TÜRKİYE SINAİ BANKASI A.Ş. KALKINMA

U.S.$2,000,000,000
Global Medium Term Note Programme

Under this U.S.$2,000,000,000 Global Medium Term Note Programme (the "**Programme**"), Türkiye Sınai Kalkınma Bankası A.Ş., a banking institution organised as a public joint stock company under the laws of Türkiye and registered with the İstanbul Trade Registry under number 42527 (the "**Bank**", "**TSKB**" or the "**Issuer**"), may from time to time issue notes (the "**Notes**") denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

Notes may be issued in bearer or registered form (respectively "**Bearer Notes**" and "**Registered Notes**"). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.$2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to: (a) one or more of the Dealers specified under "*Overview of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis, and/or (b) one or more investors purchasing Notes directly from the Issuer. References in this Base Prospectus to the "relevant Dealer" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks, see "*Risk Factors*".

This Base Prospectus has been approved by the Central Bank of Ireland, as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The Central Bank of Ireland only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended ("**MiFID II**") (the "**Regulated Market**") and/or which are to be offered to the public in any Member State of the European Economic Area (the "**EEA**"). Application has been made to Euronext Dublin for Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to its official list (the "**Official List**") and to be admitted to trading on the Regulated Market. References in this Base Prospectus to the Notes being "listed" (and all related references) shall mean that, unless otherwise specified in the applicable Final Terms, the Notes have been admitted to the Official List and trading on the Regulated Market.

Application has been made to the Capital Markets Board of Türkiye (the "**CMB**"), in its capacity as competent authority under Law No. 6362 (as amended, the "**Capital Markets Law**") of the Republic of Türkiye ("**Türkiye**") relating to capital markets, for the issuance and sale of Notes by the Issuer outside of Türkiye. No Tranche (as defined in "*Terms and Conditions of the Notes*") of the Notes can be sold before the necessary approvals and an approved issuance certificate (*ihraç belgesi*) are obtained from the CMB. As a pre-condition to the CMB approval, an application has been made to the Banking Regulation and Supervision Agency (the "**BRSA**") for the issuance of Notes to investors outside of Türkiye.

The CMB approval relating to the issuance of Notes (including Sustainable Notes) based upon which any offering of the Notes will be conducted was obtained on 15 January 2026 (as per the CMB approval letter dated 16 January 2026 and numbered E-29833736-105.02.02-84577). A written approval of the CMB relating to any issuance of Notes (which may be in the form of a tranche issuance certificate (*tertip ihraç belgesi*) or in any other form required under the applicable legislation) will be required to be obtained from the CMB on or before any sale and issuance of each Tranche of Notes.

Under current Turkish tax law, withholding tax may apply to payments of interest on the Notes. See "*Taxation – Certain Turkish Tax Considerations*".

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under "*Terms and Conditions of the Notes*") of Notes will be set out in a final terms document (the "**Final Terms**") which, with respect to Notes to be listed on Euronext Dublin, will be filed with the Central Bank of Ireland and Euronext Dublin. Copies of such Final Terms will also be published on the website of Euronext Dublin at https://live.euronext.com/en/markets/dublin/bonds/list.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or any U.S. State securities laws, and may be offered (a) for sale in the United States only in registered form to persons reasonably believed to be qualified institutional buyers ("**QIBs**") as defined in and in reliance upon Rule 144A under the Securities Act ("**Rule 144A**") and (b) for sale outside the United States to persons other than U.S. persons in reliance upon Regulation S under the Securities Act ("**Regulation S**"). See "*Form of the Notes*" for a description of the manner in which Notes will be issued. The Notes are subject to certain restrictions on transfer (see "*Subscription and Sale and Transfer and Selling Restrictions*").

Notes issued under the Programme are expected to be rated B1 (for long-term issuances) and NP (for short-term issuances) by Moody's Investors Service Limited ("**Moody's**") and BB- (for foreign currency long-term issuances), BB- (for domestic currency long-term issuances) and B (for short-term issuances) by Fitch Ratings Limited ("**Fitch**", and together with Moody's, the "**Rating Agencies**"). The Issuer has also been rated by the Rating Agencies, as set out on pages 226 and 227 of this Base Prospectus. The Rating Agencies are not registered under Regulation (EC) No. 1060/2009, as amended (the "**CRA Regulation**") or included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation. Moody's rating is endorsed by its affiliate Moody's Deutschland GmbH. Fitch's rating is endorsed by its affiliate Fitch Ratings Ireland Limited. Moody's Deutschland GmbH and Fitch Ratings Ireland Limited are established in the European Economic Area ("**EEA**") and included in such list of credit rating agencies published by the ESMA. Notes may either be rated or unrated. Where a Tranche of Notes is so rated (other than unsolicited ratings), such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the rating assigned to the Programme by the Rating Agencies. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Amounts payable on Floating Rate Notes will be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the applicable Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation. Not every reference rate will fall within the scope of the Benchmarks Regulation. Transitional provisions in the Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms (or, if located outside the EU, recognition, endorsement or equivalence). The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Bank does not intend to update the relevant Final Terms to reflect any change in the registration status of the administrator.

This Base Prospectus is valid for 12 months. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

Arrangers

Citigroup **Commerzbank**

Dealers

Abu Dhabi Commercial Bank	**Bank ABC**	**BNP PARIBAS**
Citigroup	**Commerzbank**	**Emirates NBD Capital**
ING	**Morgan Stanley**	**SMBC**
	Standard Chartered Bank	

The date of this Base Prospectus is 28 April 2026.

This Base Prospectus comprises a base prospectus for the purposes of the Prospectus Regulation. This document does not constitute a prospectus for the purpose of Section 12(a)(2) of, or any other provision of or rule under, the Securities Act.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Base Prospectus shall be read and construed on the basis that such documents are incorporated in, and form part of, this Base Prospectus.

To the fullest extent permitted by law, none of the Dealers accept any responsibility for the information contained in or incorporated by reference into this Base Prospectus or any other information provided by the Issuer in connection with the Programme or for any statement made, or purported to be made, by a Dealer or on its behalf in connection with the Programme. Each Dealer accordingly disclaims all and any liability that it might otherwise have (whether in tort, contract or otherwise) in respect of the accuracy or completeness of any such information or statements.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should determine for itself the relevance of the information contained or incorporated in this Base Prospectus and make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer based upon such investigation as it deems necessary. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

None of the Issuer, the Arrangers or any of the Dealers makes any representation as to the suitability of any Sustainable Notes (as defined below), including the listing or admission to trading thereof on any dedicated 'green', 'environmental', 'sustainable', 'social' or other equivalently-labelled segment of any stock exchange or securities market, to fulfil any green, social, environmental or sustainability criteria or labels (including in relation to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy Regulation**") and any related technical screening criteria, Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and

for sustainability-linked bonds which became applicable on 21 December 2024 (the "**EU Green Bond Regulation**"), Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("**SFDR**") and any implementing legislation and guidelines, or any similar legislation in the United Kingdom (the "**UK**")) required by any prospective investors, or any requirements of such criteria and/or labels as they may evolve from time to time. The Arrangers and the Dealers have not undertaken, nor are they responsible for, any assessment of the eligibility criteria for Eligible Sustainable Projects (as defined below), any verification of whether the Eligible Sustainable Projects meet such criteria, the monitoring of the use of proceeds of any Sustainable Notes (or amounts equal thereto) or the allocation of the proceeds by the Issuer to particular Eligible Sustainable Projects. No assurance is given by the Issuer, the Arrangers or the Dealers or any other person that the use of the proceeds of issue of any Sustainable Notes will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which any investor or its investments are required to comply. Investors should refer to the Sustainability Framework (as defined below) which the Issuer may publish from time to time, any second party opinion delivered in respect thereof, and any public reporting by or on behalf of the Issuer in respect of the application of the proceeds of any issue of Sustainable Notes for further information. Any such sustainability framework and/or second party opinion and/or public reporting will not be incorporated by reference in this Base Prospectus and neither the Arrangers nor any of the Dealers makes any representation as to the suitability or contents thereof.

The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither (i) this Base Prospectus nor (ii) any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in Türkiye, the UK, the United States, the EEA, Japan, the Kingdom of Bahrain, Hong Kong, Switzerland, Singapore and Thailand (see "*Subscription and Sale and Transfer and Selling Restrictions*").

In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes being offered, including the merits and risks involved. The Notes have not been approved or disapproved by the United States Securities and Exchange Commission (the "**SEC**") or any other securities commission or other regulatory authority in the United States and, other than the approvals of the CMB, the BRSA and the Central Bank of Ireland described herein, have not been approved or disapproved by any other securities commission or other regulatory authority in Türkiye or any other jurisdiction, nor have the foregoing authorities (other than the Central Bank of Ireland to the extent described herein) approved this Base Prospectus or confirmed the accuracy or determined the adequacy of the information contained in this Base Prospectus. Any representation to the contrary might be unlawful.

None of the Dealers or the Issuer makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

(i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;

(ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and

(v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or to review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The Issuer has obtained the CMB approval letter (dated 16 January 2026 and numbered E-29833736-105.02.02-84577) and the CMB approved issuance certificate (in Turkish: *onaylanmış ihraç belgesi*) as approved with the CMB decision dated 15 January 2026 and numbered 3/94 (amounting to U.S.$750,000,000), CMB approval letter (dated 16 January 2026 and numbered E-29833736-105.02.02-84577) and the CMB approval issuance certificate (in Turkish: *onaylanmış ihraç belgesi*) as approved with the CMB decision dated 15 January 2026 and numbered 3/94 (amounting to U.S.$500,000,000 for green/sustainable debt issuances) (together, the "**CMB Approval**") based upon which any offering of the Notes might be conducted. The Issuer has also obtained the BRSA approval letters for issuance of Sustainable Notes in relation to issuances other than sustainable and green issuances issued per the Green Debt Instruments, Sustainable Debt Instruments, Green Lease Certificates, Sustainable Lease Certificates Guide published by the CMB on 24 February 2022 (together, the "**BRSA Approval**" and, with the CMB Approval, the "**Programme Approvals**") required for the issuance of Notes under the Programme. The maximum principal amount of securities that the Bank can issue under the CMB Approval is U.S.$1,250,000,000 (or its equivalent in other currencies) (U.S.$500,000,000 for green/sustainable debt issuances and U.S.$750,000,000 for other issuances) (the "**Approved Issuance Limit**"); *provided* that, in order to issue Notes in Turkish Lira, the Issuer will be required to obtain a new approval from the BRSA. As per the Green Debt Instruments, Sustainable Debt Instruments, Green Lease Certificates, Sustainable Lease Certificates Guide published by the CMB on 24 February 2022, in order to make green issuances outside Türkiye, the Issuer should obtain a separate approval from the CMB in addition to the CMB Approval mentioned above. It should be noted that, regardless of the outstanding aggregate principal amount of Notes

or the amount permitted to be issued under the Programme, unless the Bank obtains new approval(s) from the CMB, the aggregate principal amount of securities issued under the CMB Approval (whether issued under the Programme or otherwise) cannot exceed the Approved Issuance Limit. In addition to the Programme Approvals, but only to the extent (and in the form) required by applicable law, an approval of the CMB in respect of each Tranche of Notes is required to be obtained by the Issuer on or before the Issue Date of such Tranche, which date will be specified in the applicable Final Terms. The scope of the Programme Approvals might be amended and/or new approvals from the CMB and/or the BRSA might be obtained from time to time. The Notes issued under the Programme prior to the respective dates of the Programme Approvals were issued under previously existing BRSA and CMB approvals. Pursuant to the Programme Approvals, the offer, sale and issue of Notes under the Programme has been authorised and approved in accordance with Decree No. 32 on the Protection of the Value of the Turkish Currency (as amended from time to time, "**Decree 32**"), the Banking Law No. 5411 of 2005, as amended (the "**Banking Law**") and its related legislation, the Capital Markets Law and its related regulation and the Communiqué on Debt Instruments.

In addition, the Notes may only be offered or sold outside of Türkiye in accordance with the Programme Approvals. Under the CMB Approval, the CMB has authorised the offering, sale and issue of any Notes on the condition that no transaction that qualifies as a sale or offering of Notes in Türkiye may be engaged in. Notwithstanding the foregoing, pursuant to the BRSA decisions dated 6 May 2010 No. 3665 and dated 30 September 2010 No. 3875 and in accordance with Decree 32, residents of Türkiye: (a) may purchase or sell Notes denominated in a currency other than Turkish Lira in offshore transactions on an unsolicited (reverse inquiry) basis in the secondary markets only; and (b) may purchase or sell Notes denominated in Turkish Lira in offshore transactions on an unsolicited (reverse inquiry) basis in both the primary and secondary markets. Further, pursuant to Article 15(4)(ii) of Decree 32, Turkish residents may purchase or sell Notes offshore on an unsolicited (reverse inquiry) basis; *provided* that such purchase or sale is made through licensed banks or licensed brokerage institutions authorised pursuant to BRSA and/or CMB regulations and the purchase price is transferred through licensed banks authorised under BRSA regulations. As such, Turkish residents should use licensed banks or licensed brokerage institutions when purchasing Notes and should transfer the purchase price through licensed banks authorised under BRSA regulations. Monies paid for the purchases of Notes are not protected by the insurance coverage provided by the Savings Deposit Insurance Fund (the "**SDIF**").

Pursuant to the Communiqué on Debt Instruments, the Issuer is required to notify the Central Securities Depository of Türkiye (*Merkezi Kayıt Kuruluşu*) (the "**CRA**") within three Turkish business days from the applicable Issue Date of a Tranche of Notes of the amount, issue date, ISIN (if any), interest commencement date, maturity date, interest rate, name of the custodian, currency of the Notes and the country of issuance.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

Some statements in this Base Prospectus may be deemed to be forward-looking statements. Forward-looking statements include statements concerning the Issuer's plans, objectives, goals, strategies, future operations and performance and the assumptions underlying these forward-looking statements. When used in this Base Prospectus, the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "aims", "seeks", "may", "might", "will", "should" and any similar expressions generally identify forward-looking statements. Forward-looking statements appear in a number of places throughout this Base Prospectus, including (without limitation) in the sections titled "*Risk Factors*", "*Use of Proceeds*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Business of the Group*" and include, but are not limited to, statements regarding, the Group's strategy and objectives, as well as statements regarding the Group's intentions, beliefs or current expectations regarding future business, results of operations and financial condition, asset portfolios, loan loss reserves, capital spending, outcomes of legal proceedings and the degree of the Group's potential exposure to market risk and other risk factors. Forward-looking statements involve risks, uncertainties and assumptions and actual results may differ materially from those expressed in forward-looking statements, including due to the following factors:

- credit risk in relation to the Group's borrowers and other counterparties;
- the Group's reliance on loans guaranteed by the Turkish government and financing by DFIs;
- risks related to the Group being controlled by Türkiye İş Bankası A.Ş.;
- competition in the Turkish banking sector;
- the impact on profitability and profitability growth of the Group as a result of regulatory, competitive and other factors impacting the Turkish banking sector;
- the potential negative effect of volatility in interest rates and foreign currencies, and particularly volatility of the Turkish Lira;
- the Group's degree of exposure to project finance and energy loans and feed-in tariffs;
- the potential negative effect of the rapid growth of the Group's loan portfolio on asset quality;
- ability to meet minimum capital adequacy requirements;
- insufficiency of the value of the collateral securing the Group's loans and advances;
- sustainability of the level of earnings on the Group's securities portfolio;
- changes in applicable laws, regulations or interpretation and enforcement thereof;
- continued volatility of the Turkish banking sector; and
- a number of political, economic and legal risks related to Türkiye.

The Issuer has based these forward-looking statements on the current view of its management with respect to future events and financial performance. Although the Issuer believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable as of the date of this Base Prospectus, if one or more of the risks or uncertainties materialise(s), including those identified below or which the Issuer has otherwise identified in this Base Prospectus, or if any of the Issuer's underlying assumptions prove to be

incomplete or inaccurate, the Issuer's actual results of operation may vary from those expected, estimated or predicted and those variations may be material.

Although the Issuer has identified all material risks in the section titled "*Risk Factors*", there may be other risks, including some risks of which the Issuer is unaware, that could adversely affect the Group's results or the accuracy of forward-looking statements in this Base Prospectus.

Potential investors should not place undue reliance upon any forward-looking statements. Any forward-looking statements contained in this Base Prospectus speak only as at the date of this Base Prospectus. Without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward-looking statement is based.

STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action or over-allotment may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

U.S. INFORMATION

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") and the regulations promulgated thereunder.

The Notes may be offered or sold within the United States or to, or for the account or benefit of U.S. persons, as defined in Regulation S ("**U.S. person**"), only to QIBs in registered form and in transactions exempt from registration under the Securities Act in reliance on Rule 144A or any other applicable exemption. Each purchaser of Registered Notes that is a U.S. person or is in the United States is hereby notified that the offer and sale of any Notes to it may be being made in reliance upon the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A.

Notes represented by a Rule 144A Global Notes or any Notes issued in registered form in exchange or substitution therefor (together "**Legended Notes**") will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in "*Subscription and Sale and Transfer and Selling Restrictions*". Unless otherwise stated, terms used in this paragraph have the meanings given to them in "*Form of the Notes*".

The SEC has issued an order exempting the Bank from all provisions of the Investment Company Act of 1940, as amended (the "**ICA**"), in connection with the offer and sale of the Bank's debt securities in the United States.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are "restricted securities" within the meaning of the Securities Act, the Issuer has undertaken in a deed poll dated 17 July 2019 (the "**Deed Poll**") to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, any of the Notes to be transferred remain outstanding as "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act and the Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**") nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

Important – EEA Retail Investors – If the Final Terms in respect of any Notes includes a legend entitled 'Prohibition of Sales to EEA Retail Investors', the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Important – UK Retail Investors – If the Final Terms in respect of any Notes includes a legend entitled 'Prohibition of Sales to UK Retail Investors', the Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

MiFID II product governance / target market – The Final Terms in respect of any Notes may include a legend entitled 'MiFID II Product Governance' which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the

Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR product governance / target market – The Final Terms in respect of any Notes may include a legend entitled 'UK MiFIR Product Governance' which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

Notice in relation to Canada – The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), some or all of the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Product Classification pursuant to Section 309B of the Securities and Futures Act 2001 – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time, the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018).

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Presentation of Financial Information

The Bank is required to maintain its books of account and prepare financial statements in accordance with the BRSA Principles. The Bank's and the Group's BRSA Financial Statements (as defined below) are used for determinations of the Bank's and the Group's compliance with Turkish regulatory requirements established by the BRSA, including for the calculation of capital adequacy ratios. The financial statements incorporated by reference herein, which include the Group's consolidated and the Bank's unconsolidated financial statements as of and for each of the years ended 31 December 2023, 31 December 2024 and 31 December 2025 (in each

case, including any notes thereto and the independent auditor's audit report thereon), have been prepared and presented in accordance with BRSA Accounting and Financial Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette No. 26333 dated 1 November 2006, and other regulations on the accounting records of Banks published by Banking Regulation and Supervision Board and circulars and interpretations published by the BRSA and Turkish Financial Reporting Standards ("**TFRS**") for those matters not regulated by the aforementioned regulations. For the matters that are not regulated by such laws, the Turkish Accounting Standards 34 ("**TAS 34**") Interim Financial Reporting Standard and the "Turkish Financial Reporting Standards" ("**TFRS**") issued by the Public Oversight, Accounting and Auditing Standards Authority (in Turkish: *Kamu Gözetimi Muhasebe ve Denetim Standartları Kurumu*) (the "**POA**"), (collectively "**BRSA Principles**"), except for the free provisions (which are outside of the requirements of BRSA Accounting and Financial Reporting Legislation) recognised by the Bank. The independent auditor's report issued in connection with each of the BRSA Financial Statements incorporated by reference herein includes a qualification regarding free provisions recognised by the Bank. See "*Risk Factors – Other Group Related Risks – Qualified Audit Opinion – The independent auditor's reports in relation to each of the BRSA Financial Statements include a qualification*".

The Bank's and the Group's BRSA Financial Statements incorporated by reference herein have been prepared in accordance with Turkish Financial Reporting Standards 9 (Financial Instruments), which are the IFRS 9-compliant financial reporting standards of Türkiye ("**TFRS 9**").

Neither the Bank nor the Group are required by law to prepare accounts under any accounting standards other than according to the BRSA Principles. As such, the financial information included in this Base Prospectus has not been prepared in accordance with International Financial Reporting Standards as endorsed in the European Union based on Regulation (EC) No 1606/2002 ("**IFRS**") and therefore there may be material differences in the financial information had Regulation (EC) No 1606/2002 been applied to the historical financial information. See Appendix 1 "*Overview of Significant Differences between IFRS and BRSA Accounting Principles*".

Each of the Group's consolidated and the Bank's unconsolidated annual financial statements as of and for the years ended 31 December 2023 (together, the "**2023 BRSA Financial Statements**"), 31 December 2024 (together, the "**2024 BRSA Financial Statements**") and 31 December 2025 (together, the "**2025 BRSA Financial Statements**", and together with the 2023 BRSA Financial Statements and the 2024 BRSA Financial Statements, the "**BRSA Financial Statements**") have each been prepared and presented in accordance with BRSA Principles. It is important to note that the consolidated BRSA Financial Statements are prepared with inclusion of only financial subsidiaries whereas other equity participations are included as noted in the following paragraph. When referenced with respect to a particular financial period, the BRSA Financial Statements shall be understood to refer to that particular financial period only.

The BRSA Financial Statements have been prepared in TL, under the historical cost convention except for the financial asset, liabilities and land and buildings revaluation model which are carried at fair value.

Refer to Section Three Note I of the 2025 BRSA Financial Statements which details that there are differences between accounting principles and standards set out by regulations in conformity with BRSA Accounting and Financial Reporting Legislation and the accounting principles generally accepted in countries in which the accompanying consolidated and unconsolidated financial statements are to be distributed and IFRS including with regard to the non-application of IAS 29 Financial Reporting in Hyperinflationary Economies.

In March 2022, the International Practices Task Force of the Centre for Audit Quality, which monitors countries experiencing high inflation, categorised Türkiye as a country with a three-year cumulative inflation rate greater than 100 per cent. as of 28 February 2022. On 23 November 2023, the POA published an

announcement requiring entities that apply Turkish Financial Reporting Standards ("**TFRS**") to present their financial statements by adjusting for the impact of inflation for the annual period ending on or after 31 December 2023 in accordance with the principles set out in TAS 29, Financial Reporting in High Inflation Economies ("**TAS 29**"); however, this announcement also provided that institutions authorised to regulate and supervise Turkish companies (e.g., the BRSA as the regulator of Turkish banks) may determine a different transition date and, on 12 December 2023, the BRSA announced that such shall not apply for banks for BRSA Financial Statements as of and for the year ended 31 December 2023 (as of the date of this Base Prospectus, no statement has yet been made with respect to later accounting periods). On 11 January 2024, the BRSA announced that inflation adjustment will apply for banks for accounting periods starting from 1 January 2025. Such implementation has since been further delayed by the BRSA, including its 5 December 2024 announcement that such shall not apply for banks for the year ended 31 December 2025. On 18 December 2025, the BRSA repealed its prior decision regarding the application of inflation accounting and determined that banks and other financial institutions subject to BRSA supervision would not be required to apply inflation accounting. As a result: (a) the BRSA Financial Statements incorporated by reference into this Base Prospectus have not applied the inflation adjustment standards of TAS 29 and there is no obligation to apply such standards to BRSA Financial Statements for future periods.

The 2023 BRSA Financial Statements have been audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst & Young Global Limited) ("**EY**"), independent auditors. The 2024 BRSA Financial Statements and 2025 BRSA Financial Statements have been audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of PricewaterhouseCoopers International Limited) ("**PwC**"), independent auditors in accordance with the Regulation on Independent Audit of Banks published by the BRSA on the Official Gazette No. 29314 dated 2 April 2015 (the "**Turkish Auditor Regulation**") and the Standards on Independent Auditing (the "**SIA**"), that are part of Turkish Standards on Auditing issued by the POA. See the independent auditors' audit reports accompanying the BRSA Financial Statements and incorporated by reference into this Base Prospectus, which are qualified. See "*Risk Factors – Other Group Related Risks – Qualified Audit Opinion – The independent auditor's reports in relation to each of the BRSA Financial Statements include a qualification*" for more information.

Unless otherwise indicated, the financial information presented herein is based upon the BRSA Financial Statements and has been extracted from the BRSA Financial Statements without material adjustment. The BRSA Financial Statements, all of which are in English, were prepared as convenience translations of the Turkish language BRSA Financial Statements (which translations the Bank confirms were direct and accurate). The English language BRSA Financial Statements were not prepared for the purpose of their inclusion in this Base Prospectus.

Certain figures included in, or incorporated by reference into, this Base Prospectus have been subject to rounding adjustments (e.g., certain U.S. Dollar amounts have been rounded to the nearest million). Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Unless otherwise indicated, the sources for statements and data concerning the Bank and its business are based upon best estimates and assumptions of the Bank's management. The Bank's management believes that these assumptions are reasonable and that its estimates have been prepared with due care. The data concerning the Bank included herein, whether based upon external sources or based upon the Bank's internal research, constitute the best current estimates of the information described.

Except as expressly incorporated by reference into this Base Prospectus, the contents of any website referenced herein do not form part of (and are not incorporated into) this Base Prospectus.

Presentation of Non-GAAP Measures of Financial Performance or Alternative Performance Measures

To supplement the Group's consolidated financial statements presented in accordance with BRSA Principles, the Group uses certain ratios and measures included in this Base Prospectus that would be considered non-GAAP financial measures (as these measures are not defined under IFRS or BRSA Principles) and Alternative Performance Measures ("**APMs**") as defined in the European Securities and Markets Authority Guidelines ("**ESMA Guidelines**"). For the Group, these measures include (without limitation):

- *average interest earning assets*: for a particular period, this is: the sum of the quarterly averages of loans and receivables (performing), securities portfolio, banks and money market placements calculated by averaging the amount of interest earning assets as the balance sheet date immediately prior to the commencement of such period (i.e., for 31 December of the previous year) and each intervening quarter-end date (i.e., 31 March, 30 June, 30 September and 31 December, as applicable);

- *average shareholders' equity*: for a particular period, unless stated otherwise, this is calculated by averaging the amount of shareholders' equity (when calculated for the Group excluding non-controlling interest) as of the balance sheet date immediately prior to the commencement of such period (e.g., for any year, 31 December of the previous year) and each intervening quarter-end date (i.e., 31 March, 30 June, 30 September and 31 December, as applicable) or year-end date, as applicable;

- *average total assets*: for a particular period, this is the average of the amount of total assets as of the balance sheet date immediately prior to the commencement of such period (e.g., for any calendar year, 31 December of the previous year) and each intervening quarter-end date during such period;

- *compound annual growth rate ("**CAGR**")*: CAGR is calculated by dividing the ending value by the initial value, raising the result to the power of one divided by the period length and subtracting one from the subsequent result.

- *cost to average total assets*: for a particular period, this is: (a) the "cost" (calculated as total operating expenses) for such period as a percentage of (b) the average total assets (determined on a quarterly basis);

- *cost to income ratio*: for a particular period, this is: (a) the "cost" (calculated as total operating expenses) for such period divided by (b) the "income" (calculated as total operating income) for such period;

- *coverage ratio:* as of a particular date, this is (a) the total amount of specific provisions as of such date divided by (b) non-performing loans, as of such date;

- *expected credit losses*: expected credit losses are calculated based upon a probability-weighted estimate of credit losses (the present value of all cash shortfalls) over the expected life of the financial asset. A cash shortfall is the difference between the cash flows that are due based upon the contract and the cash flows that are expected to be received. The calculation of expected credit losses per each stage is summarised below:

    - *Stage 1*: 12-month expected credit loss represents the expected credit losses that result from default events on a financial asset that are possible within the 12 months after the reporting date and are calculated as the portion of lifetime expected credit losses. This 12-month expected credit loss is calculated based upon a probability of default realised within 12 months after the reporting date. This expected 12-month probability of default is applied on an expected exposure at default,

multiplied by the loss at a given default rate and discounted with the original effective interest rate.

- *Stage 2*: When a financial asset has shown a significant increase in credit risk since origination, an allowance for the lifetime expected credit losses is calculated for such financial asset. It is similar to the description for Stage 1, but the probability of default and the loss at a given default rate are estimated through the life of the financial asset. Estimated cash shortfalls are discounted by using the original effective interest rate.

- *Stage 3*: For financial assets considered to be impaired, the lifetime expected credit losses are calculated. This methodology is similar to Stage 2 and the probability of default is taken into account as 100 per cent;

- *free capital ratio*: as of a particular date, this is: (a) the Group's total shareholders' equity as of such date minus NPLs excluding provisions, the Group's tangible assets (net), intangible assets, tax asset and investments in equity participations (i.e., the sum of investment in associates (net)), investment in subsidiaries (net) and entities under common control (joint ventures) (net)) as of such date as a percentage of (b) the Group's total assets as of such date;

- *liquid asset ratio*: as of a particular date, this is: (a) total amount of cash and balances with the CBRT, banks, financial assets at fair value through profit and loss, financial assets at fair value through other comprehensive income and other financial assets measured at amortised cost investments divided by (b) the Group's total assets;

- *net interest margin*: for a particular period, this is: (a) the unconsolidated Bank-only ("**Bank-only**") net interest income (excluding interest from the Central Bank of Türkiye (*Türkiye Cumhuriyet Merkez Bankası*) (the "**CBRT**") on reserves held thereat) for such period (and, when calculating for the interim period, the figure is annualised by multiplying the Bank-only net interest income for the indicated period of such year by 12 and divided by the number of months in such period) plus net trading income divided by (b) the Bank-only quarterly average interest earning assets (excluding reserves held at the CBRT). The "quarterly average" interest earning assets for a period are calculated by averaging the amount of interest earning assets as of the balance sheet date immediately prior to the commencement of such period (e.g., for any year, 31 December of the previous year) and each intervening quarter-end date (i.e., 31 March, 30 June, 30 September and 31 December, as applicable);

- *non-performing loans:* a loan is categorised as non-performing when: (a) it is classified in Groups III, IV or V in accordance with the Classification of Loans and Provisions Regulation, (b) the debtor defaults or (c) lifetime expected credit loss reserve is set aside according to TFRS 9;

- *non-performing loans ratio*: as of a particular date, this is: (a) non-performing loans as of such date divided by (b) the loans and receivables, as of such date;

- *return on average shareholders' equity*: for a particular period, this is: (a) the net income (when calculated for the Group, excluding minority interest) for such period (and when calculating for the interim period, the figure is annualised by multiplying the net income for the indicated period of such year by 12 and divided by the number of months in such period) as a percentage of (b) the average shareholders' equity (when calculated for the Group, excluding non-controlling interest);

- *return on average total assets*: for a particular period, this is: (a) the net income for such period (and, when calculating for the interim period, the figure is annualised by multiplying the net income for the

indicated period of such year by 12 and divided by the number of months in such period) as a percentage of (b) average total assets (determined on a quarterly basis);

- *spread*: for a particular period, this is: the difference between (a) the average rate of interest earned on interest-earning assets and (b) the average rate of interest accrued on interest-bearing liabilities. Average balances are calculated from monthly balances and do not include interest accruals; and
- *stage 2 coverage ratio*: as of a particular date, this is (a) the total amount of Stage 2 specific provisions as of such date divided by (b) Stage 2 non-performing loans, as of such date.

A body of generally accepted accounting principles such as IFRS or BRSA Principles is commonly referred to as "GAAP". A non-GAAP financial measure is defined as one that measures historical or future financial performance, financial position or cash flows but that excludes or includes amounts that would not be so adjusted in the most comparable GAAP measures. These non-GAAP financial measures and APMs contained herein are not a substitute for GAAP measures, for which management has responsibility.

The APMs contained herein relate to past (and not future) reporting periods. Reconciliations contained herein are made to the BRSA Financial Statements and the notes thereto as at, and for the time period ending on, the date as of which the relevant APM is provided.

Refer to the "*Selected Financial and Other Information*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Business of the Group*" sections of this Base Prospectus for an additional discussion of the specific adjustments applied in reconciliation to the directly comparable GAAP measures.

The non-GAAP measures and APMs included in this Base Prospectus are not in accordance with or an alternative to measures prepared in accordance with BRSA Principles and may not be comparable to similarly titled measures reported by other companies. The Bank's management believes that this information, along with comparable measures under BRSA Principles, is useful to investors because it provides a basis for measuring the Bank's organic operating performance in the years presented. These measures are used in internal management of the Group, along with the most directly comparable financial measures under BRSA Principles, in evaluating the Group's operating performance. Non-GAAP financial measures and APMs should not be considered in isolation from, or as a substitute for, financial information presented in compliance with BRSA Principles.

The Bank's management believes that these non-GAAP measures and APMs, when considered in conjunction with measures under BRSA Principles, enhance investors' and management's overall understanding of the Group's financial performance. In addition, because the Group has historically reported certain non-GAAP results to investors, the Bank's management believes that the inclusion of non-GAAP measures and APMs provides consistency in the Group's financial reporting and thus improves investors' ability to assess the Group's trends and performance over multiple periods.

Currency Presentation and Exchange Rates

In this Base Prospectus, all references to:

- "**Turkish Lira**" and "**TL**" refer to the lawful currency for the time being of the Republic of Türkiye;
- "**euro**" and "**€**" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the EU, as amended;
- "**U.S. Dollars**", "**U.S.$**" and "**$**" refer to United States dollars; and

- "**Sterling**" and "**£**" refer to pounds sterling.

No representation is made that the Turkish Lira or Dollar amounts in this Base Prospectus could have been or could be converted into Dollars and Turkish Lira, as the case may be, at any particular rate or at all. For a discussion of the effects on the Group of fluctuating exchange rates, see "*Risk Factors – Risks Related to the Group and its Business – Market Risks – Foreign Exchange and Currency Risks – The Group is exposed to foreign exchange and currency risks and further devaluations of the Turkish Lira may adversely impact the Bank's business, results of operation and financial condition*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*".

Certain Defined Terms, Conventions and Other Considerations in Relation to the Presentation of Information in this Base Prospectus

Capitalised terms which are used but not defined in any particular section of this Base Prospectus have the meaning attributed thereto in "*Terms and Conditions of the Notes*" or any other section of this Base Prospectus.

In this Base Prospectus, "**Bank**" means Türkiye Sınai Kalkınma Bankası A.Ş. on a standalone basis and "**Group**" means the Bank and its subsidiaries (and, with respect to consolidated accounting information, its consolidated entities).

In this Base Prospectus, any reference to Euroclear and/or Clearstream, Luxembourg and/or DTC (each as defined under "*Form of the Notes*") shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer and the Fiscal Agent.

In this Base Prospectus, all average balance sheet amounts are calculated as the average of the opening and closing balances for the applicable period except to the extent specifically set forth herein.

All of the information contained in this Base Prospectus concerning the Turkish market and the Issuer's competitors has been obtained (and extracted without material adjustment) from publicly available information. Certain information under the heading "*Book-Entry Clearance Systems*" has been extracted from information provided by the clearing systems referred to therein. Where third-party information has been used in this Base Prospectus, the source of such information has been identified. The Issuer confirms that all such information has been accurately reproduced and, so far as it is aware and is able to ascertain from the relevant published information, no facts have been omitted which would render the reproduced information inaccurate or misleading. Without prejudice to the generality of the foregoing statement, third-party information in this Base Prospectus, while believed to be reliable, has not been independently verified by the Issuer or any other party.

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law. In particular, but without limitation, the titles of Turkish legislation and the names of Turkish institutions referenced herein have been translated from Turkish into English. The translation of these titles and names are direct and accurate.

All data relating to the Turkish banking sector in this Base Prospectus have been obtained from the BRSA's website at www.bddk.org.tr, the Banks Association of Türkiye's (the "**BAT**") website at www.tbb.org.tr or the website of the Interbank Card Centre (*Bankalararası Kart Merkezi*), and all data relating to the Turkish economy, including statistical data, has been obtained from the website of the Turkish Statistical Institute (*Türkiye İstatistik Kurumu*) ("**TurkStat**") at www.turkstat.gov.tr, the website of the Central Bank of Türkiye (*Türkiye Cumhuriyet Merkez Bankası*) at www.tcmb.gov.tr, the website of the Turkish Ministry of Treasury

and Finance (referred to herein as the "**Turkish Ministry of Treasury and Finance**" or "**Turkish Treasury**") where applicable, references to the Turkish Treasury shall be deemed to refer to the Undersecretariat of the Treasury, which was restructured to become part of the new Ministry of Treasury and Finance pursuant to Presidential Decree No. 1 dated 10 July 2018 published in the Official Gazette at www.hazine.gov.tr or the European Banking Federation's website at www.ebf-fbe.eu. Such data has been extracted from such websites without material adjustment, but may not appear in the exact same form on such websites or elsewhere. Such websites do not, and should not be deemed to constitute a part of, or be incorporated into, this Base Prospectus.

In the case of the presented statistical information, similar statistics may be obtainable from other sources, although the underlying assumptions and methodology, and consequently the resulting data, may vary from source to source. Where information has been sourced from a third party, such publications generally state that the information they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed.

Information regarding the Issuer's shareholders (including ownership levels and agreements) in this Base Prospectus has been based upon public filings and announcements by such shareholders.

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RISK FACTORS

In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of future events which the Issuer does not have knowledge of as at the date of this Base Prospectus. The Issuer has identified in this Base Prospectus a number of factors which could materially adversely affect its business and ability to make payments due on the Notes.

In addition, factors identified by the Issuer which are material for the purpose of assessing the market risks associated with the Notes are described below.

Prospective investors should note that the Issuer's business is significantly impacted by the condition of the Turkish economy, which itself is significantly influenced by Turkish political circumstances and global economic conditions (particularly in those countries with whom Türkiye has a material trading relationship). The category of risk factors within the section entitled "Risks Related to Türkiye" describes the material risks relating to Türkiye that the Issuer's management has identified as potentially having a material impact on the Issuer, including those impacting materially on its business, financial condition and results of operations and thus on its ability to make payments due in respect of the Notes. In addition to the macroeconomic conditions relating to Türkiye, the Group's business, financial condition and results of operations, and its ability to make payments due in respect of the Notes, are also subject to significant risks specific to the Group, including the ones discussed in the category of risk factors entitled "Risks Related to the Group and its Business" below. Prospective investors in the Notes should also consider risks relating to the structure of, and market for, the Notes, the material ones of which that have been identified by the Issuer's management are described in the category of risk factors entitled "Risks Related to the Notes".

It is important to note that the exposure of the Group's business to a market downturn in Türkiye or the other markets in which it operates, or any other risks, may exacerbate or trigger other risks that the Group faces. As such, the below risks should be understood in the context that more than one may apply concurrently and compound any adverse effects on the Group's business, financial condition or results of operations.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision. Capitalised terms used but not defined herein have the meanings given to them elsewhere in this Base Prospectus.

Risks Related to Türkiye

The most material risk to the Issuer's ability to make payments due in respect of the Notes is that its operations, and particularly its loan portfolio and its holdings of government securities, are concentrated in Türkiye. Accordingly, the Group's business, financial condition and results of operations are significantly subject to the political and economic conditions prevailing in Türkiye, the Turkish regulatory environment and other conditions relating to Türkiye. These principal sub-categories of the risks relating to Türkiye are set out in "*Political Conditions,*" "*Economic Conditions*" and "*Turkish Regulatory and Other Matters*" below.

POLITICAL CONDITIONS

The political circumstances in Türkiye have had (and will continue to have) a material influence on the Turkish economy, which in turn have resulted (and will continue to result) in material impacts on the Group's

business, financial condition and results of operations. These conditions include (inter alia) domestic political events, Türkiye's relationship with other nations, internal and regional conflicts and the regulatory framework. The political conditions that the Group's management has identified as having a material impact on the Issuer, including on its ability to make payments due in respect of the Notes, are set out in this section.

Political Developments – Political developments in Türkiye may negatively affect the Group's business, financial condition and results of operations

Negative changes in Türkiye's government and political environment, including the failure of the Turkish government to devise or implement appropriate economic programmes, may adversely affect the stability of the Turkish economy and, in turn, the Group's business, financial condition or results of operations and prospects. Unstable coalition governments have been common and in the more than 90 years since its formation Türkiye has had numerous short-lived governments, with political disagreements frequently resulting in early elections. Furthermore, although its role has diminished in recent years, the Turkish military establishment has historically played a significant role in Turkish government and politics, intervening in the political process in 1960, 1971, 1980 and most recently in July 2016.

In recent years, Turkish politics have been particularly volatile. On 15 July 2016, the Turkish government was subject to an attempted coup by a group within the Turkish army. The Turkish government and the Turkish security forces (including the Turkish army) took control of the situation and the Turkish government remained in control. As a result of this attempted coup, the Turkish government imposed a nationwide state of emergency, which lasted until July 2018.

Following the coup attempt, on 16 April 2017, a majority of Turkish voters approved a referendum amending certain articles of the Turkish Constitution, including replacing the existing parliamentary system of government with an executive presidency.

On 9 July 2018, President Erdoğan announced the new cabinet, including non-AKP members and Mr. Berat Albayrak as the new Treasury and Finance Minister. On 10 July 2018, President Erdoğan issued a decree: (a) empowering the President to appoint: (i) the governor of the CBRT, whereas previously the Council of Ministers had the authority to appoint the governor of the CBRT in the parliamentary system, and (ii) the deputy governors of the CBRT, while this appointment was previously made by the Council of Ministers among the candidates suggested by the governor of the CBRT, (b) removing the previous requisite condition for deputy governors of the CBRT to have at least 10 years of professional experience and (c) shortening the office term of the governor and the deputy governors of the CBRT to four years from five years.

On 6 July 2019, Murat Çetinkaya, the governor of the CBRT, was removed a year before his four-year term was scheduled to end. He was replaced by his former deputy, Murat Uysal, who was then replaced by Naci Ağbal on 7 November 2020. After Berat Albayrak resigned from his position as Treasury and Finance Minister, Lütfi Elvan was appointed by a presidential decision on 10 November 2020. On 20 March 2021, Mr. Naci Ağbal was dismissed by President Erdoğan, and replaced with Mr. Sahap Kavcıoğlu, a former Justice and Development Party MP. On 13 October 2021, three of the high-ranking officials of the CBRT's monetary policy committee were replaced by new officials and, on 2 December 2021, Mr. Lütfi Elvan resigned as Minister of Treasury and Finance and was replaced by Mr. Nureddin Nebati.

In the most recent presidential election, which consisted of a first round held on 14 May 2023 and a second round held on 28 May 2023, President Erdoğan was re-elected in the presidential election with approximately 52.18 per cent. of the vote, while in the parliamentary elections, the People's Alliance (an electoral alliance between the Justice and Development Party (Adalet ve Kalkınma Partisi, the "**AKP**"), the Nationalist Movement Party (the "**MHP**") and the New Welfare Party (the "**YRP**")) secured a majority with 323 seats out of 600 (with the AKP winning 268 seats, MHP winning 50 seats and YRP winning 5 seats). The next

Turkish general election is scheduled to take place in May 2028, although a snap election could be called earlier.

Following the elections, President Erdoğan delivered a speech affirming the continuation of the government's established economic policies enacted after the 2023 general election and dismissed the possibility of early national elections. In the aftermath, several mayors in Istanbul and in the eastern provinces of Türkiye have been arrested and removed from office due to terrorism and corruption charges.

On 31 March 2024, local elections took place throughout Türkiye, the results of which indicated a shift in municipal leadership, with the main opposition party securing a majority of votes in numerous districts (including maintaining the mayoral seats in İstanbul, İzmir, Ankara and Antalya). These election results may lead to shifts in regional economic policies, tax regulations or government priorities that could influence the Bank's industry and operations. The introduction of new policies or changes to existing ones may result in increased compliance costs, regulatory challenges, or alterations to the competitive landscape and could have a material adverse effect on the Bank's business, results of operations and/or financial condition.

On 18 March 2025, the university degree of Ekrem İmamoğlu, the Mayor of Istanbul Metropolitan Municipality and a presidential candidate of the main opposition party in the upcoming elections, was revoked. This was followed by his, as well as other political figures, businessmen and journalists' arrest on 19 March 2025 due to corruption charges, which led to Turkish lira plummeting against U.S. Dollar by 2.72 per cent. in one day. Following these events, protests broke out across government buildings and university campuses in various cities, including Istanbul and Ankara. In addition, the Istanbul Stock Exchange blue-chip 100 stock index lost over 16 per cent. in the aftermath of the arrests, with the CMB temporarily banning short selling and easing share buyback limitations and equity ratio requirements. Together, these events have resulted in heightened political uncertainty in Türkiye, which may continue in the short-term as the Turkish capital markets recover and the government proceeds with mass trials to prosecute arrested protesters.

In addition, after the general and presidential elections of 2023, Mehmet Şimşek and Hafize Gaye Erkan were appointed as the new Ministry of Treasury and Finance and CBRT governor, respectively. Following these appointments, the CBRT raised monetary policy interest rates sharply and implemented some macro-prudential measures to restore market confidence. However, Mrs. Erkan was replaced with Deputy Governor Fatih Karahan on 3 February 2024. As such, uncertainty in relation to the independence of the CBRT and the Ministry of Treasury and Finance continues and failure to implement effective monetary and fiscal policies may adversely affect the Turkish economy.

As illustrated by these events, significant uncertainty remains regarding the economic agenda of the government, the independence of the CBRT, and whether reform plans will be accomplished, all of which could significantly impact investors' perceptions of Türkiye and its future growth.

For further information, see *"Turkish Economy – The Turkish economy is subject to macro-economic risks" and "Inflation – Türkiye's economy is subject to significant inflationary pressures"*.

Political developments have in the past had a negative effect on investors' perceptions of Türkiye and on the strength of the Turkish economy and have resulted in downgrades by the ratings agencies. Since 2016, Moody's has downgraded Türkiye from Baa3 (negative outlook) to B3 (stable outlook) and Fitch Ratings ("**Fitch**") has downgraded Türkiye from BBB- (stable outlook) to B (negative outlook). During the same period, Standard & Poor's Global Ratings's ("**S&P**") unsolicited rating for Türkiye declined from BB+ (stable outlook) to B (stable outlook). Although these ratings have since improved to Ba3 (stable outlook) by Moody's, BB- (stable outlook) by Fitch and B+ (positive outlook) for S&P, the ratings agencies could take further rating action against the Turkish sovereign credit rating if new political developments emerge that further contribute to political instability in Türkiye, which could have a material adverse impact on the value

of the Notes. In addition, the events surrounding any future political developments could contribute to the volatility of Turkish financial markets or have an adverse effect on investors' perception of Türkiye, including Türkiye's ability to adopt macroeconomic reforms, support economic growth and manage domestic social conditions, which could in turn have a material adverse effect on the Group's business, financial condition and results of operations.

Regional Conflicts and Geo-political Relationships – Türkiye is subject to regional geopolitical and war risks, risks of internal and external unrest and geo-political risks arising from Türkiye's relationships with key international partners

Regional conflicts

Türkiye is in a region that has been subject to ongoing political and security concerns. Political uncertainty within Türkiye and in certain neighbouring countries, such as Iran, Iraq, Armenia and Syria, has historically been one of the potential risks associated with an investment in Turkish securities. Regional instability has also resulted in an influx of displaced persons into Türkiye, and thus the displaced person population has increased and is expected to increase further. In recent years, political instability has at times increased markedly in several countries in the Middle East, North Africa and Eastern Europe. Unrest in those countries may have political implications in Türkiye or otherwise have a negative impact on the Turkish economy, including through both financial markets and the real economy.

For example, on 28 February 2026, the United States and Israel launched joint military strikes against Iran under Operation Epic Fury, killing Supreme Leader Ali Khamenei and targeting Iranian military and political infrastructure. Iran subsequently launched retaliatory missile and drone strikes across nine regional countries and hostilities resumed between Israel and Hezbollah in Lebanon. On 16 April 2026, Israel and Hezbollah agreed to a temporary ceasefire. As of the date of this Base Prospectus the situation remains rapidly evolving. If this conflict in the Middle East continues it could negatively impact global energy markets, trade, supply chains and increase financial market volatility. The materialisation of any of these risks, individually or in combination, could have a material adverse effect on the Group's business, results of operations, financial condition, and prospects.

The ongoing conflict in Syria has also been the subject of significant international attention and its impact and resolution are difficult to predict. Given Türkiye's proximity to the conflict zone, it continues to deploy troops near the Syrian border and has conducted several military operations in Syria. On 8 December 2024, Bashar al-Assad's regime in Syria collapsed after a ten-day offensive by rebel forces, which started with the capture of Aleppo on 30 November 2024 resulting in Bashar al-Assad fleeing to Moscow. The offensive was spearheaded by the Islamist group Hayat Tahrir al-Sham and the Turkish-supported Syrian National Army. After the fall of Bashar al-Assad's regime, Hayat Tahrir al-Sham leader Ahmed al-Sharaa appointed Mohammed al-Bashir as the Prime Minister of the caretaker government. Syria continues to experience volatility and instability, including as a result of continued armed conflicts among ethnic groups and armed factions, as well as with Israel Defence Forces in the Golan Heights.

Given the continuing instability in Syria and the number of parties involved, it is difficult to predict the impact of the continuing tensions on the geopolitical stability in the broader region, including Türkiye, and any potential resulting adverse effect on the Turkish economy. As a result of any further events in northern Syria (including armed operations directly involving Türkiye), tensions with international stakeholders could further increase, and Türkiye may face increased economic and/or security risks, if terrorists seek to retaliate for increased military actions, or if the United States or European countries take restrictive or punitive actions against Türkiye, Turkish economy or Turkish institutions.

In addition, Houthi attacks against shipping in the Red Sea in 2024 and 2025 have, in addition to increased political instability, resulted in delays and additional costs for shipping, which may lead to increases in import prices for Türkiye and thus could contribute to inflation and/or the current account deficit.

Türkiye has also experienced problems with domestic terrorist and ethnic separatist groups as well as other political unrest within its territory. In particular, Türkiye has been in conflict for many years with the People's Congress of Kurdistan, formerly known as the PKK (an organisation that is listed as a terrorist organisation by various states and organisations including Türkiye, the EU and the United States). While the People's Congress of Kurdistan declared its intention to permanently disarm and dissolve on 12 May 2025, the risk of sectarian conflict remains high in the region.

Türkiye has from time to time been the subject of terrorist attacks, including bombings in recent years in its tourist and commercial centres in İstanbul, Ankara and various coastal towns and (especially in the southeast of Türkiye) attacks against its armed forces. Such circumstances have had and could continue to have a material adverse effect on the Turkish economy or the Group's business, financial condition and results of operations.

Russia and the war in Ukraine

Heightened tensions between Türkiye and Russia over Syria or events in Ukraine could materially negatively affect the Turkish economy, including through any negative impact on Türkiye's tourism revenues or its access to Russian energy supplies. Russia has become Türkiye's second largest trading partner and the largest supplier of natural gas to Türkiye. Any further disruption to the relationship with Russia might have a material adverse effect on the Turkish economy.

Most recently, Russia's invasion of Ukraine on 24 February 2022 has triggered significant geopolitical tension. As a result, the United States, the United Kingdom, the EU and other jurisdictions have imposed significant and broad economic and other sanctions upon Russia, parts of Russian-controlled Ukraine and various designated entities and individuals, including those that have contributed military and other supplies to Ukraine. Among other things, the sanctions include restrictions on the import of Russian oil and transactions with the Central Bank of Russia and sanctions on a number of Russian banks. Certain countries have frozen the assets of the Russian central bank and the United States barred U.S. agents and other financial intermediaries from processing Russian debt payments, making it harder for Russia to repay its international debts. Furthermore, some Russian banks were removed from the international financial messaging system, SWIFT, and many international companies have suspended or limited their businesses in Russia. This had a material impact on (a) global economic and market conditions, including increasing inflation (particularly for food, energy and shipping costs), contributing to volatility in interest and exchange rates and exacerbating already difficult global supply chain challenges (including through limitations on imports to and exports from Russia), and (b) geopolitical relationships and militarisation. It is also possible that the war could lead to further military conflicts, particularly involving Eastern Europe, and extension or escalations in the conflict could lead to additional sanctions being imposed on Russia, thereby leading to more economic disruption.

While, as of the date of this Base Prospectus, the Turkish government has indicated that it seeks to maintain functioning relationships with all parties, there can be no certainty as to how events might develop and their impact on Türkiye. In addition, Türkiye's policy stance may increase its tension with other North Atlantic Treaty Organisation ("**NATO**") members, including the U.S.

While Türkiye may be able shift its imports and exports to other regions, there can be no assurance that it will be able to do so, and exports to, and imports from Russia and Ukraine as a result of the war in Ukraine may have a significant effect on the Turkish economy, including on its balance of payments and inflation.

Israel and Palestine

On 7 October 2023, Hamas launched an attack on a number of Israeli cities, killing a substantial number of members of the Israeli Defence Forces and civilians. In response, Israel has declared war against Hamas, mobilised Israeli Defence Forces, and began a large-scale military operation against Hamas militants within Israel and in the Gaza Strip. This conflict has significantly impacted civilian areas of the Gaza Strip, leading to a refugee and humanitarian crisis in the region. Israel has also intensified its attacks on groups and entities that it sees as supporting Hamas. Accordingly, Israel has increased the intensity of its attacks in Syria and has conducted exchanges of aerial strikes with Iran. The scale, duration, and impact of this conflict on the region and any global effects are currently unclear and cannot be predicted with any certainty, and there remain substantial risks of escalation leading to a wider regional war in which other actors (such as the United States, Iran, Egypt and/or other nations) may participate directly or indirectly. This instability has impacted investors' confidence in the Middle East, which may negatively impact Türkiye and Turkish issuers.

After months of fighting in the Gaza Strip, Türkiye first imposed restrictions on the export of certain goods to Israel on 9 April 2024 which was Türkiye's 13th largest export market as of 31 December 2023. Türkiye then halted all its trade with Israel on 2 May 2024 citing the continued Israeli operations and the "humanitarian tragedy" in the Gaza Strip. In a written statement, the Turkish Ministry of Trade stated that the measures will stay in place until the "uninterrupted and adequate" flow of humanitarian aid to the Gaza Strip is resumed. As of the time of this Base Prospectus, Türkiye continues to provide humanitarian aid to Palestinians in the Gaza Strip.

A wider regional conflict and continuation of the Turkish trade restrictions against Israel (or expansion of their scope) could have a material adverse impact on the Turkish economy and/or the Group's business, financial condition and results of operations.

United States and NATO

Various past events have impacted Türkiye's relationship with the United States and NATO. For example, in response to the operations in northern Syria, the U.S. House of Representatives on 29 October 2019 passed a bill by a majority of 403 votes to 16, envisaging the imposition of potential sanctions on Türkiye, including on a Turkish state-controlled bank, Türkiye Halk Bankası A.Ş., as well as any foreign financial institution that the U.S. State Department determines has knowingly enabled significant transactions on behalf of the Turkish Armed Forces or Türkiye's defence industry concerning military operations by the Turkish Air Force in northern Syria. Halkbank is also subject to ongoing federal litigation in the U.S. involving allegations of Halkbank's participation in Iranian oil sales. Halkbank petitioned to the U.S. Supreme Court to hear its appeal and certiorari was granted on 3 October 2022, with the U.S. Supreme Court rejecting Halkbank's claim of immunity and stating that foreign state-owned companies are not protected from prosecution for commercial, non-governmental activities under U.S. common law. Halkbank entered into a deferred prosecution agreement with the U.S. Justice Department on 9 March 2026. Accordingly, following the submission of a final compliance report and a subsequent motion to dismiss, legal proceedings will be concluded upon approval of the court, while OFAC has confirmed the closure of its administrative files on Halkbank with no further penalties.

In addition, after Russia's invasion of Ukraine in February 2022, Finland and Sweden applied to join NATO. Their application was vetoed by Türkiye, pending resolution of bilateral political issues between Türkiye and these countries. On 31 March 2023 and 23 January 2024, Türkiye approved Finland's and Sweden's (respectively) application to join NATO after ongoing negotiations between Türkiye and the two countries. While Türkiye approved both Finland's and Sweden's NATO bid, any future bilateral political issues could exacerbate Türkiye's tensions with other NATO members.

Geopolitical tensions with the U.S. and NATO, if they are not resolved, as well as Türkiye's continued trading relationships with Iran and Russia amid heightening tensions between these countries on the one hand and

NATO on the other hand, could contribute to a worsening of Türkiye's economic relationship with the U.S. and Europe as well as risk the imposition of additional sanctions against Türkiye. Any such sanctions could have a material adverse effect on the Turkish economy and the market price of the Notes and could potentially impair the ability of some investors to hold or transfer the Notes or receive payments made into and processed through the clearing systems. Political instability in Türkiye (whether perceived or actual), increasing political and diplomatic tensions with the U.S. or other countries, and other political conditions could have a material adverse effect on the Group's business, financial condition and results of operations.

European Union

Türkiye has had a long-term relationship with the EU since it signed an association agreement with the EU in 1963 and a supplementary agreement, which provided for a transitional second stage of Türkiye's integration into the EU, in 1970. On 17 December 2004, the EU commenced accession negotiations with Türkiye and affirmed that Türkiye's candidacy to join the EU would be judged by the same 28 criteria (or "**Chapters**") applied to other candidates whereby Türkiye would be required to implement a range of political, legislative and economic reforms. Despite Türkiye's implementation of various of these reforms, the relationship between Türkiye and the EU has become strained. Since 2016, accession negotiations have stalled. On February 2019, a European parliament committee voted to suspend the accession talks. Türkiye's accession negotiations have therefore effectively come to a standstill. On 15 July 2019, the EU adopted certain measures against Türkiye, including a reduction of certain funding (including loans from the European Investment Bank), a suspension of high-level communication and a suspension of the negotiation for a comprehensive air transport agreement due to Türkiye's involvement in the drilling for gas in waters off the coast of Cyprus. On 11 November 2019, the EU adopted a framework for imposing sanctions on individuals or entities responsible for, or involved in, these drilling activities. In February 2020, the EU instituted sanctions against two executives of the Turkish drilling company (by Council Decision of 8 November 2022, the EU extended these sanctions until 12 November 2023). In July 2020, Türkiye deployed a vessel to the Eastern Mediterranean which led to further disputes over oil and gas exploration in the waters off the coast of Cyprus. As a result, certain members of the EU, including Greece and Cyprus, have encouraged the EU to impose sanctions against Türkiye. Although tensions over energy resources have intensified and have broadened to involve other Mediterranean countries due to the recent drilling activities by neighbouring countries, as of September 2020, Türkiye and Greece have been keen to resume exploratory talks to address the issue of economic rights over gas reserves in the Eastern Mediterranean. In December 2020, the EU decided to impose sanctions on Türkiye over its drilling activities and general foreign policy. In January 2021, Greece and Türkiye resumed their talks on maritime and other concerns, ending a five-year pause. However, in May 2022, Türkiye communicated that it was halting talks with Greece, especially in view of new disputes with Greece. On 2 October 2022, the Greek foreign minister said Greece was open to resume talks with Türkiye under certain conditions.

In October 2020, tensions increased between Türkiye and France due to differing interests in the conflict in Libya, which led to Türkiye boycotting French goods and France withdrawing its ambassador from Türkiye. Following these actions, France and Greece asked the EU to consider suspending the bloc's customs agreement with Türkiye. EU member states have, to date, maintained a mediatory position between Türkiye and France, though there can be no guarantee as to what the resolution to the dispute will be.

In addition, Türkiye entered into an agreement with the EU in March 2016 in an attempt to establish control over the irregular transit of refugees from Türkiye to the EU, many of whom came from Syria. This agreement has not yet been fully implemented and Turkish officials have stated that they believe the EU has not yet fulfilled its undertakings under the agreement. Following the European Council of 24-25 June 2021, which asked for the continuation EU support to refugees and host communities in Türkiye for 2021-2023, the European Commission proposed in July 2021 an additional 3 billion euros as part of a wider 5.7 billion euros

package to support refugees in the region. An initial 860 million euros of this additional envelope was already adopted in 2021, with the remainder to be committed in 2023.

Türkiye is among the countries that have taken a significant number of Syrian refugees, which had a large social and economic impact on the country and its relationship with the EU. In addition, the withdrawal of US and NATO forces from Afghanistan in 2021 has exacerbated the flow of refugees from Afghanistan to Türkiye. Potential social and economic implications of the recent Afghan conflict and influx of Afghan, Syrian or other refugees from the region into Türkiye may impact Türkiye's economy or its relationship with the EU.

Any decision by the EU to finally end Türkiye's EU accession bid or to impose additional sanctions on Türkiye, Turkish individuals or Turkish entities may further strain or result in (or contribute to) a further deterioration in the relationship between Türkiye and the EU or certain of its member states. There can be no assurance that the EU or Türkiye will resume an open approach to Türkiye's EU membership and, if so, that Türkiye will be able to meet the criteria required to become an EU member state which could adversely affect the Group's business, financial condition and results of operations.

The above-mentioned events and other political circumstances may: (a) result in the volatility of Turkish financial markets, have an adverse effect on investors' perception of Türkiye or have an adverse effect on Türkiye's ability to support economic growth and manage domestic social conditions, (b) result in (or contribute to) a deterioration of the relationship between Türkiye and the EU, certain members of the EU, the United States, Russia or other countries or (c) have an adverse impact on the Turkish economy or Turkish institutions, any of which in turn may have a material adverse effect on the Group's business, financial condition and results of operations or on the market price of an investment in the Notes.

ECONOMIC CONDITIONS

Turkish Economy – The Turkish economy is subject to macro-economic risks

In the recent past, the Turkish economy has from time-to-time experienced severe macro-economic imbalances, including significant current account deficits and a considerable level of unemployment. In addition, the Turkish economy remains vulnerable to both external and internal shocks, including changes in the economic policies of the U.S., the EU and other major economies, volatility in oil prices, changing investor sentiment, outbreaks of disease (e.g., SARS and COVID-19) and natural events such as earthquakes. In recent years, Turkish economic policy has undergone several changes in direction. On 30 September 2025, the Turkish government released the medium-term programme ("**MTP**") for the 2026-2028 period, which includes an annual consumer inflation increase rate forecast of 8.0 per cent. for 2028 and a 4.4 per cent. three-year average GDP growth target. Inflation, however, has been considerably higher than targeted. See "*Inflation – Türkiye's economy is subject to significant inflationary pressures*" below). There is no guarantee, however, that the government will be able to successfully implement its current and proposed economic and fiscal policies, and should Türkiye's economy continue to experience macroeconomic imbalances, it could have a material adverse impact on the Group's business, financial condition and/or results of operations.

Future policies by the CBRT and the BRSA are subject to a number of uncertainties, and the Turkish economy, inflation rates and foreign exchange rates may continue to experience difficult and volatile conditions in the future. The impact of these circumstances, including changes in the exchange rates of the Turkish Lira, could have a material adverse effect on the Group, including through borrower defaults, increased NPLs, reduced loan volumes and reduced earnings, the revaluation of assets and liabilities (including increases in the Turkish Lira-equivalent value of the Group's obligations in other currencies), a decline in capital and/or rapid changes in the economic and legal environment.

Furthermore, the Turkish economy is vulnerable to external shocks, such as the Trump administration's announcements of 'reciprocal' tariffs, which had an immediate negative impact on financial markets and had a significant adverse effect on global macroeconomic conditions. A number of these tariffs have since been found unconstitutional by the U.S. Supreme Court, although the Trump administration has continued to implement additional tariffs under different regimes, such as the universal 10 per cent. tariffs announced in February 2026, which are intended to remain in effect for 150 days. Continued increases in market interest rates, particularly if they are more accelerated than expected due to external shocks such as the Trump administration's tariff policy or conflict in the Middle East, may have an adverse impact on Türkiye, including on Türkiye's external financing needs, and may reduce the availability of and/or increase the cost of funding to the Turkish banking sector.

The disruptions in the global banking sector in March 2023, including the announcement of the acquisition of Credit Suisse by UBS (and the losses incurred by Credit Suisse investors) and the failure of Silicon Valley Bank and Signature Bank in the U.S., have highlighted the risks in the banking sector and there can be no assurance that the sector will not be subject to further strain, particularly given that (as of the date of this Base Prospectus) inflation rates remain high and economic activity remains muted. A banking sector crisis may have materially adverse impacts on the Group's business, financial condition and/or results of operations.

As a result of these factors, Türkiye may experience a further significant economic crisis in the future, which could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Inflation – Türkiye's economy is subject to significant inflationary pressures

Inflation in Türkiye has increased to high levels in recent years, with the most significant increases occurring in 2022 and 2023. Although prior policies have had some success in reducing inflation from its formerly high levels, inflation has increased again in recent years and such policies may not be successful in the future, especially given Türkiye's substantial current account deficit, global liquidity conditions and the ongoing trade wars between the U.S. and China. Since 2021, Türkiye has experienced high levels of inflation, reaching 64.8 per cent., 44.4 per cent. and 30.9 per cent. as of 31 December 2023, 2024 and 2025, respectively, mainly due to the pass-through effect from the depreciation of the Turkish lira and rising food and other prices. Inflationary pressures and any further depreciation of the Turkish lira may continue to result in Turkish inflation significantly exceeding the Central Bank's inflation target, which could cause the Central Bank to tighten its monetary policy, which could in turn have a further adverse effect on the Turkish economy. If the level of inflation in Türkiye fluctuates or increase significantly (for any reason), then the Bank's costs may increase, and, if not accompanied by an increase in interest rates, then its operating and net margins may decrease. Inflationary pressures may also curtail the Bank's ability to access foreign financial markets and may lead to further government intervention in the economy, including the introduction of Turkish government policies that may adversely affect the overall performance of the Turkish economy. The various impacts of inflation thus may have a material adverse effect on the Bank's business, financial condition and/or results of operations.

The CBRT's policies are subject to further change and revision at any time and there can be no assurance that these measures will not result in further volatility. If the recent high level of inflation in Türkiye were to persist or increase further, this could have a material adverse effect on the Bank's business, financial condition and results of operations.

High Current Account Deficit – Türkiye's high current account deficit may result in governmental efforts to decrease economic activity

In recent years, Türkiye has had a significant current account deficit, which could leave its economy susceptible to declines in capital inflows and vulnerable to macroeconomic shocks. Moreover, Turkish

policymakers may also take measures to limit the current account deficit, which could have a negative impact on the Turkish economy and therefore the Bank's customers and business.

On a 12-month basis, Türkiye's yearly current account deficit was U.S.$41.5 billion in 2023, U.S.$10.0 billion in 2024 and U.S.$25.2 billion in 2025. Although Türkiye's growth dynamics depend to some extent upon domestic demand, Türkiye is also dependent on trade with Europe. A decline in the economic growth of any of Türkiye's major trading partners, such as the EU, is likely to have an adverse impact on Türkiye's balance of trade and adversely affect Türkiye's economic growth. Türkiye has diversified its export markets in recent years, but the EU remains Türkiye's largest export market. A decline in demand for imports into the EU could have a material adverse effect on Turkish exports and on Türkiye's economic growth, resulting in an increase in Türkiye's current account deficit. To a lesser extent, Türkiye also exports to markets in the Middle East. Continuing political turmoil in certain of those markets, including due to the ongoing war between Iran, Israel and the United States, and decreased tourist numbers due to unrest, and wars and terrorism threats in the Middle East could lead to a decline in demand for imports, with a similar negative effect on Turkish economic growth and Türkiye's current account deficit as described immediately above.

In addition, Türkiye is a net energy importer and recorded U.S.$62.5 billion of energy imports in 2025 (as compared to U.S.$65.6 billion of energy imports in 2024 and U.S.$69.1 billion of energy imports in 2023). Any geopolitical developments impacting energy security or resulting in higher global oil and natural gas prices could have a material impact on Türkiye's current account balance. For example, following the joint military strikes by the United States and Israel against Iran, Iran closed the Strait of Hormuz. In addition, Iran has targeted several oil and natural gas processing facilities in the region. As a result, global oil prices have risen significantly. On 17 April 2026, the Strait of Hormuz was re-opened in connection with ceasefire negotiations between the United States and Iran; however, the Iranian government subsequently reimposed a blockade of the Strait of Hormuz following a breakdown in those negotiations. If the conflict were to escalate further, it could negatively impact global energy markets and drive-up global oil prices further. Volatile oil and natural gas prices, together with the Turkish Lira's depreciation against the U.S. dollar (in which most of Türkiye's energy imports are priced), may have a negative impact on Türkiye's current account deficit.

Increases in the current account deficit, particularly when combined with monetary tightening in developed economies, may contribute to further depreciation pressure on the Turkish Lira, which could result in further increased inflation in Türkiye.

If the current account deficit widens more than anticipated, financial stability in Türkiye may deteriorate. Financing the high current account deficit may be difficult in the event of a global liquidity crisis and/or declining interest or confidence of foreign investors in Türkiye, and a failure to reduce the current account deficit could have a negative impact on Türkiye's sovereign credit ratings. Any such difficulties may lead the Turkish government to seek to raise additional revenue to finance the current account deficit or to seek to stabilise the Turkish financial system, and any such measures may adversely affect the Bank's business, financial condition and/or results of operations.

Emerging Market Risk – The Group is subject to risks associated with doing business in an emerging market

Despite Türkiye undergoing significant political and economic reform in recent years that increased stability and led to economic growth, Türkiye is still considered by international investors to be an emerging market. Emerging markets are subject to greater risks than more developed markets and financial turmoil in any emerging market (or global markets generally) could disproportionately disrupt business in other emerging markets as well as causing a decline in the price of an investment in the Notes.

Investors' interest in Türkiye may be negatively affected by events in other emerging markets or the global economy in general. For example, developments or economic conditions in one or more other emerging

market(s) have at times adversely affected the prices of securities from, and the availability of credit to, other emerging market countries as investors move their money to countries that are perceived to be more stable and economically developed. An increase in the perceived risks associated with investing in emerging economies could adversely affect the Turkish economy, and the Notes may be subject to fluctuations in price that may not necessarily be related to economic conditions in Türkiye or the financial performance of the Group. In addition, because international investors' reactions to the events occurring in one emerging market country sometimes appear to demonstrate a "contagion" effect in which an entire region or class of investment is disfavoured by international investors, Türkiye could be adversely affected by negative economic or financial developments in other emerging market countries. While the impact of the global financial crisis that began in 2007-2008 on Türkiye was relatively limited, Türkiye has been adversely affected by such contagion effects on a number of occasions in the past, including following the financial crises in 1994 and 2000 to 2001. Similar developments can be expected to affect the Turkish economy in the future, which could, in turn, have an adverse impact on prices of investments in Turkish capital markets issuances such as the Notes.

Money Laundering Concerns may adversely affect investments in Türkiye

In November 2021, the Financial Action Task Force ("**FATF**"), the international anti-money laundering body tasked with developing policies to combat money laundering and terrorism financing, added Türkiye to its list of jurisdictions subject to increased monitoring (also known as the FATF "**Gray List**"). The FATF Gray List now includes 23 countries that FATF has determined to have "strategic deficiencies" in their anti-money laundering ("**AML**") and counter-terrorism financing ("**CFT**") laws and regulations compared to international best practices and the standards maintained by FATF. Türkiye made a "high-level political commitment" to work with FATF to strengthen the effectiveness of its AML/CFT laws and regulations and had made some progress in enhancing its AML/CFT laws and regulations since the completion of its mutual evaluation report with FATF in October 2019 and in June 2024, Türkiye was removed from the Gray List. However, there can be no assurance that Türkiye will not be added to the Gray List in the near future.

While inclusion on the Gray List did not and does not have any direct legal prohibitions or legal effects on the ability of individuals and entities to engage in transactions in or with Gray List jurisdictions, many national AML/CFT regulators and international financial institutions view transactions in or involving Gray List jurisdictions as being higher risk and, as a result, in the case of financial institutions, may seek to reduce their exposure to Gray List jurisdictions due to AML/CFT concerns or subject transactions involving such jurisdictions to heightened due diligence. Should Türkiye be placed back on the Gray List in the future, it may adversely affect the ability of Turkish entities, including the Group, to access international financing, and reduce the flow of foreign investments into Türkiye, any of which may in turn adversely affect the financial condition of Turkish corporate and financial sector borrowers and the economy as a whole.

Changes in Turkish tax laws may have an adverse impact on the taxes applicable to the Group

The Turkish Government may introduce tax changes that may affect the Group and its customers. These changes could include changes in prevailing tax rates and, occasionally, the introduction of temporary taxes to finance designated governmental projects.

For instance, amendments to the Corporate Income Tax Law (Law 5520) were introduced on 14 July 2023 (entered into force on 15 July 2023) which provided that the corporate income tax rate in Türkiye for incomes generated in 2023 and following taxing years is: (a) 30 per cent. for banks, financial leasing, factoring and financing companies, e-money and payment services institutions, authorised foreign exchange currency-related entities, asset management companies (*varlık yönetim şirketleri*), securities intermediaries and other capital markets institutions, insurance and reinsurance companies and pension companies and (b) 25 per cent. for other corporate entities (the rate for individuals' income tax ranges from 15 per cent. to 40 per cent. at progressive rates); provided that, effective from a fiscal period starting in the year 2025, the corporate

income tax rate on profits from specific public-private partnership and build-operate-transfer projects is 30 per cent. and a "minimum corporate income tax" requires all corporations to pay a minimum amount of tax to be calculated at a flat rate of 10 per cent. based upon pre exemption and pre deduction net corporate income. As part of the OECD Pillar Two initiative, Türkiye has implemented global and domestic corporate top-up tax rules, effective for income earned in 2024 and subsequent fiscal years, requiring corporations that exceed prescribed thresholds to pay a top-up tax if their effective tax rate falls below 15 per cent. Capital gains are, in principle, calculated in local currency terms and resident individuals' acquisition costs can be increased at the producer price index's rate of increase for each month except for the month of discharge, so long as such index increased by at least 10 per cent.

Changes such as these may result in increases to the Group's tax payments, which could adversely affect the Group's profitability and increase the prices of the Group's services and adversely affect its financial results. There can be no assurance that we will be able to maintain the Group's projected cash flow and profitability following increases in Turkish taxes applicable to the Group.

Earthquakes, natural disasters and other catastrophic events could disrupt the Group's operations and harm the Turkish economy

A significant portion of Türkiye's population and most of its economic resources are located in a first-degree earthquake risk zone and Türkiye has experienced a large number of earthquakes in recent years, some quite significant in magnitude. Most recently, on 6 February 2023, two earthquakes with a magnitude of 7.7 and 7.6 (respectively) on the Richter scale occurred in Kahramanmaraş, which caused catastrophic loss of life and destruction of numerous buildings. The Turkish Government declared a Level 4 state of emergency, which included a call for international assistance as well as the mobilization of all national forces.

Major earthquakes and other natural disasters have effects due to the direct impact of such events on the Group and its employees, including adverse effects on the Bank's employees, operational systems and property. Furthermore, the government could take measures (such as the imposition of taxes) that have a material adverse effect on the Bank's profitability. Any of these events could materially adversely affect the Bank's business, financial condition and results of operations.

The effects of climate change may impact the Group's business and/or the business of the Group's customers

The risks associated with climate change are coming under increasing focus internationally from governments, regulators and large sections of society. These risks include physical risks, arising from climate and weather-related events of increasing severity and/or frequency, transition risks resulting from the process of adjustment towards a lower-carbon economy, and liability and compliance risks arising from experiencing litigation or reputational damage as a result of sustainability issues.

Physical climate risks may lead to damage of property or disruptions in supply chains which may negatively impact customers' asset values and financial situation, which could in turn negatively impact the quality of the Group's credit portfolio. The transition to a low-carbon economy, driven by policy, technological or market changes, and the necessity to mitigate physical risks, may itself have negative impact on the Group's customers. Notably, customers in high-emission sectors risk demands for rapid changes which may lead to stranded assets and pressure on business models and earnings potential.

How the Group and its customers assess and respond to these developments and challenges could increase the Group's cost of business and/or lead to reputational damage. For example, the Group has communicated, and may in the future communicate, certain climate-related or sustainability-related initiatives and goals to its stakeholders. These initiatives and goals could be difficult and expensive to quantify and implement. In addition, such initiatives and goals are subject to risks and uncertainties, many of which may not be

foreseeable or may be beyond the Group's control. Unfavorable ratings or assessment of the Group's sustainability practices, including the Group's compliance with certain disclosure standards and frameworks, may lead to negative investor sentiment toward the Group. Any of the above factors could adversely affect the Group's business, financial condition and results of operations.

TURKISH REGULATORY AND OTHER MATTERS

While political and economic conditions in Türkiye tend to have the most significant impact on the Group's business, financial condition and results of operations, various other Türkiye-related matters are also important. These matters, the most material of which is the Turkish regulatory environment, that the Issuer's management has identified as having a material impact on the Issuer, and thus potentially on its ability to make payments due in respect of the Notes, are set out in this sub-category.

Banking Regulatory Matters – The activities of the Group are highly regulated and changes to applicable laws or regulations, the interpretation or enforcement of such laws or regulations or the failure to comply with such laws or regulations could have an adverse impact on the Group's business

The Group is subject to a number of banking, competition, antitrust and other laws and regulations designed to maintain the safety and financial soundness of banks, ensure their compliance with economic and other obligations and limit their exposure to risk. See "*Risks Related to the Group and its Business – Funding Risks – Access to Capital – The Group may not be able to meet minimum capital adequacy requirements and/or may have difficulty raising capital on acceptable terms, if at all"* above and *"Turkish Regulatory Environment – Capital Adequacy*".

The Turkish government (including the BRSA or the CBRT) has introduced (and may introduce in the future) new laws and regulations that increase reserves, increase provision requirements for loans, impose obligations to maintain Turkish Lira-denominated securities for their foreign currency deposit and participation funds, funds from foreign exchange-denominated repo transactions, precious metal deposit accounts, securities issued by entities (other than financial institutions) held by such banks, and relevant Turkish Lira-denominated commercial cash loans and restrictions on Turkish Lira-denominated loan borrowings or otherwise negatively affect the Group's business and/or profitability. The Group may not be able to pass on any increased costs associated with such regulatory changes to its customers, particularly given the high level of competition in the Turkish banking sector (see "*Turkish Banking System – Competition*"). Accordingly, the Group may not be able to sustain its level of profitability in light of these regulatory changes and the Group's profitability may be materially adversely impacted.

Such measures could also limit or reduce growth of the Turkish economy and consequently the demand for the Group's products and services or its growth plans. Because of certain of these changes, the Group may be required to increase its capital reserves and may need to access more expensive sources of financing (including equity) to meet its funding requirements. Furthermore, development and investment banks (such as the Bank) are exempt from banking and insurance transaction tax for investment loans, according to the Turkish Expenditure Taxes Law (Law No. 6802). Any regulatory change that abolishes such exemption could have an adverse effect on the Group's loan volume, profitability and/or access to funds. The Communiqué on Procedures and Principles of Fees to be Collected by Banks from Commercial Customers ("**Communiqué on Commercial Customer Fees**") published by the CBRT, most of the provisions of which became effective as of 1 April 2020, sets out standardised fees and caps that are to be charged to commercial customers depending upon the category of the applicable product and service. Pursuant to an amendment to the Communiqué on Commercial Customer Fees on 22 December 2023, the monthly reference rate determined by the Central Bank cannot exceed 3.11 per cent. Turkish banks are required to apply to the CBRT to charge any fees or commissions to commercial customers other than those listed under the Communiqué on Commercial

Customer Fees which may lead to a decrease in the Group's fees and commissions received and have an effect on the profitability of the Group.

The Communiqué on Commercial Customer Fees, as further amended, continues to set out standardised fee categories and caps for services offered to commercial customers. Under the 2025 amendments, the arrangement fee for commercial loans is limited to 0.20 per cent. of the committed amount and the disbursement fee for revolving cash loans to 1.10 per cent. (applicable only to Turkish Lira-denominated cash loans as per the amendments effective as of 1 February 2026), to be applied annually on the basis of average outstanding loans, while banks remain required to seek Central Bank approval for any fees or commissions not listed under the Communiqué.

Any failure by the Group to adopt adequate responses to these or future changes in the regulatory framework could have an adverse effect on the Group's business, financial condition and results of operations. Finally, non-compliance with regulatory requirements or laws could expose the Group to potential liabilities and fines or damage its reputation.

Risks Related to the Group and its Business

While Turkish political, economic, regulatory and other circumstances are the most material category of risks relating to the Group's business, financial condition and results of operations, matters specific to the Group also may have a material impact on the Issuer's ability to make payments due in respect of the Notes, particularly the Group's exposure with respect to the loans and other credits that it extends to borrowers and other counterparties. Such risks that the Issuer's management has identified as having a material impact on the Issuer are set out in this section. The principal sub-categories of the risks relating to the Group and its business are credit risks, market risks, funding risks, operational risks and other Group-related risks, each as set out in their corresponding section below.

CREDIT RISKS

Credit Risk – The Group is subject to credit risk in relation to its borrowers and other counterparties

The Group is principally involved in promoting the development of the Turkish economy by providing long-term funds for the domestic and international investments of Turkish companies, primarily through foreign currency-denominated loans. As a result, the Group is subject to inherent risks concerning the credit quality of borrowers and other counterparties. These counterparties include (inter alios) borrowers of loans from the Group, issuers whose securities are held by the Group, trading and hedging counterparties and customers of letters of credit provided by the Group. The Group's exposures to certain of these counterparties (particularly for loans for infrastructure and energy projects) are large. Any of these counterparties may default in their obligations to the Group due (inter alia) to the factors described in "*Risks Related to Türkiye*" and/or adverse changes in consumer spending, consumer confidence, unemployment levels, corporate restructurings, bankruptcy rates and/or market volatility, including due to local, national and/or global factors.

Changes in the credit quality of the Group's customers and counterparties and systemic risks in the Turkish and global financial systems can negatively affect the value of the Group's assets. As the volatility of the Turkish Lira may adversely impact the ability of the Group's borrowers to repay their foreign currency-denominated loans, the Group's credit risk is also impacted by adverse FX movements. Adverse developments in the Turkish economy could also result in increased unemployment, reduced corporate liquidity and profitability, increased corporate insolvencies and the inability of borrowers to service their debt, all of which negatively affect the Turkish banking sector, including the Group. The Group's exposure to credit

risk could lead to a material adverse effect on the Group's business, financial condition and results of operations.

Although the Group has put in place policies and procedures to monitor and assess credit risk, taking into account indicators of the payment ability and cash generating ability of the borrower in extending credit, the Group may not correctly assess the creditworthiness of its credit applicants or other counterparties (or their financial conditions may change). These risks are exacerbated by the significant and rapid increase in the Group's loan portfolio (including a significant portion of unseasoned loans) in previous years, which has increased the Group's credit exposure and requires continued monitoring by the Group's management of its lending policies, credit quality and adequacy of provisioning levels through the Group's risk management structure. As the Bank does not offer certain services (such as cash management, credit cards and point-of-sale machines), the Group's access to information regarding its borrowers and potential borrowers is limited compared to its commercial bank competitors, who are able to monitor the operating activities of their customers on a daily basis. As a result of such limited access, the Bank's ability to establish a potential borrower's creditworthiness may be impaired, which could result in material credit losses.

The Group is aiming to continue to diversify its loan portfolio and expects to focus on infrastructure, the Turkish Renewable Energy Resources Support Mechanism for renewable energy resources, energy and resource efficiency investments, as well as loans to small and medium-sized enterprises ("**SMEs**"), including financing to promote inclusiveness through healthcare, education services and the empowerment of women. Uncertainty regarding counterparties active in these sectors and the sectors themselves due to the Group's lack of expertise in these sectors (as compared to the Group's expertise in the energy sector) could result in the Group's lending to counterparties that are not creditworthy. See "*Risk Management – Credit Risk*".

The ratio of non-performing loans ("**NPLs**") to total cash loans in the Turkish banking sector was 1.6 per cent. and 1.8 per cent. as of 31 December 2023 and 2024, respectively (as compared to the Group's ratio of NPLs to total cash loans of 3.0 per cent. and 2.2 per cent. respectively), with the Turkish banking sector's statistics being as reported in the BRSA's monthly statistical bulletin. As of 31 December 2025, the ratio of NPLs to total cash loans in the Turkish banking sector was 2.5 per cent. (as compared to the Group's ratio of NPLs to total cash loans of 2.4 per cent.). As of 31 December 2025, the Group's NPLs were TL 5,721 million. The Group's management expects the NPL ratio to be below 2.5 per cent. at the end of 2026.

For information on the Group's non-performing loans, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*".

Loan Concentrations – A significant percentage of the Group's loan portfolio consists of project finance loans and energy loans

While in recent years the volume of smaller loans in the Group's loan portfolio has been increasing, significant concentrations still exist. As of 31 December 2025, 51.7 per cent. of the Group's loan portfolio consisted of project finance loans (56 per cent. and 55 per cent. respectively, as of 31 December 2023 and 2024). As of 31 December 2025, 29.2 per cent. of the Group's loans were attributable to energy production (e.g., renewable energy projects such as hydro, wind, geothermal, biomass and solar power plant projects (see "*Business of the Group – Strengths – Diversified Loan Portfolio*")) and 5.5 per cent. of the Group's loans were attributable to electricity/gas distribution sector.

Energy-related projects therefore represent the largest sector in the Group's loan portfolio with 93.5 per cent. of loans for the energy production sector consisting of renewable energy projects. Although 77.9 per cent. of the Group's renewable energy portfolio (in terms of credit risk) is supported by the Turkish government's feed-in tariff mechanism, which is set in U.S. dollars, for electricity generated using renewable energy

resources ("**YEKDEM**"), the Group remains significantly exposed to the overall performance of the energy sector.

