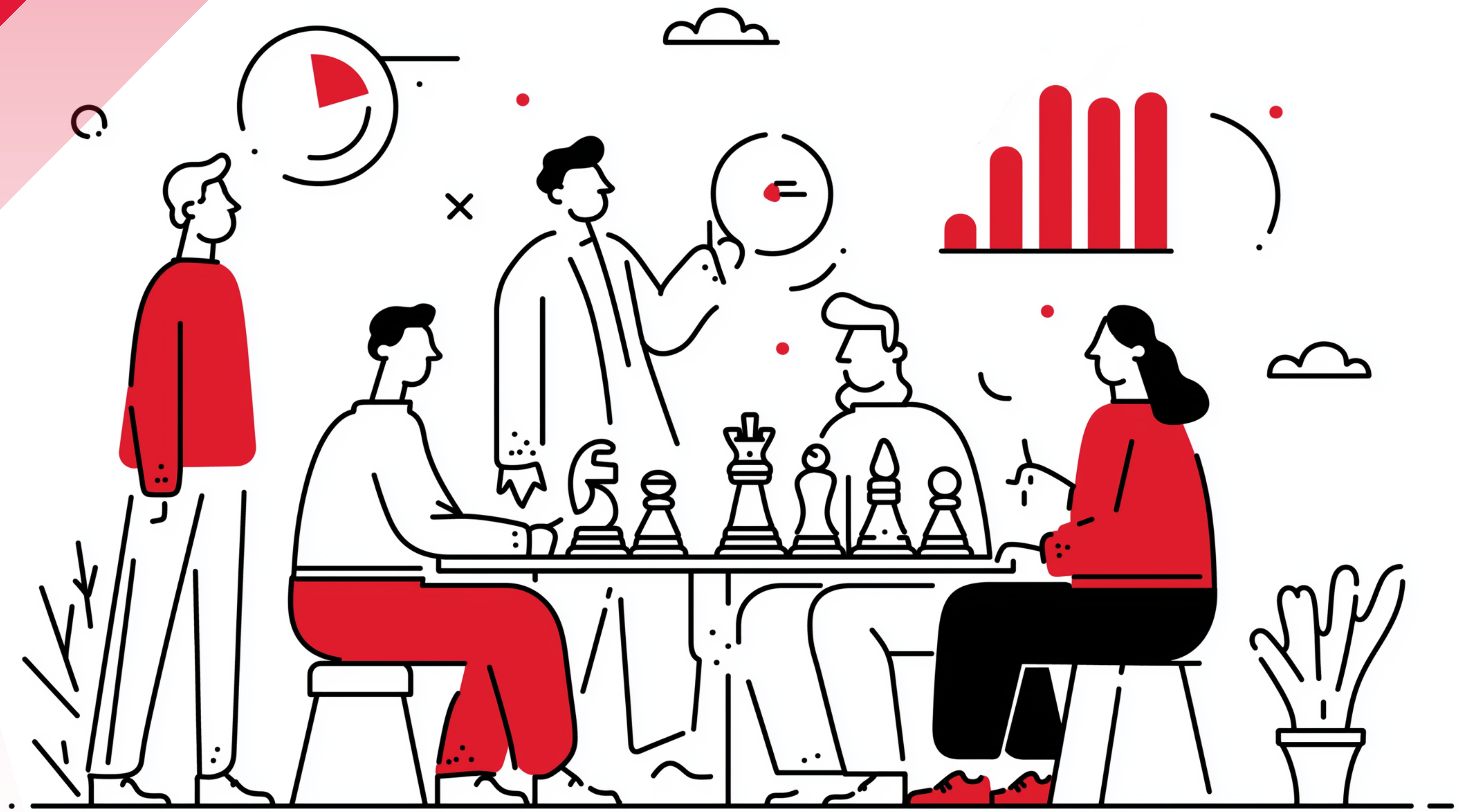
STRATEGY, PERFORMANCE, AND INSIGHTS

THE PAST, PRESENT, AND FUTURE OF DEVELOPMENT



STRATEGIC PLAN

THE PAST, PRESENT, AND FUTURE OF DEVELOPMENT

TSKB'S STRATEGIC PLAN

Our Mission

Our mission is to create lasting value for the sustainable and inclusive development of our country.

Our Vision

Our vision is to become an innovative international brand that leads to sustainable and inclusive development, grounded in fairness, trust, and efficiency.

Our Values

Sustainability and Social Benefit
To place the economy, nature, and social sustainability at the core of every decision. To prioritize creating lasting value for individuals and society.

Leadership in Transformation
To lead transformation in economic, environmental, and social domains.

People-Centric Approach
To adopt an inclusive approach that values employees, customers, and society, while promoting equal opportunities.

Expertise
To contribute to sustainable development through technical expertise and accumulated knowledge.

Trustworthiness
To earn the trust of all stakeholders by acting transparently, ethically, respectfully, and responsibly.

Solution Partnership
To deliver flexible, swift, and effective solutions by thoroughly addressing the expectations and needs of our stakeholders.

In light of our 75 years of accumulated experience, we have updated our vision, mission and values to better reflect our focus on sustainable and inclusive development and to align with the evolving needs of the future. Our initiative, titled "The Value Path of Development," represents a comprehensive evaluation process through which we have addressed the Bank's strategic direction and long-term value creation approach within a holistic framework.

In response to the triple transformation we are experiencing, shifting economic dynamics and increasing stakeholder expectations, this initiative provides a clearer foundation for our integrated thinking approach, which considers financial performance alongside environmental and social impact.

Our updated vision, mission and values—shaped through nine workshops with the contributions of 155 colleagues—offer a strategic reference framework guiding our business model, capital allocation priorities, risk management approach and performance indicators. This approach places environmental, social and governance dimensions at the core of our decision-making processes, while further strengthening our expertise and leadership in sustainable finance.

Our renewed mission reflects our commitment to creating lasting value for the sustainable and inclusive development of our country, while our vision reinforces our ambition to become an innovative international brand that is fair, reliable and efficiency-driven, and a pioneer of sustainable and inclusive development. Our values, in turn, present in an integrated structure our sustainability and social impact-oriented approach, our people-centric mindset, our strong governance principles, our expertise and our partnership-oriented perspective.

Shaped by the collective wisdom derived from our 75 years of experience, "The Value Path of Development" supports our long-term strategic objectives and forms the foundation of our business model, which creates sustainable and lasting value for our stakeholders.

EXTERNAL FACTORS

Precious metal prices, particularly gold and silver, increased significantly in 2025.

Cyclical factors, such as the increased search for safe havens due to geopolitical uncertainties and the Fed's interest rate cuts, also supported precious metal prices in 2025.

GLOBAL ECONOMIC DEVELOPMENTS

Global economic activity remained resilient despite geopolitical uncertainties

The global economy demonstrated resilience in 2025 despite heightened uncertainties. Downside risks to the economic outlook increased, particularly in the first half of the year, due to uncertainties stemming from trade policies.

Concerns came to the forefront that high tariffs announced by the US administration in early April, and retaliatory measures by countries such as the European Union (EU) and China, could lead to a sharp contraction in global trade volumes, thereby dragging down growth. These uncertainties also led to selling pressure in global markets.

On the other hand, as a result of negotiations between countries in the following months, trade agreements were signed between the US and several other countries, somewhat easing tariff tensions. Furthermore, the new tariff regime that emerged in August following negotiations also indicated customs duties below the levels announced in April. In addition, talks held between the US and China at the end of October resulted in a decision to postpone their international trade disputes for one year.

While all these developments supported economic activity, risk appetite picked up again in the second half of the year. The resumption of interest rate cuts by the US Federal Reserve (Fed) in September also supported global markets. Thus, the global economy recorded growth in 2025 at a level close to that of 2024. In terms of activity, the services sector outperformed the manufacturing sector. Although global trade in goods slowed due to tariffs, a more positive picture emerged in trade in services.

Excess supply suppressed energy prices, while precious metals saw strong gains

With global growth in 2025 remaining below long-term averages and oil-exporting countries deciding to increase production, the oil market experienced relatively abundant supply and prices declined. The average price of a barrel of Brent crude oil, which was USD 79.9 in 2024, declined to USD 68.2 in 2025. Energy prices rose at the beginning of 2026 with increasing geopolitical risks. On the other hand, while global demand conditions are expected to be similar to 2025, oil prices are projected to remain at relatively low levels in 2026 with the expectation that supply will exceed demand.

Precious metal prices, particularly gold and silver, increased significantly in 2025. Declining confidence in US assets and concerns about debt sustainability in developed economies are strengthening the trend toward precious metals. Additionally, an increase in the share of gold in central bank reserves has been observed in recent years. Rising industrial demand for certain precious metals was also among the structural factors driving prices up. In addition, cyclical factors such as increased safe-haven demand due to geopolitical uncertainties and the Fed's interest rate cuts also supported precious metal prices in 2025.

Interest rate cut cycles continued in the US and the Eurozone

While inflation in the US remains above the Fed's target level, increased upside risks due to tariffs also caused the Fed to postpone rate cuts within 2025. The Fed, which delivered a total of 100 basis points of rate cuts in 2024, implemented its first cut of 2025 in September with a 25-basis-point reduction. The Fed, which ended 2025 with 75 basis points of cuts, is expected to implement two additional 25-basis-point rate cuts in 2026. In the Eurozone, annual inflation was observed to have fallen to the European Central Bank's (ECB) 2% target in 2025. Due to the inflation path's alignment with the target and weak growth performance, the ECB continued its interest rate cuts throughout the first half of 2025, lowering the policy rate from 3% to 2%. The ECB, which held rates steady in the second half of the year, is not expected to change its policy rate in 2026 either.

Growth forecasts have been revised upward recently

The International Monetary Fund (IMF) projects that global growth, calculated at 3.3% in 2025, will be at a similar level of 3.3% in 2026. On the other hand, although no acceleration in growth is expected, it is noteworthy that growth forecasts for 2026 have been revised upward in recent months. Global consumer inflation, which stood at 4.1% in 2025, is projected to decline to 3.8% in 2026.

DEVELOPMENTS IN TÜRKİYE'S ECONOMY IN 2025

The composition of growth deteriorated again

On the expenditure side, private sector consumption continued to make a strong contribution to gross domestic product (GDP), while net external demand made a negative contribution in the first three quarters of 2025. Thus, the rebalancing between domestic and external demand in the composition of growth deteriorated again. According to seasonally and calendar-adjusted data, GDP grew by 0.8% quarter-on-quarter in the first quarter, and expanded by 1.6% and 1.1% in the second and third quarters, respectively. On an annual basis, calendar-adjusted GDP growth was 3.1% in the first quarter, 4.7% in the second quarter, and 3.4% in the third quarter. Throughout the year, private consumption made the largest contribution to growth. Net external demand limited growth, while changes in inventories followed a volatile course. With these results, GDP in the first three quarters of 2025 increased by 3.7% compared to the same period in 2024. Annualized GDP, which was USD 1.358 trillion at the end of 2024, rose to USD 1.538 trillion in the third quarter of 2025.

Budget revenues increased at a higher rate than expenditures

Total revenues increased relatively rapidly throughout the year, supported by the rise in tax revenues. In contrast, non-interest expenses recorded a slower increase. Rapid increases in interest expenses continued due to high borrowing costs. In 2025, revenues increased by 48.0%, while expenditures rose by 35.7%. Interest expenses increased by 61.7%, exceeding the growth in total expenses. As a result, the budget deficit, which was TL 2.108 trillion in 2024, decreased to TL 1.799 trillion in 2025. The primary balance, which had a deficit of TL 837 billion last year, recorded a surplus of TL 255 billion in 2025. Thus, the budget deficit-to-GDP ratio stood at approximately 3.0%, indicating an improvement compared to 2024.

