKB applies a hybrid working system that offers its employees the opportunity to work from the office two days a week and remotely for three days a week, in line with the changing conditions of business life. Employees of the Bank's Information Technology Unit are offered the option to work remotely on an ongoing basis and/or from outside the city.

In 2025, the average hybrid work rate was 49%.

The Bank implements a Flexible Work Model that allows employees to arrange their working hours flexibly according to their personal needs and productivity. This model supports productivity and flexibility in the work environment by providing the opportunity to work in different time zones.

The Ankara Office, structured as a second campus and development base within the scope of TSKB's business continuity goal, commenced operations on August 15, 2023. As of year-end 2025, the number of employees at the Ankara Office, including subsidiary employees, stood at 56.

### RENEWED CAREER ARCHITECTURE

As part of the HR consultancy on skills-focused career management, the first phase of which was completed in 2023 and the second in 2024, studies were conducted with Mercer Türkiye on

organizational benchmarking, job evaluation, development of sub-job families and a new job title structure, career management, updating the technical knowledge and skill set, and identification of role-based critical experiences. Subsequently, to deepen technical expertise and retain qualified employees, a Horizontal Career Path model was introduced, in addition to the Managerial-Technical Career Path, which rewards technical knowledge and expertise in managerial and senior-level positions. Today, the career management process is tracked through the digital Development Portal. Technical Knowledge and Skills, the TSKB Competency Set, and Critical Experiences were made available to employees on a single screen. In addition, by analyzing the choices made by employees for their development planning through the platform, the flow of catalog training open to general participation was planned in line with these topics.

As a continuation of the Skills-Focused Talent Management efforts, a skill-based reward model is being developed to make the contribution of our employees' certified knowledge and skills to the Bank more visible and measurable. Thus, the aim is to create an objective and sustainable evaluation and reward structure that concretely recognizes competencies within the organization. Work has begun on designing a title-based Development Academy Training Program aimed at preparing our human resources for strategic thinking, leading with a coaching approach, creating internal synergy, establishing a common behavioral culture, and developing the competencies needed for the future.

To develop technical knowledge and skills and to strengthen the internal learning culture, it is planned for TSKB employees who are experts in their fields to go through an internal trainer certification process and be positioned as active internal trainers within the organization.

TSKB aims to enhance the level of digitalization in its human resources practices with new projects in 2026.

### BACKUP ACTIVITIES

At TSKB, succession planning activities are carried out for critical positions identified to ensure managerial continuity. The knowledge and skills library, supported by the Development Portal infrastructure, has begun to be used as a resource for succession planning activities in preparation for the future. Development planning for potential needs is conducted by analyzing plan outputs on the portal.

With the Internal Transfer practice, horizontal career movements are supported to develop the job diversity, technical knowledge, skills, and competencies of TSKB employees.

In 2025, 13 full-time employees and 2 part-time employees changed departments through internal transfers, while 5 full-time employees had the opportunity to gain experience in different departments through rotations.

### REWARD AND RECOGNITION MECHANISMS

TSKB is implementing new models to increase its competitive strength, the quality of its human capital, and employee loyalty by incorporating globally recognized reward and recognition mechanisms from around the world into its practices.

In 2025, employees who achieved exceptional results in the following categories were recognized:

- Profit Makers
- Business Transformers
- Creative Innovators
- Digitalizers

In 2025, 309 TSKB employees were recognized under the employee recognition program.

## USER-FRIENDLY AND DIGITALIZING HR APPLICATIONS

As part of its digitalization efforts to ensure end-to-end tracking of human resources processes, make relevant applications more user-friendly, identify needs, and increase transparency, TSKB completed the implementation of its HR Digital Platform, PrizmatIK, across all functions in 2022.

In 2023, the Platform was updated with a more digital look and feel. Access to internal human resources applications was facilitated by enabling document and payroll requests to be submitted with e-signatures.

In addition, the training and development management system was made accessible to employees, and the evaluation screens of the performance management system were improved.

As part of the Reflex mobile application launched to disseminate and transform the Bank's culture of real-time, effective feedback and recognition mechanisms, measures were implemented to facilitate the onboarding of new employees and to raise awareness of the applications.

On the Reflex platform, all relevant information on human resources practices was consolidated in a single location.

The TSKB DocHub project, developed with the goal of end-to-end digitalization of candidate management, recruitment, and onboarding processes, was completed and implemented as of 2025.

Within the scope of the project, all documents related to the onboarding process began to be collected digitally from candidates and were integrated into employees' digital personnel files. On their first day of employment, new hires digitally approve the required documents via DocHub; all records related to the processes are securely retained in digital form. This application marked a significant transformation in corporate processes in line with the Bank's paperless banking vision.

As part of the 2025 digitalization efforts, robotic process automation systems were deployed. In this context, processes related to life and health insurance policies submitted by employees were integrated.

Policy receipts from employees are automatically read by robots and transferred directly to the payroll system each month. This has reduced the need for manual transactions, accelerating processes and increasing operational efficiency.

As part of the efforts to digitize employee personnel files, approximately 1,000 personnel files, including those of former and current employees, were transferred to the digital archive system. This allows for fast and secure access to employee personnel files via DocHub. DocHub also provides a centralized digital archive infrastructure, reducing the need for physical archives and contributing to more effective process management.

With the Document Submission Transactions tab added to the HR Online platform, employees can easily submit new documents such as proof of residence, identity cards, etc., digitally to the Human Resources team.

Documents uploaded to HR Online are securely stored via the DocHub infrastructure, and document management processes are effectively carried out under a centralized and digital structure. A corporate discount platform, valid across multiple categories and numerous brands, was launched. Through this platform, employees were granted access to preferential offers in various areas of need.

As of 2025, operational processes were standardized by handling leave cancellation procedures via the general correspondence channel. This arrangement reduced the manual workload of the Human Resources management team, made resource utilization more effective, and increased organizational efficiency. By making requests for consular letters, assignment letters, and employment certificates accessible via HR Online with an electronic signature, the relevant processes were digitized and standardized, resulting in improved operational efficiency.