In January 2021, the Turkish Presidency published a decree (Decree No. 3453) which introduced a feed-in tariff scheme that will apply to renewable power plants becoming operational between 1 July 2021 and 31 December 2030 (inclusive). Accordingly, the related YEKDEM scheme shifted the currency of previously U.S. dollar denominated feed-in tariff and domestic components incentive premia payments to Turkish Lira, whilst providing an inflation-based price escalation mechanism and still capping the price based on U.S. dollars. In Turkish Lira-based YEKDEM, prices for each resource had been updated every year in January, April, July and October. Each update depended on domestic PPI (26 per cent.), CPI (26 per cent.) rates, USD (24 per cent.) and EURO (24 per cent.) exchange rates. However, the Presidential Decree No. 7189 has been published on 1 May 2023, to be effective on the same date, abolishing Decree No. 3453 and updating the feed-in tariff. Accordingly, concepts of YEK Support Mechanism Floor Price (YEKDEM Floor) and YEK Support Mechanism Ceiling Price (YEKDEM Ceiling) have been introduced. Facilities that enter into operation between 1 July 2021 and 31 December 2030 shall be subject to such updated feed-in tariff. The feed-in tariff will be updated monthly within the specified range between YEKDEM Base and YEKDEM Ceiling, indexed to U.S. dollars. In the new updated YEKDEM scheme, each update will depend on domestic PPI (25 per cent.), CPI (15 per cent.) rates, USD (30 per cent.) and EURO (30 per cent.) exchange rates.

Any material changes in the economic condition of any of these customers or sectors, including declining production volumes in the energy sector, could have a material adverse effect on the Group's business, financial condition and results of operations.

In addition to these sectoral concentrations, the share of the Bank's receivables from the top 10 borrower groups in the Bank's overall cash loan portfolio was 18.4 per cent. as of 31 December 2025 (26.6 per cent. and 19.3 per cent., respectively, as of 31 December 2023 and 2024) while the top 20 constituted 31.3 per cent. of the Bank's loan portfolio as of the same date (43.8 per cent. and 32.7 per cent., respectively, as of 31 December 2023 and 2024).

A material change in the economic conditions of any of these customers or sectors could have a material adverse effect on the Group's business, financial condition and results of operations.

Government Default – The Group has a significant portion of its assets invested in Turkish government debt, making it highly dependent upon the continued credit quality of, and payment of its debts by, the Turkish government

The Group has a significant exposure to Turkish governmental and state-controlled entities, which it is not required to account for in its reserves. As of 31 December 2025, 89.3 per cent. of the Group's securities portfolio (equal to 15.6 per cent. of its total assets) was invested in government debt securities (the vast majority of which were issued by the Turkish government) (92.4 per cent. and 17.2 per cent., respectively, as of 31 December 2024 and 95.4 per cent. and 15.3 per cent., respectively, as of 31 December 2023).

In addition to any direct losses that the Group may incur, the value of government debt portfolio is also influenced by credit agency actions. As of the date of this Base Prospectus, the credit ratings of Türkiye and the Turkish banking sector are the result of prior downgrades and negative actions taken by the credit agencies in 2019, 2020, 2021 and 2022. Türkiye's sovereign ratings are currently BB- by S&P, with a stable outlook, Ba3 by Moody's, with a stable outlook and BB- by Fitch, with a stable outlook. Similar rating actions have also negatively affected the ratings of Turkish banks in the past, including the Bank. Credit agencies have previously cited concerns over inflation and a widening current account deficit, the volatility of the Turkish Lira exchange rate and/or the deteriorating operating environment for Turkish banks, with negative implications for their funding profiles, as well as concerns over the independence of the CBRT.

Although Türkiye has never defaulted on its sovereign debt, a future default, or the perception of increased risk of a potential default, by Turkish governmental and state-controlled entities in making payments on their debt, or a future downgrade in Türkiye's credit rating would likely have a significant negative impact on the value of the government debt held by the Group and the Turkish banking system generally and may have a material adverse effect on the Group's business, financial condition and results of operations.

Insufficient Collateral – The value of collateral securing the Group's loans and advances may not be sufficient

The Group may have difficulty relying on collateral or enforcing guarantees or other third-party credit support arrangements when its debtors default. In addition, the time and costs associated with enforcing security may make it uneconomical for the Group to pursue such proceedings, adversely affecting the Group's ability to recover its loan losses, although a significant portion of the Group's loans are collateralised.

Deterioration in economic conditions in Türkiye or a decline in the value of certain markets may reduce the value of collateral securing the Group's loans and advances, increasing the risk that the Group would not be able to recover the full amount of any such loans and advances in a default. In accordance with the Group's credit policies, if any collateral shortfall is identified during credit reviews, borrowers are required to provide additional collateral sufficient to cover any shortfall; however, there can be no assurance such borrowers will be willing or able to post additional collateral. If the Group seeks to realise on any such collateral, it may be difficult to find a buyer and/or the collateral may be sold for significantly less than its appraised or actual value.

The Group's typical collateral for project finance loans includes share pledges, mortgages over immovable assets, commercial enterprise pledges, pledges over bank accounts, project completion guarantees and assignment of receivables. The Group also undertakes certain types of lending without tangible collateral, relying only upon guarantees, which may not be sufficient to cover the outstanding amount following a default. As a result of the above, the Group may not be able to realise adequate proceeds from collateral disposals to cover loan losses, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Insufficient Control – The Bank is controlled by İşbank, whose interests may not be aligned with the interests of the investors in the Notes

As of 31 December 2025, Türkiye İş Bankası A.Ş. ("**İşbank**" and, together with its subsidiaries, "**İşbank Group**") directly and indirectly held a 51.37 per cent. interest in the Bank's common shares. As a result, İşbank has the voting power to influence the Bank's strategy and business significantly, including through its power to elect a majority of the Bank's Board of Directors and to determine the outcome of almost all matters to be decided by a vote of the Bank's shareholders. The interests of İşbank may differ from those of the investors in the Notes and İşbank may cause the Bank to take or refrain from taking certain actions (e.g., declaring dividends or entering into corporate transactions) that may adversely affect the Noteholders' investment in the Notes. See "*Ownership*".

If İşbank were to sell (and/or cause any of its subsidiaries to sell) some or all of its shares in the Bank (whether in a secondary offering or a block sale to a strategic buyer), then the Bank may become controlled by a new party with different interests than İşbank. As the Conditions do not include an Event of Default or put option relating to a change in control of the Bank, investors in the Notes will not be entitled to have their Notes repaid as a result of any such change in control.

MARKET RISKS

The Group is subject to risks that arise from open positions in interest rate, currency and its equity portfolio, all of which are exposed to general and specific market movements. The Group seeks to manage its market risk exposure through a range of measures (see "*Risk Management – Market risk*" for further information). Such measures may not be successful in mitigating market risk and the Group's exposure to market risks could lead to a material adverse effect on the Group's business, financial condition and results of operations. A number of these risks are described in greater detail below.

Foreign Exchange and Currency Risk – The Group is exposed to foreign exchange and currency risks and further devaluations of the Turkish Lira may adversely impact the Bank's business, results of operation and financial condition

A significant portion of the Group's assets and liabilities are denominated in foreign currencies, particularly U.S. Dollars and Euro. For example, the Group had extended loans denominated in currencies other than Turkish Lira totalling the equivalent of TL 117,065 million, TL 151,616 million and TL 219,166 million as of 31 December 2023, 2024 ad 2025, respectively, representing 89.2 per cent., 89.8 per cent. and 91.6 per cent., respectively, of the Group's total loans at such dates. As a result, the Group is exposed to the effects of fluctuation in foreign currency exchange rates, which can have a material impact on its business, financial condition (including capitalisation) and results of operations. These risks are both systemic (e.g., the impact of exchange rate volatility on the markets generally, including on the Group's borrowers) and specific to the Group (e.g., due to the Group's own net currency positions). If the Turkish Lira depreciates, then (when translated into Turkish Lira) the Group would incur currency translation losses on its liabilities denominated in (or indexed to) foreign currencies (such as the Group's U.S. dollar-denominated long-term loans and other debt) and would experience currency translation gains on its assets denominated in (or indexed to) foreign currencies. Furthermore, a significant depreciation of the Turkish Lira may affect the Group's ability to attract customers on such terms or to charge rates indexed to the foreign currencies. The overall effect of exchange rate movements on the Group's financial condition and results of operations depends upon the rate of depreciation or appreciation of the Turkish Lira against its principal trading and financing currencies.

In preparing its BRSA Financial Statements, transactions in currencies other than Turkish Lira are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. As a result, and notwithstanding that the Group's balance sheet is significantly balanced from a currency perspective, the translation effects may affect in the Group's reported statement of profit or loss. The overall effect of exchange rate movements on the Group's results of operations depends upon the rate of depreciation or appreciation of the Turkish Lira against its principal trading and financing currencies.

The value of the Turkish currency against the U.S. dollar has been volatile over the last years, having depreciated by 57.2 per cent., 19.8 per cent. and 21.7 per cent., against the U.S. dollar in 2023, 2024 and 2025, respectively, mainly due to high inflation in Türkiye combined with rising geopolitical risks and political developments on the perceived risks associated with investing in Türkiye, deteriorating macroeconomic conditions, global factors leading to the strengthening of the U.S. Dollar and inflationary pressures stemming from supply chain pressures and the Russian invasion of Ukraine and the related global impact on energy prices. The exchange rate amounted to TL 29.43 per U.S. dollar as of 31 December 2023, TL 35.28 per U.S. dollar as of 31 December 2024 and TL 42.85 per U.S. dollar as of 31 December 2025.

Although the Group sets stringent limits and performs certain other measures aimed at reducing exchange rate risk, including but not limited to derivative transactions as well as strengthening its capital via retained earnings, there is no assurance that such measures will be successful. Further depreciation of the Turkish Lira against the U.S. dollar and other major currencies will increase the value of the Bank's foreign currency denominated liabilities, negatively affecting the Bank's financial condition and the cost of servicing foreign currency denominated debt, adversely affecting the Bank's results of operations. In addition, it may adversely impact some of the Bank's major borrowers, who are exposed to foreign exchange risk, which could result in an increase in NPLs, negatively affecting the Bank's business. Volatility of the Turkish Lira can also affect the Group's capital adequacy ratio (for example, if the Turkish Lira depreciates, foreign-currency denominated assets result in an increase in the Group's total assets upon translation into Turkish Lira, and then reduce the Group's capital adequacy ratio). If the Group's capital adequacy ratio declines below minimum levels, this could materially and adversely affect the Group's business, financial conditions and results of operations, and require it to raise additional capital.

Interest Rate Risk – The Group may be negatively affected by volatility in interest rates

The Group's results of operations depend heavily upon the level of its net interest income, which is the difference between interest income from interest earning assets and interest expense on interest-bearing liabilities. The net interest margin could be affected, by among factors, changes in market interest rates. For instance, a significant decline in average interest rates charged on loans to customers may result in a decline in net interest margins as the Bank's loan portfolio has a significantly lower duration than its funding (i.e., it re-prices more quickly, and is therefore more sensitive to interest rates movements in the short-term), which could have a material adverse effect on the Group's business, financial condition and results of operations.

Net interest income (which also includes net income or losses from trading) contributed 75.2 per cent., 93.1 per cent. and 78.6 per cent. of the Group's operating income for the years ended 31 December 2023, 2024 and 2025, respectively, and net interest margin as measured on a Bank-only basis was 7.0 per cent., 6.3 per cent. and 5.7 per cent., respectively, over the same periods. Interest rates are highly sensitive to many factors beyond the Group's control, including monetary policies pursued by the CBRT and domestic and international economic and political conditions. In particular, in order to cope with significant deterioration in the Turkish Lira exchange rate and the resulting pressure on inflation, the CBRT has taken a number of actions affecting overnight lending rates. In 2021, the CBRT continued to loosen monetary policy due to pressure from President Erdogan, and as a result, the Turkish Lira suffered further significant depreciation against the U.S. dollar. Following a period during which the policy rate remained at 14.0 per cent., the CBRT began reducing its policy rate again on 18 August 2022, with the rate reaching a low of 8.5 per cent. on 23 February 2023. These measures have contributed to volatility in cost of funding for the Turkish banks, including the Bank and are subject to further change and revision at any time, and the Group may be required to seek alternative sources of liquidity and funding, which may only be available at increased cost or have limited or no availability. In addition to the effects of interest rates on the Group's cost of funding, its income from financial operations is also directly affected by interest rate volatility. As of 31 December 2025, 89.3 per cent. of the Group's securities portfolio consisted of government debt securities (the vast majority of which were issued by the Turkish government), which accounted for 15.6 per cent. of the Group's total assets (92.4 per cent. and 17.2 per cent., respectively, as of 31 December 2024 and 95.4 per cent. and 15.3 per cent., respectively as of 31 December 2023), approximately 64.1 per cent. of which consisted of fixed rate securities, the price of which changes in response to movements in interest rates. As a result, a significant portion of the Group's total assets is exposed to interest rate risk. Although the Group uses various instruments and measures to manage exposures to interest rate risk (see "*Risk Management – Interest Rate Risk*"), these instruments and measures may not protect the Group from the risks of changing interest rates. For more information on recent trends in Turkish interest rates, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting the Group's Financial*

Condition and Results of Operations – Market Environment, Interest Rates and Net Interest Income and Margin".

Reduction in Earnings on Securities Portfolio – The Group may not be able to sustain the level of earnings on its securities portfolio obtained during recent years

The Group has historically generated a significant portion of interest income from its securities portfolio, with interest income derived from the Group's securities portfolio in 2023, 2024 and 2025 accounting for 26.6 per cent., 27.8 per cent. and 28.4 per cent., respectively, of its total interest income (and 22.3 per cent., 27.4 per cent. and 25.6 per cent., respectively, of its gross operating income before deducting interest expense and fee and commission expense). The CPI-linked securities in the Bank's investment portfolio have been providing high real yields compared to other government securities, which also have been generating high nominal yields in an inflationary environment, but their impact on the Bank's earnings will vary as inflation rates change.

While the contribution of income from the Group's securities portfolio has been significant over recent years, such income could decline in coming years and have a material adverse effect on its business, financial condition and results of operations. See "*Risks Related to the Group and its Business – Credit Risks – The Group has a significant portion of its assets invested in Turkish government debt, making it highly dependent upon the continued credit quality of, and payment of its debts by, the Turkish government*".

FUNDING RISKS

Reliance on Government Support – The Bank obtains significant funding through loans guaranteed by the Turkish government, any change in the practices or creditworthiness of which could materially negatively impact the Bank and its funding from development financial institutions ("DFIs")

A significant portion of the Group's obligations are guaranteed by the Turkish Treasury (52.6 per cent. and 52.3 per cent. of its long-term loans including issuances of debt securities and 81.1 per cent. and 74.4 per cent. excluding issuances of debt securities as of 31 December 2024 and 31 December 2025, respectively), including all of its loans from the World Bank, which can only lend to companies that are beneficiaries of a sovereign guarantee. The Turkish government publishes an annual aggregate limit for government guarantees (U.S.$9.5 billion for 2025) and allocates such amount among the Bank, state banks (such as Türkiye Vakıflar Bankası T.A.O. ("**Vakıfbank**"), Türkiye Halk Bankası A.Ş. ("**Halkbank**"), T.C. Ziraat Bankası A.Ş. ("**Ziraat**"), Türkiye İhracat Kredi Bankası ("**Eximbank**") and Türkiye Kalkıma ve Yatırım Bankası A.Ş.) and state-owned public enterprises that can benefit from World Bank and other similar guaranteed financing. As a result of providing this support, the Turkish Treasury appoints a representative to the Bank's Board of Directors. Should the Turkish government cease to provide such guarantees, or become less creditworthy, the Bank would be unable to raise funding from the World Bank and other creditors that require such a guarantee, which could impact the Bank's ability to raise additional capital and refinance any existing debt.

See also "*Risks Related to Investments in the Notes Generally – Effective Subordination – Claims of Noteholders under the Notes will be effectively subordinated to those of certain other creditors*" for a description of the priority that claims of the Turkish Treasury would have over claims under the Notes in case of the bankruptcy of the Bank.

Reliance on DFIs – The Group relies to a significant extent on DFIs for financing, which exposes the Group to significant risk should such funding cease to be available

As a result of the long-standing relationships that the Bank has sustained since its establishment, the Bank's primary source of funding comes from DFIs. As of 31 December 2025, 61.5 per cent. (68.0 per cent. and 60.2 per cent. as of 31 December 2023 and 2024, respectively) of the Group's total borrowing was sourced from

DFIs and the remaining amount was sourced from syndicated loans, bilateral loans, issuances of debt securities and money market as well as repurchase ("**repo**") transactions. Although the Bank has historically been able to extend the maturity profile of its funding base, there can be no assurance that it will be able to do so in the future at a price that the Group considers to be reasonable or at all. Should the Group's relationship with the World Bank and/or one or more of its other DFI partners deteriorate or be reduced or discontinued for any reason, the Group's ability to raise additional capital and refinance any existing debt could be negatively impacted and have a material adverse effect on the Group's business, financial condition and results of operations.

Liquidity Risk – The Group is subject to liquidity and financing risk

Liquidity risk relates to the Group's ability, under adverse conditions, to access funding necessary to cover obligations to customers, meet the maturity of liabilities and satisfy capital requirements. It includes the risk of lack of access to funding (other than from the reserves held with the CBRT and limits granted to the Bank by the CBRT both in Turkish Lira and foreign currency ("**FC**")), the risk of unexpected increases in the cost of financing and the risk of not being able to structure the maturity dates of the Group's liabilities reasonably in line with its assets, as well as the risk of not being able to meet payment obligations on time at a reasonable price due to liquidity pressures. The Group's inability to meet its net funding requirements due to inadequate liquidity could materially adversely affect its business, financial conditions and results of operations.

The Group, which is not legally empowered to receive deposits, relies primarily upon funds obtained from DFIs, which accounted for 61 per cent. of the Bank's borrowings as of 31 December 2025. The Bank also secures funds from other financial institutions in the form of syndicated loans, bilateral loans, short-term money markets and repo transactions. The Bank has also accessed the international debt capital markets by issuing Eurobonds since 2014. An inability on the Group's part to access funds or to access the markets from which it raises funds may put the Group's positions in liquid assets at risk and lead the Group to be unable to finance its operations and growth plans adequately. The Group may be unable to secure funding through sources such as its current loan facilities if conditions in these markets, or its creditworthiness, were to deteriorate.

A rising interest rate environment could compound the risk of the Group not being able to access funds at favourable rates or at all. Should liquidity decrease in the future, competition among banks and other borrowers for reduced global liquidity may result in increased costs of funding. This and other factors could lead creditors to form a negative view of the Group's liquidity, which could result in lower credit ratings, higher borrowing costs and/or less access to funds. In addition, the Group's ability to raise or access funds may be impaired by factors that are not specific to its operations, such as general market conditions, disruptions of the financial markets or negative views about the prospects of the sectors to which the Group lends or of the Turkish banking sector. While the Group aims to maintain at any given time an adequate level of liquidity reserves, and as of 31 December 2025 operated with a positive maturity mismatch (i.e., the average maturity of its receivables was less than the average maturity of its funding), future strains on liquidity caused by any of these factors or otherwise (including as a result of the requirement to repay any indebtedness, whether on a scheduled basis or as a result of an acceleration due to a default, change of control or other event) could adversely affect the Group's business, financial condition and results of operations. For example, in case of a liquidity crisis, wholesale funding would likely become more difficult to obtain, which may adversely affect borrowing using certain capital market instruments (such as Eurobonds). Similarly, if the credit rating of Türkiye and/or members of the Group is further downgraded, the Group may experience higher levels of cost of funding and difficulty accessing certain sources of international or wholesale funding. See also "*Risks Related to the Group and its Business – Credit Risks – Government Default – The Group has a significant portion of its assets invested in Turkish government debt, making it highly dependent upon the continued credit quality of, and payment of its debts by, the Turkish government*".

Adverse developments in the global or Turkish financial markets, further adverse rating agency actions and other developments beyond the Group's control could lead to the Group being unable to obtain additional funding on commercially reasonable terms as and when required, or at all. The Group's inability to refinance its current liabilities could result in its failure to service its debt, fulfil loan commitments or meet other on- or off-balance sheet payment obligations on specific dates, which could have a material adverse effect on the Group's business, financial condition and results of operations. For further information on the Group's liquidity risk management policy, see "*Risk Management – Liquidity risk*".

Access to Capital – The Group may not be able to meet minimum capital adequacy requirements and/or may have difficulty raising capital on acceptable terms, if at all

By law, each of the Bank and the Group is required to maintain certain capital levels and capital ratios in connection with its business. Such capital ratios depend in part upon the level of risk-weighted assets. The Bank's management expects that any improvement in economic conditions could result in increased lending (in absolute terms) and, as a result, there will be a continuing increase in the Group's risk-weighted assets. The increase in lending may adversely affect the Group's capital adequacy ratios.

Potential changes in law may also affect the manner in which capital ratios are calculated. The Bank calculates its capital adequacy ratios according to the 2015 Capital Adequacy Regulation (as defined below), which allows the Bank to use ratings of eligible external credit assessment institutions (namely Fitch, S&P, Moody's, Japan Credit Rating Agency, Ltd., DBRS Ratings Ltd. and, as of 12 January 2017, International Islamic Rating Agency) when calculating its risk-weighted assets for capital adequacy purposes. As the Bank uses Fitch ratings in capital adequacy ratios calculations, a downward change in the rating of Türkiye published by this rating agency may negatively impact the Bank's applicable capital adequacy ratios.

Additionally, it is possible that the Bank's and/or the Group's capital levels could decline due to, among other things, credit losses, increased credit reserves or currency fluctuations (see "*Risks Related to the Group and its Business – Market Risks – Foreign Exchange and Currency Risk – The Group is exposed to foreign exchange and currency risks and further devaluations of the Turkish Lira may adversely impact the Bank's business, results of operation and financial condition*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Assets – Currency of Loans*"). The Group may also need to raise additional capital in the future to ensure that it has sufficient capital to support future growth in its assets in order to remain competitive in the Turkish banking environment, particularly in line with the Group's growth strategy. Should the Group desire or be required to raise additional capital, that capital may not be available at a price that the Group considers to be reasonable or at all. If any or all of these risks materialise, there could be a material adverse effect on the Group's business, financial condition and results of operations.

The Bank's asset composition is concentrated in foreign currency-denominated loans, which makes the Bank's capital adequacy ratio sensitive to currency volatilities. As of 31 December 2025, the FC-denominated assets accounted for 77.9 per cent. of the balance sheet whereas FC-denominated liabilities accounted for 84.0 per cent. of the balance sheet. On these figures, a 10 per cent. depreciation in TL would lead to a 95 basis points decrease in the capital adequacy ratio.

The Bank is also exposed to risks of changes to capital adequacy-related policy revisions, including as a result of the implementation of Basel III (which is a comprehensive set of reform measures in banking prudential regulation developed by the Basel Committee on Banking Supervision (the "**Basel Committee**")). Any changes relating to Basel III or any other capital adequacy-related revisions may impact the manner in which the Bank and/or the Group calculates its capital ratios and may even impose higher capital requirements, which may require the Group to raise additional capital and/or reduce its balance sheet to ensure that it has sufficient capital reserves, which could have a material adverse effect on the Group's business, financial condition and results of operations.

OPERATIONAL RISKS

Competition in the Turkish Banking Sector – The Group faces intense competition in the Turkish banking sector

The Turkish banking sector is highly competitive and dominated by a small number of banks. As of 31 December 2025, there were 67 banks (including domestic and foreign banks, participation banks and one bank which is under the administration of the SDIF, but excluding the CBRT) licensed to operate in Türkiye, with the top five banks (three of which are state-controlled banks and none of which are participation banks) holding, in aggregate as of 31 December 2025, approximately 55.7 per cent. of the Turkish banking sector's total loan portfolio and approximately 56.7 per cent. of the Turkish banking sector's total assets, according to the BRSA. The Bank offers pricing comparable to that of its competitors on financings but offers limited products compared to its commercial bank competitors. As a result, the Group could lose customers or be forced to reduce its margins, among other things. This, in turn, could negatively affect the Group's profitability.

According to Turkish banks' announcements, as of 31 December 2025, the top seven banking groups in Türkiye, three of which were state-controlled, held 70 per cent. of the Turkish banking sector's total loan portfolio in Türkiye, 70.5 per cent. of the total bank assets in Türkiye and 76.4 per cent. of total deposits in Türkiye (in each case, excluding participation banks and development and investment banks).

The competition of the leading Turkish banks in the government support schemes and their ability to adopt any new support schemes or to quickly adapt their lending procedures in light of any changes in the current legislation may limit the Group's market share in government supported lending activities. In addition to competition from private banks, the Group faces competition from state-controlled financial institutions, such as Ziraat, Vakıfbank and Halkbank. Such government-controlled financial institutions historically focused on government and government-related projects but are increasingly focusing on the private sector, leading to increased competition and pressure on margins. In particular, such government-controlled institutions may have access to low cost deposits (on which such institutions pay low or no interest) through "State Economic Enterprises" owned or administered by the Turkish government, which could result in a lower cost of funds that cannot be duplicated by private sector banks such as the Group. Such actions by government-controlled financial institutions, in addition to ongoing competitive pressures from private financial institutions, may cause net interest margins to decline across the Turkish banking market, which could adversely affect the Group's business, financial condition and results of operations.

Foreign financial institutions have shown a strong interest in competing in the banking sector in Türkiye. HSBC Bank plc, UniCredito Italiano, Industrial and Commercial Bank of China, Qatar National Bank, Commercial Bank of Qatar, BBVA, BNP Paribas, Citigroup, ING, Emirates NBD, Bank Audi sal, Burgan Bank, Bank of Tokyo-Mitsubishi UFJ, Bank of China and Intesa SanPaolo S.p.A. are among the many non-Turkish financial institutions that have purchased or made investments in Turkish banks or opened their own Turkish offices. Further entries into the sector by foreign competitors, either directly or in collaboration with existing Turkish banks, could increase competition in the market. Similarly, the expansion of foreign banks' presence in Türkiye, in addition to direct investment, may lead to further competitive pressures. In addition, the Group may not be able to offset domestic and foreign competitive pressures in certain sectors.

In addition, Turkish banks have traditionally held a significant portion of their assets in Turkish government securities. Throughout 2025, the volatile interest rate environment and tightening monetary policy measures have limited the relative profitability of these instruments, prompting banks to shift towards higher-yielding assets, particularly loans. However, macroprudential regulations on loan growth have constrained this shift and resulted in a more controlled asset composition. On the other hand, banks have increasingly relied on

non-equity funding to finance their asset growth, while elevated funding costs and delays in loan repricing have put pressure on net interest margins. This pressure has periodically intensified during interruptions in the rate-cut cycle, and continued competition for customers may lead to some pressure on the Group's business, financial condition and results of operations.

Estimations – Future events may be different from those reflected in the management assumptions and estimates used in the preparation of the Group's financial statements, which may result in unexpected reductions in profitability

Pursuant to accounting rules and interpretations, the Group uses certain estimates in preparing its financial statements, including in determining expected credit losses and the accounting value of certain assets and liabilities. Should the estimated values for such items prove to be materially inaccurate, including as a result of unexpected market movements, or if the methods by which such values were determined are revised in future accounting rules or interpretations, then the Group may experience unexpected reductions in profitability and/or such inaccuracies may otherwise have a material adverse effect on the Group's business, financial condition and results of operations. For example, portions of the Group's provisions for loans are determined based upon assumptions about the Turkish economy and thus (particularly if the Turkish economy underperforms such assumptions) the Group may have taken inadequate provisions for loans.

Profitability – The Group's profitability and profitability growth in recent years may not be sustainable as a result of regulatory, competitive and other factors impacting the Turkish banking sector

As of 31 December 2025, the Group's return on average total assets was 4.0 per cent. (compared to 2.9 per cent. for the sector according to the BRSA) and the return on its average shareholders' equity was 28.8 per cent. (compared to 26.7 per cent. for the sector according to the BRSA) (4.9 per cent. and 38.5 per cent., respectively, for the Group and 2.3 per cent. and 26.3 per cent., respectively, for the sector for the year ended 31 December 2024). The Group's profitability may be negatively affected as a result of a number of factors that are generally impacting the Turkish banking sector, including volatility in interest rates (see "*Risks Related to the Group and its Business – Market Risks – Reduction in Earnings on Securities Portfolio – The Group may not be able to sustain the level of earnings on its securities portfolio obtained during recent years*" and "*Risks Related to the Group and its Business – Market Risks – Interest Rate Risk – The Group may be negatively affected by volatility in interest rates*"), increased competition (particularly as it impacts net interest margins (see "*Risks Related to the Group and its Business – Operational Risks –The Group faces intense competition in the Turkish banking sector*") and CBRT and governmental actions that seek to limit the growth of Turkish banks and/or the Turkish economy through various conventional and unconventional policy measures, including increased reserve requirements, increased general provisioning requirements and higher risk-weighting for general purpose loans (see "*Risks Related to Türkiye – Turkish Regulatory and Other Matters – Banking Regulatory Matters – The activities of the Group are highly regulated and changes to applicable laws or regulations, the interpretation or enforcement of such laws or regulations or the failure to comply with such laws or regulations could have an adverse impact on the Group's business*" and "*Risks Related to Türkiye – Economic Conditions – High Current Account Deficit – Türkiye's high current account deficit may result in governmental efforts to decrease economic activity*").

Risk Management – The Group's risk management strategies and internal controls may leave it exposed to unidentified or unanticipated risks

The Group's risk management strategies and internal controls may leave it exposed to unidentified or unanticipated risks. The Group's risk management and internal control policies and procedures may not adequately control, or protect the Group against, credit, liquidity, market and other risks. In addition, certain risks may not be accurately quantified by the Group's risk management systems. Some of the Group's methods of managing risk are based upon the use of historical market data, which, as evidenced by events

caused by the global financial crisis, may not always accurately predict future risk exposures, which could be significantly greater than historical measures indicate.

Any material deficiency in the Group's risk management or other internal control policies or procedures could expose it to significant credit, liquidity, market or operational risk, which may in turn have a material adverse effect on the Group's business, results of operations or financial condition. Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that the Bank will be unable to comply with its obligations as a company with securities admitted to the Official List.

Operational Risk – The Group may be unable to monitor and prevent losses arising from fraud and/or operational errors or disruptions

Similar to other financial institutions, the Group is susceptible to, among other things, fraud by employees or third parties, unauthorised transactions by employees, lack or loss of skilled information technology ("**IT**") employees and operational errors (including clerical or record keeping errors and errors resulting from faulty IT or telecommunications systems). Any failure, interruption or breach in security of the Group's IT systems (including as a result of any cyberattacks, phishing, ransomware or other malicious acts) might result in failures or interruptions in the Group's risk management, general ledger, servicing, loan organisation and/or other important operations. The Group is also subject to service interruptions from time to time for third party services, such as telecommunications, due to natural disasters or other causes which are beyond the Group's control. Such interruptions may disrupt the Group's operations and/or impact customer service. Errors may be repeated or compounded before they are discovered and rectified. In addition, a number of banking transactions are not fully automated, which may further increase the risk that human error or employee tampering will result in losses that may be difficult for any bank to detect quickly or at all. While the Group maintains a system of controls designed to monitor and control operational risk, the Group may suffer losses from such risks. Losses from the failure of the Group's system of internal controls to discover and rectify such matters could have a material adverse effect on the Group's business, financial condition and results of operations.

Personnel – The Group's continued success depends upon retaining key members of its senior management and its ability to recruit, train and motivate qualified staff

The Group is dependent upon its senior management to implement its strategy and operate its day-to-day business. In addition, corporate and other relationships of members of senior management are important to the conduct of the Group's business. In a rapidly emerging and developing market such as Türkiye, demand for highly trained and skilled staff is very high and requires the Group to continually re-assess its compensation and employment policies. If members of the Group's senior management were to leave, particularly if they were to join competitors, then those employees' relationships that have benefited the Group may not continue with the Group. In addition, the Group's continuing success depends, in part, upon its ability to attract, retain and motivate qualified and experienced banking and management personnel. The Group's failure to recruit and retain necessary personnel or manage its personnel successfully could have a material adverse effect on the Group's business, financial condition and results of operations.

Dependence upon Licences – Group members may be unable to maintain or secure the necessary licences for carrying on their business

All banks established in Türkiye require licensing by the BRSA. Each of the Bank and, to the extent applicable, each of its subsidiaries has a current Turkish and/or other applicable licence for all of its banking and other operations. The Bank's management believes that the Bank and each of its subsidiaries is currently in compliance with its existing material licence and reporting obligations; nevertheless, if it is incorrect, or if any member of the Group were to suffer a future loss of a licence, breach the terms of a licence or fail to

obtain any further required licences, then this could have a material adverse effect on the Group's business, financial condition and results of operations.

OTHER GROUP RELATED RISKS

Qualified Audit Opinion – The independent auditor's reports in relation to each of the BRSA Financial Statements include a qualification

All of the audit reports accompanying the BRSA Financial Statements incorporated by reference in this Base Prospectus include a qualification concerning a free provision allocated by the Bank and the Group management in each relevant period, which was provided by the Bank's management as a conservative measure to take into consideration the possible result of negative circumstances that may arise from changes in economic or market conditions. The independent auditors have qualified their audit reports accompanying the BRSA Financial Statements as free provisions are not permitted under Turkish Accounting Standards 37 ("**TAS 37**") as set by the POA.

As explained in Section Five Part II 7.c.1 of Explanations and Notes to the BRSA Financial Statements, the accompanying consolidated and unconsolidated financial statements as of and for the year ended 31 December 2025 include a free provision amounting to TL 1,100,000 thousand, which consists of TL 2,050,000 thousand provided in prior years and TL 950,000 thousand reversed in the current year, by the Group management, outside of the requirements of BRSA Accounting and Financial Reporting Legislation. Had this provision not been accounted for, "other provisions" would have been decreased by TL 1,100,000 thousand, "net profit" and "equity" would have decreased by TL 950,000 thousand and increased by TL 1,100,000 thousand, respectively as at 31 December 2025.

In addition, for the same reason, the accompanying consolidated and unconsolidated financial statements as of and for the year ended 31 December 2024 include a free provision amounting to TL 2,050,000 thousand, which consists of TL 1,750,000 thousand provided in prior years and TL 300,000 thousand provided as at 31 December 2024, by the Group management, outside of the requirements of BRSA Accounting and Financial Reporting Legislation. Had this provision not been accounted for, "other provisions" would have been decreased by TL 2,050,000 thousand, "net profit" and "equity" would have increased by TL 300,000 thousand and TL 2,050,000 thousand, respectively as at 31 December 2024.

In addition, for the same reason, the accompanying consolidated and unconsolidated financial statements as of and for the year ended 31 December 2023 include a free provision amounting to TL 1,750,000 thousand, of which TL 900,000 thousand were provided within prior years and of which TL 850,000 was provided in 2023. This free provision was provided by the Bank management for the possible effects of the negative circumstances which may arise in the economy or market conditions. Since the above-mentioned provisions do not meet the accounting requirements of TAS 37 "Provisions, Contingent Liabilities and Contingent Assets", the "Other Provisions" for the period ended 31 December 2023 are overstated by TL 1,750,000 thousand, while "retained earnings" and "net income" as of 31 December 2023 are understated by TL 900,000 thousand and TL 850,000 thousand, respectively.

The Bank's and the Group's financial statements may contain similar qualifications for so long as such free provisions are allocated by the Bank or the Group. Each independent auditor's qualification can be found in the audit report accompanying each of the BRSA Financial Statements.

Such provisions may be reversed, re-allocated or increased by the Bank and the Group in future periods, which may cause the Bank and the Group's net profit to be higher or lower in future periods than it otherwise would be in the absence of such reversal, re-allocation or increase. These provisions do not impact the Bank and the Group's level of tax.

Turkish Disclosure Standards – Turkish disclosure standards may differ in certain significant respects from those in certain other countries, leading to a lesser amount of information being available

Historically, the reporting, accounting and financial practices applied by Turkish banks have differed in certain respects from those applicable to similar banks in the European Union or in other similar economies. There is less publicly available information on businesses in Türkiye than is regularly published by similar businesses in the EU or in other similar markets, and information that is published may only be presented in Turkish. The BRSA rules require Turkish banks to publish their financial reports on their websites and their annual financial reports in the Official Gazette in Türkiye. Annual financial reports comprise audited financial statements and activity reports, and quarterly financial reports comprise reviewed financial statements, interim management reports and corporate governance compliance reports. In recent years, many Turkish banks have also prepared financial statements using IFRS for certain reporting periods, with their financial statements being available first under BRSA Principles and only subsequently made available in IFRS financial statements. Most Turkish banks, including the Bank, have English versions of their financial statements available on their websites. In addition, banks that are listed on the Borsa İstanbul ("**BİST**"), such as the Bank, are also required to publish their financial statements on a quarterly basis and to disclose any significant development that is likely to have an impact on investors' decisions and/or that would be likely to have a significant effect on the price of the issuer's securities (both through the Turkish government's Public Disclosure Platform's website and the Bank's own website). Nonetheless, investors may not have access to the same depth of disclosure relating to the Bank as they would for investments in banks in the European Union and other more-developed markets.

The Group maintains its accounting systems and prepares its accounts in accordance with the relevant legislation and publishes quarterly financial results in accordance with the BRSA Principles. There are differences between the BRSA Financial Statements and IFRS financial statements. A summary of the most material of such differences as they apply to the Group has been included elsewhere in this Base Prospectus, including the differences described above and other potential differences that may materially affect the Group's results of operations and financial position (see Appendix 1 "*Overview of Significant Differences between IFRS and BRSA Accounting Principles*").

Entities whose functional currency is the currency of a hyperinflationary economy present their financial statements in terms of the measuring unit current at the end of the reporting period according to "TAS 29 Financial Reporting in Hyperinflation Economies". Based on the announcement made by POA on 23 November 2023, entities applying TFRS are required to present their financial statements by adjusting for the impact of inflation for the annual reporting period ending on or after 31 December 2023, in accordance with the accounting principles specified in TAS 29. In the same announcement, it was stated that institutions or organisations authorised to regulate and supervise in their respective scope might determine different transition dates for the implementation of inflation accounting, and in this context, BRSA announced that financial statements of banks, financial leasing, factoring, financing, savings financing and asset management companies as of 31 December 2023 would not be subject to the inflation adjustment in accordance with BRSA Board decision on 12 December 2023.

On 11 January 2024, the BRSA announced that inflation adjustment will apply for banks for accounting periods starting from 1 January 2025 and on 5 December 2024 the BRSA announced that this inflation adjustment shall not be applicable for banks for the year 2025. On 18 December 2025, the BRSA repealed its prior decision regarding the application of inflation accounting and determined that banks and other financial institutions subject to BRSA supervision would not be required to apply inflation accounting. As a result: (a) the BRSA Financial Statements incorporated by reference into this Base Prospectus have not applied the

inflation adjustment standards of TAS 29 and there is no obligation to apply such standards to BRSA Financial Statements for future periods.

Potential investors should rely upon their own examination of the Group, the terms of the Notes and the financial and other information contained in this Base Prospectus.

RISKS RELATING TO THE NOTES

While the risks described above are important with respect to the Issuer's ability to make payments due in respect of the Notes, there are additional risks that should be considered by investors in the Notes, including risks relating to the nature of the structure of the Notes and general risks relating to investments in the Notes (both of which are set out in the corresponding sub-category below). Such risks that the Issuer's management has identified as having a material impact on investors in the Notes issued with the terms and conditions set out in this Base Prospectus (the "**Conditions**") are set out in this category of risk factors; it being understood that the following does not address any specific conditions of, or circumstances relating to, any particular investor (including such investor's own tax, regulatory or other circumstances) but rather to investors generally speaking.

RISKS RELATED TO THE STRUCTURE OF THE NOTES

The Notes present investors with certain risks that are applicable to investments in senior unsecured obligations issued by the Issuer. Such risks that the Issuer's management has identified as having a material impact on investors in the Notes are set out in this section.

Early Redemption – The Notes may be subject to early redemption in certain circumstances

The Issuer will, in certain circumstances described below, have the right to redeem Notes prior to their maturity date. An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may similarly be true prior to any redemption period.

To the extent Notes have an optional redemption feature, the Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on such Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate (or through taking on a greater credit risk). Potential investors should consider reinvestment risk in light of other investments available at that time.

Change of Interest Basis – If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis may affect the secondary market and the market value of such Notes, as the change of interest basis may result in a lower return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of the investment in the relevant Notes.

Settlement Currency – In certain circumstances, investors may need to open a bank account in the Specified Currency or payment may be made in a currency other than as elected by a Noteholder or the currency in which payment is made may affect the value of the Notes or such payment to the relevant Noteholder

In the case of Turkish Lira denominated Notes held other than through DTC, unless an election to receive payments in U.S. Dollars as provided in Condition 7.8 is made, holders of such Notes may need to open and maintain a Turkish Lira denominated bank account, and no assurance can be given that Noteholders will be able to do so either in or outside of Türkiye. For so long as such Notes are in global form, any Noteholder who does not maintain such a bank account will be unable to transfer Turkish Lira funds (whether from payments on, or the proceeds of any sale of, such Notes) from its account at Euroclear or Clearstream, Luxembourg to which any such payment is made.

For Notes in a Specified Currency other than U.S. Dollars that are held through DTC, if a Noteholder wishes to receive payment in that Specified Currency, then it would need to open and maintain a bank account in the Specified Currency. Any Noteholder who does not maintain such a bank account will be unable to receive payments on the Notes in the Specified Currency. Absent an affirmative election to receive such payments in the Specified Currency, the Exchange Agent will convert any such payment made by the Issuer in the Specified Currency into U.S. Dollars and the holders of such Notes will receive payment in U.S. Dollars. See "*Terms and Conditions of the Notes – Condition 7.9*".

Under Condition 7.8, if the Fiscal Agent receives cleared funds in respect of Turkish Lira denominated Notes held other than through DTC from the Issuer after the relevant time on the Relevant Payment Date, then the Fiscal Agent will use reasonable efforts to pay any U.S. Dollar amounts Noteholders have elected to receive in respect of such funds as soon as reasonably practicable thereafter. If it is not possible for the Fiscal Agent to purchase U.S. Dollars with any Turkish Lira funds received, the relevant payments in respect of the Notes will be made in Turkish Lira.

As any currency election in respect of any payment to be made under such Turkish Lira denominated Notes for the purposes of Condition 7.8 is irrevocable: (a) its exercise may (at least temporarily) affect the liquidity of the applicable Notes, (b) a Noteholder would not be permitted to change its election notwithstanding changes in exchange rates or other market conditions and (c) if the Fiscal Agent cannot, for any reason, effect the conversion of the amount paid by the Issuer in Turkish Lira, Noteholders will receive the relevant amount in Turkish Lira.

Noteholders will have no recourse to the Issuer, any Agent or any other person for any reduction in value to the holder of any relevant Notes or any payment made in respect of such Notes as a result of such payment being made in the Specified Currency or in accordance with any currency election made by that holder, including as a result of any foreign exchange rate spreads, conversion fees or commissions resulting from any exchange of such payment into any currency other than the Specified Currency. Such exchange, and any fees and commissions related thereto, or payment made in the Specified Currency may result in a Noteholder receiving an amount that is less than the amount that such Noteholder may have obtained had it received the payment in the Specified Currency and converted such payment in an alternative manner or if payment had been made in accordance with the relevant currency election.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates.

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the

greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

Sustainable Notes – In respect of any Notes issued as Sustainable Notes, there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor

If any Sustainable Notes (as defined below) are issued under this Programme and if any of the risks outlined in this risk factor were to materialise, there may be a material adverse effect on the value of such Sustainable Notes and also potentially the value of any other Notes which are intended to finance the Issuer's lending for Eligible Sustainable Projects (as defined below) and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose (including, without limitation, if such investors are required to dispose of their Sustainable Notes as a result of such Notes not meeting any investment criteria or objectives set by or for such investor, which could lead to increased volatility and/or material decreases in the market price of Sustainable Notes).

No assurance that Sustainable Notes will satisfy any investor requirements or expectations

The Final Terms relating to any specific Tranche of Notes may provide that such Notes are intended to be 'Sustainable Notes', which may include Green Bonds, Social Bonds and/or Sustainability Bonds (each as defined below and together, "**Sustainable Notes**"). The Issuer intends to allocate an amount equal to the net proceeds from any issue of Sustainable Notes to advance loans to the Issuer's customers on a targeted basis for the purposes of the financing and/or refinancing Green Eligible Loans and/or Social Eligible Loans (each as defined below and together, "**Eligible Sustainable Projects**"), as described in the sustainable finance framework (the "**Sustainable Finance Framework**") published on the Issuer's website (as amended, supplemented or otherwise updated from time to time). In connection with the issuance of Sustainable Notes, Sustainalytics (a sustainability consulting firm) has evaluated the Sustainable Finance Framework and has issued an independent opinion confirming that the Eligible Sustainable Projects described in the Sustainable Finance Framework are aligned with the International Capital Market Association's ("**ICMA**") Green Bond Principles 2021 with June 2022 Appendix (the "**ICMA Green Bond Principles**"), ICMA's Social Bond Principles 2023 (the "**ICMA Social Bond Principles**") and ICMA's Sustainability Bond Guidelines 2021 (the "**ICMA Sustainability Bond Guidelines**") published on the Issuer's website (as amended, supplemented or otherwise updated from time to time) and each of which, for the avoidance of doubt, is not incorporated by reference herein.

If the use of such proceeds is a factor in a prospective investor's decision to invest in Sustainable Notes, prospective investors should consult with their legal and other advisers before making an investment in any such Sustainable Notes and must determine for themselves the relevance of such information for the purpose of any investment in such Sustainable Notes, together with any other investigation such investor deems necessary. In particular, no assurance is given by the Issuer, the Arrangers or the Dealers that the use of such amounts advanced by the Issuer to customers for the purposes of financing or refinancing any projects which the Issuer has identified as Eligible Sustainable Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, green, sustainability or social impact of any projects or uses that are the subject of, or related to, any Eligible Sustainable Projects. Furthermore, it should be noted that the proceeds of any loans to an entity described in clause (a) of the definition of Green Eligible Loans or Social Eligible Loans (each as defined below) can be used by such entity for general corporate purposes.

No assurance regarding any labels

The EU adopted a regulation on a voluntary European green bond standard (the "**EU Green Bond Regulation**") which entered into force on 20 December 2023 and was applicable from 21 December 2024. The EU Green Bond Regulation established a voluntary label for European green bonds and sets out uniform requirements for issuers that wish to use the designation "European green bond" or "EuGB" and the conditions for external review of bonds using the label. It also created an alternative voluntary approach to sustainability disclosures for bonds not using the label but marketed as environmentally sustainable or sustainability-linked bonds. It is not clear if the establishment of the EuGB label and the optional disclosures regime for bonds issued as "environmentally sustainable" under the EU Green Bond Regulation will have an impact on investor demand for, and pricing of, green use of proceeds bonds that do not comply with the requirements of the EuGB label or the optional disclosures regime in the future, such as any Sustainable Notes issued under this Programme. It could result in reduced liquidity or lower demand or could otherwise affect the market price of any Sustainable Notes issued under this Programme that do not comply with those standards under the EU Green Bond Regulation.

Furthermore, no assurance can be given that Eligible Sustainable Projects will meet investor expectations or requirements regarding 'green', 'environmental', 'sustainable', 'social' or any similar label (including in relation to the EU Taxonomy Regulation and any related technical screening criteria, the EU Green Bond Regulation, SFDR, and any implementing legislation and guidelines, or any similar legislation in the UK). Furthermore, no assurance can be given that the Sustainable Finance Framework will be aligned with the EU Taxonomy Regulation, the EU Green Bond Regulation or any other sustainability framework.

No assurance that Eligible Sustainable Projects will be completed or meet their objectives

Furthermore, there can be no assurance that any Eligible Sustainable Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer when making its assessment whether or not to apply any proceeds of Sustainable Notes (or amounts equal thereto) to such Eligible Sustainable Project.

Accordingly, no assurance is or can be given by the Issuer, the Arrangers or the Dealers to investors in Sustainable Notes that any projects or uses that are the subject of, or related to, any Eligible Sustainable Projects will meet any or all investor expectations regarding such 'green', 'environmental', 'sustainable', 'social' or other equivalently-labelled performance objectives or that any adverse environmental, green, social and/or other impacts will not occur during the implementation of any projects or uses that are the subject of, or related to, any Eligible Sustainable Projects.

No assurance of suitability or reliability of any second party opinion

In addition, no assurance or representation is given by the Issuer, the Arrangers or the Dealers as to the suitability or reliability for any purpose whatsoever of any opinion, certification or report of any third party, (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Sustainable Notes and/or the Sustainable Finance Framework (as updated from time to time) established by the Issuer, and in particular with any Eligible Sustainable Projects to fulfil any environmental, green, sustainability, social and/or other criteria. For the avoidance of doubt, any such framework, opinion or certification will not be, and shall not be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such opinion or certification is not, and should not be deemed to be, a recommendation by the Issuer or any other person to buy, sell or hold any Sustainable Notes. Any such opinion or certification will only be current as of the date on which that opinion is initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in any Sustainable Notes. Any withdrawal of any such opinion, certification or report may have a material adverse effect on the value of any Sustainable Notes in respect of which such opinion or certification is given and /or

result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

No assurance that Sustainable Notes will be admitted to trading on any dedicated sustainable (or similar) segment of any stock exchange or market, or that any admission obtained will be maintained

If any Sustainable Notes are listed or admitted to trading or otherwise displayed on any dedicated 'green', 'environmental', 'sustainable', 'social' or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Arrangers or the Dealers that such listing or admission or display satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, green, sustainability or social impact of any projects or uses that are the subject of, or related to, any Eligible Sustainable Projects or the funding thereof by the Issuer. Furthermore, it should be noted that the criteria for any such listing or admission to trading or display may vary from one stock exchange or securities market to another. No representation or assurance is given or made by the Issuer, the Arrangers or the Dealers that any such listing or admission to trading or display will be obtained in respect of any Sustainable Notes or, if obtained, that any such listing or admission to trading or display will be maintained during the life of any Sustainable Notes. The criteria for acceptance onto any such market may change from time to time. In the event of any actual or anticipated removal of the Notes from any such market, or if access to any such market is sought and refused, that could have a material adverse effect on the market price of any Sustainable Notes.

Performance of Sustainable Notes not linked to the performance of Eligible Sustainable Projects

The performance of Sustainable Notes is not linked to the performance of the relevant Eligible Sustainable Projects or the performance of the Issuer in respect of any environmental or similar targets. There will be no segregation of assets and liabilities in respect of Sustainable Notes. Consequently, neither payments of principal and/or interest on Sustainable Notes nor any rights of Noteholders shall depend on the performance of the relevant Eligible Sustainable Projects or the performance of the Issuer in respect of any such environmental or similar targets. Holders of any Sustainable Notes shall have no preferential rights or priority against the assets of any Eligible Sustainable Project nor benefit from any arrangements to enhance the performance of the Notes.

No Events of Default

While it is the intention of the Issuer to apply an amount equal to the net proceeds of any Sustainable Notes for advancing loans to customers on a targeted basis for the purposes of financing and/or refinancing Eligible Sustainable Projects, there can be no assurance that the relevant loans advanced by the Issuer, or the project(s) or use(s) the subject of, or related to, any Eligible Sustainable Projects will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly such amounts will be totally or partially disbursed for such Eligible Sustainable Projects. Nor can there be any assurance that such Eligible Sustainable Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer when making its assessment whether or not to advance the relevant loan.

Any such event or failure by the Issuer to apply an amount equal to the net proceeds of any issue of Sustainable Notes to advance loans to customers to finance and/or refinance any Eligible Sustainable Projects, and/or any failure by any such customer to apply those funds to Eligible Sustainable Projects, and/or any withdrawal of any opinion or certification attesting that the Issuer or any of its customers is not complying in

whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any Sustainable Notes no longer being listed or admitted to trading or displayed on any stock exchange or securities market, will not (i) give rise to any claim of a Noteholder against the Issuer (or the Arrangers or any Dealer), (ii) constitute an Event of Default under any Sustainable Notes or a breach or violation of any term thereof, or constitute a default by the Issuer for any other purpose or (iii) lead to a right or obligation of the Issuer to redeem any Sustainable Notes or give any Noteholder the right to require redemption of its Notes.

RISKS RELATED TO INVESTMENTS IN THE NOTES GENERALLY

Set out below is a description of material risks relating to the Notes generally:

Unsecured Obligation – The Notes will constitute unsecured obligations of the Issuer

The Issuer's obligations under the Notes will constitute unsecured obligations of the Issuer. The ability of the Issuer to pay such obligations will depend upon, among other factors, its liquidity, overall financial strength and ability to generate asset flows, which could be affected by (inter alia) the circumstances described in these "*Risk Factors*".

Effective Subordination – Claims of Noteholders under the Notes will be effectively subordinated to those of certain other creditors

While the Notes will rank equally with all of the Issuer's other unsecured and unsubordinated indebtedness, the Notes will be effectively subordinated to the Issuer's secured indebtedness and securitisations, if any, to the extent of the value of the assets securing such transactions, and will be subject to certain preferential obligations under Turkish law (as is the case for all Turkish banks, including, without limitation, liabilities that are preferred by reason of reserve and/or liquidity requirements required by law to be maintained by the Issuer with the CBRT, claims that the CBRT may have against the Issuer with respect to certain loans made by it to the Issuer and certain "public claims"). Any such preferential claims may reduce the amount recoverable by the Noteholders on any dissolution, winding up or liquidation of the Issuer and may result in an investor in the Notes losing all or some of its investment.

It is important for investors in the Notes to consider that, in case of the insolvency of the Issuer, the Turkish Treasury's reimbursement/subrogation claims relating to the guarantees it provides for other debt raised by the Issuer are qualified as "public claims" and, as such, are subject to special collection procedures that result in their ranking prior to claims under the Notes and other ordinary claims. As a result, the remaining value of the Issuer's assets after repayment of these preferred claims in an insolvency of the Issuer may be insufficient to pay investors in the Notes all or any portion of the amounts due to them.

Taxation – The Issuer will have the right to redeem the Notes upon the occurrence of certain changes requiring it to pay withholding taxes in excess of levels, if any, applicable to interest or other payments on the Notes on the original Issue Date of such Notes

The withholding tax rate on interest payments in respect of bonds issued by Turkish legal entities outside of Türkiye varies depending upon the original maturity of such bonds as specified under Decree No. 2009/14593 dated 12 January 2009 which has been amended by Decree No. 2010/1182 dated 20 December 2010, Decree No. 2011/1854 dated 26 April 2011 and Presidential Decree No. 842 dated 20 March 2019 (together, the "**Tax Decrees**"). Pursuant to the Tax Decrees: (a) with respect to bonds with a maturity of less than one year, the withholding tax rate on interest is 7 per cent., (b) with respect to bonds with a maturity of at least one and less than three years, the withholding tax rate on interest is 3 per cent. and (c) with respect to bonds with a maturity of three years and more the withholding tax rate on interest is 0 per cent.

The Issuer will have the right to redeem a Series of Notes at any time at the Early Redemption Amount specified in the applicable Final Terms (including in the case of Floating Rate Notes) prior to their maturity

date if, upon the occurrence: (i) of a change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 9.1) or (ii) any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after the date on which agreement is reached to issue the most recently issued Tranche of the relevant Series of Notes, on the next Interest Payment Date the Issuer would be required: (A) to pay additional amounts in respect of such Series of Notes as provided or referred to in Condition 9 on account of any Taxes (as defined in Condition 9.1) and (B) to make any withholding or deduction for, or on account of, any Taxes imposed or levied by or on behalf of the Relevant Jurisdiction at a rate in excess of the prevailing applicable rates on the date on which agreement is reached to issue the most recently issued Tranche of the relevant Series of Notes, and such requirement cannot be avoided by the Issuer taking reasonable measures available to it. Upon such a redemption, investors in such Series of Notes may not be able to reinvest the amounts received at a rate that will provide the same rate of return as their investment in the redeemed Notes and, in the case of any Floating Rate Notes, the redemption could take place on any date during an Interest Period.

This redemption feature is also likely to limit the market value of the Notes at any time when the Issuer has the right to redeem them as provided above, as the market value at such time will generally not rise substantially above the price at which they can be redeemed. This may similarly be true in the period before such time when any relevant change in law or regulation is yet to become effective.

Transfer Restrictions – Transfers of interests in the Notes will be subject to certain restrictions and interests in Global Notes can only be held through a clearing system

Although the Notes have been authorised by the CMB pursuant to Decree 32, the Capital Markets Law, the Communiqué on Debt Instruments and other related legislation as debt securities to be offered outside of Türkiye, the Notes have not been and are not expected to be registered: (a) under the Securities Act or any applicable state's or other jurisdiction's securities laws or (b) with the SEC or any other applicable state's or other jurisdiction's regulatory authorities. The offering of the Notes will be made pursuant to exemptions from the registration requirements of the Securities Act and from other securities laws. Accordingly, reoffers, resales, pledges and other transfers of interests in the Notes will be subject to certain transfer restrictions. Each investor is advised to consult its legal advisers in connection with any such reoffer, resale, pledge or other transfer. See "*Subscription and Sale and Transfer and Selling Restrictions*".

Because transfers of interests in the Global Notes can be effected only through book entries at DTC, Clearstream, Luxembourg and/or Euroclear (as applicable) for the accounts of their respective participants, the liquidity of any secondary market for investments in the Global Notes may be reduced to the extent that some investors are unwilling to invest in notes held in book-entry form in the name of a participant in Clearstream, Luxembourg, Euroclear or DTC, as applicable. The ability to pledge interests in the Notes may be limited due to the lack of a physical certificate. In the event of the insolvency of Euroclear, Clearstream, Luxembourg, DTC or any of their respective participants in whose name interests in the Notes are recorded, the ability of beneficial owners to obtain timely or ultimate payment of principal and interest on the Notes may be impaired.

Further Issues – The Issuer may issue further Notes of any Series, which would dilute the Noteholder's share of such Series

As permitted by Condition 17, the Issuer may from time to time without the consent of the Noteholders of a Series create and issue further Notes of such Series, so that such further Notes shall be consolidated and form a single series with such outstanding Notes; provided that if the Notes or further notes are issued under Rule 144A such further notes will not have the same CUSIP, ISIN or other identifying number as the Notes unless such further notes are fungible with the Notes for U.S. federal income tax purposes. To the extent that the Issuer issues such further Notes of a Series, the existing Noteholder's share of such Series (e.g., in respect of

any meeting or Written Resolution of holders of the Notes of that Series (see "*Consent for Modification – The Conditions of the Notes contain provisions which may permit their modification without the consent of all investors*" below)) will be diluted.

Enforcement of Judgments – It may not be possible for investors to enforce foreign judgments against the Issuer or its management

The Issuer is a public joint stock company organised under the laws of Türkiye. All of the directors and officers of the Issuer reside inside Türkiye and all or a substantial portion of the assets of such persons may be, and substantially all of the assets of the Issuer are, located in Türkiye. As a result, it may not be possible for investors to effect service of process upon such persons outside Türkiye or to enforce against them in the courts of jurisdictions other than Türkiye any judgments obtained in such courts that are predicated upon the laws of such other jurisdictions. In connection therewith, the Issuer has submitted to the jurisdiction of the High Court of Justice of England and Wales in London (and any competent UK appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) and New York State and U.S. federal courts sitting in the Borough of Manhattan, The City of New York, New York, and has appointed agents for the service of process in each of the aforementioned jurisdictions, all as more particularly described in Condition 19. See "*Terms and Conditions of the Notes – Condition 19*".

In addition, under the International Private and Procedure Law of the Republic of Türkiye (Law No. 5718), a judgment of a court established in a country other than Türkiye may not be enforced in Turkish courts in certain circumstances. There is no treaty between the UK and Türkiye or between the United States and Türkiye providing for reciprocal enforcement of judgments; however, Turkish courts have rendered at least one judgment confirming *de facto* reciprocity between Türkiye and the UK with respect to the enforcement of judgments of their respective courts. However, the courts of New York have rendered at least one judgment in the past confirming *de facto* reciprocity between Türkiye and the State of New York. However, since *de facto* reciprocity is decided by the relevant court on a case-by-case basis, there is uncertainty as to the enforceability of court judgments obtained in the United States or the UK by Turkish courts. The same may apply for judgments obtained in other jurisdictions. Moreover, there is uncertainty as to the ability of an investor to bring an original action in Türkiye based upon the U.S. federal or any other non-Turkish securities laws.

The designation in Condition 19.6 of the United States federal courts set forth therein as venues for proceedings relating to the Notes is subject to the power of United States federal courts to transfer proceedings pursuant to Section 1404(a) of Title 28 of the United States Code or to dismiss such proceedings on the grounds that such United States federal court is an inconvenient forum for such actions.

Furthermore, any claim against the Issuer which is denominated in a foreign currency would, in any bankruptcy of the Issuer, only be payable in Turkish Lira. The relevant exchange rate for determining the Turkish Lira amount of any such claim would be the CBRT's exchange rate for the purchase of the relevant currency which is effective on the date when the relevant court's decision on the bankruptcy is rendered in accordance with Turkish law. Such exchange rate may be less favourable to a Noteholder than the rate of exchange prevailing at the relevant time.

For further information, see "*Enforcement of Judgments and Service of Process*".

Definitive Notes May Need to be Issued – Investors who purchase interests in Notes in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if Notes in definitive form are subsequently required to be issued

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that interests in such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of

such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase or sell a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Reliance on Clearing Systems – Investors in the Notes will be subject to the rules of the DTC, Euroclear and Clearstream, Luxembourg procedures

Unless issued in definitive form, Notes issued under the Programme will be represented on issue by one or more Global Notes that may be deposited with or registered in the name of a nominee for a common depositary or a common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg or may be deposited with or registered in the name of a nominee for DTC (each as defined under "*Form of the Notes*"). Except in the circumstances described in the applicable Global Note, investors in a Global Note will not be entitled to receive Notes in definitive form. Each of DTC, Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Note held through it. While the Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

Except in the case of a Registered Global Note denominated in a Specified Currency other than U.S. Dollars and registered in the name of DTC or its nominee and in respect of which a participant in DTC has elected to receive any part of such payment in that Specified Currency, for so long as the Notes are represented by Global Notes, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

No Secondary Market – An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell their Notes

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Market Price Volatility – The market price of an investment in the Notes may be subject to a high degree of volatility

The market price of any investment in the Notes could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's operating results, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale by the Group of other Notes or debt securities, as well as other factors, including the trading market for notes issued by the Republic of Türkiye. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations that, if repeated in the future, could adversely affect the market price of an investment in the Notes without regard to the Issuer's financial condition or results of operations.

The market price of any investment in the Notes will also be influenced by economic and market conditions in Türkiye and, to varying degrees, economic and market conditions in emerging markets generally. Although economic conditions differ in each country, the reaction of investors to developments in one country may cause capital markets in other countries to fluctuate. Developments or economic conditions in other emerging market countries have at times significantly affected the availability of credit to the Turkish economy and resulted in considerable outflows of funds and declines in the amount of foreign investment in Türkiye. Crises in other emerging market countries may diminish investor interest in securities of Turkish issuers, including those issued by the Bank, which could adversely affect the market price of an investment in the Notes.

Exchange Rate Risks and Exchange Controls – If an investor holds Notes which are not denominated in the investor's home currency, then such an investor will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (a) the Investor's Currency-equivalent yield on the Notes, (b) the Investor's Currency-equivalent value of the principal payable on the Notes and (c) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal. An investor may also not be able to convert (at a reasonable exchange rate or at all) amounts received in the Specified Currency into the Investor's Currency, which could materially adversely affect the market value of the Notes. There may also be tax consequences for investors.

Benchmark Uncertainty – Certain benchmark rates, including EURIBOR, may be discontinued or reformed in the future

The Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates or other types of rates and indices which are deemed to be benchmarks are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or to

disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a 'benchmark'.

The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. Regulation (EU) No. 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**") applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the UK. The Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to EURIBOR or another benchmark rate or index, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the terms of the Benchmarks Regulation or the UK Benchmarks Regulation (as applicable), and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

The elimination of EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions, or result in adverse consequences to holders of any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to EURIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

Condition 6.7 provides for certain fallback arrangements in the event that a relevant benchmark is discontinued or no longer published or a Benchmark Event otherwise occurs. Such fallback arrangements include the possibility that the Rate of Interest (as defined in the Conditions of the Notes) on the applicable Notes could be set by reference to a Successor Rate or an Rate (both as defined in the Conditions of the Notes) and that such Successor Rate or Alternative Rate may be adjusted (if required) as a result of the replacement of the relevant benchmark with the Successor Rate or Alternative Rate and amendments could also be made to the Conditions of the Notes and/or the Agency Agreement to ensure the proper operation of the Successor Rate or Alternative Rate, as the case may be, all as determined by the Issuer following consultation with an Independent Adviser (as defined in the Conditions of the Notes) and acting in good faith and in a commercially reasonably manner. Any Adjustment Spread (as defined in the Conditions of the Notes) that is applied may not be effective to reduce or eliminate economic prejudice to investors. The use of a Successor Rate or Alternative Rate (including with the application of an Adjustment Spread) will still result in any Notes linked to or referencing a benchmark performing differently (which may include payment of a lower Rate of Interest) than they would if the relevant benchmark were to continue to apply in its current form.

If, following the occurrence of a Benchmark Event, no Successor Rate or Alternative Rate is determined, the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. Due to the uncertainty concerning the availability of Successor Rates and Alternative Rates, the

involvement of an Independent Adviser and the potential for further regulatory development, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation or any of the international or national reforms and the possible application of the benchmark discontinuation provisions under Condition 6.7 in making any investment decision with respect to any Notes linked to or referencing a benchmark.

English Law – The value of the Notes could be adversely affected by a change in English law or administrative practice

The Conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus and any such change could materially adversely impact the value of any Notes affected by it.

Consent for Modification – The Conditions of the Notes contain provisions which may permit their modification without the consent of all investors

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders of the Notes of a Series, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The same considerations apply in respect of resolutions passed by way of Written Resolution and via Electronic Consents.

The Conditions of the Notes also provide that the Fiscal Agent and the Issuer may, without the consent of Noteholders, agree to any modification of any of the Conditions, the Deed of Covenant or any of the provisions of the Agency Agreement which is, in the opinion of the Issuer, either (a) for the purpose of curing any ambiguity or of curing, correcting or supplementing any manifest or proven error or any other defective provision contained herein or therein or (b) following the advice of an independent financial institution of international standing, not materially prejudicial to the interests of the Noteholders.

See Condition 16 for further details.

Credit Ratings – Credit ratings assigned to the Issuer or any Notes may not reflect all risks associated with an investment in those Notes

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances. Such general restriction will also apply in the case of credit ratings issued by non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating

agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the CRA Regulation as it forms part of UK domestic law by virtue of the EUWA (the "**UK CRA Regulation**"). As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK, of existing pre-2021 ratings, provided the relevant conditions are satisfied.

If the status of any rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market.

Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

ENFORCEMENT OF JUDGMENTS AND SERVICE OF PROCESS

The Issuer is a public joint stock company under the Turkish Commercial Code (No. 6102). Substantially all of the assets of the Issuer are located in Türkiye. As a result, it may not be possible for investors to effect service of process upon the Issuer outside Türkiye or to enforce against it in the courts of jurisdictions other than Türkiye any judgments obtained in such courts that are predicated upon the laws of such other jurisdictions. In order to enforce such judgments in Türkiye, investors should initiate enforcement lawsuits before the competent Turkish courts. In accordance with Articles 50 to 59 of Türkiye's International Private and Procedure Law (Law No. 5718), the courts of Türkiye will not enforce any judgment obtained in a court established in a country other than Türkiye unless:

(a) there is in effect a treaty between such country and Türkiye providing for a reciprocal enforcement of court judgments,

(b) there is *de facto* enforcement in such country of judgments rendered by Turkish courts, or

(c) there is a provision in the laws of such country that provides for the enforcement of judgments of Turkish courts.

There is no treaty between Türkiye and either the United States or the UK providing for reciprocal enforcement of judgments. There is no de facto reciprocity between Türkiye and the United States, except that the courts of New York have rendered at least one judgment in the past confirming *de facto* reciprocity between Türkiye and the State of New York. Turkish courts have rendered at least one judgment confirming a *de facto* reciprocity between Türkiye and the UK; however, since *de facto* reciprocity is decided by the relevant court on a case-by-case basis, there is uncertainty as to the enforceability of court judgments obtained in the United States or the UK by Turkish courts. Moreover, there is uncertainty as to the ability of an investor to bring an original action in Türkiye based upon the U.S. federal or any other non-Turkish securities laws.

In addition, the courts of Türkiye will not enforce any judgment obtained in a court established in a country other than Türkiye if:

(a) the defendant was not duly summoned or represented or the defendant's fundamental procedural rights were not observed,

(b) the judgment in question was rendered with respect to a matter within the exclusive jurisdiction of the courts of Türkiye,

(c) the judgment is incompatible with a judgment of a court in Türkiye between the same parties and relating to the same issues or, as the case may be, with an earlier foreign judgment on the same issue and enforceable in Türkiye,

(d) the judgment is not of a civil nature,

(e) the judgment is clearly against public policy rules of Türkiye,

(f) the judgment is not final and binding with no further recourse for appeal or similar revision process under the laws of the country where the judgment has been rendered, or

(g) the judgment was rendered by a foreign court that has deemed itself competent even though it has no actual relationship with the parties or the subject matter at hand.

In any lawsuit, debt collection proceeding or action against the Issuer in the Turkish courts, a foreign plaintiff may be required to deposit security for court costs (*cautio judicatum solvi*); *provided* that the court may in its

discretion waive such requirement for security in the event that the plaintiff is considered to be: (a) a national of one of the contracting states of the Convention Relating to Civil Procedures signed at The Hague on 1 March 1954 (ratified by Türkiye by Law No. 1574), except for legal entities incorporated under the laws of such contracting states, or (b) a national of a state that has signed a bilateral treaty with Türkiye that is duly ratified and contains (*inter alia*) a waiver of the *cautio judicatum solvi* requirement on a reciprocal basis. In addition, if Turkish nationals do not deposit such a security in the country of the foreign plaintiff, then the relevant Turkish court may waive such requirement for security relying upon the *de facto* reciprocity. If the foreign plaintiff deposits such security and the proceeding ends in favour of such plaintiff, then such security will be returned to such plaintiff.

Furthermore, any claim against the Issuer which is denominated in a foreign currency would, in any bankruptcy of the Issuer, only be payable in Turkish Lira. The relevant exchange rate for determining the Turkish Lira amount of any such claim would be the CBRT's exchange rate for the purchase of the relevant currency which is effective on the date when the relevant court's decision on the bankruptcy is rendered in accordance with Turkish law. See "*Risk Factors – Risks Related to Investments in the Notes Generally – Enforcement of Judgments – It may not be possible for investors to enforce foreign judgments against the Issuer or its management"* for further details.

Process may be served on the Issuer at Türkiye İş Bankası A.Ş., London Branch (with an address at the date of this Base Prospectus of 1 Bartholomew Lane, London EC2N 2AX, United Kingdom) in relation to any proceedings in England in connection with any Notes issued under the Programme.

In the case of any Series of Notes where some or all of the Notes of such Series have been offered by or on behalf of the Issuer in the United States or to U.S. persons, the Issuer will appoint an agent in the United States to accept service of process in any suit, action, or proceeding brought with respect to such Notes instituted in any state or federal court in the Borough of Manhattan, The City of New York, New York, as more particularly described in Condition 19.6. The name and address of such agent will be specified in the applicable Final Terms.

DOCUMENTS INCORPORATED BY REFERENCE

The BRSA Financial Statements, which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the Central Bank of Ireland shall be incorporated in, and form part of, this Base Prospectus.

The BRSA Financial Statements incorporated by reference into this Base Prospectus, all of which are in English: (a) were prepared as convenience translations of the corresponding Turkish language BRSA Financial Statements (which translations the Bank confirms are direct and accurate) and (b) were not prepared for the purpose of their incorporation by reference into this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus are available on the Issuer's website at the following links:

(a) Audited consolidated BRSA Financial Statements of the Group including the independent auditor's reports as of and for the years ended 31 December 2023 (tskb.com.tr/uploads/file/december-2023-consolidated-report-1.pdf), 2024 (https://www.tskb.com.tr/uploads/file/tskb-31122024-consolidated-report-eng.pdf) and 2025 (https://www.tskb.com.tr/uploads/file/tskb-konsolide-ingilizce-31122025.pdf);

(b) Audited unconsolidated BRSA Financial Statements of the Bank including the independent auditor's reports as of and for the years ended 31 December 2023 (tskb.com.tr/uploads/file/december-2023-audit-report.pdf), 2024 (https://www.tskb.com.tr/uploads/file/tskb-31122024-audit-report-eng.pdf) and 2025 (https://www.tskb.com.tr/uploads/file/tskb-solo-ingilizce-31122025.pdf);

(c) the terms and conditions set out on pages 87 to 126 of the base prospectus dated 2 March 2023 relating to the Programme under the heading "*Terms and Conditions of the Notes*" (https://www.tskb.com.tr/uploads/file/tskb-update-final-base-prospectus-2-march-2023.pdf);

(d) the terms and conditions set out on pages 88 to 125 of the base prospectus dated 12 March 2024 relating to the Programme under the heading "*Terms and Conditions of the Notes*" (https://www.tskb.com.tr/uploads/file/tskb-update-base-prospectus-march-2024.pdf); and

(e) the terms and conditions set out on pages 91 to 131 of the base prospectus dated 13 May 2025 relating to the Programme under the heading "*Terms and Conditions of the Notes*" (https://www.tskb.com.tr/uploads/file/tskb-2025-update-base-prospectus-final.pdf).

Any non-incorporated parts of a document referred to above are either irrelevant to an investor or covered elsewhere in this Base Prospectus. Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus do not (and shall not be deemed to) form part of this Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus for use in connection with any subsequent issue of Notes, which supplement will be approved by the Central Bank of Ireland, all in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document

which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

The contents of any website referenced in this Base Prospectus do not form part of (and are not incorporated into) this Base Prospectus.

OVERVIEW OF THE BANK

The following overview should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Base Prospectus, including the BRSA Financial Statements. Prospective investors should see "Risk Factors" above for a discussion of certain factors that should be considered in connection with an investment in the Notes (or beneficial interests therein).

Overview

The Bank is a Turkish banking institution organised as a joint stock company under the Turkish Commercial Code (No. 6102). The Bank is the first privately owned development and investment bank in Türkiye and, as of 31 December 2025, held a 11.3 per cent. share of the total assets among Turkish development and investment banks according to the BAT. The Bank, largely in cooperation with DFIs, is principally involved in promoting the development of the Turkish economy by providing long-term funds for the domestic and international investments of Turkish companies, primarily through foreign currency-denominated loans. As well as supporting private sector investments (mostly in industrial sectors), part of the Bank's original and continuing mandate and strategy is to assist domestic and foreign capital owners to finance the development of new businesses in Türkiye and to contribute to improvements in Turkish capital markets.

The Group is also involved in capital market brokerage services, portfolio management and corporate finance advisory services. The Group's investment banking activities include advisory services for public offerings, bond issuances and mergers and acquisitions. The Group's strategic advisory activities include providing company appraisal services, feasibility studies and restructuring services. The Group also provides advisory services to domestic and foreign corporations, including locating strategic or financial partners and advising on company mergers and privatisations. The Bank operates in three main business segments: (a) Corporate Banking, which includes the Project Finance and Corporate Marketing departments, (b) Investment Banking and (c) Advisory Services. The Bank has one branch in Ankara, as well as its principal İstanbul office.

The Bank is the first Turkish-owned bank certified to ISO 14001 (the International Organisation for Standardisation's certificate for Environment Management Systems) based upon its environmental management system. The Bank's dedication to sustainability dates back to 1980, when it introduced environmental standards in its credit evaluation process. In 2005, the Bank developed its own Environmental and Social Risk Evaluation tool in order to rate projects irrespective of sector or loan size. The Bank has extended a large portfolio of loans to energy efficiency, resource efficiency and various types of renewable energy projects; however, the Bank is focused on further diversifying its loan portfolio. With its numerous environmental and renewable-energy related projects, the Bank is also the first and only Turkish bank to be granted the "*Financial Times* Sustainable Emerging Markets Bank of the Year" award for Eastern Europe.

In 2024, TSKB received recognition across various fields. At the 2024 İstanbul Marketing Awards, the Bank was honoured in the "Annual Report & Design" category, while at the ARC Awards, the Bank won the "Illustrations: Integrated AR & CSR: Non-Traditional Gold Award." In addition, TSKB was recognised at the Hammers Awards, earning the Silver Award for "Best Team in Social Solidarity" and the Bronze Award for "Best Team for Supporting Culture, Arts, and Sports."

TSKB's commitment to sustainability was acknowledged with the "Sustainable Business Reporting Award" at the 2024 Sustainable Business Awards. The Bank also received multiple accolades at the Brandon Hall Awards, including Bronze for "Best Use of Social/Collaborative Learning," Bronze for "Best Extended Enterprise Learning Program," Gold for "Best Employee Engagement," Gold for "Best Unique or Innovative Development Program," Gold for "Best Recruitment Marketing and Employer Branding Program" and Gold for "Best Unique or Innovative HR Program." Further emphasising its dedication to education and culture,

TSKB was honoured with the "Aydın Advanced Library and Contribution to Reading Culture Award" for its 100th Anniversary Republican Libraries initiative.

In 2025, TSKB received multiple international awards across communication, finance, human resources and sustainability. The Bank won the "Best Podcast in Brand Communication" award at the İstanbul Marketing Awards, while at the GBM Awards it was honoured with "CEE, Central Asia and Türkiye Local Currency Loan Deal of the Year" and "Infrastructure and Project Finance House of the Year." TSKB also received the "Local Loan House of the Year Award" at the PPP Awards. In human resources, TSKB earned three Silver Awards at the Globee Awards and two Silver and one Gold Award at the Stevie Awards. At the Brandon Hall Awards, the Bank received two Gold Awards and one Silver Award across talent management and career development categories. TSKB was also recognised with the "Best Integrated Report Award" by the Integrated Reporting Association Türkiye and the "Low Carbon Heroes Award" by the Sustainable Production and Consumption Association.

As of 31 December 2025, the Group's reported total capital adequacy ratio was 25.0 per cent. and its Tier I capital adequacy ratio was 23.9 per cent., both as calculated in accordance with BRSA. As of the same date, the Group's shareholders' equity was TL 46,464 million, its liquid asset ratio (being the total amount of cash and balances with the CBRT, banks, financial assets at fair value through profit and loss, financial assets at fair value through other comprehensive income and other financial assets measured at amortised cost divided by the Group's total assets) was 24.8 per cent. The Group's net operating income was TL 8,493 million in 2023, TL 12,856 million in 2024 and TL 13,603 million in 2025.

As of 31 December 2025, the Group had total assets of TL 334.3 billion, an increase of 40.7 per cent. from TL 237.5 billion as of 31 December 2024, which was an increase of 31.3 per cent. from TL 180.9 billion as of 31 December 2023. As of 31 December 2025, the Group had total shareholders' equity of TL 46.5 billion, an increase of 40.2 per cent. from TL 33.2 billion as of 31 December 2024, which was an increase of 51.9 per cent. from TL 21.8 billion as of 31 December 2023. As of 31 December 2025, sustainable development goal (SDG) linked loans accounted for 92.3 per cent. of the Group's total loan portfolio.

For the year ended 31 December 2025, the Group's net profit was TL 11,427 million, a 10.3 per cent. increase from TL 10,357 million for the year ended 31 December 2024. For the year ended 31 December 2024, the Group's net profit was TL 10,357 million, a 44.9 per cent. increase from TL 7,150 million for the year ended 31 December 2023. For the year ended 31 December 2025, the Group's net interest income was TL 17,861 million, a 12.6 per cent. increase from TL 15,855 million for the year ended 31 December 2024. For the year ended 31 December 2024, the Group's net interest income was TL 15,855 million, a 48.1 per cent. increase from TL 10,709 million for the year ended 31 December 2023. The Group's total operating income was TL 14,240 million in 2023, TL 17,039 million in 2024 and TL 22,735 million in 2025, while its net period profit from continuing operations was TL 7,150 million in 2023, TL 10,357 million in 2024 and TL 11,427 million in 2025.

The Bank's shares have been quoted on the BİST since 1986. As of 31 December 2025, 51.4 per cent. of the Bank's shares were held by the İşbank Group (47.7 per cent. held directly by İşbank with the remainder held through its subsidiaries, comprising 1.9 per cent. held by Milli Reasürans, 0.9 per cent. by Anadolu Sigorta, 0.9 per cent. by Anadolu Hayat Emeklilik, 8.4 per cent. of the shares were held by Vakıfbank and 40.3 per cent. held by others).

Strengths

The Bank's management believes that the Group has a number of key strengths that enable it to compete effectively in the Turkish banking sector, including:

- Strong relationships with the World Bank and other DFIs;
- Relationship with İşbank which provides access to significant expertise;
- Strong capital structure with conservative match-funding policy;
- Recognised and trusted banking brand in Türkiye;
- Diversified loan portfolio;
- Prudent risk management;
- Independent process for appraising projects;
- Strong focus on employee training and development; highly skilled workforce;
- High standards of corporate governance and business ethics; and
- The Bank's regulatory burden is lower than that of its universal banking competitors.

See "*Business of the Group – Overview – Strengths*" for further details on the strengths of the Group.

Strategy

The Bank's overall strategic goal is to create value for the inclusive sustainable development of Türkiye through the financing and consultancy solutions powered by experience in development and investment banking. It intends to achieve this goal by continuing to implement the following key strategies:

- Supporting sustainable development;
- Providing entrepreneurs with money and capital market brokerage and advisory support;
- Sustaining asset quality and avoiding risky loans;
- Maintaining access to medium and long-term funding from DFIs;
- Boosting the Bank's fee and commission income; and
- Continuing to attract and develop talent.

See "*Business of the Group – Overview – Strategy*" for further details on the strategy of the Group.

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. This overview only relates to the terms and conditions of the Notes as set out in this Base Prospectus.

Words and expressions defined in "*Form of the Notes*" and "*Terms and Conditions of the Notes*" shall have the same meanings in this overview.

Issuer	Türkiye Sınai Kalkınma Bankası A.Ş.
Legal Entity Identifier (LEI)	549300MFCXK5HOOEWP84
Risk Factors	There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. These are set out under "*Risk Factors*" and include risks relating to the Group and its business, the Group's relationship with the Issuer's principal shareholders, Türkiye and the Turkish banking industry. In addition, there are certain factors which are material for the purpose of assessing the risks associated with Notes issued under the Programme. These are set out under "*Risk Factors*" and include certain risks relating to the structure of particular Series of Notes and certain market risks.
Description	Global Medium Term Note Programme
Arrangers	Citigroup Global Markets Limited Commerzbank Aktiengesellschaft
Dealers	Abu Dhabi Commercial Bank P.J.S.C. Arab Banking Corporation (B.S.C.) BNP Paribas Citigroup Global Markets Limited Commerzbank Aktiengesellschaft Emirates NBD Bank P.J.S.C. ING Bank N.V. Morgan Stanley & Co. International plc SMBC Bank International plc Standard Chartered Bank and any other Dealers appointed in accordance with the Programme Agreement.
Certain Restrictions	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale and Transfer and Selling Restrictions*") including the below restrictions applicable at the date of this Base Prospectus.
Fiscal Agent	Citibank, N.A., London Branch

Programme Size	Up to U.S.$2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution	Notes may be distributed by way of private or (other than in the United States) public placement and in each case on a syndicated or non-syndicated basis.
Currencies	Notes may be denominated and payments in respect of the Notes may be made in Euro, Sterling, U.S. Dollars, Turkish Lira or, subject to any applicable legal or regulatory restrictions, any other currency agreed between the Issuer and the relevant Dealer, and as set out in the Conditions and specified in the applicable Final Terms. Each payment in respect of Notes denominated in Turkish Lira and held other than through DTC may be made in U.S. Dollars under Condition 7.8 if an irrevocable election to receive such payment in U.S. Dollars is made. See "*Terms and Conditions of the Notes – Condition 7.8*". In the case of Notes held through DTC and denominated in a Specified Currency other than U.S. Dollars, payments will be made in U.S. Dollars unless the participant in DTC with an interest in such Notes has elected to receive any part of such payment in that Specified Currency. See "*Terms and Conditions of the Notes – Condition 7.9*".
Maturities	The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
Issue Price	Notes may be issued at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes	The Notes will be issued in bearer or registered form as described in "*Form of the Notes*". Registered Notes will not be exchangeable for Bearer Notes and *vice versa*.
Fixed Rate Notes	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and, on redemption, will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
Floating Rate Notes	Floating Rate Notes will bear interest at a rate determined: (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps

and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series);

(b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or

(c) on such other basis as may be agreed between the Issuer and the relevant Dealer.

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.

Zero Coupon Notes

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Benchmark Discontinuation

On the occurrence of a Benchmark Event for a Series of Floating Rate Notes, the Issuer may (subject to certain conditions and following consultation with an Independent Adviser) determine a Successor Rate, failing which an Alternative Rate together, in either case, with the applicable Adjustment Spread and any Benchmark Amendments in accordance with Condition 6.7.