Current account balance deteriorated slightly in 2025

In 2025, the foreign trade deficit widened due to the increase in imports, despite the rise in USD-denominated exports and support from energy prices. The foreign trade deficit, which was USD 82.2 billion in 2024, increased to USD 92.0 billion in 2025. Despite resilient tourism revenues, the current account deficit, which stood at USD 10.4 billion at the end of 2024, rose to USD 23.2 billion in November 2025. The core current account surplus, excluding energy and gold, declined from USD 52.2 billion to USD 44.6 billion during the same period. During this period of volatile capital flows, a decline was observed in official reserves. In the January-November 2025 period, foreign direct investment inflows remained at USD 3.7 billion, while portfolio investments saw an outflow of approximately USD 1.8 billion. Coupled with an outflow of USD 18.0 billion in the net errors and omissions item, official reserves decreased by USD 17.9 billion.

Disinflation continued in 2025, albeit at a slower pace

Annual inflation, as measured by the Consumer Price Index (CPI), was 44.4% at the end of 2024 and fell to 30.9% in December 2025. Disinflation was observed to be slower in the second half of the year. The annual inflation rate in the Domestic Producer Price Index (D-PPI) also declined from 28.5% at the end of 2024 to 22.5% in April. It subsequently rose, reaching 27.7% in December. While the decline in inflation is expected to continue in 2026, albeit at a slower pace, the rigidity of expectations, volatility in food prices, and the extent of the slowdown in domestic demand will be closely monitored due to their impact on inflation.

The CBRT maintained its tight stance in the first half of 2025 due to increased risks and resumed rate cuts in the second half of the year

The Central Bank of the Republic of Türkiye (CBRT), which initiated rate cuts at the beginning of 2025, tightened its monetary policy stance in March in response to rising domestic political risks and raised the policy rate from 42.5% to 46.0% in April. The CBRT held the policy rate at this level until July. With an improving inflation outlook and easing pressure on reserves, the CBRT resumed its rate-cutting cycle in July and continued it through year-end. At its December meeting, it lowered the policy rate from 39.5% to 38.0%. During this period, the CBRT also continued regulations encouraging a shift to TL deposits and maintained the phase out process from the FX-Protected Deposit scheme. It also strengthened the transmission mechanism through increases in reserve requirements. It supported its tight stance by imposing limits on commercial loan growth. Although the CBRT continued its rate-cutting cycle, it maintained its cautious approach toward upside inflation risks and emphasized its tight monetary policy stance in its statements.

Growth is expected to accelerate, albeit modestly, in 2026

The CBRT and economic authorities are expected to remain committed to combating inflation in 2026. In this context, although rate cuts may continue, the CBRT's tight monetary stance is projected to be maintained until a significant improvement in inflation is achieved. Economic activity is expected to accelerate slightly in 2026, partly due to rate cuts, with growth in 2026 anticipated to exceed that of 2025.

SECTORAL DEVELOPMENTS IN 2025

2025 was a transitional year for the banking sector. With the start of the rate-cutting cycle in December 2024, expectations for the sector pointed to a more balanced outlook heading into 2025. Expectations of a recovery in credit conditions, a gradual decline in funding costs, and an improvement in net interest margins were among the main themes in the early months of the year. In the first quarter of the year, loan-deposit spreads widened due to the impact of rate cuts, and signs of a gradual recovery in net interest margins began to emerge.

The pause in the rate-cutting cycle in March was the main factor limiting this recovery process. Particularly for deposit-funded banks, the failure of funding costs to decline at the expected pace created pressure on loan-deposit spreads, and net interest margins began to narrow again. The CBRT's renewed tightening of monetary policy and the increase in the policy rate from 42.5% to 46.0% led to funding costs to remain elevated.

In addition, the upward trend in foreign currency deposits observed since the beginning of the year prompted the Central Bank to take steps against dollarization. In this context, required reserve ratios for foreign currency deposits were increased. As loan volumes continued to increase despite existing growth limits on foreign currency loans, the foreign currency loan growth limit was reduced to 0.5% in March, narrowing the scope of exemptions. Following these decisions, foreign currency loans in the sector, which had grown by 4.8% on a currency-adjusted basis in the first quarter, slowed and ended the first half of the year with 7.1% growth. The narrowing of exemptions, particularly for foreign currency loans, suppressed corporate borrowing, while banks' asset growth followed a more controlled path in the first half of the year. During this process, margin pressure was more pronounced on banks with deposit-based funding structures, whereas development and investment banks were affected to a lesser extent than deposit banks due to their non-deposit, long-term, and relatively fixed-cost funding structures.

While net interest margins remained under pressure across the sector in the first half of the year, net fee and commission income continued to support profitability. The share of commissions from payment systems, card revenues, and banking services within operating income increased.

This increase in non-interest income helped limit the impact of pressure on net interest margins on profitability. The structure of securities portfolios also influenced sector performance during this period. Due to the high-inflation environment, CPI-indexed securities stood out as a key factor supporting interest income in the first half of the year, while the share of fixed-rate securities in banks' portfolios began to increase as rate cut expectations strengthened again.

With the resumption of the rate-cutting cycle in the second half of the year, a gradual improvement was observed in the sector. The decline in funding costs and the normalization of loan pricing led to a renewed recovery trend in net interest margins. In particular, the decline in short-term deposit costs contributed to easing pressure on loan-deposit spreads. In terms of profitability, although year-end expectations for 2025 were not met, the second half of the year stood out as a period when net interest margins and profitability began to recover.

Regarding the foreign currency-protected deposit scheme, the phase out process was completed during the year; the opening of new accounts was halted in the first half of the year, and following additional restrictions introduced in June, the scheme practice was completely terminated as of August 23. As of year-end, the share of such deposits in total deposits had fallen below 0.1%.

Pressure on asset quality increased in 2025 due to SME loans

The formation of non-performing loans, which was predominantly driven by retail loans in 2024, continued in 2025. In addition, SME loans were observed to contribute more significantly to the NPL ratio. While deterioration from retail credit cards and consumer loans continued throughout

2025, and inflows of non-performing SME loans increased due to macroeconomic conditions and financial tightening. In 2025, non-performing SME loans increased 1.5-fold, and the SME loan NPL ratio, which was 2% at the beginning of the year, rose to 3.1% by the end of 2025. With transfers to non-performing retail loans doubling this year and continuing, the sector closed 2025 with a 2.46% NPL ratio.

In 2025, banks had to focus heavily on non-performing loans. Approximately TL 60 billion in non-performing loans in the banking sector were sold to asset management companies. Of these sales, TL 24 billion occurred in the first half of the year, with the remainder taking place after June. These sales helped to limit the upward pressure on the NPL ratio. Although the NPL ratio increased during the year, it remained manageable compared to the sector's past experience, indicating that the resilience of the banking sector's asset quality has been preserved.

With the resumption of the rate-cutting cycle in the second half of the year, a gradual recovery was observed in the sector.

The sector's capital adequacy ratio stabilized at 19.7% as of December 2025, taking into account the regulatory changes introduced by the BRSA.

940
TL BILLION
Banking Sector Profit as of December 2025

The banking sector's return on equity was 27.4% as of December 2025.

As of December 2025, the banking sector's profit amounted to TL 940 billion representing a 44.5% increase compared to the same period of the previous year. When calculated including trading profit/loss, the year-to-date net interest margin stood at 4.5% for the sector overall and 4.7% for private banks. In this context, the banking sector's return on equity stood at 27.4% as of December 2025.

The banking sector continued to maintain its strong capital structure during the period. The sector's capital adequacy ratio stabilized at 19.7% as of December 2025, taking into account the regulatory changes introduced by the Banking Regulation and Supervision Agency (BRSA).

Entering 2026, the Central Bank is expected to continue its rate-cutting cycle in line with the decline in inflation. In this context, a normalization of funding costs and an easing of pressure on loan-deposit spreads are anticipated. In 2026, loan growth is expected to continue in a more selective manner, and if the rate-cutting cycle persists, the pressure on net interest margins and profitability in the banking sector is expected to gradually ease.

Regulatory and Legal Changes Made by Authorities

Steps taken by the CBRT to strengthen macro-financial stability and the monetary transmission mechanism continued throughout 2025. While simplification steps in required reserve regulations continued, the practice of maintaining required reserves based on cash loan growth to support tight monetary policy was extended until the end of 2026. The exemption granted to loans extended to the earthquake zone from required reserves based on foreign currency cash loan growth was terminated, while the exemption related to required reserves based on TL cash loan growth was maintained. Foreign currency cash loans extended by development and investment banks using funds obtained from abroad through Treasury guarantees under Law No. 4749 on the Regulation of Public Finance and Debt Management were also included within the scope of the exemption. Various changes were also made during the year in the macroprudential framework governing required reserves.

Draft regulations were published by the BRSA to update banking legislation in line with international best practices and to ensure banks' capital adequacy complies with Basel IV standards.

The regulation on lending limits for development and investment banks was introduced by BRSA Decision No. 11173. Additionally, the procedures governing funds to be obtained from the loan customers, affiliates, and shareholders of development and investment banks were set out in a regulation.

To support sustainable banking and the management of climate change-related risks, the Communiqué on the Calculation of Banks' Green Asset Ratio and the Guideline on the Management of Climate-Related Financial Risks were issued.

In 2022, the BRSA decision that limited TL-denominated cash commercial loan disbursements relative to foreign-currency cash assets as part of macroprudential measures to ensure the effective functioning of the credit system and the proper use of loans was repealed.

The BRSA decision taken in 2024 regarding the transition to inflation accounting was revoked, and it was decided that inflation accounting would not be applied by banks.

The best practices guide prepared by the Personal Data Protection Authority (KVKK) for the banking sector regarding personal data protection legislation was updated, and a guide on sensitive personal data and the conditions for its processing was published.

In line with Türkiye's green growth vision and net-zero emissions target, the Climate Law, which establishes the legal framework for combating climate change, was enacted.

In terms of tax regulations, the Resource Utilization Support Fund deduction for foreign currency and gold loans extended by banks and finance companies was set at 1%.

Anti-Money Laundering, Combating the Financing of Terrorism, and Sanctions

In 2025, comprehensive regulations were implemented in the legislation for the prevention of money laundering and the financing of terrorism. Development and investment banks were included among the obliged entities required to establish a compliance program. The procedures for authorizing compliance officers and deputy compliance officers were updated. An obligation was introduced to notify the Presidency of the Financial Crimes Investigation Board (MASAK) of the removal or resignation of the compliance officer and the deputy compliance officer, together with the reasons. To guide financial institutions, guidelines were published on combating the financing of terrorism and the prevention of the proliferation of weapons of mass destruction. Regulatory work was carried out on enhanced measures to be implemented by obliged entities as part of customer due diligence requirements.

OTHER DEVELOPMENTS DURING THE PERIOD

Developments in Climate Policies

While 2025 was one of the hottest years on record globally, the effects of the climate crisis were felt distinctly in Türkiye. In July, the highest temperature in Türkiye's history was recorded at 50.5°C in the Silopi district of Şırnak, while extreme heat across the country raised the risk of forest fires to critical levels. In the June–July period, fires in 53 provinces damaged more than 80,000 hectares of land. The deepening drought during the same period, which caused annual precipitation to fall approximately 26% below the average of previous years, increased pressure on water resources and adversely affected agricultural production. These developments clearly demonstrated that climate risks have shifted from being merely an environmental issue to a structural risk directly affecting agriculture, energy, finance, and public policies.