A digital platform, enhanced with a business intelligence infrastructure, has been implemented to monitor human resources metrics in real-time and periodically; department-based employee numbers, recruitment and turnover data, and demographic information are effectively tracked through this structure. Work on training and other advanced analysis modules is ongoing to expand the platform's scope. To improve the candidate experience in the recruitment process, plans are underway to update the interface, integrate artificial intelligence support into interview processes, and automate operational tasks to ensure efficiency.

In 2026, TSKB aims to further enhance the level of digitalization of its human resources practices through new projects.

## DISASTER MANAGEMENT AND OCCUPATIONAL HEALTH AND SAFETY

In 2025, critical actions were taken in Disaster Management and Occupational Health and Safety, viewed as a strategic investment to prepare the institution for the future. Through employee-focused projects, numerous new initiatives were launched to prepare life-support measures for essential needs such as food, supplies, and equipment; to foster a corporate culture with a high level of earthquake awareness; and to raise employee awareness.

- An early warning system was installed in the Bank's buildings to receive notifications before potential moderate and high-intensity earthquakes in the Marmara Region.
- A contract was signed to procure call center services to establish alternative post-disaster communication channels and to enable more effective communication with employees, and the system was set up.
- To enhance security on the Bank's premises, roller shutters were installed on the buildings at the front and rear.
- Structural improvements were made to fire extinguishing systems and emergency exits.
- The Emergency Assistance Support Network (AYDA) application, developed with the Bank's internal resources, was launched as a system that enables uninterrupted employee communication in the initial phase.
- Individual Preparation for Earthquake Scenarios training sessions and Practical First Aid training, which included case studies, were conducted for certified first-aid teams included in the TSKB Emergency Plan.
- All of these developments and improvements were successfully tested in system-based drills with employee participation conducted in September (fire) and November (earthquake).
- The ISO 45001 Occupational Health and Safety Management System certification audits, in which all our occupational health and safety practices were evaluated against international standards, were completed with no findings.

## TSKB TECHNOLOGY AND ENTREPRENEURSHIP PLATFORM


As part of the 2025 activities of the TSKB Technology and Entrepreneurship Platform, established in 2018 in collaboration with the Türkiye Entrepreneurship Foundation (GirVak) to keep pace with the rapid changes in the world and develop new ways of doing business and innovative perspectives, an inspiration session was held with İlgin Özdemir Yazgan, founder of Accouchee, specifically for International Women's Day on March 8.


In 2025, Türkiye's first Venture Builder program in the financial sector was established in collaboration with the Türkiye Entrepreneurship Foundation. The Venture Builder program aims to both provide structure to startups from early stage and to grow the existing products of advanced-stage entrepreneurs with an impact and investment focus, across two different application periods. Through TSKB Co-Venture, the application period for high social-impact startups that are investment- and market-ready in the fields of climate, health, education, and disaster technologies, aimed at contributing to Türkiye's sustainable future goals, has been completed. Interviews were conducted with 36 founder teams, and the orientation process was initiated with the 15 selected teams.


## 2025 REFLEX PLATFORM STATISTICS

During the year, feedback from TSKB employees was compiled through 22 different surveys. Reflex's new feature, the Internal Communication module, was launched. Employees demonstrating the highest levels of recognition and feedback exchange via Reflex were recognized and rewarded.


### Surveys conducted among TSKB employees

7 Motivation 

3 Work Environment 

2 Emotional Well-being 

3 Feedback 

3 Trust Environment 

4 Team Effectiveness 

## STRONG EMPLOYER BRAND

In 2025, as part of its strong employer brand efforts, 65 collaborations were carried out with 28 universities, including 27 club events, 17 class sessions, 14 speaking engagements, 2 career fairs, and 5 TSKB Programs. Ninety-five employees participated in collaborations as brand ambassadors representing TSKB.

In seminars and classes where content was determined based on student needs, in addition to technical explanations, the real-world applications of academic knowledge learned at school were conveyed to students. Collaborations with target universities were maintained. Promotional activities aimed at the target employee group were held at events hosted by various university clubs.

The 13<sup>th</sup> Sustainability Workshop was held in 2025 to increase students' sustainability literacy. Twenty-one students from nine different universities and seven different departments within the target audience attended the workshop held at the Bank.

Specifically for TSKB's 75<sup>th</sup> anniversary, the Finance of the Future Academy, an online training and mentorship program, was launched. A total of 818 applications from 110 different universities and 85 different departments were evaluated, and 75 students were included in the program.

Additional quotas were provided for students with disabilities and TEV scholarship recipients. Following the technical training and career talks held throughout July, participants who successfully completed the program were provided with mentorship support by TSKB volunteers.

Under the umbrella of the Inclusive Employer Brand, a certified online training program called Career Together was designed for university students and recent graduates with hearing impairments.



The program, structured around the theme of preparing for professional life, included topics such as conflict management in business, negotiation and persuasion styles, corporate image, and interview communication. To ensure the program's accessibility, the technical instructor was accompanied by a sign language interpreter providing real-time interpretation.

The Bank planned the "TSKB Yanında" program to bring its inclusive approach to campus on the occasion of its 75<sup>th</sup> anniversary. In collaboration with a platform offering online therapy, university students were provided with free access to one-on-one psychological counseling sessions. This collaboration supported students in increasing their self-awareness, strengthening their emotional resilience, and enhancing their psychological well-being.

### EMPLOYEE SATISFACTION

TSKB values transparent communication with its employees, keeping feedback channels active, and ensuring greater interaction. With this understanding, employee satisfaction and engagement levels are measured through the annual Employee Satisfaction Survey. Employees are given the opportunity to share their thoughts and suggestions. In 2025, 439 employees participated in the Employee Satisfaction Survey, raising the participation rate to 94%, compared to 90% in the previous year.