Redemption

The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or as a result of an acceleration due to an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

Denomination of Notes

The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, and save that (i) the minimum denomination of each Note admitted to trading on a regulated market within the EEA or offered to the public (a) in a member state of the EEA in circumstances that would otherwise require the publication of a prospectus under the Prospectus Regulation will be not less than €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such

	currency as of the applicable Issue Date) or (b) in the UK, will be not less than £50,000 (or, if the Notes are denominated in a currency other than Sterling, the equivalent amount in such currency as of the applicable Issue Date) in accordance with Paragraph 4 of Part 1 of Schedule 1 to the POATRs; and (ii) unless otherwise permitted by applicable laws and regulations, Notes which have a maturity of less than one year will have a minimum denomination of £100,000 (or its equivalent in other currencies).
Taxation	All payments in respect of the Notes by or on behalf of the Issuer will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**"), imposed or levied by or on behalf of any Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will (subject to certain exceptions) pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, after such withholding or deduction, will equal the respective amounts that would have been receivable in respect of the Notes in the absence of the withholding or deduction, as described under "*Terms and Conditions of the Notes – Condition 9*". See also "*Taxation – Certain Turkish Tax Considerations*". All payments in respect of the Notes will be made subject to any withholding or deduction required pursuant to FATCA or any law implementing an intergovernmental approach to FATCA and, in accordance with Condition 9.1, no additional amount will be payable by the Issuer in respect of any such withholding or deduction.
Negative Pledge	The terms of the Notes will contain a negative pledge provision, as further described in Condition 4.
Certain Covenants	The Issuer will agree to certain covenants, including covenants limiting transactions with affiliates, as further described in Condition 5.
Events of Default	The Notes will be subject to certain events of default, including (among others) non-payment, breach of obligations, cross-acceleration and certain bankruptcy and insolvency events. See "*Terms and Conditions of the Notes – Condition 11*".
Status of the Notes	The Notes will be direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and (subject as provided above) will rank *pari passu* without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.
Rating	Notes issued under the Programme are expected to be rated "B1"

	(for long-term issuances) and "NP" (for short-term issuances) by Moody's and BB- (for foreign currency long-term issuances), BB- (for domestic currency long-term issuances) and B (for short-term issuances) by Fitch. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the ratings assigned to the Programme by the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
ERISA	Subject to certain conditions, the Notes may be invested in with the assets of an "employee benefit plan" as defined in and subject to Part 4 of Subtitle B of Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), a "plan" as defined in and subject to Section 4975 of the Code, or any entity whose underlying assets include "plan assets" of any of the foregoing. See "*Certain Considerations for ERISA and other U.S. Employee Benefit Plans*".
Listing and admission to trading	Application will be made to Euronext Dublin for Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the Official List and to trading on the Regulated Market, however, no assurance can be given that any such application will be accepted. Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued. The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Governing Law	The Notes and the Agency Agreement and any non-contractual obligations arising out of or in connection with the Notes or the Agency Agreement are or will be (as applicable) governed by, and shall be construed in accordance with, English law.
Selling Restrictions	There are restrictions on the offer, sale and transfer of the Notes in Türkiye, the UK, the United States, the EEA, Japan, the Kingdom of Bahrain, Hong Kong, Switzerland, Singapore and Thailand, and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes; see "*Subscription and Sale and Transfer and Selling Restrictions*".
United States Selling Restrictions	Regulation S (Category 2) and Rule 144A. Bearer Notes will be issued in compliance with U.S. Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the

U.S. Internal Revenue Code of 1986, as amended (the "**Code**")) ("**TEFRA D**"), unless (i) the applicable Final Terms states that such Notes are issued in compliance with U.S. Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) ("**TEFRA C**") or (ii) the Bearer Notes are issued other than in circumstances under which the Bearer Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the applicable Final Terms as a transaction to which TEFRA is not applicable. Such rules impose certain additional restrictions on transfers of Bearer Notes.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons attached, or registered form, without interest coupons attached. Bearer Notes will be issued outside the United States to non-U.S. persons in reliance on Regulation S and Registered Notes will be issued both in "offshore transactions" to non-U.S. persons in reliance on the exemption from registration provided by Regulation S ("**Regulation S Notes**") or to persons reasonably believed to be QIBs in reliance on Rule 144A ("**Rule 144A Notes**").

Bearer Notes

Bearer Notes will be issued outside the United States to non-U.S. persons in reliance on Regulation S and each Tranche of Bearer Notes will be initially issued in the form of a temporary global note (a "**Temporary Bearer Global Note**") or, if so specified in the applicable Final Terms, a permanent global note (a "**Permanent Bearer Global Note**" and, together with a Temporary Bearer Global Note, each a "**Bearer Global Note**") which, in either case, will:

(a) if the Bearer Global Notes are intended to be issued in new global note ("**NGN**") form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"); and

(b) if the Bearer Global Notes are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg.

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note if the Temporary Bearer Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in the Temporary Bearer Global Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Fiscal Agent.

On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Bearer Global Note of the same Series or (ii) for definitive Bearer Notes of the same Series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. The holder of a Temporary

Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note if the Permanent Bearer Global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that a Temporary Bearer Global Note or a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, receipts, interest coupons and talons attached if an Exchange Event occurs. For these purposes, "**Exchange Event**" means that (i) an Event of Default (as defined in Condition 11) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, whether statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences that would not be suffered were the Notes represented by a Permanent Bearer Global Note in definitive form and the Issuer has elected to request the exchange of the Permanent Bearer Global Note. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event specified in (i) or (ii) of the definition of Exchange Event, Euroclear and/or Clearstream, Luxembourg or the common depositary or the common safekeeper for Euroclear and Clearstream, Luxembourg, as the case may be, on their behalf (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Fiscal Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may give notice to the Fiscal Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Fiscal Agent.

The following legend will appear on all Bearer Notes (other than Temporary Bearer Global Notes or Bearer Notes issued in compliance with TEFRA C) which have an original maturity of more than one year and on all receipts, interest coupons and talons relating to such Notes:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections of the Code referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, receipts, interest coupons or talons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes, receipts or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Bearer Notes shall not be physically delivered in Belgium, except to a clearing system, a depositary or other institution for the purposes of their immobilization in accordance with article 4 of the Belgian law of December 14, 2005.

Registered Notes

The Registered Notes of each Tranche offered and sold in reliance on Regulation S in offshore transactions to persons other than U.S. persons will initially be represented by a global note in registered form (a "**Regulation S Global Note**") or, if so specified in the applicable Final Terms, by a registered note in definitive form (a "**Definitive Regulation S Registered Note**"). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, Registered Notes offered and sold in reliance on Regulation S (including Definitive Regulation S Registered Notes) or beneficial interests therein may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 and such beneficial interests in a Regulation S Global Note (including one held by DTC or its nominee) may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Notes will bear a legend regarding such restrictions on transfer.

The Registered Notes of each Tranche offered and sold in the United States or to, or for the account or benefit of, U.S. persons may only be offered and sold by the Issuer or any person acting on its behalf in transactions exempt from the registration requirements of the Securities Act to QIBs in reliance on, and compliance with, Rule 144A. Rule 144A Notes will be represented by a global note in registered form (a "**Rule 144A Global Note**" and together with a Regulation S Global Note, each a "**Registered Global Note**"). The Registered Global Notes will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Registered Global Notes will either be (i) deposited with a custodian for, and registered in the name of a nominee of, the Depository Trust Company ("**DTC**") or (ii) deposited with a common depositary or, if the Registered Notes are to be held under the New Safekeeping Structure ("**NSS**"), a common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg, and registered in the name of a nominee of that common depositary or common safekeeper, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Where the Registered Global Notes issued in respect of any Tranche are to be held under the NSS, the applicable Final Terms will also indicate whether such Registered Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Registered Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for registered Global Notes to be held under the NSS will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 7.4) as the registered holder of the Registered Global Notes on the relevant Record Date. None of the Issuer, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 7.4) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without interest coupons or talons attached if an Exchange Event occurs. For these purposes, "**Exchange Event**" means that (a) an Event of Default has occurred and is continuing, (b) in the case of Notes registered in the name of a nominee for DTC, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depositary for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act and no alternative clearing system is available, (c) in the case of Notes registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (d) the Issuer has or will become subject to adverse tax consequences that would not be suffered were the Notes represented by the Registered Global Note in definitive form and the Issuer has elected to request the exchange of the Registered Global Note. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream, Luxembourg or any person acting on their behalf (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (d) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the Registrar.

Transfer of Interests

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. The Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions (see "*Subscription and Sale and Transfer and Selling Restrictions*").

General

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*"), the Fiscal Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes but is to be consolidated with such existing Tranche on a date after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN and, where applicable, a CFI, FISN, CUSIP and CINS number which are different from the common code, ISIN, CFI, FISN, CUSIP and CINS (as applicable) assigned to Notes of any other Tranche of the same Series until such time as the further Tranche is so consolidated, which shall not be prior to the expiry of any applicable distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such further Tranche.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 11. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then, from 8.00 p.m. (London time) on such day, holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear, Clearstream, Luxembourg and

DTC on and subject to the terms of a deed of covenant (the "**Deed of Covenant**") dated 17 July 2019 and executed by the Issuer. In addition, holders of interests in such Global Note credited to their accounts with DTC may require DTC to deliver definitive Notes in registered form in exchange for their interest in such Global Note in accordance with DTC's standard operating procedures.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a new Base Prospectus or a supplement to the Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.][1]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.][2]

[**MiFID II PRODUCT GOVERNANCE/ PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET**– Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")][MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of

[1] Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason.

[2] Legend to be included on front of the Final Terms if the Notes potentially constitute consumer composite investments under the CCI regime and no disclosure document will be prepared or the Issuer wishes to prohibit offers to UK retail investors for any other reason.

the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.][3]

[**UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in [Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the [European Union (Withdrawal) Act 2018]/[EUWA]] [UK MiFIR]; and (ii) all channels for distribution of the [Notes] to eligible counterparties and professional clients are appropriate. Any [person subsequently offering, selling or recommending the Notes (a "**distributor**")]/[distributor] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE** – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined the classification of the Notes to be capital markets products other than 'prescribed capital markets products' (as defined in the CMP Regulations 2018).]

[*Date*]

TÜRKİYE SINAİ KALKINMA BANKASI A.Ş.

Legal Entity Identifier: 549300MFCXK5HOOEWP84
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] (the "Notes")
under the U.S.$2,000,000,000
Global Medium Term Note Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 28 April 2026 [and the supplement[s] to it dated [*date*] [and [*date*]] [which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the "**Base Prospectus**"). [This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus][4]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of Euronext Dublin at https://live.euronext.com/en/markets/dublin/bonds/list.

[3] Legend to be included on front of the Final Terms if one or more of the Managers/Dealer in relation to the Notes is a MiFID regulated entity.

[4] Delete where the Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation.

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated [●] 20[●] which are incorporated by reference in the Base Prospectus dated 28 April 2026. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus dated 28 April 2026 [and the supplement[s] to it dated [*date*] [and [*date*]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the "**Base Prospectus**"), including the Conditions incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of Euronext Dublin at https://live.euronext.com/en/markets/dublin/bonds/list.]

[*Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]*

1	Issuer:	Türkiye Sınai Kalkınma Bankası A.Ş.
2	(a) Series Number:	[●]
	(b) Tranche Number:	[●]
	(c) Date on which the Notes will be consolidated and form a single Series:	[The Notes will be consolidated and form a single Series with [*identify earlier Tranches*] on [the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 21 below, which is expected to occur on or about [*date*]][Not Applicable]
3	Specified Currency:	[●]
4	Aggregate Nominal Amount:	
	(a) Series:	[●]
	(b) Tranche:	[●]
5	Issue Price:	[●] per cent. of the Aggregate Nominal Amount of the Tranche [plus accrued interest from [*insert date*] (*if applicable*)]
6	(a) Specified Denomination(s):	[●] [and integral multiples of [●] in excess thereof] *(Note – where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed in the case of Bearer Notes:* *"[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]."))*

	(b) Calculation Amount:	[●] *(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7	(a) Issue Date:	[●]
	(b) Interest Commencement Date:	[*specify*/Issue Date/Not Applicable] (*N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.*)
8	Maturity Date:	[*Fixed rate – specify date/Floating rate* – Interest Payment Date [falling in][nearest to] [specify month and year]]
9	Interest Basis:	[[●] per cent. Fixed Rate] [●] month [[*currency*]EURIBOR/ROBOR/PRIBOR/SIBOR/NIBOR/WIBOR]] +/-[●] per cent. Floating Rate] [Zero coupon] (*see paragraph [14]/[15]/[16] below*)
10	Redemption[/Payment] Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
11	Change of Interest Basis:	[For the period from (and including) the Interest Commencement Date, up to (but excluding) [●], paragraph [*14/15*] below applies, and, for the period from (and including) [●] up to (and including) the Maturity Date, paragraph [*14/15*] below applies]/[Not Applicable][●]
12	Put/Call Options:	[Investor Put] [Issuer Call] [Not Applicable] [(*see paragraph [17]/[18]/[19] below*)]
13	(a) Status of the Notes:	Senior
	(b) Date Board approval for issuance of Notes obtained:	[●] [Not Applicable] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular Tranche of Notes*)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14	Fixed Rate Note Provisions:	[Applicable/Not Applicable] (*If not applicable, delete the remaining*

sub-paragraphs of this paragraph)

(a)	Rate(s) of Interest:	[●] per cent. per annum payable in arrear on [the/each] Interest Payment Date
(b)	Interest Payment Date(s):	[●] in each year up to and including the Maturity Date/[*specify other*] (*Amend appropriately in the case of irregular coupons. In the case of Modified Fixed Rate Notes, insert regular interest payment dates and also complete paragraph (g) below as applicable. Paragraph (g) is not relevant to Fixed Rate Notes where Interest Periods and Interest Amounts are not subject to adjustment and either (a) a customary Following Business Day Convention is to apply in accordance with Condition 7.6 to any date for payment that is not a Payment Business Day or (b) such payment dates are not otherwise to be subject to adjustment by reference to any other Business Day Convention*.)
(c)	Fixed Coupon Amount(s): (*Applicable to Notes in definitive form. Not applicable to Modified Fixed Rate Notes where Interest Periods and Interest Amounts are subject to adjustment*)	[[●] per Calculation Amount] [Not Applicable]
(d)	Broken Amount(s): (*Applicable to Notes in definitive form. Not applicable to Modified Fixed Rate Notes where Interest Periods and Interest Amounts are subject to adjustment*)	[[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]][Not Applicable]
(e)	[Day Count Fraction:	[30/360] [Actual/Actual (ICMA)] (*Delete this sub-paragraph in the case of Modified Fixed Rate Notes*)
(f)	[Determination Date(s):	[[●] in each year][Not Applicable] *(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)* *(Delete this sub-paragraph in the case of Modified Fixed Rate Notes)*
(g)	Modified Fixed Rate Notes:	[Applicable/Not Applicable]

		(*Modified Fixed Rate Notes are Fixed Rate Notes: (i) the terms of which provide for Interest Periods and Interest Amounts to be subject to adjustment or (ii) for which Interest Periods and Interest Amounts are not subject to adjustment but a specified Payment Business Day Convention is to apply to any date for payment that is not a Payment Business Day. If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Interest Periods and Interest Amounts subject to adjustment:	[Applicable/Not Applicable]
(ii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Not Applicable] (*Only applicable where Interest Periods and Interest Amounts are subject to adjustment*)
(iii)	Specified Business Centre(s):	[●][Not Applicable] (*Only applicable where Interest Periods and Interest Amounts are subject to adjustment. This paragraph relates to Interest Period end dates and not the date of payment to which sub-paragraph (vi) below relates*)
(iv)	Day Count Fraction:	[30/360] [Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
(v)	Payment Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable] (*Only applicable where Interest Periods and Interest Amounts are not subject to adjustment and a specified Business Day Convention is to apply to any date for payment that is not a Payment Business Day*)
(vi)	Specified Financial Centres:	[●][Not Applicable] (*Only applicable if a Payment Business Day Convention is specified in sub-paragraph 14(g)(v), Note that this paragraph relates to the date of payment and not Interest Period end dates to which*

		sub-paragraph (iii) above relates)
15	Floating Rate Note Provisions	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(a) Specified Period(s)/Specified Interest Payment Dates:	[●][, not subject to adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable] (*Specified Period(s)/Specified Interest Payment Dates may not be subject to adjustment in accordance with a Business Day Convention in the case of Modified Floating Rate Notes. In these circumstances only, paragraph (m) below will be applicable*)
	(b) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention][Not Applicable][5] (*Complete unless paragraph (m) below is applicable. See note to paragraph (a) above for guidance*)
	(c) Specified Business Centre(s):	[●][Not Applicable][6] (*Note that this paragraph relates to Interest Period end dates and not the date of payment to which paragraph 22 relates. Complete unless paragraph (m) below is applicable. See note to paragraph (a) above for guidance*)
	(d) Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination]
	(e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	[[●] (the "**Calculation Agent**")]/[Not Applicable]
	(f) Screen Rate Determination:	[Applicable][Not Applicable]
	• Reference Rate:	[●] month [[currency][EURIBOR/ROBOR/PRIBOR /SIBOR/NIBOR/WIBOR]
	• Specified Time:	[11.00 a.m.] [12.00 p.m.] [other] *(11.00 a.m. in the case of EURIBOR, ROBOR, PRIBOR , SIBOR and WIBOR and 12.00 p.m. in the case of NIBOR)*
	• Relevant Financial Centre:	[London] [Brussels] [Bucharest] [İstanbul] [Prague] [Singapore] [Oslo] [Warsaw] [other]

[5] Only not applicable in the case of Modified Floating Rate Notes.

[6] Only not applicable in the case of Modified Floating Rate Notes.

- Interest Determination Date(s): [●]

  (The second day on which the T2 System is open prior to the start of each Interest Period if EURIBOR, the second Bucharest business day prior to the start of each Interest Period if ROBOR, the second Prague business day prior to the start of each Interest Period if PRIBOR, the second Singapore business day prior to the start of each Interest Period if SIBOR, the second Oslo business day prior to the start of each Interest Period if NIBOR and the second Warsaw business day prior to the start of each Interest Period if WIBOR)

- Relevant Screen Page: [●]

  (*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)

(g) ISDA Determination: [Applicable][Not Applicable]

- Floating Rate Option: [●]
- Designated Maturity: [●]
- Reset Date: [●]

  (*In the case of a EURIBOR-based option, the first day of the Interest Period*)

(h) Linear Interpolation: [Not Applicable]/[Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]

(i) Margin(s): [+/-] [●]% per annum

(j) Minimum Rate of Interest: [[●]% per annum][Not Applicable]

(k) Maximum Rate of Interest: [[●]% per annum][Not Applicable]

(l) Day Count Fraction: [Actual/Actual (ICMA)]
[Actual/Actual (ISDA)][Actual/Actual]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360][360/360][Bond Basis]
[30E/360][Eurobond Basis]
[30E/360 (ISDA)]

(m) Modified Floating Rate Notes: [Applicable/Not Applicable]

(*Modified Floating Rate Notes are Floating Rate Notes: (i) the terms of which provide that Interest Periods and Interest Amounts are not subject to*

		adjustment as provided in the italicised directions for completing paragraph (a) and the paragraphs that follow above and (ii) for which a specified Payment Business Day Convention is to apply to any date for payment that is not a Payment Business Day. If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Payment Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Not Applicable]
	(ii) Specified Financial Centre(s):	[●][Not Applicable]
16	Zero Coupon Note Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a) Accrual Yield:	[●] per cent. per annum
	(b) Reference Price:	[●]
	(c) Day Count Fraction in relation to Early Redemption Amounts:	[30/360] [Actual/360] [Actual/365]
PROVISIONS RELATING TO REDEMPTION		
17	Issuer Call:	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(a) Optional Redemption Date(s):	[●]
	(b) Optional Redemption Amount:	[●] per Calculation Amount
	(c) If redeemable in part:	
	(i) Minimum Redemption Amount:	[●]
	(ii) Maximum Redemption Amount:	[●]
	(d) Notice periods:	Minimum period: [●] days Maximum period: [●] days (*N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which, in the case of Euroclear and Clearstream, Luxembourg, require a minimum of five clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent*)
18	Investor Put:	[Applicable/Not Applicable]

(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

(a) Optional Redemption Date(s): [●]

(b) Optional Redemption Amount: [●] per Calculation Amount

(c) Notice periods: Minimum period: [●] days

Maximum period: [●] days

(*N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which, in the case of Euroclear and Clearstream, Luxembourg, require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent*)

19 Final Redemption Amount: [●] per Calculation Amount

20 Early Redemption Amount payable on redemption for taxation reasons or on event of default: [●] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21 Form of Notes:

(a) Form: [Bearer Notes:]

[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Notes upon an Exchange Event]

[Temporary Bearer Global Note exchangeable for Definitive Notes on and after the Exchange Date]

[Permanent Bearer Global Note exchangeable for Definitive Notes upon an Exchange Event]

[Definitive Bearer Notes]

[Bearer Notes shall not be physically delivered in Belgium, except to a clearing system, a depositary or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005.]

(*N.B. The option for an issue of Notes to be represented on issue by a Temporary Bearer Global Note exchangeable for Definitive Notes should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect:*

		"[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].")
		[Registered Notes: [Regulation S Global Note registered in the name of a nominee for [DTC][a common depositary for Euroclear and Clearstream, Luxembourg][a common safekeeper for Euroclear and Clearstream, Luxembourg] exchangeable for Definitive Registered Notes upon an Exchange Event] [Rule 144A Global Note(s) registered in the name of a nominee for [DTC][a common depositary for Euroclear and Clearstream, Luxembourg][a common safekeeper for Euroclear and Clearstream, Luxembourg] exchangeable for Definitive Registered Notes upon an Exchange Event] [Definitive Regulation S Registered Note]
	(b) [New Global Note:	[Yes][No]]
22	Specified Financial Centre(s):	[●][Not Applicable] (*Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the Interest Amount to which sub-paragraph 15(c) relates. Not applicable if sub-paragraphs 14(g)(vi) or 15(m)(ii) are completed*)
23	Talons for future Coupons to be attached to Definitive Notes:	[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]
24	Name and address of US Process Agent (Condition 19.6):	[[●] of [●]][Not Applicable]

PROVISIONS APPLICABLE TO TURKISH LIRA NOTES

25	USD Payment Election:	[Applicable/Not Applicable] (*Only applicable for Notes the Specified Currency of which is Turkish Lira*)

THIRD PARTY INFORMATION

[[*Relevant third party information*,] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of **TÜRKİYE SINAİ KALKINMA BANKASI A.Ş.**

By:

Duly authorised

By:

Duly authorised

PART B – OTHER INFORMATION

1 **LISTING AND ADMISSION TO TRADING**

(a) Listing and Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the official list and admitted to trading on the [[●] segment of/[●]] regulated market of Euronext Dublin with effect from [●].]/[●]/[Not Applicable.] (*When documenting an issue of Notes that is to be consolidated and to form a single series with a previous issue, it should be indicated here that the original Notes are already listed and admitted to trading*)
(b) Estimate of total expenses related to admission to trading:	[●]

2 **RATINGS**

Ratings:	[The Notes to be issued [[have been]/[are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]: [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms*]. [*Need to include (i) a brief explanation of the meaning of the ratings if this has previously been published by the rating provider; and (ii) disclosure of the status of registration of the relevant rating agency under the CRA Regulation [and the UK CRA Regulation]*.]

3 **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

[Save for any fees payable to the [Managers /Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer of the Notes. The [Managers/Dealers] and/or their [respective] affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business – *Amend as appropriate if there are other interests*]

[(*When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation*.)]

4 **YIELD (*Fixed Rate Notes only*)**

Indication of yield:	[●] per cent. per annum The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5 **HISTORIC INTEREST RATES (*Floating Rate Notes only*)**

Details of historic [[*currency*]EURIBOR/ROBOR/PRIBOR/SIBOR/NIBOR/WIBOR] rates can be obtained from [Reuters] at [●].

6 **OPERATIONAL INFORMATION**

(a)	ISIN:	[●][Not Applicable]
(b)	Common Code:	[●][Not Applicable]
(c)	CUSIP:	[●][Not Applicable]
(d)	CFI:	[[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
(e)	FISN:	[[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
(f)	Any clearing system(s) other than DTC, Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
(g)	Delivery:	Delivery [against/free of] payment
(h)	Names and addresses of additional Paying Agent(s) (if any):	[●][Not Applicable]
(i)	Deemed delivery of clearing system notices for the purposes of Condition 15:	[Any notice delivered to Noteholders of Notes held through a clearing system will be deemed to have been given on the [first] [second] [business] day after the day on which it was given to the relevant clearing system.][Not Applicable]
(j)	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [or registered in the name of a nominee of one of the ICSDs acting as common safekeeper] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem

eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [or registered in the name of a nominee of one of the ICSDs acting as common safekeeper]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

(k) Relevant Benchmark[s]: [[*EURIBOR*][*ROBOR*][*PRIBOR*][*SIBOR*][*NIBOR*][*WIBOR*] is provided by [[*European Money Markets Institute*][*National Bank of Romania*][*Czech Financial Benchmark Facility*][*ABS Benchmarks Administration Co Pte Ltd*][*Norske Finansielle Referanser AS*][*Warsaw Stock Exchange*]]. As at the date hereof, [[*European Money Markets Institute*][*National Bank of Romania*][*Czech Financial Benchmark Facility*][*ABS Benchmarks Administration Co Pte Ltd*][*Norske Finansielle Referanser AS*][*Warsaw Stock Exchange*] [appears]/[does not appear]] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmarks Regulation]/

[As far as the Bank is aware, as at the date hereof, [*EURIBOR*][*ROBOR*][*PRIBOR*][*SIBOR*][*NIBOR*][*WIBOR*] does not fall within the scope of the Benchmarks Regulation]/

[Not Applicable]

7 **DISTRIBUTION**

(a) Method of distribution: [Syndicated/Non-syndicated]

(b) If syndicated, names of Managers: [Not Applicable/*give names*]

(c) Date of [Subscription] Agreement: [●]

(d) Stabilisation Manager(s) (if any): [Not Applicable/*give name*]

(e) If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]

(f) U.S. Selling Restrictions: [Reg. S Compliance Category 2][Rule 144A][Rules identical to those provided in [TEFRA C][TEFRA D] applicable][TEFRA not applicable]

(g) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]

(N.B. advice should be taken from Belgian counsel

before disapplying this selling restriction)

8 **REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**

Reasons for the offer:	[●] [The Notes are intended to be issued as Sustainable Notes [*Green Bonds*][*Social Bonds*][*Sustainability Bonds*] (*See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from general corporate purposes, will need to include those reasons here.*)
Estimated net proceeds:	[●]

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which, unless otherwise agreed by the Issuer and the relevant Dealer(s) or Investor(s) at the time of issue, will be incorporated by reference into, or attached to, each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to "Applicable Final Terms" and "Form of the Notes" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by Türkiye Sınai Kalkınma Bankası A.Ş. (the "**Issuer**") pursuant to the Agency Agreement (as defined below).

References herein to the "**Notes**" shall, unless the context otherwise requires, be references to the Notes of this Series and shall mean:

(a) in relation to any Notes represented by a global Note (a "**Global Note**"), units of each Specified Denomination in the Specified Currency;

(b) any Global Note;

(c) any definitive Notes in bearer form ("**Bearer Notes**") issued in exchange for a Global Note in bearer form; and

(d) any definitive Notes in registered form ("**Registered Notes**") (whether or not issued in exchange for a Global Note in registered form).

The Notes and the Coupons (as defined below) have the benefit of an amended and restated agency agreement dated 13 May 2025 (such agency agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") and made among the Issuer, Citibank N.A., London Branch as fiscal and principal paying agent and exchange agent (the "**Fiscal Agent**" and the "**Exchange Agent**", which expression shall, in each case, include any successor fiscal agent and exchange agent) and the other paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents), Citibank N.A., London Branch as transfer agent (together with the Registrar (as defined below), the "**Transfer Agents**", which expression shall include any additional or successor transfer agent) and Citibank Europe Plc as registrar (the "**Registrar**", which expression shall include any successor registrar).

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note, which complete these Terms and Conditions (the "**Conditions**"). References to the "**applicable Final Terms**" are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note. The expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129 (as amended).

If so specified in the applicable Final Terms, the Issuer will also appoint a calculation agent with respect to a Series of Notes (the "**Calculation Agent**", which expression shall include any successor calculation agent and any other calculation agent specified in such Final Terms).

Interest-bearing definitive Bearer Notes have interest coupons ("**Coupons**") and, in the case of Notes which, when issued in definitive bearer form, have more than 27 interest payments remaining, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Notes and Global Notes do not have Coupons or Talons attached on issue.

Any reference to "**Noteholders**" or "**holders**" in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to "**Couponholders**" shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes (a) which are expressed in the applicable Final Terms to be consolidated and form a single series and (b) the terms and conditions of which are identical in all respects except for their respective Issue Dates, (unless this is a Zero Coupon Note) Interest Commencement Dates and/or Issue Prices.

The Noteholders and the Couponholders are entitled to the benefit of a deed of covenant (such deed of covenant as modified and/or supplemented and/or restated from time to time, the "**Deed of Covenant**") dated 17 July 2019 and made by the Issuer.

Copies of the Agency Agreement, a deed poll (such deed poll as modified and/or supplemented and/or restated from time to time, the "**Deed Poll**") dated 17 July 2019 and made by the Issuer and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Fiscal Agent, the Registrar and the other Paying Agents, the Exchange Agent and the other Transfer Agents (such agents and the Registrar being together referred to as the "**Agents**"). If the Notes are to be admitted to trading on the regulated market of the Irish Stock Exchange plc, trading as Euronext Dublin ("**Euronext Dublin**") the applicable Final Terms will be published on the Issuer's website (http://www.tskb.com.tr). If this Note is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed Poll, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In the Conditions, "**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

1 Form, Denomination and Title

1.1 Form and denomination

The Notes are in bearer form or in registered form as specified in the applicable Final Terms and serially numbered in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*. The Notes are issued pursuant to the Turkish Commercial Code (Law No. 6102), the Capital Markets Law (Law No. 6362) of Türkiye, the Communiqué No. VII-128.8 on Debt Instruments of the Turkish Capital Markets Board (in Turkish: *Sermaye Piyasası Kurulu*) (the "**CMB**") and (where applicable) the Green Debt Instruments, Sustainable Debt Instruments, Green Lease Certificates and Sustainable Lease Certificates Guide published by the CMB on 24 February 2022.

This Note may be a Fixed Rate Note, a Floating Rate Note or a Zero Coupon Note, or a combination of any of the foregoing, depending upon the Interest Basis specified in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached unless they are Zero Coupon Notes, in which case references to Coupons and Couponholders in the Conditions are not applicable.

1.2 Title

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer and any Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership, trust or any other interest or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next two succeeding paragraphs.

For so long as any of the Notes is represented by a Global Note deposited with and, in the case of a Registered Global Note, registered in the name of a nominee for a common depositary or a common safekeeper, as the case may be, for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall upon their receipt of such certificate or other document be treated by the Issuer and the Agents as the holder of such nominal amount of such Notes and the bearer or registered holder of such Global Note shall be deemed not to be the holder for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note

and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly.

For so long as the Depository Trust Company ("**DTC**") or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Agency Agreement and the Notes except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear and Clearstream, Luxembourg, as the case may be. References to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer and the Fiscal Agent.

2 Transfers of Registered Notes

2.1 Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes of the same Series in definitive form or for a beneficial interest in another Registered Global Note of the same Series, in each case only in the Specified Denomination(s) (and provided that the aggregate nominal amount of any balance of such beneficial interest of the transferor not so transferred is an amount of at least the Specified Denomination) and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement. Transfers of a Registered Global Note registered in the name of a nominee for DTC shall be limited to transfers of such Registered Global Note, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.

2.2 Transfers of Registered Notes in definitive form

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the Specified Denomination(s) set out in the applicable Final Terms) (and provided that, if transferred in part, the aggregate nominal amount of the balance of that Registered Note not so transferred is an amount of at least the Specified Denomination). In order to effect any such transfer (a) the holder or holders must (i) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (ii) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (b) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the

initial such regulations being set out in Schedule 10 to the Agency Agreement). Subject as provided above, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Transfer Agent is located) of its receipt of such request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (if so requested by the specified transferee and at the risk of such transferee), send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) being transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (if so requested by the transferor and at the risk of the transferor) sent by uninsured mail to the transferor. No transfer of a Registered Note will be valid unless and until entered in the Register.

2.3 Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided in this Condition 2, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer and/or any Agent may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration and/or transfer.

3 Status of the Notes

The Notes and any relative Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and (subject as provided above) rank and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

4 Negative Pledge

4.1 Negative Pledge

So long as any of the Notes remains outstanding, the Issuer will not create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a "**Security Interest**") upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

(a) all amounts payable by it under the Notes are secured by the Security Interest equally and rateably with the Relevant Indebtedness;

(b) such Security Interest is terminated;

(c) such other arrangement (whether or not it includes the giving of a Security Interest) is provided for the benefit of the Noteholders as is approved by an Extraordinary Resolution of the Noteholders; or

(d) such Security Interest is provided as is approved by an Extraordinary Resolution of the Noteholders.

Nothing in this Condition 4.1 shall prevent the Issuer from creating or permitting to subsist any Security Interest upon, or with respect to, any present or future assets or revenues or any part thereof which is created pursuant to: (i) a bond, note or other indebtedness whereby the payment obligations are secured by a segregated pool of assets (whether held by the Issuer or any third party guarantor) (any such bond, note or other indebtedness, a "**Covered Bond**"), or (ii) any securitisation of receivables or other payment rights, asset-backed financing or similar financing structure (created in accordance with normal market practice) and whereby all payment obligations secured by such Security Interest or having the benefit of such Security Interest are to be discharged principally from such assets or revenues (or in the case of Direct Recourse Securities, by direct unsecured recourse to the Issuer); *provided* that the aggregate then-existing balance sheet value of assets or revenues subject to any Security Interest created in respect of: (A) Covered Bonds that are Relevant Indebtedness and (B) any other secured Relevant Indebtedness (other than Direct Recourse Securities) of the Issuer, when added to the nominal amount of any outstanding Direct Recourse Securities that are Relevant Indebtedness, does not, at the time of the incurrence thereof, exceed 15 per cent. of the consolidated total assets of the Issuer (as shown in the most recent audited consolidated financial statements of the Issuer prepared in accordance with BRSA Principles).

4.2 Interpretation

For the purposes of these Conditions:

"**BRSA**" means the Banking Regulation and Supervision Agency (in Turkish: *Bankacılık Düzenleme ve Denetleme Kurumu*);

"**BRSA Principles**" means, collectively, the laws relating to the accounting and financial reporting of banks in Türkiye including BRSA Accounting and Financial Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette No. 26333 dated 1 November 2006, and other regulations on the accounting records of Banks published by Banking Regulation and Supervision Board and circulars and interpretations published by the BRSA and Turkish Financial Reporting Standards for those matters not regulated by the aforementioned regulations. And for the matters for matters that are not regulated by such laws, the Turkish Accounting Standards 34 Interim Financial Reporting Standard and the "Turkish Financial Reporting Standards" issued by the Public Oversight, Accounting and Auditing Standards Authority (in Turkish: Kamu Gözetimi Muhasebe ve Denetim Standartları Kurumu);

"**Direct Recourse Securities**" means securities (other than Covered Bonds) issued in connection with any securitisation of receivables or other payment rights, asset-backed financing or similar financing structure (created in accordance with normal market practice) and whereby all payment obligations secured by a Security Interest or having the benefit of a Security Interest are to be discharged principally from such assets or revenues, or by direct unsecured recourse to the Issuer; and

"**Relevant Indebtedness**" means: (a) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other organised securities market and having a maturity in excess

of 365 days or any loan disbursed to the Issuer as a borrower under a loan participation note or similar transaction and (b) any guarantee or indemnity of any such indebtedness.

5 Covenants

5.1 Maintenance of Authorisations

So long as any of the Notes remains outstanding, the Issuer shall take all necessary action to maintain, obtain and promptly renew, and do or cause to be done all things reasonably necessary to ensure the continuance of, all consents, permissions, licences, approvals and authorisations, and make or cause to be made all registrations, recordings and filings, which may at any time be required to be obtained or made in the Republic of Türkiye (including, without limitation, with the CMB and the BRSA) for: (a) the execution, delivery or performance of the Agency Agreement, the Deed of Covenant, the Deed Poll and the Notes or for the validity or enforceability thereof, or (b) save to the extent any failure to do so does not and would not have a material adverse effect on: (i) the business, financial condition or results of operations of the Issuer or (ii) the Issuer's ability to perform its obligations under the Notes, the conduct by it of the Permitted Business.

5.2 Transactions with Affiliates

So long as any of the Notes remains outstanding, the Issuer shall not, and shall not permit any of its Material Subsidiaries to, in any 12 month period: (a) make any payment to, (b) sell, lease, transfer or otherwise dispose of any of its properties, revenues or assets to, (c) purchase any properties, revenues or assets from or (d) enter into or make or amend any transaction, contract, agreement, understanding, loan, advance, indemnity or guarantee (whether related or not) with or for the benefit of, any Affiliate (each, an "**Affiliate Transaction**") which Affiliate Transaction has (or, when taken together with any other Affiliate Transactions during such 12 month period, in the aggregate have) a value in excess of U.S.$20,000,000 (or its equivalent in any other currency) unless such Affiliate Transaction (and each such other aggregated Affiliate Transaction) is on terms that are no less favourable to the Issuer or the relevant Subsidiary than those that would have been obtained in a comparable transaction by the Issuer or such Subsidiary with an unrelated Person.

5.3 Financial Reporting

So long as any of the Notes remains outstanding, the Issuer shall deliver to the Fiscal Agent for distribution to any Noteholder upon such Noteholder's written request to the Fiscal Agent:

(a) not later than six months after the end of each financial year of the Issuer, English language copies of the Issuer's audited consolidated financial statements for such financial year, prepared in accordance with BRSA Principles, together with the corresponding financial statements for the preceding financial year, and all such annual financial statements of the Issuer shall be accompanied by the report of the auditors thereon; and

(b) not later than four months after the end of the first six months of each financial year of the Issuer, English language copies of its unaudited consolidated financial statements for such six month period, prepared in accordance with BRSA Principles, together with the financial statements for the corresponding period of the previous financial year, and all

such interim financial statements of the Issuer shall be accompanied by a review report of the auditors thereon.

5.4 Interpretation

For the purposes of these Conditions:

"**Affiliate**" means, in respect of any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, and, in the case of a natural Person, any immediate family member of such Person. For purposes of this definition, control, as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise and the terms controlling, controlled by and under common control with shall have corresponding meanings.

"**Material Subsidiary**" means at any time a Subsidiary of the Issuer:

(a) whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent (or, in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated BRSA Principles financial statements of the Issuer and its Subsidiaries relate, are equal to) not less than 10 per cent. of the consolidated total assets of the Issuer and its Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited BRSA Principles financial statements (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its Subsidiaries; *provided* that: (i) in the case of a Subsidiary of the Issuer acquired after the end of the financial period to which the then latest audited consolidated BRSA Principles financial statements of the Issuer and its Subsidiaries relate or (ii) in the case of any such Subsidiary for which its then latest relevant audited accounts, at the time of such acquisition, are not prepared in accordance with BRSA Principles, the reference to the then latest audited consolidated BRSA Principles financial statements of the Issuer and its Subsidiaries and the relevant then latest audited BRSA Principles financial statements of such Subsidiary for the purposes of the calculation above shall, until consolidated or, as the case may be, BRSA Principles accounts for the financial period in which the acquisition is made have been prepared and audited as aforesaid, be deemed to be a reference to such consolidated BRSA Principles financial statements of the Issuer and its Subsidiaries as if such Subsidiary had been shown in those financial statements by reference to such Subsidiary's then latest relevant audited accounts, adjusted as deemed appropriate by the Issuer (including to reflect a conversion of such accounts into BRSA Principles if the then latest relevant audited accounts of such Subsidiary were not prepared in accordance with BRSA Principles);

(b) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Issuer that immediately prior to such transfer is a Material Subsidiary; provided that the transferor Subsidiary shall upon such transfer forthwith cease to be a Material Subsidiary and the transferee Subsidiary shall immediately become a Material Subsidiary pursuant to this sub-paragraph (b) but shall cease to be a Material Subsidiary on the date of publication of the Issuer's next audited consolidated

BRSA Principles financial statements unless it would then be a Material Subsidiary under sub-paragraph (a) above; or

(c) to which is transferred an undertaking or assets that, taken together with the undertaking or assets of the transferee Subsidiary, represent (or, in the case of the transferee Subsidiary being acquired after the end of the financial period to which the then latest audited consolidated BRSA Principles financial statements of the Issuer and its Subsidiaries relate, are equal to) not less than 10 per cent. of the consolidated total assets of the Issuer and its Subsidiaries taken as a whole (calculated as set out in sub-paragraph (a) above); provided that the transferor Subsidiary (if a Material Subsidiary) shall upon such transfer forthwith cease to be a Material Subsidiary unless immediately following such transfer, its assets represent (or, in the case aforesaid, are equal to) not less than 10 per cent. of the consolidated total assets of the Issuer and its Subsidiaries taken as a whole (all as calculated as set out in sub-paragraph (a) above), and the transferee Subsidiary shall cease to be a Material Subsidiary pursuant to this sub-paragraph (c) on the date of the publication of the Issuer's next consolidated audited BRSA Principles financial statements, save that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of sub-paragraph (a) above or, prior to or after such date, by virtue of any other applicable provision of this definition.

A report by the auditors of the Issuer that in their opinion a Subsidiary is or is not or was or was not at any particular time a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

"**Permitted Business**" means any business which is the same as or related, ancillary or complementary to any of the businesses of the Issuer on the Issue Date.

"**Person**" means: (a) any individual, company, unincorporated association, government, state agency, international organisation or other entity and (b) its successors and assigns.

"**Subsidiary**" means, in relation to any Person, any company: (a) in which such Person holds a majority of the voting rights, (b) of which such Person is a member and has the right to appoint or remove a majority of the board of directors or (c) of which such Person is a member and controls a majority of the voting rights, and includes any company which is a Subsidiary of a Subsidiary of such Person. In relation to the consolidated financial statements of the Issuer, a Subsidiary shall also include any other Person that is (in accordance with BRSA Principles) consolidated with the Issuer.

6 Interest

6.1 Interest on Fixed Rate Notes

This Condition 6.1 applies to Fixed Rate Notes only. The applicable Final Terms contain provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 6.1 for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable

Broken Amount, the Calculation Amount, the Day Count Fraction, any applicable Determination Date and whether the provisions relating to Modified Fixed Rate Notes will be applicable.

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, the Interest Amount payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) such date will amount, where a Fixed Coupon Amount is specified in the applicable Final Terms, to the Fixed Coupon Amount so specified; *provided* that the Interest Amount payable on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount and (if applicable) a Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(a) in the case of Fixed Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Fixed Rate Notes represented by such Global Note or (B) such Registered Notes; or

(b) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the aggregate outstanding nominal amount of Fixed Rates Notes which are Registered Notes in definitive form or the Calculation Amount in the case of Fixed Rate Notes which are Bearer Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency (with half of any such sub-unit being rounded upwards or otherwise in accordance with any other applicable market convention with the written consent of the Issuer).

Where the Specified Denomination of a Fixed Rate Note which is a Bearer Note in definitive form is greater than the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

If Modified Fixed Rate Notes is specified as applicable in the applicable Final Terms and Interest Periods and Interest Amounts are specified as being subject to adjustment, a Business Day Convention shall also be specified in the applicable Final Terms and (where applicable) Interest Payment Dates shall be postponed or brought forward, as the case may be, in accordance with Condition 6.2(b) and the relevant Interest Period and Interest Amount payable on the Interest Payment Date for such Interest Period will be adjusted accordingly.

6.2 Interest on Floating Rate Notes

This Condition 6.2 applies to Floating Rate Notes only. The applicable Final Terms contain provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 6.2 for full information on the manner in which interest is calculated on Floating Rate Notes.

In particular, the applicable Final Terms will identify any Specified Interest Payment Dates, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Specified Business Centres, whether ISDA Determination or Screen Rate Determination applies to the calculation of interest, the party who will calculate the amount of interest due if it is not the Fiscal Agent, the Margin, any maximum or minimum interest rates, the Day Count Fraction and whether the provisions relating to Modified Floating Rate Notes will be applicable. Where ISDA Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Floating Rate Option, Designated Maturity and Reset Date. Where Screen Rate Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Reference Rate, Relevant Financial Centre, Interest Determination Date(s) and Relevant Screen Page.

(a) Interest Payment Dates

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

(i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or

(ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an "**Interest Payment Date**" for the purposes of such Floating Rate Note) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Fiscal Agent or the Calculation Agent, as applicable, under an interest rate swap transaction if the Fiscal Agent or the Calculation Agent, as applicable, were acting as Calculation Agent (as defined in the ISDA Definitions (as defined below)) for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the "**ISDA Definitions**") and under which:

(A) the Floating Rate Option is as specified in the applicable Final Terms;

(B) the Designated Maturity is a period specified in the applicable Final Terms; and

(C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this subparagraph (i), "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(ii) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(A) the offered quotation; or

(B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being either EURIBOR, ROBOR, PRIBOR, SIBOR, NIBOR or WIBOR as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Specified Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Fiscal Agent or the Calculation Agent, as applicable. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Fiscal Agent or the Calculation Agent, as applicable, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be that determined as at the last preceding Interest Determination Date or, if the last preceding Interest Determination Date was the Interest Commencement Date, the initial Rate of Interest applicable to such Notes on such Interest Commencement Date, (though, in each case, substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

(c) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance

with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) Determination of Rate of Interest and calculation of Interest Amounts

The Fiscal Agent or the Calculation Agent, as applicable, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Fiscal Agent or the Calculation Agent, as applicable, will calculate the Interest Amount payable on the Floating Rate Notes for the relevant Interest Period (or any other relevant period) by applying the Rate of Interest to:

(i) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(ii) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is greater than the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

(e) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Fiscal Agent or the Calculation Agent, as applicable, by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period; provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Fiscal Agent or the Calculation Agent, as applicable, shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Designated Maturity**" means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

6.3 Notification of Rate of Interest and Interest Amounts

In the case of Floating Rate Notes and Modified Fixed Rate Notes where Interest Periods and Interest Amounts are specified in the applicable Final Terms as being subject to adjustment, the Fiscal Agent or the Calculation Agent, as applicable, will cause, in the case of Floating Rate Notes, the Rate of Interest and, in either case, each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Notes are for the time being listed and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

6.4 Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6, whether by the Fiscal Agent or the Calculation Agent, as applicable, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Fiscal Agent or the Calculation Agent as applicable, the other Agents and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Fiscal Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.5 Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption, unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Note (or part thereof) have been paid; and

(b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Fiscal Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 15.

6.6 Day Count Fraction and Business Day Convention

(a) Day Count Fraction

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 6:

(i) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:

(A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final) that would occur in one calendar year; or

(B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(I) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(II) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;

"**Determination Period**" means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

(ii) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period or the Relevant Period, as the case may be, divided by 360, calculated as follows:

(A) in the case of Fixed Rate Notes, on the basis of a year of 360 days with 12 30-day months; and

(B) in the case of Floating Rate Notes, on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of such period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day of such period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of such period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of such period falls;

"**D_1**" is the first calendar day, expressed as a number, of such period, unless such number is 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in such period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(iii) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Interest Period or the Relevant Period, as the case may be, divided by 365 (or, if any portion of such period falls in a leap year, the sum of (I) the actual number of days in that portion of the period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the period falling in a non-leap year divided by 365);

(iv) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period or the Relevant Period, as the case may be, divided by 365;

(v) if "Actual/365 (Sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period or the Relevant Period, as the case may be, divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(vi) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period or the Relevant Period, as the case may be, divided by 360;

(vii) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period or the Relevant Period, as the case may be, divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{\lfloor 360 \times (Y_2 - Y_1) \rfloor + \lfloor 30 \times (M_2 - M_1) \rfloor + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of such period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of such period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of such period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of such period falls;

"**D_1**" is the first calendar day, expressed as a number, of such period, unless such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in such period, unless such number would be 31, in which case D2 will be 30; and

(viii) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Interest Period or the Relevant Period, as the case may be, divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of such period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of such period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of such period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of such period falls;

"**D_1**" is the first calendar day, expressed as a number, of such period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in such period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

(b) Business Day Convention

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should *occur* or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(i) in the case of Floating Rate Notes where Specified Periods are specified in accordance with Condition 6.2 above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (C) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (1) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (2) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(ii) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(iii) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(iv) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

6.7 Benchmark Discontinuation

(a) Independent Adviser

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part(s) thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 6.7(b)) and, in each case, an Adjustment Spread (in accordance with Condition 6.7(c)) and any other required Benchmark Amendments (in accordance with Condition 6.7(d)).

An Independent Adviser appointed pursuant to this Condition 6.7 shall act in good faith and in a commercially reasonable manner and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Paying Agents, the Calculation Agent, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 6.7.

(b) Successor Rate or Alternative Rate

Notwithstanding the provisions of Condition 6.2(b), if the Issuer, following consultation with an Independent Adviser pursuant to Condition 6.7(a) and acting in good faith and in a commercially reasonable manner, determines that a Benchmark Event has occurred and that:

(i) there is a Successor Rate, then such Successor Rate (as adjusted by the applicable Adjustment Spread as provided in Condition 6.7(c)) shall subsequently be used in place of the Original Reference Rate to determine the Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the subsequent operation of, and adjustment as provided in, this Condition 6.7); or

(ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate (as adjusted by the applicable Adjustment Spread as provided in Condition 6.7(c)) shall subsequently be used in place of the Original Reference Rate to determine the Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the subsequent operation of, and adjustment as provided in, this Condition 6.7).

(c) Adjustment Spread

If a Successor Rate or Alternative Rate is determined in accordance with Condition 6.7(b), the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner shall determine an Adjustment Spread which may be

expressed as a specified quantum, or a formula or methodology for determining the applicable Adjustment Spread and which Adjustment Spread may be positive, negative or zero and shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of the Rate(s) of Interest (or the relevant component(s) thereof) by reference to such Successor Rate or Alternative Rate, as applicable.

(d) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in each case, the applicable Adjustment Spread is determined in accordance with the foregoing provisions of this Condition 6.7 and the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines: (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or, in each case, Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 6.7(e), without any requirement for the consent or approval of Noteholders or Couponholders, vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 6.7(d), the Issuer shall comply with the rules of any stock exchange or other relevant authority on or by which the Notes are for the time being listed or admitted to trading.

(e) Notices, etc.

Any Successor Rate or Alternative Rate and, in each case, the applicable Adjustment Spread, and the specific terms of any Benchmark Amendments, each as determined under this Condition 6.7, will be notified promptly by the Issuer to the Calculation Agent and the Paying Agents and, in accordance with Condition 15, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

Prior to any Benchmark Amendments taking effect and no later than notifying the Calculation Agent of the same, the Issuer shall deliver to the Calculation Agent a certificate signed by two Directors of the Issuer:

(i) confirming: (A) that a Benchmark Event has occurred, (B) the Successor Rate or, as the case may be, the Alternative Rate, (C) the applicable Adjustment Spread, and (D) where applicable, the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 6.7; and

(ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and, in each case, the applicable Adjustment Spread.

The Calculation Agent shall display such certificate at its offices for inspection by the Noteholders at all reasonable times during normal business hours.

The Successor Rate or Alternative Rate and, in each case, the applicable Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of

manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and, in each case, the applicable Adjustment Spread and the Benchmark Amendments (if any)) be binding upon the Issuer, the Calculation Agent, the Paying Agents, the Noteholders and the Couponholders.

(f) Survival of Original Reference Rate and Fallback Provisions

Without prejudice to the obligations of the Issuer under the provisions of this Condition 6.7, the Original Reference Rate and the fallback provisions provided for in Condition 6.2(b) will continue to apply unless and until a Benchmark Event has occurred and the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), the applicable Adjustment Spread and any Benchmark Amendments, in each case, in accordance with Condition 6.7(e).

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the relevant Interest Determination Date, no Successor Rate or Alternative Rate (as applicable) and, in each case, no applicable Adjustment Spread is determined and notified to the Calculation Agent pursuant to this Condition 6.7, then the Original Reference Rate will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date, with the effect that the fallback provisions provided for in Condition 6.2(b) will (if applicable) continue to apply to such determination.

The preceding paragraph shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date only and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 6.7.

(g) Defined Terms

As used in this Condition 6.7:

"**Adjustment Spread**" means either a spread (which may be positive, negative or zero), or a formula or methodology for calculating a spread, in each case, to be applied to the Successor Rate or the Alternative Rate (as the case may be) and which is the spread, formula or methodology that:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body;

(ii) in the case of a Successor Rate where no such formal recommendation as described in clause (i) above has been made, or in the case of an Alternative Rate the Issuer determines, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, is recognised or acknowledged as being in customary market usage in international debt capital market transactions that reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(iii) if the Issuer determines that neither (i) nor (ii) above applies, the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith and in a

commercially reasonable manner, determines to be appropriate having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

"**Alternative Rate**" means an alternative to the Original Reference Rate that the Issuer determines in accordance with Condition 6.7(b) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes;

"**Benchmark Amendments**" has the meaning given to it in Condition 6.7(d);

"**Benchmark Event**" means, with respect to an Original Reference Rate:

(a) the Original Reference Rate ceasing to be published for at least five Business Days or ceasing to exist or be administered;

(b) the later of: (i) the date of a public statement by the administrator of the Original Reference Rate that it will, by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances in which no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling six months prior to the specified date referred to in (b)(i);

(c) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued;

(d) the later of: (i) the date of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the specified date referred to in (d)(i);

(e) the later of: (i) the date of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used (either generally or in respect of the Notes) or that its use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (ii) the date falling six months prior to the specified date referred to in (e)(i);

(f) it has, or will prior to the next Interest Determination Date, become unlawful for the Calculation Agent, any other Paying Agent or the Issuer to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate; or

(g) the making of a public statement by the supervisor of the administrator of the Original Reference Rate announcing that such Original Reference Rate is no longer representative or may no longer be used, in each case in circumstances where the same shall be applicable to the Notes;

"**Calculation Agent**" means the Fiscal Agent or, for any Series, such other entity specified in the applicable Final Terms as the Person responsible for the calculation of the Rate(s) of Interest and the Interest Amount(s);

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international debt capital markets appointed by the Issuer, at its own expense, under Condition 6.7(a);

"**Original Reference Rate**" means the originally-specified Reference Rate used to determine the Rate of Interest (or any component part(s) thereof) in respect of any Interest Period(s) on the Notes, as specified in the applicable Final Terms (provided that if, following one or more Benchmark Events, such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term "Original Reference Rate" shall include any such Successor Rate or Alternative Rate);

"**Relevant Nominating Body**" means, in respect of an Original Reference Rate:

(i) the central bank for the currency to which such Original Reference Rate relates, or any central bank or other supervisory authority that is responsible for supervising the administrator of such Original Reference Rate; or

(ii) any working group or committee established, approved or sponsored by, chaired or co-chaired by or constituted at the request of: (i) the central bank for the currency to which such Original Reference Rate relates, (ii) any central bank or other supervisory authority that is responsible for supervising the administrator of such Original Reference Rate, (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate that is formally recommended by any Relevant Nominating Body.

6.8 Interpretation

In these Conditions:

"**Business Day**" means:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Specified Business Centre (other than T2 System) specified in the applicable Final Terms;

(b) if T2 System is specified as a Specified Business Centre in the applicable Final Terms, a day on which the T2 System is open; and

(c) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified

Currency or (2) in relation to any sum payable in euro, a day on which the T2 System is open;

"**Interest Amount**" means the amount of interest;

"**Interest Period**" means the period means the period from (and including) an Interest Payment Date (or, as the case may be, the Interest Commencement Date) to (but excluding) the next (or, as the case may be, first) Interest Payment Date or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date;

"**Reference Rate**" means, unless otherwise specified in the applicable Final Terms: (i) the Euro-zone interbank offered rate ("**EURIBOR**"), (ii) the Romanian interbank offered rate ("**ROBOR**"), (iii) the Prague interbank offered rate ("**PRIBOR**"), (iv) the Singapore interbank offered rate ("**SIBOR**"), (v) the Norwegian interbank offered rate ("**NIBOR**") or (vi) the Warsaw interbank offered rate ("**WIBOR**");

"**Relevant Period**" means the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date;

"**Specified Time**" means, unless otherwise specified in the applicable Final Terms: (i) 11.00 a.m. (Brussels time, in the case of a determination of EURIBOR, Romanian time, in the case of a determination of ROBOR, Prague time, in the case of a determination of PRIBOR, Singapore time, in the case of a determination of SIBOR and Warsaw time, in the case of a determination of WIBOR), and (ii) 12.00 p.m. (Oslo time, in the case of a determination of NIBOR);

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.; and

"**T2 System**" means the real time gross settlement system operated by the Eurosystem or any successor system.

7 Payments

7.1 Method of payment

Subject as provided below, payments in a Specified Currency will be made by credit or transfer to an account in the relevant Specified Currency (or any account to which such Specified Currency may be credited or transferred) maintained by the payee, or, at the option of the payee, by a cheque in such Specified Currency drawn on a bank in any country in which the Specified Currency constitutes legal tender from time to time.

Payments in respect of principal and interest on the Notes will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9.

7.2 Presentation of definitive Bearer Notes and Coupons

Notwithstanding any other provision of the Conditions to the contrary, payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 7.1 only against surrender (or, in the case of part payment of any sum due, presentation and endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes

will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the applicable Coupon(s), in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 9) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "**Long Maturity Note**" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid thereon after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

7.3 Payments in respect of Bearer Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified in Condition 7.2 in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Global Note, where applicable against surrender or, as the case may be, presentation and endorsement, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note either by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

7.4 Payments in respect of Registered Notes

Payments of principal in respect of each Registered Note (whether or not in global form) will be made against surrender (or, in the case of part payment of any sum due, presentation and endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar outside of the United Kingdom (the "**Register**") at (i) where in global form, the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) in all other cases, the close of business on the 15th day (or, if such 15th day is not a day on which banks are open for business in the city where the specified office of the Registrar is located, the first such day prior to such 15th day) before the relevant due date (in each case, the "**Record Date**"). Notwithstanding the previous sentence, if (a) a holder does not have a Designated Account or (b) the principal amount of the Notes held by a holder is less than U.S.$250,000 (or its approximate equivalent in any other Specified Currency), payment may instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means any bank which processes payments in such Specified Currency.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the relevant Record Date at the address of such holder shown in the Register on such Record Date and at that holder's risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment will be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by any Agent in respect of any payments of principal or interest in respect of the Registered Notes, save as provided in Condition 7.9.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. Dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for conversion into and payment in U.S. Dollars in accordance with the provisions of the Agency Agreement and Condition 7.9.

None of the Issuer or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

7.5 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC, as the case may be, as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for such person's share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. Dollars, such U.S. Dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

(a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. Dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;

(b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. Dollars; and

(c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

7.6 Payment Business Day

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day, the holder thereof shall not be entitled to payment until the next following Payment Business Day in the relevant place (except in the case of Modified Fixed Rate Notes and Modified Floating Rate Notes where a Payment Business Day Convention is specified in the applicable Final Terms, in which case, such holder will be entitled to payment on the Payment Business Day in the relevant place as determined in accordance with the Payment Business Day Convention so specified) and, in any such case, shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, "**Payment Business Day**" means any day which (subject to Condition 10) is:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(i) in the case of Notes in definitive form only, the relevant place of presentation; and

(ii) each Specified Financial Centre (if any) (other than T2 System) specified in the applicable Final Terms;

(b) if T2 System is specified as a Specified Business Centre in the applicable Final Terms, a day on which the T2 System is open;

(c) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency, or (2) in relation to any sum payable in euro, a day on which the T2 System is open; and

(d) in the case of any payment in respect of a Registered Global Note denominated in a Specified Currency other than U.S. Dollars and registered in the name of DTC or its nominee and in respect of which a participant in DTC (with an interest in such Registered Global Note) has not elected in accordance with Condition 7.9 to receive any part of such payment in that Specified Currency, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

"**Payment Business Day Convention**" means, if the Payment Business Day Convention is specified in the applicable Final Terms as the:

(a) Following Business Day Convention, the next following Payment Business Day;

(b) Modified Following Business Day Convention, the next day which is a Payment Business Day unless it would thereby fall into the next calendar month, in which event the holder shall be entitled to such payment at the place of presentation on the immediately preceding Payment Business Day; or

(c) Preceding Business Day Convention, the immediately preceding Payment Business Day.

7.7 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(a) any additional amounts which may be payable with respect to principal under Condition 9;

(b) the Final Redemption Amount of the Notes;

(c) the Early Redemption Amount of the Notes;

(d) the Optional Redemption Amount(s) (if any) of the Notes; and

(e) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9.

7.8 U.S. Dollar exchange and payments on Turkish Lira-denominated Notes held other than through DTC

(a) If "USD Payment Election" is specified as being applicable in the applicable Final Terms, the Specified Currency is Turkish Lira and interests in the Notes are not represented by a Registered Global Note registered in the name of DTC or its nominee, then a Noteholder (in the case of a Series of Notes in registered form, as of the applicable Record Date) may, not more than 10 and not less than five Business Days before the due date (the "**Relevant Payment Date**") for the next payment of interest and/or principal on a Note (such period, the "**USD Election Period**"), give an irrevocable election to any Agent to receive such payment in U.S. Dollars instead of Turkish Lira (each, a "**USD Payment Election**"). Each Agent to which such an election is given shall notify the Fiscal Agent on the Business Day following each USD Election Period of the USD Payment Elections made by the Noteholders during such USD Election Period and upon its receipt of such notification the Fiscal Agent shall notify the Exchange Agent of the total amount of Turkish Lira (the "**Lira Amount**") to be paid by the Issuer in respect of the Notes the subject of such USD Payment Elections and which is to be converted into U.S. Dollars and paid to the holders of such Notes on the Relevant Payment Date in accordance with the provisions of this Condition 7.8 and Clause 7 of the Agency Agreement.

Each USD Payment Election of a Noteholder will be made only in respect of the immediately following payment of interest and/or principal on the Notes the subject of such USD Payment Election and, unless a USD Payment Election is given in respect of each subsequent payment of interest and principal on those Notes, such payments will be made in Turkish Lira.

(b) Upon receipt of the Lira Amount from the Issuer and by no later than 11.00 a.m. (London time) on the Relevant Payment Date, the Fiscal Agent shall transfer the Lira Amount to the Exchange Agent, which shall purchase U.S. Dollars with the Lira Amount for settlement on the Relevant Payment Date at a purchase price calculated on the basis of its own internal foreign exchange conversion procedures, which conversion shall be conducted in a commercially reasonable manner and on a similar basis to that which the Exchange Agent would use to effect such conversion for its customers (such rate, taking into account any spread, fees, commission or charges on foreign exchange transactions customarily charged by it in connection with such conversions, the "**Applicable Exchange Rate**"). In no event shall any Agent be liable to any Noteholder, the Issuer or any third party for the conversion rate so used.

The Issuer's obligation to make payments on Notes the Specified Currency of which is Turkish Lira is limited to the specified Turkish Lira amount of such payments and, in the event that it fails to make any payment on the Notes in full on its due date, its obligation shall remain the payment of the relevant outstanding Turkish Lira amount and it shall have no obligation to pay any greater or other amount as a result of any change in the Applicable Exchange Rate between the due date and the date on which such payment is made in full.

(c) Following conversion of the Lira Amount into U.S. Dollars in accordance with this Condition 7.8 and the Agency Agreement, the Exchange Agent shall notify the Fiscal Agent of: (i) the total amount of U.S. Dollars purchased with the relevant Lira Amount, and (ii) the Applicable Exchange Rate at which such U.S. Dollars were purchased by the Exchange Agent. On each Relevant Payment Date, the Fiscal Agent shall give notice to the Noteholders of such U.S. Dollar amount and Applicable Exchange Rate in accordance with Condition 15 as so notified to it by the Exchange Agent.

Under the terms of the Agency Agreement, the Fiscal Agent will need to have received cleared funds from the Issuer on the Relevant Payment Date by no later than 10.00 a.m. (London time) in the case of a payment of interest or principal becoming due in order to make any payments to Noteholders on such Relevant Payment Date, including any such payments in U.S. Dollars. If the Fiscal Agent receives cleared funds from the Issuer after such time, then the Fiscal Agent will use reasonable efforts to pay the funds (including any so converted U.S. Dollar amounts) as soon as reasonably practicable thereafter.

(d) If, for illegality or any other reason, it is not possible for the Exchange Agent to purchase U.S. Dollars with the Lira Amount, then the Exchange Agent will promptly notify the Fiscal Agent, which shall, as soon as practicable upon receipt of such notification from the Exchange Agent, promptly notify the Noteholders of such event in accordance with Condition 15 and all payments on the Notes on the Relevant Payment Date will be made in Turkish Lira in accordance with this Condition 7.8, irrespective of any USD Payment Election made.

(e) To give a USD Payment Election:

(i) in the case of Notes in definitive form, a Noteholder must deliver at the specified office of any Agent, on any Business Day falling within the USD Election Period, a duly signed and completed USD Payment Election in the form (for the time being current) obtainable from any specified office of any Agent and in which the holder must specify a USD bank account to which payment is to be made under this Condition 7.8 accompanied by the relevant Notes or evidence satisfactory to the Agent concerned that such Notes will, following the delivery of the USD Payment Election, be held to the Agent's order or under its control until the applicable U.S. Dollar payment is made; and

(ii) in the case of Notes in global form, a Noteholder must, on any Business Day falling within the USD Election Period, give notice to the Fiscal Agent of such exercise in accordance with the standard procedures of Euroclear, Clearstream, Luxembourg or DTC, as applicable (which may include notice being given on such holder's instruction by Euroclear, Clearstream, Luxembourg, DTC or any depositary for any of them to the Fiscal Agent by electronic means) in a form acceptable to Euroclear, Clearstream, Luxembourg or DTC, as applicable, from time to time.

Notwithstanding any other provision in the Conditions to the contrary: (i) all costs of the purchase of U.S. Dollars *with* the Lira Amount shall be borne *pro rata* by the relevant Noteholders relative to the Notes of *such* Noteholders the subject of USD Payment Elections,

which *pro rata* amount will be deducted from the U.S. Dollar payment made to such Noteholders, (ii) none of the Issuer, any Agent or any other Person shall have any obligation whatsoever to pay any related foreign exchange rate spreads, commissions or expenses or to indemnify any Noteholder against any difference between the U.S. Dollar amount received by such Noteholder and the portion of the Lira Amount that would have been payable to the Noteholder if it had not made the relevant USD Payment Election and (iii) the Issuer shall not have any liability or other obligation to any Noteholder with respect to the conversion into U.S. Dollars of any amount paid by it to the Fiscal Agent in Turkish Lira or the payment of any U.S. Dollar amount to the applicable Noteholders.

7.9 Payments on Notes held through DTC in a Specified Currency other than U.S. Dollars

In the case of any Notes represented by a Registered Global Note registered in the name of DTC or its nominee and denominated in a Specified Currency other than U.S. Dollars, payments in respect of such Notes will be made in U.S. Dollars unless the participant in DTC with an interest in such Notes has elected to receive any part of such payment in that Specified Currency in the manner specified in the Agency Agreement and in accordance with the rules and procedures for the time being of DTC.

8 Redemption and Purchase

8.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

8.2 Redemption for tax reasons

If:

(a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 9), or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after the date on which agreement is reached to issue the most recently issued Tranche of the Notes (which shall, for the avoidance of doubt and for the purposes of this Condition 8.2, be the date on which the applicable Final Terms is signed by the Issuer), on the next Interest Payment Date the Issuer would be required to:

(i) pay additional amounts as provided or referred to in Condition 9; and

(ii) make any withholding or deduction for, or on account of, any Taxes imposed or levied by or on behalf of the Relevant Jurisdiction, at a rate in excess of the prevailing applicable rates on such date on which agreement is reached to issue the most recently issued Tranche of the Notes; and

(b) such requirement cannot be avoided by the Issuer taking reasonable measures available to it,

then the Issuer may at its option, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the Notes at any time at their Early

Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption. Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Fiscal Agent: (i) a certificate signed by two Directors of the Issuer stating that the requirement referred to in sub-paragraph (a) above will apply on the next Interest Payment Date and cannot be avoided by the Issuer taking reasonable measures available to it and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of the change or amendment.

8.3 Redemption at the option of the Issuer (Issuer Call)

This Condition 8.3 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Issuer (other than for taxation reasons pursuant to Condition 8.2), such option being referred to as an "**Issuer Call**". The applicable Final Terms contains provisions applicable to any Issuer Call and must be read in conjunction with this Condition 8.3 for full information on any Issuer Call. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount, any minimum or maximum amount of Notes which can be redeemed and the applicable notice periods.

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 15 (which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together (if applicable) with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

In the case of a partial redemption of Notes under this Condition 8.3, the Notes to be redeemed ("**Redeemed Notes**") will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and/or DTC. In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 not less than 15 days prior to the date fixed for redemption.

8.4 Redemption at the option of the Noteholders (Investor Put)

This Condition 8.4 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Noteholder, such option being referred to as an "**Investor Put**". The applicable Final Terms contain provisions applicable to any Investor Put and must be read in conjunction with this Condition 8.4 for full information on any Investor Put. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount and the applicable notice periods.

If Investor Put is specified as being applicable in the applicable Final Terms, then upon the holder of any Note giving to the Issuer in accordance with Condition 15 not less than the minimum period nor

more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together (if applicable) with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 8.4 in any Specified Denomination.

To exercise the right to require redemption of this Note:

(a) if this Note is in definitive form and held outside Euroclear, Clearstream, Luxembourg or DTC, then the holder of this Note must deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 8.4 and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.2. If this Note is in definitive bearer form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to such Paying Agent's order or under its control, and

(b) if this Note is represented by a Global Note or is in definitive form and held through Euroclear, Clearstream, Luxembourg or DTC, as applicable, the holder of this Note must, within the notice period, give notice to the Fiscal Agent of such exercise in accordance with the standard procedures of Euroclear, Clearstream, Luxembourg or DTC, as the case may be (which may include notice being given on such holder's instruction by Euroclear, Clearstream, Luxembourg, DTC or any depositary for them to the Fiscal Agent by electronic means) in a form acceptable to Euroclear, Clearstream, Luxembourg or DTC, as applicable, from time to time.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear, Clearstream, Luxembourg or DTC, as applicable, given by a holder of any Note pursuant to this Condition 8.4 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 8.4 and instead to declare such Note forthwith due and payable pursuant to Condition 11.

8.5 Early Redemption Amounts

For the purpose of Condition 8.2 above and Condition 11, each Note will be redeemed at its Early Redemption Amount calculated as follows:

(a) in the case of a Note with a Final Redemption Amount equal to the Issue Price of the first Tranche of the Series, at the Final Redemption Amount thereof;

(b) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price of the first Tranche of the Series, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or

(c) in the case of a Zero Coupon Note, at its Early Redemption Amount calculated in accordance with the following formula:

Early Redemption Amount = RP x $(1 + AY)^y$

where:

"**RP**" means the Reference Price;

"**AY**" means the Accrual Yield expressed as a decimal; and

"**y**" is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

8.6 Purchases

The Issuer or any of its Subsidiaries may at any time purchase or otherwise acquire Notes (provided that, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, resold or, at the option of the Issuer or any such Subsidiary (as the case may be) for those Notes held by it, surrendered to any Paying Agent and/or the Registrar for cancellation.

8.7 Cancellation

All Notes which are redeemed will forthwith be cancelled (together, in the case of definitive Bearer Notes, with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 8.6 above (together, in the case of definitive Bearer Notes, with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Fiscal Agent and cannot be held, reissued or resold.

8.8 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to the foregoing provisions of this Condition 8 or upon its becoming due and repayable as

provided in Condition 11 is improperly withheld or refused, then the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 8.5(c) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

(a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

(b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Fiscal Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 15.

9 Taxation

9.1 Payment without Withholding

All payments in respect of the Notes and Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of any Relevant Jurisdiction unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of the withholding or deduction; except that no additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

(a) presented for payment by or on behalf of a holder who is liable for Taxes in respect of the Note or Coupon by reason of such holder having some connection with any Relevant Jurisdiction other than the mere holding of the Note or Coupon; or

(b) presented for payment in the Republic of Türkiye; or

(c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that a holder or, as the case may be, Couponholder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a Payment Business Day (as defined in Condition 7.6).

Notwithstanding any other provision of these Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer, will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

In these Conditions:

(i) the "**Relevant Date**" means, with respect to any payment, the date on which such payment first becomes due but, if the full amount of the money payable has not been received by the Fiscal Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders or the Couponholders, as the case may be, by the Issuer in accordance with Condition 15.

(ii) "**Relevant Jurisdiction**" means the Republic of Türkiye or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes or Coupons.

9.2 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 9.

10 Prescription

The Notes (whether in bearer or registered form) and Coupons will become void unless claims in respect of principal and/or interest with respect thereto are made within a period of 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date (as defined in Condition 9) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 7.2 or any Talon which would be void pursuant to Condition 7.2.

11 Events of Default

11.1 Events of Default

The holder of any Note may give notice to the Issuer that such Note is, and it shall accordingly forthwith become, immediately due and repayable at its Early Redemption Amount, together with interest accrued to (but excluding) the date of repayment, if any of the following events (each, an "**Event of Default**") shall have occurred and be continuing:

(a) if default is made by the Issuer in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven days in the case of principal or 14 days in the case of interest; or

(b) if the Issuer fails to perform or observe any of its other obligations under these Conditions and (except in any case where the failure is incapable of remedy, when no continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 14 days following the service by any Noteholder on the Issuer of notice requiring the same to be remedied; or

(c) if: (i) any Indebtedness for Borrowed Money of the Issuer or any of its Material Subsidiaries becomes due and repayable prematurely by reason of an event of default (however described); (ii) the Issuer or any of its Material Subsidiaries fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for

payment, subject to any originally applicable grace period; (iii) any security given by the Issuer or any of its Material Subsidiaries for any Indebtedness for Borrowed Money becomes enforceable; or (iv) default is made by the Issuer or any of its Material Subsidiaries in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person, subject to any applicable grace period; *provided* that the aggregate principal amount of: (A) such Indebtedness for Borrowed Money of the Issuer or the relevant Material Subsidiary in the case of sub-paragraphs (i), (ii) and/or (iii) above, and/or (B) the maximum amount payable by the Issuer or the relevant Material Subsidiary under such guarantee and/or indemnity of the Issuer or the relevant Material Subsidiary in the case of sub-paragraph (iv) above, exceeds U.S.$15,000,000 (or its equivalent in other currencies); or

(d) if:

(i) any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer or any of its Material Subsidiaries; or

(ii) the Issuer ceases or threatens to cease to carry on the whole or a substantial part, or any Material Subsidiary ceases or threatens to cease to carry on the whole or substantially the whole, in each case, of its business, save for the purposes of reorganisation on terms approved by an Extraordinary Resolution of Noteholders, or the Issuer or any of its Material Subsidiaries suspends or threatens to suspend payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated, declared or found by a competent authority to be (or becomes) bankrupt or insolvent; or

(iii) the Issuer or any of its Material Subsidiaries commences negotiations with one or more of its creditors with a view to the general readjustment or rescheduling of all or a substantial part of its indebtedness; or

(iv) the Issuer or any of its Material Subsidiaries: (A) takes any corporate action or other steps are taken or legal proceedings are started: (x) for its winding-up, dissolution, administration, bankruptcy or re-organisation (other than for the purposes of and followed by a reconstruction while solvent upon terms previously approved by an Extraordinary Resolution of Noteholders) or (y) for the appointment of a liquidator, receiver, administrator, administrative receiver, trustee or similar officer of it or any substantial part or all of its revenues and assets or (B) shall or propose to make a general assignment for the benefit of its creditors or shall enter into any general arrangement or composition with its creditors,

in each case in sub-paragraphs (i) to (iv) above, save for the solvent voluntary winding-up, dissolution or re-organisation of any Material Subsidiary in connection with any combination with, or transfer of the whole or substantially the whole of its business and/or assets to, the Issuer or one or more other Subsidiaries of the Issuer; or

(e) if the banking licence of the Issuer is temporarily or permanently revoked.

11.2 Interpretation

For the purposes of this Condition 11:

"**Indebtedness for Borrowed Money**" means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of:

(a) any notes, bonds, debentures, debenture stock, loan stock or other securities; or

(b) any borrowed money; or

(c) any liability under or in respect of any acceptance or acceptance credit.

12 Replacement of Notes, Coupons and Talons

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent (in the case of Bearer Notes or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to (a) evidence of such loss, theft, mutilation, defacement or destruction and (b) indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

13 Agents

The names of the initial Agents and their initial specified offices are set out in the Agency Agreement. If any additional Agents are appointed in connection with any Series, the names of such Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

(a) there will at all times be a Fiscal Agent and a Registrar;

(b) so long as the Notes are listed on any stock exchange or admitted to trading by any other relevant authority, there will at all times be, in the case of Bearer Notes a Paying Agent (which may be the Fiscal Agent) and, in the case of Registered Notes, a Transfer Agent (which may be the Registrar) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;

(c) so long as any of the Registered Global Notes payable in a Specified Currency other than U.S. Dollars are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City; and

(d) there will at all times be a Paying Agent in a jurisdiction other than the jurisdiction in which the Issuer is incorporated.

In addition, the Issuer shall as soon as practicable appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 7.5. Notice of any variation, termination, appointment or change in Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 15.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholder, Receiptholder or Couponholder. The

Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

14 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 10.

15 Notices

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading English language newspaper of general circulation in London. It is anticipated that any such publication in a newspaper will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading, including publication on the website of the relevant stock exchange or relevant authority as required by those rules. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) of such Registered Notes at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

There may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg and/or DTC, be substituted for such publication in such newspaper(s) or such websites or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or DTC for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on such day as is specified in the applicable Final Terms after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or DTC, as applicable.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Fiscal Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Fiscal Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, in such manner as the Fiscal Agent, the

Registrar and Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, may approve for this purpose.

16 Meetings of Noteholders and Modification

16.1 Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings (including at a physical location or by way of conference call or by use of a videoconference platform or a combination of such methods) of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer and shall be convened by the Issuer if required in writing by Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more person(s) holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more person(s) being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes, altering the currency of payment of the Notes or the Coupons or amending the Deed of Covenant in certain respects), the quorum shall be one or more person(s) holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more person(s) holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Agency Agreement provides that: (a) a resolution in writing signed on behalf of the Noteholders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding (whether such resolution in writing is contained in one document or several documents in the same form, each signed on behalf of one or more Noteholders) or (b) consent given by way of electronic consents through the relevant clearing systems by or on behalf of Noteholders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding will, in each case, take effect as if it were an Extraordinary Resolution and shall be binding upon all Noteholders.

16.2 Modification

The Fiscal Agent and the Issuer may agree in writing, without the consent of the Noteholders or Couponholders, to any modification of any of these Conditions, the Deed of Covenant or any of the provisions of the Agency Agreement which is, in the opinion of the Issuer, either (a) for the purpose of curing any ambiguity or of curing, correcting or supplementing any manifest or proven error or any other defective provision contained herein or therein or (b) following the advice of an independent financial institution of international standing, not materially prejudicial to the interests of the Noteholders. Any such modification shall be binding on the Noteholders and Couponholders and, unless the Fiscal Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders and Couponholders as soon as practicable thereafter in accordance with Condition 15. In addition, the Issuer may, without obtaining the consent or approval of Noteholders or Couponholders,

vary the Conditions to give effect to any Benchmark Amendments in accordance with the circumstances and as otherwise set out in Condition 6.7.

17 Further Issues

The Issuer may from time to time without the consent of the Noteholders or the Couponholders create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes; provided that if the Notes or further notes are issued under Rule 144A such further notes will not have the same CUSIP, ISIN or other identifying number as the Notes unless such further notes are fungible with the Notes for U.S. federal income tax purposes.

18 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

19 Governing Law and Submission to Jurisdiction

19.1 Governing law

The Agency Agreement, the Deed of Covenant, the Deed Poll, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed of Covenant, the Deed Poll, the Notes and the Coupons, are and shall be governed by, and construed in accordance with, English law.

19.2 Submission to jurisdiction

The Issuer irrevocably agrees, for the benefit of the Noteholders and the Couponholders, that the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) is to have (subject to Condition 19.6) exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes and/or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons) and accordingly submits to the exclusive jurisdiction of the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales).

The Issuer waives any objection to the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) on the grounds that they are an inconvenient or inappropriate forum. The Noteholders and the Couponholders may take any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Notes and the Coupons (including any Proceeding relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons) against the Issuer in any other court of

competent jurisdiction and concurrent Proceedings in any number of jurisdictions to the extent allowed by law.

19.3 Consent to Enforcement

The Issuer agrees, without prejudice to the enforcement of a judgment obtained in the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) according to the provisions of Article 54 of the International Private and Procedural Law of Türkiye (Law No. 5718), that in the event that any action is brought in relation to the Issuer in a court in Türkiye in connection with the Notes and/or the Coupons, in addition to other permissible legal evidence pursuant to the Civil Procedure Code of Türkiye (Law No. 6100), any judgment obtained in the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) in connection with such action shall constitute conclusive evidence of the existence and amount of the claim against the Issuer, pursuant to the provisions of the first paragraph of Article 193 of the Civil Procedure Code of Türkiye (Law No. 6100) and Articles 58 and 59 of the International Private and Procedural Law of Türkiye (Law No. 5718).

19.4 Appointment of Process Agent

The Issuer shall irrevocably and unconditionally appoint Türkiye İş Bankası A.Ş., London Branch at 1 Bartholomew Lane, London EC2N 2AX, United Kingdom as its agent for service of process in respect of any Proceedings in England and the Issuer undertakes that in the event of such agent being unable or unwilling for any reason so to act, it will as promptly as practicable appoint another person as its agent for that purpose.

19.5 Other Documents

The Issuer has, in the Agency Agreement, the Deed of Covenant and the Deed Poll, submitted to the jurisdiction of the High Court of Justice of England and Wales in London (and any competent United Kingdom appellate court in respect of any appeal relating to any judgment or order originally of the High Court of Justice of England and Wales) and appointed an agent in England for service of process, in terms substantially similar to those set out above.

19.6 Submission to the jurisdiction and courts of New York

This Condition 19.6 shall apply only in respect of any Series of Notes where some or all of the Notes of such Series have been offered by or on behalf of the Issuer in the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act of 1933).

The Issuer expressly submits to the jurisdiction of New York State and U.S. federal courts sitting in the Borough of Manhattan, The City of New York, New York (including the New York State Supreme Court, New York County, the United States District Courts for the Southern District of New York, plus the appellate courts therefrom: the New York State Supreme Court, Appellate Division, the New York Court of Appeals, the United States Court of Appeals for the Second Circuit, and the United States Supreme Court), with respect to any suit, action, or proceeding in connection with any Notes issued under the Programme.

The Issuer will appoint an agent in the United States to accept service of process in any suit, action, or proceeding brought with respect to such Notes instituted in any state or federal court in the Borough of Manhattan, The City of New York, New York (including the New York State Supreme Court, New York County, the United States District Courts for the Southern District of New York, plus the appellate courts therefrom: the New York State Supreme Court, Appellate Division, the New York Court of Appeals, the United States Court of Appeals for the Second Circuit, and the United States Supreme Court).

The Issuer will waive the defense of forum non conveniens to the maintenance of any such action or proceeding. Such appointment of an agent to accept service of process and such consent to jurisdiction shall be irrevocable until all amounts due and to become due in respect thereof have been paid. No such submission to jurisdiction or appointment of agent for service of process shall affect the right of a holder of any such Notes to bring suit in any court which shall have jurisdiction over the Issuer by virtue of the offer and sale of such Notes or otherwise.

USE OF PROCEEDS

The Issuer will incur various expenses in connection with the issuance of each Tranche of the Notes, including underwriting fees, legal counsel fees, rating agency expenses and listing expenses. The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, unless otherwise specified in the applicable Final Terms.

Where the "Reasons for the Offer" in Part B of the applicable Final Terms are stated to be for "green", "social" or "sustainability" purposes as described in this "*Use of Proceeds*" section ("**Green Bonds**", "**Social Bonds**" and "**Sustainability Bonds**", respectively), the net proceeds from each issue of Sustainable Notes will be used as so described in the applicable Final Terms.

For any Sustainable Notes, such net proceeds will be separately identified and applied by the Issuer in financing and/or refinancing, on a portfolio basis, to Green Eligible Loans and Social Eligible Loans (each as further described in the Sustainable Finance Framework published on the Issuer's website), identified via the compliance with the Eligibility Criteria outlined in the Sustainable Finance Framework. The Issuer has identified Green Eligible Loans and Social Eligible Loans within two main business activity areas, outlined below and as further described in detail in the Sustainable Finance Framework:

• Direct and Indirect Climate Change Mitigation, Adaptation and Resilience;

• Sustainable and Social Infrastructure.

Under the Sustainable Finance Framework, loans may be for specific assets and projects or to 'pure play' companies, defined as enterprises that are expected to derive at least 90 per cent. or more of their turnover from assets/revenues aligned with defined eligibility criteria. For such enterprises, the entire loan by the Issuer to such a borrower is 100 per cent. eligible as a use of proceeds for a Sustainability Finance Instrument.

In the case of Green Bonds, such financing and/or refinancing shall be of Green Eligible Loans (as defined below); in the case of Social Bonds, such financing and/or refinancing shall be of Social Eligible Loans (as defined below); and in the case of Sustainability Bonds, such financing and/or refinancing shall be a mix of Green Eligible Loans and Social Eligible Loans; however, the proceeds of any Sustainable Notes will not be knowingly used by the Issuer to directly finance any businesses and projects included in the Issuer's "Exclusionary Criteria" as detailed in the Sustainable Finance Framework.

