

The Industrial Development Bank of Türkiye

FI&IR Presentation

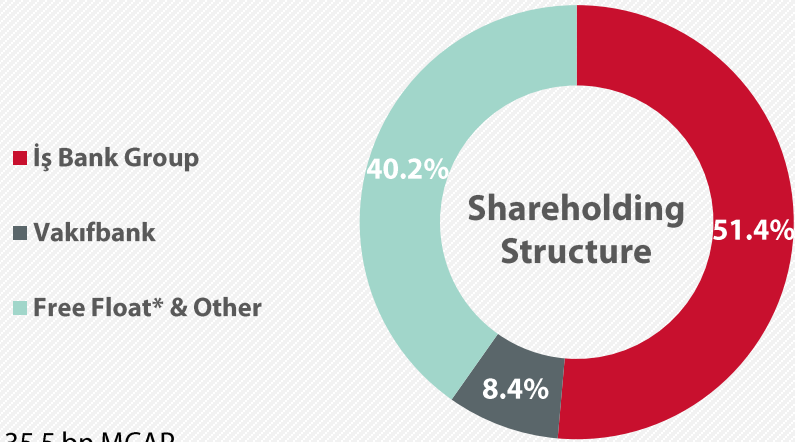
1Q-26 Bank-only Results



FTSE4Good



TSKB at a Glance



*TRY 35.5 bn MCAP
As of May 7th 2026

Ratings	TSKB	Turkey Sovereign
Fitch LTFC	BB-	BB-
Moody's LTIR	Ba3	Ba3
SAHA Corporate Governance Rating	9.67/10	
Sustainalytics ESG Risk Rating	7.4 Negligible Risk	

CORPORATE BANKING

Loan products that contribute to sustainable development of Turkish economy

- Corporate Loans
- Project Finance
- Other Loan Products

INVESTMENT BANKING

Products and services that create tailor-made value for its clients

- Corporate Finance
- Money and Capital Markets Advisory Services
- Derivates

ADVISORY SERVICES

Products and services driven by "Information-based Banking"

- Economic Research
- Financial and Technical Advisory
- Engineering





A Unique Business Model

Long Term Funding and Strong Liquidity

- Long term tenor in liabilities: 9.5 years
- Medium term in assets: 5 years
- Diversified funding tools
- Amortized loan book

Sustainable Relationship with Stakeholders

- Long-lasting relationship with DFIs* and FIs
- Ministry of Treasury and Finance
- DFI Mission Clubs
- Policy Makers
- Investors

✓ **Identifying the actual and future needs for sustainable development**

✓ **Sustainable Banking Income Generation**

✓ **Solid & Consistent Financial Ratios**

✓ **Securing those by way of utilization of existing resources and of reaching out potential ones**

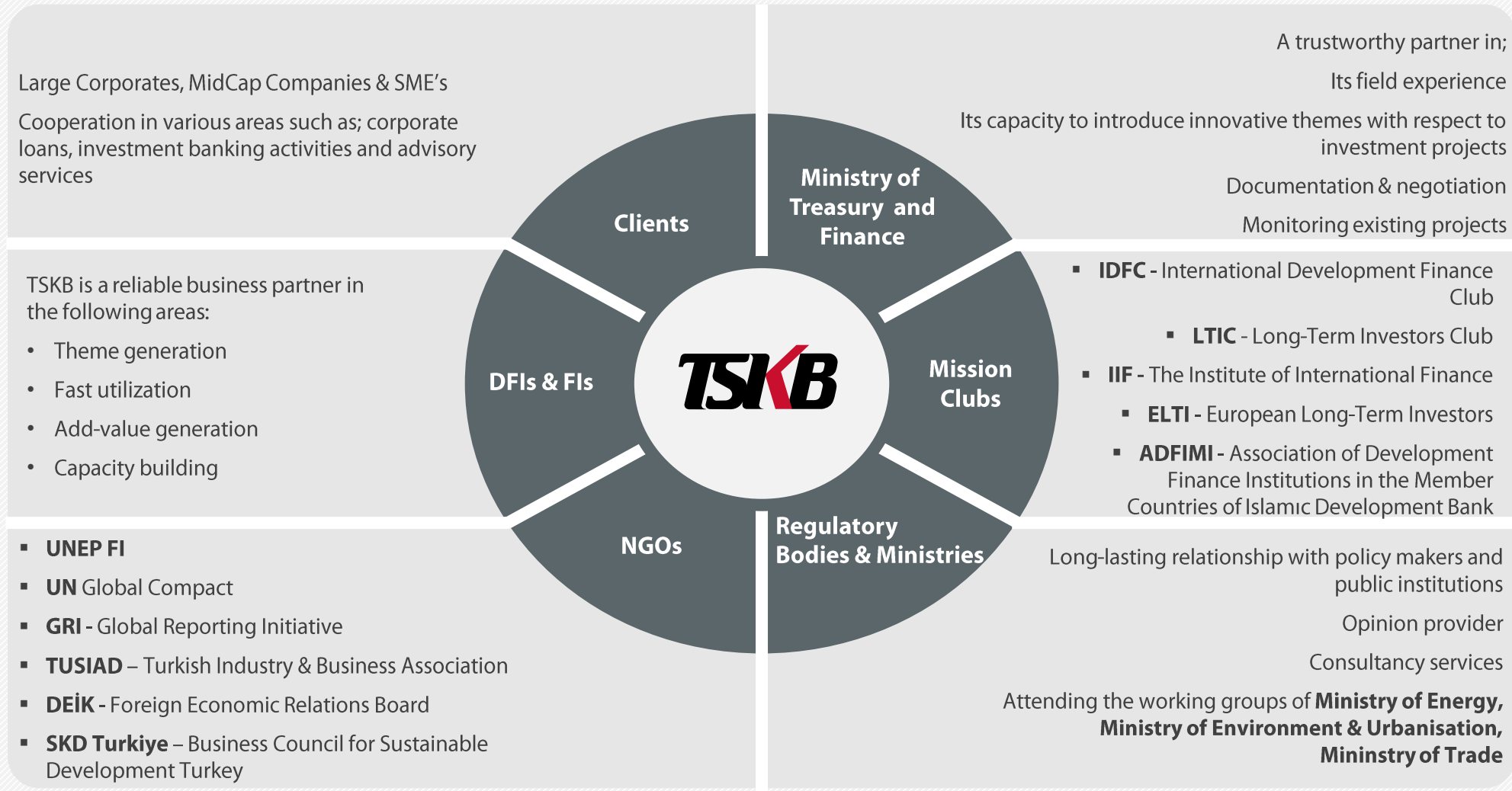
Prudent Credit Risk Assessment

- Multi-disciplinary assessment during allocation
- Sector specific research analysts during allocation and monitoring period
- Strong collateralization
- Well capture of clients

“Knowledge Banking”

- A strong technical team:
 - Economic research
 - Engineers
 - Financial Analysts
- Constant investment for the capacity expansion
- Advisory and investment banking teams

➤ Main Stakeholders of the Bank



➤ Sustainability is Well Integrated into Our Business Model



TSKB Sustainability Journey - I



TSKB Sustainability Journey - II

2021

TSKB's 3rd Sustainable Bond Issuance

Publication of the Climate Change Combat and Adaptation Policy

Publication of the first TCFD Recommendations-compliant Climate Risks Report in the Turkish financial sector

Expansion of the ERET Model to include Business Loans

2022

Launch of the Climate Risk Assessment Tool (CRET) for all loans

Net-Zero Banking Alliance (NZBA) signatory

Publication of TSKB Responsible Communication Policy and Guide

2023

Approval of TSKB's science-based targets by the Science Based Targets Initiative (SBTi)

Rising to 10th place among global banks with Sustainalytics ESG Risk Rating

Upgrade of CDP rating to leadership (A-) level

Inclusion of climate risks in the Bank's Risk Catalogue

2024

TSRS 2 Compliant 2023 Climate Risks Report

Coal Phase Out Commitment by 2035 with Revision of Climate Change Combat and Adaptation Policy

Equileap 1st place in "Emerging Markets Gender Equality" study

1st place in the Sustainable Business Awards with the 2023 Integrated Activity Report

75 years transforming the future yesterday, today and tomorrow of development

75 TSKB

Turkish Sustainability Reporting Standard & Report

2025

First Time in Turkey: Integrated Activity Report Fully Compliant with TSRS 1 and TSRS 2

First Time in the World: Report Audited in Compliance with IFRS S1 and IFRS S2

PCAF Signature

The only Turkish bank to qualify for the Corporate Knights World's Most Sustainable Companies List

Global A List in CDP Climate Change and Water Security modules

TSKB Gender Equality Certificate Program Launch



➤➤ 1Q26 Sustainable Banking Highlights

2025 Integrated Report

Published 2025 Integrated Annual Report, which includes the sustainability report in line with the **Turkish Sustainability Reporting Standards (TSRS)**.

Sustainable Finance

Target Revision

SDG-linked financing target of USD 10 billion by 2030, has been increased to **USD 15 billion**. In climate finance, the target has been raised from USD 4 billion to **USD 5 billion**.

New Social Target

A new social finance target of USD 3 billion for the 2024-2030 period.

Policy Revision

Revision of the Sustainability Policy and its complementary policies in line with best practices.

New

Nature and Biodiversity Policy

Published Nature and Biodiversity Policy as a complementary policy to the Sustainability Policy.

➤ Recent developments boosting our quarterly performance

Strong, frontloaded 6.3% FX loan growth given **USD 817 mn of long-term loan disbursements**

Outstanding liquidity & well diversified funding capacity

EUR 150 mn of loan agreement targeting circular economy was signed with AFD in April; and there is more to come.