From a global perspective, 2025 presented a fragmented picture in terms of climate policy. In the US, the Donald Trump administration's withdrawal from the Paris Agreement, the weakening of public support for climate policies, and the renewed prioritization of fossil fuel production created uncertainty in global climate governance.

The European Union, on the other hand, sought to strike a new balance between its climate targets and competitiveness. With the "Omnibus I" package adopted in February 2025, temporary flexibilities were granted under the CSRD, CSDDD, and the EU Taxonomy, while some postponements regarding reporting and the use of verified data for the transitional period of the Carbon Border Adjustment Mechanism (CBAM) were introduced. EU institutions framed these regulations not as a step back from climate targets, but as technical measures intended to simplify the implementation process and enhance companies' capacity to comply.

China, however, pursued a more stable climate policy. At the EU-China Summit held in Beijing in July, the parties declared they would jointly take leadership in line with sustainable development and just transition goals. China, responsible for approximately 30% of global emissions, announced its updated Nationally Determined Contribution (NDC) for 2035 in September 2025, setting a target to reduce its emissions by 7-10%; it also shared with the public its plans to rapidly increase renewable energy capacity and expand its national Emissions Trading System (ETS) to cover high-emission sectors.

The 30th Conference of the Parties (COP30), held in Belém, Brazil, in November 2025, served as a platform to assess the progress of global climate action, as it coincided with the 10th anniversary of the Paris Agreement. At COP30, while it was clearly acknowledged that current NDCs are insufficient to limit the global temperature increase to 1.5°C, no concrete and binding consensus was reached on phasing out fossil fuels and financing this transition. In particular, the failure to meet expectations for the phased termination of fossil fuel investments and financing raised concerns about the pace of climate action. Adaptation finance, loss and damage mechanisms, and nature-based solutions were among the prominent topics. The summit was dubbed the "COP of the Forests" due to its emphasis on combating deforestation and protecting natural ecosystems.

COP30 showed that countries are moving toward taking more distinct positions in line with their own national priorities regarding climate targets. In this context, the most noteworthy development for Türkiye was that COP31 is scheduled to be held in Antalya in November 2026. The fact that Türkiye will host a COP for the first time was considered a historic step that strengthens our country's visibility and strategic position in global climate negotiations. COP31 is expected to strengthen Türkiye's regional role in climate finance, energy transition, and just transition, and to contribute to aligning national climate policies more closely with the global agenda.

In parallel with this process, the institutional infrastructure for climate policy in Türkiye was significantly strengthened. The Climate Law, which entered into force on July 9, 2025, became Türkiye's first comprehensive climate framework law prepared in line with the 2053 net-zero emissions target; it also established the legal basis for the national ETS, which is planned to be piloted in 2026. In this context, a significant stage in technical preparations was reached with the publication of the Draft ETS Regulation, which defines the sectoral scope of the ETS, allocation methods, and monitoring, reporting, and verification processes. Additionally, the Draft Regulation on Carbon Crediting and Offsetting was shared with the public to support the development of both voluntary and compliance market mechanisms.

Despite global uncertainties and policy divergences, 2025 also saw some positive developments in the areas of climate and nature.

The International Energy Agency's forecast of an increase in electricity generation from renewable sources and a decline in the share of coal in 2025 was also supported by preliminary data published by independent sources for the first half of the year. With the increase in solar and wind generation, electricity produced from renewable sources surpassed coal-fired generation for the first time.

The entry into force of the Global High Seas Treaty marked a significant milestone in efforts to protect 30% of the oceans, while declines in deforestation rates in some countries, notably Brazil, demonstrated that nature-based policies can yield tangible results. These developments, although not yet sufficient to reverse the effects of the climate crisis, signal that progress could be achieved with the right set of policies.

Sustainable Finance

The year 2025 was marked by continued growth in sustainable finance markets, although volumes moved within a more stable range. According to the Climate Bonds Initiative (CBI), the cumulative volume of green, social, sustainability, and sustainability-linked (GSS+) bonds reached USD 6.5 trillion as of the third quarter of 2025.

In the third quarter of 2025, aligned GSS+ bond issuance reached USD 233.2 billion, in line with the average third-quarter volume recorded since 2021.

In terms of thematic distribution, green bonds continued to be the main driver of the market, accounting for 64% of total issuance with a volume of USD 149.3 billion in the third quarter. Social bond issuance totaled USD 20.6 billion in the same period, representing 9% of the total volume. Sustainability bond issuance reached USD 61.3 billion, accounting for a 26% share of the total. This volume represented one of the strongest quarters for sustainability bonds, and if this trend continues, sustainability bonds are expected to become the market's second most preferred theme. The volume of sustainability-linked bonds was USD 2 billion, maintaining its limited share of approximately 1% of total issuance.

In terms of issuer profile, non-financial corporates were the most active group in the third quarter of 2025, with an issuance volume of USD 62.5 billion. Issuance by financial corporates totaled USD 60.8 billion, marking the strongest quarterly supply since the second quarter of 2023, while issuance by development banks reached USD 50.9 billion.

In 2025, a year in which sustainable finance standards were strengthened, the International Capital Market Association (ICMA) updated its Green Bond Principles, revising transparency and reporting requirements. The pool of key performance indicators (KPIs) under the Sustainability-Linked Bond Principles was expanded to include new KPIs covering public issuers, and guidance on product design was enhanced. The Climate Transition Bond Handbook published by ICMA contributed to a more systematic framework for the development of transition finance products.

In the loan markets, the Loan Market Association's (LMA) update of its Green Loan Principles and Sustainability-Linked Loan Principles was a significant step in supporting market integrity and ensuring consistency in the implementation of sustainable loan products. In the European Union, the European Green Bond Standard came into force, and the requirements for taxonomy alignment and external verification in green bond issuances became more prominent.

In Türkiye, while green- and sustainable- themed bond issuances and sustainability-linked loan transactions continued in 2025, regulatory and institutional steps to strengthen the market infrastructure in sustainable finance came to the forefront. In the banking sector, the first calculations were carried out under the Communiqué on the Calculation of Banks' Green Asset Ratio, which covers the measurement and reporting of green financing activities. Work on the development of the Türkiye Green Taxonomy progressed, and efforts to establish a national framework for defining and classifying environmentally sustainable economic activities gained further momentum.

In Türkiye, green- and sustainable-themed bond issuances and sustainability-linked loan transactions continued in 2025.

61.3
USD BILLION
Sustainability Bond Volume

In the third quarter of 2025, non-financial corporates were the most active group with an issuance volume of USD 62.5 billion.

The IFC committed to increasing biodiversity and nature finance in line with the World Bank Group's Climate Change Action Plan.

The Sustainable Bonds for Nature Practitioner's Guide was issued by ICMA.

Biodiversity and Nature Finance

Developments in biodiversity and nature finance over the past few years continued unabated in 2025. The International Sustainability Standards Board (ISSB), which published a guide in May 2023 to assess new projects related to sustainability reporting and solicit stakeholder feedback, decided to add a project covering risks and opportunities related to biodiversity, ecosystems, and ecosystem services (BEES) to its 2024–2026 work plan based on feedback and priority criteria. In December 2025, the relevant project moved from the research phase to the standard-setting phase. At this stage, the goal was to develop disclosure requirements to meet investors' information needs regarding BEES-related risks and opportunities.

These requirements were intended to be complementary to IFRS S1 and S2 and to draw upon the guidance and frameworks of the TNFD. The ISSB also decided to publish a draft standard as the next step in the process, skipping the discussion paper stage. The ISSB announced that existing advisory bodies, consultative groups, and resources would be used for the project instead of creating a new advisory group.

Meanwhile, the IFC committed to increasing financing for biodiversity and nature in line with the World Bank Group's Climate Change Action Plan and stated that a corporate framework has been developed to identify, evaluate, and monitor investments in this area. The Biodiversity Finance Reference Guide, published in 2022, provided guidance on eligible activities within the scope of biodiversity finance by leveraging the strength of the large-scale sustainable finance market. As market interest in nature and biodiversity finance grew, IFC deepened its work and, in addition to this document, published the Biodiversity Finance Metrics for Impact Reporting. This addendum, which includes impact reporting metrics for each eligible activity, is intended to enhance transparency and credibility in impact reporting and to support a more effective transition of markets toward nature-positive approaches.

An important development in 2025 was the publication of the Sustainable Bonds for Nature Practitioner's Guide by ICMA. This document provided additional thematic guidance for use-of-proceeds (UoP) bonds, such as green or sustainability bonds issued to finance projects that support nature, taking into account the application of such activities across all eligible green project categories. The guide also provided issuers of green bonds, whose proceeds are used exclusively to finance nature-related projects, with the option to use the secondary designation "nature bond."

In addition to these steps, the Common Principles for Tracking Nature Finance document, published in 2023 by Multilateral Development Banks (MDBs) to develop tools and methods for monitoring nature-positive investments in their portfolios, was updated in 2025 and its second version was released. These principles aimed to guide the development and implementation of relevant technical frameworks and internal methodologies for MDBs seeking to identify, track, and/or report their nature-positive financing activities. Under the Common Principles, nature-positive finance was defined, eligibility criteria were established for identifying and tracking it, and steps for determining ex-ante criteria were outlined. Furthermore, these principles are expected to guide countries and private sector clients in supporting the implementation of the Kunming-Montreal Global Biodiversity Framework (KMGBF).

Gender Equality

The year 2025 was marked by a significant slowdown in the pace of progress on gender equality and increased vulnerability in some key indicators. Global assessments published throughout the year indicated that inequality deepened simultaneously in interconnected areas such as poverty, employment, decision-making processes, and multiple crises.

At the global level, the impact of multiple crises made gender-based inequalities more visible, particularly in indicators of poverty and vulnerability. Projections indicate that, if current policies remain unchanged, 351 million women and girls will still live in extreme poverty in 2030. The fact that the extreme poverty rate for women has long remained at around 10% indicates that existing gender-sensitive policy tools are not producing sufficient results.

Conflict-affected environments and difficulties in accessing food have also increased the risks faced by women. Current data show that 676 million women and girls live in close proximity to deadly conflicts, while 64 million more women than men experience moderate or severe food insecurity. In this environment where the climate crisis, economic contraction, and conflicts intersect, if current trends continue, more than 158.3 million women are expected to face the risk of poverty by 2050.

Global comparisons showed that this multi-risk environment is unevenly distributed not only across gender groups but also across countries. Progress in economic participation, political representation, and equal opportunity was considered insufficient in many countries, and current trends were seen as posing a risk to the achievement of the SDG 5 targets set for 2030.

Although indicators of women's representation in decision-making roles continued to trend upward globally, the current pace of progress was deemed insufficient to achieve gender equality. While the proportion of women in parliaments reached 27%, representation remained limited. Assessments conducted as part of the Beijing+30 process indicated that despite legal and institutional progress, implementation on the ground has not advanced at the same pace. This pattern was also observed in Türkiye in the areas of decision-making and governance. The proportion of female members of parliament remained at 19.9%, the proportion of women in senior and middle management positions at 20.6%, and the proportion of female ambassadors at 26.9%.

In Türkiye, the divergence of economic vulnerability along gender lines was also noteworthy.