As of the date of this Base Prospectus, the Issuer's technical analysis team will be responsible for assessing and determining the eligibility of individual loans and recommending allocation of proceeds of Sustainable Notes to eligible loans. The allocation of such proceeds will be tracked through the internal systems of the Issuer.

The Issuer intends to designate sufficient Eligible Loans in the Eligible Loan Portfolio to ensure that the size of the Eligible Loan Portfolio matches or exceeds the total balance of all outstanding Sustainable Notes. When necessary, additional Eligible Loans will be added to the Eligible Loan Portfolio to ensure the sufficient and timely allocation of the incremental net proceeds.

If a business or project to which the net proceeds of any Sustainable Notes are allocated ceases to fulfil the applicable eligibility criteria, the Issuer will remove the same from the portfolio upon becoming aware of such ineligibility and endeavour to replace it with an eligible Green Eligible Loan or Social Eligible Loan, as the case may be, as soon as reasonably practicable.

Pending the full allocation to the Eligible Loan Portfolio, the Issuer will hold and / or invest the balance of net proceeds not yet allocated, at its own discretion, in its treasury liquidity portfolio (in cash or cash equivalents, money market funds, etc.).

A report, as outlined in the Sustainable Finance Framework, will be published annually by the Issuer with respect to each Series of Sustainable Notes throughout their term. As noted in the Sustainable Finance Framework, such reports will provide information on the allocation of the net proceeds of the applicable Series and the impact of projects that have received allocations. The report may be presented on an aggregated basis for all the Sustainable Notes issued under the Framework. The Issuer may request an annual assessment on the alignment of the allocation of such proceeds with the Sustainable Finance Framework's criteria.

"**Green Eligible Loan**" means either: (a) a corporation or other entity of which 90 per cent. or more of its revenues (as determined to the Issuer's satisfaction) are derived from activities in the list of green categories with defined eligibility criteria in the Sustainable Finance Framework at the applicable time (as such list is developed from time to time in accordance with the ICMA Green Bond Principles and ICMA Sustainability Bond Guidelines) or (b) a project falling within such categories. As of the date of this Base Prospectus, such categories listed under "*Direct and Indirect Climate Change Mitigation, Adaptation and Resilience*" include: (i) renewable energy, (ii) energy efficiency; (iii) clean transportation; (iv) green buildings; (v) pollution prevention and control; (vi) eco-efficient and/or circular economy adapted products, production technologies and processes; (vii) alternative maritime power; (viii) sustainable water and wastewater management; (ix) environmentally sustainable management of living natural resources and land use; (x) sustainable food system and (xi) transition finance projects falling within preceding categories, targeting projects that reduce emissions and increase resource efficiency including but not limited to high-emitting sectors which helps the Issuer to reach its own SBTi approved targets and 2050 net zero commitment.

"**Social Eligible Loan**" means either: (a) a corporation or other entity of which 90 per cent. or more of its revenues (as determined to the Issuer's satisfaction) are derived from activities in the list of social categories with defined eligibility criteria in the Sustainable Finance Framework at the applicable time (as such list is developed from time to time in accordance with the ICMA Social Bond Principles and ICMA Sustainability Bond Guidelines) or (b) a project falling within such categories. As of the date of this Base Prospectus, such categories listed under "*Sustainable and Social Infrastructure*" include: (i) access to essential services (healthcare); (ii) access to essential services (education); (iii) employment generation through SME companies (as defined in the Sustainable Finance Framework); (iv) disaster relief and (v) sustainable food system.

The Sustainable Finance Framework, the second party opinion and any related report, verification assessment etc. will be published on the Issuer's website at http://www.tskb.com.tr/en/financial-institutions/publications.

None of the Sustainable Finance Framework, the second party opinion or any of the reports, verification assessments, opinions or contents of any of the websites referenced in this "*Use of Proceeds*" section or elsewhere in this Base Prospectus are, or shall be deemed to, constitute a part of, or be incorporated into, this Base Prospectus.

SELECTED FINANCIAL AND OTHER INFORMATION

The following tables set forth, for the periods indicated, selected historical consolidated financial and other information about the Group which, unless otherwise specified, have been extracted from the BRSA Financial Statements without material adjustment. Such financial and other information should be read in conjunction with, and is qualified in its entirety by reference to, the BRSA Financial Statements, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and other relevant information included elsewhere in (or incorporated by reference into) this Base Prospectus. The BRSA Financial Statements are presented in Turkish Lira and have been prepared in accordance with BRSA Principles described in more detail in the accounting principles included in the notes to the BRSA Financial Statements incorporated by reference into this Base Prospectus and in "*Presentation of Financial Information*".

The BRSA Financial Statements as of and for the year ended 31 December 2023 have been audited by EY. The BRSA Financial Statements as of and for the years ended 31 December 2024 and 31 December 2025 have been audited by PwC.

CONSOLIDATED BALANCE SHEET DATA

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Assets			
Financial Assets (Net)	**27,733,193**	**35,743,824**	**57,529,506**
Cash and Cash Equivalents	15,622,800	12,730,999	24,589,876
Cash and Balances with CBRT	2,942,825	2,880,425	5,703,137
Banks	5,261,257	7,903,873	9,059,571
Money Market Placements	7,424,388	1,952,629	9,840,648
Expected Credit Losses (-)	5,670	5,928	13,480
Financial Assets at Fair Value Through Profit or Loss	**409,358**	**1,650,591**	**3,830,949**
Government Debt Securities	—	—	—
Equity Instruments	7,440	146	194,125
Other Financial Assets	401,918	1,650,445	3,636,824
Financial Assets at Fair Value Through Other Comprehensive Income	**9,766,338**	**18,304,526**	**27,220,947**
Government Debt Securities	8,830,461	16,616,630	24,790,930
Equity Instruments	916,984	1,137,480	2,022,482
Other Financial Assets	18,893	550,416	407,535
Derivative Financial Assets	**1,934,697**	**3,057,708**	**1,887,734**

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Derivative Financial Assets at Fair Value Through Profit or Loss	1,934,697	3,057,708	1,887,734
Derivative Financial Assets at Fair Value Through Other Comprehensive Income	—	—	—
Financial Assets Measured at Amortised Cost (Net)	**142,293,332**	**185,420,270**	**257,144,273**
Loans	**131,216,812**	**168,866,582**	**239,299,385**
Lease Receivables	**452,370**	**417,553**	1,148,738
Factoring Receivables	—	—	—
Other Financial Assets Measured at Amortised Cost	**18,894,112**	**24,219,715**	**27,380,448**
Government Debt Securities	18,894,112	24,219,715	27,380,448
Other Financial Assets	—	—	—
Expected Credit Losses (-)	**8,269,962**	**8,083,580**	**10,684,298**
Property and Equipment Held for Sale Purpose and Related to Discontinued Operations (Net)	—	—	—
Held for Sale Purpose	—	—	—
Related to Discontinued Operations	—	—	—
Equity Investments	**2,939,908**	**4,361,542**	**5,741,905**
Investments in Associates (Net)	**2,825,834**	**4,201,492**	**5,508,367**
Accounted Under Equity Method	2,825,834	4,201,492	5,508,367
Unconsolidated Associates	—	—	—
Subsidiaries (Net)	**101,016**	**133,444**	**172,208**
Unconsolidated Financial Subsidiaries	—	—	—
Unconsolidated Non-Financial Subsidiaries	101,016	133,444	172,208
Entities under Common Control (Joint Venture) (Net)	**13,058**	**26,606**	**61,330**
Joint Ventures Valued Based on Equity Method	13,058	26,606	61,330
Unconsolidated Joint Ventures	—	—	—
Tangible Assets (Net)	**2,237,255**	**3,156,735**	**4,255,952**
Intangible Assets (Net)	**8,118**	**8,223**	**26,892**
Goodwill	1,005		1,005

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
		1,005	
Other	7,113	7,218	25,887
Investment Property (Net)	**1,430,605**	**2,403,800**	**3,263,130**
Current Tax Asset	**691**	**2,679**	**4,894**
Deferred Tax Asset	**1,480,605**	**312,481**	**627,624**
Other Assets	**2,790,400**	**6,119,428**	**5,699,342**
Total Assets	**180,913,852**	**237,528,982**	**334,293,518**
Liabilities and Equity			
Deposits	—	—	—
Funds Borrowed	**106,851,110**	**124,002,505**	**193,618,365**
Money Market Balances	**3,727,880**	**6,133,453**	**10,657,861**
Marketable Securities Issued (Net)	**34,148,450**	**53,512,352**	**60,593,749**
Bills	397,337	—	—
Assets Backed Securities	1,524,022	1,950,424	—
Bonds	32,227,091	51,561,928	60,593,749
Borrower Funds	**1,482,480**	**683,899**	**1,010,220**
Borrower Funds	1,482,480	683,899	1,010,220
Other	—	—	—
Financial Liabilities at Fair Value Through Profit or Loss	—	—	—
Derivative Financial Liabilities	**1,148,158**	**1,298,535**	**1,662,177**
Derivative Financial Liabilities at Fair Value Through Profit or Loss	1,148,158	1,298,535	1,662,177
Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	—	—	—
Factoring Liabilities	—	—	—
Lease Liabilities	**39,250**	**41,552**	**84,274**
Provisions	**2,081,013**	**2,405,013**	**1,665,403**
Restructuring Provisions	—	—	—
Reverse for Employee Benefits	51,889	125,428	205,316
Insurance Technical Provisions (Net)	—	—	—

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Other Provisions	2,029,124	2,279,585	1,460,087
Current Tax Liability	**971,818**	**457,912**	**527,154**
Deferred Tax Liability	—	**334,512**	**590,628**
Liabilities for Property and Equipment Held for Sale and Related to Discontinued Operations (Net)	—	—	—
Held for Sale Purpose	—	—	—
Related to Discontinued Operations	—	—	—
Subordinated Debt Instruments	**6,043,090**	**10,800,864**	**13,142,591**
Loans	6,043,090	—	—
Other Debt Instruments	—	10,800,864	13,142,591
Other Liabilities	**2,595,551**	**4,705,685**	**4,277,371**
Shareholders' Equity	**21,825,052**	**33,152,700**	**46,463,725**
Paid-in capital	2,800,000	2,800,000	2,800,000
Capital Reserves	15,665	15,631	25,546
Share Premium	1,007	1,007	1,007
Share Cancellation Profits	—	—	—
Other Capital Reserves	14,658	14,624	24,539
Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss	3,748,737	4,389,411	5,459,921
Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss	257,542	349,100	1,092,869
Profit Reserves	7,745,308	14,793,249	24,900,972
Legal Reserves	644,594	664,389	661,745
Status Reserves	75,641	75,641	75,641
Extraordinary Reserves	7,022,154	14,050,300	24,160,667
Other Profit Reserves	2,920	2,919	2,919
Profit Or Loss	6,854,098	10,228,073	11,409,231
Prior Years' Profit/Loss	(101,946)	6,091	85,514
Current Year Profit/Loss	6,965,044	10,221,982	11,323,717
Non-Controlling Interests	403,702	577,236	775,186
Total Liabilities and Equity	**180,913,852**	**237,528,982**	**334,293,518**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS DATA

	Year ended 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Interest Income	**18,772,862**	**30,331,870**	**37,142,909**
Interest on Loans	11,878,615	18,262,818	22,769,991
Interest Received from Reserve Deposits	82	752	315
Interest Received from Banks	166,348	228,913	147,429
Interest Received from Money Market Placements	1,645,886	3,095,060	3,148,348
Interest Received from Marketable Securities Portfolio	4,991,850	8,418,653	10,553,360
Fair Value Through Profit or Loss	1,931	12,868	4,005
Fair Value Through Other Comprehensive Income	992,559	3,332,865	6,427,458
Measured at Amortised Cost	3,997,360	5,072,920	4,121,897
Finance Lease Income	32,455	45,584	46,069
Other Interest Income	57,626	280,090	477,397
Interest Expenses (-)	**8,064,017**	**14,476,771**	**19,282,262**
Interest on Deposits	—	—	—
Interest on Funds Borrowed	5,930,407	7,996,312	9,304,356
Interest on Money Market Borrowings	396,744	2,573,237	4,798,138
Interest on Securities Issued	1,656,777	3,792,107	5,094,095
Leasing Interest Expense	6,063	10,028	22,121
Other Interest Expense	74,026	105,087	63,552
Net Interest Income	**10,708,845**	**15,855,099**	**17,860,647**
Net Fees and Commissions Income / Expenses	**686,569**	**819,727**	**832,651**
Fees and Commissions Received	756,646	945,844	990,966
Non-cash Loans	179,070	204,190	288,078
Other	577,576	741,654	702,888
Fees and Commissions Paid (-)	70,077	126,117	158,315
Non-cash Loans	23,764	44,230	46,370
Other	46,313	81,887	111,945
Dividend Income	**31,949**	**37,069**	**82,583**
Net Trading Income	**1,731,490**	**(2,076,745)**	**(328,014)**

	Year ended 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Securities Trading Gains / (Losses)	39,651	111,243	846,704
Derivative Financial Instruments Gains / (Losses)	1,894,932	(1,425,632)	(12,606,638)
Foreign Exchange Gains / (Losses) (Net)	(203,093)	(762,356)	11,431,920
Other Operating Income	**1,081,664**	**2,403,975**	**4,287,320**
Gross Operating Income	**14,240,517**	**17,039,125**	**22,735,187**
Expected Credit Losses (-)	**3,219,196**	**558,872**	**4,323,619**
Other Provision Expenses (-)	**870,000**	**330,000**	**90,000**
Personnel Expenses (-)	**914,621**	**1,921,475**	**3,106,961**
Other Operating Expenses (-)	**744,030**	**1,372,912**	**1,611,972**
Net Operating Income	**8,492,670**	**12,855,866**	**13,602,635**
Amount in Excess Recorded as Gain After Merger	—	—	—
Profit / (Loss) on Equity Method	**996,857**	**1,043,304**	**1,466,796**
Gain / (Loss) on Net Monetary Position	—	—	—
Profit / (Loss) from Continued Operations Before Taxes	**9,489,527**	**13,899,170**	**15,069,431**
Tax Provision for Continued Operations (+/-)	**2,339,601**	**3,542,415**	**3,642,285**
Provision for Current Income Taxes	3,045,111	2,487,822	4,118,416
Deferred Tax Income Effect (+)	958,614	2,130,956	2,290,558
Deferred Tax Expense Effect (-)	1,664,124	1,076,363	2,766,689
Net Profit / (Loss) from Continued Operations	**7,149,926**	**10,356,755**	**11,427,146**
Income on Discontinued Operations	—	—	—
Loss from Discontinued Operations (-)	—	—	—
Profit / (Loss) on Discontinued Operations Before Taxes	—	—	—
Tax Provision for Discontinued Operations (+/-)	—	—	—
Net Profit / (Loss) from Discontinued Operations	—	—	—
Net Profit / (Loss) for the Period	**7,149,926**	**10,356,755**	**11,427,146**
Group's Profit / (Loss)	6,965,044	10,221,982	11,323,717
Minority Shares (-)	184,882	134,773	103,429
Earning / (loss) per Share[(1)]	2,488	3,699	4,044

Note:

(1) Earnings per share are calculated by using the average number of shares of the current period. Presented in Turkish Lira per share, instead of thousands of Turkish Lira.

KEY RATIOS AND OTHER DATA

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
Key Ratios:			
Net interest margin[1][2]	7.0 %	6.3 %	5.6 %
Spread[3]	3.8 %	6.4 %	6.0 %
Turkish Lira[4]	8.4 %	7.0 %	7.8 %
Foreign Currency[5]	3.5 %	3.0 %	2.6 %
Cost-to-income ratio[6]	11.6 %	19.3 %	20.8 %
Free capital ratio[7]	7.1 %	7.6 %	7.4 %
NPL ratio	3.0 %	2.2 %	2.4 %
Cost to average total assets[1][8]	1.1 %	1.5 %	1.6 %
Coverage ratio[9]	78.0 %	87.5 %	74.1 %
Stage 2 coverage ratio[10]	30.2 %	34.1 %	31.6 %
Capital Adequacy:			
Tier I regulatory capital/risk-weighted assets and market risk[11]	24.8 %	25.3 %	23.9 %
Total regulatory capital/risk-weighted assets and market risk[11]	25.9 %	26.4 %	25.0 %
Other Information:			
Average employees during the period	452	456	483
Expected Credit Loss	**3,218,085**	**556,349**	**4,317,664**
12 Months Expected Credit Loss (Stage 1)	550,600	(172,190)	164,701
Significant Increase in Credit Risk (Stage 2)	1,356,763	357,163	1,470,667
Non-performing Loans (Stage 3)	1,310,722	371,376	2,682,296

Notes:

(1) Calculated on quarterly averages.

(2) This is: (a) the Bank-only net interest income (excluding interest from the CBRT on reserves held thereat) for the relevant periods plus net trading income *divided by* (b) the Bank-only quarterly average interest-earning assets

(excluding reserves held at the CBRT). The "quarterly average" interest earning assets for a period are calculated by averaging the amount of interest-earning assets as of the balance sheet date immediately prior to the commencement of such period (e.g., for any year, 31 December of the previous year) and each intervening quarter-end date (i.e., 31 March, 30 June, 30 September and 31 December, as applicable).

(3) Spread represents the difference between the average rate of interest earned on interest-earning assets and the average rate of interest accrued on interest-bearing liabilities. Average balances are calculated from monthly balances and do not include interest accruals.

(4) This is the difference between the average rate of interest earned on TL interest-earning assets (TL denominated loans, TL denominated securities, banks and money market placements) and the average rate of interest accrued on money market balances and equity. Average balances are calculated from monthly balances and do not include interest accruals.

(5) This is the difference between the average rate of interest earned on foreign currency interest-earning assets (foreign currency denominated loans, foreign currency denominated securities, banks and money market placements) and the average rate of interest accrued on foreign currency funds borrowed and debt securities. Average balances are calculated from monthly balances and do not include interest accruals.

(6) This is: (a) the "cost" (calculated as total operating expenses) for the periods specified *divided* by (b) the "income" (calculated as total operating income) for such period.

(7) This is: as of a particular date, this is: (a) the Group's total shareholders' equity as of such date minus NPLs excluding provisions, the Group's tangible assets (net), intangible assets, tax asset and investments in equity participations (i.e., the sum of investment in associates (net)), investment in subsidiaries (net) and entities under common control (joint ventures) (net)) as of such date as a percentage of (b) the Group's total assets as of such date.

(8) This is: (a) the "cost" (calculated as total operating expenses) for the relevant period specified *as a percentage* of (b) average total assets (determined on a quarterly basis).

(9) Coverage ratio, as of a particular date, is (a) the total amount of specific provisions as of such date divided by (b) non-performing loans, as of such date.

(10) Stage 2 coverage ratio, as of a particular date, is (a) the total amount of Stage 2 specific provisions as of such date divided by (b) Stage 2 non-performing loans, as of such date.

(11) Calculated in accordance with BRSA regulations.

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
	(TL thousands, except percentages)		
Liquid Asset Ratio			
Cash and Balances with the CBRT	2,942,825	2,880,425	5,703,137
Financial Assets at Fair Value through Profit and Loss	409,358	1,650,591	3,830,949
Banks	5,261,257	7,903,873	9,059,571
Financial Assets at Fair Value Through Other Comprehensive Income	9,766,338	18,304,526	27,220,947
Other Financial Assets Measured at Amortised Cost	18,894,112	24,219,715	27,380,448
Total Liquid Assets	27,733,193	54,959,130	73,195,052

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
	(TL thousands, except percentages)		
Total Assets	180,913,852	237,528,982	334,293,518
Liquid Asset Ratio	20.6 %	23.1 %	21.9 %

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
	(TL thousands, except percentages)		
Free Capital Ratio			
Total Shareholders' Equity	21,825,052	33,152,700	46,463,725
NPL	(3,939,163)	(3,680,487)	(5,721,092)
Investments in Associates (Net)[1]	(3,851,274)	(5,472,562)	(7,897,182)
Entities under Common Control (Joint Ventures) (Net)	(13,058)	(26,606)	(61,330)
Tangible Assets (Net)[2]	(3,667,605)	(5,560,535)	(7,519,082)
Intangible Assets	(8,118)	(8,223)	(26,892)
Tax Asset	(1,481,296)	(315,160)	(632,518)
Free Capital	8,864,538	18,089,127	24,605,629
Total Assets	180,913,852	237,528,982	334,293,518
Free Capital Ratio	7.1 %	7.6 %	7.4 %

Note:

(1) Investments in Associates (Net) include subsidiaries (net) and equity instruments.

(2) Tangible Assets (Net) include investment properties.

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
	(TL thousands, except percentages)		
CI Ratio			
Other Operating Expenses[1]	1,658,651	3,294,387	4,718,933

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
	(TL thousands, except percentages)		
Costs	1,658,651	3,294,387	4,718,933
Gross Operating Income	14,240,517	17,039,125	22,735,187
Income	14,240,517	17,039,125	22,735,187
Cost-to-Income Ratio	11.6 %	19.3 %	20.8 %

Note:

(1) Includes other operating expenses and personnel expenses

SELECTED BANK STATISTICAL AND OTHER INFORMATION

*The following tables present certain of the Group's selected statistical and other information for the periods indicated. The following information should be read in conjunction with the BRSA Financial Statements, as well as the information included in "Management's Discussion and Analysis of Financial Condition and Results of Operations". The statistical information and discussion and analysis presented below as of and for the years ended 31 December 2023, 2024 and 2025 is presented solely for the convenience of the reader for analytical purposes and on the basis of Subpart 1400 of Regulation S-K under the Securities Act (Disclosure by Bank Savings and Loan Registrants Companies ("**S-K 1400**"). Foreign currency indexed loans in this section have been notionally converted into Turkish Lira in the manner described in the consolidated BRSA Financial Statements as of and for the year ended 31 December 2025. Certain amounts and percentages included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different contexts may vary slightly and figures in certain other contexts may not be an exact arithmetic result of the figures shown herein.*

I Distribution of Assets, Liabilities, Stockholders' Equity, Interest Rates and Interest Differentials

(A) *Average Balance Sheet and Interest Rate Data*

The following tables set forth information on the Group's average balances of assets and liabilities and related interest rates for the years ended 31 December 2023, 2024 and 2025 based on the BRSA Financial Statements. For the purpose of the tables below and otherwise throughout this "*Selected Bank Statistical and Other Information*" section, and unless otherwise stated, the term "average" with respect to the year ended 31 December 2023, 2024 and 2025 means the average of the year end period balances of the applicable item, as presented in the BRSA Financial Statements. The weighted averages of the balance of total loans and interest rates are calculated according to the quarterly announced audit reports as the base year. If such information has been calculated on a weighted average or daily basis, material differences may have resulted.

Closing balances for year ended 31 December

	2023				2024				2025			
	Closing spot balance	Average balance	Interest income /(expense)	Average yield/rate paid	Closing spot balance	Average balance	Interest income /(expense)	Average yield/rate paid	Closing spot balance	Average balance	Interest income /(expense)	Average yield/rate paid
	(TL thousands)											
Interest-earning assets												
Total cash	—	—	—	45.0 %	7,345	1,836	—	0.0 %	—	—	—	0.0 %
Total banks	4,546,715	2,138,134	166,430	7.1 %	6,379,255	2,528,179	229,665	4.9 %	7,417,350	4,751,899	147,744	3.7 %
Total government debt securities[1]	29,679,172	27,242,623	4,991,850	17.6 %	44,445,484	40,591,768	8,418,653	34.1 %	54,466,646	51,687,323	10,553,360	31.9 %
Total money market placements	7,424,388	5,865,491	1,645,886	42.8 %	1,952,629	5,148,166	3,095,060	48.1 %	9,840,648	8,366,216	3,148,348	39.7 %
Total performing loans and lease receivables	128,589,491	109,334,208	11,911,070	11.7 %	166,061,352	156,212,829	18,308,402	12.0 %	236,203,300	213,649,511	22,816,060	9.5 %
Others	0	—	57,626	14.2 %	0	0	280,090	51.2 %	—	—	477,397	0.0 %
Total interest earning assets	170,239,766	144,580,456	17,789,246	13.2 %	218,846,065	204,482,777	30,331,870	13.1 %	307,927,944	278,454,948	37,142,909	11.8 %
Non-interest earning assets	10,674,086	8,300,336	—	0.0 %	18,682,917	14,712,265	—	0.0 %	26,365,574	21,934,640	—	0.0 %
Total Assets	180,913,852	152,880,792	17,789,246	13.2 %	237,528,982	219,195,041	30,331,870	13.1 %	334,293,518	300,389,588	37,142,909	11.8 %
Interest-bearing liabilities												
Total deposits	—	—	—	—	—	—	—	—	—	—	—	—
Funds borrowed	112,894,200	98,449,899	5,930,407	6.3 %	124,002,505	118,364,494	7,996,312	5.4 %	193,618,365	168,684,551	9,304,356	4.9 %
Money market balances	3,727,880	4,222,445	396,744	18.3 %	6,133,453	10,371,607	2,573,237	37.5 %	10,657,861	17,925,659	4,798,138	22.3 %
Marketable securities issued (net)[2]	32,640,419	24,236,601	1,656,777	7.4 %	64,313,216	52,437,756	3,792,107	7.5 %	73,736,340	62,818,385	5,094,095	6.2 %
Others	1,319,001	1,416,992	80,089	0.0 %	1,593,150	1,543,056	115,115	0.0 %	1,933,557	2,055,890	85,673	0.0 %
Total interest-bearing liabilities	150,581,500	128,325,936	8,064,017	6.8 %	196,042,324	182,716,912	14,476,771	7.1 %	279,946,123	251,484,484	19,282,262	5.9 %
Non-interest-bearing liabilities	30,332,352	24,554,856	—	0.0 %	41,486,658	36,478,129	—	0.0 %	54,347,395	48,905,104	—	0.0 %
Total liabilities	180,913,852	152,880,792	8,064,017	6.8 %	237,528,982	219,195,041	14,476,771	7.1 %	334,293,518	300,389,588	19,282,262	5.9 %

Note:

(1) Includes “financial assets at fair value through profit or loss,” “financial assets at fair value through other comprehensive income,” and “financial assets measured at amortised cost”.

(2) Includes “subordinated debt instruments”.

(B) *Net Changes in Interest Income and Expense – Volume and Rate Analysis*

The following table provides a comparative analysis of changes in the Group's interest income and interest expense for the years ended 31 December 2023, 2024 and 2025. Changes in interest income or interest expense are attributed to either (i) changes in average balances (volume change) of interest-earning assets or interest-bearing liabilities or (ii) changes in average rates (rate change) at which interest income was earned on such assets or at which interest expense was incurred on such liabilities. Volume change is calculated as the change in volume multiplied by the current rate, while the rate change is calculated as the change in rate multiplied by the previous volume.

	For the year ended 31 December					
	2023 vs 2024			**2024 vs 2025**		
	Change in interest income/ (expense)	**Change in volume**	**Change in rates**	**Change in interest income/ (expense)**	**Change in volume**	**Change in rates**
	(TL thousands)					
Interest-earning assets						
Total cash	—	1,836	(45)%	—	(1,836)	0%
Total banks	63,235	390,044	(2.2)%	(81,921)	2,223,721	(1.3)%
Total securities	3,426,803	13,349,145	16.6%	2,134,707	11,095,555	(2.3)%
Total money market placements	1,449,174	(717,325)	5.3%	53,288	3,218,050	(8.5)%
Total loans and lease receivables	6,397,332	46,878,620	0.4%	4,507,658	57,436,682	(2.6)%
Others	222,464	—	37.1%	197,307	0	(51.3)%
Total interest earning assets	11,559,008	59,902,321	(0.1)%	6,811,039	73,972,172	(1.3)%
Interest-bearing liabilities						
Total deposits	—	—	—	—	—	—
Funds borrowed	2,065,905	19,914,595	(0.8)%	1,308,044	50,320,057	(0.5)%
Money market balances	2,176,493	6,149,162	19.3%	2,224,901	7,554,052	(15.3)%
Marketable securities issued (net)	2,135,330	28,201,155	0.1%	1,301,988	10,380,630	(1.3)%
Others	35,026	126,064	0.0%	(29,442)	512,834	0.0%
Total interest-bearing liabilities	6,412,754	54,390,976	0.3%	4,805,491	68,767,572	(1.2)%

II Investment Portfolio

Since 1 January 2018, the Group has applied TFRS 9 and classifies its financial assets in the following measurement categories: a) financial assets measured at fair value through profit/loss; b) financial assets measured at fair value through other comprehensive income; and c) financial assets measured at amortised costs.

The Group also enters into purchases (sales) of securities under agreements to resell (repurchase) substantially identical investments at a certain date in the future at a fixed price (*i.e.,* "repos"). Securities sold under repurchase agreements continue to be recognised in the balance sheet and are measured in accordance with the accounting policy for the related security portfolio as appropriate.

The Group also pledges securities to acquire funding under security repurchase agreements. The Group's repurchase agreements are based on the Eurobonds and government bonds issued by the Republic of Türkiye. Marketable securities subject to repurchase agreements are classified under assets at fair value through profit or loss, assets at fair value through other comprehensive income or assets measured at amortised costs.

(A) *Book Value of Investments*

The following table provides a breakdown of securities portfolio held by the Group as of the dates indicated:

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Financial assets at fair value through profit and loss			
TL denominated	409,358	1,650,591	3,830,949
Foreign currency denominated	—	—	—
Total financial assets measured at fair value through profit and loss	409,358	1,650,591	3,830,949
Financial assets at fair value through other comprehensive income			
TL denominated	3,851,908	12,407,139	19,513,176
Foreign currency denominated	5,914,430	5,897,387	7,707,771
Total financial assets measured at fair value through other comprehensive income	9,766,338	18,304,526	27,220,947
Other financial assets at amortised cost			
TL denominated	8,392,539	9,949,963	9,864,686
Foreign currency denominated	10,501,573	14,269,752	17,515,762
Total other financial assets measured at amortised cost	18,894,112	24,219,715	27,380,448
Total Security Portfolio	29,069,808	44,174,832	58,432,344

The following table sets out the Group's total consolidated securities portfolio in Turkish currency and in foreign currencies as of the dates indicated:

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Turkish Lira-denominated securities	12,653,805	24,007,693	33,208,811
Foreign currency-denominated and indexed securities	16,416,003	20,167,139	25,223,533
Securities Portfolio	**29,069,808**	**44,174,832**	**58,432,344**

1. *Financial Assets Measured at Fair Value through Profit or Loss*

Financial assets at fair value through profit or loss are financial assets other than the ones that are managed within a business model that aims to collect contractual cash flows or a business model that aims to collect both the contractual cash flows and cash flows arising from the sale of assets. Financial assets at fair value through profit or loss also consist of cases whereby the contractual terms of financial assets do not lead to cash flows representing solely payments of principal and interest at a certain date; that are either acquired for generating a profit from short-term fluctuations in prices or are financial assets included in a portfolio aiming for short-term profit making.

The Group classifies certain loans and securities issued at their origination dates, as financial assets or liabilities at fair value through profit or loss, irrevocably, in order to eliminate any accounting mismatch in compliance with TFRS 9.

The following table sets out a breakdown of the Group's financial assets measured at fair value through profit or loss as of the dates indicated:

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Government debt securities[(1)]			
TL denominated	—	—	—
Foreign currency denominated	—	—	—
Total government debt securities[(1)]	—	—	—
Equity instruments	—	—	—
TL denominated	7,440	146	194,125
Foreign currency denominated	—	—	—
Total equity instruments	7,440	146	194,125
Other financial assets			

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
TL denominated	401,918	1,650,445	3,636,824
Foreign currency denominated	—	—	—
Total other financial assets	401,918	1,650,445	3,636,824
Total financial assets measured at fair value through profit and loss	409,358	1,650,591	3,830,949

Note:

(1) Government debt securities include government bonds, treasury bills and Eurobonds.

2. *Financial Assets Measured at Fair Value through Other Comprehensive Income*

Financial assets measured at fair value through other comprehensive income comprise assets with contractual terms that do lead to cash flows that are solely payments of principal and interest at certain dates. Financial assets at fair value through other comprehensive income are recognised by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income is measured at fair value. Interest income calculated with effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to the Group's statement of profit or loss.

The following table sets out a breakdown of the Group's financial assets measured at fair value through other comprehensive income as of the dates indicated:

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Government debt securities(1)			
TL denominated	3,669,367	11,611,019	18,295,242
Foreign currency denominated	5,161,094	5,005,611	6,495,688
Total government debt securities(1)	8,830,461	16,616,630	24,790,930
Equity instruments			
TL denominated	163,648	245,704	810,399
Foreign currency denominated	753,336	891,776	1,212,083
Total equity instruments	916,984	1,137,480	2,022,482
Other financial assets			
TL denominated	18,893	550,416	407,535

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Foreign currency denominated	—	—	—
Total other financial assets	18,893	550,416	407,535
Financial Assets Measured at Fair Value Through Profit or Loss	9,766,338	18,304,526	27,220,947

Note:

(1) Government debt securities include government bonds, treasury bills and Eurobonds.

3. *Financial Assets Measured at Amortised Cost*

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortised cost. Financial assets measured at amortised cost are initially recognised at acquisition cost including the transaction costs which reflect the fair value of those instruments and subsequently recognised at amortised cost by using effective interest rate method. Interest income obtained from financial assets measured at amortised cost is accounted in the Group's statement of profit or loss. All loans of the Group are classified under financial assets measured at amortised cost after passing the test of whether the cash flows from contracts are made only by interest and principal during the period.

The following table sets out a breakdown of the Group's financial assets measured at amortised cost as of the dates indicated:

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Government debt securities(1)			
TL denominated	8,392,539	9,949,963	9,864,686
Foreign currency denominated	10,501,573	14,269,752	17,515,762
Total government debt securities(1)	**18,894,112**	**24,219,715**	**27,380,448**
Other financial assets			
TL denominated	—	—	—
Foreign currency denominated	—	—	—
Total other financial assets	—	—	—
Other Financial Assets Measured at Amortised Cost	**18,894,112**	**24,219,715**	**27,380,448**

Note:

(1) Government debt securities include government bonds, treasury bills and Eurobonds.

(B) *Maturity of Investments*

The following table presents the maturities of the Group's securities in the Group's securities portfolio as at 31 December 2025:

	As at 31 December 2025								
	On demand	**Up to 1 month**	**1-3 months**	**3-12 months**	**1-5 years**	**Over 5 years**	**Sub-total >12 months**	**No fixed maturity**	**Total**
					(TL thousands)				
Turkish Lira denominated									
Trading securities	—	—	—	—	—	—	—	—	—
Investment securities	—	246,950	1,967,537	1,812,048	13,054,355	11,486,572	24,540,927	4,641,349	33,208,811
Total Turkish Lira denominated	—	246,950	1,967,537	1,812,048	13,054,355	11,486,572	24,540,927	4,641,349	33,208,811
Foreign Currency denominated									
Trading securities	—	—	—	—	—	—	—	—	—
Investment securities	—	—	—	1,549,955	21,035,604	1,425,892	22,461,496	1,212,082	25,223,533
Total Foreign Currency denominated	—	—	—	1,549,955	21,035,604	1,425,892	22,461,496	1,212,082	25,223,533
Total	—	246,950	1,967,537	3,362,003	34,089,959	12,912,464	47,002,423	5,853,431	58,432,344

III Loan Portfolio

(A) *Types of Loans*

The Group offers a wide range of credit instruments to entities and individuals, including letters of credit and short-term and long-term loans. The Group has not granted any commercial loans with instalments or any corporate credit cards. The following table provides details of the Group's loan portfolio, classified by economic sector, as of each of the indicated dates:

	As of 31 December					
	2023		**2024**		**2025**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
	(TL thousands, except percentages)					
Agriculture	85,207	0.07	81,343	0.05	1,227,595	0.55
Industry	86,709,745	68.13	112,156,87	67.90	162,817,91	69.71

	As of 31 December					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
Mining and Quarrying	1,771,012	1.39	1,145,056	0.69	810,757	0.35
Manufacturing	34,588,255	27.18	48,318,371	29.25	80,311,534	34.38
Electricity, Gas, Water	50,350,478	39.56	62,693,448	37.95	81,695,619	34.98
Construction	3,112,338	2.45	5,464,268	3.31	8,920,107	3.82
Services[1]	34,617,413	27.20	41,136,820	24.90	50,292,228	21.53
Wholesale and Retail Trade	481,012	0.38	1,594,298	0.97	2,273,593	0.97
Hotel and Restaurant Services	3,636,934	2.86	5,041,825	3.05	6,147,825	2.63
Transportation and Communication	11,172,162	8.78	10,333,748	6.26	11,043,442	4.73
Financial Institutions	13,351,262	10.49	14,736,143	8.92	19,196,183	8.22
Real Estate and Rental Services	579,957	0.46	2,334,131	1.41	2,089,270	0.89
Self-Employed Services	—	—	0	0	—	—
Educational Services	488,087	0.38	315,299	0.19	265,757	0.11
Health and Social Services	4,907,999	3.86	6,781,376	4.11	9,276,158	3.97
Other	2,745,984	2.16	6,346,791	3.84	10,270,453	4.40
Performing Loans	127,270,687	100.00	165,186,095	100.00	233,578,293	100
Leasing Receivables	452,370	—	417,553	—	1,148,738	—
Non-performing Loans	3,946,128	—	3,680,485	—	5,721,092	—
Loans and Lease Receivables	131,669,185	—	169,284,135	—	240,448,123	—
Allowance for Loan Losses	8,269,962	—	8,063,379	—	10,664,958	—
Net Loans and Lease Receivables	123,399,223	—	161,220,756	—	229,783,165	—

Note:

(1) Services includes the sum of wholesale and retail trade, hotel and restaurant services, transportation and communication, financial institutions, real estate and rental services, self-employed services, educational services and health and social services.

The following table sets out an analysis by currency of the exposure of the Group's cash and non-cash performing loans portfolio (including interest and other accruals) as of the dates indicated:

	As of 31 December					
	2023		2024		2025	
	(TL thousands, except percentages)					
Cash Loans						
Turkish Lira	10,205,968	8.02 %	13,571,453	8.22 %	14,413,355	6.17 %
Foreign Currency(1)	117,064,719	91.98 %	151,614,644	91.78 %	219,164,938	93.83 %
U.S. Dollars	65,684,424	51.61 %	82,745,405	50.09 %	95,546,683	40.91 %
Euro	51,380,295	40.37 %	68,869,239	41.69 %	123,618,255	52.92 %
Other	—	—	—	—	—	—
Cash Loans	127,270,687	100 %	165,186,095	100 %	233,578,293	100 %
Non-cash Loans						
Letters of Guarantee	8,101,351	66.28 %	8,626,888	0.40 %	14,986,989	43.95 %
Turkish Lira	2,378,872	19.46 %	2,818,370	0.13 %	1,467,659	4.30 %
Foreign Currency	5,722,479	46.82 %	5,808,518	0.27 %	13,519,330	39.64 %
Bank Acceptances	—	—	131,339	0.01 %	546,172	1.60 %
Turkish Lira	—	—	—	—	—	—
Foreign Currency	—	—	131,339	0.01 %	546,172	1.60 %
Letters of Credit	4,121,492	33.72 %	12,837,111	0.59 %	18,569,754	54.45 %
Turkish Lira	129,703	1.06 %	532,051	0.02 %	—	— %
Foreign Currency	3,991,789	32.66 %	12,305,060	0.57 %	18,569,754	54.45 %
Other Guarantee	—	—	—	—	—	—
Turkish Lira	—	—	—	—	—	—
Foreign Currency	—	—	—	—	—	—
Non-cash Loans	12,222,843	100 %	21,595,338	100 %	34,102,915	100 %
Total	131,216,815	100 %	186,781,435	100 %	267,681,208	100 %

Note:

(1) Foreign currency loans include foreign currency indexed loans.

The following table provides details of the Group's domestic and foreign performing loans as of each of the dates indicated:

	As of 31 December		
	2023	2024	2025
		(TL thousands)	
Domestic loans	127,270,684	164,737,890	232,967,669

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Foreign loans	—	448,205	610,624
Performing Loans	**127,270,684**	**165,186,095**	**233,578,293**

(B) *Maturities of Investments*

The following table provides details of the maturity profile of the Group (based upon scheduled repayments) as of the date indicated, including accrued interest.

	As at 31 December 2025					
	Up to 1 month	**1-3 months**	**3-12 months**	**1-5 years**	**Over 5 years**	**Total**
			(TL thousands)			
Domestic loans	9,075,190	5,818,032	16,132,019	125,079,511	76,862,917	232,967,669
Foreign loans	—	—	—	—	610,624	610,624
Total	**9,075,190**	**5,818,032**	**16,132,019**	**125,079,511**	**77,473,541**	**233,578,293**

IV Deposits

The Group is not authorised to accept deposits.

V Short-Term Borrowings

The following table sets out a breakdown of loans to the Group from banks outstanding as of the dates indicated by source and maturity profile (including accrued interest):

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Short-term borrowings	601,435	20,916	2,776,759
Long-term debts (short-term portion)	24,250,584	26,164,755	34,988,948
Long-term debts (medium and long-term portion)	88,042,181	97,816,834	155,852,658
Funds Borrowed	112,894,200	124,002,505	193,618,365

The following table sets out certain information as to the currency of loans to the Group from banks outstanding (including accrued interest) as of the dates indicated:

	As of 31 December					
	2023		2024		2025	
	(TL thousands, except percentages)					
Turkish Lira	175,418	0.7 %	20,916	0.02 %	2,726,682	1.4 %
Foreign Currency	106,675,692	99.2 %	123,981,589	99.98 %	190,891,683	98.6 %
Funds Borrowed	106,851,110	100 %	124,002,505	100 %	193,618,365	100 %

The following table sets out certain information as to the maturity profile of the Group's borrowings outstanding (including accrued interest) as of the dates indicated:

	As of 31 December		
	2023	2024	2025
	(TL thousands)		
Short-term borrowings	601,435	20,916	2,776,759
Long-term debts (short-term portion)	24,250,584	26,164,755	34,988,948
Long-term debts (medium and long-term portion)	81,999,091	87,015,970	155,852,658
Total	106,851,110	113,201,641	193,618,365

CAPITALISATION

The following table sets forth the medium- and long-term indebtedness and equity of the Group as of 31 December 2025.

	As of 31 December 2025
	(TL thousands)
Medium and long-term indebtedness:	
Medium and long-term debt securities in issue[(1)]	13,142,591
Total medium- and long-term indebtedness	**13,142,591**
Equity:	
Paid-in Capital	2,800,000
Capital Reserves and Profit Reserves	24,926,518
Accumulated other comprehensive income or loss not reclassified through profit or loss	5,459,921
Accumulated other comprehensive income or loss reclassified through profit or loss	1,092,869
Other (Profit or Loss, Non-Controlling Interest)	12,184,417
Shareholders' equity	**46,463,725**
Total capitalisation[(2)]	**59,606,316**

Note:

(1) Subordinated loans.

(2) Total capitalisation is defined by the group as total medium- and long-term indebtedness plus total shareholders' equity.

As of the date hereof, there has been no significant change in total capitalisation since 31 December 2025.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of the consolidated financial position and results of operations of the Group covers the financial years ended 31 December 2023, 2024 and 2025. Unless otherwise specified, the financial information presented in this discussion has been extracted from the BRSA Financial Statements for such years or periods without material adjustment. This section should be read in conjunction with such BRSA Financial Statements and the notes thereto and the other financial information included in (or incorporated by reference into) this Base Prospectus (including the section entitled "*Presentation of Financial Information*" and "*Selected Bank Statistical and Other Information*"). The BRSA Financial Statements for such periods have been prepared in accordance with BRSA regulations as described in "*Presentation of Financial Information*". For a discussion of significant differences between the BRSA Principles and IFRS, see "*Appendix 1 – Overview of Significant Differences Between IFRS and BRSA Accounting Principles*". Refer to Section Three Note I of the 2025 BRSA Financial Statements which details that there are differences between accounting principles and standards set out by regulations in conformity with BRSA Accounting and Financial Reporting Legislation and the accounting principles generally accepted in countries in which the accompanying unconsolidated and consolidated financial statements are to be distributed and IFRS including non-application of IAS 29 Financial Reporting in Hyperinflationary Economies.

The BRSA Financial Statements incorporated by reference herein, all of which are in English, were prepared as convenience translations of the corresponding Turkish language BRSA financial statements (which translations the Bank confirms were direct and accurate). The English language BRSA Financial Statements were not prepared for the purpose of their incorporation by reference into this Base Prospectus.

Certain information contained in the discussion and analysis set forth below and elsewhere in this Base Prospectus includes "forward-looking statements". Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. See the section entitled "*Cautionary Statement Regarding Forward-Looking Statements*".

The Group's financial condition and results of operations depend significantly upon the macro-economic conditions prevailing in Türkiye and prospective investors should consider the factors set forth under "*Risk Factors — Risks Related to the Group's Business*" and "*Risk Factors — Risks Related to Türkiye*".

The discussion and analysis of the financial position and results of operations of the Group in this Base Prospectus are based upon the BRSA Financial Statements. As elsewhere in this Base Prospectus, the term "Group" is used in this section to denote the Group on a consolidated basis and the term "Bank" in this section indicates that the context refers to the Bank on a stand-alone basis.

Overview

The Group provides a wide range of banking and advisory services, only in Türkiye, including corporate banking, investment banking and advisory services. The Group is a development and investment bank and is not authorised to accept deposits or engage in retail banking activities. The Group operates in a highly competitive banking market in Türkiye.

As of 31 December 2025, 67 banks (including domestic and foreign banks, including participation banks, but excluding the CBRT) were operating in Türkiye, 36 of which were deposit-taking banks, 20 of which (including the Bank) were development and investment banks and nine of which were participation banks, which conduct their business under different legislation in accordance with Islamic banking principles. Of the deposit-taking banks, 21 were private foreign banks, 11 were private domestic banks, four were government-controlled banks and one was under the administration of the SDIF. The Bank has one branch, in Ankara, as well as its principal İstanbul office.

As of 31 December 2025, the Group's total capital adequacy ratio was 25.01 per cent. and its Tier I capital adequacy ratio was 23.90 per cent., both as calculated in accordance with Basel III rules that came into effect on 1 January 2014. See "*Capital Adequacy*" below. As of the same date, the Group's shareholders' equity was TL 46,464 million and its liquid asset ratio (being (a) total amount of cash and balances with the CBRT, banks, financial assets at fair value through profit and loss, financial assets at fair value through other comprehensive income and financial assets measured at amortised cost divided by (b) the Group's total assets) was 21.9 per cent. The Group's net operating income was TL 8,493 million in 2023, TL 12,856 million in 2024 and TL 13,603 million in 2025 while its net period profit from continuing operations was TL 7,150 million in 2023, TL 10,357 million in 2024 and TL 11,427 million in 2025.

As of 31 December 2025, the Group had total assets of TL 334.3 billion, an increase of 40.7 per cent. from TL 237.5 billion as of 31 December 2024, which was an increase of 31.3 per cent. from TL 180.9 billion as of 31 December 2023.

The Group's loans grew from TL 131.2 billion as of 31 December 2023 to TL 168.9 billion as of 31 December 2024 and TL 239.3 billion as of 31 December 2025, a growth rate of 28.7 per cent. in 2024 and 41.4 per cent. in 2025. The Group's policy is to comply with the provisioning levels required by law. For additional information on regulatory requirements for provisioning, see "*Business of the Group – Lending Policies and Procedures – Loan Classification and Provisioning Policy*", "*Risk Factors – Risks Related to Türkiye – Turkish Regulatory and Other Matters – Banking Regulatory Matters – The activities of the Group are highly regulated and changes to applicable laws or regulations, the interpretation or enforcement of such laws or regulations or the failure to comply with such laws or regulations could have an adverse impact on the Group's business*" and "*Turkish Regulatory Environment – Loan Loss Reserves*". The Bank's NPL ratios were 3.0 per cent., 2.2 per cent. and 2.4 per cent. as of 31 December 2023, 2024 and 2025, respectively.

As of 31 December 2025, 91.6 per cent. of the Group's performing loans and 98.6 per cent. of the Group's total funds borrowed were denominated in foreign currencies, principally U.S. Dollars and Euro.

Significant Factors Affecting the Group's Financial Condition and Results of Operations

The Group's business, financial condition and results of operations depend significantly upon the macro-economic conditions prevailing in Türkiye as well as other factors. The impact of these and other potential factors may vary significantly in the future and many of these factors are outside the control of the Group. Prospective investors should (among other things) consider the factors set forth under "*Cautionary Statement Regarding Forward-Looking Statements*" and "*Risk Factors*". The following describes the most significant of such factors since the beginning of 2023.

Turkish Economy and Monetary Policy

All of the Group's operations (and almost all of its loans) are in Türkiye. Accordingly, the Group's operational results and financial condition have been and will continue to be significantly affected by Turkish

political and economic factors, including the economic growth rate, the rate of inflation, fluctuations in exchange and interest rates and changes in CBRT's monetary policy stance. 2023 was characterised by a high degree of economic fluctuations, as a result of a number of factors, including continued volatility in global financial markets and increased geopolitical tension. However, since June 2023 with the change up in economic administration team and implementation of sound economic policies, the Turkish economy has been on a more stable path and the disinflation program has been the priority for economic management. The current credit ratings of Türkiye and the Turkish banking sector are the result of a series of upgrades and positive actions taken by the credit agencies especially in 2025. As of April 2026, Türkiye's sovereign rating is set at BB- by S&P with a stable outlook, Ba3 by Moody's with a stable outlook, and BB- by Fitch, with a stable outlook.

Monetary policy in Türkiye has evolved in response to the global and domestic macroeconomic conditions. After the elections in May 2023, there were major changes in the economic administration team and policies. First, CBRT withdrew some of the macroprudential measures introduced earlier and simplified regulations. Starting in June 2023, CBRT began increasing the policy rates with an initial hike from 8.5 per cent. to 15.0 per cent. and kept on raising the rates further. In addition to policy rate decision, CBRT implemented quantitative tightening by extending the sterilisation tools at its disposal in order to support the monetary tightening process.

In 2025, CBRT implemented a tight monetary policy to reduce inflation. CBRT cut the policy rate by a total of 500 basis points between January and March, bringing it down to 42.5 per cent. At the interim Monetary Policy Committee ("**MPC**") meeting held on 20 March 2025, to contain the inflationary risks that financial market developments in mid-March could pose, the MPC decided to raise the overnight lending rate to 46 per cent., while keeping the policy rate and the overnight borrowing rate unchanged. Additionally, the CBRT temporarily suspended the one-week repo auctions and provided funding at the overnight lending rate. In April, highlighting the effects of financial market developments on underlying inflation, the CBRT raised the policy rate, the overnight lending rate and the overnight borrowing rate to 46 per cent., 49 per cent. and 44.5 per cent., respectively, and announced the resumption of the one-week repo auctions. The CBRT kept the policy rate unchanged in June and subsequently reduced it by a cumulative 800 basis points, bringing it down to 38 per cent. by December. In order to support its tightened monetary policy stance, CBRT placed monthly growth limits for TL and FX loans. Monthly growth limit for TL commercial loans was differentiated for SME loans and for other commercial loans. Moreover, the monthly growth limit of 1.5 per cent. for FX loans was later reduced to 1 per cent. and then to 0.5 per cent. The scope of loans exempted from growth limit for FX loans later narrowed.

In 2026, the CBRT has maintained its tight monetary policy stance to further bring down inflation. In its January meeting the CBRT cut the policy rate by 100 basis points and set it at 37 per cent. On the macroprudential side, at the end of January the CBRT reduced the monthly growth limit for FX loans to 0.25 per cent. As the conflict between Iran, the United States and Israel escalated at the end of February, the CBRT took some steps to limit volatility in the financial markets. Although it kept the policy rate unchanged at 37 per cent. in its March meeting, the CBRT temporarily re-suspended one-week repo auctions and provided funding at the overnight lending rate, which created a higher weighted average cost of funding by CBRT. In its April meeting the CBRT kept the policy rate unchanged at 37 per cent. The CBRT noted that the underlying trend of inflation declined in March, while leading indicators suggest a limited increase in April. For the rest of 2026, it is expected that the CBRT will keep determining the degree of monetary tightness

required for sustained price stability so as to bring inflation down to the interim targets shared in the Inflation Reports published quarterly by CBRT.

The CBRT's changes to monetary policy have had a limited direct impact on the Group's financial performance during the periods under review as the Group relies principally on long-term funding from DFIs, and its dependence on short-term TL funding is negligible. Nevertheless, the CBRT's monetary policy has a significant effect on the economic conditions in Türkiye, stability of the Turkish Lira and, in turn, many of the Group's borrowers' financial conditions. The following table provides key macro-economic indicators for Türkiye, including real GDP, inflation rates and the CBRT's overnight TL interest rate and repo rate for each of the indicated periods:

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Nominal GDP at current prices (TL millions)	26,545,722	43,410,514	63,020,906
Real GDP growth	5.1 %	3.2 %	3.6 %
Deficit/surplus of central gov budget/GDP	(5.2 %	(4.9 %	(2.9 %
Consumer Price Inflation	64.8 %	44.4 %	30.9 %
Producer Price Inflation	44.2 %	28.5 %	27.7 %
Central Bank overnight TL interest rate, period-end[(1)]	41.00 %	46.00 %	36.50 %
Central Bank weekly TL repo rate, period-end	42.50 %	47.50 %	38.00 %
Refinancing rate of the Central Bank, period-end[(2)]	44.00 %	49.00 %	41.00 %
Nominal appreciation (depreciation) of the Turkish Lira against the U.S. Dollar[(3)]	(57.2 %	(19.8 %	(21.7 %
CPI-based real effective exchange rate appreciation (depreciation) (2003=100)	4.80 %	20.50 %	(1.80 %
Total gross gold and international currency reserves, period-end (U.S. Dollars, millions)	141,060	155,057	193,872

Sources: TurkStat for nominal GDP at current prices, real GDP growth and inflation; Turkish Ministry of Finance, General Directorate of Public Accounts, for deficit/surplus of consolidated budget; and CBRT for reference overnight interest rate, refinancing rate, nominal appreciation (depreciation) of the Turkish Lira against the U.S. Dollar, real effective exchange rate, total gross gold and international currency reserves.

Notes:

(1) The overnight borrowing rate announced by the CBRT.

(2) The overnight lending rate, marginal funding rate, announced by the CBRT.

(3) According to CBRT buying rates.

The Group has experienced stable NPL ratios in recent periods. The Group's NPL ratio was 3.0 per cent. as of 31 December 2023, 2.2 per cent. as of 31 December 2024 and 2.4 per cent. as of 31 December 2025. The

Group's NPL ratio is lower than the banking sector average. The Group's NPL ratio has changed throughout 2025, reaching 1.7 per cent. in the first quarter of 2025, declining to 0.9 per cent. in each of the second and third quarters of 2025, before increasing to 2.4 per cent. in the fourth quarter of 2025.

Market Environment, Interest Rates and Net Interest Income and Margin

The Group's results of operations depend heavily upon the level of its net interest income, which is the difference between interest income from interest earning assets and interest expense on interest-bearing liabilities. Net interest income, together with the net trading income, contributed 80.9 per cent. and 77.1 per cent of the Group's operating income for the years ended 31 December 2024 and 2025, respectively, and net interest margin as measured on a Bank-only basis was 6.3 per cent. and 5.6 per cent, respectively, over the same periods. In the year ended 31 December 2025, net interest income contributed 78.6 per cent. of the Group's operating income.

The Group's interest income primarily comprises: (a) interest on loans (TL 18,262 million, or 60.2 per cent. of total interest income, in 2024 and TL 22,770 million, or 61.3 per cent. in 2025) and (b) interest received from marketable securities portfolio (TL 8,419 million, or 27.8 per cent. of total interest income, in 2024 and TL 10,553 million, or 28.4 per cent. in 2025). For further information on the Group's securities portfolio, see "*Securities Portfolio*".

In 2023, 2024 and 2025, the net interest margin of the Bank was 7.0 per cent., 6.3 per cent. and 5.6 per cent., respectively. The net interest margin earned by the Bank is primarily affected by (1) the Bank's funding rates, including repo rates and cost of funding from the Bank's other sources of funding; (2) composition of the Bank's loan and securities portfolio, including currency mix and mismatch between fixed and floating rates for its assets compared to liabilities; (3) lending rates, which are in turn affected by the competitive environment; and (4) market conditions that affect the pricing of the Group's securities portfolio. The Group's primary sources of funding for the periods under review have been funds borrowed from DFIs, Eurobonds, syndication loans, repo transactions with banks, including the CBRT when it was applicable, and certain other money market transactions. The Group's reliance on long-term funding from DFIs denominated in foreign currencies, to a large degree, insulates its costs of funding to the influences of near-term macroeconomic developments in Türkiye and the monetary policy implementation by the CBRT. Further, the Bank's loan portfolio has a significantly lower duration than its funding and therefore re-prices more quickly, and is therefore more sensitive to interest rates movements in the short-term.

The level of, and fluctuations in, interest rates in Türkiye influence the return on the Group's securities portfolio and its loan rates as well as the Bank's cost of funding.

Interest earned and paid on the Group's assets and liabilities reflects, to a certain degree, actual inflation, inflation expectations, shifts in short-term interest rates set by the CBRT and movements in long-term real interest rates (with respect to the Group's foreign currency-denominated liabilities), including similar changes in global markets. Although the impact of decreasing interest rates earned on assets during the periods under review has had a direct and material impact on the Group's profitability, and the Group has been further negatively affected by competitive pressures from both the public and private sector banks, the Group has utilised low cost and long-term sources for raising funds, thereby mitigating this competitive pressure.

Turkish Lira interest rates affect the cost of the Bank's daily repo funding, which is affected by the CBRT's policy actions. See "*Turkish Economy and Monetary Policy*" above. The Bank's average cost of TRY funding was 34.25 per cent. as of 31 December 2025 and 41.40 per cent. on average for 2025. As its TRY funding is

short-term, the Bank benefited from the declining interest rate environment. Higher yields from fixed rate securities contributed positively to the Bank's performance.

The Group's strategy is to hedge any interest rate mismatch with derivative instruments and, as a result, the interest rates on the Group's loans and funds are very closely matched. Due to the natural hedge in the Bank's assets and liabilities, as supplemented by such hedges, the Group's existing loan portfolio is not materially affected by changes in interest rates. The fixed/floating composition of the Group's assets and liabilities is mainly determined by general market trends and customer demand. As a result, due to the highly competitive banking environment, the Group's ability to change the naturally established composition of loans and funding base is limited. On the other hand, the Group tries to diversify its securities portfolio in terms of maturity and re-pricing periods in order to balance the duration mismatch of the entire balance sheet.

In 2025, Turkish banking sector loan growth was driven by a highly inflationary environment. Corporate loans for private banks, the Bank's peer group, increased by 23.8 per cent. (foreign currency adjusted) in the year ended 31 December 2025.

In 2025, the Bank has experienced an increase in its TL denominated loans, which resulted in a 41.4 per cent. increase in the Bank's TL loans compared to 2024. The share of energy loans and foreign exchange loans in the Group's total loans was 35.3 per cent. and 91.6 per cent., respectively, for the year ended 31 December 2025.

In addition, 63 per cent. of the Bank's securities portfolio consisted of floating rate notes and CPI-linked securities as of 31 December 2025.

As of 31 December 2023, 2024 and 2025, respectively, 62.8 per cent., 69.2 per cent and 71.9 per cent of the Bank's loans and 59.7 per cent., 61.2 per cent. and 64.1 per cent of the Bank's interest-earning assets were at floating rates.

The Group's business, financial condition and results of operations have also been impacted by changes in CPI expectations in the market in accordance with realised inflation in 2025 and macroeconomic indicators.

Among the most significant drivers of the movements in interest rates as they affect the Group is the competitive environment, which has, in recent years, put pressure on net interest margins in the Turkish banking sector as a whole. In 2023, the sector NIM increased to 5.6 per cent. In 2024, the sector NIM decreased to 4.7 per cent. In 2025, the sector NIM increased to 4.6 per cent.

TSKB was less impacted by these fluctuations, due to its long-term funding structure and lack of deposits. The Bank's net interest margin was 7.0 per cent. in 2023, decreased in 2024 to 6.3 per cent. and decreased further in 2025 to 5.6 per cent.

Fees and Commissions

The Group's profitability is affected by the level of fees and commissions that it earns. In order to diversify its sources of revenue and obtain income in a capital efficient manner, the Group has been focusing more on advisory services and incentivising its employees to increase the Group's fee and commission income. The share of net fees and commissions to total operating income has been 4.8 per cent., 4.8 per cent. and 3.7 per cent respectively, for 2023, 2024 and 2025. A significant portion of the Group's fee and commission income is derived from its non-cash loan business and investment banking services as well as consultancy services. In order to increase fee and commissions income from consultancy services, the Bank also targets expanding its client base. The Group's investment banking activities are operated by the Bank's Corporate Finance Department, Treasury Marketing Unit and its subsidiary Yatırım Finansman Menkul Değerler A.Ş. ("**Yatırım**

Finansman"), a local brokerage house, as described in greater detail below. The Group's ability to increase its fee and commission income is also dependent upon the Bank's Corporate Finance Department, which is active in initial public offerings, bond offerings, mergers and acquisitions and providing advisory services. As with these investment banking revenues, the commissions generated by the Bank's corporate finance department are dependent upon the economic and political environment in Türkiye.

A second significant influence on the Group's ability to earn fee and commission income is the level of domestic competition, which has been significant during all macro-economic conditions. Competitive pressures from other banks to reduce fees on loan products and banking services require the Group either to lower its own fees (including waiving them in certain circumstances) in order to be competitive in the applicable business segment and/or to seek to develop new products that can earn additional fees and commissions within a prudent risk management context. The Bank's management believes that this competitive pressure will continue in all of the Group's business segments, particularly as other Turkish banks have increased their focus on fee and commission income as the current environment of low interest rates has impacted net interest income.

Exchange Rates

A significant portion of the Group's assets and liabilities are denominated in foreign currencies, particularly in U.S. Dollars and Euros. As of 31 December 2025, 76.2 per cent. of the Group's total assets and 82.2 per cent. of the Group's total liabilities and shareholder's equity were denominated in foreign currencies.

While the Group monitors its net position in foreign currencies (i.e. the amount by which its foreign currency risk-bearing assets differ from its foreign currency-denominated liabilities) and each of the Bank and the Group is required to comply with foreign currency position limits promulgated by the BRSA, each of the Bank and the Group has maintained and likely will continue to maintain gaps between the balances of its foreign currency-denominated assets and liabilities. The foreign currency position limit imposed by the BRSA is defined as an amount plus/minus 20 per cent. of the total capital used in the calculation of regulatory capital adequacy ratios.

Historically, the Bank has sought to maintain a balance between such assets and liabilities based upon the actual composition of its balance sheet and off-balance sheet positions at any time and, as a general matter, does not enter into any speculative positions. Under BRSA rules, any foreign exchange gains and losses are accounted for together with any gains and losses from the Group's investment in foreign exchange-based derivative financial instruments.

Even though the Group seeks to balance its actual foreign exchange position based upon the composition of its portfolio, the Group's financial results are impacted by changes in foreign exchange rates as the Group translates such assets and liabilities, and interest earned from and paid on those assets and liabilities, into Turkish Lira. The overall effect of exchange rate movements on the Group's results of operations depends upon the rate of depreciation or appreciation of the Turkish Lira against its principal trading and financing currencies.

The Bank recorded a net foreign exchange loss of TL 762 million in 2024 and a net foreign exchange gain of TL 11,432 million in 2025, the gain in 2025 resulting from the significant appreciation of foreign currency positions relative to the TL.

Exchange rate movements also affect the Turkish Lira-equivalent value of the Group's foreign currency-denominated assets, which can affect capital adequacy either positively (for example, if the Turkish Lira appreciates, then assets in foreign currencies convert into fewer Turkish Lira in the calculations of capital

adequacy ratios and thus increase the capital adequacy ratios) or negatively (for example, if the Turkish Lira depreciates, then assets in foreign currency convert into more Turkish Lira in the calculations of capital adequacy ratios and thus reduce the capital adequacy ratios).

Securities Portfolio

The securities portfolio comprised financial assets measured at fair value through profit/loss, financial assets measured at fair value through other comprehensive income; and other financial assets measured at amortised costs. The Group maintains a securities portfolio that consists primarily of government debt securities (the vast of majority of which are Turkish government securities) amounted to TL 52.2 billion as of 31 December 2025, compared to TL 40.8 billion as at 31 December 2024 and TL 27.7 billion as at 31 December 2023. Of this amount, as at 31 December 2025, TL 25.2 billion, or 48.3 per cent., was classified as financial assets at fair value through other comprehensive income, TL 26.6 billion, or 50.9 per cent. was classified as financial assets measured at amortised cost. Interest received from the marketable securities portfolio of the Group amounted to TL 10,553 million for the year ended 31 December 2025, accounting for 28.4 per cent. of total interest income for the period, TL 8,418 million for the year ending 31 December 2024, accounting for 28.0 per cent. of total interest income for the period and TL 4,992 million for the year ending 31 December 2023, accounting for 26.6 per cent. of total interest income for the period.

Critical Accounting Policies

The Group's accounting policies are integral to understanding its results of operations and financial condition presented in the BRSA Financial Statements and the notes thereto. The Group's critical and other significant accounting policies are described in Section Three to the 2025 BRSA Financial Statements. The preparation of these financial statements requires management to make estimates and assumptions on some events that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reported period. On an on-going basis, management evaluates its estimates and judgments, including those related to allowance for contingencies, litigation and arbitration. The Bank's management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances. The Group's actual results may differ from the estimates under different assumptions, judgments or conditions.

The Bank's management believes that the following significant accounting policies require critical judgments or estimates or involve a degree of complexity in application that affects the Group's financial condition and results of operation.

Consolidation of Subsidiaries and Associates

In the consolidated BRSA Financial Statements, the Bank consolidates its subsidiaries that are entities that are controlled by the Bank, but only its financial subsidiaries. The Bank does not consolidate its non-financial subsidiaries in the consolidated BRSA Financial Statements but rather reflects them under "Investments in Associates" and "Investments in Subsidiaries". For a list of the Bank's financial subsidiaries, see "*Business of the Group – Subsidiaries and Other Affiliates – Financial Subsidiaries and Associates*", and for a list of the Bank's non-financial subsidiaries, see "*Business of the Group – Subsidiaries and Other Affiliates – Non-Financial Subsidiaries and Associates*". In determining whether the Bank controls another entity, the Bank's management considers the Bank's power to appoint or remove from office the decision-taking majority of members of board of directors through direct or indirect possession of the majority of the entity's capital irrespective of the requirement of owning a minimum 51 per cent. of its capital, or by having control

over the majority of the voting right as a consequence of holding privileged shares or of agreements with other shareholders although not owning the majority of capital.

The Bank's subsidiaries and associates which are consolidated in the Group's financial statements for the years ended 31 December 2024 and 31 December 2025 are Yatırım Finansman Menkul Değerler A.Ş., TSKB Gayrimenkul Yatırım Ortaklığı A.Ş., İş Leasing, İş Faktoring, İş Girişim and Yatırım Varlık Kiralama A.Ş.

An associate is an entity in which the Bank owns capital and over which it has a significant influence but no control, whether established at home or abroad. Significant influence is the power to participate in the financial and operating policy of the investee. If the Bank holds qualified shares in the associate, then it is presumed that the Bank has significant influence unless otherwise demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an investor from having significant influence. A qualified share is a share that directly or indirectly constitutes 10 per cent. or more of an entity's capital or voting rights and, irrespective of this requirement, possession of privileged shares giving right to appoint members of the board of directors.

The equity method is an evaluation method of associates by which the book value of the Bank's share in the associate's equity is increased or decreased by the Bank's proportional share in the change in the associate company's equity and the dividend received by the Bank is deducted. The accounting policies of İş Leasing, İş Girişim and İş Faktoring, the associates that are consolidated using the equity method, are not different than the Bank's. Thus, no adjustments of compliance have been applied.

Classification and Measurement of Financial Assets

From 1 January 2018, the Group has applied TFRS 9 and classifies its financial assets in the following measurement categories:

(a) Financial assets measured at fair value through profit/loss;

(b) Financial assets measured at fair value through other comprehensive income; and

(c) Financial assets measured at amortised cost.

According to TFRS 9, the classification of financial assets is based on two criteria: (i) classification and measurement of financial assets dependent on the business model of the financial asset and (ii) contractual cash flows representing solely payments of principal and interest in respect of the financial asset. This evaluation takes into account whether there is any clause or provision that may change the timing, and/or amount, of contractual cash flows in relation to the financial asset.

Classification of financial assets reflects the business model of how the Group manages the assets in order to generate cash flows. The Bank's business model may be to collect solely the contractual cash flows from the assets (the "**Cash Flow Only Model**") or to collect both the contractual cash flows and cash flows arising from the sale of assets (the "**Cash Flow and Sale Model**"). If neither of these is applicable, then the financial assets are classified as part of "other" business model and measured at fair value through profit or loss (the "**Other Model**"). Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual

pattern of short-term profit-taking. These securities are classified in the “other” business model and measured at fair value through profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit/loss are financial assets (i) other than the ones that are managed with the Cash Flow Only Model or the Cash Flow and Sale Model and (ii) that are either acquired for generating a profit from short-term fluctuations in prices or are financial assets included in a portfolio aimed at short-term profit making, where the contractual terms of the financial asset do not lead to cash flows representing solely payment of principal and interest at a certain date. Financial assets at fair value through profit or loss are initially recognised at fair value and measured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the statement of profit or loss. According to uniform chart of accounts explanations, interest income earned on financial assets and the difference between their acquisition costs and amortised costs are recorded as “interest income” in the statement of profit or loss. The differences between the amortised costs and the fair values of such assets are recorded under “trading account income/losses” in the statement of profit or loss. In cases where such assets are sold before their maturities, the gains/losses on such sales are recorded under “trading account income/losses”.

Financial Assets at Fair Value Through Other Comprehensive Income

Financial assets within the Cash Flow and Sale Model and financial assets with contractual terms that lead to cash flows that are solely payments of principal and interest at certain dates are classified as fair value through other comprehensive income. “Financial Assets at Fair Value Through Other Comprehensive Income are recognised by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, “Financial Assets at Fair Value Through Other Comprehensive Income” are measured at fair value. Interest income calculated with the effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to the statement of profit or loss.

“Unrealised gains and losses” arising from the difference between the amortised cost and the fair value of “Financial Assets at Fair Value Through Other Comprehensive Income” are not reflected in the statement of profit or loss of the period until the acquisition of the asset, sale of the asset, disposal of the asset and impairment of the asset are accounted under the **“**Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss” under shareholders’ equity. Equity securities, which are classified as “Financial Assets at Fair Value Through Other Comprehensive Income”, that have a quoted market price in an active market and whose fair values can be reliably measured are carried at fair value. Equity securities that do not have a quoted market price in an active market and whose fair values cannot be reliably measured are carried at cost, less provision for impairment.

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

Financial Assets Measured at Amortised Cost

Financial assets that are held under the Cash Flow Only Model where those cash flows represent solely payments of principal and interest are classified as “Financial Assets Measured at Amortised Cost”. Financial Assets Measured at Amortised Cost are initially recognised at acquisition cost including the transaction costs which reflect the fair value of those instruments and subsequently recognised at amortised cost by using the

effective interest rate method. Interest income obtained from Financial Assets Measured at Amortised Cost is accounted in the statement of profit or loss. In the "fair value through other comprehensive income" and "measured at amortised cost" securities portfolio of the Bank, there are Consumer Price Indexed ("**CPI**") bonds.

The Bank considers the expected inflation index of future cash flows prevailing at the reporting date while calculating the internal rate of return of the CPI marketable securities. The effect of this application is accounted as interest received from marketable securities in the unconsolidated financial statements. These securities are valued and accounted according to the effective interest method based on the real coupon rates and the reference inflation index at the issue date and the estimated inflation rate. As stated in the Investor's Guide of CPI Government Bonds by the Turkish Treasury dated December 2009, the reference indices used to calculate the actual coupon payment amounts of these securities are based on the previous two months' CPIs. The Bank determines the estimated inflation rate accordingly. The inflation rate is estimated by considering the expectancies of the CBRT and the Bank which are updated as needed within the year.

Loans

Loans are financial assets that have fixed or determinable payments terms and are not quoted in an active market. Loans are initially recognised at acquisition cost plus transaction costs representing their fair value and thereafter measured at amortised cost using the "Effective Interest Rate (internal rate of return) Method". Duties paid, transaction costs and other similar expenses on assets received against such risks are considered as a part of transaction cost and charged to customers. Turkish Lira cash loans are composed of foreign currency-indexed loans and working capital loans and foreign currency cash loans are composed of investment loans, export financing loans and working capital loans.

All loans of the Bank are classified under "Measured at Amortised Cost", after the Bank's loan portfolio passed the test of "all cash flows from contracts are made only by interest and principal" during the transition period.

Foreign currency-indexed loans are converted into TL from the foreign currency rate as of the opening date and followed in TL accounts. Repayments are measured with the foreign currency rate at the payment date and the foreign currency gains and losses are reflected to the statement of profit or loss.

The Bank provides an expected loss provision based on the assessments and estimates of the management, by considering the "Communiqué Related to Principles and Procedures on Determining the Qualifications of Banks' Loans and Other Receivables and the Provision for These Loans and Other Receivables" published in the Official Gazette No. 29750 dated 22 June 2016 (the "**Provisioning Regulation**").

Impairment of Financial Assets

From 1 January 2018, the Group recognises a loss allowance for expected credit losses on "Financial Assets and Loans Measured at Amortised Cost", "Financial Assets Measured at Fair Value Through Other Comprehensive Income", loan commitments and financial guarantee contracts not measured at "Fair Value Through Profit/Loss" based on TFRS 9 and the Provisioning Regulation effective from 1 January 2018.

From 1 January 2018, the Group's classification of financial assets (especially in loans and receivables) and calculation of provisions also changed due to the application by the Group of TFRS 9.

In accordance with TFRS 9, the Group's loan loss provisioning policy was replaced by the expected credit loss ("**ECL**") model. ECL estimates are required to be unbiased, probability-weighted, and should include

verifiable information about past events, current conditions and forecasts of future economic conditions. The ECL should reflect multiple macroeconomic scenarios and include the time value of money.

The ECL model applies to all on-balance financial assets accounted for at amortised cost and fair value through other comprehensive income ("**FVOCI**") such as loans and debt securities, as well as to off-balance items such as certain loan commitments, financial guarantees and undrawn revolving credit facilities.

In accordance with TFRS 9, the Bank applies an impairment model having three stages based on the change in credit quality since initial recognition. These financial assets are divided into three categories depending on the gradual increase in credit risk observed since their initial recognition. Impairment shall be recognised on outstanding amounts in each category, as follows:

(a) Stage 1: For financial assets at initial recognition or which do not have a significant increase in credit risk since initial recognition. Impairment for credit risk is recorded on the basis of 12-month expected credit losses.

(b) Stage 2: In the event of a significant increase in credit risk since initial recognition, the financial asset will be transferred to this category. Impairment for credit risk will be determined on the basis of the instrument's lifetime expected credit losses.

(c) Stage 3: Includes financial assets which have objective evidence of impairment at the reporting date.

For these assets, lifetime ECLs are recognised and interest revenue is calculated on the net carrying amount.

Employee Benefits Obligations

According to the related regulation, the Bank and consolidated Group companies are obligated to pay termination benefits for employees who retire, die, quit for their military service obligations, have been dismissed as defined in the related regulation or (for female employees) have voluntarily quit within one year after the date of their marriage. Within the scope of TAS 19 ("Employee Benefits"), the Bank allocates seniority pay provisions for employee benefits by estimating the present value of the probable future liabilities.

The Bank's mandatory pension fund, of which each employee of the Bank is a member, has been established according to provisional Article 20 of the Social Security Act No. 506. For pension funds such as this, Law No. 5754 published in the Official Gazette dated 8 May 2008 and numbered 26870 decrees that payment obligations to the contributors of bank pension funds, those who receive salaries or income from these funds and their rightful beneficiaries will be transferred to the Social Security Institution within three years after the release date of this law; however, the initial three-year transfer period was extended for two years (i.e. until 8 May 2013) by a Cabinet decision dated 14 March 2011, which was published in the Official Gazette dated 9 April 2011 and numbered 27900. By the Law "Emendating Social Security and General Health Insurance Act", which was published in the Official Gazette dated 8 March 2012 and numbered 28227, the Cabinet's authority to extend this period for two years was raised to four years (i.e. until 8 May 2015), and then the Cabinet extended this period for one year by Cabinet decision dated 8 April 2013 (published in the Official Gazette dated 3 May 2013 and numbered 28636) and then further extended for another year by its decision dated 23 February 2014 (published in the Official Gazette dated 30 April 2014 and numbered 28987). This law also states that:

- Through a commission constituted by the attendance of one representative separately from the Social Security Institution, Ministry of Finance, Turkish Treasury, State Planning Organization, BRSA and SDIF, one representative from each pension fund and one representative from the organization employing pension fund contributors, related to the transferred persons, the cash value of the liabilities of a pension fund as of the transfer date will be calculated by considering its income and expenses in terms of the lines of insurance within the context of the related law, and a technical interest rate of 9.8 per cent. will be used in the actuarial calculation of the value in cash, and
- After the transfer of the pension fund, the fund's beneficiaries' unfunded social rights and payments will continue to be covered by the pension funds and the employers of the pension fund contributors.

By the Emendating Act No. 6645, which was published in the Official Gazette dated 23 April 2015 and numbered 29335, the Cabinet was authorised to decide the transfer date to the Social Security Institution. As of the date of this Base Prospectus, the deadline for the transfer has not been set.

In line with the new law, the Bank's pension fund had an actuarial valuation made for the aforementioned pension fund as of 31 December 2016 and there was no operational or actuarial liability indicated for the Bank in the actuarial report.

In line with the regulation in force, the Bank's pension fund performed an actuarial valuation for the aforementioned pension fund as of 31 December 2025. The valuation report indicated no operational or actuarial liability for the Bank.

Interest Income and Expenses

From 1 January 2018, interest income is recorded according to the effective interest rate method (rate equal to net present value of future cash flows or financial assets and liabilities) defined in the TFRS 9 standards by applying the effective interest rate to the gross carrying amount of a financial asset except for (i) purchased or originated credit-impaired financial assets or (ii) financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets.

If the financial asset is impaired and classified as a "Non-Performing Receivable", the Group applies the effective interest rate on the amortised cost of the asset for subsequent reporting periods. Such interest income calculation is made on an individual contract basis for all financial assets subject to impairment calculation. The effective interest rate method is used during calculation of loss given the default rate in expected credit loss models and accordingly, the calculation of expected credit losses includes an interest amount.

Therefore, a reclassification is made between the accounts of "Expected Credit Losses" and "Interest Income From Loans" for the calculated amount. If the credit risk of the financial instrument improves to the extent that the financial asset is no longer considered as impaired and the improvement can be attributed to an incident that eventually takes place (such as an increase in the loan's credit rating), interest income at subsequent reporting periods are calculated by applying the effective interest rate to the gross amount.

Interest income and expenses are recognised in the statement of profit or loss for all interest-bearing instruments on an accrual basis using the effective interest method (the rate that equalises the future cash flows of financial assets and liabilities to the current net book value).

Fee and Commission Income and Expenses

Except for fees and commissions that are an integral part of the effective interest rates of financial instruments measured at amortised costs, the fees and commissions are accounted for in accordance with TFRS 15 Standard "Revenue from Contracts with Customer". Except for certain fees related with certain banking transactions which are recognised when the related service is given, fees and commissions received or paid, and other fees and commissions paid to financial institutions, are accounted under accrual basis of accounting throughout the service period.

Foreign Currency Transactions and Translation

Transactions in currencies other than Turkish Lira are recorded by the Group at the rates of exchange prevailing on the dates of such transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing at the reporting date and non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined (the book value of non-monetary items measured in terms of historical cost are not retranslated). As a significant portion of the Group's assets and liabilities are denominated in (or indexed to) foreign currencies, this translation may result in volatility in the Group's financial results and financial statements.

Key Performance Indicators

The Group calculates certain ratios in order to measure its performance and compare it to the performance of its main competitors. The following table sets out certain key performance indicators for the Group for the indicated dates/periods, which indicators are (among others) those used by the Group's management to manage its business:

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
Ratios			
Net interest margin	7.0 %	6.3 %	5.6 %
Cost-to-income ratio	11.6 %	19.3 %	20.8 %
Free capital ratio[(1)]	7.1 %	7.6 %	7.4 %
Tier I ratio[(2)]	24.8 %	25.3 %	23.9 %
Total capital adequacy ratio[(3)]	25.9 %	26.4 %	25.0 %
Coverage ratio[(4)]	78.0 %	87.5 %	74.3 %
Return on average total assets[(5)]	4.8 %	4.9 %	4.0 %
Return on average shareholders' equity[(6)]	41.2 %	38.5 %	28.8 %

Notes:

(1) This is: as of a particular date, this is: (a) the Group's total shareholders' equity as of such date minus NPLs excluding provisions, the Group's tangible assets (net), intangible assets, tax asset and investments in equity participations (i.e., the sum of investment in associates (net)), investment in subsidiaries (net) and entities under common control (joint ventures) (net)) as of such date as a percentage of (b) the Group's total assets as of such date.

(2) The Tier I ratio is: (a) the "Tier I" capital (i.e., the result of the "core capital", which primarily is comprised by the share capital, profit reserves, profit and provisions for possible losses) *as a percentage of* (b) the aggregate of the value at credit risk, value at market risk and value at operational risk. Capital adequacy ratios are based upon BRSA regulations. See "*Capital Adequacy*" below, including with respect to calculations made after 1 January 2014.

(3) The total capital adequacy ratio is: (a) the result of "Tier I" capital plus "Tier II" capital (i.e. the "supplementary capital", which comprises general provisions, subordinated debt, unrealised gains/losses on available-for-sale assets and revaluation surplus (reduced by certain items such as leasehold improvements and prepaid expenses)) minus items to be deducted from capital (the "deductions from capital", which comprises items such as unconsolidated equity interests in financial institutions and assets held-for-resale but held longer than five years) *as a percentage of* (b) the aggregate of the value at credit risk, value at market risk and value at operational risk. Capital adequacy ratios are based upon BRSA regulations. See "*Capital Adequacy*" below, including with respect to calculations made after 1 January 2014.

(4) The coverage ratio, as of a particular date, is (a) the total amount of specific provisions as of such date divided by (b) non-performing loans, as of such date.

(5) The return on average total assets is: for a particular period, this is: (a) the net income for such period (and, when calculating for the interim period, the figure is annualised by multiplying the net income for the indicated period of such year by 12 and divided by the number of months in such period) as a percentage of (b) average total assets (determined on a quarterly basis).

(6) The return on average shareholders' equity is: for a particular period, this is: (a) the net income (when calculated for the Group, excluding minority interest) for such period (and when calculating for the interim period, the figure is annualised by multiplying the net income for the indicated period of such year by 12 and divided by the number of months in such period) as a percentage of (b) the average shareholders' equity (when calculated for the Group, excluding non-controlling interest).

Analysis of Results of Operations for the years ended 31 December 2023, 2024 and 2025

The table below sets out the Group's statement of profit or loss for the periods indicated.

	Year ended 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Interest Income	**18,772,862**	**30,331,870**	**37,142,909**
Interest on Loans	11,878,615	18,262,818	22,769,991
Interest Received from Reserve Deposits	82	752	315
Interest Received from Banks	166,348	228,913	147,429
Interest Received from Money Market Placements	1,645,886	3,095,060	3,148,348
Interest Received from Marketable Securities Portfolio	4,991,850	8,418,653	10,553,360
Fair Value Through Profit or Loss	1,931	12,868	4,005
Fair Value Through other Comprehensive Income	992,559	3,332,865	6,427,458

	Year ended 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Measured at Amortised Cost	3,997,360	5,072,920	4,121,897
Finance Lease Income	32,455	45,584	46,069
Other Interest Income	57,626	280,090	477,397
Interest Expenses	**8,064,017**	**14,476,771**	**19,282,262**
Interest on Deposits	—	—	—
Interest on Funds Borrowed	5,930,407	7,996,312	9,304,356
Interest on Money Market Borrowings	396,744	2,573,237	4,798,138
Interest on Securities Issued	1,656,777	3,792,107	5,094,095
Leasing Interest Expense	6,063	10,028	22,121
Other Interest Expense	74,026	105,087	63,552
Net Interest Income	**10,708,845**	**15,855,099**	**17,860,647**
Net Fees and Commissions Income/Expenses	**686,569**	**819,727**	**832,651**
Fees and Commissions Received	756,646	945,844	990,966
Non-cash Loans	179,070	204,190	288,078
Other	577,576	741,654	702,888
Fees and Commissions Paid	70,077	126,117	158,315
Non-cash Loans	23,764	44,230	46,370
Other	46,313	81,887	111,945
Dividend Income	**31,949**	**37,069**	**82,583**
Net Trading Income	**1,731,490**	**(2,076,745)**	**(328,014)**
Securities Trading Gains / Losses	39,651	111,243	846,704
Derivative Financial Instruments Gains /Losses	1,894,932	(1,425,632)	(12,606,638)
Foreign Exchange Gains / Losses (Net)	(203,093)	(762,356)	11,431,920
Other Operating Income	**1,081,664**	**2,403,975**	**4,287,320**
Gross Operating Income	**14,240,517**	**17,039,125**	**22,735,187**
Expected Credit Loss (-)	**3,219,196**	**558,872**	**4,323,619**
Other Provision Expenses (-)	**870,000**	**330,000**	**90,000**
Personnel Expense (-)	**914,621**	**1,921,475**	**3,106,961**
Other Operating Expenses (-)	**744,030**	**1,372,912**	**1,611,972**
Net Operating Income	**8,492,670**	**12,855,866**	**13,602,635**
Amount in Excess Recorded as Gain After Merger	—	—	—
Profit / Loss on Equity Method	**996,857**	**1,043,304**	**1,466,796**

	Year ended 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Gain / Loss on Net Monetary Position	—	—	—
Profit / Loss from Continued Operations Before Taxes	**9,489,527**	**13,899,170**	**15,069,431**
Tax Provision for Continued Operations	**2,339,601**	**3,542,415**	**3,642,285**
Provision for Current Income Taxes	3,045,111	2,487,822	4,118,416
Deferred Tax Income Effect	958,614	2,130,956	2,290,558
Deferred Tax Expense Effect	1,664,124	1,076,363	2,766,689
Net Profit / Loss from Continued Operations	**7,149,926**	**10,356,755**	**11,427,146**
Income on Discontinued Operations	—	—	—
Loss from Discontinued Operations	—	—	—
Profit / Loss on Discontinued Operations Before Taxes	—	—	—
Tax Provision for Discontinued Operations	—	—	—
Net Profit / Loss from Discontinued Operations	—	—	—
Net Profit / Loss	**7,149,926**	**10,356,755**	**11,427,146**
Group's Profit / Loss	6,965,044	10,221,982	11,323,717
Minority Shares	184,882	134,773	103,429
Earning / Loss per Share[(1)]	2.49	3.65	4.044

Note:

(1) Earnings per share are calculated by using the average number of shares of the current period. Presented in Turkish Lira, instead of thousands of Turkish Lira.