Differentiating profitability ratios: 4.5% NIM, and 25% ROE (annualized)

Continued prudent stance, with no new stage 2 or NPL inflow

Advisory and non-cash loan business generated fee income **in line with targets**

TGF's 2nd investment was realized in April.

Comfortable solvency buffers supporting our growth strategy further

Strong 1Q26 results, in alignment with year-end targets

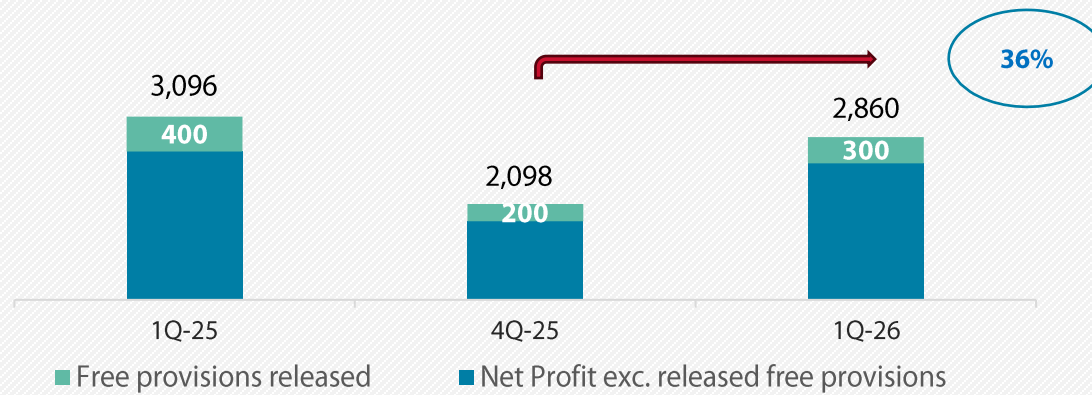
Financial Guidance (Bank Only)	1Q26	YE26 Guidance	Outlook
	%	%	
Growth			
FX Adjusted Loan Growth	6.3	Low Teens	Upside
Profitability			
Net Interest Margin	4.5	~4.5	On track
Fees & Commissions Growth	77	> 50	On track
Return On Equity*	22.8	~ 25	On track
Efficiency			
OPEX Growth	60	> Average CPI	On track
Solvency			
Capital Adequacy Ratio	18.9	~19.0	On track
Tier I Ratio	17.8	~18.0	On track
Asset Quality			
NPL Ratio	2.2	~ 2.5	On track
Net Cost of Risk (excluding currency impact)	-9 bps	~ 50 bps	On track



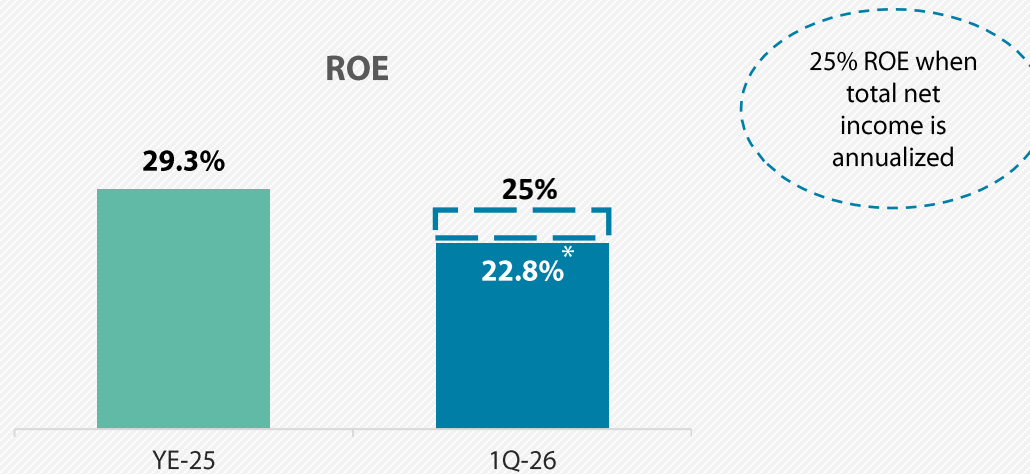
* ROE calculation excludes non-recurring items when annualizing net income for the remaining quarters of the year

TL 2.9 bn of solid quarterly net income was posted in 1Q26 with a qoq expansion of 36%

Net Profit - TL mn



ROE

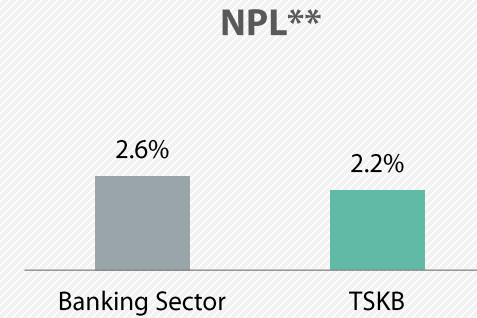
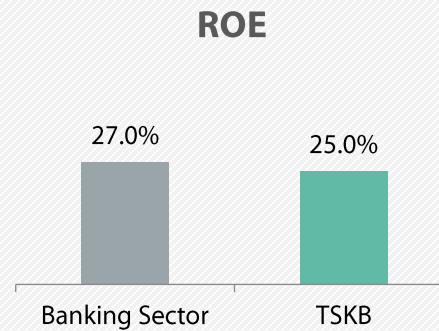
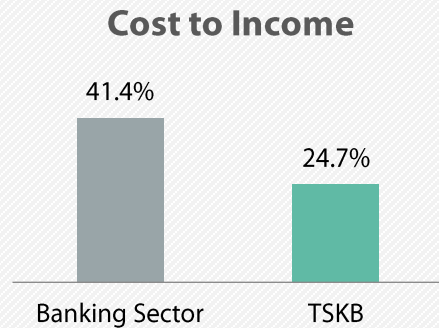
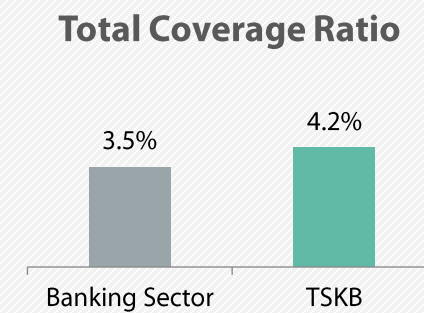
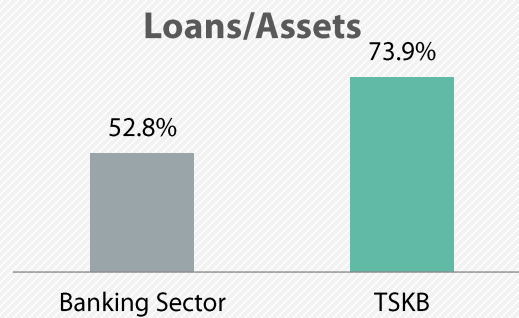
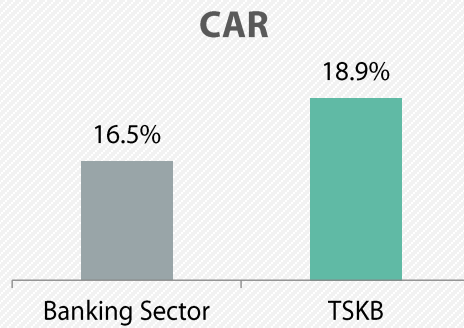


*Non-recurring items are not annualized in the ROE calculation.

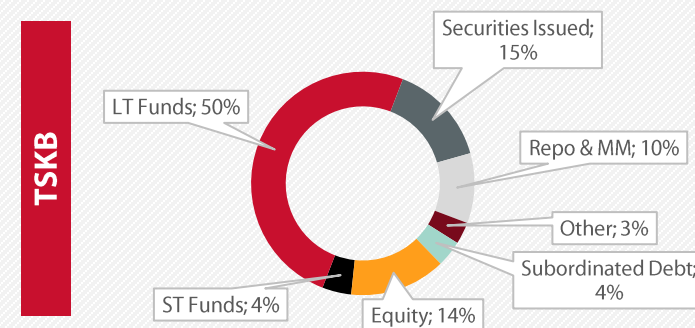
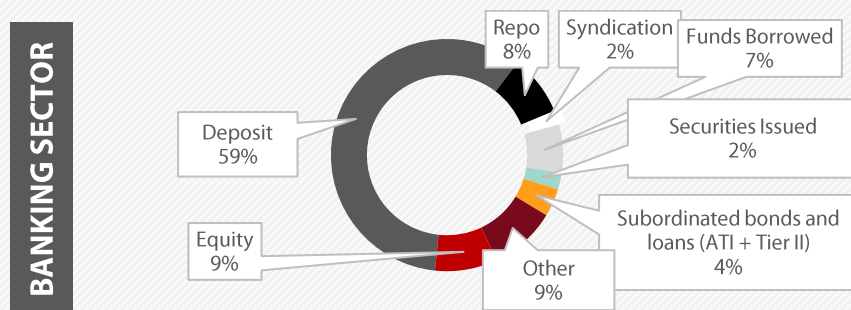
Strong coverage base on the top of free provision stock in place to support profitability

- ✓ Total coverage ratio stands at 4.2%
- ✓ Stock of free provisions TL 800 mn, by TL 300 mn reversal in 1Q26

Banking Sector vs TSKB



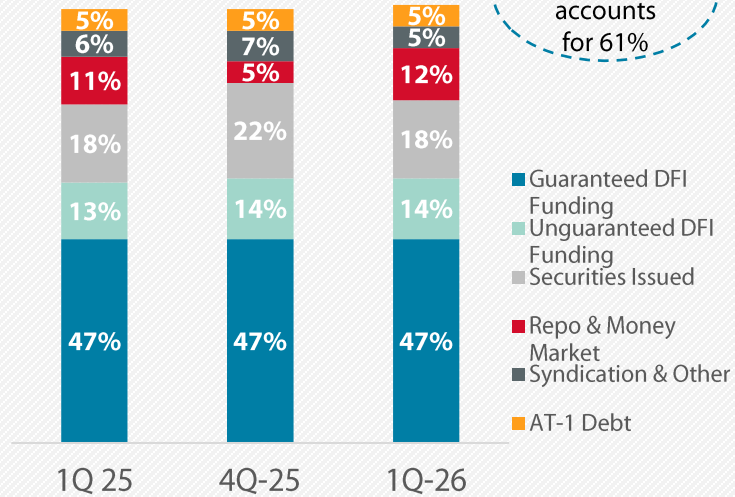
**TSKB has no NPL sales/write down



Majority of the funding is long term with an average maturity of 9.5 years.