While the risk of poverty was observed to be higher in single-parent households headed by women, women's labor force participation remained limited in terms of both its level and quality of employment. Women's unpaid care and domestic work responsibilities continued to place structural pressure on their access to the labor market and their continuity in employment. Although the labor force participation rate for women reached approximately 36%, the gap with men reached 30 percentage points. In Türkiye, the female employment rate stood at 31.3%, while the male employment rate was 65.7%. This picture was consistent with the gender-based labor market segmentation observed globally.

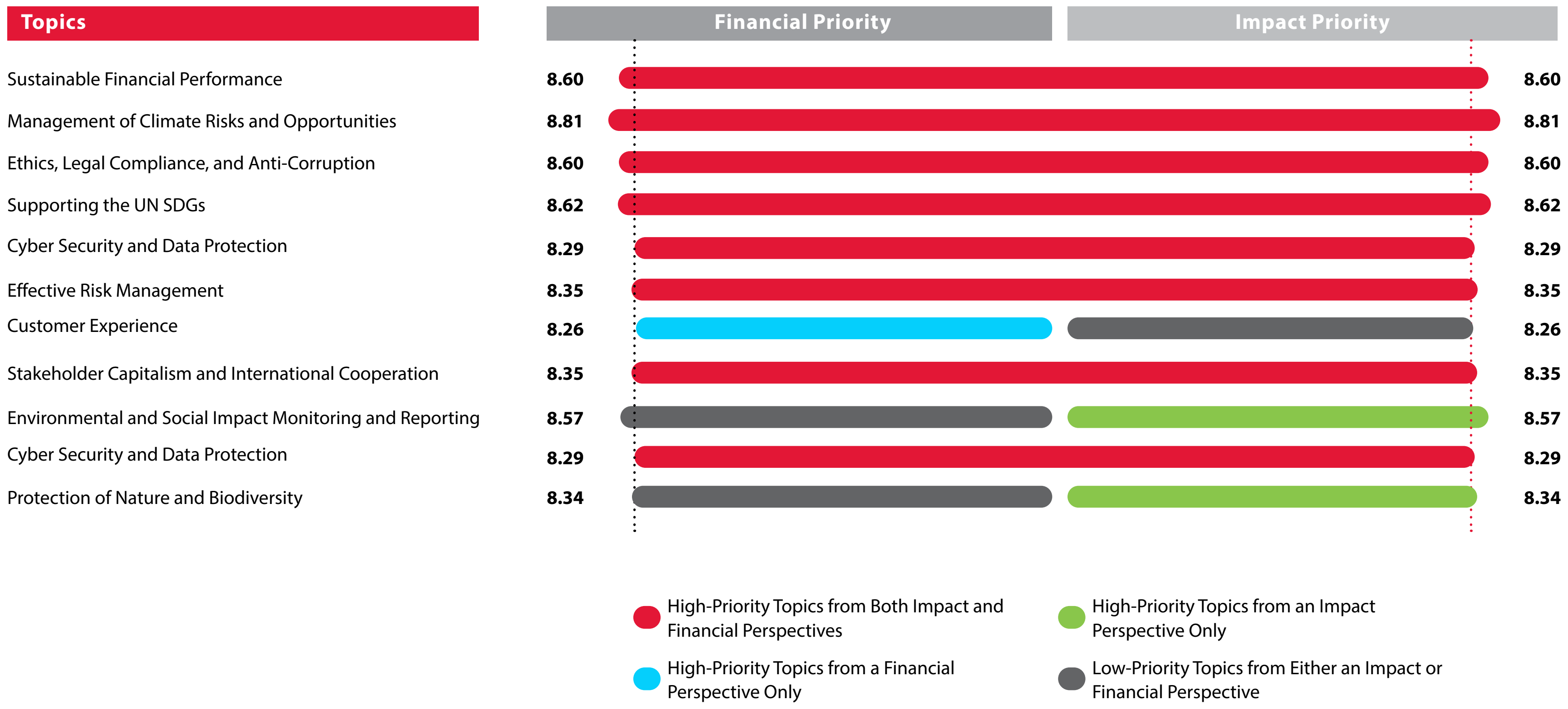
An examination of women's labor force participation shows that the participation rate for women over the age of 15 averaged 35.8%, while this rate rose to 68.9% for women with higher education degrees. However, among women aged 25 and over, the share of higher education graduates was only 22.7%.

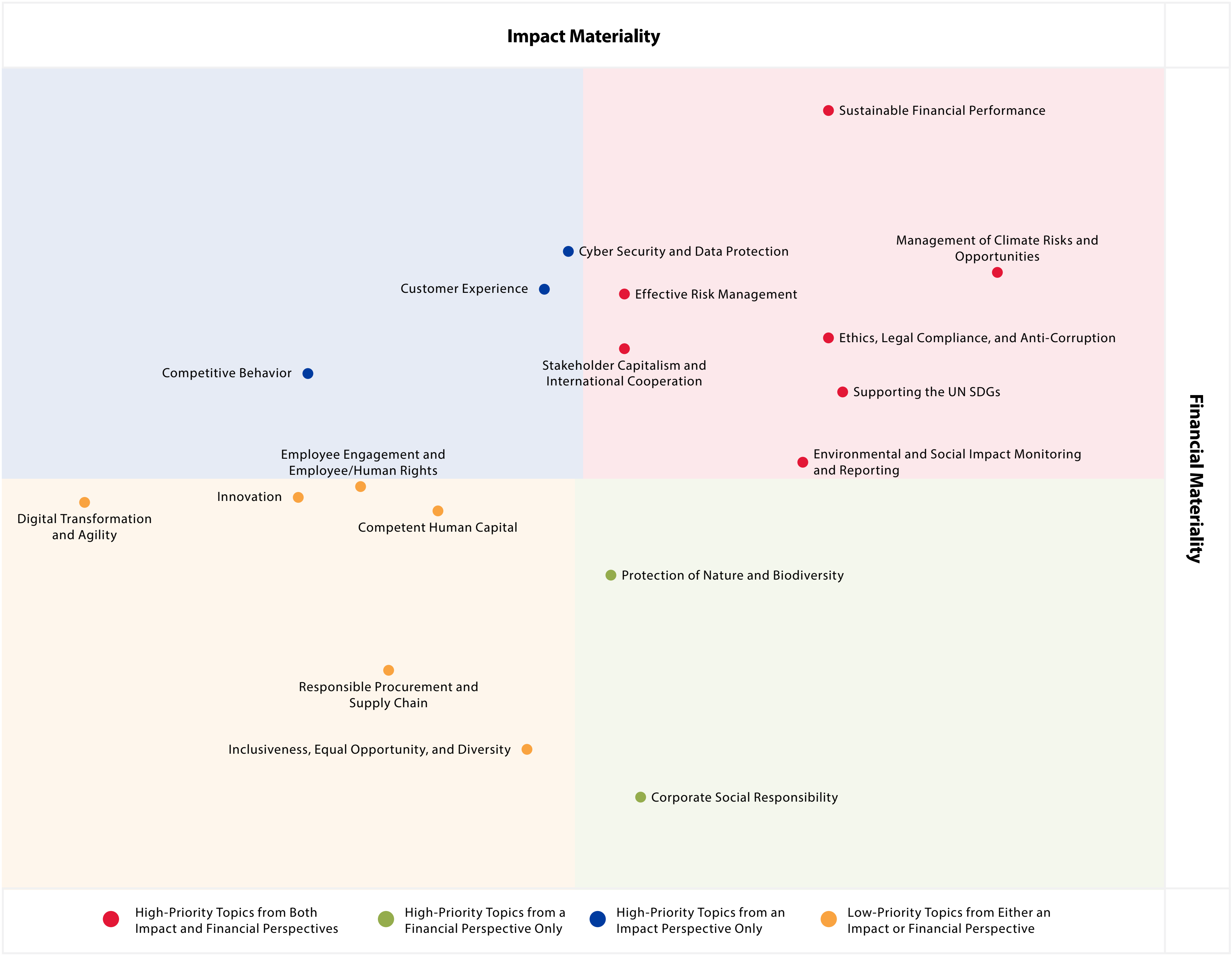
This difference in education level was also reflected in the average years of schooling, which were measured at 8.6 years for women and 10.1 years for men.

STAKEHOLDER ENGAGEMENT AND DOUBLE MATERIALITY ANALYSIS

Within the scope of a two-phase analysis process conducted last year, TSKB adopted a double materiality approach in line with the guidelines of the European Financial Reporting Advisory Group (EFRAG), prioritizing sustainability topics from both impact and financial perspectives through a 360-degree lens. In a dedicated workshop, these priority topics were further assessed together with stakeholders in detail, considering their impacts, risks and opportunities. As part of the analysis, seven stakeholder groups were engaged, and responses from a total of 125 participants—comprising 87 internal and 38 external stakeholders—were compiled.

As a result of an in-depth analysis of the data, the TSKB Double Materiality Matrix was developed, with impact materiality positioned on the horizontal axis and financial materiality on the vertical axis. Further details on the methodology developed under the dynamic materiality approach and its outcomes can be found on page 38 of TSKB's TSRS-aligned 2024 Integrated Annual Report.





HIGH PRIORITY TOPICS

The Bank regularly reviews and monitors its priority topics and compliance processes through its Sustainability Management System, in line with senior management review processes and the evaluations of the Sustainability Committee.

Sustainable Financial Performance

Sustainable financial performance for TSKB refers to the ability to create sustainable and inclusive value for stakeholders by maintaining stability while achieving long-term financial targets. Financial performance is monitored in a multidimensional manner by various departments, particularly the Financial Control, Budget and Planning, Risk Management, Financial Institutions and Investor Relations departments, in line with long-term financial targets. Financial performance, which is closely monitored by the Senior Management, is discussed weekly at Executive Committee Meetings. Financial performance, which is continuously monitored through internal audits conducted by the Internal Audit Board and Internal Control units and through periodic reports to senior management and the Board of Directors, is subject to a quarterly external audit.

The priority topic is discussed in detail in the Financial Capital section.

Management of Climate Risks and Opportunities

The management of climate risks and opportunities is a key component of both TSKB's financial performance and its clients' transformation process. This material topic is managed by the Climate Change and Sustainability Management, Risk Management, and Engineering departments using the Climate Risk Evaluation Tool (CRET) developed in accordance with the Sustainability Policy and related complementary policies. Climate risks and opportunities, which are integrated into the loan assessment, allocation, and monitoring processes, are presented to the Credit Committee on a project-by-project basis and become an important element of the senior management's decision-making mechanism. Actual results and projections are shared with the Sustainable Management Committee, the Executive Committee, and the Board of Directors. The Sustainability Committee at the level of the Board of Directors is informed twice a year with the half-year and year-end results.

The priority topic is discussed in detail in the Natural Capital section.

Business Ethics, Legal Compliance, and the Anti-Corruption

Business ethics, legal compliance, and anti-corruption are among the core components of TSKB's approach to corporate governance. The Corporate Compliance and Legal Affairs departments manage compliance with all legal regulations. To this end, the Audit Committee and Internal Control department carry out continuous audits. Issues raised through the grievance mechanism are evaluated by the senior management, and employees are provided with regular training in accordance with relevant policies, procedures, and practices.

The priority topic is discussed in detail in the Corporate Governance and Risk Management section.

Supporting UN SDGs

TSKB's mission is to support Türkiye's sustainable and inclusive development, and it considers the UN SDGs as a key reference for monitoring and reporting its impact. The SDG Mapping Model developed in 2020 is used to link the impact generated through loans to the SDGs and to set long-term financing targets. Climate Change and Sustainability Management department monitors the support provided to the SDGs through this model. The Bank's performance in meeting these targets is regularly reported to senior management monthly. Annual performance is audited externally. Comparative results are shared with the stakeholders in the Integrated Annual Report.