Results of Operations as of and for the years ended 31 December 2024 and 2025

Interest Income

The Group's interest income is derived from interest on loans, reserve deposits, banks, money market placements and marketable securities portfolio. In the year ended 31 December 2025, the Group's interest income increased by TL 6,811 million to TL 37,143 million from TL 30,332 million in the year ended 31 December 2024, primarily as a result of loan growth. For the year ended 31 December 2025, interest income from loans amounted to TL 22,770 million (61.3 per cent. of total interest income), interest from reserve deposits amounted to TL 0.3 million, interest from money market placements and interest received from banks amounted to TL 3,296 million (8.9 per cent. of total interest income), and interest from marketable securities portfolio amounted to TL 10,553 million (28.4 per cent. of total interest income), compared to TL 18,263 million (60.2 per cent.), TL 0.8 million, TL 3,324 million (11.0 per cent.), TL 8,419 million (27.8 per cent.), respectively, in the year ended 31 December 2024.

Interest Expenses

In the year ended 31 December 2025, the Group's interest expenses increased by 33.2 per cent. to TL 19,282 million from TL 14,477 million in the year ended 31 December 2024. This increase was primarily due to a higher funding base.

Net Interest Income

The Group's net interest income increased by TL 2,006 million to TL 17,861 million in the year ended 31 December 2025 from TL 15,855 million in the year ended 31 December 2024. The Bank's net interest margin in the year ended 31 December 2025 was 5.6 per cent. as compared to 6.3 per cent. in the year ended 31 December 2024, as a result of the factors described above.

Net Fees and Commission Income

The Group's net fees and commission income increased by TL 12.9 million to TL 832.7 million in the year ended 31 December 2025 from TL 820 million in the year ended 31 December 2024.

Dividend Income

The Group's dividend income increased by TL 45.5 million to TL 82.6 million in the year ended 31 December 2025 from TL 37.1 million in the year ended 31 December 2024. This increase was primarily due to an increase in dividend income from associates.

Trading Income/(Loss)(Net)

The Group's trading income/(loss) is comprised of three components: securities trading, derivative financial instruments and foreign exchange income. The Group's trading loss decreased from a loss of TL 2,077 million in the year ended 31 December 2024 to a loss of TL 328 million in the year ended 31 December 2025. This decreased trading loss was a result of the Bank's excess FX liquidity used to fund its TL assets, resulting in a corresponding decrease in the associated swap book costs.

Other Operating Income

The Group's other operating income increased by 78.3 per cent. to TL 4,287 million in the year ended 31 December 2025 from TL 2,404 million in the year ended 31 December 2024.

Expected Credit Losses

In the year ended 31 December 2025, the Group's expected credit losses increased to TL 4,318 million from TL 556 million in the year ended 31 December 2024. This increase was mainly driven by loan growth and higher exchange rates.

The following table shows the Group's provisioning for loans and other receivables as of the indicated dates.

	For the year ended 31 December	
	2024	**2025**
	(TL thousands)	
Expected Credit Loss	**556,349**	**4,317,664**
12 Months Expected Credit Loss (Stage 1)	(172,190)	164,701
Significant Increase in Credit Risk (Stage 2)	357,163	1,470,667

	For the year ended 31 December	
	2024	**2025**
	(TL thousands)	
Non-performing Loans (Stage 3)	371,376	2,682,296
Marketable Securities Impairment Expenses	**2,523**	**5,955**
Financial Assets at Fair Value through Profit or Loss	—	—
Financial Assets at Fair Value through Other Comprehensive Income	2,523	5,955
Associates, Subsidiaries, and Entities under Common Control (Joint Venture)	—	—
Associates	—	—
Subsidiaries	—	—
Entities under Common Control (Joint Venture)	—	—
Other[(1)]	330,000	90,000
Total	**888,872**	**4,413,619**

Note:

(1) Contains a free provision addition in the current period, which has resulted in a qualification to the auditor's report in relation to the Group. The free provision is included in other provision expenses in the statement of profit or loss.

Other Operating Expenses

In the year ended 31 December 2025, the Group's other operating expenses increased by 17.4 per cent. to TL 1,612 million from TL 1,373 million in the year ended 31 December 2024. This increase was primarily due to higher inflation and a higher exchange rate environment.

Net Profit from Continuing Operations

The Group's net profit from continuing operations in the year ended 31 December 2025 increased by TL 1,070 million to TL 11,427 million from TL 10,357 million in the year ended 31 December 2024. This increase was primarily the result of increased contribution from net interest income and fees and commission.

For the year ended 31 December 2025, the Group's return on average total assets was 4.0 per cent. and the return on its average shareholders' equity was 28.8 per cent., compared to 4.9 per cent. and 38.5 per cent., respectively, for the year ended 31 December 2024.

Results of Operations as of and for the years ended 31 December 2023 and 2024

Interest Income

The Group's interest income is derived from interest on loans, reserve deposits, banks, money market placements and marketable securities portfolio. In the year ended 31 December 2024, the Group's interest income increased by TL 11,559 million to TL 30,332 million from TL 18,773 million in the year ended 31 December 2023, primarily as a result of loan growth. For the year ended 31 December 2024, interest income from loans amounted to TL 18,263 million (60.2 per cent. of total interest income), interest from reserve deposits amounted to TL 0.8 million, interest from money market placements and interest received from banks amounted to TL 3,324 million (11.0 per cent. of total interest income), and interest from the marketable securities portfolio amounted to TL 8,419 million (27.8 per cent. of total interest income), compared to TL 11,879 million (63.2 per cent.), TL 0.1 million, TL 1,812 million (9.7 per cent.), TL 4,992 million (26.6 per cent.), respectively, in the year ended 31 December 2023**.**

Interest Expenses

In the year ended 31 December 2024, the Group's interest expenses increased by 79.5 per cent. to TL 14,477 million from TL 8,064 million in the year ended 31 December 2023. This was due to higher funding costs and interest expenses on funds borrowed.

Net Interest Income

The Group's net interest income increased by TL 5,146 million to TL 15,855 million in the year ended 31 December 2024 from TL 10,709 million in the year ended 31 December 2023. The Bank's net interest margin in the year ended 31 December 2024 was 6.3 per cent. as compared to 7.0 per cent. in the year ended 31 December 2023, as a result of the factors described above.

Net Fees and Commission Income

The Group's net fees and commission income increased by TL 133.2 million to TL 819.7 million in the year ended 31 December 2024 from TL 687 million in the year ended 31 December 2023.

Dividend Income

The Group's dividend income increased by TL 5.1 million to TL 37.0 million in the year ended 31 December 2024 from TL 32 million in the year ended 31 December 2023.

Trading Income/(Loss)(Net)

The Group's trading income/(loss) is comprised of three components: securities trading, derivative financial instruments and foreign exchange income. The Group's trading income decreased from a gain of TL 1,731 million in the year ended 31 December 2023 to a loss of TL 2,077 million in the year ended 31 December 2024.

Other Operating Income

The Group's other operating income increased by 122.2 per cent. to TL 2,404 million in the year ended 31 December 2024 from TL 1,082 million in the year ended 31 December 2023.

Expected Credit Losses

In the year ended 31 December 2024, the Group's expected credit losses decreased by 82.6 per cent. to TL 558.9 million from TL 3,219 million in the year ended 31 December 2023.

The following table shows the Group's provisioning for loans and other receivables as of the indicated dates.

	For the year ended 31 December	
	2023	**2024**
	(TL thousands)	
Expected Credit Loss	**3,218,085**	**556,349**
12 Months Expected Credit Loss (Stage 1)	550,600	(172,190)
Significant Increase in Credit Risk (Stage 2)	1,356,763	357,163
Non-performing Loans (Stage 3)	1,310,722	371,376
Marketable Securities Impairment Expenses	**1,111**	**2,523**
Financial Assets at Fair Value through Profit or Loss	—	—
Financial Assets at Fair Value through Other Comprehensive Income	1,111	2,523
Associates, Subsidiaries, and Entities under Common Control (Joint Venture)	—	—
Associates	—	—
Subsidiaries	—	—
Entities under Common Control (Joint Venture)	—	—
Other[(1)]	870,000	330,000
Total	**4,089,196**	**888,872**

Note:

(1) Contains a free provision addition in the current period, which has resulted in a qualification to the auditor's report in relation to the Group. The free provision is included in other provision expenses in the statement of profit or loss.

Other Operating Expenses

In the year ended 31 December 2024, the Group's other operating expenses increased by 84.5 per cent. to TL 1,373 million from TL 744 million in the year ended 31 December 2023. This was primarily due to higher inflation and higher exchange rate environment.

Net Profit from Continuing Operations

The Group's net profit from continuing operations in the year ended 31 December 2024 increased by TL 3,207 million to TL 10,357 million from TL 7,150 million in the year ended 31 December 2023 which is

mainly attributable to increased contribution from net interest income and fees and commission, as well as relatively low provisioning.

For the year ended 31 December 2024, the Group's return on average total assets was 4.9 per cent. and the return on its average shareholders' equity was 38.5 per cent., compared to 4.8 per cent. and 39.6 per cent., respectively, for the year ended 31 December 2023.

Segmental Analysis

The primary business line of the Group is banking and advisory services, with other principal business lines including real estate appraisal, a real estate investment trust and brokerage. These business lines are further divided into various sub-business lines based upon business activities as described under "*Business of the Group – Business Activities*". Under its Banking Services business lines, there are three sub-business lines: corporate banking (including project finance), investment banking and advisory services. For accounting purposes, however, the Group reports its business in its BRSA Financial Statements under three segments: Corporate Banking, Investment Banking and Others. These three segments account for a substantial majority of the Bank's results, with the remainder being contributed by the Bank's financial subsidiaries. For a list of the activities undertaken by the Bank's financial subsidiaries, see "*Business of the Group – Subsidiaries and Other Affiliates*". The Bank does not consolidate the results of its non-financial subsidiaries in the Group's consolidated BRSA Financial Statements on a line-by-line basis and so these results do not appear in the segmental data included therein.

Non-financial subsidiaries are reflected under the "Investments in Associates" and "Investments in Subsidiaries" items in the consolidated BRSA Financial Statements. Non-financial associates and subsidiaries whose equity securities are traded in an active stock exchange are reflected on financial statements with their fair value prices taking into consideration their quoted market prices at the stock exchange. Associates and subsidiaries whose equity securities are not traded in an active stock exchange are recorded at their cost on the acquisition date and these assets are reflected on the financial statements with their acquisition cost less impairment losses, if any. For a list of the Bank's non-financial subsidiaries as of 31 December 2025, see "*Business of the Group – Subsidiaries and Other Affiliates*".

The following tables set forth certain information regarding the Group's business segments as of the indicated dates:

	As of (or for the year ended) 31 December 2023			
	Corporate Banking	**Investment Banking**	**Other**	**Total**
		(TL thousands)		
Net Interest Income	5,531,142	4,703,258	474,445	10,708,845
Net Fees and Commissions Income	172,909	272,845	240,815	686,569
Other Income[(1)]	182,988	1,698,299	1,960,673	3,841,960
Other Expense[(2)]	(3,353,789)	(135,988)	(2,258,070)	(5,747,847)
Profit Before Tax	2,533,250	6,538,414	417,863	9,489,527

	As of (or for the year ended) 31 December 2023			
	Corporate Banking	**Investment Banking**	**Other**	**Total**
	(TL thousands)			
Tax Provision				(2,339,601)
Net Profit				7,149,926
Group's Profit/Loss				6,965,044
Non-Controlling Interests				184,882
Segment Assets[3]	121,922,873	44,875,480	11,175,591	177,973,944
Investment in Associates and Subsidiaries	—	—	2,939,908	2,939,908
Total Assets	121,922,873	44,875,480	14,115,499	180,913,852
Segment Liabilities[4]	145,121,291	2,481,059	11,486,450	159,088,800
Shareholders' Equity	—	—	21,825,052	21,825,052
Total Liabilities and Shareholders' Equity	145,121,291	2,481,059	33,311,502	180,913,852

	As of (or for the year ended) 31 December 2024			
	Corporate Banking	**Investment Banking**	**Other**	**Total**
	(TL thousands)			
Net Interest Income	5,384,395	9,720,542	750,162	15,855,099
Net Fees and Commissions Income	205,319	301,873	312,535	819,727
Other Income[1]	389,929	—	3,094,419	3,484,348
Other Expense[2]	(916,948)	(2,291,927)	(3,051,129)	(6,260,004)
Profit Before Tax	5,062,695	7,730,488	1,105,987	13,899,170
Tax Provision				(3,542,415)
Net Profit				10,356,755
Group's Profit				10,221,982
Non-Controlling Interests				134,773
Segment Assets[3]	158,390,390	57,279,469	17,497,581	233,167,440
Investment in Associates and Subsidiaries	—	—	4,361,542	4,361,542
Total Assets	158,390,390	57,279,469	21,859,123	237,528,982
Segment Liabilities[4]	186,363,381	3,280,524	14,732,377	204,376,282
Shareholders' Equity	—	—	33,152,700	33,152,700
Total Liabilities and Shareholders' Equity	186,363,381	3,280,524	47,885,077	237,528,982

	As of (or for the year ended) 31 December 2025			
	Corporate Banking	**Investment Banking**	**Other**	**Total**
	(TL thousands)			
Net Interest Income	6,263,058	10,807,296	790,293	17,860,647
Net Fees and Commissions Income	293,717	139,248	399,686	832,651
Other Income[(1)]	1,657,002	—	4,179,697	5,836,699
Other Expense[(2)]	(4,778,947)	(839,800)	(3,841,819)	(9,460,566)
Profit Before Tax	3,434,830	10,106,744	1,527,857	15,069,431
Tax Provision				(3,642,285)
Net Profit				**11,427,146**
Group's Profit				11,323,717
Non-Controlling Interests				103,429
Segment Assets[(3)]	225,285,371	81,283,063	21,983,179	328,551,613
Investment in Associates and Subsidiaries	—	—	5,741,905	5,741,905
Total Assets	**225,285,371**	**81,283,063**	**27,725,084**	**334,293,518**
Segment Liabilities[(4)]	261,079,331	12,308,109	14,442,353	287,829,793
Shareholders' Equity	—	—	46,463,725	46,463,725
Total Liabilities and Shareholders' Equity	**261,079,331**	**12,308,109**	**60,906,078**	**334,293,518**

Note:

(1) Other income is the sum of dividend income, other operating income and profit/(loss) on equity method.

(2) Other expense is net trade income less the sum of expected credit loss, personnel expenses and other operating expenses.

(3) Segment assets are calculated based on the difference between total assets and equity investments.

(4) Segment liabilities are calculated based on the difference total liability and shareholders' equity.

Financial Condition

The tables below set forth the Group's balance sheet data as of the indicated dates.

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Assets			
Financial Assets (Net)	**27,733,193**	**35,743,824**	**57,529,506**
Cash and Cash Equivalents	**15,622,800**	**12,730,999**	**24,589,876**
Cash and Balances with Central Bank	2,942,825	2,880,425	5,703,137
Banks	5,261,257	7,903,873	9,059,571
Money Market Placements	7,424,388	1,952,629	9,840,648
Expected Credit Losses (-)	5,670	5,928	13,480
Financial Assets at Fair Value Through Profit or Loss	**409,358**	**1,650,591**	**3,830,949**
Government Debt Securities	—	—	—
Equity Instruments	7,440	146	194,125
Other Financial Assets	401,918	1,650,445	3,636,824
Financial Assets at Fair Value Through Other Comprehensive Income	9,766,338	18,304,526	27,220,947
Government Debt Securities	8,830,461	16,616,630	24,790,930
Equity Instruments	916,984	1,137,480	2,022,482
Other Financial Assets	18,893	550,416	407,535
Derivative Financial Assets	**1,934,697**	**3,057,708**	**1,887,734**
Derivative Financial Assets at Fair Value Through Profit or Loss	1,934,697	3,057,708	1,887,734
Derivative Financial Assets at Fair Value Through Other Comprehensive Income	—	—	—
Financial Assets Measured at Amortised Cost	**142,293,332**	**185,420,270**	**257,144,273**
Loans	**131,216,812**	**168,866,582**	**239,299,385**
Lease Receivables	**452,370**	**417,553**	**1,148,738**
Factoring Receivables	**—**	—	—
Other Financial Assets Measured at Amortised Cost	**18,894,112**	**24,219,715**	**27,380,448**
Government Debt Securities	18,894,112	24,219,715	27,380,448
Other Financial Assets	—	—	—
Expected Credit Losses (-)	**8,269,962**	**8,083,580**	**10,684,298**
Property and Equipment Held for Sale Purpose and Related to Discontinued Operations (Net)	—	**—**	**—**

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Held for Sale Purpose	—	—	—
Related to Discontinued Operations	—	—	—
Equity Investments	**2,939,908**	**4,361,542**	**5,741,905**
Investments in Associates (Net)	**2,825,834**	**4,201,492**	**5,508,367**
Accounted Under Equity Method	2,825,834	4,201,492	5,508,367
Unconsolidated Associates	—	—	—
Subsidiaries (Net)	**101,016**	**133,444**	**172,208**
Unconsolidated Financial Subsidiaries	—	—	—
Unconsolidated Non-Financial Subsidiaries	101,016	133,444	172,208
Entities under Common Control (Joint Venture) (Net)	**13,058**	**26,606**	**61,330**
Joint Ventures Valued Based on Equity Method	13,058	26,606	61,330
Unconsolidated Joint Ventures	—	—	—
Tangible Assets (Net)	**2,237,255**	**3,156,735**	**4,255,952**
Intangible Assets (Net)	**8,118**	**8,223**	**26,892**
Goodwill	1,005	1,005	1,005
Other	7,113	7,218	25,887
Investment Property (Net)	**1,430,605**	**2,403,800**	**3,263,130**
Current Tax Asset	**691**	**2,679**	**4,894**
Deferred Tax Asset	**1,480,605**	**312,481**	**627,624**
Other Assets	**2,790,400**	**6,120,997**	**5,699,342**
Total Assets	**180,913,852**	**237,528,982**	**334,293,518**
Liabilities			
Deposits	**—**	—	—
Funds Borrowed	**106,851,110**	**124,002,505**	**193,618,365**
Money Market Balances	**3,727,880**	**6,133,453**	**10,657,861**
Marketable Securities Issued (Net)	**34,148,450**	**53,512,352**	**60,593,749**
Bills	397,337	1,950,424	—
Assets Backed Securities	1,524,022	51,561,928	—

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Bonds	32,227,091	**683,899**	60,593,749
Borrower Funds	**1,482,480**	683,899	**1,010,220**
Borrower Funds	1,482,480	683,899	1,010,220
Other	—	—	—
Financial Liabilities at Fair Value Through Profit or Loss	—	—	—
Derivative Financial Liabilities	**1,148,158**	**1,298,535**	**1,662,177**
Derivative Financial Liabilities at Fair Value Through Profit or Loss	1,148,158	1,298,535	1,662,177
Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income	—	—	—
Factoring Liabilities	—	—	—
Lease Liabilities	**39,250**	**41,552**	**84,274**
Provisions	**2,081,013**	**2,405,013**	**1,665,403**
Restructuring Provisions	—	—	—
Reverse for Employee Benefits	51,889	125,428	205,316
Insurance Technical Provisions (Net)	—	—	—
Other Provisions	2,029,124	2,279,585	1,460,087
Current Tax Liability	**971,818**	**457,912**	**527,154**
Deferred Tax Liability	—	**334,512**	**590,628**
Liabilities for Property and Equipment Held for Sale and Related to Discontinued Operations (Net)	—	—	—
Held for Sale Purpose	—	—	—
Related to Discontinued Operations	—	—	—
Subordinated Debt Instruments	**6,043,090**	**10,800,864**	**13,142,591**
Loans	6,043,090	6,043,090	—
Other Debt Instruments	—	10,800,864	13,142,591
Other Liabilities	**2,595,551**	**4,705,685**	**4,277,371**
Shareholders' Equity	**21,825,052**	**33,152,700**	**46,463,725**
Paid-in capital	2,800,000	2,800,000	2,800,000
Capital Reserves	15,665	15,631	25,546
Share Premium	1,007	1,007	1,007

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Share Cancellation Profits	—	—	—
Other Capital Reserves	14,658	14,624	24,539
Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss	3,748,737	4,389,411	5,459,921
Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss	257,542	349,100	1,092,869
Profit Reserves	7,745,308	14,793,249	24,900,972
Legal Reserves	644,594	664,389	661,745
Status Reserves	75,641	75,641	75,641
Extraordinary Reserves	7,022,154	14,050,300	24,160,667
Other Profit Reserves	2,920	2,919	2,919
Profit Or Loss	6,854,098	10,228,073	11,409,231
Prior Years' Profit/Loss	(101,946)	6,091	85,514
Current Year Profit/Loss	6,965,044	10,221,982	11,323,717
Non-Controlling Interests	403,702	577,236	775,186
Total Liabilities and Equity	**180,913,852**	**237,528,982**	**334,293,518**

Assets

As of 31 December 2025, the Group had total assets of TL 334.3 billion, a 40.7 per cent. increase from TL 237.5 billion as of 31 December 2024.

Cash and Balances with the CBRT

As of 31 December 2025, the amount of the Group's cash and balances with the CBRT was TL 5,703 million, a 98.0 per cent. decrease compared to TL 2,880 million as of 31 December 2024.

Loans and Leasing Receivables

Loans and advances to customers represent the largest component of the Group's assets. As discussed below, there are several important characteristics of the Group's loan portfolio, including diversification based upon sector, type of borrower, maturity and currency. In the medium-term, the Bank plans to focus on infrastructure, renewable energy, energy and resource efficiency investments, as well as loans to SMEs and mid-caps, including financing to promote healthcare, education services and the empowerment of women. During the medium-term, the Bank aims to maintain its market share while improving its profitability, asset quality and cost efficiency and sustaining efficient capital See "*Business of the Group – Strategy*".

As of 31 December 2025, the Group had loans and lease receivables of TL 240.4 billion (71.9 per cent. of total assets), an increase of 42.0 per cent. compared to TL 169.3 billion (71.3 per cent. of total assets) as of 31

December 2024, and the Group had TL 131.7 billion (72.8 per cent. of total assets) as of 31 December 2023. The Group's loans and lease receivables, less allowance for possible losses, increased by 42.5 per cent. as of 31 December 2025 compared to year-end 2024, which itself reflected a 27.9 per cent. increase compared to year-end 2023. The Bank's foreign exchange adjusted loan growth in the year ended 31 December 2025 is 11.2 per cent.

In addition to loans, the Group had outstanding guarantees amounting to TL 34.1 billion and letter of guarantees amounting to TL 15.0 billion as of 31 December 2025 (TL 21.6 billion and TL 8.6 billion, respectively, as of 31 December 2024).

As of 31 December 2025, the average effective interest rates charged to borrowers on loans were 6.1 per cent. for EUR and 8.4 per cent. for USD (7.3 per cent. and 9.2 per cent. respectively in EUR and USD as of 31 December 2024, 8.5 per cent. and 9.9 per cent. respectively in EUR and USD as of 31 December 2023). TL loan rates were 48.8 per cent. (56.7 per cent. as of 31 December 2024 and 35.6 per cent. as of 31 December 2023).

Sector of Loans

The following table shows the distribution of the Group's loan portfolio by sector as of the dates indicated:

	As of 31 December					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(TL thousands, except percentages)					
Agriculture	85,207	0.07	81,343	0.05	1,227,595	0.55
Industry	86,709,745	68.13	112,156,875	67.90	162,817,910	69.71
Mining and Quarrying	1,771,012	1.39	1,145,056	0.69	810,757	0.35
Manufacturing	34,588,255	27.18	48,318,371	29.25	80,311,534	34.38
Electricity, Gas, Water	50,350,478	39.56	62,693,448	37.95	81,695,619	34.98
Construction	3,112,338	2.45	5,464,268	3.31	8,920,107	3.82
Services[1]	34,617,413	27.20	41,136,820	24.90	50,292,228	21.53
Wholesale and Retail Trade	481,012	0.38	1,594,298	0.97	2,273,593	0.97
Hotel and Restaurant Services	3,636,934	2.86	5,041,825	3.05	6,147,825	2.63
Transportation and Communication	11,172,162	8.78	10,333,748	6.26	11,043,442	4.73
Financial Institutions	13,351,262	10.49	14,736,143	8.92	19,196,183	8.22
Real Estate and Rental Services	579,957	0.46	2,334,131	1.41	2,089,270	0.89
Self-Employed Services	—	—	—	—	—	—
Educational Services	488,087	0.38	315,299	0.19	265,757	0.11
Health and Social Services	4,907,999	3.86	6,781,376	4.11	9,276,158	3.97
Other	2,745,984	2.16	6,346,791	3.84	10,270,453	4.40
Performing Loans	127,270,687	100	165,186,095	100	233,578,293	100
Lease Receivables	452,370	—	417,553	—	1,148,738	—
Non-performing Loans	3,946,128	—	3,680,485	—	5,721,092	—

	As of 31 December					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(TL thousands, except percentages)					
Loans and Lease Receivables	131,669,185	—	169,284,135	—	240,448,123	—
Allowance for Loan Losses	8,269,962	—	8,083,580	—	10,684,298	—
Net Loans and Lease Receivables	123,399,223	—	161,220,756	—	229,763,825	—

Note:

(1) Services includes the sum of wholesale and retail trade, hotel and restaurant services, transportation and communication, financial institutions, real estate and rental services, self-employed services, educational services and health and social services.

Currency of Loans

As of 31 December 2025, cash loans in foreign currency comprised 93.8 per cent. of the Group's loan portfolio (of which U.S. Dollar- and Euro-denominated obligations were the most significant), compared to 91.8 per cent. as of 31 December 2024 and 92 per cent. as of 31 December 2023.

The following table sets out an analysis by currency of the exposure of the Group's loan portfolio (including interest and other accruals) as of the dates indicated.

	As of 31 December					
	2023		2024		2025	
	(TL thousands, except percentages)					
Cash Loans						
Turkish Lira	10,205,968	8.02 %	13,571,453	8.22 %	14,413,355	6.17 %
Foreign Currency(1)	117,064,719	91.98 %	151,614,644	91.78 %	219,164,938	93.83 %
U.S. Dollars	65,684,424	51.61 %	82,745,405	50.09 %	95,546,683	40.91 %
Euro	51,380,295	40.37 %	68,869,239	41.69 %	123,618,255	52.92 %
Other	—	—	—	—	—	—
Cash Loans	127,270,684	100 %	165,186,095	100 %	233,578,293	100 %
Non-cash Loans						
Letters of Guarantee	8,101,351	66.28 %	8,626,888	39.95 %	14,986,989	43.95 %
Turkish Lira	2,378,872	19.46 %	5,808,518	26.90 %	1,467,659	4.30 %
Foreign Currency	5,722,479	46.82 %	2,818,370	13.05 %	13,519,330	39.64 %
Acceptance Credits	—	—	131,339	0.61 %	546,172	1.60 %
Turkish Lira	—	—	—	—	—	—
Foreign Currency	—	—	131,339	0.61 %	546,172	1.60 %

	As of 31 December								
	2023			2024			2025		
	(TL thousands, except percentages)								
Letters of Credit	4,121,492	33.72	%	12,837,111	59.44	%	18,569,754	54.45	%
Turkish Lira	129,703	1.06	%	532,051	2.46	%	—	—	%
Foreign Currency	3,991,789	32.66	%	12,305,060	56.98	%	18,569,754	54.45	%
Other Guarantee	—	—		—	—		—	—	
Turkish Lira	—	—		—	—		—	—	
Foreign Currency	—	—		—	—		—	—	
Non-cash Loans	12,222,843	100	%	21,595,338	100	%	34,102,915	100	%
Total	131,216,815	100	%	186,781,433	100	%	267,681,208	100	%

Note:

(1) Foreign currency loans include foreign currency indexed loans.

Securities Portfolio

Since 1 January 2018, the Group's securities portfolio comprises trading securities (i.e., debt and equity securities that the Group principally holds for the purpose of short-term profit taking, which are reflected on the balance sheet as "financial assets at fair value through profit or loss") and investment securities (i.e. financial assets measured at amortised cost securities and financial assets at fair value through other comprehensive income securities). The Group also enters into purchases (or sales) of securities under agreements to resell (or repurchase) substantially identical investments at a certain date in the future at a fixed price (i.e., "repos"). Securities sold under repurchase agreements continue to be recognised in the balance sheet and are measured in accordance with the accounting policy for the related security portfolio as appropriate. The Group's portfolio of marketable securities consists primarily of Turkish government securities (including bonds, treasury bills and Eurobonds) denominated in Turkish Lira, U.S. Dollars and Euro.

As of 31 December 2025, the size of the Group's aggregate securities portfolio (securities portfolio, excluding financial asset at fair value through profit or loss) was TL 54.6 billion, which is an increase of 28.4 per cent. from TL 42.52 billion as of 31 December 2024 which, in turn, increased 48.4 per cent. from TL 28.7 billion as of 31 December 2023.

As of 31 December 2025, the Group's securities portfolio constituted 16.3 per cent. of the Group's total assets, compared to 17.9 per cent. and 15.8 per cent., respectively, as of 31 December 2024 and 2023.

Pursuant to market practice, the Group pledges securities to acquire funding under security repurchase agreements. The securities so pledged amounted to TL 17.3 billion as of 31 December 2025, TL 14.9 billion as of 31 December 2024 and TL 13.2 billion as of 31 December 2023, respectively, comprising 31.8 per cent., 66.7 per cent. and 46.1 per cent., respectively, of the Group's securities portfolio on such dates. Such securities are included in the tables in this section. The remaining repurchase agreements are used to fund other Turkish Lira-denominated assets such as Turkish Lira-denominated loans and money market transactions. As of 31 December 2025, the whole security portfolio was funded by the Bank's equity.

The following tables set out breakdowns of securities portfolio held by the Group as of the dates indicated:

	As of 31 December		
	2023	**2024**	**2025**
	(TL thousands)		
Other Financial Assets Measured at Amortised Cost	18,894,112	24,219,715	27,380,448
Financial Assets at Fair Value Through Other Comprehensive Income	9,766,338	18,304,526	27,220,947
Financial Assets At Fair Value Through Profit And Loss	409,358	1,650,591	3,830,949
Securities Portfolio	29,069,808	44,174,832	58,432,344

	As of 31 December		
	2023	**2024**	**2025**
	(TL thousands)		
Turkish Lira-denominated securities	12,653,805	24,007,693	33,208,811
Foreign currency-denominated and indexed securities	16,416,003	20,167,139	25,223,533
Securities Portfolio	29,069,808	44,174,832	58,432,344

	As of 31 December		
	2023	**2024**	**2025**
	(TL thousands)		
Government debt securities[(1)]	27,724,573	40,836,345	52,171,378
Other marketable debt securities	420,811	2,200,861	4,044,359
Equity shares	924,424	1,137,626	2,216,607
Securities Portfolio	29,069,808	44,174,832	58,432,344

Note:

(1) Government debt securities include Turkish government bonds, treasury bills and Eurobonds.

Investment Securities

Since 1 January 2018, investment securities comprise financial assets at fair value through other comprehensive income securities and financial assets measured at amortised cost securities. Financial assets measured at amortised cost are financial assets with fixed or determinable payments and fixed maturities that

the Group intends and has the ability to hold to maturity. Financial assets at fair value through other comprehensive income securities are financial assets that are not held-for-trading purposes or held-to-maturity. Financial assets at fair value through other comprehensive income instruments include certain debt and equity investments. The Group classifies investment securities depending on the intention of management at the time of the purchase thereof, though a reclassification is possible if the intention of management later changes.

As of 31 December 2025, the size of the Group's investment portfolio was TL 58.4 billion, an increase of 32.3 per cent. from TL 44.2 billion as of 31 December 2024 which, in turn, increased 51.8 per cent. from TL 29.1 billion as of 31 December 2023.

As of 31 December 2025, 89.3 per cent. of the Group's securities portfolio consisted of government securities. As of such date, the Group's TL 52.2 billion of Turkish government securities represented 112.3 per cent. of the Group's shareholders' equity.

(a) Financial Assets Measured at Amortised Cost Portfolio

The Group's portfolio of financial assets measured at amortised cost securities consists of Turkish government bonds and Eurobonds. As of 31 December 2025, Financial Assets Measured at Amortised Cost portfolio was 46.9 percent of the Group's securities portfolio amounting to TL 27.4 billion.

(b) Financial Assets at Fair Value Through Other Comprehensive Income Portfolio

The Group's portfolio of financial assets at fair value through other comprehensive income consists of Turkish government bonds and treasury bills, Turkish private sector bonds and Eurobonds, foreign Eurobonds and equity shares. The following table sets out certain information relating to the Group's portfolio of financial assets at fair value through other comprehensive income securities as of the dates indicated:

	As of 31 December					
	2023		2024		2025	
	(TL thousands, except percentages)					
Government debt securities[1]	8,830,461	90.41 %	16,616,630	90.78 %	24,790,930	91.07 %
Other marketable debt securities[2]	18,893	0.19 %	550,416	3.01 %	407,535	1.50 %
Equity shares	916,984	9.39 %	1,137,480	6.21 %	2,022,482	7.43 %
FVOCI	9,766,338	100 %	18,304,526	100 %	27,220,947	100 %

Notes:

(1) Government debt securities include Turkish government bonds, treasury bills and Eurobonds.

(2) Includes private sector debt securities and mutual funds.

As of 31 December 2025, the size of the Group's financial assets at fair value through other comprehensive income securities portfolio was TL 27.2 billion. As of 31 December 2024, the size of the Group's financial assets at fair value through other comprehensive income securities portfolio was TL 18.3 billion. As of 31 December 2023, the size of the Group's financial assets at fair value through other comprehensive income securities portfolio was TL 9.8 billion.

The average interest rates on the Group's financial assets at fair value through other comprehensive income securities portfolio as of 31 December 2025 were: (a) for Turkish Lira-denominated securities, 40.9 per cent., (b) for U.S. Dollar-denominated securities, 6.4 per cent., and (c) for Euro-denominated securities, 4.5 per cent.

The average interest rates on the Group's financial assets at fair value through other comprehensive income securities portfolio for the years ended 31 December 2024 and 2023 were: (a) for Turkish Lira-denominated securities, 45.9 per cent. and 43.3 per cent., respectively, (b) for U.S. Dollar-denominated securities, 6.4 per cent. and 6.6 per cent., respectively, and (c) for Euro-denominated securities, 4.6 per cent. and 4.6 per cent., respectively.

The average interest rates on the Group's financial assets measured at amortised cost securities portfolio as of 31 December 2025 were: (a) for Turkish Lira-denominated securities, 19.8 per cent., (b) for U.S. Dollar-denominated securities, 8.1 per cent., and (c) for Euro-denominated securities, 5.8 per cent.

Trading Securities

As noted above, trading securities are debt and equity securities that the Group principally holds for the purpose of short-term profit taking. These include investments and derivative contracts that are not designated as effective hedging instruments under Turkish law. All trading derivatives in a net receivable position (positive fair value) are reported as derivative financial assets, whereas all trading derivatives in a net payable position (negative fair value) are reported as derivative financial liabilities.

After initial recognition, securities that are classified as held-for-trading are measured at estimated fair value. Changes in the estimated fair value are included in the Group's Statements of income included elsewhere in this Base Prospectus within gains less losses from securities. In determining estimated fair value, trading securities are valued at the last trade price (if quoted on an exchange (e.g., BİST)). When market prices are not available, fair value is determined by the internal rate of return method.

The following tables set out a breakdown of the Group's trading portfolio as of the dates indicated:

	As of 31 December								
	2023			2024			2025		
	(TL thousands, except percentages)								
Government debt securities[1]	—	—		—	—		—	—	
Other marketable debt securities	401,918	98.18	%	1,650,445	99.99	%	3,636,824	94.93	%
Equity shares	7,440	1.82	%	146	0.01	%	194,125	5.07	%
Trading Portfolio	**409,358**	**100**	**%**	**1,650,591**	**100**	**%**	3,830,949	100	%

Note:

(1) Government debt securities include Turkish government bonds, treasury bills and Eurobonds.

As of 31 December 2025, the size of the Group's trading securities portfolio increased by 132 per cent. to TL 3,831 million from TL 1,651 million as of 31 December 2024, an increase of 303 per cent. as compared to TL 409 million as of 31 December 2023. The changes in the trading securities portfolio are attributable to the actions taken by the Group to benefit from price or rate changes.

Liabilities

As of 31 December 2025, the Group had total liabilities and equity of TL 334.3 billion, an increase of 40.7 per cent. from TL 237.5 billion as of 31 December 2024.

As of 31 December 2025, the Group had TL 10.7 billion in money market balances, and TL 193.6 billion in funds borrowed.

Shareholders' Equity

As of 31 December 2025, the Group's shareholders' equity amounted to 13.9 per cent. of the Group's total assets, compared to 14.0 per cent. as of 31 December 2024. Both retained profit and market to market gains and losses from financial assets at fair value through other comprehensive income investments contributed to the change in shareholders' equity. Total shareholders' equity was TL 21.8 billion, TL 33.2 billion and TL 46.5 billion as of 31 December 2023, 2024 and 2025, respectively.

Off-Balance Sheet Arrangements

The aggregate amount of off-balance sheet arrangements, comprising guarantees, letters of credit and similar obligations, totalled TL 331.5 billion as of 31 December 2025 and TL 227.2 billion as of 31 December 2024. Additional information regarding the Group's off-balance sheet arrangements is set forth in "*Contingencies and Commitments*" below.

Capital Adequacy

Each of the Bank and the Group is required to comply with capital adequacy guidelines promulgated by the BRSA, which are based upon the guidelines adopted by the Basel Committee on Banking Regulations and Supervision Practices of the Bank for International Settlements. The Bank complies with the BRSA regulations on capital adequacy which include, but are not limited to, Basel III regulations. The Bank will fully comply with Basel III regulations when these regulations are adopted and put into force by BRSA in full. Such guidelines require banks to maintain adequate levels of regulatory capital against risk-bearing assets and off-balance sheet exposures (commitment and contingencies). In accordance with these guidelines, each of the Bank and the Group must maintain a total capital ratio in excess of 8 per cent. of risk weighted assets/exposures calculated in accordance with BRSA regulations. In addition, as a prudential requirement, the BRSA requires a target capital adequacy ratio that is 4 per cent. higher than the legal capital ratio.

Within the context of the implementation of the Basel III framework in Türkiye, on 1 January 2014, the Regulation on Equities of Banks published in the Official Gazette No. 26333 dated 1 November 2006 (the "**2006 Equity Regulation**") regarding the capital of the banks through the end of 2013 was replaced by the 2013 Equity Regulation. Under the 2013 Equity Regulation, Tier I capital is divided into core Tier I capital and additional Tier I capital. In connection with such classification, the regulation amending the Regulation on the Measurement and Evaluation of the Capital Adequacy of Banks, which also entered into effect on 1 January 2014, introduced new ratios for the evaluation of capital adequacy. Under the provisions of these amendments, the minimum required total capital ratio remains at 8 per cent. while the core capital adequacy ratio and Tier I capital adequacy ratio are 4.5 per cent. and 6 per cent., respectively. Each of the Bank and the Group currently satisfies the capital requirements of the BRSA.

The BRSA published the 2015 Capital Adequacy Regulation, which entered into force on 31 March 2016, replacing the 2012 Capital Adequacy Regulation. The 2015 Capital Adequacy Regulation sustains the capital adequacy ratios introduced by the former regulation, but changes the risk weights of certain items. In addition, regulatory changes include BRSA Letter No. 10513 dated 12 August 2018 providing that the valuation differences of the securities included in the "Financial Assets at Fair Value through Other Comprehensive Income" portfolio shall be calculated in accordance with the regulation and shall not be taken into consideration in the equity amount in the capital adequacy ratio calculation as of 12 August 2018. Several amendments have been introduced by the BRSA since such date and, as further detailed under "*Turkish Regulatory Environment - Additional Regulatory Measures Related to COVID-19*" the BRSA announced rules allowing banks to: (a) use the Central Bank's foreign exchange buying rates as of 28 June 2024 starting from 1 January 2025, until otherwise decided by the BRSA (replacing earlier rules allowing the use of the Central Bank's foreign exchange buying rates as of 31 December 2021, 30 December 2022 and then 26 June 2023) and (b) when making capital calculations, avoid the inclusion of mark-to-market losses on securities booked in the "financial assets at fair value through other comprehensive income" portfolio. By virtue of the BRSA Decision dated 13 November 2025 and numbered 11286, the application of this rule was terminated as of 1 January 2026. As of 31 December 2025, 2024 and 2023, the Group's total capital adequacy ratio was 25.0 per cent., 26.4 per cent. and 25.9 per cent., respectively. The Bank intends to maintain its (and the Group's) capital ratios in excess of those required by both Turkish law and internal risk limits determined by Board of Directors (see "*Risk Management*").

The following table sets out information on the Group's capital and its capital adequacy ratios as of the indicated dates, calculated in accordance with Basel III.

	As of 31 December		
	2023	**2024**	**2025**
	(TL thousands, except percentages)		
Paid-in capital	2,800,000	2,800,000	2,800,000
Paid-in capital inflation adjustments	14,658	14,624	24,539
Profit reserves	7,745,308	14,793,249	24,900,972
Profit	6,854,098	10,228,073	11,409,231
Tier I Capital (I)	26,997,823	42,686,239	57,938,164
Tier II Capital (II)	1,222,464	1,882,408	2,693,900
Deductions (III)	—	—	—
Own Funds (I+II-III)	28,220,287	44,568,647	60,632,064
Risk Weighted Assets (including market and operational risk)	108,714,184	168,595,101	242,391,992
Capital Ratios:			
Tier I Ratio	24.83 %	25.32 %	23.90 %
Total Capital Adequacy Ratio[(1)]	25.96 %	26.44 %	25.01 %

Notes:

(1) The Group's own funds as a percentage of its risk-weighted assets.

The increases in the Group's capital in each of these periods represented the growth in the Group's retained earnings, which are the profits that have not been distributed as cash dividends. The Bank's Tier I ratio stood at 23.90 per cent. (including forbearances, as compared to 25.32 per cent. excluding forbearances) and its total Capital Adequacy Ratio stood at 25.01 per cent. (including forbearances, as compared to 26.44 per cent. excluding forbearances), in each case as of 31 December 2025.

Non-Financial Subsidiaries

As of 31 December 2025, the non-financial subsidiaries of the Bank were TSKB Gayrimenkul Değerleme A.Ş., Terme Metal Sanayi ve Ticaret A.Ş., Ege Tarım Ürünleri Lisanslı Depoculuk A.Ş., TSKB Sürdürülebilirlik Danışmanlığı A.Ş and Anavarza Otelcilik Anonim Şirketi. These non-financial subsidiaries are not consolidated in the consolidated BRSA Financial Statements; however, Ege Tarım Ürünleri Lisanslı Depoculuk A.Ş. and TSKB Sürdürülebilirlik Danışmanlığı A.Ş. are shown under the "Investments in Associates" and "Investments in Subsidiaries" line items at their book values in the consolidated BRSA Financial Statements. If dividends are received from these non-financial subsidiaries, then such dividends are reflected in the applicable period's statement of profit or loss of the consolidated BRSA Financial Statements.

The following tables set forth certain information regarding these non-financial subsidiaries. For a discussion of the differences between the BRSA Financial Statements and the IFRS financial statements, see Appendix 1 – "*Overview of Significant Differences Between IFRS and BRSA Accounting Principles*".

TSKB Gayrimenkul Değerleme A.Ş.

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Total Assets	115,600	164,333	206,058
Total Liabilities	28,476	49,081	63,309
Profit/(loss) for the period	27,564	43,893	43,893

TSKB Sürdürülebilir Danışmanlık A.Ş.

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Total Assets	17,222	24,244	39,540
Total Liabilities	3,329	6,110	10,081
Profit/(loss) for the period	3,366	4,315	4,315

Terme Metal Sanayi ve Ticaret A.Ş.

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Total Assets	7,697	26,512	32,333
Total Liabilities	2,871	2,978	2,978
Profit/(loss) for the period	(9)	(11)	(9)

Ege Tarım Ürünleri Lisanslı Depoculuk A.Ş.

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Total Assets	76,514	218,374	83,426
Total Liabilities	41,194	166,958	34,018
Profit/(loss) for the period	14,218	15,999	(2,008)

Anavarza Otelcilik Anonim Şirketi

	As of (or for the year ended) 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Total Assets	52,692	84,288	163,875
Total Liabilities	26,576	31,076	41,215
Profit/(loss) for the period	21,433	27,085	48,955

Liquidity and Funding

The Group's principal sources of borrowing are funds borrowed, money market balances and subordinated loans, of which a total of 44.3 per cent. is provided by the World Bank Group and the European Investment Bank as of 31 December 2025. As of 31 December 2025, 61.5 per cent. (60.2 per cent. as of 31 December 2024) of the Group's foreign currency-denominated borrowings were sourced from international banks and DFIs**.** For its other funding, the Bank's strategy has been largely to utilise money market funds (including repos), issuances of debt securities, bilateral loans and syndicated loans, although this approach is subject to change, depending upon market opportunities and changes in prevailing rates and other funding sources. For

further discussion on the Group's risk management policies relating to funding, see, "*Risk Management – Liquidity and Funding*".

As of 31 December 2025, the Bank's total foreign currency-denominated borrowings constituted 80.7 per cent. of its consolidated assets (79.0 per cent. as of 31 December 2024). In addition, 48.5 per cent. of the Bank's long-term funds were guaranteed by the Turkish Treasury as of 31 December 2025 (49.6 per cent. as of 31 December 2024). Development and investment banks (such as the Bank) are exempt from reserve requirements for their funding guaranteed by the Turkish Treasury.

The tables below set out the Group's principal borrowings (including principal sources of funding) as of the dates indicated:

	As of 31 December								
	2023			2024			2025		
	TL	Foreign Currencies	Total	TL	Foreign Currencies	Total	TL	Foreign Currencies	Total
	(TL thousands)								
Funds Borrowed	175,418	106,675,692	106,851,110	20,916	123,981,589	124,002,505	2,726,682	190,891,683	193,618,365
Money Market Balance	1,502,958	2,224,922	3,727,880	4,814,176	1,319,277	6,133,453	5,615,593	5,042,268	10,657,861
Marketable securities issued (net)	1,921,359	32,227,091	34,148,450	1,950,424	51,561,928	53,512,352	—	60,593,749	60,593,749
Subordinated Debt Instruments	—	6,043,090	6,043,090	—	10,800,864	10,800,864	—	13,142,591	13,142,591
Borrowings	**4,018,136**	**147,170,795**	**150,770,090**	**6,785,516**	**187,663,658**	**194,449,174**	**8,342,275**	**269,670,291**	**278,012,566**

The Group's borrowings constituted in aggregate 83.2 per cent., 81.9 per cent. and 83.3 per cent. of its total liabilities and equity as of 31 December 2025, 2024 and 2023, respectively. As of 31 December 2025, the Group's borrowings amounted to TL 278.0 billion, an increase of 43.0 per cent. from TL 194.4 billion as of 31 December 2024, itself an increase of 28.6 per cent. from TL 150.7 billion as of 31 December 2023.

For tables setting out the maturity structure of the Group's loans with a breakdown of the source of borrowings for the years ended 31 December 2023, 2024 and 2025, see Note II.3 in Section Five of the BRSA Financial Statements incorporated by reference hereto.

The Group's money market balances constituted 2.1 per cent., 2.6 per cent. and 3.2 per cent. of the Group's total liabilities and equity as of 31 December 2023, 2024 and 2025, respectively, and marketable securities issued (net), which accounted for 18.1 per cent. and 22.5 per cent. as of 31 December 2025 and 31 December 2024 respectively.

The tables below set out the Group's funds borrowed and subordinated loans from banks and other institutions, by type of institution, as of the dates indicated:

	As of 31 December					
	2023		2024		2025	
	TL	Foreign Currencies	TL	Foreign Currencies	TL	Foreign Currencies
	(TL thousands)					
Funds borrowed from financial institutions and organisations	—	—	—	—	—	—
Funds borrowed from the domestic banks and institutions	175,418	—	20,916	—	—	304,158
Funds borrowed from foreign banks, institutions and funds	—	106,675,692	—	123,981,589	2,726,682	190,587,525
Subordinated Debt Instruments	—	6,043,090	—	10,800,864	—	13,142,591
Total	175,418	112,718,782	20,916	134,782,453	2,726,682	204,034,274

The Bank's short-term funding, including syndicated loans, bilateral loans, repo and money market transactions, represented 4.1 per cent. of its outstanding funding base as of 31 December 2025. The table below sets out the Group's funds borrowed based upon their maturity as of the dates indicated:

	As of 31 December					
	2023		2024		2025	
	TL	Foreign Currencies	TL	Foreign Currencies	TL	Foreign Currencies
	(TL thousands)					
Short-term (one year or less)	175,418	601,435	20,916	—	2,726,682	50,077
Medium and Long-term	—	106,074,257	—	123,981,589	—	190,841,606
Total	175,418	106,675,692	20,916	123,981,589	2,726,682	190,891,683

Short-term borrowings from foreign banks principally include syndicated and bilateral loans along with money market transactions. Details of the Group's short-term borrowings as of 31 December 2025 are as follows:

Outstanding Principal	Final Maturity
EUR 8,800,000	27 April 2026
USD 25,000,000	01 May 2026
EUR 10,000,000	17 May 2026
EUR 112,800,000	6 August 2026

USD 76,000,000	6 August 2026
EUR 5,000,000	11 August 2027
EUR 25,000,000	11 August 2027
EUR 10,000,000	19 June 2028

Many of the Group's financing arrangements include provisions permitting the applicable creditors to require the accelerated repayment of the applicable indebtedness, including as a result of a breach of a financial or other covenant or the occurrence of a change of control. The Group monitors its compliance with its obligations under its financing arrangements in order to seek to avoid any such acceleration.

As of the date of this Base Prospectus, the Bank's management believes that the Bank's and the Group's liquidity is sufficient for its present requirements for at least the next 12 months from the date of this Base Prospectus.

Contingencies and Commitments

The Group's contingencies and commitments primarily consist of derivatives and the commitments to fund loans to customers. The following table summarises all of the Group's off-balance sheet contingencies and commitments as of the dates indicated. For additional information, please see the Group's consolidated BRSA Financial Statements.

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Guarantees and sureties	12,222,843	21,595,338	34,101,915
Loan funding and other commitments	12,483,154	20,020,399	38,510,603
Derivatives	137,784,809	185,638,133	258,879,755
Total Contingencies and Commitments	162,490,806	227,253,870	331,493,273

Guarantees

The Group offers its customers products such as guarantees and letters of credit to meet its customers' needs for commercial banking services, frequently in connection with the customers' export and import activities. These products do not appear on the Group's balance sheet.

As of 31 December 2025, the Group had outstanding (issued) letters of credit amounting to TL 18,569,754 thousand and guarantees amounting to TL 14,986,989 thousand.

The table below sets forth the Group's total off-balance sheet guarantees and sureties as of the indicated dates.

	As of 31 December		
	2023	**2024**	**2025**
	(TL thousands)		
Letters of guarantee	8,101,351	8,626,888	14,986,989
Acceptance credits	—	131,339	546,172
Letters of credit	4,121,492	12,837,111	18,569754
Other guarantees[(1)]	—	—	—
Total	12,222,843	21,595,338	34,102,915

Note:

(1) Includes endorsements.

Derivatives

The Group enters into forward, swap and option transactions to provide hedging services for itself and its clients. The table below sets forth the Group's total derivative transactions, by currency, as of the dates indicated.

	As of 31 December 2025					
	Buy			Sell		
	TL	**Foreign Currency**	**Total**	**TL**	**Foreign Currency**	**Total**
			(TL thousands)			
Forward foreign exchange contracts	2,238,669	9,057,101	11,295,770	2,216,394	9,050,774	11,267,168
Currency swaps	989	49,169,129	49,170,118	18,101,661	30,172,422	48,814,083
Interest rate swaps	1,698,713	21,728,097	23,426,810	1,698,713	21,728,097	23,426,810
Currency options	362,002	612,821	974,823	362,002	612,549	974,551
Interest rate options	—	—	—	—	—	—
Others	—	—	—	—	—	—

	As of 31 December 2024					
	Buy			Sell		
	TL	Foreign Currency	Total	TL	Foreign Currency	Total
			(TL thousands)			
Forward foreign exchange contracts	268,295	183,357	451,652	118,364	341,130	459,494
Currency swaps	853,917	28,963,582	29,817,499	11,767,384	17,124,992	28,892,376
Interest rate swaps	2,142,556	26,086,429	28,228,985	2,142,556	26,086,429	28,228,985
Currency options	22,150	108,083	130,233	22,150	108,058	130,208
Interest rate options	—	—	—	—	—	—
Others	—	—	—	—	—	—

	As of 31 December 2023					
	Buy			Sell		
	TL	Foreign Currency	Total	TL	Foreign Currency	Total
			(TL thousands)			
Forward foreign exchange contracts	506,702	64,395	571,097	—	537,547	537,547
Currency swaps	4,944	19,862,066	19,867,010	13,148,219	6,935,939	20,084,158
Interest rate swaps	25,778	28,942,693	28,968,471	25,778	28,942,693	28,968,471
Currency options	—	—	—	—	—	—
Interest rate options	—	—	—	—	—	—
Futures	—	—	—	—	—	—
Others	—	—	—	—	—	—

Property, Plant and Equipment

The table below sets forth the components of the Group's consolidated property, plant and equipment as of the indicated dates.

	As of 31 December		
	2023	2024	2025
		(TL thousands)	
Buildings	2,144,569	2,990,258	3,926,718
Vehicles	15,028	19,503	54,299

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Other[(1)]	159,637	260,109	443,662
Accumulated depreciation	(81,979)	(113,135)	(168,727)
Tangible assets (net)	**2,237,255**	**3,156,735**	**4,255,952**

Note:

(1) Assets held under finance leases, right to use securities – real estate, assets held for resale, office equipment, furniture and fixtures are shown under "Other".

BUSINESS OF THE GROUP

Overview

The Bank is a Turkish banking institution organised as a joint stock company under the Turkish Commercial Code (No. 6102). The Bank is headquartered in Istanbul and the telephone number for the Issuer's headquarters is +90 212 334 5050. The Bank is the first privately owned development and investment bank in Türkiye and, as of 31 December 2025, held a 11.3 per cent. share of the total assets among Turkish development and investment banks according to the BRSA. As of 31 December 2025, the market capitalisation of the Bank (MCAP) is TL 34.6 billion. The Bank, largely in co-operation with DFIs, is principally involved in promoting the development of the Turkish economy by providing long-term funds for the domestic and international investments of Turkish companies, primarily through foreign currency-denominated loans. As well as supporting private sector investments (mostly in industrial sectors), part of the Bank's original and continuing mandate and strategy is to assist domestic and foreign capital owners to finance the development of new businesses in Türkiye and to contribute to improvements in Turkish capital markets.

The Group is also involved in capital market brokerage services, portfolio management and corporate finance advisory services. The Group's investment banking activities include advisory services for public offerings, bond issuances and mergers and acquisitions. The Group's strategic advisory activities include providing company appraisal services, feasibility studies and restructuring services. The Group also provides advisory services to domestic and foreign corporations, including locating strategic or financial partners and advising on company mergers and privatisations. The Bank operates in three main business segments: (a) Corporate Banking, which includes the Project Finance and Corporate Marketing departments, (b) Investment Banking and (c) Advisory Services. The Bank has one branch in Ankara, as well as its principal İstanbul office.

The Bank is the first Turkish-owned bank certified to ISO 14001 (the International Organisation for Standardisation's certificate for Environment Management Systems) based upon its environmental management system. The Bank's dedication to sustainability dates back to 1980, when it introduced environmental standards in its credit evaluation process. In 2005, the Bank developed its own Environmental and Social Risk Evaluation tool ("**ERET**") in order to rate projects irrespective of sector or loan size including both investment and working capital loans. The Bank has extended a large portfolio of loans to energy efficiency, resource efficiency and various types of renewable energy projects; however, the Bank is focused on further diversifying its loan portfolio. With its numerous environmental and renewable-energy related projects, the Bank is also the first and only Turkish bank to be granted the "Financial Times Sustainable Emerging Markets Bank of the Year" award for Eastern Europe.

In 2023, TSKB won the "Low Carbon Heroes Award" from the Sustainable Production and Consumption Association, was selected as the "Local Currency Debt House of the Year" by Bonds, Loans & ESG Capital Markets CEE, CIS & Türkiye Awards and was awarded the "100th Year Communication Projects Category" award by PR Felis. In addition, TSKB received the "Best Project Finance Bank in Central and Eastern Europe" award from EMEA Finance. At the 2023 İstanbul Marketing Awards, the Bank was recognised for its "Special Communication Studies for the 100th Anniversary of the Republic" and "Annual Report Design." TSKB was awarded "Best Advance in Coaching and Mentoring," "Best Advance in Talent Acquisition Process" and "Best Benefits, Wellness and Well-Being Program" by the 2023 Brandon Hall Excellence Awards. Further, the Bank was selected as "Türkiye's Best Bank in the Field of Sustainable Development"

and “Türkiye's Best Corporate Sustainability Strategy” at the Global Banking and Finance Awards. TSKB also earned the “Standard of Excellence Award in Banking Category” from WebAward and received two ARC Awards: the “Gold Award for Non-Traditional Integrated Annual Reports” and the “Silver Award for Specialized Annual Reports.”

In 2024, TSKB continued to receive recognition across various fields. At the 2024 İstanbul Marketing Awards, the Bank was honoured in the “Annual Report & Design” category, while at the ARC Awards, the Bank won the “Illustrations: Integrated AR & CSR: Non-Traditional Gold Award.” In addition, TSKB was recognised at the Hammers Awards, earning the Silver Award for “Best Team in Social Solidarity” and the Bronze Award for “Best Team for Supporting Culture, Arts, and Sports.”

TSKB's commitment to sustainability was acknowledged with the “Sustainable Business Reporting Award” at the 2024 Sustainable Business Awards. The Bank also received multiple accolades at the Brandon Hall Awards, including Bronze for “Best Use of Social/Collaborative Learning,” Bronze for “Best Extended Enterprise Learning Program,” Gold for “Best Employee Engagement,” Gold for “Best Unique or Innovative Development Program,” Gold for “Best Recruitment Marketing and Employer Branding Program” and Gold for “Best Unique or Innovative HR Program.” Further emphasising its dedication to education and culture, TSKB was honoured with the “Aydın Advanced Library and Contribution to Reading Culture Award” for its 100th Anniversary Republican Libraries initiative.

In 2025, TSKB received multiple international awards across communication, finance, human resources and sustainability. The Bank won the “Best Podcast in Brand Communication” award at the İstanbul Marketing Awards, while at the GBM Awards it was honoured with “CEE, Central Asia and Türkiye Local Currency Loan Deal of the Year” and “Infrastructure and Project Finance House of the Year.” TSKB also received the “Local Loan House of the Year Award” at the PPP Awards. In human resources, TSKB earned three Silver Awards at the Globee Awards and two Silver and one Gold Award at the Stevie Awards. At the Brandon Hall Awards, the Bank received two Gold Awards and one Silver Award across talent management and career development categories. TSKB was also recognised with the “Best Integrated Report Award” by the Integrated Reporting Association Türkiye and the “Low Carbon Heroes Award” by the Sustainable Production and Consumption Association.

As of 31 December 2025, the Group had total assets of TL 334.3 billion, an increase of 40.7 per cent. from TL 237.5 billion as of 31 December 2024, which was an increase of 31.3 per cent. from TL 180.9 billion as of 31 December 2023. As of 31 December 2025, the Group had total shareholders’ equity of TL 46.5 billion, an increase of 40.2 per cent. from TL 33.2 billion as of 31 December 2024, which was an increase of 51.9 per cent. from TL 21.8 billion as of 31 December 2023. As of 31 December 2025, sustainable development goal (SDG) linked loans accounted for 92.3 per cent. of the Group’s total loan portfolio.

For the year ended 31 December 2025, the Group’s net profit was TL 11,427 million, a 10.3 per cent. increase from TL 10,357 million for the year ended 31 December 2024. For the year ended 31 December 2024, the Group’s net profit was TL 10,357 million, a 44.9 per cent. increase from TL 7,150 million for the year ended 31 December 2023. For the year ended 31 December 2025, the Group’s net interest income was TL 17,861 million, a 12.7 per cent. increase from TL 15,855 million for the year ended 31 December 2024. For the year ended 31 December 2024, the Group’s net interest income was TL 15,855 million, a 48.1 per cent. increase from TL 10,709 million for the year ended 31 December 2023. The Group’s total operating income was TL 14,240 million in 2023, TL 17,039 million in 2024 and TL 22,735 million in 2025, while its net period profit

from continuing operations was TL 7,150 million in 2023, TL 10,357 million in 2024 and TL 11,427 million in 2025.

As of 31 December 2025, the Group's reported total capital adequacy ratio was 25.0 per cent. and its Tier I capital adequacy ratio was 23.9 per cent., both as calculated in accordance with BRSA. As of the same date, the Group's shareholders' equity was TL 46,464 million, its liquid asset ratio (being the total amount of cash and balances with the CBRT, banks, financial assets at fair value through profit and loss, financial assets at fair value through other comprehensive income and financial assets measured at amortised cost divided by the Group's total assets) was 24.8 per cent. The Group's net operating income was TL 8,493 million in 2023, TL 12,856 million in 2024 and TL 13,603 million in 2025.

The Bank's shares have been quoted on the BİST since 1986. As of 31 December 2025, 51.4 per cent. of the Bank's shares were held by the İşbank Group (47.7 per cent. held directly by İşbank with the remainder held through its subsidiaries, comprising 1.9 per cent. held by Milli Reasürans, 0.9 per cent. by Anadolu Sigorta, 0.9 per cent. by Anadolu Hayat Emeklilik, 8.4 per cent. of the shares were held by Vakıfbank and 40.3 per cent. held by others).

Strengths

The Bank's management believes that the Group has a number of key strengths that enable it to compete effectively in the Turkish banking sector:

Strong Relationships with the World Bank and other DFIs

Since its founding, the Bank has worked in close cooperation with international institutions, such as the World Bank ("**IBRD**"), the European Investment Bank ("**EIB**"), European Investment Fund ("**EIF**"), Council of Europe Development Bank ("**CEB**"), Kreditanstalt für Wiederaufbau ("**KfW**"), Islamic Development Bank ("**IDB**"), French Development Agency ("**AFD**"), International Finance Corporation ("**IFC**"), European Bank for Reconstruction and Development ("**EBRD**"), Overseas Private Investment Corporation ("**OPIC**"), Japan Bank for International Cooperation ("**JBIC**"), the Austrian Development Bank ("**OeEB**") and the Asian Infrastructure Investment Bank ("**AIIB**"), Islamic Trade Finance Corporation ("**ITFC**") and the Italian National Promotional Institution ("**CDP**").

The DFIs have provided the Bank a strong funding base and a sustainable tenor advantage in comparison to commercial and other banks operating in Türkiye. The long-lasting relationship of the Bank with these DFIs and the longer tenor of their loans to the Bank have contributed to the Bank's ability to obtain, and thus provide, stable funding even in the periods of economic instability.

As of 31 December 2025, 52.3 per cent. of the Bank's long-term funds and 47.5 per cent. of the Bank's total funding, was provided with the benefit of a guarantee by the Turkish Treasury. The World Bank (which, in accordance with its constitutional documents, is only entitled to lend to institutions that benefit from a sovereign guarantee), EIB, CEB, IDB, JBIC and AIIB provide funding under a guarantee from the Turkish Treasury, the Bank also borrows without a state guarantee from the AFD, IFC, OeEB, EBRD and, since 2013, from KfW. As of 31 December 2025, the Bank's funding shares from DFIs were as follows: 46.9 per cent. from the IBRD, 3.4 per cent. from the EIB, 7.3 per cent, from KfW, 10.5 per cent. from the AIIB, 2.2 per cent. from the CDB, 3.1 per cent. from the IDB, 6.6 per cent. from the AFD, 0.1 per cent. from the CEB, 9.5 per cent. from the JBIC, 2.9 per cent. from the IFC, 5.8 per cent. from the EBRD and 1.7 per cent. from OeEB.

In coordination with DFIs, the Bank has financed or is currently financing new projects in a range of different areas, including energy efficiency, resource efficiency, renewable energy, logistics, sustainable tourism, export support, agribusiness, infrastructure, environment and women's employment.

In 2023, TSKB obtained U.S.$595 million funding through DFIs, including KfW, OeEB, IDB, JBIC and IBRD.

In 2024, TSKB obtained U.S.$714 million funding through DFIs, including EBRD, IFC, ITFC, CDP, AFD and IBRD.

In 2025, TSKB obtained U.S.$1.1 billion funding through DFIs, including AIIB, OeEB, EBRD, OPEC, KfW and IBRD.

Relationship with İşbank Provides Access to Significant Expertise

As of 31 December 2025, İşbank Group held 51.37 per cent. (47.68 per cent. directly by İşbank) of the Bank's outstanding shares and it has the power to elect the Bank's Board of Directors at the General Assembly of Shareholders where the Directors can be appointed by the majority of the shareholders pursuant to Turkish Commercial Code. While the representatives of İşbank do not interfere with the Bank's business, the Group benefits from its Board members' significant expertise in developing the Bank's strategy and business as well as in accessing information regarding the Bank's borrowers or potential borrowers that also work with İşbank, which has the largest market share in total deposits, FX-denominated deposits and demand deposits among private sector banks as of 31 December 2025 (sources: BRSA and Interbank Card Center).

Strong Capital Structure with Conservative Match-Funding Policy

The Group has a strong capital structure, with shareholders' equity of TL 46.5 billion, a total capital adequacy ratio of 25.0 per cent. and a Tier I capital adequacy ratio of 23.9 per cent. as of 31 December 2025. In line with its capital strength, the Group maintains a strong match-funding policy with DFIs. As a result, the Group was less affected than many other global financial institutions by the reduction of liquidity and increased cost of funding that occurred during the global financial crisis.

Recognised and Trusted Banking Brand in Türkiye

The Bank's management believes that the Bank is one of the most widely recognised, respected and trusted banks in Türkiye; it has been in business since 1950, weathering Türkiye's often turbulent financial markets and establishing a long-standing focus on prudent risk management and a record of financial stability. The Bank was established under the laws of the Republic of Türkiye in 1950 with the support of the World Bank, the Turkish government, the CBRT and commercial banks as the first development and investment bank in Türkiye. The strength of the Bank's brand and customer base has enabled the Group to become a Turkish market leader in development-related projects as well as a trusted banking partner for customers during periods of financial stress.

Diversified Loan Portfolio

By focusing on building a diversified portfolio of loans by types of loans, industry sector and borrower concentration, the Group has historically generated strong returns. The Bank increased its loan portfolio in U.S. Dollar equivalents from 31 December 2014 to 31 December 2025 at a compound annual growth rate of 11.2 per cent. The Group's strong credit and risk management know-how have supported the growth of its loan portfolio and, in the Bank's management's opinion, contributed to the healthy diversification of the portfolio.

The Bank's loan portfolio is composed of project finance loans, corporate marketing and APEX loans. As of 31 December 2025, 52.7 per cent. of the Bank's total loan portfolio was comprised of project finance loans, 44.5 per cent. of corporate marketing loans and 2.8 per cent. of APEX loans.

The Bank's loan portfolio is also diversified among sectors, with the largest shares in energy production and finance representing 29.7 per cent. and 6.8 per cent., respectively, of the Bank's loan portfolio as of 31 December 2025. Within the Bank's energy production sector, 94 per cent. of the energy production portfolio was composed of renewable energy projects as of 31 December 2025 and such projects include biomass, wind, geothermal, hydro and solar power plant projects. There are approximately 309 renewable energy projects financed in the outstanding loan portfolio. Broken-down by renewable energy project, 6 per cent. comprised loans to biomass, 47 per cent. to wind, 13 per cent. to geothermal, 14 per cent. to hydroelectric power projects and 21 per cent. to solar power plant projects as of 31 December 2025. The distribution as of 31 December 2024 was 9.0 per cent. to biomass, 40.0 per cent. to wind, 17.0 per cent. to geothermal, 13.0 per cent. to hydroelectric power projects and 21.0 per cent. to solar power plant projects. The distribution as of 31 December 2023 was 12.0 per cent. to biomass, 37.0 per cent. to wind, 19.0 per cent. to geothermal, 17.0 per cent. to hydroelectric power projects and 15.0 per cent. to solar power plant projects.

In terms of project stage, 94 per cent. of the renewable energy projects financed by the Bank were operational as of 31 December 2025 (in terms of power, or megawatts, produced) and 88 per cent. of the renewable energy projects financed by the Bank were operational (with respect to their installed capacity measured by megawatts). By segment, 100 per cent. of the hydroelectric projects, 100 per cent. of the biomass projects, 90 per cent. of the wind projects, 100 per cent. of the geothermal projects and 94 per cent. of the solar power plant projects were in operation, respectively. The Bank has financed a total of U.S.$1.9 billion of resource and energy efficiency projects, reconstruction of earthquake-affected regions, enabling technologies and infrastructure and capacity increase investments as of 31 December 2025.

YEKDEM (Turkish Renewable Energy Resources Support Mechanism) is the Turkish government's support mechanism for electricity generated using renewable energy resources. This mechanism is applicable for ten years from the date the project commence operation. The feed-in tariffs are for (i) electricity generation licence holders and (ii) unlicenced electricity generators generating electricity from renewable energy resources as well as (iii) in relation to other opportunities for renewable energy. For power plants commissioned before 1 July 2021; feed-in tariffs vary depending on the type of project and are denominated in U.S. dollars. For power plants commissioned by 1 July 2021, YEKDEM encompassing new conditions were introduced and this new mechanism is denominated in TL. In TL based YEKDEM, prices for each resource have been updated every year in January, April, July and October. Each update will depend on domestic PPI (26 per cent.), CPI (26 per cent.), USD (24 per cent.) and EURO (24 per cent.) rates. However, the Presidential Decree No. 7189 has been published on 1 May 2023, to be effective on the same date, updating the feed-in tariff. Facilities that enter into operation between 1 July 2021 and 31 December 2030 shall be subject to such updated feed-in tariff. The feed-in tariff will be updated monthly within the specified range between YEKDEM Base and YEKDEM Ceiling, indexed to U.S. dollars. As of 31 December 2025, 94 per cent. of the Bank's loans to electricity generation projects consisted of renewable energy resources and 76 per cent. of the Bank's renewable energy portfolio was supported by the feed-in tariff mechanism.

The YEKDEM mechanism, by securing a guaranteed sale price for investments, directly assists in hedging the Bank's credit risk position on renewable energy portfolio projects.

Although development and investment banks (such as the Bank) are not subject to credit limits determined by the BRSA, the Bank has sought to limit exposure to any single borrower and no exposure to a single borrower

was greater than 25 per cent. of its equity as of 31 December 2025. The share of the Bank's receivables from the top 10 cash loan customers in the overall cash loan portfolio was 18.4 per cent. as of the same date. The Bank's loan contracts generally contain clauses permitting the Bank to make adjustments in the applicable interest rates from time to time, subject to the applicable laws and regulations, thereby further limiting interest rate risk. In addition, the investment projects financed by the Bank are secured by strong collateral. As a general approach, the type of collateral required by the Bank is proportional to the risk taken.

Prudent Risk Management

Complementing the Bank's diversified loan portfolio, the Bank's management believes it has instilled a prudent and effective risk management culture at all levels of the Group, beginning with careful customer selection to support a quality asset base. The Bank monitors credit quality on an ongoing basis. As the global financial crisis impacted Türkiye and the Group's customers, the Group introduced new risk management tools starting from 2008 such as a redeveloped internal rating model for corporate loan customers and specialised lending, software for market risk management, and software for asset and liability management. The Bank also introduced new risk management tools such as applying credit limits to certain industry sectors, such as the energy production sector, which have been highly affected by global turmoil, researching potential customers' relationships and credit histories with other banks and becoming more selective in extending new credit lines. During the year ended 31 December 2025 and 2024, the Bank grew its loan portfolio by 41.4 per cent. and 27.9 per cent., respectively, in TL terms while its NPL ratio was at 2.4 per cent. and 2.2 per cent., respectively. Whereas the Turkish banking sector's NPL ratios were 2.5 per cent. and 1.8 per cent. respectively (source: BRSA).

The Bank's management believes that the Group's focus on enhanced internal controls and risk management systems, as well as its ability to maintain a diverse loan portfolio, will enable the Group to maintain the high quality of its loan portfolio in the future as the Group seeks to continue to grow its business.

Independent Process for Appraising Projects

The Bank evaluates projects internally through its Loan Analysis and Engineering Departments along with its Loan Allocation and Loan Monitoring Departments. The Bank's specialised and dedicated Loan Analysis Department assesses the cash flow projections, as well as the microeconomic and sectoral risks and opportunities, of potential projects that the Bank is considering funding. In addition to financial analysts, the Bank has maintained for many years an internal team of engineers with practical experience in chemical, electrical, civil and other engineering projects. This team, comprised of engineers who have from 5 to 14 years of experience, provides the Bank with a significant advantage over its commercial bank competitors who have to seek external experts to analyse the technical plans of projects being contemplated for a project loan. The Economic Research Team provide support by way of their sectoral research studies and analysis of new investment project themes. On top of this, the Loan Allocation Department has a special team of loan allocation officers who have sector-specific knowledge and an average of 10 years of banking experience. This team focuses on clarifying the collateral structure, tenor and loan amount in relation to various projects by reviewing the assessments provided by the relevant teams in the Loan Analysis and Engineering Departments. After the drawdown of the loans is completed, the Loan Monitoring Department continues to monitor the companies and the projects in terms of credit risk and collateral structure as well as financial covenants. The Loan Monitoring Department also monitors the loan repayments, prepares periodic monitoring reports and sectoral reports and implements early warning mechanisms.

Strong Focus on Employee Training and Development; Highly Skilled Workforce

The Bank's management believes that a key element of the Group's success has been its emphasis on the quality, training and development of its employees and its turnover rate (i.e., voluntary employee resignations excluding retirees) is considered to be low (for example, the Group had a turnover rate of 3.8 per cent. during 2025). The Group's dedicated and well-trained employees form a cornerstone of its focus on superior customer service and long-standing customer relationships and also provide the Group with a competitive advantage over its competitors, particularly in a growing market where there is a high demand for skilled personnel. Historically, the Group has sought to maximise the opportunity for career development for its employees, with all positions typically filled through internal promotions and appointments.

Maintain High Standards of Corporate Governance and Business Ethics

The Bank's management believes that the Group's internal corporate governance structure reflects the best market practices of the Turkish and international banking sectors. The Group has established corporate governance principles and complies with applicable laws and regulations for sustainable banking, and the Bank's management perceives execution of such principles as an essential component of responsible banking. The Bank's management believes that compliance with corporate governance principles is important for the Bank to create, protect and maintain value for its shareholders. The Bank's corporate governance structure also develops communication channels and platforms in order to reinforce communication with its stakeholders, particularly the Group's customers, employees and shareholders.

The Group established these corporate governance practices to improve management's efficiency and to further protect the interests of the Group's stakeholders, including its customers and shareholders. The Bank prepares a "Corporate Governance Principles Compliance Report" each year, which is a report by the Bank's Board of Directors about the compliance of the Bank's corporate governance practices with the corporate governance principles of the CMB.

Since 2009, the Bank has received its corporate governance rating from SAHA Kurumsal Yönetim ve Kredi Derecelendirme A.Ş., a company authorised by the CMB to rate companies' compliance with corporate governance principles. The Bank's corporate governance rating increased to 9.67 (out of 10) in 2025. Since having been first rated and included in the BİST Corporate Governance Index in 2009, the Bank has continued to maintain its position as one of the highest rated companies included in the index.

The Bank's Regulatory Burden is Lower than that of its Universal Banking Competitors

The Bank's regulatory burden is significantly lower than that of most of its universal banking competitors since the Bank is a development and investment bank, subject to certain different rules and operating in different business lines and, most importantly, due to the absence of a retail banking business. The Bank's lack of a retail banking business allows the Bank to use its full lending capacity efficiently while monitoring extended loan investments. Additionally, the absence of costs associated with maintaining a retail banking network positively affects the Group's cost base. As noted above, the Bank is also exempt from maintaining reserves with the CBRT for its liabilities that are guaranteed by the Turkish Treasury. This lower regulatory burden results in less administrative costs for the Bank, thereby allowing it to act more responsively to its clients' needs.

Strategy

The Bank's overall strategic goal is to create value for the inclusive sustainable development of Türkiye through the financing and consultancy solutions powered by experience in development and investment banking. It intends to achieve this goal by continuing to implement the following key strategies:

Supporting sustainable development

The Bank's vision is to maintain sustainable growth in Türkiye by adding value to the Turkish economy (principally through supporting the private sector with medium and long-term financing), which reflects the Bank's goals of being the pioneering bank in Türkiye's sustainable development and extending resources to contribute to the United Nation's sustainable development goals. The Bank aims to exhibit and deploy more assertively its knowledge and potential in all of its core business lines. The Bank is focused on expanding its client base and increasing its allocations in line with the needs of the Turkish market which offers sustainable growth potential in the mid- and long-term, including financing businesses and new investments that can be categorised as sustainable.

The Bank's principal strategies to achieve this vision include: developing sectoral diversification in its loan portfolio, maintaining its access to medium and long-term funding from DFIs with competitive terms and conditions, diversifying its funding base through issuances of debt instruments, improving its synergies with its subsidiaries (including to increase its fee-generating capabilities) and constantly strengthening its strong human resources base (including in its Financial Loan Department and Engineering Department).

Providing entrepreneurs with funding and capital markets brokerage and advisory support

The Bank seeks to support entrepreneurs wishing to tap into capital markets by ensuring the continuity of its investment advisory services and by providing corporate customers and major private investors with funding and capital markets brokerage services. The Bank finances projects in a broad range of Turkish industries, including energy efficiency, resource efficiency, various types of renewable energy, logistics, infrastructure, healthcare and education services investments as well as projects targeting social themes such as inclusiveness, the empowerment of women and occupational health and safety. The Bank is seeking to diversify the areas of growth in line with the needs of its corporate clients and the broader Turkish economy. Although energy production loans continue to represent a large share of the Bank's total loans, corresponding to 29.7 per cent. of its total loans as of 31 December 2025, the Bank plans to reorient some of this focus towards other sectors, such as infrastructure, resource efficiency, energy efficiency, environmental projects, innovation and PPPs in the health and education sectors. In terms of renewable energy, the Bank's portfolio includes hydro (which has been in a declining trend), wind, geothermal, biomass and solar power plant projects and the Bank intends to become more diversified by focusing on future wind, geothermal, biomass and solar projects.

In terms of project finance, the Bank has been involved in projects in a variety of areas, such as energy production and electricity and gas distribution. In the Bank's loan book, the share of investment loans represented 81 per cent., working capital 12 per cent. and APEX loans (which are channelled to leading banks and leasing companies, usually to finance SMEs indirectly) 7 per cent. of the Bank's loan portfolio as of 31 December 2025. As of the same date, average maturity of these types of loans in the Bank's portfolio was 5.4 years, 2.4 years, and 1.6 years, respectively. APEX loans provide the Bank the opportunity as well as the flexibility to share its expertise with very small institutions in alignment with its policy mission. The Bank plans to continue to be one of the most active and essential market players by supporting entrepreneurs in the years ahead.

Sustaining asset quality and avoiding risky loans

While expanding the loan portfolio, the Bank emphasises the importance of sustaining asset quality and avoiding risky loans. In line with this strategy, existing loans are analysed and monitored closely and to date the Bank has been successful in maintaining its asset quality. While allocating funds, the Bank also continues to adhere strictly to its environmental protection standards (which are a building block of its mission, vision and strategy) and its multidisciplinary approach (which incorporates a process of collaborative assessments by engineers, financial analysts and economists in various teams such as Risk Management, Loan Allocation and Loan Monitoring (while adhering to the relevant confidentiality and "Chinese Wall" requirements)).

Maintaining access to medium and long-term funding from DFIs

Maintaining its access to medium and long-term funding from DFIs with competitive terms and conditions is a principal strategy of the Bank, and the Bank works to ensure that its lending practices do not compromise its funding opportunities with DFIs (for example, the Group avoids lending even non-DFI-sourced funds to certain sectors, such as gambling and ammunition, that are not viewed favourably by the DFIs). DFI funding enables the Bank to increase its lending capacity in various areas in line with the needs of its corporate clients and the agenda for development of the Turkish economy.

While the Bank anticipates that its relationships with DFIs will continue to be its largest source of funding, the Bank is seeking to diversify its funding resources e.g., by issuing Eurobonds. Since 2014, the Bank has completed eleven Eurobond issuances totalling an aggregate amount of U.S.$3.7 billion. U.S.$3.1 billion of these issuances were drawdowns under the Programme, the latest of which was in 2025. In order to further the Bank's sustainability agenda, the Bank successfully executed the first Green/Sustainable Bond issuance out of Türkiye and EMEA in 2016 and the first Sustainable Tier-II Bond issuance in the international debt markets in 2017.

In 2024, the Bank continued to diversify its funding resources. In May 2024, the Bank launched the "Accelerating Market Transition to Distributed Energy in Türkiye Project" with the World Bank, securing U.S.$345 million in funding to support distributed solar projects, and the "Türkiye Green Fund", aimed at contributing to Türkiye's 2053 Net Zero target by investing equity capital in green companies. In July 2024, the Bank signed a U.S.$190 million syndicated loan agreement and a EUR 100 million funding agreement aimed at supporting green investments of companies in provinces affected by the February 2023 earthquake (EUR 50 million from the French Development Agency and EUR 50 million from the Italian Public Development Bank). In August 2024, the Bank signed a U.S.$50 million financing agreement with the Islamic Trade Finance Corporation, in coordination with the Ministry of Treasury and Finance of the Republic of Türkiye, to support companies affected by the February 2023 earthquake. In December 2024, The Bank signed a U.S.$100 million loan agreement with IFC to promote women's employment. In 2025, the Bank further broadened its international financing base with a series of strategic credit agreements aimed at accelerating Türkiye's green and inclusive transition. In February 2025, the Bank secured a EUR 50 million loan from the OPEC Fund for International Development, its first partnership with the OPEC Fund, to finance renewable energy, energy efficiency, climate adaptation and circular economy projects. In May 2025 it concluded two additional transactions: a EUR 25 million loan from OeEB to finance renewable energy and energy efficiency investments and a U.S.$.200 million credit facility from AIIB dedicated to Paris Agreement aligned renewable energy, energy efficiency, climate adaptation, climate industries and digital infrastructure projects, guaranteed by the Ministry of Treasury and Finance of Türkiye. In June 2025 the Bank obtained a EUR 75 million loan from EBRD to finance inclusive growth of the companies operating in earthquake affected regions, youth inclusive companies and women inclusive companies. In line with Türkiye's national

climate policies and strategies, the Bank has secured EUR 300 million in financing from international financial institutions focused on climate change mitigation and adaptation in October 2025. The funding was provided under the counter-guarantee of the Ministry of Treasury and Finance of Türkiye, with a partial credit guarantee from the World Bank (covering 60 per cent. of the total loan amount). This transaction will contribute to enhancing climate resilience across Türkiye by raising companies' awareness of climate risks, helping them become both more competitive and more resilient to such risks, thereby strengthening Türkiye's overall adaptation capacity. In December 2025, the Bank signed a EUR 250 million financing agreement with KfW, under the Ministry of Treasury and Finance of of Türkiye's guarantee, to support a broad portfolio of low carbon and climate resilient investments. Additionally, investments that will strengthen Türkiye's economic cooperation with the European Union, particularly with Germany, are being prioritised. Finally, continuing the momentum of the Türkiye Green Fund launched in 2024, the Bank's first equity investment under the fund was made in 2025 in domestic renewable equipment manufacturer Ateş Çelik, reinforcing the Türkiye Green Fund's mandate to provide equity investments into green and greening firms, helping Türkiye meet its 2053 Net Zero targets and its green transformation.