Following a record breaking 2025, 2026 will be another record year for secured funding

Funding / Total Liabilities (exc. Equity & Other)



DFI funding accounts for 61%

- Guaranteed DFI Funding
- Unguaranteed DFI Funding
- Securities Issued
- Repo & Money Market
- Syndication & Other
- AT-1 Debt

Maturity Profile of External Debt - USD mn



Legend: DFI Funding (blue), Eurobond & PP (yellow), Money Market Funding (grey), Subordinated Debt (orange), Syndication & P/N etc. (red)

* USD 300 million AT-1 Eurobond has a call option in 2029.

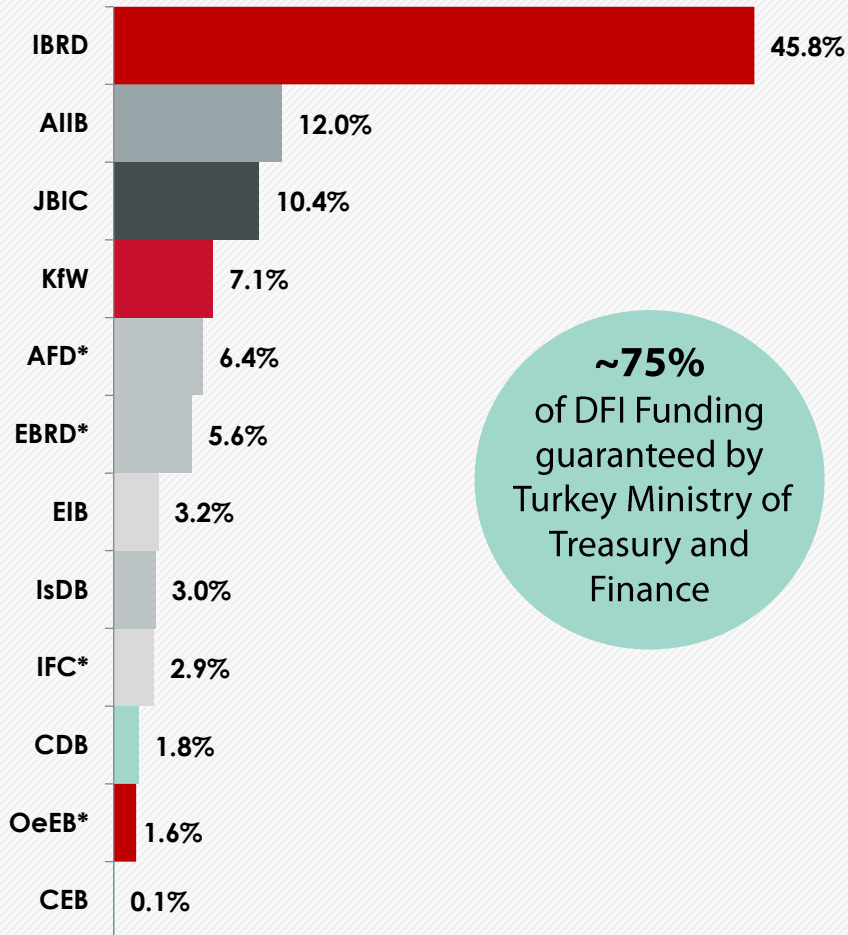
~ USD 900 mn & 100% MOTF Guaranteed Non-Withdrawn DFI Funding

Climate + Environment	83%
Earthquake Related Green Recovery	17%

FX Liquidity Coverage Ratio
~343%

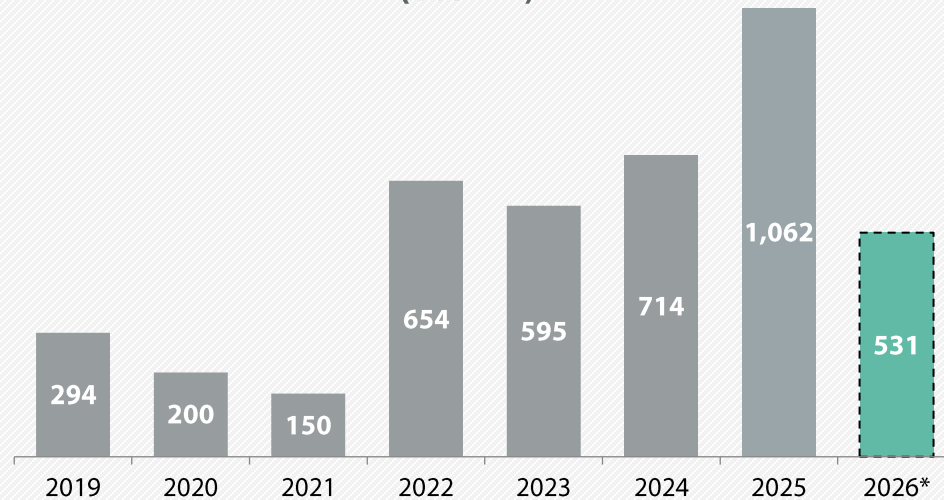
Long Term DFI Funding Base

Outstanding DFI Funding Base – 1Q-26



~75%
of DFI Funding
guaranteed by
Turkey Ministry of
Treasury and
Finance

Yearly Multilateral Funding Agreements
(USD mn)



- Loan agreement was signed In April.
- IBRD Partial Guaranteed Loan (MOTF counter-guaranteed) was signed in May.

Wholesale Funding in 2026

- ✓ PP | USD 198 million
- *Recent Developments
- ✓ AFD | EUR 150 million
- ✓ IBRD Partial Guaranteed Loan | EUR 300 million (MOTF counter-guaranteed)