## KEY FINDINGS OF THE EMPLOYEE ENGAGEMENT SURVEY



**Topics with the highest scores in 2025 compared to the previous year**  
Satisfaction with Senior Management Talent and Staffing Satisfaction with Immediate Supervisor Recognition and Reward Performance and Productivity



**TSKB's strengths**  
Occupational Health and Safety Equal Opportunities Performance Appraisal Approach to Gender Equality Employee Health and Well-being Employee Assistance Programs

### QUESTIONS THAT RECORDED THE HIGHEST RESULTS COMPARED WITH OTHER SECTORS, PRIMARILY IN THE BANKING SECTOR

During the performance management process, my immediate supervisor discusses my strengths and areas for development with me and provides guidance for my growth. I am encouraged to develop new ideas that contribute to the company's success.

This company is considered one of the better employers for someone with my skills and experience.

I can easily explain the attractive aspects of working here compared to other institutions and companies.

- Senior management creates excitement about our company's future.
- This company actively supports the development of its employees.
- We prepare our workforce to succeed in the constantly changing business world.

# INTELLECTUAL AND MANUFACTURED CAPITAL

Target	Performance
Continue to contribute to impact-driven initiatives with relevant ministries, regulatory bodies and institutions in line with our mission and medium- to long-term development goals, as the Bank and its subsidiaries	Stakeholder Engagement Activities with Public and Private Sector Representatives, Including the TBB Sustainability Working Group, Regulatory Developments by Supervisory Authorities, Contribution to Sectoral Action Plans
Support clients' investment strategies—particularly in energy investments for internal consumption within the scope of sustainability and green transition investments aligned with the Green Deal—through financial, technical and economic expertise, in line with a development banking perspective	Significant Share of Revenues from Advisory Services for Renewable Energy Investments and Green Transition Projects within Total Revenue
Contribute clients' access to sustainable finance through feasibility, financial and technical reports	Financial strategy and feasibility studies prepared to support companies' access to sustainable finance and incentive mechanisms, as an alternative source of funding, to be presented to financial institutions and public authorities
Maintain the Net Promoter Score (NPS) for Advisory Services at 9 or above	High-Quality Advisory Services Achieving a Customer Satisfaction Score Above the Target Level (9.5/10)
Publish two Ekosisteme Dair (Ecosystem Review) papers to draw attention to the ecosystem crisis and to support intellectual capital through up-to-date developments	In 2025, a total of four "Ecosystem Review" papers were published in Turkish and English in March and September, focusing on "Social Transformation" and "Regenerative Agriculture" from an ecosystem crisis perspective. ✓
Publish two reference reports in the TSKB Development Perspective category, focusing on macroeconomics and development	Three reference reports focusing on macroeconomics and development were published under the TSKB Development Perspective category. ✓
Deliver 50 awareness-raising presentations to 20 different companies on ecosystem, development and macroeconomics within the scope of advisory services	A total of 95 awareness-raising presentations were delivered to 34 companies on ecosystem, development and macroeconomic themes as part of advisory services.
Transform the digital IT systems infrastructure across all business lines with the latest technologies to enhance synergy and efficiency	Application infrastructure transformations resulted in a gain of 2.84 person-years.
Place digitalization at the core of the business model, increase end-to-end digital solutions, and achieve full-time employment gains equivalent to 13 person-years by improving user experience	Digitalization initiatives resulted in efficiency gains equivalent to 23 person-years.
Establish the Türkiye Green Fund and invest in green and green technology-focused companies that contribute to the country's net zero target	An investment was made in one company.
Increase the number of projects carried out with our sustainability advisory subsidiary Escarus by 10%, the number of institutions contacted for proposal development by 5%, and the number of budgeted proposals submitted by 5%	Projects conducted increased by approximately 33%, institutions engaged by 10%, and budgeted proposals submitted by 7%
Participate in projects that expand corporate sustainability awareness and practices across Türkiye, support the cross-sectoral development of sustainability know-how, and enhance public-private sector collaboration	Three projects were carried out abroad. Public-private partnership projects are being monitored, and applications are submitted where deemed appropriate.
Escarus, an accredited advisory firm authorized under the "Responsible" program led by the Ministry of Trade, will continue to support the real sector's alignment with the European Green Deal in 2025 through the additional responsibilities it will undertake within the scope of the program	Phase I advisory services were provided to various sectors under the Responsible program.
Achieve a top-three position in the sector with our subsidiary Gayrimenkul Değerleme, reach 200 new clients, and maintain a 60% conversion rate of incoming requests into contracts	With our subsidiary Gayrimenkul Değerleme, we ranked among the top five in the sector, acquired 321 new clients, and achieved a 61% conversion rate of incoming requests into contracts.



## FUTURE TARGETS

- As the Bank and its subsidiaries, continue to contribute to impact-driven initiatives with relevant ministries, regulatory bodies and institutions in line with our mission and medium- to long-term development goals.
- Support clients' investment strategies from a development banking perspective—particularly in energy investments, including renewable energy storage, and green transition investments under the Green Deal—by providing financial, technical and economic expertise.
- Conduct feasibility studies for projects supporting national development, including those of companies applying for incentive schemes under new industrial policies.
- Facilitate clients' access to sustainable finance through feasibility, financial and technical reporting.
- Maintain an NPS of 9 or higher for Advisory Services.
- Publish one Ekosisteme Dair (Ecosystem Review) paper to draw attention to the ecosystem crisis and to support intellectual capital with current developments.
- Publish three reference reports under the TSKB Development Perspective category, focusing on macroeconomics and development.
- Publish one issue of the "Sanayiye Dair (Industry Review)" magazine to reflect industrial policy and social capital perspectives.
- Deliver 55 awareness-raising presentations to 20 companies on ecosystem, development and macroeconomic themes within the scope of advisory services.
- Drive the transformation of digital IT infrastructure across all business lines using state-of-the-art technologies to enhance synergy and efficiency.
- Position digitalization at the core of the business model, expand end-to-end digital solutions, and improve user experience to achieve efficiency and employment gains.
- Integrate artificial intelligence into the Bank's culture as part of the digital transformation strategy and conduct awareness initiatives to enhance AI literacy among employees.
- Leverage Generative AI (GenAI) solutions to accelerate access to institutional knowledge and improve efficiency in operational processes.
- Increase the number of projects conducted with our sustainability advisory subsidiary Escarus by 10%, the number of institutions engaged for proposal development by 5%, and the number of budgeted proposals submitted by 5%.
- Engage in projects that promote corporate sustainability awareness and practices across Türkiye, foster cross-sectoral knowledge development, and strengthen public-private sector collaboration.
- Continue to support the real sector's alignment with the European Green Deal under the "Responsible" program led by the Ministry of Trade through additional responsibilities undertaken.
- Participate in a public project supporting Türkiye's climate change and climate finance policies during Türkiye's COP31 presidency period.
- With our real estate appraisal subsidiary, rank among the top five in the sector, acquire 200 new clients, and achieve a 60% conversion rate of incoming requests into contracts.