Boosting the Bank's fee and commission income

The Bank aims to further concentrate on corporate banking and boost synergies not only with its subsidiaries but also among its different business lines, with a principal aim of boosting its fee and commission income. To this end, the Group intends to focus further on its advisory services in mergers and acquisitions, assisting companies to find financial as well as strategic partners and providing customers with strategic advisory services in the form of financial restructuring and feasibility studies. To support this strategy, the Bank restructured the capital markets brokerage services that it used to offer directly, but now offers to the Group's retail clients through its subsidiary Yatırım Finansman. As a result of this strategic development, the Bank does not have any retail clients as of the date hereof, as its active retail clients have transferred their portfolios to this subsidiary. The Bank's advisory services also include TSKB Sürdürülebilirlik Danışmanlık A.Ş. ("**Escarus – TSKB Sustainability Consultancy**"), which offers services to Turkish financial and non-financial institutions to enhance such institutions' sustainable development. Escarus – TSKB Sustainability Consultancy's services include sustainable advisory services, technical and environmental and social analysis, sustainable finance, operational efficiency, management systems and consultancy, and research and analytics.

Continuing to attract and develop talent

The Bank's well-qualified personnel are a significant factor behind its long-term success and part of its strategy. In addition to recruiting experienced professionals for senior positions, the Bank's strategy is to develop leaders from within its own highly qualified employees and to fill positions through internal promotions and assignments as much as possible. As a part of this strategy, the Bank continues to recruit new qualified graduates.

History and Development

The Bank was established under the laws of the Republic of Türkiye in 1950 with the support of the World Bank, the Turkish government, the CBRT and commercial banks as the first private development and investment bank of the Republic of Türkiye. The IFC as a development finance institution was one of the largest shareholders of the Bank from 1963 to 1979. Initially, the Bank supported the World Bank's development programmes in Türkiye and has since then expanded its cooperation to other DFIs such as the

EIB, EIF, CEB, KfW, AFD, IFC, JBIC, IDB, EBRD, ICO, OeEB and, most recently, AIIB. The Bank's ordinary shares have been listed on the BİST since 1986.

The Bank is headquartered in İstanbul and (with its Group) provides a range of banking services for corporate customers, including corporate banking, investment banking, capital markets operations and advisory services. The Bank's articles of incorporation provide for the following activities:

- providing assistance in all sectors of the economy, primarily in the industrial sector, for setting up new plants and expanding, modernising and developing the activities of existing plants;
- providing assistance in the implementation of projects and activities that will be carried out abroad by entrepreneurs directly or as joint ventures;
- encouraging and assisting local and foreign capital enterprises in undertaking investments in Türkiye and participating in the capital of companies that are already established or will be established in Türkiye; and
- assisting the development of capital markets in Türkiye and encouraging and promoting the private ownership of securities issued by industrial enterprises.

The Bank was established in İstanbul with the Council of Ministers resolution numbered 3/11203 and was registered with the İstanbul Chamber of Commerce on 31 May 1950 under registration number 42527. The Bank is a development and investment bank under the Banking Law and is duly organised and incorporated and validly existing as a joint stock company (*anonim şirket*) under the Turkish Commercial Code (No. 6102). The duration of operation of the Bank as a joint stock company is unlimited.

Business Activities

The Group provides a range of banking services and presents its group structure under three principal business lines: corporate banking, investment banking and advisory services, each as described below:

- corporate banking activities: the corporate banking activities include corporate loans, syndicated loans, non-cash loans (including letters of guarantee, guarantees and acceptances), foreign trade operations and project finance, acquisition finance and working capital finance;
- investment banking activities: the investment banking activities include: (a) portfolio management, marketable securities brokerage activities, cash flow management, corporate finance, public offerings of stocks, advising on privatisations, mergers and acquisitions, purchase and sale of assets, issuance of debt instruments and providing strategic advisory services and (b) offering treasury services, such as a fixed income business (asset and liability management and bond offering), futures and options brokerage, interest rate swaps, currency and cross currency swaps, swaptions and caps, floors, foreign exchange, repo transactions and other structured products; and
- advisory services: the advisory services consist of strategic financial consultancy (including long-term partnership to support strategic expansion by way of valuation, feasibility analysis of projects, financial structuring and strategic roadmaps), real estate appraisal and sustainable and environmental consulting services (including advising and consulting on environmental and social management systems, climate change management, renewable energy, investment monitoring for financial institutions, business plan development and monitoring).

For accounting purposes, the Bank reports the Group's business in its BRSA consolidated financial statements under three segments: Corporate Banking, Investment Banking and Others. The Bank's results make up the large majority of the results for these three segments, with the remainder being contributed by the Bank's subsidiaries and associates. The Bank does not consolidate the results of its non-financial subsidiaries and associates in the BRSA consolidated financial statements on a line-by-line basis and so these results do not appear in the segmental data included therein; however, they are shown under the "Investments in Associates" and "Investments in Subsidiaries" items at their book values. For a list of the non-financial subsidiaries and associates, see "*Business of the Group – Subsidiaries and Other Affiliates – Non-Financial Subsidiaries and Associates*".

Banking Units

Corporate Banking

The Bank's Corporate Banking business provides services to companies ranging from large corporates to SMEs. The unit consists of two main departments, the Project Finance Department and the Corporate Marketing Department. The Corporate Banking business unit's long-term strategy is to enhance its customer loyalty and to broaden its product portfolio in order to diversify revenue sources and to contribute to the Group's sustainable and profitable growth.

A significant portion of the Corporate Banking business involves extending loans to corporate customers. The Bank primarily offers the following types of loans to its corporate customers: revolving loans, foreign currency-denominated loans, letters of guarantee, letters of credit, spot loans, although the main focus of the Bank is investment and project finance loans. In addition to its loan products, the Corporate Banking unit, in coordination with the Treasury Department, also seeks to provide tailored products that are designed to offset customers' exposures to interest, maturity and currency risks, including through the use of customised investment vehicles, forward and futures contracts, swaps and options that take into account the goals, risk tolerance levels, cash flows and other unique concerns of the customer.

Project Finance Department

A significant portion of the Bank's corporate loan portfolio relates to its project finance activities. The Bank has played a key role in a number of major project finance deals in Türkiye, including the financing of infrastructure and energy deals, privatisations and capital expenditure financing in electricity and gas distribution, and port deals and mergers and acquisitions. As of 31 December 2025, the Project Finance Department accounted for TL 124.4 billion of loans, 52.7 per cent. of the Bank's total loans, 92.1 per cent. of which was foreign currency-denominated and the remaining 7.9 per cent. of which was Turkish Lira-denominated. The Bank selectively extends financing for large private sector investments, privatisations and merger and acquisition projects, while remaining committed to its risk-sensitive approach.

The Bank provides project finance with full recourse to project assets and limited or full recourse to the sponsors. Only selected transactions adhering to international standards may be financed on a pure non-recourse basis. The Bank aims to expand its client base and build-up its portfolio in the short-term for project finance projects.

Corporate Marketing Department

The Corporate Marketing Department provides a range of corporate banking products and services including, but not limited to, corporate loans, leasing, working capital loans, non-cash loans (including letters of guarantee, letters of credit and export credit guarantees) and foreign trade finance operations.

The underlying targets of the Bank's corporate loans are sustainable development and added value to the Bank. In this respect, the Bank provides financing for investments focusing on Renewable Energy, Energy & Resource Efficiency, Environmental Protection, Sustainable Tourism, Gender Equality, Occupational Health and Safety as well as research and development among the other needs of its clients such as maintaining or increasing working capital and business development.

The Corporate Marketing Department extends financing to a number of private sector companies ranging from SMEs to large corporates, with financing solutions including mainly medium- and long-term loans. The average tenor of such loans is four years.

As of 31 December 2025, the Corporate Marketing Department accounted for TL 6.7 billion of loans, (2.8 per cent. of the total loans), of which 94.7 per cent. was funded by borrowing sourced from DFIs and other sources such as treasury operations, bilateral funding, syndications and Eurobonds and the remaining 5.3 per cent. was funded by the Bank's equity and TL-denominated secured funding.

The total size of non-cash loans supplied by the Bank reached TL 34.1 billion as 31 December 2025, with significant portions of this amount represented by letters of credit provided by the Bank

The Corporate Marketing Department plays a major role providing cross-selling opportunities for its treasury products, corporate finance activities, advisory services and the products of the Bank's subsidiaries.

APEX (Wholesale) Banking. Through the Development Finance Institutions Department and Corporate Marketing Department, the Bank remains the leader and model for implementing APEX banking. APEX loans allow the Bank to reach SMEs and offer them funds that are secured from international DFIs, mostly from the World Bank and also from the CEB, the EIB and KfW. The purpose of the Apex Loan programmes secured from the World Bank have been to support companies in their efforts to increase exports and create new job opportunities (Export Finance Intermediation Loans), to improve access to longer term Islamic finance and factoring for SMEs and export oriented enterprises (Innovative Access to Finance Project - 2014), to improve access to longer-term finance for (i) Women-Inclusive Enterprises, and (ii) enterprises in Less Developed Sub-regions affected by the Syrians under temporary protection influx (Inclusive Access to Finance Project - 2018). In 2016, an agreement for an APEX credit line was signed with the CEB for the purpose of financing investments in micro, small and medium-sized firms in Türkiye to facilitate employment. The APEX funding from the CEB and the EIB is principally used to finance SME loans.

APEX funds received by the Bank are then on-lent to local financial institutions that then make loans for the purpose specified by the funding DFI. In this manner, the funds can be raised by the Bank under the guarantee of the Turkish Treasury and on-lent to other financial institutions that cannot raise funds that benefit from such a guarantee. Applications relating to APEX funding requested from the Bank are made by financial institutions through the web-based APEX online system developed by the Bank. Within the scope of APEX banking, the Bank has collaborated with 30 participating financial institutions in total, including commercial banks, leasing companies, participation banks and factoring companies. As of the end of 2025, through the APEX loan channel, the Bank has provided a total of U.S.$89 million in loans to 104 SMEs through financial

institutions over the past three years. The financing provided has contributed to increasing and preserving employment in SMEs.

As of 31 December 2025, the total loan amount on-lent by the Bank through APEX banking reached U.S.$6.6 billion, accounting for 2.8 per cent. of the Bank's total loan portfolio.

In 2024, the Bank signed six new DFI agreements, totalling U.S.$715 million. These included thematic credit facilities that allow for long-term investment and working capital loans, supporting Türkiye's sustainable development goals under the themes such as climate, renewable energy, energy efficiency, earthquake affected regions and women inclusiveness. In 2025, the Bank further expanded its international financing base by signing six new DFI agreements, totalling over U.S.$1 billion. These included thematic credit facilities and loans supporting renewable energy, energy efficiency, climate adaptation, circular economy, digital infrastructure, and inclusive growth, with a particular focus on earthquake-affected regions, youth and women-inclusive businesses, and Türkiye's green transition in line with its 2053 Net Zero targets.

Investment Banking

The Bank provides capital markets services and investment banking services through its Treasury and Corporate Finance departments and its subsidiary Yatırım Finansman. Such services include managing securities portfolios, structured risk management and funding solutions and customised corporate finance solutions (such as advisory services related to mergers and acquisitions, strategic consultancy, asset purchases and sales advice, equity and bond issuances and privatisation activities). The Bank offers these services and products with competitive pricing to a number of domestic and international companies. For the year ended 31 December 2025, the Investment Banking business unit generated TL 214.7 million of fees and commissions, accounting for 42.7 per cent. of the Bank's total fees and commissions (TL 366.2 million and 71.3 per cent., respectively, for the year ended 31 December 2024).

Treasury Department

The Bank's Treasury Department (in coordination with its financial subsidiaries) offers a diverse range of treasury products to its corporate and investment banking customers with competitive pricing. These include advanced derivative products, such as options, forward contracts, interest rate swaps, cross currency and currency swaps, swaptions and caps, floors, as well as more traditional treasury products such as foreign exchange, repo transactions and fixed-income securities.

The Turkish Treasury issues bonds both domestically and internationally. Its domestic issuances include zero coupon bonds and coupon bonds. Coupon bonds include inflation-linked bonds, fixed coupon bonds, floating rate notes and lease certificates. All types of Turkish Treasury issuances can be sold and purchased by the Group's customers without any restriction. Repo and reverse-repo transactions for various maturities are executed on an electronic platform in the BİST Debt Securities Market. OTC reverse repo transactions are also offered to the Bank's customers.

In addition to securities transactions made on behalf of its customers, the Group manages its own portfolio of securities. As of 31 December 2025, the Group's total securities portfolio was valued at TL 58.4 billion, as compared to TL 44.2 billion and TL 27.7 billion as of 31 December 2024 and 2023.

As of 31 December 2025, the Bank's securities portfolio was comprised of Turkish Lira-denominated floating rate and CPI-linked securities (34.0 per cent.), Turkish Lira-denominated zero-coupon and fixed securities (20.3 per cent.) and foreign currency-denominated zero-coupon and fixed securities (45.7 per cent.). Moreover, 46.6 per cent. of the Bank's total securities portfolio was classified as "financial assets at fair value

through other comprehensive income" and 46.9 per cent. of the Bank's total securities portfolio was classified as "other financial assets measured at amortised cost" as of 31 December 2025.

Corporate Finance Department

In its Corporate Finance Department, the Bank operates in the four principal areas described below:

- *public offerings*: benefiting from its extensive experience and vested relationship with relevant parties, the Bank contributes to the development of the Turkish capital markets by providing advisory and other services in the equity offerings of Turkish companies. The Bank has provided these services since the establishment of the predecessor of the BİST;
- *issuance of debt instrument*s: the Bank provides a full suite of advisory services in relation to its clients' debt instruments issued through public offerings or private placements to qualified investors;
- *mergers & acquisition*s: the Bank performs buy-side or sell-side advisory services for equity partnership opportunities to companies and coordinates the acquisition process within the scope of its mandated acquisitions advisory services; and
- *strategic advisor*y: the Bank: (a) assists companies that seek to build up their capital and know-how, expand into new markets or undertake large-scale investments, (b) advises on the procurement of financing for projects and acquisitions, (c) advises buyers and sellers in real estate or asset sales (such as the sale of electricity distribution asset of a company) and privatisations and (d) performs related appraisal, financial restructuring and feasibility studies.

The Bank is also an investor in the Turkish Growth and Innovation Fund, which was initiated in 2015 by EIF and sponsored by the Bank along with the Undersecretariat of the Treasury and the Small and Medium Enterprises Development Organization of Türkiye ("**KOSGEB**"). The fund was established to support innovative, technology-orientated companies by providing them with access to venture capital which will be advised by EIF. The Turkish Growth and Innovation Fund will succeed the İstanbul Venture Capital Initiative ("**iVCi**") as Türkiye's next generation of Fund of Funds.

Advisory Services

The Group provides advisory services to its customers, principally in the areas of strategic consulting, real estate appraisal and environmental advisory services. A key objective of the Group is to expand the advisory services through the Bank's own operations as well as those of its subsidiaries. The strategic consulting work includes undertaking appraisals of companies, brands and licences, providing project valuation and feasibility services, financial structuring, sectoral analysis and project finance consultancy services. The Group, principally through its subsidiaries, provides real estate appraisal and related services, such as appraisals of machinery and equipment and collateral.

Consistent with the Bank's long history of being in the vanguard of environmental sustainability issues, the Group also offers environmental sustainability consultancy. In 2018, the Bank established Escarus – TSKB Sustainability Consultancy, to share its technical experience in sustainability with other stakeholders in Türkiye and abroad. These services seek to assist the Group's clients to implement internationally accepted sustainability methods through improvements to business management and production processes. The services include, but are not limited to, providing assistance relating to evaluations of the environmental and social impact of projects, including the impact on climate and natural resources, developing environmental/social

and sustainability management systems for companies, and also providing technical and other support for renewable energy and other sustainability efforts.

The advisory services business generates fees and commissions for the Bank, amounting to TL 214.7 million for the year ended 31 December 2025 (TL 366.2 million for the year ended 31 December 2024). While not a large share of the Group's revenues, the advisory services business provides many benefits to the Group, including strengthening its relationships with clients and supporting the goals of its DFI partners as well as supporting its policy mission by way of sharing its expertise.

Subsidiaries and Other Affiliates

Since its establishment in 1950, the Bank has played an important role not only in the Turkish financial sector but also in certain industrial sectors in Türkiye. As of 31 December 2025, the Bank had direct equity interests in nine companies operating in finance and other sectors. As of 31 December 2025, the total book value of the Bank's investment in subsidiaries and other affiliates was TL 12.8 billion (including non-financial subsidiaries and affiliates, such amount was TL 172 million). The Bank does not have any current intention to sell any of such holdings.

Financial Subsidiaries and Associates

The Bank has direct and indirect financial services subsidiaries active in the following sectors: brokerage and custody, real estate investment trust asset management, venture capital, leasing and factoring. Financial services subsidiaries enrich the product and service range that the Bank offers to its customers through its various business lines and create cross and complementary product delivery and sales opportunities.

The following table sets forth details of the Bank's financial subsidiaries and associates as of 31 December 2025.

	As of 31 December 2025 (except where noted)					
Group Company	**Field of Activity**	**Bank's Direct Share**	**Group's Share**	**Assets**	**Shareholders' Equity**	**Market Share** [3]
				(TL thousands)		
Yatırım Finansman Menkul Değerler A.Ş.[1]	Brokerage House	95.78 %	98.51 %	10,719,293	1,722,893	1.60 %
TSKB Gayrimenkul Yatırım Ortaklığı A.Ş.[1]	REIT	88.61 %	88.61 %	6,995,207	6,191,132	0.60 %
İş Finansal Kiralama A.Ş[2]	Leasing	29.46 %	60.97 %	101,221,396	13,453,550	13.56 %
İş Faktoring A.Ş.	Factoring	21.75 %	100 %	38,822,422	6,320,845	8.3 %
İş Girişim Sermayesi Yatırım Ortaklığı A.Ş.	Venture Capital Inv. Trust	17.69 %	62.07 %	14,523,035	10,723,243	—

Notes:

(1) Represents the period ended 31 December 2025 financial statements.

(2) Consolidated amounts.

(3) For Yatırım Finansman Menkul Değerler A.Ş according to equity trading volume in the year ended 31 December 2024 (Source: Turkish Capital Markets Association). For İş Faktoring the market share is as of 31 December 2025.

Brokerage – Yatırım Finansman Menkul Değerler A.Ş.

The Bank directly owned 95.78 per cent. of the share capital of Yatırım Finansman as of 31 December 2025. Yatırım Finansman commenced operations on 15 October 1976 as the first capital markets corporation of Türkiye. Yatırım Finansman's founders were 13 large banks, led by the Bank and İşbank. Yatırım

Finansman's principal capital markets activities are equity-related businesses and asset management, and Yatırım Finansman also has the authority to provide investment consultancy, portfolio management and repo services. Yatırım Finansman acted as an intermediary for the first private sector bond issuance in Türkiye and provided consultancy services to the BİST. Yatırım Finansman moved its head office to the Bank's head office building in Fındıklı, İstanbul, in order to create synergies with the Bank and offer services more efficiently.

According to data provided by the BİST, Yatırım Finansman had a market share of 1.60 per cent. in BİST equity transactions for the year ended 31 December 2025 and was 19th among licensed brokerage firms in Türkiye in terms of equity trading volume as of 31 December 2025. Yatırım Finansman's consolidated net sales and net profit figures for the year ended 31 December 2025 were TL 16,130 million and TL 357 million, respectively (TL 10,699 million and TL 336.0 million respectively, for the year ended 31 December 2024) while its consolidated assets and equity as of 31 December 2025 amounted to TL 10,709 million and TL 1,723 million, respectively (TL 9,985 million and TL 936 million, respectively, as of 31 December 2024) with an increase in consolidated assets of 7.3 per cent. The volume of assets under Yatırım Finansman's management increased from TL 75,466 million as of 31 December 2024 to TL 124,009 million as of 31 December 2025. In addition, Yatırım Finansman was the 13th largest licensed brokerage firm in Türkiye in terms of its paid-in capital, which was TL 400 million as of 31 December 2025 (source: Union of Turkish Brokerage Firms).

Real Estate Investment Trust – TSKB Gayrimenkul Yatırım Ortaklığı A.Ş.

TSKB REIT, founded in 2006, is a real estate investment trust in which the Bank had a direct equity shareholding of 88.61 per cent. and the Group had an 88.61 per cent. share as of 31 December 2025. According to the Public Disclosure Platform of the Capital Markets Board of Türkiye, TSKB REIT was the 33rd largest real estate investment trust in Türkiye as of 31 December 2025, with an asset value of U.S.$164 million. The real estate portfolio of TSKB REIT, from which the company earns rental income, is comprised mainly of office space and commercial properties, such as a shopping centre located in İstanbul. TSKB REIT also acquired 50 per cent. of the Divan Hotel, which is located in central Adana.

Non-Financial Subsidiaries and Associates

In addition to its subsidiaries and associates in the financial sector, the Bank holds equity stakes in companies whose businesses (such as companies engaged in real estate appraisal and sustainability consultancy) are outside of its core operations. In the past, the Bank has invested in a number of companies in various sectors as part of the promotion and development of Turkish industry and in areas in which its management believes investments provide a competitive rate of return. The Bank's non-financial subsidiaries represented 0.05 per cent. of its total assets as of 31 December 2025.

During the year ended 31 December 2025, no dividend income was received from non-financial subsidiaries. As of 31 December 2025, TSKB Gayrimenkul Değerleme A.Ş. and TSKB Sürdürülebilirlik Danışmanlığı A.Ş. (Escarus – TSKB Sustainability Consultancy) were the significant long-term strategic non-financial subsidiaries of the Bank. The non-financial subsidiaries of the Group are not consolidated in the statement of profit or loss of the consolidated BRSA Financial Statements; however, they are shown under the "Investments in Associates" and "Investments in Subsidiaries" line items at their book values.

The following table sets forth certain information, as of 31 December 2025, about the non-financial companies in which the Bank owns 10 per cent. or more of the outstanding share capital.

Company	Sector	Bank's Direct Shareholding	Shares owned by the Bank and the Bank's affiliates
TSKB Gayrimenkul Değerleme A.Ş.	Real Estate Appraisal	100 %	100 %
TSKB Sürdürülebilirlik Danışmanlığı A.Ş.	Consultancy	100 %	100 %
Terme Metal Sanayi ve Ticaret A.Ş.	Metal Industry	17.83 %	18.76 %
Ege Tarım Ürünleri ve Lisanslı Depoculuk A.Ş.	Warehousing	10.05 %	20.10 %

Information Technology

The Bank's technology operations and initiatives are managed by its Information Technology Department (IT). This department employs IT professionals dedicated to installing, maintaining and operating the Bank's software applications, management information systems and security systems.

There is a continuous effort to implement and operate best practices in accordance with ISO/IEC 27001 standards and the regulatory requirements set by the Banking Regulation and Supervision Agency. All operational data and software are stored on Microsoft-based computer systems. The Microsoft brand back office product family, including such software as Windows Server, SQL Server, Net Framework and Exchange Server, is used for core business areas and Microsoft-based servers have been chosen as the strategic growth platform for new emerging lines of business and business process management applications.

The Bank uses a third party, Turkcell Superonline data centre located in Ankara, to provide disaster recovery solutions for the Bank's critical systems. All critical data relating to the Bank's operations and communications are continuously backed up and disaster recovery mechanisms are tested regularly. The Bank's main data centre is located in Atlas Data Center on the Asian side of İstanbul. All critical data is backed up simultaneously to both data centres and all critical systems are prioritised in terms of servers, storage, networking components and data lines.

Lending Policies and Procedures

Credit Approval and Loan Monitoring

The credit approval procedure for corporate customers starts with the evaluation of the project and the credit application. Project or credit evaluation is comprised of an analysis of the project's and/or the company's: (a) economic, (b) technical, (c) financial, (d) managerial and organisational, (e) informational and (f) legal criteria. These criteria, which complement each other, form the basis of the loan evaluation reports that are ultimately submitted for approval to the Credit Evaluation Committee. The Bank's Loan Analysis Department and Engineering Department lead the process in preparing a loan evaluation report. Intelligence reports are also prepared by the Intelligence Unit, which gathers information to be used therein from external sources. The Loan Allocation Department then conducts a thorough evaluation of the reports in line with the credit policies of the Bank and presents the project and proposed loan conditions to the Credit Evaluation Committee prior to submitting an approval to the Board of Directors. If the amount of the proposed loan, together with the amounts of any outstanding loans already extended by the Bank to the applicant, does not

exceed a total amount of U.S.$7 million for a group of companies, and the Credit Evaluation Committee provides its approval unanimously, the proposal does not require further action by the Board of Directors for final approval. On the other hand, if the amount of the proposed loan, together with the amounts of any outstanding loans already extended by the Bank to the applicant, exceeds a total amount of U.S.$7 million for a group of companies, then the proposal will be submitted to the Board of Directors for its final approval following a unanimous decision of the Credit Evaluation Committee.

The Bank aims to manage the risk profile of its loan portfolio by implementing a detailed monitoring process. The companies to which the Bank provides financing, as well as the sectors of such companies, are analysed periodically. The purpose of this monitoring is to ensure that sponsored investments are completed in a timely manner and that the conditions thereof are satisfactory. Such monitoring enables the Bank to identify and help solve any problems that may arise during the implementation and operational stages of projects.

The Bank requires its borrowers to be audited by either an independent audit firm acceptable to the Bank or its own accountants in accordance with the Auditing Procedures and Principles and requires such financials to be delivered to the Bank annually during the term of the loan. During the investment period, in general, either a third party technical advisor prepares a progress report or the Technical Analysis Team of the Bank conducts an investment monitoring report to follow up on the progress of the borrower's investment. During the borrower's operational period, financial covenants and the amount of cash flows in the pledged accounts help the Bank monitor the financial performance of the company/project and hedges the default risk with mechanisms such as an assignment of receivables and share pledges among other collateral. As common practice, the Bank evaluates the financial statements of the companies semi-annually. The Loan Monitoring Department periodically prepares monitoring reports for borrowers and their related groups and requests investment monitoring reports from the Engineering Department. Additionally, the borrowers are subject to annual rating updates based upon their year-end financials and projected results. Annual rating revisions are also conducted by the Loan Monitoring Department. Evaluation and monitoring of credit risk in terms of project, client and the related group is a continuous process in the Bank. The Credit Revision Committee, which consists of the CEO, three board members, two executive vice presidents and related department heads, meet at least once a year to review the loan portfolio and revise the necessary loan limits. A thorough analysis of debt repayment capability of the clients and their groups are conducted with the year-end results in this study and a comprehensive report is prepared by the Loan Monitoring and Loan Allocation Departments.

Furthermore, the Bank is also required by Turkish banking regulations to prepare certain reports, such as those documenting the 200 largest loans in its portfolio, which it utilises as part of its internal monitoring process.

In order to detect deteriorating positions in its loan portfolio, the Bank also monitors behavioural indicators on a regular basis. Such indicators include information from the CBRT's Risk Centralisation division regarding changes in the financial indebtedness of the borrowers or defaults on their liabilities and commitments (e.g., unpaid principal or interest, unpaid checks, protested drafts or bonds and unpaid commissions). All customers are monitored monthly for these indicators. The Bank's management believes that this has been a helpful process for both decision-making on new credit assignments to existing customers and for taking actions to prevent a borrower default.

Concentration Limits

Although development and investment banks (such as the Bank) are not subject to credit limits determined by the BRSA, the Bank has certain internal concentration limitations for its loan portfolio. The Bank's internal regulations differ from the BRSA regulations in certain other ways; for instance, in the Bank's internal

approach, borrowers are divided into different limit categories and exposure to borrowers in each category is limited to a specific percentage of the Bank's own funds.

When the Bank's portfolio contains large credit exposures, whether extended directly or indirectly, to: (a) a single company, (b) a group of affiliated companies, (c) a special industry or sector or (d) a foreign country, or a group of foreign countries, the Board of Directors imposes limits in order to prevent excessive concentration risk.

The Bank's internal concentration limits are as follows:

- total credit exposure to companies that fall within the definition of large credit exposures should not exceed eight times the Bank's capital;
- the maximum risk-based credit limit for a single company or group of companies may not exceed 25 per cent. of the Bank's capital;
- the maximum credit risk to a specific sector may not exceed 15 per cent. of the total credit portfolio (excluding energy and finance sector), 55 per cent. of the total credit portfolio for the energy sector, 40 per cent. of the total credit portfolio for the energy production industry (power generation) and 25 per cent. of the total credit portfolio (excluding APEX loans) for the finance sector;
- the maximum credit risk to a sub sector specific Hydroelectric Power Plants Generation may not exceed 33 per cent. of the total energy sector portfolio;
- the maximum credit risk to a sub sector specific Non-Renewable Power Generation may not exceed 15 per cent. of the total energy sector portfolio;
- the maximum credit risk to upper investment grade countries (for each country) may not exceed 10 per cent. of the total credit portfolio;
- the maximum credit risk to lower investment grade countries (for each country) may not exceed 3 per cent. of the total credit portfolio; and
- the maximum limit for loans to related parties may not exceed 25 per cent. of the Bank's capital (for this limit, exposures and the Bank's capital are monitored on a consolidated basis).

The following table shows the BRSA legal limits for each of the major concentrations as of the date hereof:

	Turkish legislation
A borrower's indebtedness/own funds[(1)]	25 %
A group of borrower's indebtedness/own funds[(1)]	25 %
The Bank's own risk group's indebtedness/own funds[(1)]	25 %
Total of large loans cannot exceed the own funds over[(1)(2)]	800 %

Notes:

(1) Own funds calculated as the total of Tier I capital and Tier II capital as required by the BRSA in the capital adequacy calculation regulation.

(2) Large loans are the loans made available to a real or legal person (or risk group) that equals or exceeds 10 per cent. of a bank's own funds.

As per the BRSA decision dated 13 March 2025 and numbered 11173, credit exposure limits applicable to development and investment banks, based on their leverage ratios shall not exceed, on both a consolidated and non-consolidated basis, the following thresholds.

Leverage Ratio	Related Party (Bank's Risk Group) Exposure Ratio	Single Client or Single Group Exposure Ratio
$0\% < x \leq 10\%$	35%	40%
$10\% < x \leq 20\%$	40%	45%
$20\% < x \leq 30\%$	45%	50%
$30\% < x \leq 40\%$	50%	55%
$40\% \leq x$	55%	60%

Loan Classification and Provisioning Policy

Pursuant to Article 53 of the Banking Law, banks must formulate, implement and regularly review policies regarding compensation for losses that have arisen or are likely to arise in connection with loans, and reserve an adequate level of provisions against such losses, qualification and classification of loans, receipt of guarantees and securities and measurement of their value and reliability. In addition, such policies must address issues such as monitoring loans, writing down loans according to TFRS and repaying loans (including repayments through restructuring). Banks must also establish and operate systems to perform these functions. All special provisions set aside for loans and other receivables in accordance with this article are considered as expenditures deductible from the corporate tax base in the year they are set aside. Loans that are written down due to becoming uncollectible after special provisions have been set aside will be categorised as bad debts in accordance with Article 322 of the Tax Procedure Law (Law No. 213).

Pursuant to the Provisioning Regulation, from 1 January 2018 banks are required to classify their loans and receivables into various groups as set out in more detail in the section entitled "*Turkish Regulatory Environment – Loan Loss Reserves*" in this Base Prospectus.

The Provisioning Regulation includes detailed rules and criteria in relation to concepts of the "reclassification" and "restructuring" of loans. See sections entitled "*Turkish Regulatory Environment – Loan Loss Reserves*" in this Base Prospectus.

See also "*Turkish Regulatory Environment – Loan Loss Reserves*" in this Base Prospectus for further information around the application of the Provisioning Regulation.

Portfolio Supervision and Non-Performing Loans ("NPLs")

The Bank's Loan Monitoring Department provides monthly reports to the Bank's senior management detailing all aspects of its credit activity, including the number of new problem loans, the status of existing NPLs and collections. The Bank's senior management pays close attention to the timeliness of debt repayments and the classified loans and contingent liabilities. Prompt action is taken by the appropriate departments having responsibility for supervising and monitoring loan repayments if any principal or accrued interest repayment problems arise. Any overall deterioration in the quality of the Group's loan portfolio or increased exposure relating to off-balance sheet contingent liabilities is brought to the attention of the Bank's Board of Directors by such departments.

The determination of whether a repayment problem has arisen is based upon a number of objective and subjective criteria, including: changes to the borrower's turnover in accounts held by the Group, changes to the borrower's economic and financial activity giving rise to the suspicion that a loan is not being used for its original purpose, applications to amend the loan terms or repayment schedules, failure of the borrower to fulfil the terms and conditions of its loan agreement and refusal of the borrower to co-operate in supplying current information.

Where a loan becomes impaired due to a delay in the repayment of its principal or interest by more than 90 days, the Bank classifies the loan as an NPL and classifies it under Stage 3 as set out in the Turkish regulations. Accrued but uncollected interest must be deducted from revenue records. Interest on such loans cannot be recorded as income unless collected. Furthermore, restructured loans are transferred to the "Renewed and Restructured Loans Account" according to collection performance as defined in the related decree (other loans that are not classified as NPLs may also be restructured).

The Bank has generally given priority to the recovery of NPLs through negotiations and initiating legal proceedings as opposed to sales, resulting in a history of high recovery rates. The Bank currently prefers to use negotiations to work out NPLs rather than resort to legal proceedings, as the latter constitutes a lengthier and costlier process. The Bank's Loan Monitoring Department is in charge of monitoring and negotiating NPLs, as well as initiating legal proceedings when necessary. The restructured loans within the total Stage 2 and Stage 3 loan portfolio account for 81.9 per cent. as of 31 December 2025, and of which 100 per cent. of Stage 2 and 30 per cent. of Stage 3 are restructured.

The Group generally does not write-off NPLs, regardless of the amount of time they have been outstanding. When a loan is placed on non-performing status, interest income ceases to accrue. An NPL is restored to accrual status when all arrears have been paid and it is considered likely that the customer will continue timely performance. An NPL may also be restored to accrual status if it is determined that the repayment of principal and interest is reasonably assured on collection, such as in the case when all amounts due under a loan are fully collateralised by cash or marketable securities and actions have commenced to foreclose on the collateral; however, more typically, the Group seeks to collect on NPLs and close its commitments. The following table sets forth details of the movements in the Group's NPL portfolio (Stage 3) as of each of the indicated dates.

	As of 31 December		
	2023	**2024**	**2025**
		(TL millions)	
Balance at the beginning of the period	2,333,976	3,946,128	3,680,487
Additions[(1)]	1,983,280	268,735	3,844,410
Recoveries[(2)]	286,856	534,376	1,804,044
Portfolio Sale	—	—	—
Write-off[(2)]	84,611	—	—
Balance at the end of the period	3,946,128	3,680,487	5,721,092

Notes:

(1) Including foreign currency effect.

(2) Excluding portfolio sales.

As of 31 December 2025, restructured performing loans constituted 7.6 per cent. of the Bank's total performing loan portfolio. The ratio of renewed and restructured NPLs to total NPLs as of 31 December 2023, 2024 and 2025 was 59.6 per cent., 58.0 per cent. and 30.0 per cent., respectively. The following table sets forth details of the Group's renewed and restructured non-performing loan accounts (Stage 3) as of each of the indicated dates.

	As of 31 December		
	2023	**2024**	**2025**
		(TL millions)	
Renewed and restructured loan accounts	2,352,367	2,147,663	1,718,401

Loan Portfolio Quality. The Group's NPL ratio was 3.0 per cent., 2.2 per cent. and 2.4 per cent., respectively, as of 31 December 2023, 2024 and 2025. The following table sets forth details of the Group's NPL ratios as of each of the indicated dates.

Following the adoption of TFRS 9, the Bank has not continued its 100 per cent. provisioning policy for NPL loans. The Bank assessed each non-performing loan individually and provided provisions on a loan basis.

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Total NPL	3,939,163	3,680,487	5,721,092
Coverage Ratio[(1)]	78.00 %	87.56 %	74.1 %
NPL Ratio	3.0 %	2.2 %	2.4 %

Note:

(1) Total amount of specific provisions divided by NPLs.

The NPL ratio of the Bank has historically been among the lowest in the Turkish banking sector. As of 31 December 2025, 2024 and 2023, the Bank's NPL ratios were 2.4 per cent., 2.2 per cent. and 3.0 per cent., respectively, compared to banking sector average NPL ratios of 2.5 per cent., 1.9 per cent. and 1.6 per cent. as of the same date, according to the BRSA.

Restructured ratio of NPLs also reached to 30 per cent. in the same period. There has not been any substantial inflow to Stage 2 loans, which accounted for 6.9 per cent. of the Group's total loans as of 31 December 2025. The Stage 2 coverage ratio has reached 31.6 per cent. in the same period. Moreover, the outstanding free provisions reached TL 1.1 billion as of 31 December 2025 with TL 950 million in reversal.

The macroeconomic backdrop in Türkiye had also driven a sector-wide increase in NPL levels, due to the effects of volatile foreign exchange rates, interest rates and inflation on Turkish corporates. The Group's management expects no material change in the Bank's NPL status.

NPL Loan Portfolio by Loan Type. The following table sets forth the Bank's NPLs by loan type (defaulted Stage 3) as of the dates indicated:

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Corporate	2,763,287	3,680,487	5,245,945
Other/SMEs/Miscellaneous Receivables	1,175,876	—	475,147
Total	3,946,128	3,680,487	5,721,092

The following table sets out certain information relating to the Group's loan loss provisions for Stage 1 and Stage 2 on cash and non- cash credit exposure, which form a majority of the general loan loss provisions, as of the dates indicated:

	As of 31 December		
	2023	**2024**	**2025**
		(TL thousands)	
Cash	5,176,809	4,840,596	6,420,135
Non-cash commitments and contingencies	112,766	113,417	146,499
Others	28,298	59,793	74.439
Total	5,317,873	5,013,806	6,641,073

As of 1 January 2018, with the implementation of IFRS 9 (and, accordingly TFRS 9), the provisions for the Group's NPLs (Stage 3) are calculated via individual assessment, while the provisions for the Group's performing loans (Stage 1 and Stage 2) are determined via an internal rating model. Prior to the implementation of IFRS 9, the provisions for Stage 1 and Stage 2 loans were 1 per cent., and 2 per cent., respectively, as determined by BRSA regulations. At that time, the Group's internal policy was to apply a 100 per cent. provision for all NPLs.

In accordance with TFRS 9, if the credit risk on a loan has not increased significantly since initial recognition, the Bank shall measure the loss allowance for that loan at an amount equal to 12-month expected credit losses (Stage 1). However, if there is a significant increase in credit risk of a loan since initial recognition, the Bank measures loss allowance regarding such loan at an amount equal to lifetime expected credit losses (Stage 2).

The Group now calculates the expected credit loss on a collective basis by means of grouping the loans having common credit risk features or on an individual basis.

Related Party Transactions

All related party transactions of the Bank are subject to the same approval procedures as those applicable to its other customers. In general, the related party transactions of the Bank include loans, marketable securities and derivative transactions.

Under the Banking Law, the total amount of loans to be extended by a bank to its risk group must not be more than 20 per cent. of its equity. Development and investment banks (such as the Bank) are exempt from BRSA's requirements for exposures to related parties. The Bank closely follows such regulatory requirements and internally applies its own set of restrictions in accordance with the Bank's policies and the covenant report ratios. As of 31 December 2025, the Bank's total net exposure to its risk group totalled TL 2.5 billion, an amount corresponding to 5.3 per cent. of its equity.

In addition, the Banking Law limits the total amount of loans to be made available by banks to their shareholders, irrespective of whether they are dominant partners or own qualified shares (excluding those that have less than a 1 per cent. share in the capital of a bank), and to persons who have indirect loan relations with such shareholders that amount to 50 per cent. or more of their own funds. This limit was further reduced with the Regulation on the Procedures and Principles Regarding the Funds to be Obtained by Development and Investment Banks from the Credit Customers, Affiliates and Shareholders, which was published in the Official Gazette dated 9 April 2025. With a negligible amount of exposure to its shareholders and their risk group as of 31 December 2025, the Bank is well within the limits set by the BRSA.

Employees and Benefits

As of 31 December 2025, the Bank had 483 employees. The following table sets forth the number of employees as of the indicated dates.

	Employees
31 December 2023	452
31 December 2024	456
31 December 2025	483

The Bank focuses on ensuring that employees have a suitable level of education for operational effectiveness and a career at the Bank. As of 31 December 2025, 3 per cent. of the Bank's employees (excluding service staff) had only a secondary or lower school education, 67 per cent. were graduates of universities and 30 per cent. had postgraduate degrees.

Historically, the Bank has sought to maximise the opportunity for career development for its employees, with as many positions filled through internal promotions and assignments as possible. The Bank's personnel turnover rate (*i.e.*, voluntary resignations excluding retirements) is very low, amounting to 8.6 per cent., 7.6 per cent. and 3.8 per cent. in 2023, 2024 and 2025, respectively. As of 31 December 2025, the bankers (excluding service staff) had, on average, seven years of experience in the Bank and an average age of 35 years.

Employees of the Bank participate in the Bank's mandatory pension fund, of which every employee of the Bank is a member. The Bank and its employees contribute to such pension fund; each employee contributes to the pension fund with a certain percentage of his/her monthly salary and the Bank contributes an additional percentage for each employee. For pension funds such as this, Law No. 5754, which was published in the

Official Gazette dated 8 May 2008 and numbered 26870, decrees that payment obligations to the contributors of bank pension funds (i.e., those who receive salaries or income from these funds and their rightful beneficiaries) will be transferred to the Social Security Institution within three years after the release date of this law; however, the authorisation to decide the transfer date to the Social Security Institution has been given to the President in accordance with Temporary Article 20 of the Social Insurance and General Health Insurance Law (Law No. 5510), which was published in the Official Gazette dated 16 June 2006 and numbered 26200.

Legal Proceedings

In the normal course of its business, the Bank is party to certain legal proceedings, whether as plaintiff or defendant, but the Bank's management does not believe that any such proceedings, individually or taken together, are likely to have a material adverse effect on the business of the Group or on the results of its operations or financial condition.

Tax Audit

In line with other investigations of foundations established by financial institutions, the Tax Audit Committee (Vergi Denetim Kurulu) inspectors conducted an investigation into the payments made both by the Bank and its employees to Türkiye Sınai Kalkınma Bankası Mensupları Munzam Sosyal Güvenlik ve Yardımlaşma Vakfı (the "**TSKB Personnel Supplementary Pension Fund**"), which is a foundation established according to Turkish Commercial Law and Civil Law. The tax auditors claimed that payments made by the Bank into the fund should have been considered as wages for its employees and should have been included in the employees' tax base; therefore, the Bank was subject to taxes and penalties for a total amount of TL 22 million for the years 2008, 2009, 2010 and 2011, which was fully paid as of 31 July 2014. The Bank's management believes that the Bank's practice was in compliance with the applicable legislation and that there is no legal basis for the tax administration's assessments. The Bank appealed to the tax courts to cancel these tax notifications and a substantial part of such court proceedings has been finalised, with some of the resulting decisions determined in favour of the Bank and others determined against the Bank. As a result, a total of TL 16,574 thousand has been returned back to the Bank.

One of the banks that was ordered to pay taxes and penalties by the tax courts in respect of similar proceedings to those involving the Bank appealed to the Constitutional Court of Türkiye ("**Constitutional Court**"). The Constitutional Court found in favour of the applicant bank and ordered compensation in respect of the taxes and penalties paid by the applicant bank in a decision published in the Official Gazette on 21 February 2015 and numbered 29274. The Bank's management believes that the Constitutional Court's decision is relevant to certain of the rulings made against the Bank by the tax courts, and, as of the date of this Base Prospectus, the Bank is therefore considering appealing these rulings to the Constitutional Court for these rulings to be reversed.

Anti-Money Laundering Policies

Türkiye is a member country of the Financial Action Task Force ("**FATF**") and has enacted laws and regulations to combat money laundering, terrorist financing and other financial crimes. Minimum standards and duties include customer identification, record keeping, reporting of suspicious activity, employee training, an audit function and designation of a compliance officer. Suspicious transactions must be reported to the Turkish Financial Intelligence Unit, Financial Crimes Investigation Board. In Türkiye, all banks and their employees are obligated to implement and fulfil certain requirements regarding the treatment of activities that may be referred to as money-laundering.

The main provisions of the applicable law include regulation of: (a) client identification, (b) reporting of suspicious activity, (c) training, internal audit and control, risk management systems and other measures, (d) periodical reporting, (e) information and document disclosure, (f) retention of records and data, (g) data access systems to public records, (h) protection of individuals and legal entities and (i) written declaration of beneficial owners by transacting customers, among other provisions. Suspicious transactions must be reported to the Turkish Financial Intelligence Unit, which is the Financial Crimes Investigation Board.

To ensure that the Bank is not used as an intermediary in money laundering and other criminal activities, an anti-money laundering ("**AML**") policy aimed at combating the financing of terrorism, which is to be followed by all employees, has been approved by the Board (the most recent of such policies having been adopted on 28 September 2016). This policy has been prepared and issued for the purpose of guiding the practices of the Bank pursuant to anti-money laundering legislation and regulations. It describes and outlines the Bank's know-your-customer procedures, appointment of the compliance officer, monitoring principles and reporting procedures for suspicious transactions, principles related to freezing assets, periodic reporting, retention of data and employee training. All of the Bank's subsidiaries must comply with the Bank's programmes, policies and procedures.

The Bank adopted the Code of Banking Ethics published by the BAT by its Board of Directors' resolution dated 16 March 2006 and by its Board of Directors' resolution dated 24 September 2014 further adopted new forms of the Code of Banking Ethics as revised by the BAT on 15 September 2010 and 20 August 2014. The Code of Banking Ethics is also applicable to the Board of Directors. Turkish and English versions of the Code of Banking Ethics are available on the Bank's website (http://www.tskb.com.tr/en/investor-relations/corporate-governance/code-of-banking-ethics-and-policies and http://www.tskb.com.tr/tr/yatirimci-iliskileri/kurumsal-yonetim/etik-ilkeler-ve-politikalar).

Client Identification

Under Turkish AML regulations, banks must verify the identification documents and other information provided by their permanent clients. The Bank's policy is that, as with other parties covered by these regulations, all necessary measures should be taken in order to determine whether a transaction is being carried out for the benefit of a third party and, if so, to identify that third party. Moreover, all financial institutions are required by these regulations to identify the beneficial owner of an account. It is also compulsory for banks to identify each natural person or legal entity that owns more than 25 per cent. of a legal entity.

The Bank's internal policies and systems prohibit the opening of anonymous accounts or the provision of services to entities who fail to provide sufficient identification.

Monitoring Suspicious Transactions

The Bank uses an in-house software system designed to monitor all transactions and to detect any unusual transactions and any transactions that exhibit signs of money laundering and terrorism financing. The Bank's Internal Control Department analyses the alerts generated by the software and files suspicious transaction reports to the Financial Crimes Investigation Board. Several scenarios have been incorporated into the software of the Bank to improve the detection of suspicious transactions. In addition to its in-house software system, the Bank utilises an automated system provided by Dow Jones which enables it to monitor and detect suspicious transactions on a daily basis. Moreover, all foreign currency transfers are separately monitored on a daily basis. The in-house software system also screens the Bank's customers and transactions according to watch lists of individuals, companies or geographic locations issued by authorities including, among others,

OFAC, the EU, the United Kingdom, France and the United Nations. If any party to a transaction falls within any of the watch lists, the system creates an alert, on the basis of which the Bank then decides whether to approve the transaction or not. Employees are also encouraged to report suspicious transactions in written form to a compliance officer. The Group also has in place an anti-bribery policy.

Compliance with Sanctions Laws

OFAC administers regulations that restrict the ability of U.S. persons to invest in, or otherwise engage in business with sanctions targets, including Specially Designated Nationals ("**SDNs**") and persons listed on OFAC's "sectoral sanctions" list, and similar rules have been put in place by other U.S. government agencies (including the State Department), the EU, the UK, the United Nations and Türkiye. The Bank maintains policies and procedures which are reasonably designed to help ensure that it complies with all such laws, regulations and orders (including those of OFAC and the FATF) regarding doing business with, maintaining accounts for, or handling transactions or monetary transfers for such sanctions targets ("**Sanctions Targets**").

Before opening an account for, or entering into any transaction with, a customer, the Bank ensures that such customer is not listed as a Sanctions Target. In addition, the names of all customers and all incoming and outgoing transactions are continuously and automatically screened against the various lists of Sanctions Targets. Accordingly, the Bank's current policies restrict the Bank from engaging in any prohibited business investments and transactions with Sanctions Targets, including those in and affiliated with Iran, Russia and Syria.

Credit Ratings

The Bank's credit ratings from Moody's and Fitch as of the date of this Base Prospectus is set out below. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Moody's (30 July 2025)	
Baseline Credit Assessment (BCA)	b1
Foreign Currency (issuer)	
Long-Term Maturity	Ba3
Outlook	Stable
Short-Term Maturity	NP
Domestic Currency (issuer)	
Long-Term Maturity	Ba3
Outlook	Stable
Short-Term Maturity	NP
Fitch (14 April 2026)	
Viability Rating	bb-
Foreign Currency (issuer)	
Long-Term Maturity	BB-
Short-Term Maturity	B
Outlook	Stable

Moody's (30 July 2025)

Domestic Currency (issuer)	
Long-Term Maturity	BB-
Short-Term Maturity	B
Outlook	Positive

RISK MANAGEMENT

General

The Bank's management believes that assessment and control of risk is critical to the Group's success. The Bank closely identifies, measures, monitors and manages the risks arising from the Group's operations. The Bank monitors and manages the mismatch of maturities, the size and degree of interest rate and exchange rate exposure and its counterparty credit quality in order to minimise the effect of these risks on profitability. The Bank's current system of risk control and risk management has been in place since 2002. The Group's system of risk control and risk management is reviewed and modified as necessary and is integrated into the Group's internal systems for planning, management and control.

The Bank continues to maintain and further develop its risk management system, which has been established both to meet its internal risk management needs and to comply with its legal and regulatory requirements, including the Basel criteria and the BRSA's regulations. Risk management personnel are also involved in risk, control and compliance analysis processes of the Bank's new products and services. The process comprises not only new but also expanded or modified products and services that may have a significant effect on the Bank's risk profile. During this process, the "Internal Systems" group conducts risk, control and compliance due diligence and, throughout the process, Risk Management personnel are responsible for ensuring that all potential risks that may affect the Bank's business strategy and risk profile are analysed and conveyed to the related parties.

Internal Systems

The Bank's "Internal Systems" group comprises the Bank's Board of Internal Auditors, the Internal Control Department and the Risk Management Department. The Internal Systems structure is based upon management's assessment of best market practices both in Türkiye and internationally. All the departments work in accordance with the principles and organisational set-up required by Turkish regulations.

The Bank applies sophisticated risk management methods and techniques available in the international banking arena. Risk management is a dynamic process, evolving alongside developments in international practices and regulations.

The Board of Internal Auditors and the Internal Control and Risk Management Departments report to the Board of Directors through the Audit Committee. The Audit Committee comprises of two Board members.

Board of Internal Auditors

The Board of Internal Auditors aims to ensure that the activities of the Bank are fully and efficiently implemented in compliance with all applicable laws, statutory regulations, corporate strategies and policies. The Board of Internal Auditors also provides assurance to the Board of Directors on the accuracy, reliability, completeness and timeliness of all financial and management information.

The scope of the audit process covers all activities and units of the Group. The branch, head office units, consolidated subsidiaries, information technology and banking processes are periodically audited in accordance with the Bank's internal audit plan, which is based upon risk-based methodology and approved by the Board of Directors. Other than these periodic, risk-based audits, the Bank also performs special audits upon the request of the Board of Directors or the Audit Committee.

The audit process includes both the on-site and off-site examination of all material information, accounts, records and documents and all other factors that may affect the operations of the Bank.

Internal Control Department

The Internal Control division focuses on the internal control system of the Bank, which is structured within the BRSA framework. The Internal Control department controls all branches, the head office operations departments that are directly related to the Bank's main banking activities and all subsidiaries that are subject to consolidation.

The Internal Control division aims to examine, monitor, design and co-ordinate the Bank's internal control activities to enable banking activities to be carried out along the objectives, principles and provisions laid down by the Bank's management, and the legislation and regulations in effect, in a secure and efficient manner. Controls on compliance with the relevant laws and regulations, controls on assets, limits, approval and authorisation, IT controls and controls on financial reporting systems are implemented in accordance with the charter of the Internal Control division, with the objective of achieving a strong and efficient internal control system in relation to the Bank's banking operations.

Internal controllers conduct on-site control activities in the Bank's offices (including information systems divisions). On-site controls are supported with centralised computer-assisted control activities.

The duties and responsibilities of the AML Compliance Officer are set out in Türkiye's Law No. 5549 on Prevention of Laundering Proceeds of Crime and other relevant regulations. The activities and controls in relation to the prevention of money laundering and the financing of terrorism are executed in compliance with applicable legislation, regulation and standards, as well as the Bank's internal policies. The results of the compliance activities are also regularly evaluated by the Audit Committee through the annual reports.

Risk Management Department

The Risk Management Department is responsible for measuring, monitoring, analysing and reporting on both financial and non-financial risks. The Risk Management department covers credit risk management, asset liability risk management, market risk management, operational risk management and the management of other risks. The Risk Management department reports to the Audit Committee regularly and to the Board of Directors on a monthly basis.

Treasury Department

The Bank's Treasury department is responsible for managing and implementing the Bank's asset and liability positions on a day-to-day basis with a special emphasis on Turkish Lira and foreign currency liquidity, ensuring the availability of funds for all products and services provided by the Bank.

The Treasury department's activities are held in the domestic and international money, currency and capital markets. The Treasury department also has the responsibility of determining and publishing the fund transfer pricing ("**FTP**") of the Bank on a daily basis.

The Treasury department consists of three units concentrating on different activities: (a) the Asset Liability Management (ALM) Unit, (b) the Derivatives Transactions and Treasury Sales Unit, and (c) the Trading Unit. All treasury transactions are required to comply with the Bank's treasury policies as established by the Bank's Board of Directors. Treasury transactions are controlled and reported by the Treasury Control Unit, which includes a member who is also within the Budget Control Department.

The Treasury department's activities include, among others, the following:

(a) managing the Bank's liquidity position;

(b) managing the Bank's Turkish Lira- and foreign currency-denominated fixed income portfolio;

(c) daily trading in order to enable the Bank to benefit from any advantageous market opportunities;

(d) managing the Bank's net foreign currency position, ensuring that it remains within the limits set by the Turkish banking authorities and the risk appetite of the Bank as set by its Board of Directors;

(e) managing the composition of any long or short foreign currency position;

(f) determining the Bank's Turkish Lira/foreign currency rates, which are used in pricing Turkish Lira/foreign currency transactions for clients;

(g) pricing money market transactions and the determination and publishing of the FTP of Turkish Lira and foreign currency-denominated loans;

(h) utilising derivative instruments, such as currency and interest rates swaps and forward, futures and options transactions, for hedging the Bank's portfolio and other general hedging purposes; and

(i) developing new products according to changing market conditions and institutional client needs.

Asset and Liability Management

The main responsibility of the Treasury Department is to manage the Bank's assets and liabilities in accordance with the strategies set by the Asset and Liability Committee ("**ALCO**"). ALCO is responsible for forming and overseeing the implementation of the asset and liability management strategy of the Bank and its objective is to structure the Bank's balance sheet in view of liquidity needs and market risk (including interest rate, maturity and exchange rate risks), while ensuring that the Bank has adequate capital and is using its capital to maximise net interest income. ALCO generally meets monthly, or more frequently if necessary, to review the Bank's risk exposure, set the Bank's policy for risk exposure (arising from its positions in respect of loans and investment securities in terms of market risk, together with risks arising from inflation rates, the Bank's liquidity position, the Bank's capital adequacy and the macro-economic environment including domestic and international political and economic events), determine the Bank's strategies for interest rate levels and maturities and the pricing of loans. ALCO also supervises the implementation process relating to these decisions.

ALCO is chaired by the Bank's Chief Executive Officer and also includes the Executive Vice Presidents in charge of the treasury, financial institutions and investor relations, development finance institutions, corporate banking, project finance, financial control, budget planning. The other members of the committee are heads of departments who are responsible for treasury, financial institutions and investor relations, development finance institutions, corporate banking, project finance, budget planning, risk management, and chief economist.

Considering the Bank's strategy and the competitive environment, ALCO takes decisions to be implemented by the appropriate departments of the Bank for the optimal management of the Bank's balance sheet and cash flows, and then monitors the actual results.

Composition of the Group's main assets and liabilities

The Group's main assets comprise loans, cash and securities. As of 31 December 2025, the Group's total assets increased to TL 334,293,518 million from TL 237,528,982 million as of 31 December 2024. The following table sets forth details of the composition of the Group's main assets and liabilities by currency as of the indicated dates:

	As of 31 December					
	2023		2024		2025	
	(TL)	*(Foreign Currency)*	*(TL)*	*(Foreign Currency)*	*(TL)*	*(Foreign Currency)*
Assets						
Cash and Banks	18.83 %	5.69 %	3.56 %	5.94 %	12.82 %	5.66 %
Loans[(1)]	42.34 %	81.57 %	36.93 %	82.26 %	33.03 %	83.97 %
Securities Portfolio	28.75 %	12.41 %	40.46 %	11.60 %	41.31 %	10.10 %
Others	10.08 %	0.33 %	19.05 %	0.21 %	12.84 %	0.26 %
Total Assets	100 %	100 %	100 %	100 %	100 %	100 %
Liabilities						
Funds Borrowed[(2)]	12.29 %	97.06 %	15.34 %	97.08 %	13.73 %	98.59 %
Others	87.71 %	2.94 %	84.66 %	2.92 %	86.27 %	1.41 %
Total Liabilities	100 %	100 %	100 %	100 %	100 %	100 %

Notes:

(1) Foreign currency index loans are represented in the foreign currency column.

(2) Including interbank and repo funds and issued bonds.

The following table sets forth the composition of the Group's main assets and liabilities by maturity as of 31 December 2025:

	Less than or equal to one month	Greater than one month and less than or equal to three months	Greater than three months and less than or equal to 12 months	Greater than 12 months	Undistributed	Total
			(TL thousands)			
Assets						
Cash and Banks	14,762,708	—	—	—	—	14,762,708
Loans[(1)]	14,258,895	14,762,004	45,824,523	161,357,878	—	236,203,300
Securities Portfolio	2,463,473	2,006,128	3,919,854	47,018,645	4,911,978	60,320,078
Other	6,572,844	3,231,935	835,291	—	12,367,362	23,007,432
Total Assets	38,057,920	20,000,067	50,579,668	208,376,523	17,279,340	334,293,518
Liabilities						
Funding[(2)]	32,151,868	7,425,832	27,217,541	211,217,325	3,482,467	281,495,033
Others	791,005	271,254	853,184	124,501	50,758,541	52,798,485
Total Liabilities	32,942,873	7,697,086	28,070,725	211,341,826	54,241,008	334,293,518

	Less than or equal to one month	Greater than one month and less than or equal to three months	Greater than three months and less than or equal to 12 months	Greater than 12 months	Undistributed	Total
			(TL thousands)			

Note:

(1) Includes loans and lease receivables minus specific provisions provided against loans or defaults provisions.

(2) Including miscellaneous payables

As part of its internal asset and liability management policy, the Bank seeks to structure its securities and loan portfolios such that the borrowing side matches the lending side in terms of total Turkish Lira/foreign currency exposures or fixed rate/floating rate exposures in order to minimise risk. The Bank also utilises derivative transactions in order to hedge itself against interest rate risk and foreign currency risk, as well as liquidity risk.

Market risk

Market risk is defined as the risk of loss in the trading portfolio of the Bank arising from movements in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads that may affect the Bank's assets, income or the value of its holdings of financial instruments. The objective of market risk management is to monitor and control market risk exposures within acceptable parameters, while optimising the return on risk.

The level of market risk to which the Bank is subject can be measured by either the "Standard Method" or the "Value at Risk Method". The "Standard Method" is used for legal requirements and the "Value at Risk Method" is used for internal reporting purposes. The "Value at Risk Method" is highly consistent with local Turkish regulations as adopted from internationally accepted practices, but the Bank uses the "Standard Method" due to legal reporting requirements.

Using the Standard Method, market risk measurements are carried out on a monthly basis. The results of these measurements are included in the Bank's public regulatory reports as well as in internal reports, which are addressed to the Bank's Board of Directors and senior management.

The Value at Risk ("**VaR**") Method is used to measure market risk in terms of interest rate risk, exchange rate risk, equity risk and volatility risk on a daily basis and is a part of the Bank's daily internal reporting procedure. Back-testing is carried out to determine the reliability of the daily market risk measurements under the VaR Method.

The total VaR amount was calculated as TL 5.9 million (0.01 per cent. of the Bank's equity) as of 31 December 2024 and TL 9.1 million (0.02 per cent. of the Bank's equity) as of 31 December 2025.

In order to support the VaR model that measures the loss that may occur under ordinary market conditions, analyses are developed and performed based upon generally accepted scenarios. The potential impact of these scenarios on the value of the Bank's trading book is determined and the results are reported to the Bank's Board of Directors and senior management.

The ALCO, comprising members of senior management of the Bank, manages market risk by monthly meetings based upon reports prepared by the risk management and related executive departments. For the purpose of hedging market risk, the Bank primarily aims to balance the foreign currency position, match the interest and duration structure of its assets and liabilities, and keep a sufficient level of liquid assets. The

limits, which are established for managing market risk within the framework of the Bank's asset and liability management risk policy, are monitored by the Audit Committee and reviewed in accordance with current market conditions.

Interest Rate Risk

A significant component of the Bank's asset and liability management risk policy is the management of interest rate risk. Interest rate risk is the possibility of loss in relation to the structural position arising from adverse movements in interest rates. The Bank is exposed to interest rate risk due to mismatches in the maturity or re-pricing characteristics of interest earning assets and interest-bearing liabilities. For any given period, the pricing structure is matched when an equal amount of such assets or liabilities mature or re-price in that period. Any mismatch of interest earning assets and interest-bearing liabilities is known as a gap position. A positive gap denotes asset sensitivity and normally means that an increase in interest rates would have a positive effect on net interest income, while a decrease in interest rates would have a negative effect on net interest income.

The potential effects of interest rate risk on the Bank's assets and liabilities, market developments, general economic environment and expectations are regularly addressed in ALCO meetings where further measures to reduce risk are implemented when necessary.

While interest rate risk in trading book is managed through the VaR method, interest rate risk in the banking book is monitored and controlled by the limit established on the ratio of structural interest rate risk to regulatory capital. Structural interest rate risk is quantified by calculating the change in the Bank's economic value of equity under standardised interest rate shocks (i.e., plus 2 per cent. for foreign currency and 5 per cent. for local currency). The interest rate risk limits determined by the Board of Directors are monitored by the Risk Committee in accordance with the Bank's asset and liability management policy. Furthermore, scenario analyses that are developed based upon future predictions are conducted for managing interest rate risk.

The following table sets forth the Group's "re-pricing" gap, which is the difference between the interest rate sensitivity of assets and the interest rate sensitivity of liabilities, as of 31 December 2025:

	Less than or equal to one month	Greater than one month and less than or equal to three months	Greater than three months and less than or equal to 12 months	Greater than 12 months	No Interest	Total
			(TL thousands)			
Cash balances and balances with the Central Bank	—	—	—	—	5,703,137	5,703,137
Balances with banks	7,386,636	30,714	—	—	1,642,221	9,059,571
Financial assets at fair value through profit or loss[(1)]	1,159,705	30,903	357,023	340,103	3,830,949	5,718,683
Interbank funds sold	5,773,422	3,231,935	835,291	—	—	9,840,648
Financial assets at fair value through other comprehensive income	4,784,574	3,391,286	4,741,483	12,281,121	2,022,483	27,220,947
Loans[(2)]	51,497,224	49,766,683	99,432,120	35,507,273	—	236,203,300
Other financial assets measured at amortised cost	291,686	6,441,322	3,131,680	17,515,760	—	27,380,448

	Less than or equal to one month	Greater than one month and less than or equal to three months	Greater than three months and less than or equal to 12 months	Greater than 12 months	No Interest	Total
			(TL thousands)			
Other assets	—	—	—	—	13,166,784	13,166,784
Total assets	**70,893,247**	**62,892,843**	**108,497,597**	**65,644,257**	**26,365,574**	**334,293,518**
Interbank funds borrowed	8,193,145	2,464,716	—	—	—	10,657,861
Miscellaneous payables	—	—	—	—	3,482,467	3,482,467
Debt securities issued[3]	17,211,079	341,830	818,794	55,364,667	—	73,736,340
Funds borrowed from other financial institutions	20,385,800	60,480,449	104,788,796	7,963,320	—	193,618,365
Other liabilities	588,171	186,370	901,856	257,160	50,864,928	52,798,485
Total liabilities	**46,378,195**	**63,473,365**	**106,509,416**	**63,585,147**	**54,347,395**	**334,293,518**
Asset/liability gap	24,515,052	(580,522)	1,988,181	2,359,110	(27,981,821)	—
Off-balance sheet gap	(14,564,176)	(1,854,059)	(28,542,735)	44,674,869	—	(286,101)
Total gap	**9,950,876**	**(2,434,581)**	**(26,554,554)**	**46,733,979**	**(27,981,821)**	**(286,101)**

Note:

(1) Includes derivative financial assets and loans at fair value through profit or loss.

(2) Includes loans and lease receivables minus specific provisions provided against loans or defaults provisions.

(3) Includes subordinated debt instruments.

Liquidity risk

In general, liquidity risk is the risk that an entity will be unable to meet its net funding requirements. Liquidity risk can be caused by market disruptions or credit downgrades, which may cause certain sources of funding to become unavailable. Liquidity risk is a substantial risk in Turkish markets, which have historically exhibited significant volatility.

The Bank's principal sources of funding are loans from multilaterals and other lenders. The average maturity of the corporate loans made by the Bank is shorter (approximately 5 years) than the average maturity of the funding that the Bank receives from multilaterals (approximately 11 years). As a result of the Bank's long-term, wholesale funding base, the Bank's liquidity gap is usually negative for its obligations with a maturity period of one to seven days due to its short-term repo transactions. Thereafter, the liquidity gap generally becomes positive due to the Bank's securities portfolio and loan instalments. For the Bank's obligations with a maturity period of more than nine years, the liquidity gap turns negative due to the long-term funding nature of the Bank's funding.

In order to meet the liquidity requirements that may emerge from market fluctuations, considerable attention is paid to the need to preserve liquidity and efforts in this respect are supported by projections of Turkish Lira and foreign currency cash flows. Based upon cash flow projections, prices are differentiated for different maturities and measures are taken accordingly to meet liquidity requirements. Moreover, potential alternative

sources of liquidity are determined where required for extraordinary circumstances. Foreign currency, total liquidity adequacy and liquidity coverage ratios, which are subject to legal reporting requirements, are also used to monitor liquidity on an ongoing basis.

Within the framework of the Bank's asset and liability management risk policy, internal limits established for liquidity risk management are monitored by the Audit Committee and, in the case of extraordinary situations where prompt action is required to be taken due to unfavourable market conditions, emergency measures and funding plans related to liquidity risk are put into effect.

The major objectives of the Bank's asset and liability management risk policy are to ensure that sufficient liquidity is available to meet its commitments to its clients, to satisfy the Bank's other liquidity needs and to ensure compliance with the capital adequacy and other applicable CBRT regulations. Liquidity risk arises in the general funding of the Bank's financing and trading activities and in the management of investment positions. It includes the risk of increases in funding costs and the risk of being unable to liquidate a position in a timely manner at a reasonable price.

As of 31 December 2025, 1.4 per cent. of the Group's funds borrowed were denominated in Turkish Lira. The funds supplied from DFIs and funding sources including syndicated loans, Eurobond issuances, bilateral loans, and treasury funding opportunities are denominated in foreign currencies (principally U.S. Dollars and Euro). Such funds are also provided by the Bank to its borrowers as foreign currency-denominated loans. Thus, only a very moderate foreign exchange mismatch for loans exists. In general, the foreign exchange position of the Bank is at low levels.

The following table sets forth the original maturity profile of the Group's funds borrowed and subordinated debt (including accrued interest that may be payable thereon) as of each of the indicated dates:

	As of 31 December		
	2023	**2024**	**2025**
No term	—	—	—
Turkish Lira–denominated	—	—	—
Foreign currency–denominated	—	—	—
Up to three months	4,861,656	3,747,566	11,708,760
Turkish Lira–denominated	—	20,916	2,726,682
Foreign currency–denominated	4,861,656	3,726,650	8,982,078
Greater than three months and less than or equal to 12 months	19,990,363	22,719,019	26,398,778
Turkish Lira–denominated	—	—	—
Foreign currency–denominated	19,990,363	22,719,019	26,398,778
Over 12 months	88,042,181	108,336,784	168,653,418
Turkish Lira–denominated	—	—	—
Foreign currency–denominated	88,042,181	108,336,784	168,653,418
Funds Borrowed and Subordinated Debt	112,894,200	134,803,369	206,760,956

	As of 31 December		
	2023	2024	2025
Turkish Lira–denominated	—	—	2,726,682
Foreign currency–denominated	112,894,200	134,782,453	204,034,274

Currency Risk

The Group is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. Foreign currency risk indicates the possibility of the potential losses that a bank is subject to due to the exchange rate movements in the market.

The Bank effectively hedges its foreign currency risk and holds foreign currency asset and liability items together with derivatives in balance against the foreign currency risk.

ALCO meets regularly to manage exchange rate and parity risks in accordance with the Bank's asset and liability management risk policy. The Bank manages foreign currency risk through monthly ALCO meetings by evaluating the positions taken by the Bank's Treasury Department.

The general net foreign currency positions of Turkish banks are also regulated by the BRSA and this figure, in absolute terms, cannot exceed 5 per cent. of the relevant bank's shareholder equity.

Both the Standard Method and VaR Method are used in order to measure currency risk. Using the Standard Method, currency risk measurements are carried out on a monthly basis and the results are used for calculating the regulatory capital requirement of the Bank. Risk measurements within the context of the VaR Method are performed on a daily basis using historical and Monte Carlo simulation methods. Furthermore, scenario analyses are conducted to support the VaR calculations.

The results of these currency risk measurements are reported to senior management and the risks are closely monitored by taking into account current market and economic conditions.

A 10 per cent. weakening of the Turkish Lira against foreign currencies as of 31 December 2025, 2024 and 2023 would have changed profit or loss by the amounts shown in the table below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	As of 31 December		
	2023	2024	2025
		(TL thousands)	
U.S.$	3,752	(106,140)	(126,985)
Euro	105,213	49,179	31,407
Other currencies	734	426	1,134
Total	109,699	56,535	94,444

Credit Risk

In general, credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Bank places emphasis mainly on the payment ability and

cash generating ability of the borrower in any given transaction, and also obtains sufficient collateral from borrowers including, wherever possible, cash collateral, mortgages or security over other assets. The Bank seeks to manage its credit risk exposure through the diversification of its lending activities to avoid undue concentration of risks with individuals or groups of clients in specific locations or businesses. Development and investment banks (such as the Bank) are not subject to the credit limits imposed by the BRSA; however, the Bank's Board of Directors has approved certain principles and internal credit limits. As well as an internal rating system developed in-house by the Bank. The Bank has implemented centralised credit approval processes and loan proposals are evaluated and monitored by the relevant authorised departments (see "*Business of the Group – Lending Policies and Procedures*" above).

Credit risk arising from treasury transactions is monitored on each business day. Exposure from over-the-counter derivative transactions is subject to daily margin call on counterparty basis under the relevant credit support annex agreements. All of the credit risk arising from over-the-counter derivative transactions is collateralised with cash.

Operational Risk

Operational risk is the risk of loss arising from faults or deficiencies in the regular operations of a bank, including problems with systems, hardware, technology and communication infrastructures, national disasters, terrorist attacks or earthquakes, as well as with respect to personnel responsibilities for monitoring, controlling, reporting, taking action and being diligent.

The Bank uses the "Basic Indicator Approach" to assess capital for operational risk. Banks using the "Basic Indicator Approach" are required to hold capital for operational risk equal to a fixed percentage (i.e., 15 per cent.) of the average of the previous three years' positive annual gross income (which is defined as net interest income plus net non-interest income). Figures for any year in which the annual gross income is negative or zero are excluded from both the numerator and denominator when calculating the average. The maximum internal limit for operational risk capital is 10 per cent. of the Bank's total risk-weighted assets. If the limit exceeds 8 per cent., then it is immediately reported to the Bank's senior management with the early warning procedure.

Risks identified as a result of operational risk assessments are reported to the Audit Committee and Board of Directors. In terms of quantitative techniques, the Risk Management department employs a range of diagnostic tools, such as key risk indicators, together with data analysis. Operational error records are used for this purpose.

Risks derived from information technologies are primarily assessed within the scope of the Bank's operational risk management analysis. It is essential that those risks, which could be seen as multipliers of other risks derived from activities of the Bank, are measured, closely monitored and controlled within the framework of the Bank's integrated risk management.

Subsidiaries' Risk Management

The Bank has a group-wide risk policy set by the Bank's Board of Directors. The Risk Management department monitors both internal and legal risk limits and other risks relating to subsidiaries falling within the scope of the group-wide risk policy. In addition to this, the Bank's subsidiaries also have their own internal, sector-specific risk policies, limits and procedures. The Bank's Risk Management department reports to the Audit Committee every three months in order for the Audit Committee to evaluate the Group's risk level on a consolidated basis.

Liquidity and Funding

Funding for the Bank primarily comes from DFIs, Eurobonds, syndicated loans, subordinated debt, bilateral loans, repo and money market transactions. Borrowings, which consists of funds borrowed, money markets marketable securities issued net and subordinated debts, are the Bank's main source of both Turkish Lira and foreign currency funding, with a 97.3 per cent. share in total liabilities (excluding shareholders' equity) as of 31 December 2025, amounting to TL 273.4 billion.

In terms of Turkish Lira, the primary funding sources currently available for the Bank are the repo and reverse repo market of the BİST, the over-the-counter interbank money market, the interbank money market of the CBRT, collateralised loans and bill and bond issues. In June 2010, the Bank's Board of Directors authorised the issuance of discounted bonds with a value of up to TL 0.2 billion. In August 2010, the Bank issued zero-coupon bonds with a total value of TL 200 million, but while the Bank still has the capacity to tap the Turkish Lira market in case of a need for local funding, the Bank has not since issued further bonds in the Turkish Lira market.

As a last resort, the Bank also has the capacity to borrow funds through the CBRT. The Bank's limits for this kind of transaction are determined by the CBRT, generally carries a maturity of up to one month and is available at short notice. As of the date of this Base Prospectus, the Bank continued to have significant headroom under the limit set by the CBRT. The Bank also has the ability to benefit from its securities portfolio for repo transactions to generate extra liquidity when necessary.

The Bank has been accessing the international markets for syndicated loan facilities since 2005. As of 31 December 2025, the balance of the outstanding syndicated term loan facilities obtained by the Bank was approximately U.S.$238 million. The Bank also accessed the international debt capital markets for the first time in October 2014 when it issued notes for an amount of U.S.$350 million due to mature in October 2019, followed by another issuance of notes in April 2015 for an amount of U.S.$350 million due to mature in 2020. In May 2016, the Bank issued the first green/sustainable bond in Türkiye and the wider CEEMEA region for an amount of U.S.$300 million which matured in 2021. The proceeds from the issuance of the green/sustainable bond were fully disbursed by the end of 2016. In March 2017, the Bank issued the world's first ever sustainable Tier II Bond for an amount of U.S.$300 million. The Tier II Bond has a ten-year maturity with an issuer call option after five years. The Bank has realised the call option on March 29, 2022. In January 2018, and 2020 the Bank issued notes for the amounts of U.S.$350 million and U.S.$400 million respectively under the GMTN programme due to mature in 2023 and 2025 respectively. In January 2021, the Bank issued its third Sustainable Eurobond for an amount of U.S.$350 million under the GMTN programme due to mature in 2026. In September 2023, the Bank issued its fourth Sustainable Eurobond for an amount of U.S.$300 million under the GMTN programme due to mature in 2028. In October 2024, the Bank issued notes for the amount of U.S.$350 million under the GMTN programme due to mature in 2029. In July 2025, the Bank issued notes for the amount of U.S.$350 million under the GMTN programme due to mature in 2030.

In addition to the above, the Bank has entered into various transactions with DFIs, export credit agencies and other lenders, principally for project financing and the financing of small- to medium- size enterprises in the renewable energy sector, resource and energy efficiency projects and certain import related projects as well as working capital loans (see "*Business of the Group – Strengths – Strong Relationships with the World Bank and other DFIs*").

The following tables show the Group's sources of funding as of the indicated dates and their respective changes period over period.

	As of 31 December					
	% Change	2023	% Change	2024	% Change	2025
		(TL thousands except where in percentages)				
Money Market Balances	50.8 %	3,727,880	64.5 %	6,133,453	73.8 %	10,657,861
Funds Borrowed	51.2 %	75,371,460	64.5 %	124,002,505	56.1 %	193,618,365
Securities Issued[(1)]	58.4 %	34,148,450	88.3 %	64,313,216	14.7 %	73,736,340
Other	(0.2) %	5,871,726	69.1 %	9,927,108	(1.1) %	9,817,227
Equity	68.0 %	21,825,052	51.9 %	33,152,700	40.2 %	46,463,725
Total	53.8 %	180,913,852	31.3 %	237,528,982	40.7 %	334,293,518

Note:

(1) Including subordinated loans.

	As of 31 December		
	2023	2024	2025
	(%) of Total		
Money Market Balances	2.1 %	2.6 %	3.2 %
Funds Borrowed	62.4 %	52.2 %	57.9 %
Securities Issued[(1)]	18.9 %	27.1 %	22.1 %
Other	5.1 %	4.1 %	2.9 %
Equity	12.1 %	14.0 %	13.9 %
Total	100 %	100 %	100 %

Note:

(1) Including subordinated loans.

Capital Adequacy

The Bank is required to comply with capital adequacy guidelines promulgated by the BRSA, which are based upon the standards established by the Bank for International Settlements. These guidelines require banks to maintain adequate levels of regulatory capital against risk-bearing assets and off-balance sheet exposures (commitment and contingencies).

Within the context of the implementation of the Basel III framework in Türkiye, the calculations regarding capital adequacy for periods from 1 January 2014 are performed in accordance with the 2013 Equity Regulation and other regulations newly enacted and/or amended by the BRSA. In accordance with these

guidelines, the Bank must maintain a total capital ratio in excess of 8 per cent. calculated in accordance with BRSA regulations. In addition, as a prudential requirement, the BRSA requires a target capital adequacy ratio that is 4 per cent. higher than the legal capital ratio. As of 31 December 2025, the Bank's regulatory capital adequacy ratio was 26.7 per cent. and the Group's regulatory capital adequacy ratio was 25.0 per cent, each significantly exceeding the minimum legal ratio of 8 per cent. The Bank also monitors its capital adequacy ratio with current exchange rates to ensure that the ratios are meeting and exceeding current regulatory limits. Furthermore, the Bank has the capacity to generate further capital. See "*Turkish Regulatory Environment – Capital Adequacy*" for additional information.

MANAGEMENT

In accordance with the Bank's articles of incorporation and the relevant laws of Türkiye, the Bank is ultimately controlled by its shareholders through its General Assembly. According to the Bank's articles of incorporation, general resolutions at the General Assembly are adopted by affirmative votes of an absolute majority of the votes present at the meeting, provided that a quorum is attained.

The Bank's business is organised into 34 departments. 31 of these departments are managed by the Executive Committee, which consists of the Chief Executive Officer and the various Executive Vice Presidents. The remainder of the departments – the Board of Internal Auditors, Internal Control, and Risk Management – report to the Board of Directors through the relevant Executive Vice President, who in turn reports directly to the Audit Committee and Legal Affairs report directly to the Chief Executive Officer.

Board of Directors

According to the Bank's articles of incorporation, the Board of Directors consists of at least five members, as elected by the shareholders at the General Assembly, with the exception of the Chief Executive Officer, who is appointed by the Board of Directors. The Chief Executive Officer is by law a member of the Board of Directors. Each director serves for a term of three years. The responsibilities of the Board of Directors include: (a) administration of the Bank's real estate, securities and properties, (b) executing all kinds of agreements and transactions related with the Bank's activities, (c) ensuring the orderly performance of the Bank's internal operations, (d) keeping the books and accounts necessary for the Bank's operations and submitting such books, balance sheet, profit and loss accounts to the General Assembly, (e) issuing a report reflecting the commercial, industrial and financial status of the Bank, including a summary of the Bank's transactions performed within the year at year-end and (f) implementing the General Assembly resolutions.

Under the Bank's articles of incorporation, the Board of Directors must hold their meetings at least once a month at the address where the Bank's head office is located. They may also hold meetings in any other suitable place, provided that more than one half of the Board members concur.

The presence of a majority of the Board of Directors is required for the validity of a board meeting. Resolutions are adopted by the majority of the members present and, in the event of an equality of votes, the relevant matter is postponed until the subsequent meeting. Should the votes again be equal, the proposal in question is considered as rejected.

The Turkish Commercial Code allows the appointment of a legal entity as a member of the board of directors of a joint stock company. Under such rules, a legal entity on a board of directors would be represented by a natural person designated by it. Alternatively, natural persons can be members of the board. Notwithstanding this recent change, the BRSA does not favour the appointment of a legal entity as a member of the board of directors of any joint stock company that it regulates, and thus members of the Bank's board can (in practice) only be natural persons.

The business address of each of the members of the Board of Directors is Meclisi Mebusan Cad. No 81 Fındıklı 34427 İstanbul, Türkiye. As of the date of this Base Prospectus, the Board of Directors comprises the following:

Name	Position	Year first appointed to the Board
Hakan Aran	Chairperson	2024
Ece Börü	Vice Chairperson	2020
Ozan Uyar	Board Member, CEO	2025
Murat Doğan	Board Member	2022
Cengiz Yavilioğlu	Board Member	2021
Mithat Rende	Board Member	2017
Abdi Serdar Üstünsalih	Board Member	2019
M. Sefa Pamuksuz	Independent Board Member	2023
Şerife Nuray Duran	Independent Board Member	2024
Murat Bilgiç	Board Member	2022

Hakan Aran (Chairperson)

Hakan Aran was born in Antakya in 1968. He graduated from the Faculty of Engineering, Computer Engineering Department of the Middle East Technical University. He completed his master's degree in Business Administration at Başkent University and he is currently continuing his PhD in Banking at İstanbul Commerce University. Beginning his career at İşbank as a Software Specialist in 1990, Mr. Aran was appointed as the Head of Software Development Department in 2005. He was promoted to the position of Deputy Chief Executive responsible for operations, digital banking and technology in 2008 and took part in important transformation programs of the bank. Since 1 April 2021, Mr. Aran has served as İşbank's 17th Chief Executive Officer. In August 2024, Mr Aran was appointed the Chairperson of TSKB.

Ece Börü (Vice Chairperson)

Ece Börü was born in İstanbul in 1966 and graduated from Management Engineering Department of İstanbul Technical University in 1988. Ms Börü joined TSKB as an assistant specialist in Financial Control Department in 1989. She was promoted to Head of Financial Control in 2000 and to Head of Board of Internal Auditors in 2006. Between 2013-2020, Ms Börü served as the Executive Vice President. Between August 2020-April 2022, Ms Börü served as the Chief Executive Officer and a member of the Board of Directors. On 7 April 2022, Ms. Börü was elected as the Vice Chairperson of the Board of Directors of TSKB.

Ozan Uyar (Board Member and Chief Executive Officer)

Born in Eskişehir in 1974, Ozan Uyar graduated from Middle East Technical University, Faculty of Economics and Administrative Sciences, Department of Business Administration. Ozan Uyar, who started his professional career as an Intern Inspector Assistant at the Audit Board Presidency of Türkiye İş Bankası in 1997, served as an Assistant Manager and Unit Manager in the Commercial Loans Underwriting Division between 2006 and 2015. He was appointed as Head of: Credit Portfolio Management Division in 2015, Corporate Banking Marketing and Sales Division in 2017, Corporate Loans Underwriting Division in 2020, Project Finance Division in 2021 and served as İstanbul Corporate Branch Manager in 2024. Ozan Uyar previously worked as an Executive Vice President of TSKB in charge of Loan Allocation, Financial Analysis

and Loan Operations. As of 1 August 2025, Mr. Uyar is the Chief Executive Officer and member of the Board of Directors of TSKB.

Murat Doğan (Board Member)

Murat Doğan was born in Samsun in 1977 and graduated from Istanbul Technical University with a BSc in Industrial Engineering in 2000. Following his graduation, he joined İşbank as an Assistant Specialist in Subsidiaries Division. Mr. Doğan also serves in-group positions as a member of the Board of Directors at Maxis Girişim Sermayesi Portföy Yönetimi A.Ş., Trakya Yatırım Holding A.Ş., Kasaba Gayrimenkul İnşaat Taahhüt ve Ticaret A.Ş., Bayek Tedavi Sağlık Hizmetleri ve İşletmeciliği A.Ş., Batı Karadeniz Elektrik Dağıtım ve Ticaret A.Ş. and İş GYO. He currently serves as Division Head in the Subsidiaries Di[vi]sion. As of 7th of January 2022, Mr. Doğan was appointed as a member of TSKB's Board of Directors.