➤ Outstanding Project Themes Shaping Future Loan Book

Energy and Resource Efficiency



Women's Employment and Equal Opportunity



Renewable Energy



Midcap Financing



Supporting Exporters



Regional Development



Supporting Employment



Sustainable Agriculture



Industrial Development



Sustainable Tourism



Occupational Health and Safety



Environmental Pollution Abatement in Industry



Innovation and R&D



Social Infrastructure

Health, Education & Clean Transportation



SME Support



Infrastructure



Earthquake-affected Regions

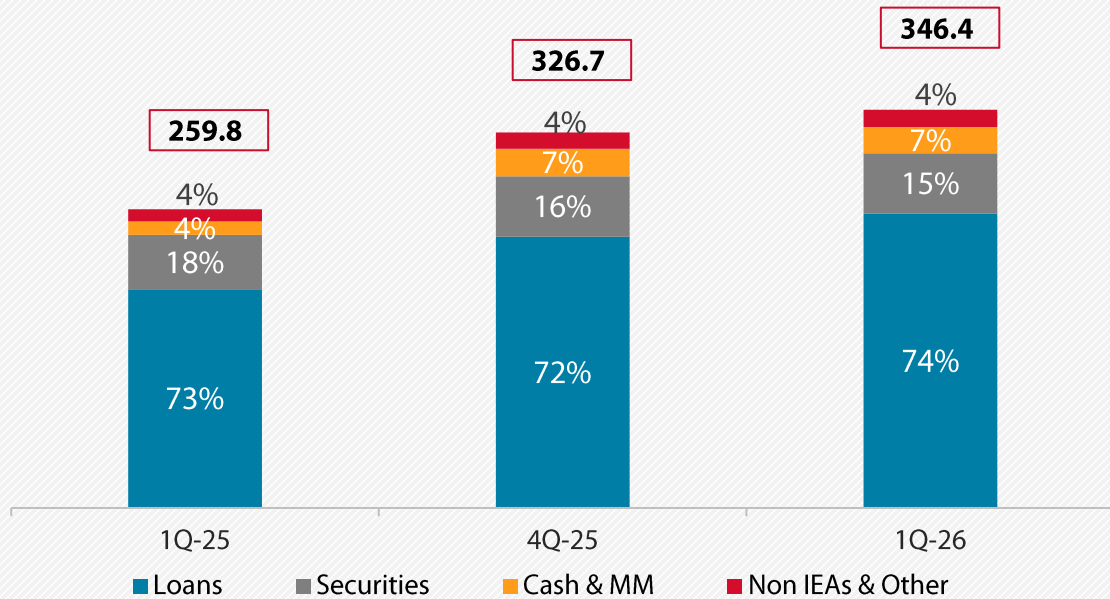


Circular Economy

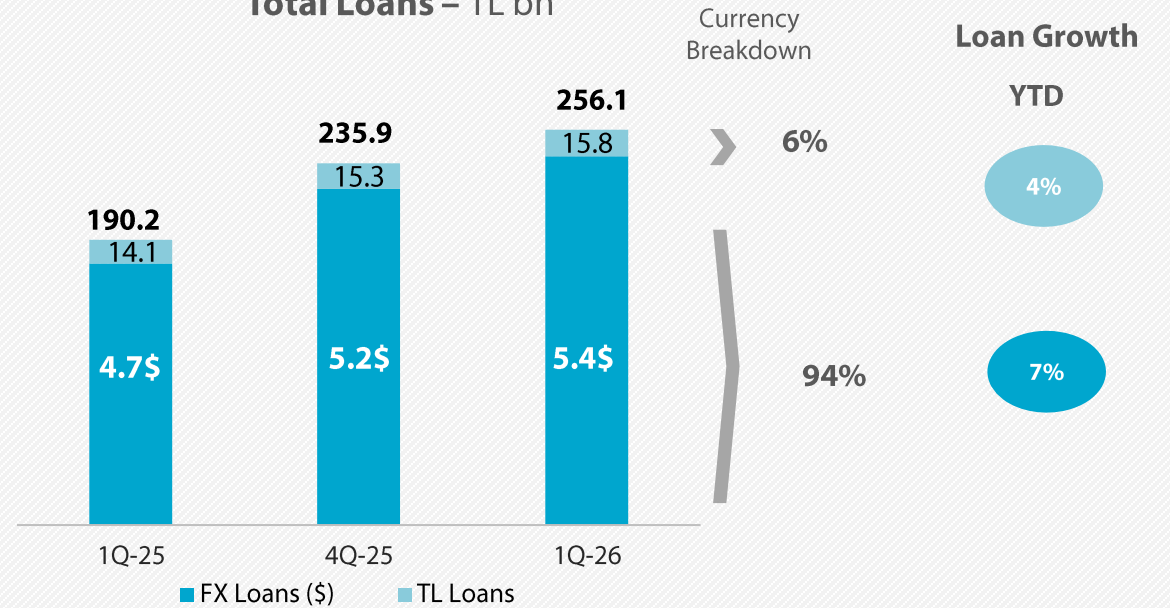


Sustaining Growth Through a Healthy Asset Base

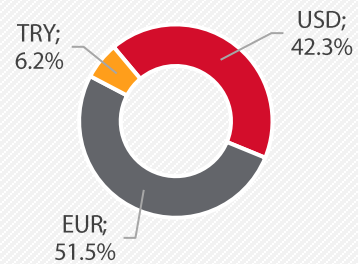
Asset Composition – TL bn



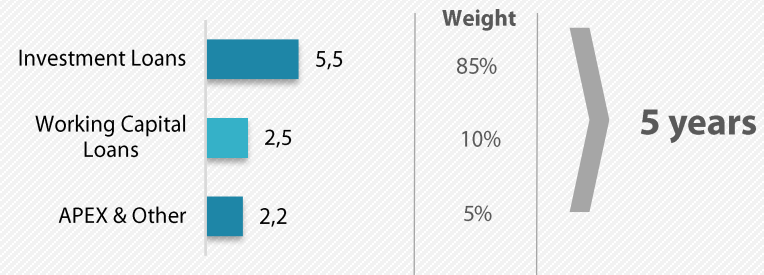
Total Loans – TL bn



1Q-26 Loans by Currency



Remaining Average Maturity - Years



No Maturity Mismatch in the Balance Sheet

Risk Management Pillars

Credit Risk

- Monitoring the clients individually with analysing the financials
- Preparing monitoring reports for the clients at least once a year
- Keeping track of internal and external (if it is done) ratings of the customers, reviewing the internal ratings annually
- Actively managing the companies that are categorized in watch list (defined as loans that are 30 to 90 days delinquent)
- The value of the collateral taken is generally above the value of the loan
- Bank's lending is subject to the principles and internal limits set by the Board of Directors

Market Risk

- Matching policy of assets and liabilities with fixed and floating interest rates in different currencies. Close matching structure of loans and funding for interest and currency risks
- Utilising derivative instruments, such as currency and interest rate swaps, as well as forward, futures and options transactions, for general hedging purposes
- Monitoring market risk on the Bank's trading book on a monthly basis with standard method and on a daily basis with VaR which does not exceed 1% of core capital
- While the BRSA maximum ratio of Net foreign exchange position / (Tier I + Tier II Capital) is set at 10%, TSKB maintains a much more conservative ratio

Operational Risk

- Effective internal control systems to prevent, detect and manage the operational risks which results in a very low level of losses in connection with operational risk
- In compliance with the regulations, holding capital for operational risk equal to the average over the previous three years of a fixed percentage (15%) of positive annual gross income
- Setting maximum limit for the operational risk exposure calculated according to the Basic Indicator Approach, of 10% of the Bank's total risk weighted assets
- Risks identified are reported to the Audit Committee and Board of Directors and "Monitoring Action Plans" are prepared accordingly

Liquidity Risk

- Liquidity ratios above the minimum regulatory levels proscribed by BRSA are maintained
- A policy of close matching of loans and funding maturities is adhered to liquidity risk
- Projections of Turkish Lira and foreign currency cash flows are produced

**The minimum ratio set by the BRSA for development and investment banks is 0%. For deposit banks, the minimum ratio is 80% for foreign currency and 100% in total. Our bank's liquidity coverage ratios remain above the thresholds set for deposit banks.*

Strong Risk Management Perspective

Loan Evaluation, Appraisal and Allocation

Engineering Vision

- Detailed technical analysis of the investment projects
- Capacity determination of the investments
- Review and justification of the business model
- Establishing & reporting KPIs
- Supporting innovative investments

Financial Analysis

- Detailed financial analysis of the subject company
- Cash flow projections
- Financial valuation
- Business model feasibility
- Social Impact assesment and measurement

Research Teams*

- New theme generation
- Macro and Sectoral Perspective
- Publishing sectoral reports
- Providing input for project valuation

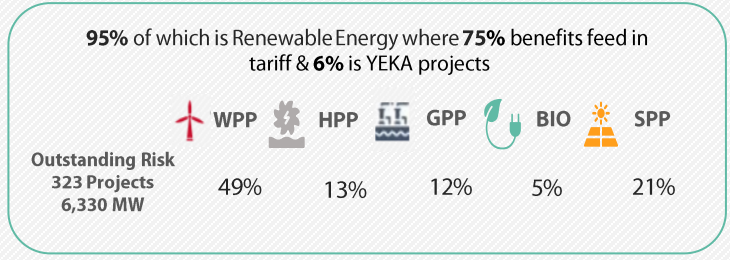
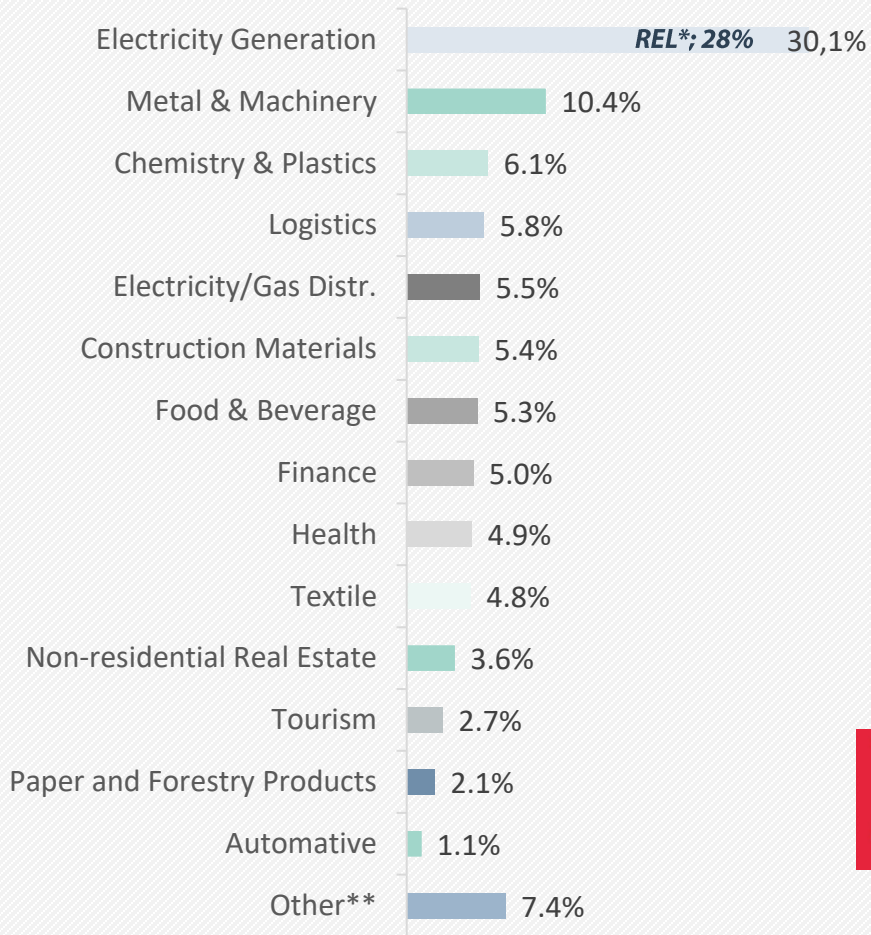


Monitoring and Collateralization

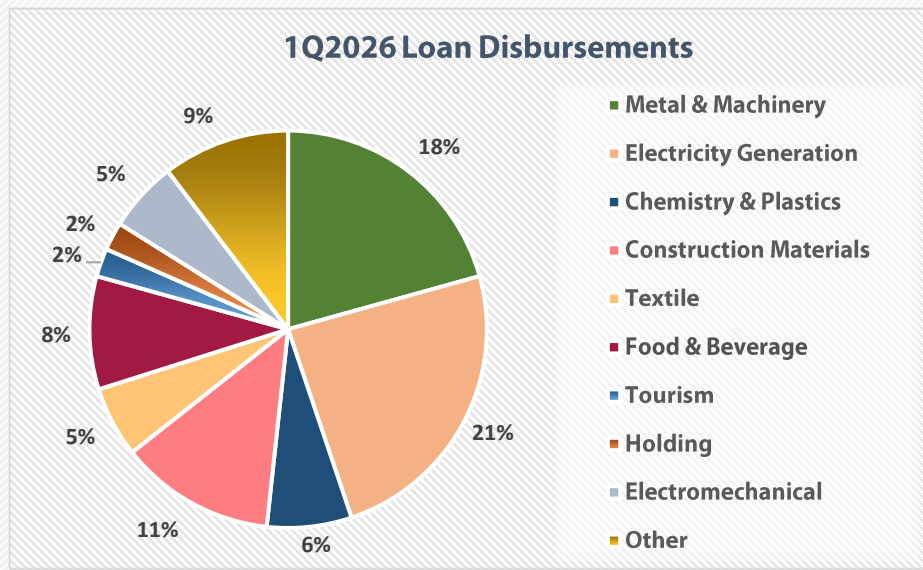
- Loan concentration is prudently watched during loan allocation and monitoring processes, and is also limited by internal ratios through Risk Management.
- TSKB has a comprehensive monitoring process involving
 - Compliance rules.
 - Credit risk monitoring for borrower and its group,
 - Collateral package monitoring,
 - Sectoral and regional analysis,
 - NPL management
- Collateral package for project finance loans includes
 - pledges over the shares,
 - mortgages over immovable
 - commercial enterprise pledges
 - pledges over bank accounts
 - project completion guarantees
 - assignment of receivables.