The priority topic is discussed in detail in the Financial Capital, Natural Capital and Social Capital sections. Further details on the model methodology are presented in the Intellectual and Manufactured Capital section.

Cybersecurity and Data Privacy

TSKB considers maintaining the confidentiality of corporate and personal financial data to be a fundamental responsibility. In this regard, TSKB develops data privacy regulations and high-level cybersecurity practices. Cybersecurity and data privacy are managed by the Information Security and Quality Department and audited by the TSKB's Audit Committee and Internal Control. Since 2021, TSKB's information security management system has undergone audits by an expert organization in accordance with ISO 27001 criteria.

The priority topic is discussed in detail in the Intellectual and Manufactured Capital section.

Effective Risk Management

TSKB proactively identifies, assesses, and controls financial, operational, legal, and strategic risks arising from its operations. The Risk Management Department is responsible for the management of the risks and periodically reports to the Audit Committee and Risk Committee at the Board of Directors level. Additionally, risk management is periodically audited by the competent supervisory and regulatory authorities.

The priority topic is discussed in detail in the Corporate Governance and Risk Management section.

Customer Experience

TSKB's vision is to serve as the preferred partner for stakeholders in Türkiye's economic, environmental, and social development, and it attaches importance to client satisfaction and loyalty. The Bank maintains ongoing communication with its clients, periodically conducts stakeholder and satisfaction surveys, and reviews clients' expectations through a complaint and suggestion mechanism.

The priority topic is discussed in detail in the Social Capital section.

Stakeholder Capitalism and International Cooperation

TSKB builds long-term cooperation with its stakeholders. The Bank develops its value creation model based on the expectations of its stakeholders, its know-how and best practices. TSKB aims to improve its economic, environmental, and social impact by promoting the exchange of information on national and international platforms and emphasizes the presence of representatives from different departments on relevant topics. The Corporate Communications department manages compliance with and follow-up of the business plan regarding this material topic. Collaborations are determined by senior management in accordance with the Bank's strategy, targets, and focus areas.

The priority topic is discussed in detail in the Social Capital section.

Environmental and Social Impact Monitoring and Reporting

The ERET model developed by the Bank forms the basis for monitoring and reporting on impact, which is considered by stakeholders to be one of TSKB's strongest points. ERET outputs are a crucial component of the credit assessment process, evaluating the investment's and/or client's capacity to manage risks throughout the loan lifecycle. This evaluation incorporates the action plans and development areas identified. The outputs of the model, employed by the engineering teams, are presented to the Credit Committee and become an important element of the senior management's decision-making mechanism. The annual results of the environmental and social impact monitoring are made available to stakeholders on TSKB's website and in the Integrated Annual Reports.

The priority topic is discussed in detail in the Natural Capital section.

Protection of Nature and Biodiversity

The protection of nature and biodiversity, which is one of TSKB's priorities for 2024, is one of the topics on which the Bank has started to build capacity and aims to develop a strategy. It has been possible to conduct a baseline analysis in line with the updated CDP reporting standards, and this topic will be addressed by the Climate Change and Sustainability Management department. Opportunities for participation and cooperation in new international platforms will be evaluated in the coming period.

The priority topic is discussed in detail in the Natural Capital section.

Double Materiality Workshop - Impact, Risk, and Opportunity Analysis

In the workshop held last year, focusing on "Impact Materiality" and "Financial Materiality," topics identified as high priority based on survey results were assessed. The reasons for their significance were discussed, along with the identification of related positive and negative impacts, risks and opportunities. Furthermore, within the framework of the EFRAG methodology, the scale and scope of impacts, their remediability, access to resources, and the impact of communication methods on business continuity were assessed. The Impact, Risk and Opportunity Analysis presented during the workshop can be found on page 44 of TSKB's TSRS-aligned 2024 Integrated Annual Report.

Stakeholder Engagement

In line with its strategy aligned with national policies and its differentiated business model, TSKB maintains effective collaboration with relevant public institutions and organizations, contributing its insights to various initiatives led by the relevant Ministries in areas such as climate change, impact investing, sustainable capital market instruments, the circular economy and reporting standards. Brief information on the Bank's engagement with other stakeholder groups is presented in the table below. The Bank's responses to stakeholder expectations and recommendations throughout the year are addressed under the relevant capital sections.

Stakeholder Group	Communication Methods (Frequency)	Expectations and Recommendations	Related Capital
DEVELOPMENT FINANCE INSTITUTIONS	Project Development Meetings (Throughout the year, ongoing) Information and Evaluation Meetings (Throughout the year, as needed) Information Reporting (As needed) Stakeholder Engagement Meetings (Every two years) TSKB Development Day (Every year in June)	Expansion of the calculating of financed emissions	Financial Capital Natural Capital
FINANCIAL INSTITUTIONS	Project Development Meetings (Throughout the year, ongoing) Information and Evaluation Meetings (Throughout the year, ongoing) Webinars and Online Meetings (Throughout the year, ongoing) Stakeholder Engagement Meetings (Every two years) TSKB Development Day (Every year in June)	Innovative product development with a sustainability focus	Financial Capital Natural Capital Social Capital
CUSTOMERS	NPS Survey (At the end of the project) Stakeholder Engagement Meetings (Every two years) Social Media (Ongoing) TSKB Development Day (Every year in June)	Development of Social Finance Products	Financial Capital Social Capital
AFFILIATES AND SUBSIDIARIES	Information and Evaluation Meetings (Throughout the year, as needed) Stakeholder Engagement Meetings (Every two years) TSKB Development Day (Every year in June)	Leveraging TSKB's experience and expertise in defining the sustainability strategy and roadmap	Financial Capital Natural Capital Intellectual and Manufactured Capital

Stakeholder Group	Communication Methods (Frequency)	Expectations and Recommendations	Related Capital
INVESTORS	General Assembly Meeting (Every March) Project Development Meetings (Throughout the year, ongoing) Investor Meetings (Ongoing) Investor Relations Department Email & Phone (As needed) Social Media (Ongoing)	Integration of nature-positive financing options into the value creation model	Financial Capital Natural Capital
SUPPLIERS AND SUBCONTRACTORS	Communication Form (As needed) Complaints Mechanism (As needed) Sustainability Performance Evaluation Survey (Annually)	Raising awareness and providing information on environmental and social risk management	Natural Capital Social Capital
ACADEMIC STAKEHOLDERS AND NGOs	Initiative and Working Group Representatives (Monthly) Social Media (Ongoing) TSKB Development Day (Every year in June)	Increasing partnerships and capacity building	Financial Capital Natural Capital Social Capital Human Capital Intellectual and Manufactured Capital
BOARD OF DIRECTORS AND SENIOR MANAGEMENT	Board of Directors Meetings (Monthly) Sustainability Committee Meetings (At least twice a year) Executive Committee Meetings (Monthly) Asset-Liability Committee Meetings (Weekly) Credit Committee Meetings (Monthly)	Incorporating the sustainability aspect into general credit conditions	Financial Capital Natural Capital Social Capital
EMPLOYEES	Open-Door HR Practice (Continuous, as needed) Employee Engagement Survey (Annually) Performance Evaluation Meetings (At least twice a year) Internal Communication Bulletins (Monthly) We Value You! Practices (Continuous)	Continuing digital transformation efforts to enhance efficiency	Human Capital Social Capital Intellectual and Manufactured Capital

GOVERNANCE MODEL

The TSKB Board of Directors is composed of professionals recognized for their expertise, experience, and reputation.

In accordance with the provisions set forth in TSKB's Articles of Association, the Board of Directors consists of 11 members, three of whom are independent, elected by the Bank's General Assembly for a term of up to three years.

CORPORATE GOVERNANCE

TSKB's highest governing body is the Board of Directors. The Board of Directors consists of 11 members, three of whom are independent, elected by the Bank's General Assembly for a term of up to three years in accordance with the provisions of TSKB's Articles of Association.

As of year-end 2025, the number of female members on the TSKB Board of Directors was three, representing 27% of the total. In accordance with the Board of Directors' Inclusion and Diversity Policy, updated in February 2026, TSKB aims for female members on its Board of Directors to constitute at least 30% of the Board's total membership by 2030.

The TSKB Board of Directors, composed of professionals recognized for their expertise, experience, and reputation, includes members with experience in economics, banking, finance, sustainable development, development finance, corporate sustainability, energy, and industry.

The roles of Chairman of the Board of Directors and CEO are held by different individuals, and the CEO also serves as a member of the Board of Directors.

To enhance the effectiveness of the Board of Directors' oversight activities, the following committees have been established:

- Audit Committee,
- Corporate Governance Committee,
- Remuneration Committee,
- Credit Revision Committee,
- Risk Committee, and
- Sustainability Committee.

To facilitate informed decision-making in the process of formulating the Bank's strategies, the Board of Directors may also consult independent advisors in areas of expertise it deems necessary, without obtaining the approval of the Bank's management.

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee determines whether the Corporate Governance Principles are implemented at TSKB, the reasons for any non-implementation, and any conflicts of interest arising from non-compliance with these principles. It provides recommendations to the Board of Directors to improve corporate governance practices and oversees the work of the Investor Relations Department.

In 2025, TSKB's Corporate Governance Principles Compliance Rating was maintained at 9.67 out of 10. The report on the periodic review conducted by Saha Corporate Governance and Credit Rating Services can be accessed here.

The committee, composed of at least two non-executive Board Members and the Investor Relations Manager, meets at least four times a year. The non-executive Board Members on the committee are also members of the Nomination Committee.

In 2025, committee members attended all four meetings of the TSKB Corporate Governance Committee in full.

AUDIT COMMITTEE

The Audit Committee assists the Board of Directors in fulfilling its audit and oversight responsibilities. The committee is composed of at least two non-executive Board Members and meets at least four times a year.

In 2025, the members of the Audit Committee attended all 55 Committee meetings.

REMUNERATION COMMITTEE

The Remuneration Committee determines and oversees the principles, criteria, and practices to be used in the remuneration of Board Members and executives with administrative responsibilities, taking into account the Bank's long-term objectives. It is composed of at least two non-executive Board Members and meets at least once a year.

In 2025, committee members attended the Committee's single meeting in full.

RISK COMMITTEE

The Risk Committee was established to evaluate the risks the Bank is exposed to, develop risk management policies, implement practices related to risk management, determine and monitor risk limits, and ensure coordination between the executive units and internal systems. The Committee meets at least four times a year and reports its activity results to the Board of Directors through the Audit Committee.

In 2025, the members of the Risk Committee fully attended all four Committee meetings in full.

CREDIT REVISION COMMITTEE

The Credit Revision Committee carries out its activities with the participation of the CEO, three Board Members, two Executive Vice Presidents, and relevant department managers. The Committee convenes at least once a year to discuss the evaluation of the credit portfolio and the revision of limits.

In 2025, all members of the Credit Revision Committee attended its single meeting.

LEGAL COMPLIANCE AND BUSINESS ETHICS

Compliance with all applicable laws and regulations, taking measures against corruption in commercial relationships with stakeholders, and conducting activities in light of ethical rules are fundamental components of the corporate governance approach. The banking sector has a long-standing history of business ethics and work discipline. The sector is also comprehensively regulated under international and national legislation. In this context, business ethics and legal compliance efforts are of vital importance to TSKB.

TSKB has a Legal Affairs Department operating under the Executive Vice President and a Corporate Compliance Department structured under the Audit Committee.