Cengiz Yavilioğlu (Board Member)

Cengiz Yavilioğlu, Economist Dr., holds a degree in Public Administration from Istanbul University. Mr. Yavilioğlu completed his master's degree in International Finance at Istanbul University and his doctoral studies in International Economics at Cumhuriyet University. He worked as a Research Assistant at Cumhuriyet University Department of Economics, later as Visiting Professor at The Turkish National Police Academy Faculty of Security Sciences, and as Deputy Chairman of Trustees at Rauf Denktaş University. Mr. Yavilioğlu worked as the Head of the Finance and Fund Management Department at the Privatization Administration. He also served as Chairman and/or Board Member at the following companies: The Black Sea Copper Enterprises AŞ, Türkiye Maritime Organization AŞ, TEDAŞ Meram Electricity Distribution AŞ, TEDAŞ Çamlıbel Electricity Distribution AŞ, Ankara Doğal Electricity Generation and Trade AŞ, TÜPRAŞ and Türkiye Sugar Factories AŞ. He was elected as the 24th term Erzurum deputy. He served as the Deputy Chairman in charge of Economic Affairs in Justice and Development Party, a Member of the Plan and Budget Committee of the Turkish Grand National Assembly, and as a Member of the Coups and Memoranda Research Committee. He also worked as the Deputy Minister of Finance in the 64th and 65th Governments. He was appointed as the Deputy Minister of Treasury and Finance on 30 January 2021. Cengiz Yavilioğlu was appointed as a TSKB Board Member on 25 March 2021.

Mithat Rende (Board Member)

Mithat Rende was born in Antakya in 1953 and graduated from the Faculty of Political Science of the University of Ankara. After graduation he worked in the Ministry of Commerce and was admitted to the Ministry of Foreign Affairs where he held posts in Damascus, Rome, Brussels (NATO), Sofia, Vienna (OSCE) and London. Ambassador Rende also served as the Director of the Human Rights Department at the Ministry after completing the post-graduate program in Security and International Relations at the London-Royal College of Defence Studies. In 2005, he was appointed as Deputy Director General of Energy Environment and Water Affairs, served as Chairman of the Trade and Transit Working Group of the Energy Charter Conference in Brussels between 2005 and 2008, and was appointed as Ambassador to Doha (Qatar) in 2007. Ambassador Rende served as Director General of Multilateral Economic Affairs and Türkiye's Chief Negotiator for Climate Change between 2010-2013. He was also a member on the Turkish Nuclear Energy Commission during the same period. Ambassador Rende was appointed as the OECD Permanent Representative of Türkiye in 2013 and was elected as Chairman of the Executive Committee of the OECD in 2014. He retired in 2016 and was elected as a member of the Bank's Board of Directors of TSKB on 4 April 2017.

Abdi Serdar Üstünsalih (Board Member)

Mr Üstünsalih began his career as an associate in 1991 at VakıfBank. After having served as manager in various branches and departments in VakıfBank, he served as the Head of IT, Retail Banking, Banking Operations, Basic Banking Application Development departments. Mr Üstünsalih is currently the Deputy Chairman of Güneş Sigorta A.Ş. and Vakıf Enerji A.Ş., a Board member of VakıfBank Private Social Security Fund and auditor of VakıfBank Social Pension Fund. He was appointed as Executive Vice President at VakıfBank on 5 July 2018. He was elected as Board Member at the 65th Ordinary General Assembly Meeting of VakıfBank on 27 May 2019. He was also elected as the CEO of VakıfBank by the Board decision on the same day. Mr Üstünsalih has been member of the Bank's Board of Directors since 25 June 2019.

M. Sefa Pamuksuz (Independent Board Member)

Mehmet Sefa Pamuksuz graduated from the Department of Business Administration at Middle East Technical University and received his master's degree in Finance at Boston College. Having 25 years of experience in the Turkish Treasury including General Directorate of Public Capital Institutions and Enterprises and working in various capacities, Mr. Pamuksuz recently acted as the Coordinator of the G20 Infrastructure and Investment Working Group as well as the Chair of the G20/OECD Task Force on Institutional Investors and Long-Term Investments (LTI). Mr. Pamuksuz has also worked as the Alternate Executive Director of Türkiye in the World Bank Group. Having worked in various finance management projects and being an adviser for IMF FAD, Mr. Pamuksuz provided technical assistance to the governments of Cyprus, Mozambique, Lao PDR, Jamaica, Jordan, the Philippines and Serbia. Holding a CPA certificate, M. Sefa Pamuksuz is currently working as a consultant on Public Financial Management, Long-Term Investments, Corporate Governance and SOEs at PAL A.Ş. Mr. Pamuksuz was elected as Member of the TSKB Board of Directors on March 29, 2023.

Dr. Ş. Nuray Duran (Independent Board Member)

Ş. Nuray Duran graduated from the Department Economics at Boğaziçi University in 1998. She holds a master's in economics from Boğaziçi University and University of Minnesota, and a Ph.D. in economics from the University of Minnesota. Dr. Duran started her career in academia in 2001, and has worked as an academic at various universities in the United States, including the University of Minnesota. In addition, she worked as a consultant to the Global Macroeconomics Team at the World Bank Group in Washington D.C. In 2015, Dr. Duran joined Özyeğin University, where she worked as an academic and executive. Between 2021 and 2023, she served as a visiting associate professor at the University of Iowa and Rice University. Dr. Duran was appointed as a TSKB Board Member on 28 March 2024.

Murat Bilgiç (Board Member)

Murat Bilgiç was born in Ankara in 1968 and graduated from METU-Faculty of Economics and Administrative Sciences, Department of International Relations and received his master's degree in Money-Banking-Finance at the University of Birmingham. He completed the Management Program at Manchester Business School and the Advanced Management Program at Harvard Business School. Mr. Bilgiç started his career in 1990 as Assistant Inspector of the Board of Inspectors of Türkiye İş Bankası. After serving as Vice Manager, Unit Manager and Head of Corporate Loans Allocation Department, he was promoted to the position of Executive Vice President of Türkiye İş Bankası on March 25, 2016. As of 7 April 2022, Mr. Bilgiç is a member of the Board of Directors of TSKB.

Executive Committee

The Bank's Executive Committee consists of the Chief Executive Officer and the Executive Vice Presidents. The meetings of the Executive Committee are held once a month. However, the Chief Executive Officer may call for a meeting whenever it is necessary. Resolutions of the Executive Committee require unanimous approval. The Executive Committee is responsible for implementing the overall strategy of the Bank formulated by the Board of Directors. Current Members of the Executive Committee are:

Name	Position	Date of Appointment
Ozan Uyar	Chief Executive Officer	2025
Meral Murathan	Executive Vice President	2019
Hasan Hepkaya	Executive Vice President	2019
Poyraz Koğacıoğlu	Executive Vice President	2019
Özlem Bağdatlı	Executive Vice President	2021
Bilinç Tanağardı	Executive Vice President	2021
S. Hüseyin Gürel	Executive Vice President	2023
Tolga Sert	Executive Vice President	2024
Burcu Ünüvar, PhD	Director / Chief Economist	2023
Melis Sökmen	Director	2024
Burç Boztunç	Director	2024

Additional information on each of these Executive Committee Members is set forth below:

Meral Murathan (Executive Vice President)

Meral Murathan was born in Erzurum in 1977 and graduated with a degree in Economics from Boğaziçi University. She started her career in the TSKB Treasury Department in 1998. In 2012, after serving in a diverse set of capacities at the Bank, she was promoted to Head of Financial Institutions. Ms. Murathan was appointed as Executive Vice President on 1 April 2019. She is currently in charge of the Development Finance Institutions, Financial Institutions and Investor Relations, Loan Monitoring and Engineering and Technical Advisory Departments. Ms. Murathan also serves as TSKB Sustainability Leader.

Hasan Hepkaya (Executive Vice President)

Hasan Hepkaya was born in Samsun in 1981 and graduated with a degree in Business Administration from Hacettepe University. He started his career in Garanti Leasing in 2003. After serving in a variety of roles and positions in Corporate Banking and Project Finance Departments in the Bank between 2005 and 2014, he was promoted as Head of Project Finance and Head of Corporate Banking respectively between 2014 and 2018. As of 1 April 2019, Mr Hepkaya has been appointed as Executive Vice President. He is currently in charge of Corporate Banking Marketing, Project Finance, Corporate Banking Sales, Economic Research, Financial Advisory Departments and Business Development & Advisory Management Office.

Poyraz Koğacıoğlu (Executive Vice President)

Poyraz Koğacıoğlu completed his undergraduate education at the Department of Aerospace Engineering at METU and obtained his master's degree in business administration (MBA) at Koç University. During his MBA education, Koğacıoğlu joined the Bocconi University exchange program. Having worked as a research assistant at Koç University between 2002 and 2004, Koğacıoğlu continued his career as an Equity Research Analyst at Oyak Investment from 2005 onwards. Koğacıoğlu worked as a Senior Analyst at 3 Seas Capital Partners in 2006 and as a Specialist in TAIB-PDF Corporate Finance in 2007. In the same year, Koğacıoğlu worked as a senior specialist in the corporate finance team at Ak Investment. In 2010, he worked as an assistant manager at the same institution. Koğacıoğlu then transferred to the corporate finance team at Garanti Securities as a manager in 2012 and worked there as a director in M&A and equity capital markets from 2015 to February 2019. He was appointed as Executive Vice President at Şeker Real Estate in February 2019. Poyraz Koğacıoğlu became TSKB Investment Banking's Executive Director in May 2019. As of 1 May 2022, Mr. Koğacıoğlu has been appointed as Executive Vice President in charge of the Capital Markets, Company Mergers and Acquisitions and Corporate Finance departments.

Özlem Bağdatlı (Executive Vice President)

Özlem Bağdatlı was born in Çanakkale in 1974 and graduated from the Faculty of Law at Marmara University in 1995. She started her career in the private sector in 1998. Beginning her career at TSKB as a Specialised Lawyer in 2003, Ms. Bağdatlı held various positions at the Directorate of Legal Affairs between 2003 and 2021. As of 1 May 2022, Ms. Bağdatlı is the Executive Vice President responsible for the Departments of Legal Affairs, Human Resources, and Pension and Assistance Funds. She is also the Rapporteur of the Board of Directors.

Bilinç Tanağardı (Executive Vice President)

Bilinç Tanağardı was born in Konya in 1973 and graduated from the Department of Computer Science Engineering at Istanbul University in 1994. He started his career at Degere International and then continued his career as a Software Engineer at Sınai Yatırım Bankası in 1999. Mr. Tanağardı joined TSKB in 2002 and after serving in a variety of roles and positions in the Information Technology departments. He was promoted in 2015 as Head of System and Network Support Department. On 1 May 2022, Mr. Tanağardı was appointed as the Executive Vice President of Information Technology and is responsible for the Application Development, Enterprise Architecture and Process Management and System and Network Support departments.

S. Hüseyin Gürel (Executive Vice President)

S. Hüseyin Gürel was born in Istanbul in 1983 and graduated from the Department of Economics at METU in 2007. Starting his professional life at Industrial Development Bank of Turkey, Mr. Gürel held various positions in the Financial Analysis Department between 2007 and 2015. He was positioned in the Corporate Banking Department in 2015 before being promoted to Department Head of Corporate Banking Marketing in 2019 and appointed as Department Head of Advisory Services and Marketing in 2020. As of 1 September 2023, Hüseyin Gürel has been appointed as Executive Vice President in charge of Advisory Services Sales, Financial and Technical Advisory Department, Loan Allocation, Credit Restructure and Resolution, Engineering Departments.

Tolga Sert (Executive Vice President)

Mr. Tolga Sert was born in Malatya in 1973. He graduated from METU's Petroleum Engineering department in 1995. He continued his education by having a Master's degree from Yeditepe University's Business

Administration department in 2003. Beginning his career as an Assistant Expert at Garanti Bank in 1995, Mr. Sert then served as a Credit and Risk Officer at Total. On December 16, 1998, he started to work as an assistant investment advisor at the Treasury department of the Industrial Development Bank of Turkey (TSKB). He assumed duties at Risk Management, Financial Control, Bahrain Branch, Investor Relations and Budget and Planning departments. He was later appointed as Financial Control Manager in 2016 and as a Director in 1 May 2022. Mr. Tolga Sert was promoted to Executive Vice President position as of 2 May 2024, and is currently in charge of Credit Portfolio Management and Analytics, Financial Analysis, Budget and Planning and Financial Control Departments.

Burcu Ünüvar, PhD (Director/Chief Economist)

Burcu Ünüvar started her career in investment banking in 2004 and worked as the Senior Economist at Is Investment until 2013. Following her investment banking career, she joined Bilkent University as a full-time academic at the Department of Economics. In April 2017, she joined TSKB as the Chief Economist and the Head of Economic Research Department. As of August 2023, she was promoted to the Director position while also continuing her research as the Chief Economist, coordinating macroeconomic content regarding markets and development themes, with a focus on ecosystem crisis. Ms. Ünüvar holds a Bachelors Degree in Business Administration, MSc Degree in Applied Economics and Finance from Denmark and the USA, and a PhD in Economics. On a related front, she continues her research as a non-teaching academic focusing on monetary policy, central bank communication and green central banking.

Melis Sökmen (Director)

Ms. Sökmen graduated from Marmara University's Faculty of Communication in 2002 and later pursued her master's degree at İstanbul University's Faculty of Communication. Having started her career in the media sector in 2002 and after gaining experience in marketing, Mrs. Sökmen joined TSKB in 2008 in the Corporate Communications Department. Over time, she transitioned to Talent Management through an internal transfer and officially took on the role of TSKB Human Resources Manager starting from March 1, 2018. On January 31, 2024, Mrs. Sökmen was appointed as Director, taking charge of overseeing both the Human Resources Department and the Corporate Communications Department.

Burç Boztunç (Director)

Mr. Boztunç graduated from Boğaziçi University in 2004 with a degree in Economics and later completed his master's degree in Finance at İstanbul University. Mr. Boztunç embarked on his professional journey in 2005 as an Assistant Specialist in TSKB's Treasury Department. Over the years, he has taken on leadership roles in several units within the Treasury Department. Since 2017, Mr. Boztunç has been serving as the Treasury Manager. On January 31, 2024, he was appointed as the Director overseeing the Treasury Department.

Board Committees

Pursuant to the Turkish Commercial Law (No. 6102) and the CMB Corporate Governance Communique II-17.1, the Board of Directors has established the Audit Committee, the Corporate Governance Committee, the Remuneration Committee and the Credit Revision Committee. The Board of Directors has also established the Sustainability Committee.

Audit Committee. The Audit Committee consists of one member who serves on the Board of Directors. The Audit Committee is selected by the Board of Directors and is currently Ms. Ece Börü (chairperson). The Audit Committee informs the Board of Directors of the results of its activities and the measures that are

required to be taken by the Bank, and offers its opinions on other matters that it considers to be significant for the Bank to conduct its business in full compliance with the relevant regulations.

The Audit Committee is in charge of:

(a) ensuring that the Bank's internal audit and risk management systems function efficiently and that the Bank's accounting and reporting systems operate in compliance with the related regulations;

(b) carrying out the preliminary assessment of external auditors and monitoring the activities of the appointed auditors on a regular basis;

(c) ensuring that the internal audit functions of subsidiaries that are subject to consolidation are being performed in line with the related regulations;

(d) reporting and advising to the Board of Directors in relation to the operations and activities of the Bank's internal audit, risk management, internal control units and external auditors and the measures deemed necessary to be taken in order for the Bank to operate in a manner compliant with the relevant external and internal regulations and policies;

(e) where necessary, gathering information, reports and documents from the relevant units of the Bank or its supporting service providers and independent auditors and, subject to the approval of the Board of Directors, making use of various consulting services from experts in their respective fields;

(f) evaluating the information and reports received from independent auditors and divisions that fall under the internal systems with respect to their activities; and

(g) analysing and submitting quarterly internal audit reports to the Board of Directors, which are prepared by the internal audit department according to the Banking Law.

Corporate Governance Committee. The Corporate Governance Committee was established in 2009 for the purpose of assuring that the Bank complies with corporate governance principles. The Corporate Governance Committee consists of three members of the Board of Directors, Mr. M. Sefa Pamuksuz (chairperson), Ms. Ece Börü and Dr. Ş. Nuray Duran, and the Senior Manager of the Financial Institutions and Investor Relations Department Ms. Özen Çaylı are the current members of Corporate Governance Committee, which meets at least four times a year.

The Corporate Governance Committee's principal duties and responsibilities include:

(a) ensuring that the corporate governance principles are implemented and advising the Board of Directors of the measures deemed necessary to be taken in order for the Bank to operate in a manner compliant with the corporate governance principles;

(b) coordinating investor relation activities, monitoring the Bank's communication with investors and shareholders within this framework, determining the fundamental principles of the Bank's communication with its investors and shareholders and reviewing these principles periodically;

(c) collaborating with the Investor Relations Department to advise the Board of Directors with respect to ensuring the continued efficiency of the Bank's communication with its investors and shareholders and preventing and dealing with potential conflicts of interest;

(d) reviewing the corporate governance compliance report prior to its publication in the annual report and submitting its opinions thereon to the Board of Directors;

(e) ensuring the independency and efficiency of the Board of Directors by supervising compliance with regulations related with conflict of interests among the committee members, the members of the Board of Directors, the Executive Committee or other employees;

(f) ensuring that the Bank's public disclosures are in accordance with the relevant laws and regulations and the Bank's information policy principles;

(g) developing policies, strategies and a transparent system for the purpose of determining, assessing and training the candidates to the Board of Directors;

(h) implementing the Bank's ethics rules and corporate governance principles internally;

(i) preparing an assessment report to the Board of Directors;

(j) advising on independent nominees for the Bank's Board of Directors;

(k) advising the Board of Directors on the remuneration to be provided to the members of the Board of Directors;

(l) where necessary, subject to the approval of the Board of Directors, making use of consulting services from experts in their respective fields; and

(m) reporting to and advising the Board of Directors in relation to the results of its activities and the measures deemed necessary to be taken in order for the Bank to operate in a manner compliant with the relevant external and internal regulations and policies.

Remuneration Committee. The Remuneration Committee was established in 2011 for the purpose of executing functions and activities related to monitoring and controlling remuneration implementations of the Bank on behalf of Board of Directors. The Committee has one member of the Board of Directors, Mr. Murat Doğan.

The Remuneration Committee is responsible for establishing a written remuneration policy that is in compliance with the Bank's operations, strategic goals and risk management strategies, reviewing the remuneration policy at least once a year to ensure its efficiency and submitting a report to and advising the Board of Directors regarding evaluation of the Bank's policy with respect to risk management strategies.

Sustainability Committee. The Sustainability Committee was established in 2015 in order to oversee and coordinate all sustainability-related activities at the Bank. The Committee's mission is to integrate the concept of sustainability into all of the Bank's business operations and services by ensuring that all bank employees understand the concept of sustainability, by developing new products and business opportunities in the area of sustainable banking, and by increasing the level of sustainability awareness throughout the business community and in particular within the banking industry. The Sustainability Committee consists of the Chief Executive Officer, four members of the Board of Directors, Ms. Ece Börü, Mr. Murat Bilgiç, Mr. Murat Doğan and Mr. Mithat Rende and three Executive Vice Presidents, Ms. Meral Murathan, Mr. Hüseyin Gürel and Mr. Hasan Hepkaya.

Credit Revision Committee. The Credit Revision Committee consists of the Chief Executive Officer, two members of the Board of Directors, Mr. Murat Bilgiç, and Mr. Murat Doğan, two Executive Vice Presidents, Ms. Meral Murathan and Mr. Hasan Hepkaya, and related department heads. The Committee meets at least once a year to review the loan portfolio and revise the necessary loan limits.

Conflicts of Interests

There are no actual or potential conflicts of interest between the duties of any of the members of the Board of Directors and the Executive Committee and their respective private interests or other duties.

Address

The business address of each Executive Committee member is Meclisi Mebusan Cad. No 81 Fındıklı 34427 İstanbul, Türkiye.

Remuneration

Monthly remunerations of the Board members and auditors are determined annually at the Bank's General Shareholders' Meetings and disclosed to the BİST. After the legal reserves and the first dividend have been allocated from the net profit of the Bank, up to 0.5 per cent. of the remaining balance is distributed among the members of the Board of Directors (including the Chief Executive Officer) equally. Pursuant to the CMB's corporate governance principles, independent board members do not receive any dividend payments.

The corporate governance principle numbered 4.6.3 under the Communiqué No. II-17.1 on Corporate Governance (as amended, the "**Corporate Governance Communiqué**") provides that the remuneration of a company's independent board members cannot consist of dividends, stock options or payment plans based on the company's performance, and requires that such remuneration be at a level that would allow the independent board members to maintain their independence. Therefore, dividends calculated for the independent members of the Board of Directors are recommended to be transferred to the reserves. The aggregate amount of the remuneration paid and benefits in hand granted to the members of the Board of Directors and senior management on an unconsolidated basis for the year ended 31 December 2025 was TL 249,405 thousand (TL 189,947 thousand for the year ended 31 December 2024).

Corporate Governance

The Bank recognises the importance of maintaining sound corporate governance practices. The relationship between the Bank's management, shareholders, employees and third parties including customers, legal authorities, suppliers and various other individuals and institutions with whom the Bank does business are based upon fundamental governance principles including integrity, credibility, equality, compliance, confidentiality, transparency, accountability and sustainability.

CMB Corporate Governance Principles

On 3 January 2014, the CMB issued the Corporate Governance Communiqué to replace the Communiqué on the Determination and Implementation of Corporate Governance Principles Series IV, No. 56 dated 30 December 2011 and Communiqué on the Principles Applicable to Joint Stock Companies Subject to Capital Markets Law Series IV, No. 41 dated 19 March 2008. The Corporate Governance Communiqué provides certain mandatory and non-mandatory corporate governance principles as well as rules regarding related-party transactions and a company's investor relations department. Some provisions of the Corporate Governance Communiqué are applicable to all companies incorporated in Türkiye and listed on the BİST, whereas some others are applicable solely to companies whose shares are traded in certain markets of the BİST. The

Corporate Governance Communiqué provides specific exemptions and/or rules applicable to banks that are traded on the BİST.

As of the date of this Base Prospectus, the Bank is subject to the corporate governance principles stated in the banking regulations and the regulations for capital markets that are applicable to banks. In case of any non-compliance with any of the non-mandatory principles applicable to the Bank under the Corporate Governance Communiqué, the Bank is required to explain such non-compliance in its annual Corporate Governance Principles Compliance Report, which is published as part of its integrated annual report.

The Corporate Governance Communiqué contains principles relating to: (a) companies' shareholders, (b) public disclosure and transparency, (c) the stakeholders of companies and (d) the board of directors. A number of principles are compulsory, while the remaining principles apply on a "comply or explain" basis. The Corporate Governance Communiqué classifies listed companies into three categories according to their market capitalisation and the market value of their free-float shares, subject to recalculation on an annual basis. The Bank is classified as a "1 Group" company.

The Capital Markets Law authorises the CMB to require listed companies to comply with the corporate governance principles in whole or in part and to take certain measures with a view to ensure compliance with the new principles, which include requesting injunctions from the court or filing lawsuits to determine or to revoke any unlawful transactions or actions that contradict these principles.

OWNERSHIP

The Bank was established in 1950 as a development and investment bank with the mission to finance Türkiye's private sector investments.

As of 31 December 2025: (a) the majority shareholder of the Bank, with a 51.37 per cent. shareholding, was İşbank Group (with 47.68 per cent. held directly by İşbank and the remainder held through its subsidiaries, (b) 8.38 per cent. of the Bank's shares were held by Vakıfbank, (c) 40.25 per cent. of the Bank's shares were traded publicly on the BİST (14.82 per cent. of which were owned by foreign investors) and (d) the remaining shares were owned by other institutional shareholders.

As of 31 December 2025, the share capital of the Bank was TL 2.8 billion, consisting of 2,800,000,000 fully paid-up shares. Registered shareholdings in the Bank as of 31 December 2025 were as follows:

Shareholder[(1)]	**Shares**[(2)]	**Percentage**	
İşbank	1,438,281	47.68	%[(3)]
Vakıfbank	234,569	8.38	%
Public Free Float and Others	1,127,150	43.94	%
Total	2,800,000,000	100.00	%

Notes:

(1) According to data from the Public Disclosure Platform (Kamuyu Aydınlatma Platformu) (KAP) as of 31 December 2025.

(2) Each share has a nominal value of one Kuruş. One hundred Kuruş are equal to one Turkish Lira.

(3) İşbank Group holds 51.37 per cent. of the Bank's shares as of 31 December 2025, with 47.68 per cent. of the shares being held directly and the remainder being held through its subsidiaries, Milli Reasürans (1.90 per cent.), Anadolu Sigorta (0.89 per cent.) and Anadolu Hayat Emeklilik A.Ş. (0.89 per cent.), the latter three of which are reflected in the table above in "Public Free Float and Others").

Dividends

Dividends are paid by the Bank from its net profit in accordance with its articles of incorporation. Under its articles of incorporation, the Bank is required to allocate 5 per cent. of its net profit towards its legal reserve fund. From the balance of net profit, a "first dividend" is distributed to the shareholders according to the Capital Markets Law. Once the first dividend is provided for, the balance of the net profit is distributed as follows: 5 per cent. for founder shares (limited to TL 200,000 of paid-up capital), up to 0.5 per cent. for the members of the Board of Directors (including the Chief Executive Officer and excluding the Independent Board Member) to be shared among them equally, up to 3 per cent. for the employees of the Bank, provided that such amount does not exceed the equivalent of three salaries. The General Assembly is authorised to decide whether the amount remaining from the net profit after the reserve funds and payments indicated above shall be completely or partially distributed as dividends or reserved as a reserve fund. The Bank's articles of incorporation require that 10 per cent. of the total amount to be distributed to shareholders out of profit is required to be added to the Bank's legal reserve fund.

The Bank did not distribute cash dividends in 2023, 2024 and 2025.

In accordance with the Bank's Dividend Policy, the board of directors decided not to distribute dividend but to keep the profit as reserve and strengthen the Bank's capital for long-term stability and sustainability of the Bank considering national and global economic conditions, the long-term growth targets of the Bank, the sustainability of the Bank's strong equity structure, as well as the Banking Regulatory and Supervisory Agency's guidance regarding the banking sector.

Preferential rights

Under the Bank's articles of incorporation, and according to the Turkish Commercial Code, existing shareholders have preferential rights with respect to the purchase of new shares to be issued by the Bank. The duration and conditions of the exercise of these rights are to be determined by the Board of Directors in accordance with the relevant Turkish regulations. To the extent that these preferential rights are not exercised in respect of any new shares within the prescribed period, these shares are to be made available for subscription by the public.

Voting rights

At least one share is needed for participating in any Ordinary or Extraordinary General Assembly. Each share provides one vote to its owner. Votes may be cast by proxy.

In accordance with the Turkish Commercial Law (No. 6102), each share exercises its voting right in proportion to its total nominal value. Accordingly, each share with a nominal value of one Kuruş has one share of voting right.

Major Shareholders

İşbank

İşbank was established under the laws of the Republic of Türkiye in 1924 at the initiative of Mustafa Kemal Atatürk as the first national bank of Türkiye to operate in all kinds of banking activities and to initiate and/or participate in all kinds of financial and industrial sector undertakings. As of 31 December 2025, İşbank was the largest bank in Türkiye in terms of total loans and assets among private sector banks (source: BRSA), as measured on an unconsolidated basis. İşbank Group holds 51.37 per cent. of the Bank's shares (both directly and through its subsidiaries) and appoints seven members to the Bank's Board of Directors, including the CEO.

Vakıfbank

Founded in 1954, Vakıfbank is a full service commercial and retail bank, and as of 31 December 2025, was the second largest Turkish bank in terms of assets according to the BRSA, BAT and bank data. Vakıfbank's market share in total assets was 8.38 per cent. as of 31 December 2025 (Source: BRSA and bank data). Vakıfbank appoints one member to the Board of Directors.

Free Float and Other Shareholders

As of 31 December 2025, 41.2 per cent. of the Bank's total shares were on free float, of which 14.82 per cent. was owned by foreign investors.

The remaining 26.04 per cent. of shares are owned by other institutional shareholders.

RELATED PARTY TRANSACTIONS

The Bank and its qualified shareholders, Board of Directors (including the Chief Executive Officer) and the undertakings that they control individually or jointly, directly or indirectly, or in which they participate with unlimited responsibility or where they are members of board of directors or general manager, are considered and referred to as related parties. The Bank enters into transactions with related parties in the ordinary course of its business and on an arm's length basis and will continue to do so in the future. See also "*Business of the Group – Related Party Transactions*".

Restrictions relating to loans extended by the Bank to the members of its Board of Directors are defined in Article 50 of the Banking Law. The Bank does not extend loans to the members of the Board of Directors other than those allowed by the law.

None of the members of the Bank's Board of Directors or executive officers have or have had any interest in any transaction effected by the Bank that are or were unusual in their nature or conditions or significant to the business of the Bank and that were effected during the current or immediately preceding financial year or were effected during an earlier financial year and remain in any respect outstanding or unperformed. None of these individual transactions are material.

The Banking Law places limits on a bank's exposure to related parties. Under the Banking Law, the total amount of loans extended by a bank to its risk group must not be more than 20 per cent. of its equity. The Bank is not subject to this requirement, as the Bank is a development and investment bank. As of 31 December 2025, the Bank's total net exposure to its risk group totalled TL 2.5 billion, an amount corresponding to 5.3 per cent. of its equity.

The following table shows the breakdown of the Group's business transactions with related parties as of the dates indicated.

	As of 31 December					
	2023		2024		2025	
	Amount	Percentage of Related Item	Amount	Percentage of Related Item	Amount	Percentage of Related Item
	(TL thousands, except percentages)					
Cash loans	2,922,459	0.02 %	2,346,963	0.01 %	1,98·	0.01 %
Non–cash loans	2	0.00 %	2	0.00 %	930	0.00 %
Derivatives	1,114,465	0.01 %	962,716	0.01 %	493,506	0.01 %

TURKISH BANKING SYSTEM

The following information relating to the Turkish banking sector has been provided for background purposes only. The information has been extracted from third-party sources that the Bank's management believes to be reliable but the Bank has not independently verified such information.

Structural Changes in the Turkish Banking System

The Turkish financial sector has gone through major structural changes as a result of the financial liberalisation programme that started in the early 1980s. The abolition of directed credit policies, liberalisation of deposit and credit interest rates and liberal exchange rate policies as well as the adoption of international best standard banking regulations have accelerated the structural transformation of the Turkish banking sector. Since the 1980s, the Turkish banking sector has experienced a significant expansion and development in the number of banks, employment in the sector, diversification of services and technological infrastructure. The significant volatility in the Turkish currency and foreign exchange markets experienced in 1994, 1998 and 2001, combined with the short foreign exchange positions held by many Turkish banks at those times, affected the profitability and liquidity of certain Turkish banks. In 2001, this resulted in the collapse of several institutions. The banking sector also experienced a sharp reduction in shareholders' equity in 2001, with the capital for 22 private sector banks declining to U.S.$4,916 million at the end of 2001 from U.S.$8,056 million for 28 banks at the end of 2000, according to the Banks Association of Türkiye ("**BAT**").

The Turkish money markets and foreign exchange markets have stabilised since 2001, in large part due to regulatory reform and other governmental actions (including a three-part audit undertaken in 2001 and 2002, after which all private commercial banks were either found to be in compliance with the 8 per cent. minimum capital requirement, transferred to the SDIF or asked to increase their capital level). The transparency of the system has improved along with the establishment of an independent supervisory and regulatory framework and new disclosure requirements. Structural changes undertaken have strengthened the banking sector and resulted in a more level playing field among banks. Certain advantages for state banks were diminished while the efficiency of the system increased in general as a result of consolidation. According to the SDIF's official data, since 1994, a total of 20 private banks have (as at the date of this Base Prospectus) been transferred to the SDIF due to, among other things, weakened financial stability and liquidity.

In August 2004, in an attempt to reduce the regulatory costs inherent in the Turkish banking system, the government reduced the rate of the Resource Utilisation Support Fund ("**RUSF**") applicable on short-term foreign currency commercial loans lent by banks domiciled in Türkiye to zero; however, the 3 per cent. RUSF charge for some types of loans provided by banks outside of Türkiye with an average repayment term of less than one year remains valid. In addition, effective from 2 January 2013, RUSF rates for cross-border foreign exchange borrowings extended by financial institutions outside of Türkiye with an average maturity of between one to two years changed from 0 per cent. to 1 per cent. and those with an average maturity of between two to three years changed from 0 per cent. to 0.5 per cent., while those with an average maturity of three years or more remained at 0 per cent. The government also increased the RUSF charged on interest of foreign currency-denominated retail loans from 10 per cent. to 15 per cent. in order to curb domestic demand fuelled by credit, which was in turn perceived to be adversely affecting Türkiye's current account balance. The Council of Ministers set the RUSF charged on consumer credits to be utilised by real persons (for non-commercial utilisation) at 15 per cent. with its decision numbered 2010/974, which was published in the Official Gazette dated 28 October 2010 and numbered 27743 and determined as 6 per cent. for imports in

terms of acceptance credit, forward letter of credit and cash against goods payment methods with its decision No. 2011/2304, which was published in the Official Gazette dated 13 October 2011 and numbered 28083.

The Turkish Banking Sector

As of 31 December 2025, 67 banks (including domestic and foreign banks, including participation banks, but excluding the CBRT) were operating in Türkiye. Of these banks, 37 were deposit-taking banks, 21 (including the Bank) were development and investment banks, and 9 were participation banks, which conduct their business under separate legislation in accordance with Islamic banking principles. Among the deposit-taking banks, 4 were state-controlled banks, 11 were private domestic banks, 1 were under the administration of the SDIF and 21 were private foreign banks. On 3 February 2015, the SDIF took over management of Asya Katılım Bankası A.Ş. ("**Bank Asya**"), a private participation bank. The BRSA announced that this action was taken due to Bank Asya's violation of a provision of the Banking Law that requires banks to have a transparent and open shareholding and organisational structure that does not obstruct the efficient auditing of the bank by the BRSA. On 29 May 2015, the BRSA announced that shareholding rights (except dividends), management and audit of Bank Asya were to be transferred to the SDIF for partial or full transfer, sale or merger of the bank pursuant to Article 71 of the Banking Law, provided that any loss shall be deducted from the shares of the existing shareholders. Following the abolishment of Bank Asya's banking licence by the BRSA, the number of participation banks operating in Türkiye decreased to five, and upon BRSA providing license to operate as a participation bank to Türkiye Emlak Katılım Bankası A.Ş. in 2019, the number of participation banks have increased to 6.

The Turkish banking sector has seen the establishment of various banks since 2015, along with the removal of banks through mergers or liquidations. The BRSA announced its approval of the establishment and operation of Ziraat Katılım Bankası A.Ş. on 10 October 2014 and 12 May 2015, respectively. In February 2016, the BRSA granted permission to Vakıf Katılım Bankası A.Ş. to start operations as a participation bank. Bank of China Limited acquired the approval of the banking regulator to establish a deposit bank in Türkiye with a paid-in capital of U.S.$300 million in May 2016 and transferred the required capital to Türkiye in December 2016. Bank of China Türkiye A.Ş. was established on 10 January 2017, its major shareholder being Bank of China Limited. The BRSA approved the operation licence of Bank of China Türkiye A.Ş. on 1 December 2017 and the licence was published in the Official Gazette numbered 30263 and dated 7 December 2017. The BRSA has provided license to operate to Emlak Katılım Bankası A.Ş. as of 26 February 2019. The banking licence of participation bank Asya Katılım Bankası A.Ş. was abolished in July 2016 and the banking licence of The Royal Bank of Scotland plc (trading as NatWest Markets) was abolished in May 2017. In May 2019, the BRSA issued the establishment licence for Golden Global Bank, which was officially established in October 2019 and started operations on 1 June 2020. Golden Global Bank is the first investment bank in Türkiye committed to being in accordance with interest-free banking principles. Moreover, Destek Yatırım Bankası A.Ş. and D Yatırım Bankası A.Ş. were given permission with the BRSB decision dated 4 February 2022 and numbered 0412 and 21 May 2021 and numbered 9568, respectively, to establish an investment and development bank with TL 300 million and TL 200 million, respectively. Further, Inveo Yatırım Bankası A.Ş. was given permission with the BRSB decision dated 23 September 2021 and numbered 9814 to establish an investment bank with TL 300 million and Tera Yatırım Bankası A.Ş. was given permission with the BRSB decision dated 27 October 2021 and numbered 9890 to establish an investment and development bank with TL 300 million. Additionally, Hedef Yatırım Bankası A.Ş. was given permission to establish an investment bank with the BRSB decision dated 28 April 2022 and numbered 10189 with TL 500 million. Finally, Q Yatırım Bankası A.Ş. was given permission to establish an investment bank with the BRSB decision on 12

October 2022 and numbered 10379 with TL 500 million. FUPS Bank A.Ş., a digital deposit bank founded with a capital of 1.5 billion TL, was granted an operating license by the BRSA with the decision dated 31 October 2024 and numbered 10979, published in the Official Gazette dated 5 November 2024 and numbered 32713. Ziraat Dinamik Banka A.Ş., established with a capital of 2.5 billion TL, was granted an operating license by the BRSA with the decision dated 31 October 2024 and numbered 10980, published in the Official Gazette dated 5 November 2024 and numbered 32713. Colendi Bank A.Ş., a digital deposit bank with a capital of 2 billion TL, received its operating license with the BRSA decision dated 31 October 2024 and numbered 10997, published in the Official Gazette dated 5 November 2024 and numbered 32713. Enpara Bank A.Ş., established with a capital equivalent to approximately 8 billion TL, was granted an operating license with the BRSA decision dated 15 August 2024 and numbered 10945, published in the Official Gazette dated 23 August 2024 and numbered 32641. The commercial title of QNB Finansbank A.Ş., which has a capital of 3.35 billion TL, was changed to QNB Bank A.Ş. as of 14 October 2024. Adabank A.Ş., formerly operating as a deposit bank, had its license amended to operate as a participation bank with the BRSA decision dated 23 November 2023 and numbered 10729, published in the Official Gazette dated 28 November 2023 and numbered 32383. Furthermore, BRSA granted (i) Adil Katılım Bankası A.Ş. an operating license with the BRSA decision dated 11 September 2025 and numbered 11267 published in the Official Gazette dated 20 September 2025 and numbered 33023 and (ii) certain real persons permission to establish an investment bank titled "Marin Yatırım Bankası A.Ş". with the BRSA decision dated 23 May 2024 and numbered 10912 published in the Official Gazette dated 25 May 2024 and numbered 32556 and (iii) certain real persons permission to establish an investment bank titled "Aytemiz Yatırım Bankası A.Ş." with the BRSA decision dated 23 May 2024 and numbered 10913 published in the Official Gazette dated 25 May 2024 and numbered 32556 and lastly (iv) certain real persons permission to establish an participation bank titled "Fuzul Katılım Bankası A.Ş." with the BRSA decision dated 12 March 2026 and numbered 11432 published in the Official Gazette dated 18 March 2026 and numbered 33200.

Since 2001, a number of banks were transferred to the SDIF and eventually removed from the banking system through mergers or liquidations. The table below shows the evolution of the number of banks in the Turkish banking system as of the end of each indicated year, which is as of December:

	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Number of banks[(1)]	45	44	45	45	47	47	47	46	47	47	48	51	52	54	58	67

Source: BAT (www.tbb.org.tr)

Note:

(1) Total number of banks includes deposit-taking banks, investment banks and development banks, but excludes participation banks (Islamic banks).

Additionally, Posta ve Telgraf Teşkilatı Anonim Şirketi provides online banking services, including money transfers, bill payment transactions and consumer loan and credit card payments of contracted banks, excluding collecting deposits and issuing loans according to two BRSA decisions revealed in May 2004 and July 2018.

The Banking Law permits deposit-taking banks to engage in all fields of financial activities, including deposit collection, corporate and consumer lending, foreign exchange transactions, capital market activities and securities trading. Typically, major commercial banks have nationwide branch networks and provide a full range of banking services, while smaller commercial banks focus on wholesale banking. The main objectives

of development and investment banks are to provide medium-and long-term funding for investment in different sectors.

Deposit-taking Turkish banks' total balance sheets have grown at a CAGR of 49.7 per cent. from 31 December 2020 to 31 December 2025, driven by loan book expansion and customer deposits growth, which increased by a CAGR of 44.7 per cent. and 50.7 per cent., respectively, between 31 December 2020 and 31 December 2025, in each case according to the BRSA. Despite strong growth of net loans and customer deposits since 2020, the Turkish banking sector remains significantly under-penetrated compared with banking penetration in the EU. Loans/GDP and deposits/GDP ratios of the Turkish banking sector were 37 per cent. and 43 per cent., respectively, as of 31 December 2025 according to BRSA data, whereas the EU's banking sector had loan and deposit penetration ratios of approximately 148 per cent. and approximately 138 per cent., respectively, as of the same date according to the European Central Bank's data.

The following table shows key indicators for the banking sector (deposit banks only) in Türkiye as of (or for the period ended on) the indicated dates.

	As of 31 December						
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	**CAGR**
	(TL millions, except CAGR)						
Balance sheet							
Loans	3,091,047	4,152,545	6,517,987	9,961,601	13,730,007	19,592,887	44.7 %
Total assets	5,281,462	7,882,809	12,337,664	20,166,457	28,115,051	39,727,578	49.7 %
Deposits	3,133,909	4,746,930	7,970,792	13,335,603	17,124,653	24,383,652	50.7 %
Shareholders' equity	519,021	613,561	1,227,326	1,854,220	2,405,092	3,408,103	45.7 %
Income statement							
Net Interest Income	192,159	236,431	682,763	596,271	782,876	1,427,783	49.3 %
Net Fees and Commission Income	42,124	59,154	118,542	287,046	602,112	899,526	84.5 %
Total income	264,988	357,103	1,023,616	1,390,377	1,902,373	3,178,092	64.4 %
Net Profit	48,688	77,608	381,896	526,353	505,793	726,321	71.7 %
Key ratios							
Loans/deposits	103.1 %	87.7 %	80.8 %	73.6 %	78.8 %	79.8 %	—
Net interest margin	4.0 %	3.9 %	8.3 %	5.5 %	3.2 %	4.2 %	—
Return on average equity	10.9 %	14.2 %	42.3 %	35.3 %	24.4 %	25.9 %	—
Capital adequacy ratio	18.3 %	18.0 %	19.2 %	18.6 %	19.2 %	19.0%	—

Source: BRSA monthly bulletin (www.bddk.org.tr)

Note:

(1) CAGR is calculated by dividing the ending value by the initial value, raising the result to the power of one divided by the period length and subtracting one from the subsequent result.

Competition

The Turkish banking industry is highly competitive and relatively concentrated with the top 10 deposit-taking banks accounting for 81.1 per cent. of total assets of deposit-taking banks as of 31 December 2025. Among the top 10 deposit-taking Turkish banks, there are three state-controlled banks – Ziraat Bank, Vakıfbank and Halkbank, which were ranked first, second and fourth respectively, in terms of total assets as of 31 December 2025 according to the non-consolidated financial information published by Turkish banks. These three state-controlled banks accounted for 58.2 per cent. of deposit-taking Turkish banks' loans including gross non-performing loans and 48.2 per cent. of customer deposits as of 31 December 2025. The top four privately-owned domestic banks are İşbank, Garanti Bank, Yapı ve Kredi Bankası A.Ş. and Akbank A.Ş. ("**Akbank**"), which in total accounted for approximately 39.1 per cent. of deposit-taking Turkish banks' loans (including gross performing loans), and approximately 37.2 per cent. of customer deposits as of 31 December 2025 according to the non-consolidated financial information published by Turkish banks and data provided by the BRSA in relation to deposit-taking banks. The remaining banks in the top 10 deposit-taking banks in Türkiye include three mid-sized banks, namely QNB Bank A.Ş., Denizbank A.Ş. and Türk Ekonomi Bankası A.Ş., which were controlled by Qatar National Bank, Emirates NBD Bank PJSC and TEB Holding (a joint venture between BNP PARIBAS and Türkiye's Çolakoğlu Group), respectively, as of 31 December 2025.

The Bank's management perceives: (a) leading commercial banks, such as Akbank and Garanti Bank, which provide foreign exchange loans, (b) the state-owned banks, such as Halkbank and Vakıfbank, which are capable of borrowing from supranational institutions with the guarantee from the Turkish Treasury, and (c) other development banks, such as Türkiye İhracat ve Kredi Bankası A.Ş. and Türkiye Kalkınma ve Yatırım Bankası A.Ş. (Development Bank of Türkiye), as its primary competitors.

As of 31 December 2025, the Bank ranked 19th among Turkish banks in terms of assets according to non-consolidated financial information published by Turkish banks and data provided by the BAT including the participation banks. The market share of the Bank in long-term foreign currency-denominated commercial loans, excluding the non-performing loans allocated by in the banking sector was 3.6 per cent. as of 31 December 2025. As the Bank has an important presence in renewable energy loans, the market share of the Bank in such sector in terms of installed capacity was approximately 14 per cent. as of 31 December 2025.

TURKISH REGULATORY ENVIRONMENT

Regulatory Institutions

Turkish banks (including development and investment banks such as the Bank) and branches of foreign banks in Türkiye are primarily governed by two regulatory authorities in Türkiye, the BRSA and the CBRT.

The Role of the BRSA

In June 1999, the Banks Act No. 4389 (which has been replaced by the Banking Law) established the BRSA, which is responsible for ensuring that banks observe banking legislation, supervising the application of banking legislation and monitoring the banking system. The BRSA has administrative and financial autonomy.

Articles 82 and 93 of the Banking Law state that the BRSA, having the status of a public legal entity with administrative and financial autonomy, is established in order to ensure application of the Banking Law and other relevant acts, to ensure that savings are protected and to carry out other activities as necessary by issuing regulations within the limits of the authority granted to it by the Banking Law. The BRSA is obliged and authorised to take and implement any decisions and measures in order to prevent any transaction or action that could jeopardise the rights of depositors and the regular and secure operation of banks and/or could lead to substantial damages to the national economy, as well as to ensure efficient functioning of the credit system.

The BRSA has responsibility for all banks operating in Türkiye, including development and investment banks (including the Bank), deposit banks, foreign banks and participation banks. The BRSA sets various mandatory ratios such as reserve levels, capital adequacy and liquidity ratios. In addition, all banks must provide the BRSA, on a regular and timely basis, information adequate to permit off-site analysis by the BRSA of such bank's financial performance, including balance sheets, profit and loss accounts, board of directors' reports and auditors' reports. Under current practice, such reporting is required on a daily, weekly, monthly, quarterly and semi-annual basis, depending upon the nature of the information to be reported.

The BRSA conducts both on-site and off-site audits and supervises implementation of the provisions of the Banking Law and other legislation, examination of all banking operations and analysis of the relationship and balance between assets, receivables, equity capital, liabilities, profit and loss accounts and all other factors affecting a bank's financial structure. The BRSA's on-site supervision is conducted through a team of sworn bank auditors and other experts who are employed by the BRSA. In addition, the chairman of the BRSA has the authority to commission independent audit teams to examine specific matters within any bank that the chairman deems appropriate.

Pursuant to the Regulation regarding the Internal Systems and Internal Capital Adequacy Assessment Process of Banks, as issued by the BRSA and published in the Official Gazette dated 11 July 2014 and numbered 29057 (the "**ICAAP Regulation**") banks are obligated to establish, manage and develop (for themselves and all affiliates that they consolidate) internal audit, internal control and risk management systems commensurate with the scope and structure of their organisations, in compliance with the provisions of such regulation. Pursuant to such regulation, the internal audit and risk management systems are required to be vested in a department of the bank that has the necessary independence to accomplish its purpose and such department must report to the bank's board of directors. To achieve this, according to the regulation, the internal control personnel cannot also be appointed to work in a role conflicting with their internal control duties. The ICAAP Regulation also requires banks to internally calculate the amount of capital required to cover the risks to

which they are or may be exposed on a consolidated basis and with a forward-looking perspective, taking into account the bank's near- and medium-term business and strategic plans. This process, referred to as the "Internal Capital Adequacy Assessment Process," should be designed according to the bank's needs and risk attitude and should constitute an integral part of the decision-making process and corporate culture of the bank. In this context, each bank is required to prepare an internal capital adequacy assessment process report (the "**ICAAP Report**") representing the bank's own assessment of its capital requirements. An ICAAP Report is required to be submitted annually to the BRSA, together with the stress test analysis, the internal audit report on the internal capital adequacy assessment process and the model validation report by the end of March of the following year. The Board of a bank is responsible for maintenance of adequate equity to ensure establishment and implementation of the ICAAP Report.

The Role of the CBRT

The CBRT was founded in 1930 and performs the traditional functions of a central bank, including the issuance of bank notes, determining the exchange rate regime in Türkiye jointly with the government and to design and implement this regime, maintenance of price stability and continuity, regulation of the money supply, management of official gold and foreign exchange reserves, monitoring of the financial system and advising the government on financial matters. The CBRT exercises its powers independently of the government. The CBRT is empowered to determine the inflation target together with the government, and to adopt a monetary policy in compliance with such target. The CBRT is the only authorised and responsible institution for the implementation of such monetary policy.

The CBRT has responsibility for all banks operating in Türkiye, including development and investment banks (including the Bank) and foreign banks. The CBRT sets mandatory reserve levels. In addition, each bank must provide the CBRT, on a current basis, information adequate to permit off-site evaluation of its financial performance, including balance sheets, profit and loss accounts, board of directors' reports and auditors' reports. Under current practice, such reporting is required on a daily, weekly, monthly, quarterly and semi-annual basis depending upon the nature of the information to be reported.

Pursuant to amendments introduced to the Banking Law in 2020, the CBRT has been empowered to determine maximum interest rates for lending and deposit-taking activities of banks, as well as caps on fees, expenses and commissions charged by banks to their clients for any sort of activity. Furthermore, effective from 1 January 2020, the CBRT has been designated as the new payment and e-money services watchdog of Türkiye, replacing the BRSA in accordance with the Law on the Payment Systems and Securities Settlement Systems, Payment Services and Electronic Money Institutions No. 6493.

Banks Association of Türkiye

The BAT is an organisation that provides limited supervision of and coordination among banks (excluding the participation banks) operating in Türkiye. All banks (excluding the participation banks) in Türkiye are obligated to become members of this association. As the representative body of the banking sector, the association aims to examine, protect and promote its members' professional interests; however, despite its supervisory and disciplinary functions, it does not possess any powers to regulate banking.

Shareholdings

The direct or indirect acquisition by a person of shares that represent 10 per cent. or more of the share capital of any bank or the direct or indirect acquisition or disposition of such shares by a person if the total number of shares held by such person increases above or falls below 10 per cent., 20 per cent., 33 per cent. or 50 per

cent. of the share capital of a bank, requires the permission of the Banking Regulation and Supervision Board (the "**BRSB**") in order to preserve full voting and other shareholders' rights associated with such shares. In addition, irrespective of the thresholds above, an assignment and transfer of privileged shares with the right to nominate a member to the board of directors or audit committee (or the issuance of new shares with such privileges) is also subject to the authorisation of the BRSB. In the absence of such authorisation, a holder of such thresholds of shares cannot be registered in the share register, which effectively deprives such shareholder of the ability to participate in shareholder meetings or to exercise voting or other shareholders' rights with respect to the shares but not of the right to collect dividends declared on such shares. Additionally, the acquisition or transfer of an amount of shares exceeding the above thresholds of legal persons who, directly or indirectly, own 10 per cent. or more of the capital of a bank are (under the terms and conditions mentioned above) subject to the permission of the BRSA. The BRSA's permission may be given on the condition that the person who acquires the shares possesses the qualifications required for a founder of a bank. In a case in which such shares of a bank (including a development and investment bank such as the Bank) are transferred without the permission of the BRSA, the shareholder rights of the legal person stemming from these shares, other than the right to receive dividends, shall be exercised by the SDIF.

The board of directors of a bank is responsible for taking necessary measures to ascertain that shareholders attending general assemblies have obtained the applicable authorisations from the BRSB. If the BRSA determines that a shareholder has exercised voting or other shareholders' rights (other than the right to collect dividends) without due authorisation as described in the preceding paragraph, then it is authorised to direct the Board of a bank to start the procedure to cancel such applicable general assembly resolutions (including by way of taking any necessary precautions concerning such banks within its authority under the Banking Law if such procedure has not been started yet). If the shares are obtained on the stock exchange, then the BRSA may also impose administrative fines on shareholders who exercise their rights or acquire or transfer shares as described in the preceding paragraph without authorisation by the BRSB. In the case that the procedure to cancel such general assembly resolutions is not yet started, or such transfer of shares is not deemed appropriate by the BRSA even though the procedure to cancel such general assembly resolutions is started, then, upon the notification of the BRSA, the SDIF has the authority to exercise such voting and other shareholders' rights (other than the right to collect dividends and priority rights) attributable to such shareholder.

Lending Limits

The Banking Law and the following regulations which entered into force on 1 January 2024 prepared by the BRSA in connection with for full compliance with Basel III standards with respect to the supervisory framework for measuring and controlling large exposures standard, namely the Regulation on Loan Transactions of Banks published in the Official Gazette dated 21 December 2023 and numbered 32406 (repealing the Regulation on Loan Transactions of Banks published in the Official Gazette dated 1 November 2006 and numbered 26333) (the "**Regulation on Loan Transactions of Banks**") and the Regulation on Determination of Risk Groups and Loan Limits published in the Official Gazette dated 21 December 2023 and numbered 32406 (the "**Regulation on Risk Groups and Loan Limits**") set out certain lending limits for banks and other financial institutions designed to protect those institutions from excessive exposure to any one counterparty (or group of related counterparties), in particular:

- Credits extended to a natural person, a legal entity or a risk group (as defined under Article 49 of the Banking Law) in the amounts of 10 per cent. or more of a bank's shareholders' equity are classified as large credits and the total of such credits cannot be more than eight times the bank's shareholders'

equity. In this context, credits include cash credits and non-cash credits such as letters of guarantee, counter guarantees, sureties, avals, endorsements and acceptances extended by a bank, bonds and similar capital market instruments purchased by it, loans (whether deposits or other), receivables arising from the future sales of assets, overdue cash credits, accrued but not collected interest, amounts of non-cash credits converted into cash and futures and options and other similar contracts, partnership interests and shareholding interests.

- The Banking Law restricts the total financial exposure (including extension of credits, issuance of guarantees, etc.) that a bank may have to any one customer or a risk group directly or indirectly to 25 per cent. of its equity capital. In calculating such limit, a credit extended to a partnership is deemed to be extended to the partners in proportion to their liabilities. A risk group is defined as an individual, his or her spouse and children and partnerships in which any one of such persons is a member of a Board or general manager as well as partnerships that are directly or indirectly controlled by any one of such persons, either individually or jointly with third parties, or in which any one of such persons participate with unlimited liability. In addition, when determining risk groups, loan customers' economic dependency with each other will also be considered. As per Article 5 of the Regulation on Risk Groups and Loan Limits, while determining the risk groups including natural persons or legal entities whose risk amount exceed 5 per cent. of the bank's Tier I capital as a result of the assessment made on a consolidated and unconsolidated basis, whether such customers are economically dependent on other customers should analysed based on the following criteria. For other loan customers who do not exceed the said 5 per cent. threshold, the same criteria can be taken into account:

  - 50 per cent. or more of the customer's annual gross revenues or annual gross expenses being generated from transactions with another customer;
  - the customer being liable, partially or wholly, for the debts of another customer as a guarantor, surety or in another way, and the risk to be large enough to cause the customer to default when required to pay;
  - a significant portion of the goods or services produced by a customer being sold to another customer and the purchaser not being easily substituted;
  - multiple customers having the same source of income to repay their debts to the bank and that there are no other sources of income enabling them to repay their debts in full;
  - a customer's financial difficulty being such degree to potentially prevent another customer to satisfy its obligations on time and in full;
  - the default or insolvency of a customer being capable of leading to the default or insolvency of another customer; and
  - the majority of the funds of more than one customer being provided from the same source and there being no alternative funder in case of default of that funder.

  If the customers' economic dependency is two-ways as per the fourth and seventh bullets above, such customers are included in the same risk group. However, regarding the remaining criteria which are one-way, such customers are not required to be included in the same risk group, provided that there are no other relationship that would necessitate them to be included in the same risk group.

- Furthermore, in the case of a bank, excluding the partnerships in which participation banks and development and investment banks participate to provide interest-free financing, its shareholders holding 10 per cent. or more of the bank's voting rights or the right to nominate board members, its board members, general manager and partnerships directly or indirectly, individually or jointly, controlled by any of these persons or a partnership in which these persons participate with unlimited liability or in which these persons act as members of the Board or general managers constitute a risk group, for which the lending limits are reduced to 20 per cent. of a bank's equity capital, subject to the BRSB's discretion to increase such lending limits up to 25 per cent. or to lower it to the legal limit. Real and legal persons having surety, guarantee or similar relationships where the insolvency of one is likely to lead to the insolvency of the other are included in the applicable risk groups. Moreover, customers who are under the control of or economically dependent on central management, central banks or governmental institutions which are subject to the same risk weight as receivables from central managements in accordance with the 2015 Capital Adequacy Regulation are not required to be considered in the same risk group merely because of such relationship, provided that there is no other relationship between those customers requiring them to be considered in the same risk group. In addition, to be on an exceptional basis and if the bank determines (a) with regard to the risk group of individuals, partnerships and banks, the existence of special circumstances or protective corporate governance practices in relation to persons who are required to be in the same risk group; and (b) with regard to persons who are required to be in the same risk group because of their economic dependence that one party will not be affected by the default or financial difficulties of the other party by finding new sources of funds or business partners; such persons are not required to be in the same risk group. In such case, relevant information and documents must be made available for audit.

- Loans made available to a bank's controlling shareholders or registered shareholders holding more than 1 per cent. of the share capital of the bank and their risk groups may not exceed 50 per cent. of the bank's capital equity.

Non-cash loans, futures and option contracts and other similar contracts, avals, guarantees and suretyships, transactions carried out with credit institutions and other financial institutions, transactions carried out with the central governments, central banks and banks of the countries accredited with the BRSA, as well as bills, bonds and similar capital market instruments issued or guaranteed to be paid by them, and transactions carried out pursuant to such guarantees are all taken into account for the purpose of calculation of loan limits within the framework of principles and ratios set by the BRSA.

The BRSA determines the permissible ratio of non-cash loans, futures and options, other similar transactions, avals, acceptances, guarantees and sureties, bills of exchange, bonds and other similar capital markets instruments issued or guaranteed by, and credit and other financial instruments and other contracts entered into with, governments, central banks and banks of the countries accredited with the BRSA for the purpose of calculation of loan limits.

Pursuant to Article 55 of the Banking Law, the following transactions are exempt from the above-mentioned lending limits:

- transactions against cash, cash like assets and accounts and precious metals;

- transactions carried out with the Turkish Treasury, CBRT, Privatisation Administration and the Mass Housing Administration of Türkiye, Türkiye's sovereign wealth fund (*Türkiye Varlık Fonu*) and its

management company (*Türkiye Varlık Fonu Yönetimi A.Ş.*) as well as the transactions carried out against bills, bonds and similar securities issued or guaranteed by these institutions;

- transactions carried out with the CBRT and in legally organised money markets;
- in case of new credit allocations, valuations prompted by the changes in currency rates in credits denominated or indexed to foreign currencies, and interests, profit shares and other such issues accrued on overdue credits;
- bonus shares (scrip issues) received as a result of capital increases, and any increase in the value of shares not requiring any fund outflow;
- interbank operations within the framework of the principles set out by the BRSA;
- shares acquired within the framework of underwriting services for public offering activities provided that such shares are disposed of in the time and manner determined by the BRSA;
- transactions considered as "deductibles" in the shareholders' equity account; and
- other transactions to be determined by the BRSA.

Pursuant to Article 77 of the Banking Law, investment and development banks (including the Bank) are not subject to the lending limits and its exceptions mentioned above, however, as per Article 17 of the Regulation on Risk Groups and Loan Limits such banks shall be subject to the provisions regarding determining the risk groups and economic dependency.

As per the BRSA decision dated 13 March 2025 and numbered 11173, credit exposure limits applicable to development and investment banks, based on their leverage ratios shall not exceed, on both a consolidated and non-consolidated basis, the following thresholds:

Leverage Ratio	Risk Group Within the Bank	Individual or External Risk Group
$0\% < x \leq 10\%$	35%	40%
$10\% < x \leq 20\%$	40%	45%
$20\% < x \leq 30\%$	45%	50%
$30\% < x \leq 40\%$	50%	55%
$40\% \leq x$	55%	60%

In addition, on 21 February 2020, BRSA introduced a requirement to obtain and maintain credit rating notes from authorised credit rating agencies for Turkish companies with an annual gross revenue equal to or above TRY 500,000,000; by no later than 30 June 2021 in order to be able to borrow loans from local banks. BRSA changed this requirement on 10 September 2020 as applicable to Turkish borrowers whose aggregate exposure to the Turkish banking sector (based on the data maintained at the risk centre of the BAT) is equal to or above TRY 500,000,000. BRSA requires these ratings to be updated on an annual basis (and upon occurrence of certain material events) and a summary report in respect of the borrower to be prepared by authorised credit rating agencies. On 27 May 2021, the BRSA further amended the implementation of this application due to the effects of the COVID-19 pandemic, and announced that Turkish borrowers who are required to obtain a credit rating note may continue to utilise loans until 31 December 2021 provided that they have executed an agreement with a licensed credit rating agency until 31 August 2021 and submit their rating note on the date of the first disbursement. Once again on 16 September 2021, the BRSA further amended the implementation of this application due to the effects of the COVID-19 pandemic, and announced that the date

for executing an agreement with a licensed credit rating agency determined as 31 August 2021 will be extended to 31 December 2021; however, the companies which will become subject to this credit rating note obligation after 31 December 2021, will be obliged to submit a document indicating that the rating process by a licenced rating agency is initiated at the date of the loan application. In addition, for utilisation of loans by foreign residents, the credit rating note obligation will not be applied provided that they submit a credit note rated by any eligible external credit assessment institutions (namely Fitch, S&P, Moody's, Japan Credit Rating Agency, Ltd., DbRS Ratings Ltd. and, as of 12 January 2017, International Islamic Rating Agency). On 6 January 2022, the BRSA announced that the companies which will become subject to the credit rating note obligation for borrowing loans (regardless of the date under which they become subject to the credit rating note obligation) are obligated to submit a valid rating note or a document indicating that the rating process by a licenced rating agency is initiated at the date of the loan application. However, due to the two earthquakes with a magnitude of 7.7 and 7.6 (respectively) on the Richter scale that occurred in Kahramanmaraş on 6 February 2023 and affected 10 different cities, on 10 February 2023 the BRSA announced that the banks may not request credit rating notes from obliged companies which are affected by the earthquakes, subject to the banks' own discretion. In addition, on 23 February 2023, the BRSA announced that such provisional measure shall also be applied to the disaster areas effective in general life which shall be determined pursuant to the criteria regulated under the Regulation on the Basic Rules Regarding the Effectiveness of Disasters to General Life. As per the BRSA decision dated 17 April 2025, the previous threshold of the total risk in the banking sector including loans for rating obligation has been increased to TRY 750,000,000 from TRY 500,000,000.

Pursuant to the Regulation on the Determination of Risk Groups and Credit Limits, the BRSA has determined that the following transactions are exempt from the above-mentioned lending limits:

(a) receivables from central administrations, central banks or public institutions, subject to the same application as receivables from central governments pursuant to the Capital Adequacy Regulation, and receivables secured by guarantees provided by central governments or protected with securities issued; *provided* that the conditions specified in the Communiqué on Credit Risk Reduction Techniques are met,

(b) intraday receivables arising from the transactions of banks with other banks, including foreign banks,

(c) receivables arising from clearing and settlement transactions with central counterparties performing qualified transactions within the scope of the Capital Adequacy Regulation, and

(d) amounts deducted from equity capital.

In addition, avals, guarantees and sureties from real or legal persons included in the same risk group as a borrower are not taken into account in the calculation of the credit limits of such risk group.

In addition to the transactions stated in the preceding paragraph, the following transactions also are not to be taken into account in the calculation of the credit limits extended to the risk group to which the applicable bank belongs:

(a) shareholding interests in consolidated banks and financial institutions,

(b) commitments given by a bank in Türkiye with the effect of unlimited guarantee given to the competent authorities of foreign countries (in accordance with the relevant country's law) to guarantee the

obligations of entities that consolidated into such bank engaged in banking activities in foreign countries, and

(c) shares acquired free of charge as a result of capital increases and value increases of the applicable company's shares; *provided* that such do not require any outflow of funds.

Loan Loss Reserves

Pursuant to Article 53 of the Banking Law, banks must formulate, implement and regularly review policies regarding compensation for losses that have arisen or are likely to arise in connection with loans and other receivables and to reserve an adequate level of provisions against impairment in the value of other loans, for qualification and classification of loans, receipt of guarantees and securities and measurement of their value and reliability. In addition, such policies must address issues such as monitoring loans, writing down loans according to TFRS and repaying loans (including repayments through restructuring). Banks must also establish and operate systems to perform these functions. All special provisions set aside for loans in accordance with this article are considered expenditures deductible from the corporate tax base in the year they are set aside.

Loans that are written down due to becoming uncollectable after reserving private provisions are considered as uncollectible receivables within the scope of Tax Procedure Law. Procedures relating to loan loss reserves for non-performing loans are set out in Article 53 of the Banking Law and in regulations issued by the BRSA. The Regulation on Procedures and Principles for Determination of Qualifications of Loans and Other Receivables by Banks and Provisions to be Set Aside published in the Official Gazette No. 26333 on 1 November 2006 was replaced by the Provisioning Regulation issued by the BRSA to ensure compliance with the requirements of IFRS and the Financial Sector Assessment Program (a joint programme of the International Monetary Fund and the World Bank). The Provisioning Regulation requires banks to have adopted Turkish Financial Reporting Standards 9, which is the IFRS 9 compliant financial reporting standards of Türkiye, by the end of 2017 unless an exemption is granted by the BRSA. Under the Provisioning Regulation, from 1 January 2018 banks are still required to classify their loans and receivables into groups, but there are certain changes in the criteria of the groups. Group classification and provision levels for periods before and after 1 January 2018 are not directly comparable. Pursuant to the Provisioning Regulation, from 1 January 2018 banks are required to classify their loans and receivables into one of the following groups:

Group I: Loans of a Standard Nature and Other Receivables: This group involves loans (which, for purposes of the Provisioning Regulation, includes other receivables, and shall be understood as such elsewhere in this section):

- that has been disbursed to financially creditworthy natural persons and legal entities with financial creditworthiness;
- the principal and interest payments of which have been structured according to the solvency and cash flow of the debtor;
- repayments of which have been made within due dates or have not been overdue for more than 30 days, for which no repayment problems are expected in the future, and that have the ability to be collected in full without recourse to any security;
- for which no weakening of the creditworthiness of the applicable debtor has been found; and

- to which 12 months expected credit loss reserve applies under TFRS 9.

The terms of a bank's loans and receivables monitored in this group may be modified if such loans and receivables continue to have the conditions envisioned for this group.

On 27 March 2020 (with retroactive effect from 17 March 2020), the BRSA (as part of the measures taken against the impacts of the COVID 19 pandemic) announced a temporary rule (effective until 31 December 2020) replacing "0 days" as referred above with "90 days", resulting in loans remaining categorised as Group I loans longer and then moving into Group into Group II loans at 90 days. On 8 December 2020, the BRSA extended this temporary rule until 30 June 2021, which (on 17 June 2021) was then further extended through 30 September 2021. On 16 September 2021, the BRSA announced that, notwithstanding the expiration of this temporary rule on 30 September 2021: (a) it would still apply to loans that were overdue for more than 31 days but less than 91 days on 1 October 2021, such that these loans will continue to be classified as Group I loans for a period equal in length to the difference between 91 days and the number of days overdue on 1 October 2021; however, if such a loan continues to be overdue following the end date of such period, then it would cease to benefit from this temporary rule and would be classified subject to the Provisioning Regulation, and (b) loans that were overdue for 31 days or less on 1 October 2021 will not benefit from this temporary rule and were to be classified subject to the Provisioning Regulation on 1 October 2021.

Group II: Closely Monitored Loans. This group involves loans:

- that have been disbursed to natural persons and legal entities with financial creditworthiness and where negative changes in the debtor's solvency or cash flow were observed or predicted due to adverse events in macroeconomic conditions or in the sector in which the debtor operates, or other adverse events solely related to the respective debtor;
- that need to be closely monitored due to reasons such as significant financial risk carried by the debtor at the time of the utilisation of the loan;
- in connection with which problems are likely to occur as to principal and/or interest payments in accordance with the conditions of the loan agreement, and where the failure to resolve such problems may result in risk of non-collection in full without recourse to any security;
- where although the credit standing of the debtor has not weakened in comparison with its credit standing on the day the loan is granted, there is likelihood of a weakening due to the debtor's irregular and unmanageable cash flow;
- the collection of principal and/or interest payments of which are overdue for more than 30 but less than 90 days following its payment due date (including the maturity date) for reasons that cannot be interpreted as a weakening in credit standing;
- in connection with which the credit risk of the debtor has notably increased pursuant to TFRS 9;
- the repayments of which are fully dependent upon security and the net realisable value of such security falls under the receivable amount;
- that has been subject to restructuring when monitored under Group I or Group II without being able to be classified as an NPL; or

- that have been subject to restructuring while being monitored as an NPL and classified as a performing loan upon satisfaction of the relevant conditions stated in the regulation.

On 27 March 2020 (with retroactive effect from 17 March 2020), the BRSA (as part of the measures taken against the impacts of the COVID 19 pandemic) announced a temporary rule (effective until 31 December 2020) replacing "30 days" as referred above with "90 days", resulting in loans remaining categorised as Group I loans longer and then moving into Group II loans at 90 days. On 8 December 2020, the BRSA extended this temporary rule until 30 June 2021, which (on 17 June 2021) was then further extended through 30 September 2021. On 16 September 2021, the BRSA announced that, notwithstanding the expiration of this temporary rule on 30 September 2021, however, the rule would continue to apply to loans that were overdue for more than 31 days but less than 91 days on 1 October 2021, such that these loans will continue to be classified as Group I loans for a period equal in length to the difference between 91 days and the number of days overdue on 1 October 2021; however, if such a loan continues to be overdue following the end date of such period, then it would cease to benefit from this temporary rule and would be classified subject to the 2016 Provisioning Regulation, and (b) loans that were overdue for 31 days or less on 1 October 2021 will not benefit from this temporary rule and were to be classified subject to the Provisioning Regulation on 1 October 2021.

Group III: Loans with Limited Collection Possibility. This group involves loans and other receivables:

- in connection with which the debtor's creditworthiness has weakened;
- that demonstrate limited possibility for the collection of the full amount without recourse to any security due to the insufficiency of net realisable value of the security or the debtor's equity to meet the repayment of the full amount on the due date, and that would likely result in losses in case such problems are not resolved;
- for which the collection of the principal and interest (or both) of which has/have been delayed for more than 90 days but not more than 180 days from payment the due date;
- where the bank is of the opinion that collection of the principal or interest of the loan or both will be delayed for more than 90 days from the payment due date owing to reasons such as the debtor's difficulties in financing working capital or in creating additional liquidity as a result of adverse events in macroeconomic conditions or in the sector in which the debtor operates or other adverse events solely related to the debtor; or
- that have been classified as a performing loan after restructuring but principal and/or interest payments of which have been overdue for more than 30 days within one year of a restructuring or have been subject to another restructuring within such one year of the previous restructuring.

On 17 March 2020, the BRSA (as part of the measures taken against the impacts of the COVID 19 pandemic) implemented a temporary rule (effective until 31 December 2020) replacing "90 days" as referred above with "180 days", resulting in loans remaining categorised as Group II loans longer. As of the date of this Base Prospectus, the temporary rule does not provide any guidance as to classification of loans with payment delays of more than 180 days; *however*, it might be the case that such loans would bypass Group III and become Group IV loans. This temporary rule also suspended the application of the fifth bullet point above through 31 December 2020. On 8 December 2020, the BRSA extended this temporary rule until 30 June 2021, which (on 17 June 2021) was then further extended through 30 September 2021. On 16 September 2021, the BRSA announced that, notwithstanding the expiration of this temporary rule on 30 September 2021:

(a) it would still apply to loans that were overdue for more than 91 days but less than 181 days as of 1 October 2021, such that these loans will not become NPLs but be classified as Group II loans for a period equal in length to the difference between 181 days and the number of overdue days on 1 October 2021; however, if such a loan continues to be overdue following the end date of such period, then it would cease to benefit from this temporary rule and would be classified subject to the Provisioning Regulation, and (b) loans that were overdue for less than 180 days but more than 91 days on 1 October 2021 would also benefit from this temporary rule such that these loans will continue to be classified as Group II loans for a period equal in length to the difference between 91 days and the number of days overdue on 1 October 2021; *however*, if such a loan continues to be overdue following the end date of such period, then it would cease to benefit from this temporary rule and would be classified subject to the Provisioning Regulation.

Group IV: Loans with Suspicious Recovery. This group involves loans:

- the principal and/or interest payments of which will probably not be collected in full under the terms of the loan agreement without recourse to any security
- where the debtor's creditworthiness has significantly deteriorated, but which loan is not yet considered as an actual loss by virtue of contribution expected from factors such as merger, the possibility of finding new financing or a capital increase to the debtor's creditworthiness and the collection possibility of the credit;
- the collection of principal and/or interest payments of which has been overdue for more than 180 days but less than one year following any payment due date (including the maturity date); or
- the collection of principal and/or interest payments of which is expected to be overdue for more than 180 days following any payment due date (including the maturity date) as a result of adverse events in macroeconomic conditions or in the sector in which the debtor operates or adverse events solely related to the debtor.

Group V: Loans Having the Nature of Loss. This group involves loans:

- for which, as a result of the complete loss of the debtor's creditworthiness, no collection is expected or only a negligible part of the total receivable amount is expected to be collected;
- although having the characteristics stated in Groups III and IV, the collection of the total receivable amount of which, albeit due and payable, is unlikely within a period exceeding one year; or
- the collection of principal and/or interest payments of which has been overdue for more than one year following its payment due date.

On 6 July 2021, the BRSA amended the Provisioning Regulation such that the portion of the loans classified in Group V, for which loans allowance for credit losses expected throughout their life or special provisions have been set out, and, in respect of which portion there is no reasonable expectation of recovery, is to be written-off under TFRS 9 after the first reporting period (interim period or year-end reporting period) following their classification in Group V, within a period deemed appropriate by the bank specific to the circumstances of the relevant debtor. Accordingly, such bank must set out such period with justifications and have it available for inspection.

Pursuant to Provisioning Regulation, loans: (a) that are classified under Groups III, IV and V, (b) the debtors of which are deemed to have defaulted pursuant to the Communiqué on the Calculation of Principal Subject to

Credit Risk by Internal-Ratings Based Approaches (published in the Official Gazette dated 23 October 2015 and numbered 29511) or (c) to which, as a result of debtor's default, the lifetime expected credit loss reserve applies under TFRS 9, are classified as NPLs. Financial guarantees are also classified as NPLs on the basis of their nominal amounts in case where: (i) a risk of a compensation claim by the creditor has occurred or (ii) the debt assumed under the relevant financial guarantee falls within the scope of any of the circumstances stated in limbs (a), (b) or (c) above. If several loans have been extended to a debtor by the same bank and any of these loans is classified as an NPL, then all other loans extended to such debtor by such bank shall also be classified as NPLs; however, for consumer loans, even if any of these loans are classified as an NPL, other consumer loans granted to the same debtor may be classified in the respective applicable group other than Group I. If loans extended to a debtor are classified as an NPL, the creditworthiness of other debtors within the same risk group with that debtor should be evaluated at the date of classification as NPL of that debtor's loans. Accordingly, the loans extended to such other debtors should also be classified as an NPL if such loans fall within the scope of any of the circumstances stated in limbs (a), (b) or (c) above.

Pursuant to the Regulation on Loan Transactions of Banks, banks whose gross NPLs are equal to or exceed 0.5 per cent. of the total gross NPLs in the Turkish banking sector are required to implement a resolution mechanism and operational plans regarding restructured loans and NPLs and send such strategies and plans to the BRSA each year until end of March. On 27 November 2019, the BRSA published an amendment to the Provisioning Regulation which entered into force on the same date. The amendment is effective from 19 July 2019. According to the amendment, if the portion of loans for which a lifelong expected loan loss provision or a special provision has been set aside due to the debtor's default, and which are classified under Group V, are not reasonably expected to be recovered; such portion of loans may be written down within the scope of TFRS 9 as of the first reporting period (i.e. interim period or year-end reporting period) following their classification under Group V. On 6 July 2021, the BRSA further amended the Provisioning Regulation, pursuant to which banks are allowed to write-down such portion/loan within a period that is deemed appropriate by the bank, provided that the banks justify and record the relevant time period and have the relevant documents available for audit.

The Provisioning Regulation includes detailed rules and criteria in relation to concepts of the "reclassification" and "restructuring" of loans. As for the reclassification of loans, banks are required to evaluate whether such loans should be reclassified under different groups. This evaluation must be made at least once during each three-month financial statement term or (irrespective of this period) upon developments in macroeconomic circumstances or the sector which pose risk on the debtor's performance of its obligations. Such evaluation shall be conducted independently from the credit and risk analysis made at the time of the extension of the loan.

The reclassification of NPLs as performing loans is subject to the following conditions: (a) all overdue repayments that have caused the relevant loan to be classified as NPL have been collected in full without any recourse to any security, (b) as at the date of the reclassification, there has not been any overdue repayment and the last two repayments preceding such date (except the repayments mentioned in clause (a)) have been realised in full by their due date, and (c) conditions for such loans to be classified under Group I or II have been fulfilled. Furthermore, loans that have been fully or partially excluded from the assets of the banks, security for which has been enforced to satisfy the debt or repayment of which has been made in kind, cannot be classified as a performing loan.

The restructuring of a loan is defined as a privilege to a debtor who faces or would probably face financial difficulties in relation to the repayment of the loan. These privileges consist of: (a) amendments to the

conditions of the loan agreement or (b) partial or full refinancing of the loan. In this respect, an NPL may be reclassified as a restructured loan under Group II subject to the following conditions: (i) upon evaluation of the financial standing of the debtor, it has been determined that the conditions for the applicable loan to be classified as an NPL have disappeared, (ii) the loan has been monitored as an NPL at least for one year following restructuring, (iii) as at the date of reclassification as a Group II loan, there has not been any delay in principal and/or interest payments nor is there any expectation of any such delay in the future, and (iv) overdue payments and/or principal payments excluded from assets in relation to the restructured loan have been collected. Furthermore, such restructured NPL being reclassified as a performing Group II loan may be excluded from the scope of the restructuring if all the following conditions are met: (A) such loan has been monitored as a restructured loan under Group II at least for one year, (B) at least 10 per cent. of the outstanding debt amount has been repaid during such one-year monitoring period, (C) there has not been any delay of more than 30 days in principal and/or interest payments of any loan extended to the applicable debtor during such monitoring period and (D) the financial difficulty that led to the restructuring of the loan no longer exists.

On 6 July 2021, the BRSA introduced amendments to the Provisioning Regulation, pursuant to which banks are required to evaluate the repayment capacity of the debtor before restructuring the loan and restructure the loan to the extent that it is determined by this evaluation that the debtor has appropriate capacity to repay the loan.

Pursuant to the Provisioning Regulation, the general rule is that banks shall apply provisions for their loans pursuant to TFRS 9; however, the BRSA may, on an exceptional basis, authorise a bank to apply the applicable provisions set forth in the Provisioning Regulation instead of those required by TFRS 9, subject to the presence of detailed and acceptable grounds. With respect to the requirements under TFRS 9, "twelve-months expected credit loss reserve" and "lifetime expected credit loss reserve set aside due to significant increase in credit risk profile of the debtor" are considered as general provisions while "lifetime expected credit loss reserve set aside due to debtor's default" is considered a special provision. A Group II Loan which has been subject to restructuring can be reclassified as a Group I Loan by banks who adopted TFRS 9 provided that (i) such loan has been monitored for at least three months, (ii) there has not been a delay more than thirty days in repayment of the loan and (iii) the financial difficulties causing the restructuring of the loan have been solved.

Banks that have been authorised not to apply provisions under TFRS 9 are required to determine their general and special provisions in accordance with Articles 10 and 11 of the Provisioning Regulation. In this respect, such banks shall set aside general provisions for at least 1.5 per cent. and 3.0 per cent. of their total cash loans portfolio under Groups I and II, respectively. For non-cash loans, undertakings and derivatives, general provisions to be set aside shall be calculated by applying the foregoing percentages to the risk-weighted amounts determined pursuant to the 2015 Capital Adequacy Regulation (as defined below). Subject to the presence of a written pledge or assignment agreement, loans secured with cash, deposit, participation funds and gold deposit accounts, bonds that are issued by the Turkish government and the CBRT and guarantees and sureties provided by such are not subject to the general set aside calculation. Loans extended to the Turkish government and the CBRT are not to be considered in such calculation. As to special provisions, banks are required to comply with provision rules for NPLs under Groups III, IV and V of at least 20 per cent., 50 per cent., and 100 per cent., respectively.

For both general provisions and special provisions, banks are required to consider country risks and transfer risks. In addition, the BRSA may increase such provision requirements for certain banks or loans taking into

account the concentration, from time to time, of matters such as the size, type, due date, currency, interest structure, sector to which loans are extended, geographic circumstances, security and the credit risk level and management.

Pursuant to the Provisioning Regulation, the main principles, among others, with regard to collateral that the banks must consider are as follows:

- The banks can benefit from collateral to minimise the risk that they are exposed to. However, the transactions must be made by primarily taking into account the repayment capacity of the debtor. The collateral provided to the bank must not cause an inaccuracy in the effective evaluation of a client;
- The banks must set forth its collateral management principles and procedures in writing;
- Legal validity and form of the collateral must be examined prior to the establishment of the collateral. In addition, the following criteria regarding the underlying asset must also be taken into consideration:
- Easy determinability or measurability and a reasonable justification of market value;
- Marketability and whether there is a spot market for the disposal of the asset;
- Whether there is a right attached to the asset preventing or restricting its liquidation; and
- Systems required for the management of the asset must be in place;
- Banks must ensure that the collateral is legally valid and the collateral agreement is fully binding;
- Collateralisation of the asset other than those within the scope of the loan conditions must be included in the loan files together with the information on the reason for such collateralisation;
- The collateral must be assessed by persons having sufficient information and expertise. Further, adequate measures to keep the information of market conditions up-to-date must be taken;
- Collateral which is easy to liquidate must be preferred for collateralisation. Also, conformity of currency between the loan and the collateral and price volatility of the asset must be taken into consideration;
- The banks must ensure that relevant units will be able to monitor collateral through a system;
- Collateral must be limited and monitored to avoid any concentration risk; and
- Collateral must be periodically reported to relevant management units.

Regarding the monitoring of security by the banks that have been authorised not to apply provisions under TFRS 9, the Provisioning Regulation increased the number of categories on collaterals (from four to five), amended the content of such categories, and amended the proportions to be deducted, in order to determine the net realisable values of the collaterals, from the borrower's NPLs as follows:

Category	**Discount Rate**
	(%)
Category I collateral	100

Category	Discount Rate
Category II collateral	80
Category III collateral	60
Category IV collateral	40
Category V collateral	20

In case the value of the collateral exceeds the amount of the NPL, the above-mentioned rates of consideration are applied only to the portion of the collateral that is equal to the amount of the NPL. Furthermore, according to the amendments to the Equity Regulation (as defined below) and the 2015 Capital Adequacy Regulation (defined below), general provisions are no longer be allowed to be included in the supplementary capital (i.e., Tier 2 capital) of Turkish banks and are deducted from their risk-weighted assets. However, on 24 December 2021, the BRSA revoked these amendments from 1 January 2022. As such, these general provisions are currently included in supplementary capital and are not deducted from a bank's risk-weighted assets.

Capital Adequacy

Article 45 of the Banking Law defines "Capital Adequacy" as having adequate equity against losses that could arise from the risks encountered. Pursuant to the same article, banks must calculate, achieve, perpetuate and report their capital adequacy ratio, which, within the framework of the BRSA's regulations, cannot be less than 8 per cent.

The BRSA is authorised to increase the minimum capital adequacy ratio and the minimum consolidated capital adequacy ratio, to set different ratios for each bank and to revise the calculation and notification periods, but must consider each bank's internal systems as well as its asset and financial structures. Both the minimum total capital adequacy ratio and the minimum consolidated capital adequacy ratio for the Group as required by the BRSA is 8 per cent. (as at the date of the Base Prospectus). In addition, as a prudential requirement, the BRSA requires a target capital adequacy ratio that is 4 per cent. higher than the legal capital ratio of 8 per cent. (i.e., 12 per cent.).