Strong and front-loaded 6.3% fx-adjusted loan growth

Outstanding Loan Portfolio by sector 1Q-26



- Strategic focus**
- Transition to Low Carbon Economy
 - Climate Adaptation
 - Reconstruction of Earthquake-affected Regions
 - Inclusiveness
 - Good Job Creation



*Excluding finance sector

Substantially Supported SDGs through Loan Activities



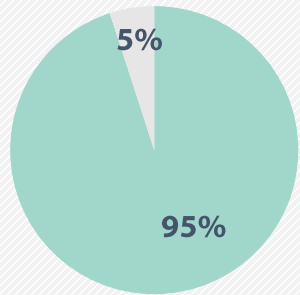
SDG-linked Loans account for **93%** of the portfolio.

Climate and Environment focused SDG-linked Loans account for **~60%** of the portfolio.

* Renewable Energy Loans
 **Mining, Packaging, Electromechanical, Retail and others

Our Renewable Energy Focus

Energy Portfolio Risk Breakdown



■ Renewable
■ Non Renewable

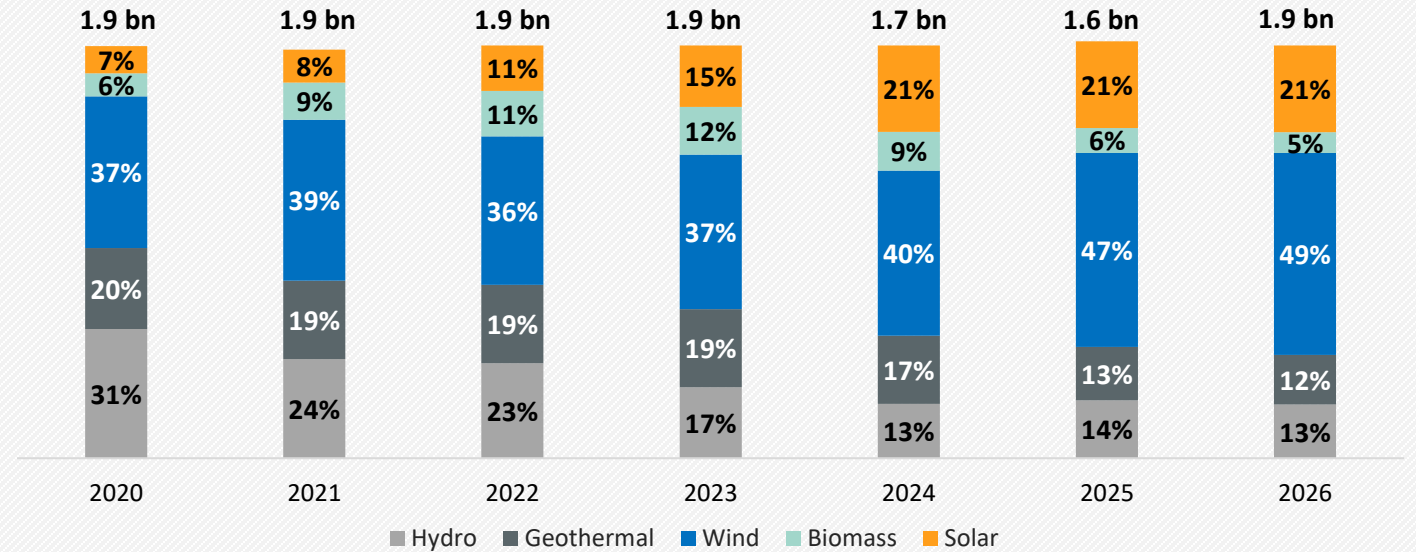
In terms of outstanding risk, **75%** of the operating energy projects are backed by Feed-in Tariff Mechanism (Yekdem).



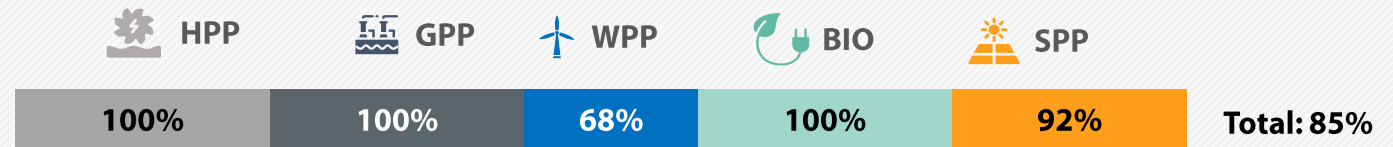
- With respect to number of projects, **85%** is **in operation**.
- With respect to their installed capacity (MW), **86%** is **in operation**.

*Number of renewable energy projects in the outstanding portfolio

Renewable Energy Portfolio (Outstanding - \$)

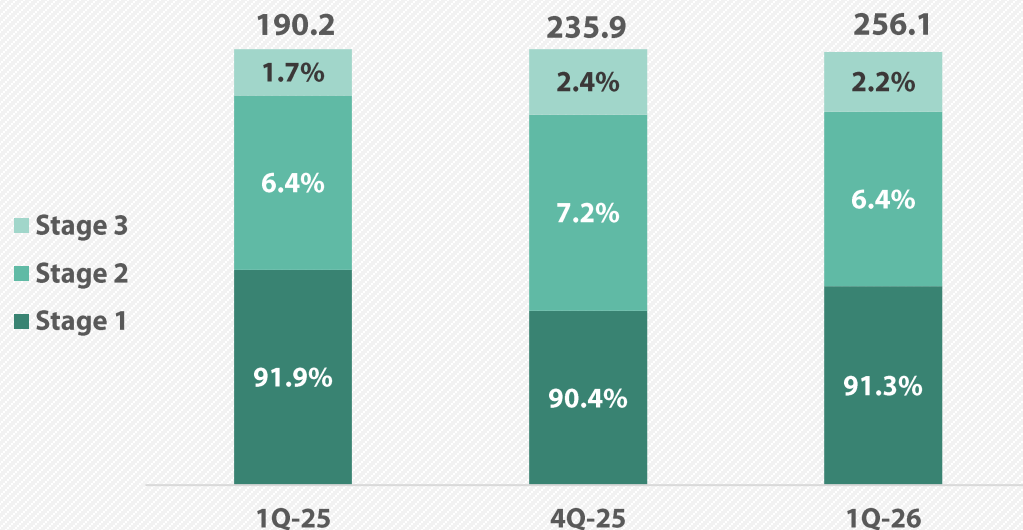


Operating Projects in the Energy Loan Book (In terms of Number)



➤ No new problematic loan (stage 2 & 3) inflows during 1Q26

Staging Breakdown
(mn TL Gross Loans)



Total Provision* (mn TL)

Stage 1

Stage 2

Stage 3

Total Coverage

Stage 1

Stage 2

Stage 3

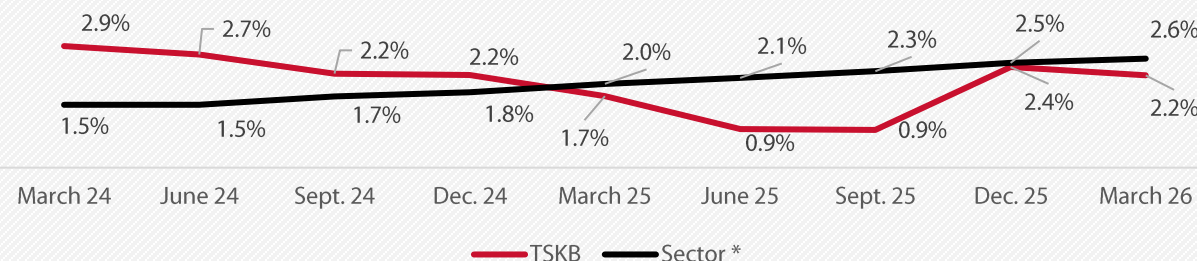
	1Q-25	4Q-25	1Q-26
Total Provision* (mn TL)	7,905	10,594	10,659
Stage 1	857	1,008	1,123
Stage 2	4,118	5,353	5,320
Stage 3	2,930	4,233	4,216
Total Coverage	4,2%	4,5%	4,2%
Stage 1	0,5%	0,5%	0,5%
Stage 2	33,6%	31,6%	32,3%
Stage 3	90,3%	74,1%	74,1%

-9 bps
Net CoR
(Excl. currency impact)

*Only cash loans are taken into consideration.