# INTELLECTUAL AND MANUFACTURED CAPITAL

TSKB's policies and standards in the field of information security are determined in line with the Bank's corporate strategy and in accordance with national and international legislation, standards, and best practices.



The transition audit for the current ISO 27001:2022 version was successfully completed in 2025.

## INFORMATION SECURITY

To ensure business continuity securely and focus on its business objectives, TSKB establishes a robust framework safeguard all its Information Technology (IT) assets, including employees, processes, and technology. The Bank's goal in this context is to continuously monitor new and advanced security systems and implement the most effective security solutions.

The Bank's information security policies and standards are determined in line with the Bank's corporate strategy and in accordance with national and international legislation, standards, and best practices.

In 2021, aiming to have the adequacy of its information security management system assessed and certified by an expert organization, TSKB completed the relevant process and obtained ISO 27001 certification. In 2025, information security management system activities were reviewed as part of the periodic ISO 27001 audit, and the transition audit for the current ISO 27001:2022 version was successfully completed. Work related to areas for improvement is being carried out effectively.

Regarding the detection of security risks, TSKB's information security teams conduct regular vulnerability scans; annual penetration tests are carried out by independent audit firms; cyber drills, payment systems compliance audits, tabletop exercises, and information systems process audits are also conducted within the scope of BRSA regulations.

The human factor plays as significant a role as technical measures in ensuring security. The aim is to disseminate the established information security policies and standards and the security culture throughout the Bank, and to ensure that all employees share responsibility for security.

In this context, employees are provided with training, information is shared via the information security section on the Bank's

internal portal, and awareness campaigns are conducted. Clean desk checks are performed, and phishing attack simulations are carried out.

The Bank also expects that its suppliers maintain a diligent approach to information security compliance and awareness. Suppliers' risk assessments are conducted, and their performance is regularly monitored. While information security clauses are included in supplier agreements, suppliers with access to TSKB's network are required to complete information security awareness training.

A comprehensive information security governance structure has been established to ensure sustainable, measurable, and effective security management throughout the institution in the field of information security. The TSKB Information Security Management System is designed to protect the confidentiality and ensure the integrity of all types of information produced, collected, processed, stored, and transmitted by the Bank throughout its activities, and enables authorized persons to access information easily, quickly, and to enable authorized persons to access information easily, quickly, and accurately when needed. It has been established based on the international standard ISO/IEC 27001 and national regulations such as the Regulation on Banks' Information Systems and Electronic Banking Services.

An information Security Complaint and Whistleblowing Mechanism has been established accessible to both employees and external stakeholders within the institution. Potential violations, suspicions of misconduct, or security vulnerabilities are promptly assessed and recorded. Furthermore, all processes related to the processing, storage, transfer, and anonymization of customer data have been defined in compliance with the Law on the Protection of Personal Data (KVKK), banking legislation, and the institution's data classification policies; access rights have been restricted based on the "need-to-know" principle.



By systematically managing information security, a critical component of its intellectual and manufactured capital, the institution strengthens both customer trust and its corporate reputation.

### HIGHLIGHTS FROM INFORMATION SECURITY EFFORTS IN 2025

- To ensure preparedness for responding to cyber incidents and to test the adequacy of the security monitoring service received, one cyber drill was conducted with an external firm, and four additional drills were carried out internally by the Information Security and Quality Directorate. Based on the results, the Information Security and Quality Directorate and the System Support and Operations Directorate worked together to address the identified areas for improvement, and the necessary actions were taken. The accuracy of these actions subsequently tested.
- In addition to internal penetration tests conducted to identify and remediate security vulnerabilities before they can be exploited, technical infrastructure improvements were implemented by expanding the scope of vulnerability scanning activities.
- As a result of the audit conducted by a consulting firm to determine the compliance of the SWIFT infrastructure and related processes with the SWIFT Customer Security Program, TSKB's infrastructure and systems were confirmed to be compliant with the expected standards.
- Surveys were conducted to measure employee satisfaction levels with the services provided by the Information Technology units, Technology Units, and the results were monitored.
- TSKB's goal for 2026 is to strengthen its security infrastructure and further increase the automation and efficiency levels of its control and monitoring processes.
- In addition to procuring new products to enhance the security infrastructure, the aim increase the overall maturity level by conducting hardening and optimization work on the existing infrastructure and to improve the effectiveness and efficiency of periodic control processes by strengthening the automation infrastructure.

TSKB's goal for 2026 is to strengthen its security infrastructure and further increase the automation and efficiency levels of its control and monitoring processes.



The scope of vulnerability scanning activities was expanded, and improvements were made to the technical infrastructure.

With more than 120 RPA processes deployed in the production environment, this has resulted in increased efficiency and enabled employees to focus on creating greater added value across different areas.



The Data Technologies and Artificial Intelligence Department was established to consolidate and more effectively manage TSKB's activities in data analytics and artificial intelligence under a single roof.

## DIGITALIZATION AND INNOVATION

With its innovative approaches in information technology and digitalization, TSKB makes its processes more efficient and offers effective solutions to its customers. Digital transformation projects are treated as a strategic priority; technological advancements are integrated into every stage of operations to create value.

Integrating new technologies into business processes brings simplification, automation, and improved efficiency. Through the projects implemented, significant steps are being taken towards the goals of process improvement, automation, and digitalization.