The Corporate Compliance Department is responsible for coordinating Know Your Customer (KYC) matters, monitoring regulations that may affect the Bank, and assessing them in coordination with relevant departments. The Legal Affairs Department handles all of the Bank's legal affairs and serves as the Secretariat to the Board of Directors.

TSKB manages its relationships with internal and external stakeholders in line with its established ethical rules and zero-tolerance policies against corruption. All activities are conducted within the framework of operating principles based on enhancing service quality and grounded in the principles of accuracy and integrity. At TSKB, the business ethics implementation framework is shaped by the TSKB Code of Ethics, the TSKB Anti-Bribery and Anti-Corruption Policy, and the principles of the United Nations Global Compact (UN Global Compact), which are binding for all employees at every level and in every position, starting with the members of the Board of Directors. The bank has a Sustainable Procurement Management Policy that is binding specifically for its suppliers and business partners.

TSKB has a grievance mechanism and online channels through which internal and external stakeholders can easily communicate their concerns when they suspect a violation of ethical principles. Along with the TSKB Code of Ethics, which was updated and came into effect with the approval of the Board of Directors in February 2026, the TSKB Ethics Hotline was launched, enabling both internal and external stakeholders to report complaints regarding violations of ethical principles, including sensitive grievances. Details regarding the Code of Ethics and the Ethics Hotline can be found in the Social Capital section on page 135.

Legal compliance and business ethics issues are assessed within the corporate risk management system, and improvement efforts are implemented. Identified areas for improvement are converted into corporate objectives and assigned to the relevant managers. Achievement of objectives in these areas is also evaluated within the performance appraisal and remuneration systems.

In 2025, there were no cases of non-compliance with regulations governing the conditions under which products and services are provided, environmental legislation, or international sanctions and trade restrictions; nor were there any breaches of confidentiality (including the loss or disclosure of customer information to third parties), instances of corruption, or incidents of discrimination. No monetary or non-monetary penalties were imposed on TSKB or its employees for violations in these areas, and no related complaints were submitted to the Bank.

SUSTAINABILITY GOVERNANCE

For TSKB, which operates in the field of development banking, sustainability is more than just a core philosophy shaping its business practices and stakeholder interactions; it is also the central focus of its products and services.

The concept of sustainability is integrated into TSKB's entire value creation model and continues to gain importance.

The fundamental framework of TSKB's sustainability management system is its Sustainability Policy, first published in 2012 and updated over time in line with new developments and stakeholder expectations. Additionally, 11 different policies developed and implemented in the environmental, social, and governance focus areas detail TSKB's sustainability management principles. Among these complementary policies, the Environmental and Social Risk and Impact Management Policy includes the List of Non-Financed Activities, in line with responsible banking principles.

In February 2026, the Sustainability Policy and its complementary policies were updated to reflect the expectations of funding institutions, ESG rating methodologies, and the Bank's evolving practices. Additionally, the Nature and Biodiversity Policy, developed in response to the identification of the protection of nature and biodiversity as a material issue in last year's stakeholder analysis, has been added to the complementary policies supporting the Sustainability Policy. The Bank's climate and nature roadmap can be found in the Natural Capital section on page 95.

Oversight of the Sustainability Management System is conducted periodically through both internal audit processes and annual external audit services. The relevant policies can be accessed here.

As a key component of TSKB's strategy, the focus on sustainability was addressed in the strategic plan for the reporting period in line with themes such as sustainable development, combating climate change, nature and biodiversity, and adaptation, as well as national and international developments such as the Carbon Border Adjustment Mechanism (CBAM) and the Emissions Trading System (ETS). At TSKB, sustainability management is carried out through a multi-layered structure of responsibilities, extending from the Board of Directors to the operational units. Decisions made by the relevant bodies at the strategic level are translated into projects and practices at the operational level, thereby contributing to sustainability performance.

The distribution of responsibility for sustainability management, the operational structure of the relevant bodies, their working principles, and other detailed information can be accessed here.

SUSTAINABILITY COMMITTEE

The TSKB Sustainability Committee is the highest-level governance body responsible for implementing the strategies and targets set in line with sustainability objectives.

Established in 2014, the Sustainability Committee carried out its activities during the reporting period with the participation of four Board Members, the CEO, and two Executive Vice Presidents, one of whom is the Sustainability Leader.

Committee members are selected from among individuals with the academic and professional expertise to develop strategies and oversee the management of sustainability-related risks and opportunities, particularly those related to climate.

Ms. Ece Börü, who served as TSKB's CEO between August 2020 and April 2022, led sustainability efforts, including the management of climate-related risks and opportunities, which gained momentum with the establishment of the Climate Risks Working Group in 2020.

Mr. Ozan Uyar, CEO and the sole executive member of the Sustainability Committee representing the Board of Directors, is leading TSKB through key sustainability milestones. Mr. Uyar is also a member of the boards of ERTA and UN Global Compact Türkiye, and of the Advisory Board of Chapter Zero Türkiye, all of which are among the leading initiatives in the field of sustainability.

Mr. Mithat Rende, who became the Deputy Director General for Energy, Environment, and Water Affairs in 2005 and chaired the Trade and Transit Working Group of the Energy Charter Conference in Brussels from 2005 to 2008, served as Chief Climate Change Negotiator and a Member of the Türkiye Nuclear Energy Commission from 2010 to 2013.

Mr. Murat Bilgiç, who served as TSKB's CEO from April 2022 to July 2025, led sustainability efforts such as the target-setting processes for the Bank's 2022 Net-Zero Banking commitment, which were approved by the Science Based Targets initiative (SBTi).

Ms. Meral Murathan, Executive Vice President, serves on the committee as TSKB Sustainability Leader and is responsible for positioning sustainability activities within the framework of strategic planning, guiding sustainability initiatives, and representing the Bank in sustainability communications.

The Committee convened twice in 2025 to coordinate business plans and activities aligned with the sustainability strategy, vision, and targets, and to closely monitor the activities of the Sustainability Management Committee and the Climate Change and Sustainability Management Department, which serves as its secretariat.

In 2025, the Committee carried out review, oversight, and approval activities related to local and global developments, the Climate Law, policy revisions during the reporting period, long-term targets, commitments and performance, the Nature and Biodiversity Roadmap, and the TSRS-aligned Integrated Annual Report. At the General Assembly Meeting to be held in March 2026, shareholders will be informed about the sustainability activities carried out in 2025 and future plans, in line with the climate transition plan and targets aligned with the Sustainable Development Goals.

The Committee is briefed twice a year on TSKB's publicly disclosed targets. Committee members evaluate action plans prepared by responsible teams for areas where targets were not met or performance fell below expectations.

The Climate Change and Sustainability Management Department regularly informs the Committee about changes in regulations and directives throughout the year, as well as developments concerning sustainability and climate risks.

Sustainability-linked metrics and targets have been integrated into the remuneration policies of the executive members serving on the Committee. Following budget discussions, sustainability-linked targets constitute 46% of the objectives set for the entire Bank, including senior management. These objectives are linked to risks and opportunities that are to have a significant impact the Bank's financial performance during the reporting period and include targets related to sustainable funding, the SDG-linked loan portfolio, portfolio temperature score, digital efficiency, and human capital.

SUSTAINABILITY MANAGEMENT COMMITTEE

The Sustainability Management Committee, established to ensure that sustainability activities are implemented across the Bank and integrated into business processes in line with TSKB's sustainability vision, strategy, targets, and business plans, meets regularly.

The committee, composed of the TSKB CEO, Executive Vice Presidents directly involved in sustainability, managers, and employees of the Climate Change and Sustainability Management Department, supports the execution of the Bank's activities in line with the vision, strategy, and targets set by the TSKB Sustainability Committee.

Integration of Sustainability into the Bank's Scorecard

Sustainability-linked targets accounted for 46% of the targets in TSKB's 2025 scorecard.

Within the sustainability governance structure, the task of coordinating internal integration is undertaken by the Climate Change and Sustainability Management Department.

2025 Committee Agendas

Legislative Updates and Developments

- Climate Law
- Draft Regulation on Türkiye's Green Taxonomy
- Draft Regulation on the Emissions Trading System of Türkiye
- Draft Regulation on Carbon Crediting and Offsetting
- BRSA Guidelines on the Management of Climate-Related Financial Risks
- Communiqué on the Calculation of Banks' Green Asset Ratio
- Turkish Sustainability Reporting Standards
- Net-Zero Banking Alliance decisions
- COP30 and COP31
- 2025 Law Amendments (Amendments to the Environment, Mining, Pasture, Electricity, and Renewable Energy Laws by Law No. 7554)
- Amendments to the Environmental Impact Assessment (EIA) Regulation
- Water Efficiency Regulation
- Industrial Emissions Management Regulation

TSKB-Specific Developments and Topics

- Integrated Annual Report aligned with the Turkish Sustainability Reporting Standards
- Nature and Biodiversity Roadmap
- The Bank's Green Asset Ratio
- Science-based emission reduction targets
- 2050 net-zero roadmap and interim targets
- Long-term sustainable finance targets
- Sustainability strategy
- Climate-based scenario analyses

To enhance technical capacity within the Bank, informational meetings and internal training were organized with the participation of relevant departments.

Oversight of the sustainability governance structure, including the Committees and the Climate Change and Sustainability Management Department, is carried out through internal audit processes conducted throughout the year, as well as annual external audits.

In 2025, developments in the field of sustainability in Türkiye and around the world were closely monitored, capacity was developed to strengthen the sustainability strategy, particularly in relation to nature and biodiversity, and sustainability-based risks and opportunities were assessed. Experiences were shared at stakeholder events with the participation of public and private sector representatives, and contributions were made to the regulatory efforts and action plans of relevant authorities.

CLIMATE CHANGE AND SUSTAINABILITY MANAGEMENT DEPARTMENT

In February 2024, the Climate Change and Sustainability Management Department was established to centrally manage TSKB's sustainability efforts, build a dynamic structure responsive to national and international developments, and effectively monitor and manage the Bank's portfolio in light of long-term targets and commitments. The Department's responsibilities are structured under five main areas of work.

The Climate Change and Sustainability Management team informed the Sustainability Management Committee and the Sustainability Committee throughout the year, for which it also assumed secretarial duties. As part of the goal to enhance technical capacity within the Bank, information sessions and internal training were organized with the participation of relevant departments.

Briefing and brainstorming sessions were held with the participation of various teams on topics such as the SDG Mapping Model, the Nature and Biodiversity Roadmap, the Communiqué on the Calculation of Banks' Green Asset Ratio, the Turkish Sustainability Reporting Standards, and emissions practices in Türkiye and the European Union; these efforts also contributed to the development of TSKB's strategy.

As a stakeholder in Credit Committee meetings, it presents the impact of each project on the Committee's agenda in relation to TSKB's long-term commitments and targets, and conducts analyses that contribute to the integration of sustainability-related risks and opportunities, including climate-related ones, into senior management's decision-making processes.

Oversight of the sustainability governance structure, including the Committees and the Climate Change and Sustainability Management Department, is carried out through internal audit processes conducted throughout the year, as well as annual external audits.

TSKB CONDUCTS ITS ACTIVITIES IN LINE WITH NUMEROUS DECLARATIONS AND WORKING PRINCIPLES TO WHICH IT IS SIGNATORY.