- %100 of Stage 2 & %30 of NPL portfolios are restructured
- Total NPL Coverage: **163%***
- Total Stage 2 Coverage: **100%****
- Total Free Provision Stock: **TL 800 mn**
- - 300 mn TL reversal in 1Q26

NPL/Total Loans (%)



*All Stage 3 loans are converted to TL

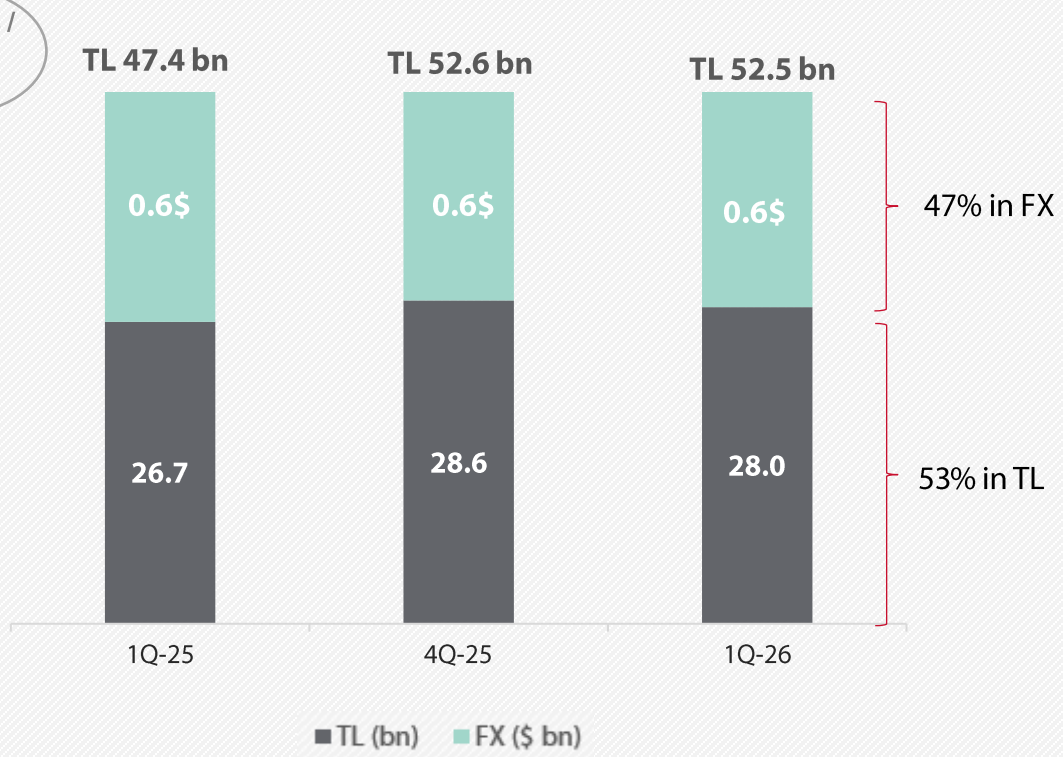
**Hard collateral & provisions are taken into consideration

* BRSA monthly data as of March-26

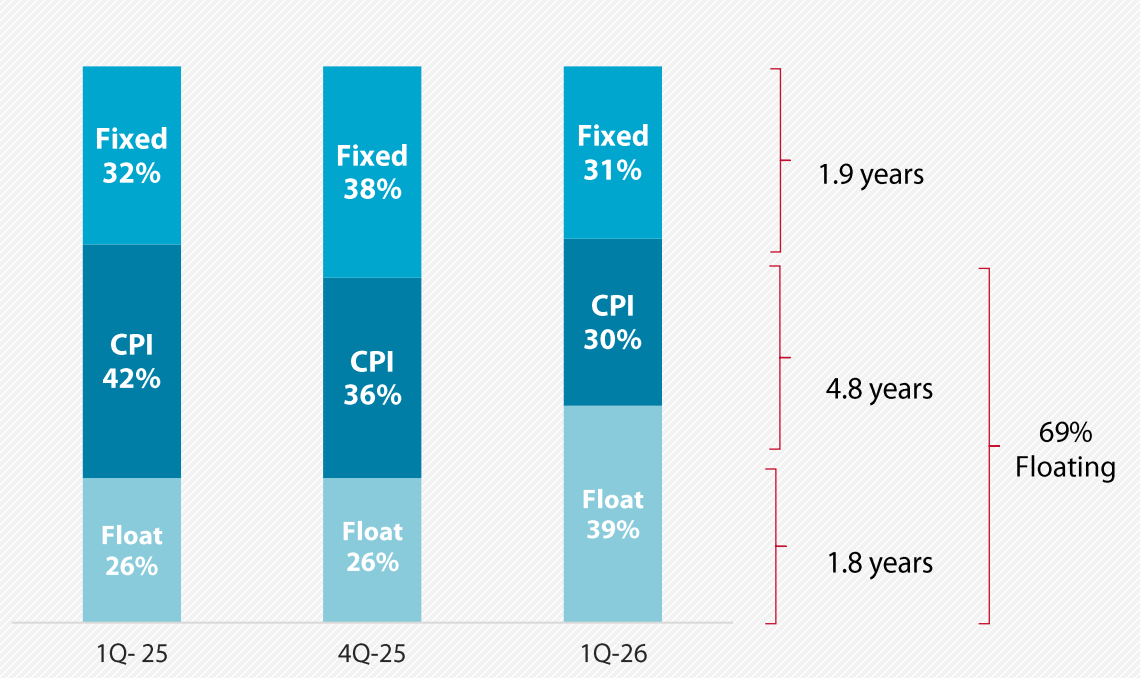
➤ Strategic moves in the recent years started to pay off, contributing to the bank's NII

Securities / Assets: 15,1%

Total Securities Portfolio Breakdown



TL Securities Portfolio Breakdown*



* Audit report values are taken into account



Strong quarterly net profit was supported by collections and notable decline in the provision expenses

TL mn	1Q-25	4Q-25	1Q-26	YoY	QoQ
Net Interest Income	3,151	3,962	3,465	10%	-13%
Trading Income/Loss	297	1,121	386	30%	-66%
Net Fees & Commissions	71	124	126	77%	1%
Other Income (Inc. Dividend)	747	264	558	-25%	112%
Banking Income	4,267	5,470	4,535	6%	-17%
OPEX (-)	689	988	1,104	60%	12%
Net Banking Income	3,578	4,482	3,431	-4%	-23%
Provisions (-)*	165	2,595	56	-66%	-98%
Income From Participations	528	613	372	-29%	-39%
Tax Provisions (-)	846	402	888	5%	121%
Net Profit	3,095	2,098	2,860	-8%	36%

* Non-cash loan and cash loan provisions

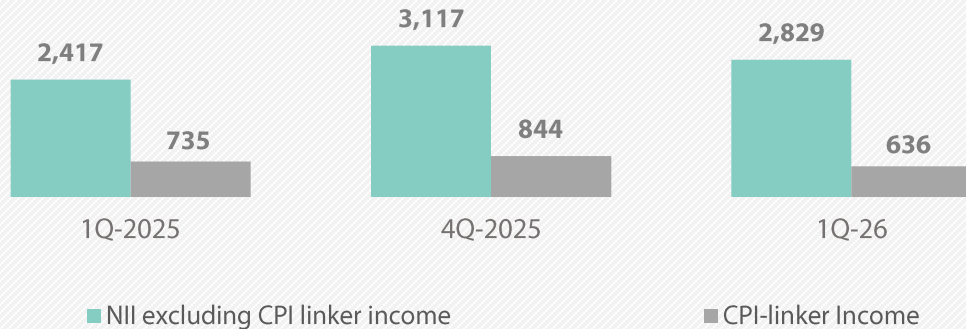
Based on MIS data

Interest expense of long and short term swaps, valuations of hedge positions for Eurobonds issued and exchange differences arising from rediscounts are adjusted under NII

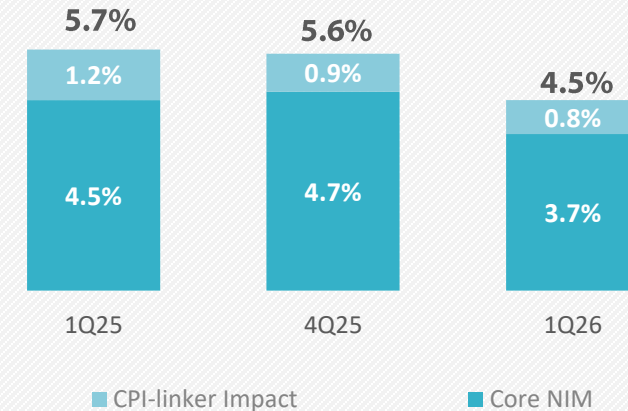
Provisions include Expected Credit Losses in the audited P&L excluding impairment expenses of marketable securities

Strong and resilient NII generation continues

Evolution of NIM Components (TL mn)