In line with its strategy in AI-supported data analytics, TSKB continues its investments and efforts in this area. Ongoing efforts in the field of data analytics are strengthening decision-making mechanisms. A data-driven business model is utilized. Employee competencies are developed through training, and self-service analytics solutions are used.

In addition to increasing the digital maturity of its core banking processes, TSKB continues to offer solutions that provide a streamlined experience and integrated access. As part of evaluating opportunities in the technological ecosystem, work continues in areas such as robotic technologies, artificial intelligence applications, intelligent document processing, data analytics, automation systems, digitalization, and mobile applications. A technology plan centered on the Bank's strategic goals and corporate priorities is being implemented.

Process automation levels are being increased using technologies such as Robotic Process Automation (RPA), OCR, and machine learning. With over 120 RPA processes implemented in the production environment, additional employment gains are achieved, and employees

are enabled to create higher added value in different areas. Operational efficiency is increased by automatically processing and classifying documents using AI-supported methods. TSKB's goal is to improve customer and user experiences and increase efficiency by integrating artificial intelligence into its business processes. Ideas and projects that stand out in internal suggestion platforms and workshops are prioritized and implemented. In this regard, work in the fields of artificial intelligence and machine learning continues at the Bank. Efforts towards the responsible use of artificial intelligence are also important.

In line with the Bank's sustainable information technology strategy plan, the development of new applications and application modernization efforts are ongoing. Along with application transformations, improvements in user experience and automation in manual processes are being achieved. Through technology renewal and infrastructure-strengthening activities, risks posed by outdated technologies are mitigated, maintenance costs are reduced, and business units report increased satisfaction and efficiency.

## BUSINESS CONTINUITY MANAGEMENT

As part of Business Continuity Management (BCM), targeted training and awareness activities are provided to employees at TSKB's Ankara Development Base to minimize the impact of potential regional disasters and to ensure geographic redundancy. Across the Bank, activities related to regulatory compliance, training and awareness activities, crisis management, emergency testing, and the operation of the production environment from the emergency center were carried out. Simulations tailored to business continuity management teams and studies on emergency response technologies are being carried out using various scenarios.

## DATA TECHNOLOGIES AND ARTIFICIAL INTELLIGENCE

In line with its sustainable development goals, TSKB considers data one of its most valuable strategic assets and is implementing structures to transform this asset into intellectual and produced capital. Within this vision, the **Data Technologies and Artificial Intelligence Directorate** was established to consolidate and more effectively manage the Bank's activities in data analytics and artificial intelligence under a single roof.

The newly established department processes TSKB's extensive data pool using advanced analytical methods and machine learning algorithms, transforming raw data into strategic foresight. This structure aims to enhance the Bank's data-driven capabilities in decision-making and to develop models that directly add value to operational efficiency and risk management.

The Bank positions artificial intelligence technologies not merely as an "assistant intelligence" that strengthens corporate memory and supports its employees' analytical capabilities.

Especially, developments in Large Language Models (LLM) and Generative AI are being closely monitored, and work is being carried out to integrate these technologies into banking processes within a secure and ethical framework.

The work of the Data Technologies and Artificial Intelligence Directorate accelerates the digitalization of the Bank's intellectual capital, providing a more agile infrastructure for solutions that strengthen the decision-support mechanisms of business units and for sustainability-focused financial modeling.

## TSKB ADVISORY SERVICES

TSKB Advisory Services delivers financial and technical advisory services, creating value for its clients in financial planning and strategy, feasibility studies, structuring, valuation, financing advisory services, sectoral analysis, technical due diligence, industrial transformation, energy and resource efficiency, and project-based incentive reporting. As part of its economic research, it also provides advisory services in macroeconomics, export strategy, and sustainable development analytics.

A portion of the services, shaped by an advisory banking approach, is delivered through synergistic collaborations with the Bank's subsidiaries, TSKB Real Estate Appraisal and Escarus.

Visionary advisory services in the real estate sector guide domestic and foreign investors.

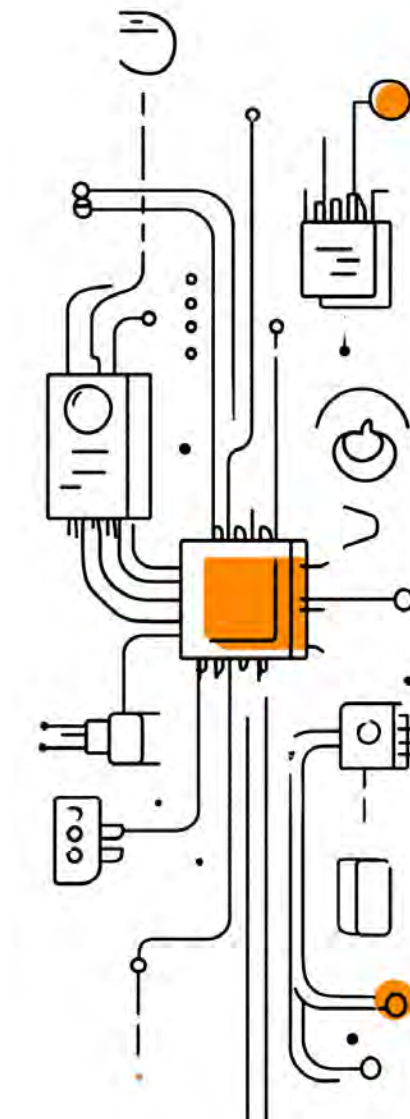
In the field of sustainability, the Bank participates with structured and specialized solutions in the process of integrating globally accepted approaches into Türkiye's business community.

In 2025, advisory services provided to sectors such as energy, iron and steel, metal and machinery, and chemicals, as well as to holding companies with diversified business lines, stood out.

The advisory activities provided were related to Sustainable Development Goals (SDGs) 7 (Affordable and Clean Energy), 8 (Decent Work and Economic Growth), 9 (Industry, Innovation and Infrastructure), 12 (Responsible Consumption and Production), and 13 (Climate Action).

Net fee and commission income, which includes advisory services revenue, increased above the rate of inflation.