Initiatives and Associations Actively Participated Through Board Membership and Working Groups

- United Nations Environment Programme Finance Initiative (UNEP FI)
- Chapter Zero
- Integrated Reporting Association Türkiye (ERTA)
- Impact Investing Advisory Board (EYDK)
- Global Reporting Initiative (GRI)
- Business Council for Sustainable Development (BCSD Türkiye)
- Net-Zero Banking Alliance (NZBA)
- The Banks Association of Türkiye (TBB)
- Corporate Governance Association of Türkiye (TKYD)
- Turkish Industry and Business Association (TÜSİAD)
- Turkish Investor Relations Society (TÜYİD)
- Institute of International Finance (IIF)
- UN Global Compact Türkiye (UNGC Türkiye)
- International Development Finance Club (IDFC)

TSKB's Signed Declarations and Principles

- IDFC Climate Declaration
- European Long-Term Investors (ELTI) - COP21 Declaration on the Transition to a Low-Carbon Economy
- Women's Empowerment Principles (WEPs)
- EBRD - UNEP FI Joint Declaration on Energy Efficiency
- Global Compact Türkiye Declaration on Sustainable Finance
- UNEP FI Principles for Responsible Banking (Founding Signatory)
- IDFC Declaration on Gender Equality and Justice
- Social Investment Coalition - Social Investment Declaration
- Business Plastic Initiative
- Partnership for Carbon Accounting Financials (PCAF)

Finance in Common Summit (FiCS)

- Declaration on a Sustainable and Resilient Global Recovery
- Biodiversity Declaration
- Declaration on Gender Equality and Women's Empowerment

International Development Finance Club (IDFC)

TSKB continued its work within the IDFC—of which it has been an active member since 2011 and a Steering Committee member since 2019—on issues such as gender equality, climate change, biodiversity, and alignment with the SDGs.

Highlights from 2025 regarding the Gender Equality and SDG Alignment Working Groups, in which TSKB actively participates within the IDFC, are detailed in the Social Capital section.

In 2020, in line with its vision of creating a financial ecosystem in harmony with nature, TSKB signed the Biodiversity Declaration issued at the IDFC Finance in Common Summit, affirming its support for global commitments to biodiversity conservation and its intention to continue promoting nature-sensitive investments through sustainable financing models. This commitment reflects TSKB's determination to integrate biodiversity into its financial decision-making processes and underscores its mission to strengthen nature-based solutions and contribute to sustainable development.

In 2025, TSKB 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, TSKB aims to further enhance its capacity in this area, assume a more effective role in the Biodiversity Working Group of which it is a member, and increase its contribution to global efforts for nature conservation.

As a member of the IDFC Climate Working Group, TSKB contributed to the comprehensive revision process of the Common Principles for Climate Mitigation Finance Tracking methodology, conducted jointly with Multilateral Development Banks (MDBs), and shared its technical opinions and recommendations. As part of the update process, which continued throughout 2025 and is scheduled for publication in 2026, the Bank submitted its assessments aimed at strengthening the methodology's consistency, comparability, and effectiveness in implementation.

In the joint IDFC statement released ahead of COP30 in Brazil in November 2025, TSKB supported the collective goal of contributing to the expansion of financing approaches that deliver simultaneous benefits for climate and nature and of mobilizing USD 100 billion in biodiversity finance by 2027. Within this framework, the goal was set for at least 10% of IDFC green financing to generate measurable biodiversity outcomes by 2030.

United Nations Climate Change Conference (COP30)

TSKB participated in the United Nations Climate Change Conference (COP30), held in Belém, Brazil, from November 10 to 21, 2025, with its Climate Change and Sustainability Management and Economic Research teams.

Marking the tenth anniversary of the Paris Agreement, COP30 was expected to address the implementation of the Agreement throughout the conference. Billed as the "Implementation COP," COP30 was also described as the "COP of Truth" by Brazilian President Luiz Inácio Lula da Silva.

COP30 was a summit where both progress and political fractures in global climate policy were observed simultaneously. The most contentious topic of the summit was the establishment of a global roadmap for phasing out fossil fuels; a clear call for a "phase-out" in line with the 1.5°C target could not be fully incorporated into the text, primarily due to objections from energy-exporting countries. In contrast, significant momentum was gained on topics such as nature-based solutions, forest protection mechanisms, and community rights.

On the adaptation finance front, although the "Mutirão" decision made a political call to triple annual financing outflows from adaptation funds by 2030 compared with 2022 levels, the absence of binding targets indicated that financing uncertainty would persist. Carbon markets and Article 6 negotiations remained unresolved, and the uncertainty in this area was carried forward to COP31, which will be held in Türkiye.

Another prominent theme of the summit was the positioning of a just transition at the center of both energy and industrial policies. Countries emphasized that the transition to a low-carbon economy must be designed not only with technology but also with policies for employment, income distribution, regional development, and social protection. This framework served as one of the reference points for finance and policy discussions throughout COP30. On the other hand, the EU's implementation of the Carbon Border Adjustment Mechanism and new trade regulations heightened concerns about "green protectionism" in developing countries, signaling the need to re-examine the climate–trade relationship through multilateral dialogues. Finally, the new Gender Action Plan adopted at COP30 was considered a significant step toward institutionalizing the gender dimension in climate policies. Following these outcomes, and with COP31 set to be held in Türkiye, the country was positioned as the main platform where, under Australia's presidency of the negotiations, both outstanding issues would be addressed and the new direction of global climate diplomacy would be shaped.

The side events at COP30, in parallel with the international negotiation agenda, clearly demonstrated that the climate and nature agenda now requires not just sectoral transformations but a multi-layered transformation addressing energy, industry, ecosystems, and social development collectively. Although financing for mitigation technologies, such as renewable energy, to combat climate change has been widely adopted globally, discussions at side events this year focused on adaptation finance, nature-based and restoration investments, the green industry (especially green steel), and the strategic role of hydrogen technologies in energy security.

The fact that financing is the biggest bottleneck, the strong participation of Asian and African development banks, and the rapid scaling of instruments such as blended finance, guarantees, and hybrid capital by MDBs were prominent themes in the COP30 panels. In addition, a just transition was at the center of both energy and industrial policies. In this context, it was emphasized that the transition to a low-carbon economy should be a holistic process that includes not only a technological transformation but also policies for employment, income distribution, regional development, local livelihoods, and social protection.

One of the most important outcomes at COP30 regarding industrial policy design was the "Belém Declaration for Green Industrialization." In addition to Türkiye, 35 countries and international institutions, including Germany, the United Kingdom, and South Korea, signed the declaration, while among the multilateral development banks, the European Bank for Reconstruction and Development (EBRD) was a notable signatory. The purpose of the declaration was to support the design and implementation of green industrial policy. Accordingly, the declaration envisages the wider adoption of green industry practices and joint efforts to transform high-emission industries.

- The scale of the financing gap was a key theme at COP30: Discussions on the finance side focused on how the trillion-dollar gap in nature and climate finance could be bridged through blended finance, guarantee mechanisms, and innovative credit structures.
- Multilateral Development Banks (MDBs) are entering a new era with common standards and methodologies: The development of common standards and methodologies by MDBs signals a new era of standardization and impact measurement in the global financial architecture.
- Adaptation finance became a growing priority across all pavilions: The value of investments was assessed through an "avoided losses" approach, with grid, water, agriculture, and urban infrastructure coming to the forefront.
- Restoration, biocarbon, and watershed-based models are being positioned as new, scalable investment classes.
- The Landscape Finance approach emerged as an innovative portfolio model that reduces risk and creates scale through project clusters.
- In the energy transition, circularity and raw material efficiency are considered part of energy security.
- The Climate Club is strengthening its role as a global coordination platform for the green industrial transition.
- Biodiversity markets are in the development stage; standards, MRV (Monitoring, Reporting, and Verification) infrastructure, and publicly supported financing mechanisms are seen as critical.
- With greater focus on the Amazon and indigenous communities, deforestation-free supply chain criteria are expected to become stricter.

The outcomes of COP30 serve as an important roadmap for developing countries like Türkiye, while the hosting of COP31 in Türkiye presents a unique opportunity for the country to develop an inclusive and scalable climate–nature finance ecosystem aligned with these global trends. For public institutions, the financial sector, and the real sector alike, the discussions that emerged at COP30 highlight the importance of robust preparation in the areas of policy, collaboration, and product development in the run-up to COP31.

TBB Sustainability Initiatives

The Sustainability Working Group, operating within the Banks Association of Türkiye (TBB) since 2009, provides guidance to banks on systematically managing the predictability, transparency, and traceability of environmental and social issues.

In the Working Group, which we co-chaired again this year, the main agenda items were the impact on the financial sector of regulations issued by the BRSA, the Climate Law, and subsequent supplementary draft regulations on the financial sector.

Under heading No. 3, "Green Finance," of the Green Deal Action Plan published in the Official Gazette on July 16, 2021, responsibility and coordination for action item 3.2.5, "Determining a roadmap for the development of sustainable banking," were assigned to the BRSA in line with objective 3.2, "Developing an ecosystem to support the growth of green finance in Türkiye."

To support the financing of activities aimed at reducing greenhouse gas emissions, manage financial risks arising from climate change, and develop sustainable banking activities within the scope of the Paris Agreement and the European Green Deal, the "Sustainable Banking Strategic Plan" was adopted by BRSA Decision No. 9999, dated December 24, 2021. In 2024, the TBB Sustainability Working Group continued the activities envisaged in the "Actions" categories of the Sustainable Banking Strategic Plan, where the TBB was designated as the "Responsible/Coordinating Institution" and the "Collaborating Institution."

As part of these efforts, the Working Group focused on the implementation of the "Communiqué on the Calculation of Banks' Green Asset Ratio," published by the BRSA on April 11, 2025. This year, the Sustainability Working Group addressed the implementation of the Technical Screening Criteria, a supplementary document to the relevant communiqué prepared by the TBB working group under BRSA, the development of which began in 2021. As a result of four separate workshops and meetings with the BRSA on this subject, the banking sector in Türkiye has been reporting its Green Asset Ratio to the BRSA since September 2025.

The Bank, as part of its co-chair responsibility in the TBB Sustainability Working Group, participated in the discussions on the Climate Law Proposal at the Environment Committee of the Grand National Assembly of Türkiye. Furthermore, following the publication of Climate Law No. 7552 on July 2, 2025, the Bank exchanged views with stakeholders at the Climate Law workshop organized under the coordination of the Ministry of Environment, Urbanization, and Climate Change of the Republic of Türkiye regarding the upcoming Türkiye Emissions Trading System (ETS), Türkiye Carbon Offsetting System, Use of ETS Revenues, Türkiye Green Taxonomy, Just Transition policies, and related secondary regulations. In addition, in 2025, the Bank contributed to the decision-making process for the design parameters in the Draft Regulation on Türkiye's Green Taxonomy at the Climate Finance Working Group organized by the Republic of Türkiye Ministry of Environment, Urbanization, and Climate Change.

Business Council for Sustainable Development (BCSD Türkiye)

TSKB engages in significant collaborations within BCSD Türkiye, of which it has been a member and an active participant since 2014, and leverages opportunities to share knowledge and experience with other member companies.

In 2024, TSKB was elected Vice Chair of the Board of Directors of BCSD Türkiye. The Bank also chairs the Financial Products and Services Working Group operating within the Association. During the 2024–2025 period, the Bank undertook two different projects planned in the Working Group, ensuring impact-oriented contributions within the Association.

The first project, aimed at mapping the products of financial institutions related to sustainable finance themes and criteria, was completed. This project enables private sector representatives to identify suitable themes for their investments, check the criteria, and contact the relevant financial institutions.