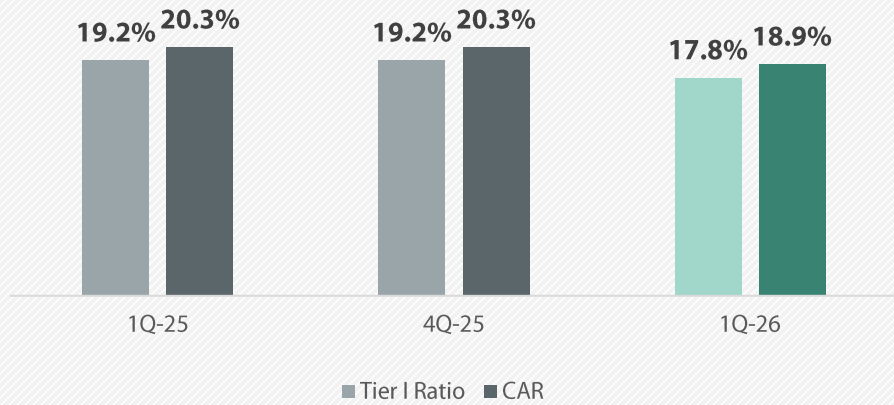
Annualized NIM



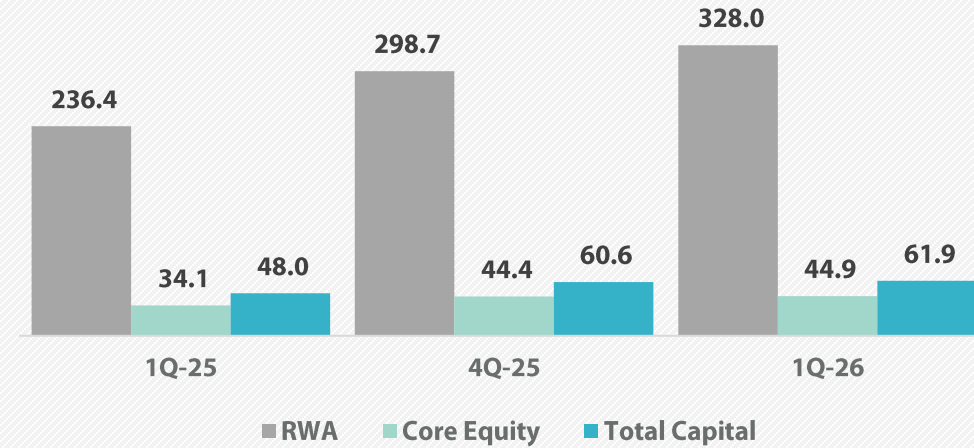
- ✓ **Strong and resilient NII generation continued on the back of relatively robust loan spreads and front-loaded loan growth as well as strategically managed security portfolio**
- ✓ **NII excluding CPI linker gains was up by 17% yoy and -9% qoq due to high base impact of 4Q driven by collections.**
- ✓ **Swap costs decreased substantially by %53 in 1Q26 given the lower utilization following the redemption of a Eurobond amounting to USD 350 mn.**
- ✓ **CPI-linker assumption was revised up to 25.7% from 24.1%, resulting to TL 120 mn of extra income for the whole year.**

➤ Maintained strong solvency metrics supports our growth strategy

Capital Ratios



Evolution of RWA and Equity – TL bn

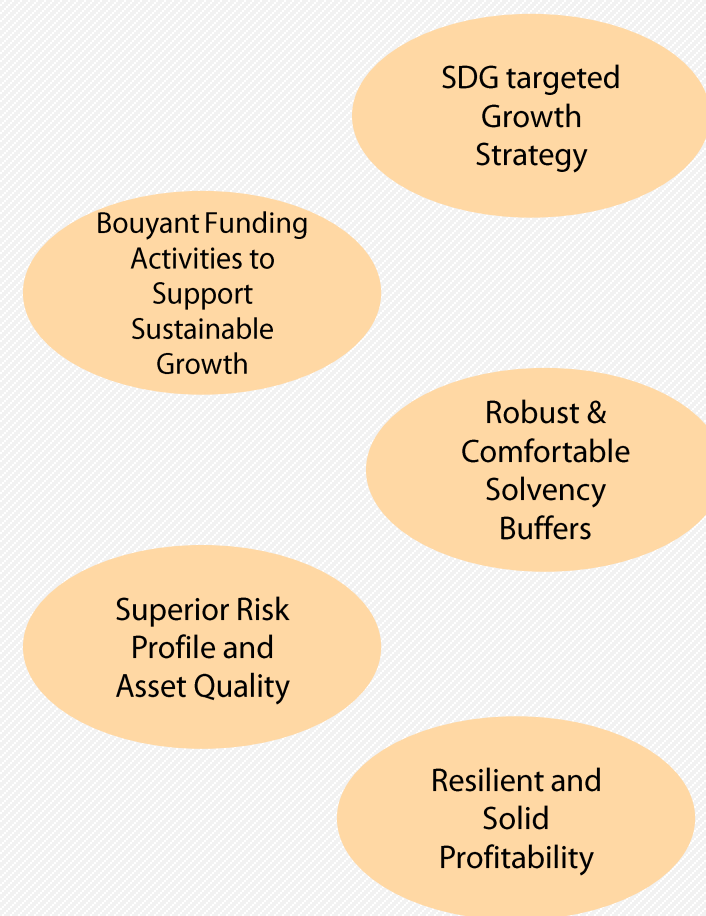


CAR Evolution



➤ YE-26 Guidance: TSKB remains committed to its growth strategy, underpinned by its solid performance figures

Financial Guidance (Bank Only)	YE26 Guidance %
Growth	
FX Adjusted Loan Growth	Low Teens
Profitability	
Net Interest Margin	~4.5
Fees & Commissions Growth	> 50
Return On Equity	~ 25
Efficiency	
OPEX Growth	> Average CPI
Solvency	
Capital Adequacy Ratio	~19.0
Tier I Ratio	~18.0
Asset Quality	
NPL Ratio	~ 2.5
Net Cost of Risk (excluding currency impact)	~ 50 bps





Appendix

Appendix: Balance Sheet

TL mn	31.03.2025			31.12.2025			31.03.2026		
	TL	FX	TOTAL	TL	FX	TOTAL	TL	FX	TOTAL
Cash and Banks	4,376	7,229	11,604	9,818	14,142	23,961	7,706	15,135	22,841
Securities	26,718	20,679	47,397	28,567	24,011	52,579	28,036	24,442	52,478
Loans (Gross)	14,052	176,174.37	190,227	15,258	220,622	235,880	15,841	240,240	256,081
Provisions	- 3,105	- 4,857	- 7,962	- 4,319	- 6,295	- 10,614	- 4,303	- 6,371	- 10,674
Subsidiaries	9,991	997	10,988	13,094	1,212	14,306	13,485	1,286	14,770
Other	6,006	1,553	7,559	9,357	1,189	10,545	8,604	2,291	10,895
Total	58,039	201,775	259,813	71,775	254,882	326,657	69,369	277,022	346,391
ST Funds	-	13,516	13,516	-	19,112	19,112	-	14,662	14,662
LT Funds	-	128,779	128,779	-	168,180	168,180	-	174,216	174,216
Securities Issued	-	39,906	39,906	-	60,594	60,594	-	51,555	51,555
Repo & MM	13,152	10,375	23,527	3,717	8,641	12,358	16,044	19,258	35,303
Other	4,562	3,057	7,620	3,287	4,332	7,618	3,555	7,433	10,988
Subordinated Debt	-	11,315	11,315	-	13,143	13,143	-	13,297	13,297
Shareholders' Equity	34,918	232	35,150	45,152	499	45,651	46,033	338	46,371
Total	52,632	207,181	259,813	52,156	274,501	326,657	65,632	280,759	346,391



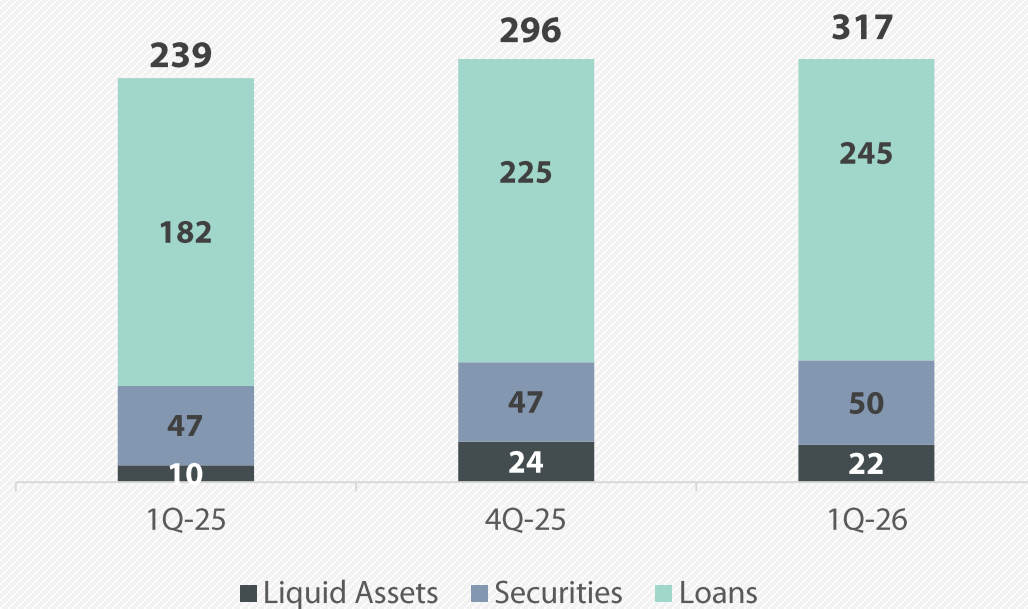
Appendix: Detailed Income Statement

TL mn	1Q-25	4Q-25	1Q-26	QoQ	YoY
Net Interest Income inc. Swap Cost	3,151	3,962	3,465	-13%	10%
NII exc. CPI & Swap cost	2,857	4,475	3,474	-22%	22%
CPI Linkers Income	735	844	636	-25%	-13%
Swap Costs	-440	-1,358	-645	-53%	46%
Net Fees & Commissions	71	124	126	1%	77%
Other Income	747	264	558	112%	-25%
Dividends	5	0	50	n.m.	900%
Other	742	264	508	93%	-32%
Reversals from Free Provisions	400	200	300	50%	-25%
Trading & FX gains/losses	297	1,121	386	-66%	30%
FX gains/losses	174	732	275	-62%	58%
Trading & MtM gain/loss	123	389	110	-72%	-10%
Banking Income	4,267	5,470	4,535	-17%	6%
OPEX	-689	-988	-1,104	12%	60%
Net Banking Income	3,578	4,482	3,431	-23%	-4%
Provisions	165	2,615	56	-98%	-66%
ECL *	-165	-2,595	-56	-98%	-66%
Free & Other Provisions	0	-20	0	n.m.	n.m.
Income From Subsidiaries	528	613	372	-39%	-29%
Pre-Tax Income	3,940	2,499	3,748	50%	-5%
Tax	-846	-402	-888	121%	5%
Net Income	3,095	2,098	2,860	36%	-8%