With its ability to provide multidimensional services, the Bank will continue to develop its advisory services and offer its experience and expertise to its customers going forward. Support for sustainable and robust development will continue to be diversified in the upcoming period.



## TSKB Economic Research, the umbrella brand for TSKB's core areas of work, carries out research in three main areas: Macroeconomics and Markets, Development, and Energy and Resources.

### TSKB ECONOMIC RESEARCH

TSKB Economic Research, an umbrella brand covering TSKB's core areas of activity, operates under three research headings: "Macroeconomics and Markets," "Development," and "Energy and Resources."

While the reports and presentations published by TSKB Economic Research support the Bank's funding, lending, marketing, treasury, advisory, communication, and representation activities, they also serve as a valuable tool for sharing information with its external stakeholders. In this way, the Bank supports external stakeholders' corporate transformations, helping to increase their competitiveness and thereby contributing to profitability and brand value.

In this context, 434 🟢 publications were published in 2025. Periodicals included:

- **TSKB Gündem**, which shares assessments of the daily news flow in macroeconomics, markets, and development,
- **TSKB Haftalık Gündem**, which contains a brief analysis of the previous week's economic developments and a short outlook for the coming week,
- **Makro Görüş**, which includes analyses and assessments of macroeconomic data,
- **Ecosystem Review**, which keeps its finger on the pulse of the agenda regarding the ecosystem crisis and is published twice a year,

- **Energy Bulletin**, which covers developments in the energy sector on a monthly basis in Turkish and English,
- **TSKB Development Insights**, which presents reference reports focused on macroeconomics and development, is included.

During the period:

- A study titled "No Room for Inequality in an Aging World" was published, which jointly addresses the impacts of gender inequality and demographic transformation.
- Following the earthquake disaster, as part of the three-year commitment made by TSKB Economic Research to increase disaster awareness and preparedness, a visit was made to the earthquake zone, and recovery efforts were observed on-site. The study titled "Raising the Future: A Human-Centered Breakthrough for Social Transformation in the Earthquake Zone," enriched by these observations, emphasized the importance of the concepts of "social transformation" and "the human element" in post-disaster recovery planning.
- The study "Industrial Afforestation from the Perspective of Industrial Policy" outlined a framework that aligns the perspectives of the ecosystem crisis, forestry, industrial policy, and development finance.
- Is it the "COP of Reality" evaluated, together with the pre- and post-COP periods, from a macro-development perspective? "The Reality of COP"? The report titled "What Remains from COP30" was shared with internal and external stakeholders.

### ENERGY WORKING GROUP

The TSKB Energy Working Group (TSKB EWG), established in 2018, aims to transfer the experience gained in the energy sector, with contributions from 13 different disciplines of the Bank to internal and external stakeholders.

A 16-person team monitors the energy sector through reports published annually in Turkish and English and also examines and documents specific topics within the sector.

The reports published in 2025, titled "Smart Grids Briefing Note," "Floating Solar Power Plant Briefing Note," and "Agricultural Solar Power Plant Briefing Note," provided stakeholders with a holistic overview of technologies that could come to the forefront in Türkiye's energy sector in the coming years. The second "One Guest, Three Topics" event, a conversation with an expert from the energy sector focusing on three topics, was held this year in the Bank's conference hall. The "One Guest, Three Topics" event, which covered hydrogen, critical minerals, and small modular reactors, aimed to share information, strengthen social capital, and integrate the views of experts with TSKB's expertise. Continuation of activities is also planned for 2026.

### TSKB BLOG

On the TSKB Blog, shaped by the Bank's deep knowledge and experience, the Bank's experts present insights on macroeconomics, the development agenda, sustainability, and inclusivity to a wide range of stakeholders—primarily business leaders and future managers.

In addition to covering the economic and financial agenda, the TSKB Blog publishes articles on international trends such as climate change, water efficiency, food security, digital transformation, Industry 4.0, the low-carbon economy, green transformation, social development, and artificial intelligence. Thus, while monitoring the development agenda, it also sheds light on the transformation experienced in different sectors of the industry.

In 2025, 18 new blog posts with different content were shared on the TSKB Blog.

### TSKB LIBRARY

The TSKB Library, which began operations in 1971, offers a vast collection of national and international periodical and non-periodical publications to Bank employees, university students, academics, and researchers. As a comprehensive specialized library with a total of 65,000 books and articles, more than 100 print and online periodicals, and electronic databases, the TSKB Library houses numerous collections created from a broad perspective, ranging from women's studies to sustainability and from books on Istanbul to children's literature. The library also includes a collection of books on literature, politics, history, and personal and professional development.

The Bank, which has been creating lasting value with a focus on the United Nations Sustainable Development Goals (SDGs) for many years, aims to eliminate knowledge gaps, raise awareness, and provide a sustainable knowledge repository in this field through its Sustainability Collection, which offers in-depth information on environmental, social, and governance (ESG) issues in the TSKB Library. In addition to its print collection, it offers researchers access to an extensive sustainability-focused database through its subscription. This collection guides researchers and decision-makers in developing sustainability-focused solutions.

The Women's Studies Collection contributes to building an equal society by disseminating knowledge and offering comprehensive resources on gender equality and women's roles in economic and social life. This collection provides access to academic and practical information on topics such as women's participation in the workforce, diversity in leadership, and gender equality.

With over 50 years of expertise in librarianship, TSKB continues its efforts to enrich its existing collections and create new ones in line with its focus areas.

#### TSKB LIBRARY COLLECTIONS

- Specialized Collection (Economics, Finance, Banking, Professional Development)
- Sustainability Collection
- Women's Studies Collection
- Literature, History, Politics, and Personal Development Collection
- Law Collection
- Istanbul Collection
- Children's Library

# 434

Number of TSKB Economic Research publications 🟢

TSKB Real Estate Appraisal aims to continue its growth momentum in 2026 and to rank among the top three firms in the valuation sector.