Details of the second social-themed project completed in 2025 can be found in the Social Capital section.

Stakeholder Meetings with Public Institutions

In 2025, in addition to its co-chairmanship responsibility in the TBB Sustainability Working Group, TSKB participated in consultation processes with public institutions as a financial stakeholder. Experiences regarding the international financial sector and sustainable finance were shared, particularly in meetings with the Directorate of Climate Change on the Climate Law, the development of the Türkiye Green Taxonomy, and the impacts of COP31 on Türkiye's economy.

During the period in which it was preparing its nature and biodiversity roadmap, the Bank participated in workshops organized under the Global Biodiversity Framework Early Action Support Project, which was supported by the Global Environment Facility (GEF) and the United Nations Environment Programme (UNEP), and coordinated by the General Directorate of Nature Conservation and National Parks of the Ministry of Agriculture and Forestry and the Nature Conservation Center. In this context, the Bank contributed as a financial stakeholder to efforts to review the alignment of National Biodiversity Strategies and Action Plans with the new global framework, to analyze gaps in monitoring systems, and to develop a national monitoring action plan.

Additionally, TSKB actively contributed as a financial sector stakeholder to the preparation process of the National Biodiversity Finance Plan, which aims to support Türkiye in achieving its national biodiversity targets. This initiative is being carried out under GEF-8 in collaboration with the Ministry of Agriculture and Forestry's General Directorate of Nature Conservation and National Parks and the United Nations Development Programme (UNDP), leveraging TSKB's leading role in development banking and its institutional expertise in sustainable finance.

On the finance side, TSKB participated this year in the Climate Investment Funds (CIF) Scoping Mission meeting, organized under the coordination of the Republic of Türkiye Ministry of Treasury and Finance. Under the program, which includes Türkiye among its beneficiary countries and aims to support the decarbonization of high-emission sectors, Türkiye was selected as one of seven countries to prepare an investment plan of up to USD 250 million. In the meetings held within this framework, the Bank shared its views and assessments in line with its expertise in sustainable finance.

Additionally, under the coordination of the Republic of Türkiye Ministry of Treasury and Finance, the Bank contributed to the consultation process for the national climate action list being prepared as part of the Climate Policy-Based Financing planned to be provided by the Asian Infrastructure Investment Bank, and shared its views and recommendations on climate legislation, policy tools, and financial mechanisms. TSKB will continue its consultation efforts until the COP31 agenda is finalized and will maintain its commitment to promoting an inclusive climate finance approach that spans from mitigation to adaptation while addressing vulnerable groups in a just and equitable manner. In this context, experiences related to the international financial sector and sustainable finance were shared, particularly in meetings with the Directorate of Climate Change on the Climate Law, the development of the Türkiye Green Taxonomy, and the impacts of COP31 on Türkiye's economy.

SUSTAINABILITY INDICES

Corporate Knights - Global 100 Most Sustainable Corporations
39th Globally - 21st in Europe
The only bank from Türkiye on the list
Ranked first among four international banks

S&P CSA
52 | First-time participation in 2025

Sustainalytics
7.4 Risk Score
Negligible Risk Category
1st in Türkiye
1st among 90 international development banks
12th among 1,012 international banks

Moody's ESG Credit Impact Score
2 | Neutral-Low

LSEG
82/100
Among the leading banks in Türkiye
BIST Sustainability Index
BIST Sustainability 25 Index

Fitch ESG Credit Relevance Score
2 | Irrelevant

Sustainable Fitch
63/100
Category 2
Ranked first in Türkiye
Above the EMEA average
Above the global average

TSKB SUSTAINABILITY JOURNEY

1980
Integration of environmental factors into the loan evaluation processes

1990
First environmental loan disbursement

2005
Establishment of the Environmental Management System (EMS)

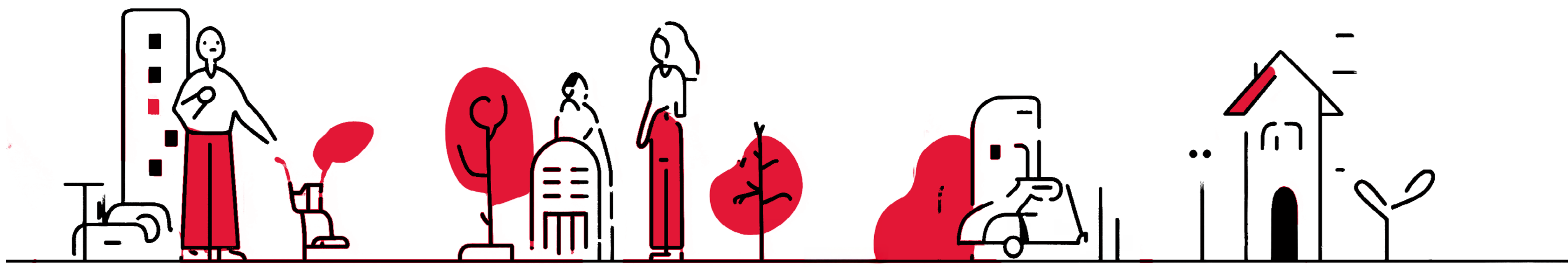
Design of the Environmental and Social Risk Evaluation Tool (ERET)

2006
Publication of the Environmental Policy

2007
First Turkish Bank to obtain ISO 14001 Environmental Management System

Assessment of all investment projects under the ERET Model

2008
Publication of the first Sustainability Report



TSKB SUSTAINABILITY JOURNEY

2010

Membership in the United Nations Global Compact (UNGC)

Publication of the first GRI-Approved Sustainability Report

2011

Establishment of Escarus, a sustainability consultancy company

2012

First Turkish Bank to obtain ISO 14064 Certification

Revision of the Environmental Policy and EMS into a Sustainability Policy and Sustainability Management System (SMS)

2014

Establishment of the Sustainability Committee

2015

Inclusion in the BIST Sustainability Index

Update of the Sustainability Policy

2016

Issuance of the first green/ sustainable bond in Türkiye and the CEEMEA Region

2017

World's first sustainable Tier II bond issuance

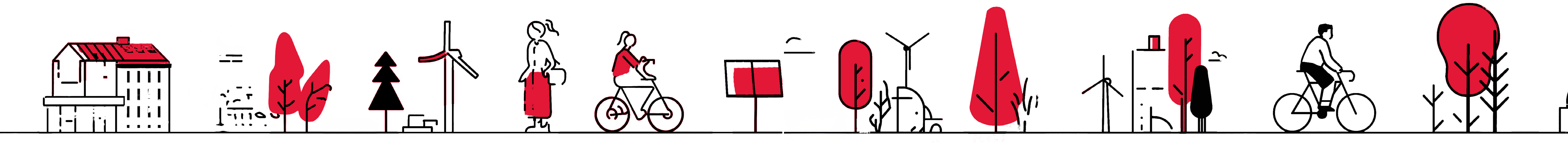
First Impact and Allocation Report published in Türkiye

First Integrated Report published in the Turkish financial sector

2019

Coordination Unit Directorship of the IDFC Climate Facility

Founding signatory to the UNEP FI Principles for Responsible Banking



TSKB SUSTAINABILITY JOURNEY

2020

Development of the SDG Mapping Model

Best ESG Risk Rating in Türkiye by Sustainalytics

First loan disbursement under the SDG Loan Model

Signatory to the Finance in Common Summit Declarations on Sustainable and Resilient Global Recovery, Biodiversity, Gender Equality and Women's Empowerment

First ESG Risk Rating-linked club loan secured in Türkiye

Active participation in the TBB Sustainability Working Group

Facilitation of the world's first sustainable lease certificate (sukuk) issuance

2021

Implementation of the Sustainability Strategy

2022

Inclusion in the Top 50 Global Institutions based on Sustainalytics ESG Risk Rating

Publication of the TSKB Responsible Communication Policy and Guideline

2023

Ranking 10th among global banks based on Sustainalytics ESG Risk Rating

2024

1st place in the Equileap Emerging Markets Gender Equality Ranking

First TSKB Development Day

Hosting of the IDFC Steering Committee Meeting

2025

First in Türkiye: 2024 Integrated Annual Report fully aligned with TSRS 1 and TSRS 2

Global First: First report audited in accordance with IFRS S1 and IFRS S2

Only Turkish bank included in the Corporate Knights Global 100 Most Sustainable Companies List

Launch of the TSKB Gender Equality Certification Program

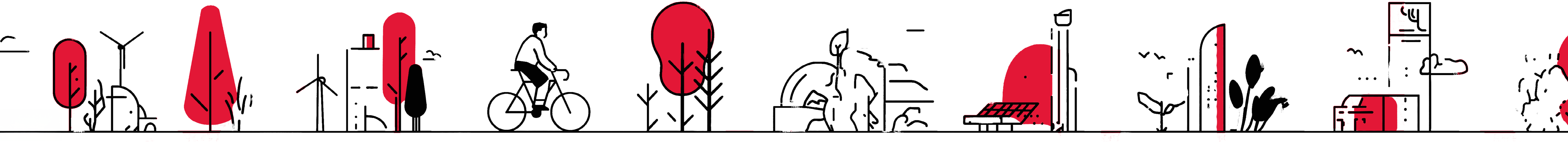
2026

Publication of the Nature and Biodiversity Policy

Revision of the Sustainability Policy and Complementary Policies with a nature and biodiversity focus

2030

USD 3 billion in social-themed financing to be provided between 2024 and 2030



STAKEHOLDER ENGAGEMENT

We promote knowledge sharing through the strong collaborations we establish with our stakeholders.

Through transparent and inclusive partnerships with the public sector, the financial sector, the private sector and all our business partners, we strengthen our continuously evolving value creation model and contribute to economic and social transformation.

WE VALUE KNOWLEDGE SHARING AND COLLECTIVE ACTION

Public Sector

We participate in consultation meetings organized by relevant ministries and public institutions, supporting efforts by providing feedback on various areas such as climate change, impact investments, sustainable capital market instruments, circular economy, and reporting standards.

Banking Sector

We meet with sector representatives on various platforms, primarily through the Banks Association of Türkiye, to collaboratively develop sector standards.

Development Banks

We value knowledge sharing focused on development and sustainability with other development banks worldwide that differentiate themselves with their mission and value creation models. As the sole Turkish member of the International Development Finance Club, we collaborate on various fields, including climate change, biodiversity, gender equality, and the Sustainable Development Goals.

Private Sector

Through our membership in various associations and initiatives, we meet with private sector representatives and have the opportunity to listen to the needs of different sectors. By sharing best practices and identifying areas for improvement, we contribute to the transformation of these sectors while also raising awareness.

WE ARE CONTINUOUSLY EVOLVING WITH OUR DYNAMIC VALUE CREATION MODEL

Employees

With our expert human capital, we are setting numerous milestones in our sustainability journey, aligned with our long-term strategy, targets, and commitments.

Subsidiaries

We work in synergy with our subsidiaries, established with our technical expertise. Together, we create value in various areas, generating numerous opportunities for mutual growth.

Suppliers

We value the consideration of environmental, social, and governance issues by our suppliers and collaborate with them to raise awareness in these areas.

WE SUPPORT INCLUSIVE AND SUSTAINABLE DEVELOPMENT

Customers

We aim to be a partner in our customers' green and inclusive transformations.
We provide multifaceted services not only through our lending activities but also with our advisory services.

Investors

We continuously inform our investors within the scope of our targets and commitments.

Financial Institutions and Development Finance Institutions

Through our long-term collaboration with fund providers, we create partnership opportunities to address the needs of our country and our clients.