Appendix: Evolution of strategically managed Interest Earning Assets

Interest Earning Assets (bn TL)



- ✓ Interest Earning Assets were up by 7% QoQ and 33% YoY, which was driven by
- High FX denomination
 - Growth strategy



Appendix: Stage 2 Loans Breakdown

Stage 2 Loans		
Sector	%	Coverage (%)
Electricity Generation	41	36
Non-residential Real Estate	34	22
Electricity/Gas Distribution	15	51
Telecom/Logistics	3	10
Automotive Supply Industry	3	30
Metal and Machinery	2	9
Health	1	50
Other	1	40
TOTAL	100	32

66% of Electricity Generation loans are Renewable



Appendix: Net Cost of Risk Calculation

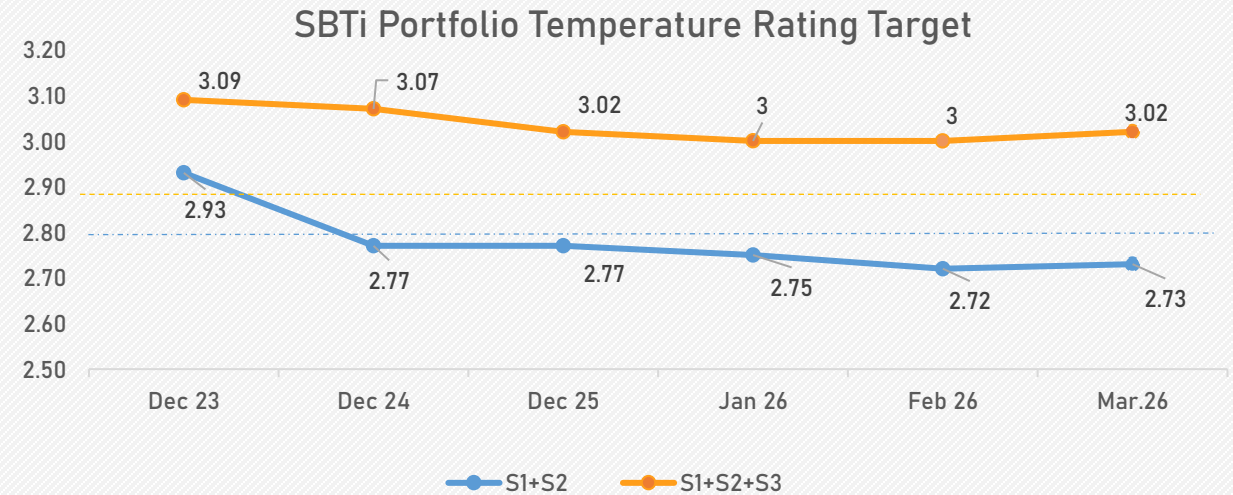
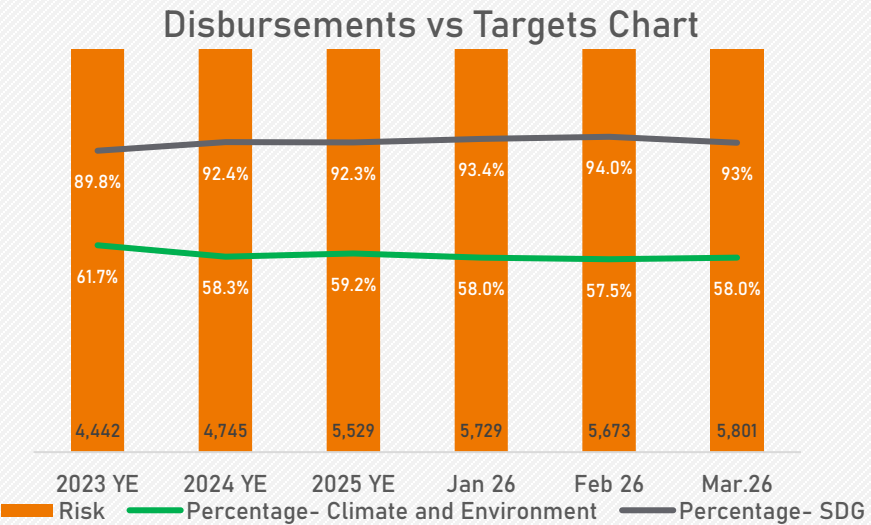
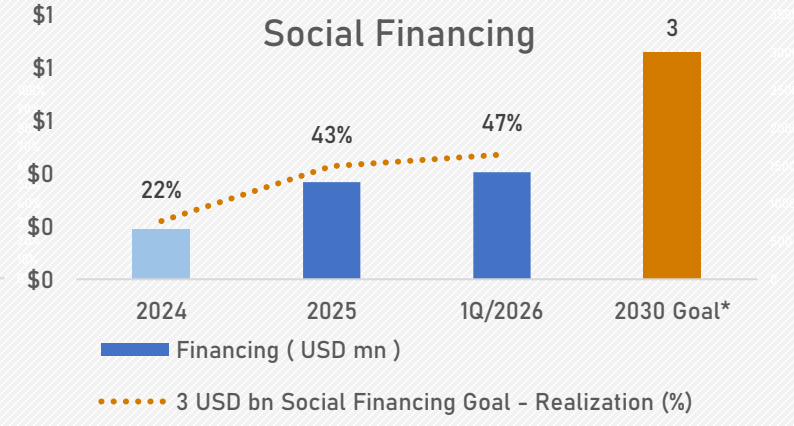
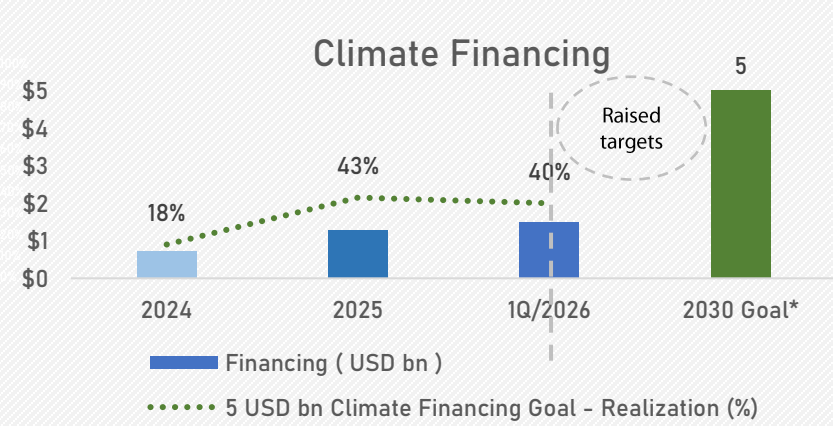
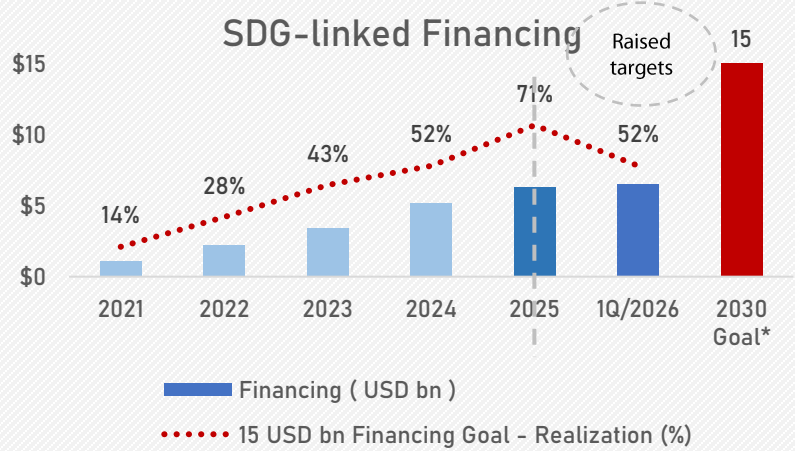
Provisions (TL mn)	1Q26
Stage 1*	76
Stage 2**	-38
Stage 3	17
Reversals*** (TL mn)	-34
Net CoR	8 bps
<i>Currency Impact</i>	<i>17bps</i>
Net CoR excl. Currency Impact	-9bps

**Stage 1 provision costs are adjusted with TL 2.4 mn provisions set aside for securities.*

***Stage 1&2 provisions are shown netted off by Stage 1&2 reversals.*

****Reversals depicted in the table are attributable to Stage 3 Loans. (Collections are assumed as non-recurring one-off items and they are not annualized)*

Appendix: Our Sustainability Goals and Realizations



As of 2026, the SDG-linked financing target has been increased from USD 10 billion to USD 15 billion, while the climate finance target has been raised from USD 4 billion to USD 5 billion. In addition, a social finance target of USD 3 billion has been established for the same period through 2030.

Appendix: ESG Ratings



Constituent company in
the FTSE4Good Index Series



Listed in Global 100 Most
Sustainable Corporations in the
World by Corporate Knights



Sustainalytics ESG Risk Rating

Negligible Risk Category

7.4

First place in Türkiye
12th place among global development banks



Sustainable Fitch

3 (62/100)

First place in Türkiye
Above global average



LSEG ESG Score

84

BIST Sustainability 25 Index
BIST Sustainability Index

S&P Global

S&P Global CSA

52

Newly joined



MSCI ESG Rating

Newly joined

Pending

FitchRatings

ESG Credit Relevance Score

3

Neutral-to-minimal

MOODY'S

ESG Credit Impact Score

2

Neutral-to-low

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