## TSKB REAL ESTATE APPRAISAL

TSKB Real Estate Appraisal, authorized by the CMB and BRSA, has been providing valuation services since 2002 for a wide range of properties, from land plots to business centers, factories to shopping malls, hotels to logistics facilities, and fuel stations to power plants. TSKB Real Estate Appraisal, which also holds an RICS license offering international service assurance and operates with three licenses, was the first real estate appraisal company in Türkiye to receive the ISO 9001 Quality Certificate and provides its services within the framework of the ISO 9001 Quality Management System. TSKB Real Estate Appraisal demonstrates strong international competence with its experts holding MRICS and Appraisal Institute designations, and aims to play a pioneering role in sustainability and green buildings with its LEED Green Associate and YES-TR certified experts.

In 2025, TSKB Real Estate Appraisal:

- In addition to valuation reports for collateral and special purposes, the Bank carried out comprehensive and high-quality studies such as apportionment and allocation of land value uplift for urban transformation projects, power plant valuations, port valuations, plan proposals, and market research.
- The Bank continued to expand its client portfolio, successfully completing many high-quality projects domestically, such as portfolio valuations, studies for initial public offerings, and highest and best-use determinations for reputable institutions and organizations. It also operated internationally, conducting valuation studies in five different countries. It formed a strategic partnership with an asset management platform that manages the leasing processes for portfolio

management companies, associations, foundations, and legal entities with large real estate portfolios to handle valuation requests.

- The CRM project, initiated in 2024, was taken to the next level in 2025 with the integration of proposal and contract processes into the system, marking a significant step in process management.
- The Bank continued to provide professional support, valuation, and advisory services to its business partners in managing their real estate and machinery investments by closely monitoring changes in prevailing real estate investment trends.
- The Bank continued to play an active role in industry events and in print and broadcast media, sharing its knowledge and expertise with broader audiences. During the year, in addition to more than 60 television guest appearances, the total number of digital mentions approached 600.

TSKB Real Estate Appraisal aims to continue its growth momentum in 2026 by ranking among the top three firms in the valuation sector. The Bank also aims to maintain its status as the institution where the most qualified real estate appraisal work in Türkiye is carried out.

### PROMINENT MEMBERSHIPS

- RICS: One of the first companies from Türkiye to become members
- USGBC: The only valuation company from Türkiye that has been a member since 2016
- LİDEBİR: Membership in a sectoral association established by companies listed with the Capital Markets Board (CMB).

### EQUAL OPPORTUNITY CERTIFICATES

TSKB Real Estate Appraisal, which continues its development in the social sphere with policies supporting gender equality, was awarded two different Equal Opportunity Certificates.

## ESCARUS (TSKB SUSTAINABILITY CONSULTANCY)

Escarus began operations in 2011 and carries out projects focused on strategic sustainability, climate and carbon, and sustainable finance. It also conducts environmental and social assessment and monitoring for investment projects, implements energy and resource efficiency measures, and performs sectoral and thematic analyses focused on the green transition.

Escarus, which plays an active role in the preparation of TSRS reports, sustainability reports, integrated reports, and CDP reports, is proud to have completed numerous reference projects on topics such as Gender Equality Program Certification (CEPS) and sustainability-focused training, driven by a sense of social responsibility.

Escarus considers sustainability a concept that extends far beyond the environment and issues directly related to it, affecting society and the economy as a whole. Based on this approach, the Company addresses sustainability in a broad universe categorized by environmental, social, and governance themes, and shapes its activities accordingly.

While primarily executing projects with private sector companies, Escarus diversifies its client base each year and gains project experience in different regions with a view to serving public institutions and international organizations. In addition to the Turkish market, it continues to strengthen its brand value through global projects in various countries, including Africa, Eurasia, Eastern Europe, and the Middle East (Azerbaijan, Cameroon, Qatar, Kenya, Congo, Kosovo, Lebanon, Egypt, Senegal, Saudi Arabia, Zimbabwe).

According to the portfolio analysis for the 2023-2025 period, Escarus achieved a stable growth trajectory by expanding its client base by approximately 40% in three years and demonstrated strong operational capacity by reaching a total of 505 projects in the same period.

After being authorized as an accredited consultant in the Responsible Program conducted by the Ministry of Trade, Escarus actively began projects under Phase-1 as of 2025. While assessment and compliance studies have been completed for some of the companies in Phase-1, analysis processes following site visits are ongoing for others. Through these efforts, Escarus supports the real sector's compliance with requirements in sustainability, human rights, supply chain management, and corporate responsibility in line with the European Green Deal, and provides comprehensive technical advisory to meet the criteria expected within the Responsible Program framework. Thus, with its contribution to the practitioner ecosystem, it strengthens its position as one of the key stakeholders in the sustainable supply chain transformation in Türkiye with each passing day.

Escarus, which was elected to the ICMA Green Bond Principles (GBP) Advisory Council and working groups in 2019 and whose membership was renewed in 2021, 2022, 2024, and 2025, is a leading Türkiye-based company in its field that operates to provide a broader perspective on the green, social, and sustainable bond markets.

Escarus regards sustainability as a concept that extends far beyond environmental concerns and direct environmental matters, influencing society as a whole and the broader economy.

# 40%

Escarus' customer base grew by 40% over a three-year period.

## KEY PROJECTS IN 2025

## PROJECTS ABROAD

**EBRD: Sustainability Training Program under the Capacity-Building Component of Supply Chains in Türkiye: Addressing Sustainability through Deeper Integration with European Value Chains**

As part of the European Bank for Reconstruction and Development (EBRD) program aimed at supporting the deeper integration of supply chains in Türkiye into European value chains, Escarus carried out the “Sustainability Training Program” to strengthen the institutional capacities of public institutions and development agencies in the areas of sustainability, sustainable finance, climate policy, and emissions management.

Within the scope of the project, a two-day online training was designed and implemented for the relevant general directorates of the Ministry of Industry and Technology and for Development Agencies across Türkiye. The training content covered a broad technical spectrum, including the fundamental concepts of sustainable development, global and national policy developments (Paris Agreement, EU Green Deal, Fit for 55, CSRD, CSDDD, TSRS), sustainable finance instruments, carbon management, and EU and Türkiye emissions regulations.

In the program, which was conducted with a participant-focused, hands-on methodology, Escarus played an active role in all components, such as creating the training design, preparing training materials, developing case studies, facilitating participant interactions, and managing feedback processes.

The project outputs included a detailed training plan, presentation sets, and a results document regarding participant lists.

**World Bank: Future Proofing Greenhouse Gas MRV Systems - Assessing Compatibility of Emerging MRV Systems Against International MRV Frameworks, Including the EU CBAM**

As part of a study conducted by the World Bank and led by Ricardo Energy & Environment, Escarus provided technical contributions to assess the compatibility of emerging MRV (Monitoring, Reporting, and Verification) systems at the national and sectoral levels with global standards.

The project aimed to analyze the level of compliance with various international reporting frameworks, particularly the EU Carbon Border Adjustment Mechanism (SKDM/CBAM), and to provide technical input for the World Bank’s PMI (Partnership for Market Implementation) program.

Within the scope of the study, a literature review of global MRV practices was conducted, a comparative assessment framework was developed, and the MRV systems of countries such as South Africa, Türkiye, Guangdong (China), India, and Mexico were evaluated using a multi-criteria analysis method.

Escarus conducted a comprehensive data compilation on Türkiye’s national MRV system, comparative analyses against five different international reference frameworks, and reviews to ensure the technical accuracy of the assessment report.

The project outputs included the assessment framework, country analysis reports, and a final assessment report summarizing the findings.

**African Development Bank: Energy Sector Reform Support Project (ESRSP)-Consultancy Services to Carry out Energy Efficiency Program Design**

Escarus contributed to the “Energy Efficiency Program Design” study, which aims to increase energy efficiency in public buildings and strengthen the country’s institutional capacity in Zimbabwe, as part of the Energy Sector Reform Support Project financed by the African Development Bank. The project consisted of two main components: conducting detailed energy audits in twenty high-energy-consumption public buildings and a comprehensive review of the Zimbabwe National Energy Efficiency Policy (NEEP 2025).

The energy audits were conducted within a methodological framework compliant with ISO 50002 and the European Union’s Energy Performance of Buildings Directive (EPBD). Elements such as the building envelope, lighting, HVAC systems, energy supply structure, and user behavior were analyzed to determine current performance, and energy efficiency measures were developed under three different investment scenarios. The policy review was conducted based on the scope, institutional structure, implementation capacity, and level of compliance with international best practices of NEEP 2025, resulting in institutional and regulatory recommendations to strengthen the country’s energy efficiency governance.

In the project, Escarus supported the consolidation of energy audit results, contributed to technical studies for the policy review, and assisted in the preparation of the stakeholder workshop. The outputs of the study included standardized study reports, a policy gap analysis, findings from international comparisons, a set of recommendations, and documents reporting stakeholder workshop outcomes.

**Kosovo Çalık Limak Energy (Limak KEDS): Sustainability Report Project, Kosovo**

Escarus is conducting studies for Kosovo Çalık Limak Energy (Limak KEDS), which provides electricity distribution services throughout Kosova, to support the Bank’s reporting of its sustainability performance within a framework that complies with international standards.

The sustainability reporting, prepared to increase transparency in the energy distribution sector and make the environmental, social, and governance impacts of its activities more measurable, is structured based on the Global Reporting Initiative (GRI) Standards.

Work on the 2024 Sustainability Report, which will reflect Limak KEDS’s current sustainability indicators, performance trends, and strategic priorities for the sector’s transformation, is being carried out by Escarus, with a comprehensive reporting process being conducted within the framework of data accuracy, accessibility, and international comparability criteria.

Through this work, Escarus continues to help strengthen transparency in corporate sustainability in Kosovo’s energy sector.

## PROJECTS FOR INDUSTRY ASSOCIATIONS

**Turkish Cement Manufacturers’ Association (TÜRKCİMENTO): Sustainability Report Project**

Escarus is conducting studies for the Turkish Cement Manufacturers’ Association (TÜRKCİMENTO) to prepare Sustainability Reports that comprehensively present the sector’s sustainability performance in a data-driven manner. The 2025 Sustainability Report, prepared with contributions from TÜRKCİMENTO’s integrated member facilities, has been completed and comprehensively addresses the sector’s development in environmental, social, and governance areas, investments made within the scope of the transition to a low-carbon economy, and compliance processes with critical regulations such as the Carbon Border Adjustment Mechanism (CBAM) and the Turkish Sustainability Reporting Standards (TSRS).

**Customized Reporting**

Thanks to its competence in providing services tailored to needs and demands, Escarus has carried out various reporting projects with different institutions and organizations.

**Financial Sector Projects**

Escarus continued its active support for the financial sector by broadening its scope of activities and, in this context, implemented various projects with banks, participation banks, investment companies, and reinsurance companies.



## ESCARUS IN 2026

Within the framework of its 2026 targets, Escarus aims to:

- Maintain a domestic consulting structure that can respond to the needs of public and private sector institutions at home and abroad, to share its expertise with institutions using foreign funds so they can maximize the value of those funds, to increase its service exports, and to maintain a global presence,
- Strengthen the Bank’s role as a thought-leader consulting firm in building capacity for climate change and climate risk management in Türkiye and the surrounding region,
- Develop methodologies for financial institutions and the real economy to integrate climate risks (physical and transition) and, more broadly, sustainability risks into their credit, investment, and corporate risk management processes; and provide technical support for scenario analysis, stress testing, risk mapping, and risk appetite assessments aligned with regulatory frameworks such as TSRS, TCFD, ETS/CBAM, and the Taxonomy,
- Provide in-depth technical advisory services at the policy, legislation, and implementation levels for both financial institutions and the real sector in areas such as TSRS reporting, climate disclosures, and ETS and CBAM compliance processes,
- Deliver sustainability-focused technical, environmental, social, and governance advisory services to a broader audience, to continue operating with an approach that places sustainability at the center of all its technical and financial solutions, and to increase the number of its projects and broaden its sphere of influence.