In order to implement the rules of the report titled "A Global Regulatory Framework for More Resilient Banks and Banking Systems" published by the Basel Committee in December 2010 and revised in June 2011 (i.e., Basel III) into the applicable law in Türkiye, the Regulation on Equities of Banks (the "**Equity Regulation**") and amendments to the Regulation on the Measurement and Evaluation of the Capital Adequacy of Banks, which entered into force on 1 July 2012 (the "**2012 Capital Adequacy Regulation**") were published in the Official Gazette dated 5 September 2013, numbered 28756 and entered into force on 1 January 2014 and the Regulation on the Measurement and Evaluation of the Capital Adequacy of Banks was published the Official Gazette dated 23 October 2015, numbered 29511 and entered into force on 31 March 2016 (the "**2015 Capital Adequacy Regulation**") replacing the 2012 Capital Adequacy Regulation. The Equity Regulation defines the capital of a bank as the sum of: (a) principal capital (i.e., Tier 1 capital), which is composed of core capital (i.e., Common Equity Tier 1 capital) and additional principal capital (i.e., additional Tier 1 capital) and (b) supplementary capital (i.e., Tier 2 capital) minus capital deductions. Pursuant to the 2015 Capital Adequacy Regulation (as so amended): (i) both the minimum core capital adequacy ratio and the

minimum consolidated core capital adequacy ratio are 4.5 per cent. and (ii) both the minimum Tier 1 capital adequacy ratio and the minimum consolidated Tier 1 capital ratio are 6.0 per cent.

The BRSA published several new regulations and communiqués or amendments to its existing regulations and communiqués (as published in the Official Gazette No. 29511 dated 23 October 2015 and No. 29599 dated 20 January 2016) in accordance with the Basel Committee's RCAP, which is conducted by the BIS with a view to ensure Türkiye's compliance with Basel regulations. These amendments, which entered into force on 31 March 2016, included revisions to the Equity Regulation and the 2015 Capital Adequacy Regulation. The 2015 Capital Adequacy Regulation maintained the capital adequacy ratios introduced by the former regulation but changes the risk weights of certain items. According to such regulation, only Turkish Lira-denominated claims against the CBRT continue to be subject to a preferential treatment of 0 per cent. risk weight, whereas the risk weights of foreign currency-denominated claims against the CBRT in the form of required reserves were increased from 0 per cent. to 50 per cent. On 16 April 2020, the BRSA published a decision that enables banks to use a 0 per cent. risk weight for foreign currency required reserves in the CBRT.

The 2015 Capital Adequacy Regulation also lowered the risk weights of certain assets and credit conversion factors, including reducing: (a) the risk weights of residential mortgage loans from 50 per cent. to 35 per cent. (as per the BRSA decision dated 24 August 2023, but then cancelled (save for the rule regarding the loan-to-value for housing loans) again on 19 September 2024, if the consumer, their spouse or their children under the age of 18 owns at least one property, the risk weights of such residential mortgage loans shall be 150 per cent.), (b) the risk weights of consumer loans (excluding residential mortgage loans) qualifying as retail loans (perakende alacaklar) in accordance with the Capital Adequacy Regulation and instalment payments of credit cards from a range of 100 per cent. to 250 per cent. (depending upon their outstanding tenor) to 75 per cent. (irrespective of their tenor) (however on 31 July 2023, the BRSA increased the risk weighting for consumer credit cards (including cash withdrawals and spendings) and consumer cash loans (excluding mortgage loans and including overdraft accounts) issued after 31 July 2023 to 150 per cent., which was then cancelled on 19 September 2024); provided that such receivables are not reclassified as NPLs, and (c) the credit conversion factors of commitments for credit cards and overdrafts from 20 per cent. to 0 per cent. Pursuant to the BRSA decision dated 29 January 2026 (effective as of 1 April 2026), the credit conversion factor for the unused portion of overdrafts will be 10 per cent., which may be increased up to three times by the BRSA.

On 28 April 2022, the BRSA increased the risk-weights applicable to commercial cash loans provided after 1 May 2022 from a range of 20 to 150 per cent. to 200 per cent. provided that the following are excluded: (a) loans provided to SMEs, financial institutions and/or certain governmental authorities and their subsidiaries and (b) export and investment loans, agricultural loans and corporate credit cards. However, on 14 February 2023, as a result of two large earthquakes in Kahramanmaraş on 6 February 2023 that affected 10 different cities, the BRSA announced that such risk-weights shall (until 1 January 2024) not be applied to the personal credit cards and consumer loans and relevant commercial cash loans provided after 6 February 2023 to customers located in the cities affected by the earthquakes. In addition, on 23 February 2023, the BRSA announced that such provisional measure shall also be applied to the disaster areas effective in general life which shall be determined pursuant to the criteria regulated under the Regulation on the Basic Rules Regarding the Effectiveness of Disasters to General Life. On 19 December 2024, the BRSA cancelled such rule and reinstated the previous risk weights applicable under the Capital Adequacy Regulation.

On 23 June 2022, the BRSA increased the risk weighting for Turkish Lira and foreign exchange-denominated commercial loans to be utilised by Turkish legal or real residents who have performed derivative transactions

with non-residents after 23 June 2022 to 500 per cent., regardless of their credit risk reduction technique, mortgage, or credit rating notes. On 7 July 2022, the BRSA announced the Turkish Lira-denominated commercial cash loan utilisation restrictions and obliged relevant companies to submit declarations which shall be approved by certified sworn-in accountants, and determined that if the companies which have been already provided with Turkish Lira-denominated commercial cash loans fail to submit necessary information and documentation on time, or if it is determined that they are subject to the borrowing restrictions within the scope of the decision regarding utilisation of Turkish Lira -denominated commercial cash loans, (i) no new commercial cash loans will be extended to such companies, and (ii) a 500 per cent. risk weighting shall apply to Turkish Lira cash loans extended as of 30 June 2022 to such companies, regardless of the method used to calculate the amount subject to credit risk, which was revoked on 6 February 2025.

On 31 July 2023, the BRSA increased the risk weightings for (i) credit card instalment payments (including cash withdrawals and spending), (ii) consumer cash loans (including overdraft accounts, auto loans for passenger cars and auto secured loans), and (iii) financial leasing transactions with consumers to 150 per cent. for the loans issued after 31 July 2023; however, such increased risk weightings shall not be applied to customers located in the cities affected by such earthquakes until 1 January 2024. With the BRSA decision dated 24 August 2023 and numbered 10655, but then cancelled on 19 September 2024, risk weightings were also increased to 150 per cent. for residential mortgage loans extended to individuals who already had at least one residential property either personally or through their spouses or children under 18 years of age; however, as per BRSA Decision No. 10849 dated 15 February 2024, if such persons own only one residential property and such is destroyed or a destruction decision has been taken due to such property being determined to be a "risky building" (in Turkish: *riskli yapı*) within the scope of Law No. 6306 on the Transformation of Areas under Disaster Risk, then such increased risk weight was not applicable. On 29 January 2026, the BRSA introduced amended loan-to-value ratio limits for residential mortgage loans and residential property-secured loans, with maximum loan to value ratios ranging from 20 per cent. to 90 per cent. depending on property value and energy efficiency classification.

On 11 July 2017, Article 9(8)(b) of the Equity Regulation was repealed. In this context, the excess amount mentioned in Article 57 of the Banking Law (i.e., "the total book value of the real property owned by a bank cannot exceed 50 per cent. of its capital base"), and the commodity goods and properties that banks acquire due to their receivables (e.g., foreclosed-upon collateral) but have not disposed within three years, are no longer deducted from a bank's capital base.

As per the BRSA decision dated 25 March 2025, which comes into effect on 31 December 2025, share buybacks made by publicly listed banks after 17 March 2025 will not be: (a) considered as a core capital deduction item pursuant to the Equity Regulation and (b) included in the calculations of credit risk and market risk pursuant to the Capital Adequacy Regulation.

Amendments to the Equity Regulation introduced certain limitations to the items that are included in the capital calculations of banks that have issued additional Tier 1 and Tier 2 instruments prior to 1 January 2014. While the Bank does not have any additional Tier 1 instruments, according to these amendments, Tier 2 instruments that were issued (among others): (a) between 12 September 2010 and 1 January 2013 (so long as they satisfied the New Tier 2 Conditions other than the condition stated in sub-clause (i) of the New Tier 2 Conditions (i.e., the condition regarding the loss absorption due to the cancellation of a bank's licence or transfer of Management to the SDIF pursuant to Article 71 of the Banking Law)) will be included in Tier 2 calculations after being reduced by 20 per cent. for the period between 1 January 2014 and 31 December 2014 and by 10 per cent. for each subsequent year (the calculations being made based upon the total amount

of the debt instruments as at 1 January 2013) and (b) after 1 January 2013 will be included in Tier 2 calculations only if they satisfy all of the New Tier 2 Conditions.

In 2013, the BRSA published the Regulation on the Capital Conservation and Countercyclical Capital Buffer, which entered into force on 1 January 2014 and provides additional core capital requirements both on a consolidated and unconsolidated basis. Pursuant to this regulation, the additional core capital requirements are to be calculated by the multiplication of the amount of risk-weighted assets by the sum of a capital conservation buffer ratio and bank-specific countercyclical buffer ratio. According to this regulation, the capital conservation buffer for banks was set at 1.250 per cent. for 2017, 1.875 per cent. for 2018 and 2.500 per cent. for 2019. Pursuant to decisions of the BRSA, the countercyclical capital buffer required for Turkish banks' exposures in Türkiye was initially set at 0 per cent. of a bank's risk-weighted assets in Türkiye; however, such ratio might fluctuate between 0 per cent. and 2.5 per cent. as announced from time to time by the BRSA. Any increase to the countercyclical capital buffer ratio is to be effective one year after the relevant public announcement, whereas any reduction is to be effective as at the date of the relevant public announcement.

In 2013, the BRSA also published the Regulation on the Measurement and Evaluation of Leverage Levels of Banks (which entered into force on 1 January 2014 with the exception of certain provisions that entered into effect on 1 January 2015), seeking to constrain leverage in the banking system and ensure maintenance of adequate equity on a consolidated and unconsolidated basis against leverage risks (including measurement error in the risk-based capital measurement approach).

Under the Equity Regulation, debt instruments and their issuance premia could be included either in additional Tier 1 capital or in Tier 2 capital subject to certain conditions; however, as at 31 March 2016, such amount is required to be reduced (for purposes of calculating capital) by any investment by a Turkish bank in additional Tier 1 or Tier 2 capital of another bank or financial institution holding such Turkish bank's additional Tier 1 or Tier 2 capital, as applicable.

In accordance with Basel III rules, each bank is required to prepare an ICAAP Report representing its own assessment of its capital requirements (see "*Regulatory Institutions*"). See also a discussion of the implementation of Basel III in Türkiye under "*Basel Committee – Basel III*".

According to the Equity Regulation, which came into force on 1 January 2014, Tier 2 capital shall be calculated by subtracting capital deductions from general provisions that are set aside for receivables and/or the surplus of provisions and capital deductions with respect to expected loss amounts for receivables (as the case may be, depending upon the method used by the bank to calculate the credit risk amounts of the applicable receivables) and the debt instruments that have been approved by the BRSA upon the application of the Board of Directors of the applicable bank along with a written statement confirming compliance of the debt instruments with the conditions set forth under the Equity Regulation and their issuance premia.

On 7 June 2018, the BRSA published the Communiqué on Debt Instruments to be included in the Calculation of Banks' Equity, which sets forth procedures and principles for the write-up and write-down of the debt instruments or loans that are included in the calculation of banks' equity (i.e., additional Tier 1 and Tier 2 capital) as well as procedures and principles related to conversion of such debt instruments into shares. Loans (as opposed to securities) that have been approved by the BRSA upon the application of the Board of Directors of the applicable bank accompanied by a written statement confirming that all of the New Tier 2 Conditions (except for the condition with respect to the CMB approval as indicated in clause (a) of the New Tier 2 Conditions) are met also can be included in Tier 2 capital calculations.

In addition to the conditions that need to be met before including debt instruments and loans in the calculation of Tier 2 capital, the Equity Regulation also provides a limit for inclusion of general provisions to be set aside for receivables and/or the surplus of provisions and capital deductions with respect to expected loss amounts of receivables (as the case may be, depending upon the method used by the Bank to calculate the credit risk amount of such receivables) in Tier 2 capital such that: (a) the portion of general provisions that exceeds 1.25 per cent. of the risk-weighted sum of the receivables and/or (b) the portion of surplus of provisions and capital deductions that exceeds six parts per 1,000 of the receivables to which they relate is not taken into consideration.

Furthermore, in addition to the New Tier 2 Conditions stated under the respective legislation, the BRSA may require new conditions for each debt instrument and the procedure and principles regarding the removal of the debt instrument from the bank's records or the debt instrument's conversion to share certificates are determined by the BRSA.

Debt instruments and loans that are approved by the BRSA are included in accounts of Tier 2 capital as at the date of transfer to the relevant accounts in the applicable bank's records. Loan agreements and debt instruments that have been included in Tier 2 capital calculations, and that have less than five years to maturity, shall be included in Tier 2 capital calculations after being reduced by 20 per cent. each year.

Basel Committee

Basel II

The most significant difference between the capital adequacy regulations in place before 1 July 2012 and the Basel II regulations is the calculation of risk-weighted assets related to credit risk. The current regulations seek to align more closely the minimum capital requirement of a bank with its borrowers' credit risk profile. The impact of the new regulations on capital adequacy levels of Turkish banks largely stems from exposures to the Turkish government, principally through the holding of Turkish government bonds. While the previous rules provided a 0 per cent. risk weight for exposures to the Turkish sovereign and the CBRT, the rules of Basel II require that claims on sovereign entities and their central banks be risk-weighted according to their credit assessment, which (as at the date of this Base Prospectus) results in a 50 per cent. risk weighting for Türkiye; however, the Turkish rules implementing the Basel principles in Türkiye revised this general rule by providing that all Turkish Lira-denominated claims on sovereign entities in Türkiye and the CBRT shall have a 0 per cent. risk weight. According to the 2015 Capital Adequacy Regulation, which entered into force on 31 March 2016, the risk weights of foreign currency-denominated reserves on the CBRT in the form of required reserves were increased from 0 per cent. to 50 per cent.; however, on 24 February 2017, the BRSA published guidance to allow foreign exchange-required reserves held with the CBRT to be subject to a 0 per cent. risk weight. As a result of these implementation rules, the impact of the new regulations has been fairly limited when compared to the previous regime.

Basel III

Turkish banks' capital adequacy requirements have been and might continue to be further affected by Basel III, as implemented by the Equity Regulation, which includes requirements regarding regulatory capital, liquidity, leverage ratio and counterparty credit risk measurements, which are expected to be implemented in phases until 2019. In 2013, the BRSA announced its intention to adopt the Basel III requirements and, as published in the Official Gazette dated 5 September 2013 and numbered 28756, adopted the Equity Regulation and amendments to 2012 Capital Adequacy Regulation, which entered into effect on 1 January 2014. The Equity Regulation introduced core Tier 1 capital and additional Tier 1 capital as components of

Tier 1 capital, whereas the amendments to the 2012 Capital Adequacy Regulation: (a) introduced a minimum core capital adequacy standard ratio (4.5 per cent.) and a minimum Tier 1 capital adequacy standard ratio (6.0 per cent.) to be calculated on a consolidated and non-consolidated basis (which are in addition to the previously existing requirement for a minimum total capital adequacy ratio of 8.0 per cent.) and (b) changed the risk weights of certain items that are categorised under "other assets". The Equity Regulation has also introduced new Tier 2 rules and determined new criteria for debt instruments to be included in the Tier 2 capital. In order to further align Turkish banking legislation with Basel principles, the BRSA also amended some of its other regulations and communiqués as published in the Official Gazette dated 23 October 2015, No. 29511 and 20 January 2016, No. 29599, which amendments also entered into force on 31 March 2016. For the amendments related to the leverage ratios and capital adequacy ratio of banks, see "*Capital Adequacy*".

The BIS reviewed Türkiye's compliance with Basel regulations within the scope of the Basel Committee's RCAP and published its RCAP assessment report in March 2016, in which Türkiye was assessed as compliant with Basel standards.

If the Bank is unable to maintain its capital adequacy or leverage ratios above the minimum levels required by the BRSA or other regulators (whether due to the inability to obtain additional capital on acceptable economic terms, if at all, sell assets (including subsidiaries) at commercially reasonable prices, or at all, or for any other reason), then this could have a material adverse effect on the Bank's business, financial condition and/or results of operations.

In February 2016, the BRSA published the D-SIBs Regulation and introduced additional capital requirements for D-SIBs in line with the requirements of Basel III. The BRSA defines D-SIBs according to their size, complexity and impact on the financial system and economic activity. The banks are classified under four categories based upon a score set by the BRSA and are required to keep additional core Tier 1 capital buffers up to a further 3 per cent. buffer for Group IV banks, 2 per cent. for Group III, 1.5 per cent. for Group II and I per cent. for Group I. In 2017, capital buffer requirements for D-SIBs have been (and are to be) applied as 1.5 per cent. for Group IV; 1 per cent. for Group III, 0.75 per cent. for Group II and 0.5 per cent. for Group I and in 2018, these ratios are to be applied as 2.25 per cent. for Group IV; 1.5 per cent. for Group III, 1.125 per cent. for Group II and 0.75 per cent. for Group I. According to the D-SIBs Regulation, banks that are identified as D-SIBs are required to keep additional core capital buffers up to a further 3.0 per cent. buffer for Group IV banks, 2.0 per cent. for Group III, 1.5 per cent. for Group II and 1.0 per cent. for Group I as at 1 January 2019. The BRSA does not categorise the Bank as a Domestic Systemically Important Bank. Therefore, the Bank applies a 0 per cent. buffer.

On 27 June 2024, in announcing that it is implementing the "Basel III: Finalising Post Crisis Reforms" published by the Basel Committee, the BRSA published the: (i) Draft Communiqué on the Calculation of the Amounts Subject to Operational Risk, (ii) Draft Regulation on the Measurement and Evaluation of the Interest Rate Risk Originated from Banking Accounts in Accordance with the Standard Approach and (iii) Draft Guide on Management of the Interest Rate Risk Originated from Banking Accounts.

Liquidity and Reserve Requirements

Article 46 of the Banking Law requires banks to calculate, attain, maintain and report the minimum liquidity level in accordance with principles and procedures set out by the BRSA. Within this framework, a

comprehensive liquidity arrangement has been put into force by the BRSA, following the consent of the CBRT.

Pursuant to the Communiqué Regarding Reserve Requirements, the CBRT imposes different reserve requirements for different currencies and different tenors and adjusts these rates from time to time in order to encourage or discourage certain types of lending.

The reserve requirements also apply to gold deposit accounts. Furthermore, banks are permitted to maintain: (a) a portion of the Turkish Lira reserve requirements in U.S. Dollars and/or Euro (however, such option has been terminated by the CBRT effective as of 1 October 2021) and another portion of the Turkish Lira reserve requirements in standard gold (however, on 31 December 2022, the CBRT announced that the facility for holding standard and scrap gold for Turkish Lira reserve requirements has been terminated on 23 June 2023) and (b) a portion or all of the reserve requirements applicable to precious metal deposit accounts in standard gold, which portions are revised from time to time by the CBRT. In addition, banks are required to maintain their required reserves against their U.S. Dollar-denominated liabilities in U.S. Dollars only.

The Communiqué Regarding Reserve Requirements has been amended on 28 June 2024, so that the aforementioned rule requiring for additional reserves based on leverage ratio of the banks has been revoked, effective as of 21 June 2024.

Furthermore, pursuant to the Communiqué Regarding Reserve Requirements, a bank might be required to establish additional financial reserves if the growth rate for certain categories of cash loans (i.e., general purpose loans, vehicle loans and certain types of commercial loans) extended by a bank or financing company for any four-week calculation period (beginning with the first such period ending 29 March 2024 through the four-week calculation period ending 2 January 2026) exceeds 2% (which itself was amended to 1.5% on 20 July 2024 and then, with respect to foreign currency loans, to 1% on 4 January 2025 and then to 0.5% on 1 February 2026) (each category of loans being considered separately) when compared to the amount of such category of cash loans as of the end of the previous four-week calculation period, then such bank or financing company is required to maintain additional blocked Turkish Lira reserves in an amount equal to such excess. Such thresholds have been subject to multiple revisions throughout 2024 and 2025. On 16 August 2025, the applicable growth rate thresholds were set at (a) 4 per cent. for consumer loans and vehicle loans, (b) for commercial loans; (i) 5 per cent. for loans extended to small and medium sized enterprises and (ii) 3 per cent. for loans extended to the other commercial companies and (c) 1 per cent. for foreign currency-denominated loans, which was reduced to 0.5 per cent. by the Central Bank on 31 January 2026. On 16 August 2025, the Communiqué Regarding Reserve Requirements was amended to change the calculation period to eight weeks. As per the amendment on 27 March 2026, the scope of exemption from the reserve requirement based on Turkish Lira cash loan growth has been limited by revoking the exemption on loans extended to earthquake region.

Pursuant to the amendment made to the Communiqué Regarding Reserve Requirements on 31 January 2026, the Central Bank also introduced a growth limit of 2 per cent. over an eight-week calculation period for consumer overdraft account limits. If the growth rate exceeds 2 per cent., compared to the previous calculation date, during the period starting from the calculation date of 27 March 2026 through (and including) the calculation date of 31 December 2026 (such calculation dates being each Friday in every eight weeks), Turkish Lira-denominated required reserves shall be established in an amount equal to the portion of the limit exceeding such threshold. However, provided that such exceeding amount is considered in the calculation of the growth rate for the subsequent period, in accordance with the procedures and principles to be determined by the Central Bank, no required reserves may be established for the portion of such exceeding

amount to be specified by the Central Bank. Pursuant to the procedures and principles to be determined by the Central Bank, such requirement shall not apply to banks whose limit sizes, or any indicator related thereto, remain below the threshold level to be determined by the Central Bank.

Reserve accounts kept in Turkish Lira may be interest-bearing pursuant to guidelines adopted by the Central Bank from time to time according to the reserve requirement manual issued by the Central Bank on 11 April 2014.

Following the amendments to the Communiqué Regarding Reserve Requirements, the reserve requirements for foreign currency liabilities, are as set forth below:

Category of Foreign Currency Liabilities	**Required Reserve Ratio**
	(%)
Demand deposits, notice deposits, private current accounts, deposit/participation accounts up to one-month maturity	30
Deposit/participation accounts three-month, six-month, one-year or longer maturities	26
Borrowers' deposit accounts held at development and investment banks(1)	25
Other liabilities up to one-year maturity (including one-year)	21
Other liabilities up to two-year maturity (including two-year)	10
Other liabilities up to three-year maturity (including three-year)	8
Other liabilities up to five-year maturity (including five-year)	3
Other liabilities longer than five-year maturity	0
Other liabilities of banks with a maturity up to (and including) one year in relation to funds obtained through Turkish resident repo transactions	25

Note:

(1) Due to laws applicable to development and investment banks, the amount deposited in such accounts cannot exceed the total outstanding loan amount extended by the relevant development and investment bank to such borrower.

The additional reserve requirement ratio for foreign currency deposits/participation funds (excluding funds from banks abroad) is 8 per cent. The applicable rate was revised to 5.0 per cent. on 21 September 2024, 4.0 per cent. on 22 November 2024 and 2.5 per cent. on 21 June 2025

The reserve requirements regarding Turkish Lira liabilities were amended on (i) 23 May 2024 (effective as of 10 May 2024), (ii) 4 February 2025 (effective as of the decision date), (iii) 24 May 2025 (effective as of the decision date), (iv) 21 June 2025 (effective as of 20 June 2025) and vary by category and (v) 24 January 2026, as set forth below:

Category of Turkish Lira Liabilities	Required Reserve Ratio
	(%)
Deposits/participation accounts up to three-month maturity (including three-month)	17
Deposits/participation accounts up to six-month maturity (including six-month)	10
Deposits/participation accounts up to one-year maturity	10
Deposits/participation accounts with maturities of one-year and longer	10
Foreign currency protected accounts with maturities up to six-month maturity (including six-month)	40
Foreign currency protected accounts with maturities up to one year- maturity (including one year)	22
Liabilities from accounts with variable interest rates based on the Consumer Price Index, Producer Price Index and Turkish Lira Overnight Reference Rate (TLREF) Index	10
Borrowers' deposit accounts held at development and investment banks	0
Other liabilities up to one-year maturity (including one-year)	8
Other liabilities up to three-years maturity (including three-years)	5.5
Other liabilities longer than three-year maturity	3
Securities issued by the investment and development banks with more than one year maturity	0
Liabilities with a maturity up to (and including) one month in relation to (i) funds obtained through foreign repo transactions and (ii) loans obtained from abroad	20
Liabilities with a maturity up to (and including) three months in relation to (i) funds obtained through foreign repo transactions and (ii) loans obtained from abroad	16
Liabilities with a maturity up to (and including) one year in relation to (i) deposits and participation funds obtained from banks abroad, (ii) funds obtained through foreign repo transactions and (iii) loans obtained from abroad	14
Deposits/participation funds with foreign banks belonging to banks' parent companies…….	0

The reserve ratios listed in the table above are subject to change by the CBRT. From September 2010, reserve accounts held in Turkish Lira are non-interest bearing (reserve accounts in foreign currencies have not been interest bearing since 2008). Pursuant to the Communiqué Regarding Reserve Requirements, interest may accrue on the reserve accounts in accordance with rules and procedures determined by the CBRT.

On 19 August 2019, with the intention of using reserve requirements more flexibly and effectively as a macroeconomic prudential tool to support financial stability, the CBRT decided to change the ratio of, and the remuneration applied to, required reserves. Accordingly, the reserve requirement ratios for Turkish Lira liabilities and the remuneration rates for Turkish Lira-denominated required reserves were linked to the annual growth rates of the total of banks' Turkish Lira-denominated standardised cash loans and cash loans

under close monitoring, excluding foreign currency-indexed loans and loans extended to banks. For banks whose loan growth is between 10 per cent. and 20 per cent. (reference values), the reserve requirement ratios for Turkish Lira liabilities in all maturity brackets excluding deposits and participation funds with a maturity of one year or more (excluding deposits/participation funds obtained from banks abroad) and other liabilities with longer than three-year maturity (including deposits/participation funds obtained from banks abroad), were set at 2 per cent. The reserve requirement ratios for other banks were left unchanged. Additionally, the then-current remuneration rate of 13 per cent. previously applied to Turkish Lira-denominated required reserves were increased to 15 per cent. for banks with a loan growth between the reference values and at 5 per cent. for others. Under this arrangement, loan growth rates were calculated in each reserve requirement period and the banks whose loan growth was between the reference values were to be subject to the related reserve requirement ratios and remuneration rates in the next three-months (six reserve requirement periods).

On 27 November 2020, the CBRT (a) revised to 12 per cent. per annum the remuneration rate for Turkish Lira-denominated required reserves and (b) reduced the commission rate applied to the reserves maintained against U.S. dollar-denominated deposits and participation fund liabilities from 1.25 per cent. to 0 per cent. As a result, from December 2020, the reserve requirement ratios for: (i) deposits and participation funds (excluding those obtained from banks abroad) on demand and with a maturity up to (and including) three months and Turkish Lira-denominated other liabilities (including deposits and participation funds received from banks abroad) with a maturity up to (and including) one year were reduced to 6 per cent. per annum from 7 per cent. per annum, (ii) foreign currency-denominated deposits and participation funds (excluding deposits and participation funds obtained from banks abroad and precious metal deposit accounts) on demand and with a maturity less than one year were reduced to 19 per cent. per annum from 22 per cent. per annum, (iii) foreign currency-denominated deposits and participation funds (excluding deposits and participation funds obtained from banks abroad and precious metal deposit accounts) with a maturity of one year or more were reduced to 13 per cent. per annum from 18 per cent. per annum and (iv) other foreign currency-denominated liabilities (regardless of maturity) were reduced by 3 per cent. per annum (to a range of 5 per cent, per annum to 21 per cent. per annum). Pursuant to an amendment made on 2 December 2025 to the Communiqué Regarding Reserve Requirements, the reserve requirement ratios applicable to precious metals deposit accounts and foreign currency deposit/participation accounts have been consolidated, and a uniform ratio shall apply to both account types for the same maturity.

On 24 February 2021, the CBRT: (a) increased Turkish Lira reserve requirement ratios by 2.00 per cent. for all liability types and maturity brackets, (b) revised portions of the Turkish Lira reserve requirements that Turkish banks are permitted to maintain in U.S. dollars and standard gold and (c) revised to 13.50 per cent. the remuneration rate for Turkish Lira-denominated required reserves. These changes became effective from the calculation date of 19 February 2021, with the maintenance period starting on 5 March 2021. On 1 July 2021, the CBRT: (a) reduced the maximum percentage of Turkish Lira reserves it allows to be held in U.S. dollars from 20 per cent. to 10 per cent. and terminated the option of Turkish banks to maintain a portion of the Turkish Lira reserve requirements in U.S. dollars as of 1 October 2021, (b) increased the reserve requirement ratios for foreign currency-denominated deposits and participation funds by 200 basis points for all maturity brackets and (c) started to apply remuneration rates from 13.5 per cent. to 19.0 per cent. per annum for Turkish Lira-denominated reserves of banks depending upon certain conditions, each of which changes became effective from the calculation date of 6 August 2021 (with the maintenance period starting on 19 July 2021). On 15 September 2021, the CBRT increased reserve requirement ratios for foreign currency-denominated deposits and participation funds and precious metals deposit accounts by 200 basis points for all maturity brackets effective as of 17 September 2021. Following further amendments to the

Communiqué Regarding Reserve Requirements, on 3 May 2025 (effective as of 25 April 2025), the CBRT increased mandatory reserve requirement rates for foreign-currency denominated precious metal deposit accounts (a) on demand or with a maturity of up to, but not including, one year to 28 per cent. and (b) with a maturity of one year or more to 24 per cent. Such mandatory reserve requirement rates for foreign-currency denominated precious metal deposit accounts has been amended as (i) 30 per cent. for on demand or with a maturity of up to, but not including, one month and (ii) 26 per cent. for longer maturities. On 9 November 2021, the CBRT: (i) further reduced the maximum percentage of Turkish Lira reserves it would allow to be held in standard gold from 15 per cent. to 10 per cent. On 31 December 2022, the CBRT announced that the facility for holding standard and scrap gold for Turkish Lira reserve requirements has been terminated on 23 June 2023) and (ii) increased the reserve requirement ratios for foreign currency deposits/participation funds by a further 200 basis points for all maturity brackets effective from the calculation date of 12 November 2021 (with the maintenance period starting on 28 October 2021). On 31 December 2021, the CBRT amended the Communiqué Regarding Reserve Requirements to exclude in the calculation of reserve requirements the amounts converted from foreign exchange deposit/participation funds into Turkish Lira term deposit/participation funds.

On 23 April 2022, the CBRT amended the Communiqué Regarding Reserve Requirements (effective as of 29 April 2022) to require Turkish banks to establish mandatory reserves for their Turkish Lira-denominated commercial cash loans; provided that the following are excluded: (a) loans provided to SMEs, tradesmen, financial institutions and/or certain governmental authorities and their subsidiaries and (b) export and investment loans, agricultural loans and corporate credit cards. Banks are required to reserve 20 per cent. (10 per cent. through 23 June 2022) of the relevant commercial loans (as calculated on the last Friday of every four-week period) for a maintenance period of four weeks. However, on 20 August 2022 the CBRT revoked this application and announced that banks shall establish Turkish Lira-denominated securities at the rate of 30 per cent. instead of establishing mandatory reserves at the rate of 20 per cent. In addition, as a provisional application, banks with a growth rate in loans subject to reserve requirements above 20 per cent. as of 31 May 2022 compared to 31 December 2021 are required to maintain mandatory reserves between 10 June 2022 and 24 November 2022 at a rate of 20 per cent. of the difference between their existing such loan balances on 31 March 2022 and 31 December 2021.

On 15 January 2023, the CBRT amended the Communiqué Regarding Reserve Requirements so that (starting with the maintenance period starting on 3 February 2023), the reserve requirement rate for Turkish Lira deposit accounts and participation accounts held by certain customers with maturities longer than three months was 0 per cent., and the securities issued by the investment and development banks with maturities more than 1 year is 0 per cent. Additionally, should there be an increase (compared to 6 January 2023, based upon a calculation to be made on the last Friday of every two-week period) in a bank's foreign currency-denominated liabilities with maturities longer than six months provided directly from abroad, the reserve requirement rate for such increased amount is 0 per cent. until 20 December 2024. On 19 December 2024, such rate was extended until 19 December 2025 and based upon the increase in a bank's foreign currency-denominated liabilities, other than deposits/participation funds (excluding those belonging to banks abroad), with maturities longer than one year provided directly from abroad. The Central Bank subsequently announced on 2 December 2025 that the temporary 0 per cent. reserve requirement applied to the increased amount of banks' foreign currency-denominated liabilities with maturities longer than one year, provided directly from abroad, would not be extended beyond year-end 2025. On 24 May 2024, the Central Bank amended certain reserve requirement rates (effective retroactively to 10 May 2024) as follows: (a) the mandatory reserve requirement rate for on demand deposits, notice deposit, deposits with a maturity of up to

(and including) three months was increased to 12 per cent. from 8 per cent. and (b) the mandatory reserve requirement rate for deposits and participation accounts with a maturity longer than three months was increased to 8 per cent. from 0 per cent. On 4 February 2025, the Central Bank increased the reserve requirement rate to 12 per cent. for Turkish Lira-denominated liabilities with a maturity up to (and including) one year in relation to: (i) deposits and participation funds obtained from banks abroad, (ii) funds obtained through foreign repo transactions and (iii) loans obtained from abroad. As of 24 May 2025, the Central Bank amended the Communiqué Regarding Reserve Requirements so that such reserve requirement rate for such Turkish Lira liabilities is differentiated to be applicable as (i) 18 per cent. for maturities up to one month (inclusive), and (ii) 14 per cent. for maturities up to three months (inclusive). Furthermore, on 21 June 2025, the Central Bank further amended the Communiqué Regarding Reserve Requirements (effective retroactively as of 20 June 2025) and expanded its scope with banks' Turkish Lira liabilities from accounts with variable interest rates based on the Consumer Price Index, Producer Price Index and Turkish Lira Overnight Reference Rate (TLREF) Index and deposits/participation funds with foreign banks belonging to banks' parent companies. The mandatory reserve requirement for these liabilities was set at 10 per cent. and 0 per cent., respectively.

On 14 September 2023, the CBRT amended the Communiqué Regarding Reserve Requirements (effective as of 1 September 2023) to oblige banks to hold mandatory reserves at the rate of 25 per cent. for the foreign exchange protected Turkish Lira-denominated deposit accounts with an original maturity up to (and including six months and 5 per cent. for those with a longer maturity;); however, on 2 November 2023, the Central Bank further amended the Communiqué Regarding Reserve Requirements (effective as of 27 October 2023) and increased such rates by 500 basis points. On 30 January 2024, the Central Bank decreased back to 25 per cent. the mandatory reserve rate for foreign exchange protected Turkish Lira-denominated deposit accounts with an original maturity up to (and including) six months. On 24 May 2024, the Central Bank further amended such rule (effective retroactively to 10 May 2024) as follows: (a) the mandatory reserve requirement rate for the foreign exchange protected Turkish Lira-denominated deposit accounts with an original maturity up to (and including) six months was increased to 33 per cent. from 25 per cent. (then increased to 40 per cent. on 21 June 2025) and (b) the mandatory reserve requirement rate for foreign exchange protected Turkish Lira-denominated deposit accounts with an original maturity over six months was increased to 22 per cent. from 10 per cent. On 21 September 2024 (effective retroactively as of 13 September 2024), the Central Bank amended the Turkish Lira mandatory reserve requirement rates to: (i) 15 per cent. for demand deposits, notice deposit and deposits with a maturity of up to (and including) three months (which was increased to 17 per cent. as of 22 November 2024, to be reserved starting from 6 December 2024) and (ii) 10 per cent. for deposits and participation accounts with a maturity longer than three months. The Central Bank began phasing out the foreign exchange-protected Turkish Lira deposit scheme by ceasing the renewal of existing accounts and the opening of new accounts as of 23 August 2025, followed by the termination of all outstanding accounts and the revocation of the relevant communiqué on 24 January 2026.

On 7 March 2024, the Central Bank again amended the Communiqué Regarding Reserve Requirements so that, if the growth rate for certain categories of cash loans (*i.e.*, general purpose loans, vehicle loans and certain types of commercial loans) extended by a bank or financing company for any four-week calculation period (eight weeks as of 16 August 2025) (beginning with the first such period ending 29 March 2024 through the four-week calculation period ending 3 January 2025) exceeds 2 per cent. (which itself was amended to 1.5 per cent. with respect to foreign currency denominated loans on 20 July 2024 and then to 1 per cent. on 4 January 2025 and then to 0.5 per cent. on 1 March 2025) (each category of loans being considered separately) when compared to the amount of such category of cash loans as of the end of the

previous four-week calculation period, then such bank or financing company is required to maintain additional Turkish Lira reserves in an amount equal to such excess. On 9 May 2024, the Central Bank further amended the Communiqué Regarding Reserve Requirements to exempt from these rules banks and financial institutions that do not meet a threshold based upon the proportion of loans to the size of the balance sheet as determined from time to time by the Central Bank. On 23 May 2024, the Central Bank announced that, if a bank's monthly foreign currency loan growth exceeds such threshold, then it will be required to set aside a mandatory reserve equal to the Turkish Lira-equivalent of the excess amount, with such excessing to be blocked for one year. On 4 January 2025, the Central Bank announced that: (a) beginning with the first calculation period ending 31 January 2025 through the four-week calculation period ending 2 January 2026: (i) such loan growth rate for foreign currency commercial loans was reduced to 1 per cent. (which itself was reduced to 0.5 per cent. on 31 January 2026 for the calculation period starting 27 March 2026) and (ii) for Turkish Lira commercial loans, such loan growth rate was reduced to 2.5 per cent. for SME loans and 1.5 per cent. for other commercial loans, and (b) sustainability loans extended to SMEs and funded by either the Small and Medium Enterprises Development Organisation ("**KOSGEB**") or international development finance institutions are exempt from such calculations. On 16 August 2025, the Communiqué Regarding Reserve Requirements was amended to change the calculation period to eight weeks. Further on 31 January 2026, a new growth limit threshold of 2 per cent. over an eight-week calculation period for consumer overdraft account limits was introduced.

On 27 October 2023, the Central Bank announced that, from such date, each Turkish bank is required to pay an annual fee to the Central Bank in an amount up to 11 per cent. of the reserves required to be held by such bank with respect to its foreign exchange deposits. Since 2024, the Central Bank has revised the remuneration rate for Turkish Lira-denominated required reserves as follows: (a) if a bank's renewal and conversion rate to Turkish Lira is at least 60 per cent. (which was amended as 40 per cent. on 7 July 2025), then the Central Bank will pay interest on such reserves for foreign exchange protected accounts at a rate equal to 40 per cent. of the Central Bank's then-existing policy rate (which was changed to the Central Bank's weighted average funding cost on 26 April 2025) (such remuneration for reserves for foreign exchange-protected accounts are not applicable to accounts opened or renewed after 20 December 2024), and (b) the Central Bank will pay interest on Turkish Lira required reserves deposited for up to three months at a rate equal to 84 per cent. (revised as 86 per cent. on 3 May 2025) of the Central Bank's existing weighted average funding cost. On 23 August 2025, the Central Bank decided to terminate the opening and renewal of currency-protected accounts (excluding YUVAM accounts), effective as of the decision date. Accordingly, the threshold for renewal and conversion rate to Turkish Lira mentioned under limb (a) of this paragraph was abolished as of 23 August 2025. The Central Bank began phasing out the foreign exchange-protected Turkish Lira deposit scheme by ceasing the renewal of existing accounts and the opening of new accounts as of 23 August 2025, followed by the termination of all outstanding accounts and the revocation of the relevant communiqué on 24 January 2026.

On 4 February 2025, with amendments to the Communiqué Regarding Reserve Requirements, the Central Bank introduced a change in the methodology for applying deductions to the total amount of liabilities subject to reserve requirements. According to such methodology, from the total amount of liabilities subject to reserve requirements, a deduction could be made in the amount of credit extended to non-residents by foreign branches of banks, excluding loans extended to other banks and other institutions authorised to grant credit. With the aforementioned change, it has been clarified that such deduction is made starting from those shortest-term other liabilities with the lowest applicable reserve requirement ratio.

On 27 June 2024, in announcing that it is implementing the "Basel III: Finalising Post Crisis Reforms" published by the Basel Committee, the BRSA published the: (i) Draft Communiqué on the Calculation of the Amounts Subject to Operational Risk, (ii) Draft Regulation on the Measurement and Evaluation of the Interest Rate Risk Originated from Banking Accounts in Accordance with the Standard Approach and (iii) Draft Guide on Management of the Interest Rate Risk Originated from Banking Accounts.

Macroprudential Measures requiring Maintenance of Securities

In August 2022, the CBRT introduced new regulations to increase the share of Turkish Lira-denominated assets in the collateral system and to ensure the maintenance of additional required reserves for foreign currency deposits. Effective as of 15 April 2022, the remuneration rate for Turkish Lira-denominated required reserves was reduced to 0 per cent. from 8.5 per cent. Effective as of 2 September 2022, the collateral discount rate for CPI-indexed securities and assets subject to collateral in foreign currency and gold was gradually increased from 50 per cent. to 60 per cent. and further increased to 80 per cent. on 10 April 2023. On 5 December 2024, the Central Bank announced that the collateral discount rate for CPI-indexed government debt securities and lease certificates was reduced from 80 per cent. to 30 per cent.

On 26 May 2023, the BRSA published a new regulation of Regulation on Net Stable Funding Ratio Calculations of Banks to align the Turkish regulatory capital regime with Basel III requirements and strengthen the liquidity of the banks. Pursuant to the Regulation on Net Stable Funding Ratio Calculations of Banks, starting as of 1 January 2024, the three-month arithmetic mean of a bank's consolidated and non-consolidated net stable funding ratios (calculated on a monthly basis for the equity calculation periods) shall not be less than 100 per cent. The BRSA shall also announce minimum rate for the banks' consolidated and non-consolidated net stable funding ratios calculated monthly and if either the consolidated or non-consolidated net stable funding ratio of a bank falls below such minimum requirement, then such bank should resolve this discrepancy by the next equity calculation period; however, this minimum rate shall not be applied to development and investment banks until further notice by the BRSA. In addition, the banks will be required to report their consolidated and non-consolidated net stable funding ratios within the periods to be determined by the BRSA.

On 25 June 2023, as a provision application to be applied from 28 June 2023 to 29 September 2023, the CBRT required each Turkish bank hold (for a six month period) additional Turkish Lira-denominated securities issued by the Turkish government, if their conversion rates from foreign currency deposits/participation funds to Turkish Lira deposits/participation funds are less than 10 per cent., in which event such banks will be required to maintain two times Turkish Lira-denominated securities, and double the amount of the shortfall.

The Regulation on the Maintenance of Securities was repealed as of 9 May 2024 and, as such, is only applicable to the BRSA Financial Statements as of and for the year ended 31 December 2023.

Calculation of Liquidity Coverage Ratio

The Regulation on the Calculation of Banks' Liquidity Coverage Ratios (the "**Regulation on Liquidity Coverage Ratios**") was published in the Official Gazette No. 28948 and dated 21 March 2014. It aims to ensure that banks maintain an adequate level of unencumbered, high-quality liquid assets that can be converted into cash to meet its liquidity needs for a 30 calendar day period. Under the regulation, the liquidity

coverage ratios of banks may not fall below 100 per cent. on an aggregate basis and 80 per cent. on a foreign currency-only basis.

However, the BRSA decided that the development and investment banks could follow a 0 per cent. legal liquidity coverage ratio requirement with its decision dated 12 December 2016 and numbered 7123 until it is determined otherwise, resulting in the Regulation on Liquidity Coverage Ratios not applying to investment and development banks, and the provisions of the former regulation, the Regulation of the Measurement and Evaluation of Liquidity Adequacy of Banks (the "**Liquidity Adequacy Regulation**") continuing to apply. Pursuant to this former regulation, in general, the liquidity ratios are calculated in respect of maturity tranche. Accordingly, the first maturity tranche is defined as maturity due in less than 7 days and second maturity tranche is defined as maturity due in less than 31 days. The weekly simple arithmetic mean of the total liquidity adequacy ratio of the first maturity tranche and the total liquidity adequacy ratio of the second maturity tranche shall not be less than 100 per cent. and the foreign exchange liquidity adequacy ratio of the first maturity tranche and the foreign exchange liquidity adequacy ratio of the second maturity tranche shall not be less than 80 per cent.

Foreign Exchange Position Requirements

According to the Regulation on Foreign Exchange Net Position/Capital Base issued by the BRSA and published in the Official Gazette dated 1 November 2006 and numbered 26333, for both the unconsolidated and consolidated financial statements, the ratio of a bank's foreign exchange net position to its capital base should not exceed (+/-) 20 per cent., which calculation is required to be made on a weekly basis for unconsolidated and monthly basis for consolidated financial statements. The net foreign exchange position is the difference between the sum of a bank's foreign exchange assets and its foreign exchange liabilities and the Turkish Lira equivalent of such. For the purpose of computing the net foreign exchange position, foreign exchange assets include all active foreign exchange accounts held by a bank (including its foreign branches), its foreign exchange-indexed assets and its subscribed forward foreign exchange purchases; for purposes of computing the net foreign exchange position, foreign exchange liabilities include all passive foreign exchange accounts held by a bank (including its foreign branches), its subscribed foreign exchange-indexed liabilities and its subscribed forward foreign exchange sales. If the weekly arithmetic mean of the ratio of a bank's net foreign exchange position to its capital base exceeds (+/-) 20 per cent., then the bank is required to take steps to move back into compliance within two weeks following the bank's calculation period. Banks are permitted to exceed the legal net foreign exchange position to capital base ratio up to six times per calendar year. With the recent amendments to the Regulation on Foreign Exchange Net Position/Capital Base set to become effective as of 9 January 2023, the weekly arithmetic mean of the ratio of a Bank's foreign exchange net position to its capital base decreased from (+/-) 20 per cent. to (+/-) 5 per cent. and with the BRSA's decision numbered 10534, as of 9 March 2023 increase such ration from to (+/-) 5 per cent. to (+/-) 10 per cent. In addition, the recent amendments determined that banks should include the general and special provisions set aside pursuant to the Provisioning Regulation for the calculation of the standard ratio of their foreign exchange net position to their capital base. Further to the amendments to Decree 32, the CBRT published the Foreign Exchange Positions Regulation in February 2018. Pursuant to the Foreign Exchange Positions Regulation, all companies with foreign currency loans and foreign currency indexed loans of more than U.S.$15 million (or its equivalent in other foreign currencies) utilised from Türkiye or from abroad are required to notify the CBRT for each accounting period. However, as per the amendments made to the Foreign Exchange Positions Regulation on 8 November 2023, which will become effective as of 1 January 2024, companies with a total cash loan balance of more than TRY 100 million or annual net sales revenue or asset size of more than TRY 500 million lira will be required to notify the CBRT on their foreign currency

position monthly. Following further amendments on 3 May 2025, these thresholds have been increased to a total cash loan balance of more than TL 250 million or annual net sales revenue or asset size of more than TL 1.5 billion. Reporting requirements have also been amended from monthly to quarterly.

Audit of Banks

According to Article 24 of the Banking Law, a bank's board of directors is required to establish audit committees for the execution of the audit and monitoring functions of the board of directors. Audit committees shall consist of a minimum of two members and be appointed from among the members of the board of directors who do not have executive duties. The duties and responsibilities of the audit committee include the supervision of the efficiency and adequacy of the bank's internal control, risk management and internal audit systems, functioning of these systems and accounting and reporting systems within the framework of the Banking Law and other relevant legislation, and integrity of the information produced; conducting the necessary preliminary evaluations for the selection of independent audit firms by the board of directors; regularly monitoring the activities of independent audit firms selected by the board of directors; and, in the case of holding companies covered by the Banking Law, ensuring that the internal audit functions of the institutions that are subject to consolidation operate in a coordinated manner, on behalf of the board of directors.

The BRSA, as the principal regulatory authority in the Turkish banking sector, has the right to monitor compliance by banks with the requirements relating to audit committees. As part of exercising this right, the BRSA reviews audit reports prepared for banks by their independent auditing firms. Banks are required to select an independent audit firm in accordance with the Regulation on Independent Audit of Banks, published in the Official Gazette dated 2 April 2015 and numbered 29314. Independent auditors are held liable for damages and losses to third parties and are subject to stricter reporting obligations. Professional liability insurance is required for: (a) independent auditors and (b) evaluators, rating agencies and certain other support services (if requested by the service-acquiring bank or required by the BRSA). Furthermore, banks are required to consolidate their financial statements on a quarterly basis in accordance with certain consolidation principles established by the BRSA. The year-end consolidated financial statements are required to be audited whereas interim consolidated financial statements are subject to only a limited review by independent audit firms. The ICAAP Regulation established standards as to principles of internal control, internal audit and risk management systems and an internal capital adequacy assessment process in order to bring such regulations into compliance with Basel II requirements.

On 23 October 2015 and 20 January 2016, the BRSA issued certain amendments to the ICAAP Regulation to align the Turkish regulatory capital regime with Basel III requirements imposing new regulatory requirements to enhance the effectiveness of internal risk management and internal capital adequacy assessments by introducing, among other things, new stress test requirements. Accordingly, the board of directors and senior management of a bank are required to ensure that a bank has established appropriate risk management systems and applies an internal capital adequacy assessment process adequate to have capital for the risks incurred by such bank. The ICAAP Report is required to be audited by either the internal audit department or an independent audit firm in accordance with the internal audit procedures of a bank.

All banks (public and private) also undergo annual audits and interim audits by certified bank auditors who have the authority to audit banks on behalf of the BRSA. Audits by certified bank auditors encompass all aspects of a bank's operations, its financial statements and other matters affecting the bank's financial position, including its domestic banking activities and foreign exchange transactions. Additionally, such audits seek to ensure compliance with applicable laws and the constitutional documents of the bank. The CBRT has

the right to monitor compliance by banks with the CBRT's regulations through on-site and off-site examinations.

The BRSA amended the Regulation on Principles and Procedures of Audits on 23 October 2015 to expand the scope of the audit of banks in compliance with the RCAP Regulation. According to this regulation, the BRSA monitors banks' compliance with the regulations relating to the maintenance of capital and liquidity adequacy for risks incurred or to be incurred by banks and the adequacy and efficiency of banks' internal audit systems.

Cancellation of Banking Licence

If the results of an audit show that a bank's financial structure has seriously weakened, then the BRSA may require the bank's board of directors to take measures to strengthen its financial position. Pursuant to the Banking Law, in the event that the BRSA in its sole discretion determines that:

(a) the assets of a bank are insufficient or are likely to become insufficient to cover its obligations as they become due;

(b) the bank is not complying with liquidity requirements;

(c) the bank's profitability is not sufficient to conduct its business in a secure manner due to disturbances in the relation and balance between expenses and profit;

(d) the regulatory equity capital of such bank is not sufficient or is likely to become insufficient;

(e) the quality of the assets of such bank have been impaired in a manner potentially weakening its financial structure;

(f) the decisions, transactions or applications of such bank are in breach of the Banking Law, relevant regulations or the decisions of the BRSB;

(g) such bank fails to establish internal audit, supervision and risk management systems or to effectively and sufficiently conduct such systems or any factor impedes the audit of such systems;

(h) imprudent acts of such bank's management materially increase the risks stipulated under the Banking Law and relevant legislation or potentially weaken the bank's financial structure; or

(i) for D-SIBs, the precaution plan determined by the BRSA is not implemented promptly, such precautions are unable to cure the applicable weakness or it is determined that such weakness cannot be cured even if such precautions were implemented,

then the BRSA may require the board of directors of such bank:

(i) to increase its equity capital;

(ii) not to distribute dividends for a temporary period to be determined by the BRSA and to transfer its distributable dividend to the reserve fund;

(iii) to increase its loan provisions;

(iv) to stop extension of loans to its shareholders;

(v) to dispose of its assets in order to strengthen its liquidity;

(vi) to limit or stop its new investments;

(vii) to limit its salary and other payments;

(viii) to cease its long-term investments;

(ix) to comply with the relevant banking legislation;

(x) to cease its risky transactions by re-evaluating its credit policy;

(xi) to take all actions to decrease any maturity, foreign exchange and interest rate risks for a period determined by the BRSA and in accordance with a plan approved by the BRSA; and/or

(xii) to take any other action that the BRSA may deem necessary.

In the event that the aforementioned actions are not taken (in whole or in part) by the applicable bank, its financial structure cannot be strengthened despite the fact that such actions have been taken or the BRSA determines that taking such actions will not lead to getting a favourable result, then the BRSB may require such bank to:

(a) strengthen its financial structure, increase its liquidity and/or increase its capital adequacy;

(b) dispose of its fixed assets and long-term assets within a reasonable time determined by the BRSB;

(c) decrease its operational and management costs;

(d) postpone its payments under any name whatsoever, excluding the regular payments to be made to its employees;

(e) limit or prohibit extension of any cash or non-cash loans to certain third persons, legal entities, risk groups or sectors;

(f) convene an extraordinary general assembly in order to change some or all of the members of the board of directors or assign new member(s) to the board of directors, in the event any board member is responsible for a failure to comply with relevant legislation, a failure to establish efficient and sufficient operation of internal audit, internal control and risk management systems or non-operation of these systems efficiently or there is a factor that impedes supervision or such member(s) of the board of directors cause(s) to increase risks significantly as stipulated above;

(g) implement short-, medium- or long-term plans and projections that are approved by the BRSB to decrease the risks incurred by the bank and the members of the board of directors and the shareholders with qualified shares must undertake the implementation of such plan in writing; and/or

(h) to take any other action that the BRSB may deem necessary.

In the event that the aforementioned actions are not taken (in whole or in part) by the applicable bank, the problem cannot be solved despite the fact that the actions have been taken or the BRSA determines that taking such actions will not lead to getting a favourable result, then the BRSB may require such bank to:

(a) limit or cease its business or the business of the whole organisation, including its relations with its local or foreign branches and correspondents, for a temporary period;

(b) apply various restrictions, including restrictions on the interest rate and maturity with respect to resource collection and utilisation;

(c) remove from office (in whole or in part) some or all of its members of the board of directors, general manager and deputy general managers and department and branch managers and obtain approval from the BRSA as to the persons to be appointed to replace them;

(d) make available long-term loans; provided that these will not exceed the amount of deposit or participation accounts subject to insurance, and be secured by the shares or other assets of the controlling shareholders;

(e) limit or cease its non-performing operations and to dispose of its non-performing assets;

(f) merge with one or more other interested bank(s);

(g) provide new shareholders in order to increase its equity capital;

(h) deduct any resulting losses from its own funds; and/or

(i) take any other action that the BRSB may deem necessary.

In the event that: (a) the aforementioned actions are not (in whole or in part) taken by the applicable bank within a period of time set forth by the BRSB or in any case within 12 months, (b) the financial structure of such bank cannot be strengthened despite its having taken such actions, (c) it is determined that taking these actions will not lead to the strengthening of the bank's financial structure, (d) the continuation of the activities of such bank would jeopardise the rights of the depositors and the participation account owners and the security and stability of the financial system, (e) such bank cannot cover its liabilities as they become due, (f) the total amount of the liabilities of such bank exceeds the total amount of its assets or (g) the controlling shareholders or directors of such bank are found to have utilised such bank's resources for their own interests, directly or indirectly or fraudulently, in a manner that jeopardised the secure functioning of the bank or caused such bank to sustain a loss as a result of such misuse, then the BRSA, with the affirmative vote of at least five of its board members, may cancel the operating licence of such bank or, if such bank is not a development and investment bank, transfer the management, supervision and control of the shareholding rights (excluding dividends) of such bank to the SDIF for the purpose of whole or partial transfer or sale of such bank to third persons or the merger thereof; provided that any loss is deducted from the share capital of current shareholders.

In the event that the operating licence of the Bank or another development and investment bank is cancelled, then such development and investment bank will be liquidated pursuant to the Turkish Commercial Code (No. 6102) and general execution and bankruptcy rules of the Republic of Türkiye.

Annual Reporting

Pursuant to the Banking Law, Turkish banks are required to follow the BRSA's principles and procedures (which are established in consultation with the Turkish Accounting Standards Board and international accounting standards) when preparing their annual reports, Turkish listed companies must also comply with the Communiqué on Principles of Financial Reporting in Capital Markets issued by the CMB. In addition, they must ensure uniformity in their accounting systems, correctly record all their transactions and prepare timely and accurate financial reports in a format that is clear, reliable and comparable as well as suitable for auditing, analysis and interpretation.

Furthermore, Turkish companies (including banks) are required to comply with the Regulation regarding Determination of the Minimum Content of the Companies' Annual Reports published by the Ministry of

Customs and Trade in the Official Gazette numbered 28395 and dated 28 August 2012, as well as the Corporate Governance Communiqué published in the Official Gazette dated 3 January 2014 and numbered 28871, when preparing their annual reports. These reports are required to include the following information: management and organisation structures, human resources, evaluation of the year, information on the bank's corporate governance practices, corporate governance compliance report, assessment of financial standing, profitability and solvency, assessment of management and expectations and a summary of the directors' report and independent auditor's report.

A bank cannot settle its balance sheets without ensuring reconciliation with the legal and auxiliary books and records of its branches and domestic and foreign correspondents.

The BRSA is authorised to take necessary measures where it is determined that a bank's financial statements have been misrepresented.

According to the Communiqué on Financial Reporting Standards in Capital Markets published in the Official Gazette dated 13 June 2013 and numbered 28676 and the BRSA regulations, the chairman of the board, audit committee, general manager, deputy general manager responsible for financial reporting and the relevant unit manager (or equivalent authorities) must sign the reports indicating their full names and titles and declare that the financial report complies with relevant legislation and accounting records.

Independent auditors must approve the annual reports prepared by the banks.

Banks are required to submit their financial reports to related authorities and publish them in accordance with the BRSA's principles and procedures.

According to CMB regulations, the annual report is subject to the approval of the board of directors and must be submitted to shareholders on the Public Disclosure Platform and published on the Bank's website at least three weeks before the annual general assembly of the bank. Pursuant to BRSA regulations, the annual report is subject to the approval of the board of directors and must be submitted to the shareholders at least 15 days before the annual general assembly of the bank. Banks must also submit an electronic copy of their annual reports to the BRSA within seven days following the publication of the reports. Banks must also keep a copy of such reports in their headquarters and an electronic copy of the annual report should be available at a bank's branches in order to be printed and submitted to the shareholders upon request. In addition, they must publish them on their websites by the end of May following the end of the relevant fiscal year.

Amendments to the Regulation on the Principles and Procedures Regarding the Preparation of Annual Reports by Banks, which entered into force on 31 March 2016, require annual and interim financial statements of banks to include explanations regarding their risk management in line with the Regulation on Risk Management to be Disclosed to the Public.

Disclosure of Financial Statements

The BRSA published amendments, which entered into force on 31 March 2016, to the Communiqué on Financial Statements to be Disclosed to the Public setting forth principles of disclosure of annotated financial statements of banks in accordance with the Communiqué on Public Disclosure regarding Risk Management of Banks and the Equity Regulation. The amendments reflect the updated requirements relating to information to be disclosed to the public in line with the amendments to the calculation of risk-weighted assets and their implications for capital adequacy ratios, liquidity coverage ratios and leverage ratios. Rules relating to equity items presented in the financial statements were also amended in line with the amendments to the Equity

Regulation. Furthermore, the changes require publication of a loan agreement of the bank or a prospectus relating to a loan or debt instrument, which will be taken into account in the calculation of the capital of a (parent company) bank as an element for additional principal capital (i.e., additional Tier 1 capital) and supplementary capital (i.e., Tier 2 capital), on the bank's website. In addition, banks are required to make necessary disclosures on their websites immediately upon repayment of a debt instrument, depreciation or conversion of a share certificate or occurrence of any other material change. On 26 May 2023, the BRSA amended the Communiqué on Financial Statements to be Disclosed to the Public to reduce uncertainties that may arise in the market through the implementation of the net stable funding ratio rules, and obliged banks to disclose the arithmetic mean of their three-month consolidated and non-consolidated net stable funding ratios and other related items to the public, as of 1 January 2024.

In addition, the BRSA published the Communiqué on Public Disclosure regarding Risk Management of Banks, which expands the scope of public disclosure to be made in relation to risk management (entering into force on 31 March 2016) in line with the disclosure requirements of the Basel Committee. According to this regulation, each bank is required to announce information regarding their consolidated and/or unconsolidated risk management related to risks arising from or in connection with securitisation, counterparty, credit, market and its operations in line with the standards and procedures specified in this regulation. In this respect, banks are required to adopt a written policy in relation to its internal audit and internal control processes.

On 31 January 2026, the BRSA published amendments to the Communiqué on Public Disclosures regarding Risk Management of Banks introducing enhanced disclosure requirements for interest rate risk arising from banking accounts. The amendments require banks to disclose both qualitative and quantitative information regarding such risk, including risk management objectives and policies and quantitative measurements of economic value change risk amounts and net interest income change amounts calculated under interest rate shock scenarios. These disclosures must be made as at year-end and are based on the measurement methodologies set forth in the Regulation on the Measurement and Assessment of Interest Rate Risk Arising from Banking Accounts Using the Standardised Approach, published on 12 May 2025, and related circulars and guidance. The amendments entered into force on the date of publication, except for transitional provisions deferring certain disclosure obligations and prior period data until 31 December 2026.

On 15 September 2018, the Ministry of Commerce issued a communiqué that sets forth the procedures and principles relating to the application of Article 376 of the Turkish Commercial Code, which article regulates the measures that Turkish companies (i.e., joint stock companies, limited liability companies and limited partnerships, in which the capital is divided into shares, including financial institutions) are required to adopt in case of loss of capital or insolvency. This new communiqué aims to clarify and complement the remedial actions that can be taken in relation to the treatment of foreign exchange losses in the calculation of the loss of capital or insolvency. As companies in Türkiye prepare their financial statements in Turkish Lira, the value of any foreign currency-denominated asset and liability is converted into Turkish Lira based upon the currency rate applicable as of the date of such financial statements; however, until 1 January 2027, the communiqué allows companies to disregard any losses arising from the exchange rate volatility of any outstanding foreign currency-denominated liability while making any capital loss or insolvency calculations. As such, companies will not be required to apply any measures set forth in Article 376 of the Turkish Commercial Code to maintain their capital if the relevant loss of capital or insolvency arises from currency fluctuations.

ESG Reporting

A decision of the POA dated 27 December 2023 (entering into force on 1 January 2024 and was amended on 18 December 2024 and 16 January 2026) requires Turkish banks that are not under the SDIF's administration to report on sustainability in accordance with the Turkish Sustainability Reporting Standards, which are prepared by the POA in compliance with the International Sustainability Reporting Standards.

Financial Services Fee

Pursuant to Heading XI of Tariff No. 8 attached to the Law on Fees (Law No. 492) amended by the Law No. 5951, banks are required to pay to the relevant tax office to which their head office reports an annual financial services fee for each of their branches. The amount of the fee is determined in accordance with the population of the district in which the relevant branch is located.

Corporate Governance Principles

On 3 January 2014, the CMB issued the Corporate Governance Communiqué No. II-17.1 replacing the Communiqué on the Determination and Implementation of Corporate Governance Principles Series IV, No. 56 dated 30 December 2011. The Corporate Governance Communiqué provides certain mandatory and non-mandatory corporate governance principles as well as rules regarding related-party transactions and a company's investor relations department. Some provisions of the Corporate Governance Communiqué are applicable to all companies incorporated in Türkiye and listed on the BİST, whereas some others are applicable solely to companies whose shares are traded in certain markets of the BİST. The Corporate Governance Communiqué provides specific exemptions and/or rules applicable to banks that are traded on the BİST.

As of the date of this Base Prospectus, the Bank is subject to the Corporate Governance Principles stated in the banking regulations and the regulations for capital markets that are applicable to banks. Where the Bank does not comply with any of the non-mandatory principles applicable to it under the Corporate Governance Communiqué, it will explain any such non-compliance in its annual Corporate Governance Principles Compliance Report, which is published as part of the Bank's annual report.

The Corporate Governance Communiqué contains principles relating to: (a) companies' shareholders, (b) public disclosure and transparency, (c) the stakeholders of companies and (d) the board of directors. A number of principles are compulsory, while the remaining principles apply on a "comply or explain" basis. The Corporate Governance Communiqué classifies listed companies into three categories according to their market capitalisation and the market value of their free-float shares, subject to recalculation on an annual basis.

The mandatory principles under the Corporate Governance Communiqué include provisions relating to: (a) the composition of the board of directors, (b) appointment of independent board members, (c) board committees, (d) specific corporate approval requirements for related party transactions, transactions that may result in a conflict of interest and certain other transactions deemed material by the Corporate Governance Communiqué and (e) information rights in connection with general assembly meetings.

Listed companies are required to have independent board members, who should meet the mandatory qualifications required for independent board members as set out in the Corporate Governance Communiqué.

Independent board members should constitute one-third of the board of directors and should not be fewer than two; however, publicly traded banks are required to appoint at least three independent board members to their board of directors. The members of a bank's audit committee are qualified as independent board members, in which case the above-mentioned qualifications for independent members are not applicable; provided that when all independent board members are selected from the audit committee, at least one member should meet the mandatory qualification required for independent board members as set out in the Corporate Governance Communiqué. The Corporate Governance Communiqué further initiated a pre-assessment system to determine the "independency" of individuals nominated as independent board members in "1 Group and 2 Group" companies (for banks, to the extent such independent board members are not members of that bank's audit committee). Those nominated for such positions must be evaluated by the "Corporate Governance Committee" or the "Nomination Committee", if any, of the board of directors for fulfilling the applicable criteria stated in the Corporate Governance Communiqué. The Corporate Governance Communiqué also requires listed companies, except banks, to establish certain other board committees. The Bank is classified as a "1 Group" company.

In addition to the mandatory principles regarding the composition of the board and the independent board members, the Corporate Governance Communiqué introduced specific corporate approval requirements for all material related party transactions. All those types of transactions shall be approved by the majority of the independent board members. If not, then they shall be brought to the general assembly meeting where related parties to those transactions are not allowed to vote. Meeting quorum shall not be sought for these resolutions and the resolution quorum is the simple majority of the attendees who may vote. For banks and financial institutions, transactions with related parties arising from their ordinary activities are not subject to the requirements of related party transactions.

The Capital Markets Law authorises the CMB to require listed companies to comply with the corporate governance principles in whole or in part and to take certain measures with a view to ensure compliance with the new principles, which include requesting injunctions from the court or filing lawsuits to determine or to revoke any unlawful transactions or actions that contradict with these principles.

In addition to the provisions of the Corporate Governance Communiqué related to the remuneration policy of banks, the BRSA published a guideline on good pricing practices in banks on 26 October 2015 (which entered into force on 31 March 2016). This guideline sets out the general principles for employee remuneration as well as standards for remuneration to be made to the board of directors and senior management of banks.

Anti-Money Laundering

Türkiye is a member country of the Financial Action Task Force ("**FATF**") and has enacted laws to combat money laundering, terrorist financing and other financial crimes. In Türkiye, all banks and their employees are obligated to implement and fulfil certain requirements regarding the treatment of activities that may be referred to as money laundering set forth in Law No. 5549 on Prevention of Laundering Proceeds of Crime.

Minimum standards and duties under such law and related legislation include customer identification, record keeping, suspicious transaction reporting, employee training, monitoring activities and the designation of a compliance officer. Suspicious transactions must be reported to the Financial Crimes Investigation Board.

In an effort to ensure compliance with FATF, measures to combat the financing of terrorist activities in Türkiye were introduced with the entry into force of Law No. 6415 on the Prevention of the Financing of Terrorism (the "**CFT Law**") on 16 February 2013. In order to address shortcomings identified by the FATF

and with a view to achieving compatibility with international standards as outlined under the International Convention for the Suppression of the Financing of Terrorism and annexes thereto, the CFT Law introduced an expanded scope to the financing of terrorism offense (as defined under Turkish anti-terrorism laws). The CFT Law also presented new principles and mechanisms for identifying and freezing terrorist assets and facilitates the implementation of United Nations Security Council decisions, in particular those relating to entities and/or individuals placed on sanction lists. On 31 May 2013, the Regulation on Procedures and Principles Regarding the Application of the Law on the Prevention of the Financing of Terrorism became effective, which regulation provides the procedures and principles for the decision- making, execution and termination of the freezing of assets as well as the management and supervision of frozen assets. In addition, the Council of Ministers' Decree dated 30 September 2013 implementing United Nations Security Council Resolutions 1267, 1988 and 1989 and recent court decisions have further improved Türkiye's compliance with the FATF standard on criminalisation of terrorist financing.

On 21 June 2014, "The Financial Crimes Investigation Board General Communiqué No. 12" (the scope of which consists of rules regarding: (a) the necessary actions to be taken by persons, institutions and organisations that keep assets or records of such assets in accordance with the provisions of applicable law for the enforcement of decisions to freeze assets, and (b) the management of frozen assets in accordance with provisions of applicable law within the scope of the permission granted by Financial Crimes Investigation Board) became effective.

Moreover, the Law on Preventing the Financing of the Proliferation of Weapons of Mass Destruction (Law No. 7262) for regulating the procedures and principles regarding the implementation of the sanctions decisions of the United Nations Security Council and preventing the financing of the proliferation of weapons of mass destruction entered into force as of 31 December 2020 pursuant to the Official Gazette dated 31 December 2020 and numbered 31351/5.

These regulations include requirements to have written policies and procedures on anti-money laundering and "know your customer" principles such as, assigning a compliance officer, an audit and review function to test the robustness of anti-money laundering policies and procedures.

Manipulation and Misleading Transactions in Financial Markets

On 20 February 2020, a new market manipulation concept was introduced into Turkish law by way of amendments made to the Banking Law. According to Article 76/A of the Banking Law, manipulation in financial markets will be deemed to occur, where a bank within the remit of the Banking Law, by way of undertaking banking activities as set forth under Article 4 of the Banking Law, (i) engages in activities with a view to making or creating artificial, false or misleading demand, supply or foreign exchange rate, (ii) disseminates false or misleading information through various media, including the internet, or (iii) engages in such other activities that would create misleading information for, or would otherwise mislead, investors.

On 7 May 2020, the Regulation on Manipulative and Misleading Transactions in the Financial Markets (the "**Manipulation Regulation**") was published in the Official Gazette. The Manipulation Regulation aims to clarify which activities fall within the ambit of the recently introduced manipulation offence, thereby aiming at curbing manipulative transactions that could worsen the current volatility of the Turkish Lira or, otherwise, harm the Turkish economy at large.

Pursuant to the Manipulation Regulation, certain acts performed by banks are deemed to be manipulative and misleading transactions and practices in financial markets. Turkish banks that engage in manipulative and

misleading transactions may have a fine imposed of up to 5 per cent. of the sum of interest, profit share income, fees and commissions and other income of banking operations specified in the bank's most recent year-end financial statements, with such fine being no less than twice the benefit that such bank has derived from the concerned transaction.

Credit Guarantee Fund ("CGF")

The CGF was established pursuant to Decree No. 93/4496 dated 14 July 1993 in order to provide guarantees for SMEs and other enterprises, in particular, to those that are not able to obtain bank loans due to their insufficient collateral. In order to improve financing possibilities and contribute to the effective operation of the credit system, pursuant to provisional Article 20 of the Law regarding the Regulation of Public Financing and Debt Management (Law No. 4749) dated 28 March 2002, resources of up to TL 2 billion could be transferred by the Minister in charge of the Turkish Treasury to the credit guarantee institutions. This amount was increased to TL 25 billion in accordance with the Law No. 6770 dated 18 January 2017. Currently, this amount is TL 100 billion as increased with the amendment made on 5 July 2022 in accordance with the Law No. 7417. In addition, pursuant to Decree No. 2016/9538 on Treasury Support to be provided to the Credit Guarantee Institutions (published in the Official Gazette No. 29896 and dated 22 November 2016), the CGF guarantees are supported by the Turkish Treasury. Pursuant to an amendment to such Decree published in the Official Gazette dated 30 March 2020, the Turkish Development and Investment Bank was added among the eligible lenders and natural persons were explicitly added as eligible borrowers. On 30 March 2020, in order to address the economic impact of the COVID-19 coronavirus, the amount available under the CGF programme was increased from TL 25 billion to TL 50 billion and the total amount of guarantees that may be given by the CGF was increased from TL 250 billion to TL 500 billion (along with increases in the guarantee limits with respect to individual borrower groups). On 13 August 2022, the total amount of guarantees that may be given by the CGF was increased from TL 500 billion to TL 1 trillion. Additional increases that are tailored to specific sectors have also been implemented.

Pursuant to Presidential Decree No. 162 published in the Official Gazette dated 11 October 2018, loans guaranteed by the Turkish Treasury under the CGF programme may be restructured up to 96 months for working capital loans and up to 156 months for investment loans. Such Presidential Decree also requires lenders to provide an opportunity to borrowers to restructure their CGF-guaranteed loans prior to any recourse to the CGF guarantee.

Calculation of the Green Asset Ratio of Banks

On 11 April 2025, the BRSA published the Communiqué on the Calculation of the Green Asset Ratio of Banks in the Official Gazette dated 11 April 2025 and numbered 32867 (the "**Communiqué on the Calculation of the Green Asset Ratio of Banks**"), aiming to set out the procedures and principles for calculating and reporting the green asset ratio and other key performance indicators measuring banks' contributions to financing environmentally sustainable economic activities. According to the Communiqué on the Calculation of the Green Asset Ratio of Banks, which entered into force on 11 April 2025, the primary key performance indicator reflecting banks' contribution to environmental sustainability is the green asset ratio, calculated by dividing compliant assets by the total assets included within the scope of the green asset ratio on the unconsolidated balance sheets of banks. The total assets within the scope of the green asset ratio are calculated by subtracting claims on central administrations, central banks, supranational entities, and assets monitored in trading accounts from total balance sheet financial assets, followed by aggregating the gross amounts measured at amortised cost of the remaining on-balance sheet assets. Eligible assets include all

financial assets related to economic activities within the scope of technical screening criteria, regardless of whether they fully meet these criteria. Compliant assets, however, must simultaneously meet three conditions: (i) substantially contributing to one or more environmental objectives, (ii) not significantly harming other environmental objectives, and (iii) complying with minimum social security standards. The environmental objectives specified include climate change mitigation, adaptation to climate change, transition to a circular economy, sustainable use and protection of water and marine resources, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. Banks are required to verify compliance with these criteria through reports (e.g., emission reports, feasibility studies, and energy efficiency surveys), certifications, or other internationally or nationally accepted green technology selection tools and maintain these records for auditing purposes. The BRSA is authorised to determine specific technical screening criteria and may differentiate reporting obligations based on the type and size of banks. Banks must establish necessary documentation, classification, monitoring, and control processes for assets included in green asset ratio calculations and submit periodic reports, which is determined as three month periods by the BRSA decision dated 13 March 2025, numbered 11165, to the BRSA, beginning on 30 June 2025. Additionally, the BRSA has the authority to set minimum thresholds and targets for the green asset ratio and related key performance indicators and may impose measures, including additional capital requirements, on banks that fail to comply with the established thresholds and targets.

A decision of the POA dated 27 December 2023 (which entered into force on 1 January 2024 and was amended on 18 December 2024 and 16 January 2026) requires Turkish banks that are not under the SDIF's administration to report on sustainability in accordance with the Turkish Sustainability Reporting Standards, which are prepared by the POA in compliance with the International Sustainability Reporting Standards. In addition, the Regulation on Sustainability Audit, which includes the audit procedures of mandatory sustainability reporting, was published by the POA in the Official Gazette dated 17 January 2025.

Foreign Exchange Legislation

F/X Loan Restriction

Decree 32 and the Capital Movements Circular of the CBRT ("**Capital Movements Circular**") have been amended, effective as of 2 May 2018, in order to introduce new restrictions on Turkish resident legal entities utilising foreign currency loans from Türkiye and outside of Türkiye. While the new regime continues to maintain the existing prohibition on Turkish individuals utilising foreign exchange loans and foreign exchange indexed loans, it further introduces a strict prohibition on Turkish resident non-bank legal entities ("**Corporate Borrower**") utilising foreign currency indexed loans and also brings in new restrictions on Corporate Borrowers utilising foreign currency loans ("**F/X Loan Restriction**").

Accordingly, a Corporate Borrower shall only be permitted to utilise foreign currency loans if (i) it generates foreign currency-denominated income (which is defined as "the revenue derived from export, transit trade, sales and deliveries considered as export and foreign currency generating activities" in the new legislation, activities which are accepted as foreign currency income and other activities to be approved by the relevant Ministry) (the "**F/X Income Exemption**"); (ii) the purpose of the loan is to finance an activity that is exempt from the F/X Loan Restriction (the "**Activity Exemption**"); or (iii) if, as of 2 May 2018, the unpaid outstanding balance of its total foreign currency loans ("**Loan Balance**") is more than U.S.$15 million.

As far as the F/X Income Exemption is concerned, if the Loan Balance of a Corporate Borrower is below U.S.$15 million, the sum of the foreign currency loan to be utilised and the existing Loan Balance must not be more than the combined value of its foreign currency incomes as stated in its financial statements for the last

three financial years. The Turkish-resident financial institution lenders are obliged to control whether such Corporate Borrower complies with this rule. In case of any non-compliance with the F/X Loan Restriction rules, the Turkish-resident financial institution lenders are obliged to either cancel or convert into Turkish Lira, the portion of the foreign currency loan that exceeds this value. In case of a breach of Decree 32 and the relevant legislation, an administrative monetary fine may be imposed.

In respect of the Activity Exemption, a legal entity must qualify as a public institution, bank, factoring, financial leasing or financing company resident in Türkiye or, effective as of 16 January 2025, hold an "A" or "B" class certificate under the Industrial Competence Evaluation and Support Program (EYDEP) in order to utilise foreign currency loans. In the case of Corporate Borrowers, the Activity Exemption must relate to an activity in the context of, among others, (i) a domestic tender with an international element awarded to such Corporate Borrower; (ii) defence industry projects approved by the Presidency Defence Industry; (iii) public private partnership projects; or (iv) an export, transit trade, sales and related deliveries subject to the relevant Corporate Borrower certifying the scope of its relevant activity and its potential sources of foreign currency incomes (*muhtemel döviz geliri*). In order for a Corporate Borrower to benefit from the Activity Exemption summarised in item (iv), it must not have any foreign currency revenue within the last three financial years (which otherwise, would be subject to the F/X Income Exemption) and the maximum amount of foreign currency loan such Corporate Borrower can utilise is limited to the amount stated in its certified sources of foreign revenue.

The Turkish Treasury is entitled to extend the scope of the Activity Exemption, and has exercised such authority in respect of, among others, privatisation tenders, public tenders awarded with an F/X consideration, renewable energy generation projects within this scope and the F/X loans to be used by fully owned (directly or indirectly) Turkish subsidiaries of foreign companies from other group companies resident abroad. On 8 December 2020, the Turkish Treasury extended the scope of the Activity Exemption by exercising its authority and included the F/X loans to be used by the Turkish resident legal entities which are shareholders of a Turkish resident operating a project established as a public-private cooperation model in order to be added to the capital of the Turkish company operating the project or to be used in the project. On 8 July 2021, the Turkish Treasury limited the scope of the Activity Exemption for the F/X loans used in renewable energy generation projects and determined that the licenced generating plants initiated or will initiate its operations after 1 July 2021 and the unlicenced generating plants become entitled to obtain call letter for execution of a connection agreement after 21 June 2018 cannot benefit from the Activity Exemption.

F/X Transaction Restriction

Furthermore, Presidential Decree No. 85 on Amendments to Decree No. 32 published in the Official Gazette numbered 30534 and dated 13 September 2018 amended Decree No. 32 by adding a new Article 4(g) to restrict the F/X transactions between Turkish residents. Following this amendment, Communiqué no. 2018-32/51 on Amendments to Communiqué numbered 2008-32/34, published in the Official Gazette numbered 30557 and dated 6 October 2018 came into force on 6 October 2018 (the "**Communiqué**"), and it further specifies the scope of the restriction, introduces a number of exemptions, and provides calculation methods for the conversion of existing foreign currency agreements into Turkish Lira. Under this amendment, contract prices and other payment obligations specified in certain types of agreements executed between persons residing in Türkiye must now be denominated in Turkish Lira. Accordingly, monetary obligations stipulated in sales and lease agreements for real estate property and vehicles, agreements to commission a work, service agreements (including consultancy, transportation and brokerage agreements) and employment agreements can no longer be determined in foreign currency or indexed to foreign currency, but need to be set in Turkish Lira. Additionally, contract prices of such agreements cannot be determined based on foreign

currency-denominated precious metals or similar commodities. On 16 November 2018, the Communiqué and the scope of the exemptions were amended.

Pursuant to the Communiqué no. 2024-32/69 on Amendments to Communiqué numbered 2008-32/34, published in the Official Gazette dated 28 February 2024 and numbered 32474, payment obligations in foreign currency within the scope of (i) negotiable instruments issued before 19 April 2022 within the scope of performance of movable sales agreements entered into before 19 April 2022; (ii) invoices issued before 19 April 2022; (iii) trading transactions of the precious metals and precious stones at Borsa İstanbul A.Ş.; (iv) movable sale agreements under an intermediated export contract through foreign trade capital companies and sectoral foreign trade companies (as defined under Communiqué on the Status of Foreign Trade Capital Companies published in the Official Gazette dated 8 December 2004 and numbered 25664 and the Communiqué on the Status of Sectoral Foreign Trade Companies published in the Official Gazette dated 2 July 2004 and numbered 25510) and exports through companies with the status of export consortium as specified under the Presidential Decree dated 17 August 2022 and numbered 5973 and under the Presidential Decree dated 24 August 2022 and numbered 5986; (v) movable sales contracts for the delivery of goods subject to the transit and customs warehouse regimes under Customs Law No.4458 published in the Official Gazette dated 4 November 1999 and numbered 23866; and (vi) the movable sales contract within foreign trade transactions for the delivery of goods concluded with the companies operating in the free zone have been exempted from prohibition on payment in foreign currency under movable sales contracts (excluding vehicle sales contracts) between Turkish residents.

Pursuant to Communiqué No. 2025-32/74 on Amendments to Communiqué numbered 2008-32/34, published in the Official Gazette dated 9 July 2025, a temporary restriction on payment methods for imports of processed precious metals has been introduced. Until 31 December 2026, imports of processed gold can only be conducted through "payment against goods", "deferred letter of credit" and "acceptance credit" payment methods.

Among other exemptions, capital markets instruments (including the Notes) are exempted from this new set of restrictions. Accordingly, the issuance, purchase and sale of capital market instruments in accordance with the Capital Markets Law No. 6362 and its secondary legislation, as well as the determination of obligations in connection therewith, may be denominated in, or indexed to, foreign currency.

The impact of the F/X Transaction Restriction may have a negligible negative impact on the Bank in the short-term, but the Bank's management believes that this is a prudent action in the mid- to long-term in order to reduce the dependency of the Turkish economy on the U.S. Dollar and to de-dollarise the Turkish economy.

In August 2018, the BRSA capped Turkish banks' exposure under swap, spot and forward transactions with foreign entities under which transactions the Turkish bank initially pays Turkish Lira and receives foreign currency to 25 per cent. of a bank's regulatory capital, then reduced this level to 10 per cent. on 9 February 2020. On 12 April 2020, as part of the government's efforts to contain the possible adverse effects on the Turkish economy of the global uncertainty resulting from the COVID-19 pandemic, the BRSA issued a press release announcing that this level was reduced to 1 per cent. In the case of a bank exceeding this level, new transactions may not be executed or renewed until the 1 per cent. level (which is calculated on a daily basis) is attained. However, as announced by the BRSA on 25 September 2020, the threshold of the exposure of Turkish banks under FX swap, option, future, forward and other similar derivative transactions with non-residents, where the Turkish bank receive Turkish Lira at the maturity date, was revised once again to 10 per cent. of the relevant bank's regulatory capital. Transactions conducted between local banks and their

consolidated affiliates located abroad that qualify as a bank or financial institution are exempt from this restriction. In addition, written approval of the BRSA is required in case there needs to be a cancellation or extension of any of these derivatives transactions.

On 18 December 2019, the BRSA announced that the total notional amount of a Turkish bank's currency swaps, forwards, options and other similar products in transactions with non-residents with a remaining maturity of seven days or fewer where, at the maturity date, such bank pays Turkish Lira and receives foreign exchange shall not exceed 10 per cent. of such bank's most recently calculated regulatory capital; provided that this restriction does not apply to transactions with a bank's non-Turkish financial subsidiaries and other affiliates that are subject to consolidation. With its press release on 12 April 2020, the BRSA amended this threshold by announcing that transactions with a remaining maturity of seven days or less shall not exceed 1 per cent. of the applicable bank's most recently calculated regulatory capital on any given calendar date. Such threshold was applied as 2 per cent. for transactions with a remaining maturity of 30 days and 10 per cent. for transactions with a remaining maturity of one year or less. However, upon further assessment of the markets, the BRSA announced on 25 September 2020 that such thresholds were revised once again to 2 per cent., 5 per cent. and 20 per cent., respectively, for transactions with a remaining maturity of seven days or less, 30 days or less and one year or less. In addition, the BRSA made another announcement on 11 November 2020 and revised such thresholds once again to 5 per cent., 10 per cent. and 30 per cent., respectively, for transactions with a remaining maturity of seven days or less, 30 days or less and one year or less.

Amendments to the Turkish Insolvency and Restructuring Regime

The Enforcement and Bankruptcy Law No. 2004 (the "**Enforcement and Bankruptcy Law**") prevents a contractual arrangement under which a contractual event of default clause is stipulated to be triggered on any application being made by a Turkish company for debt restructuring upon settlement (*uzlaşma yoluyla yeniden yapılandırma*) within the scope of the Enforcement and Bankruptcy Law. In addition, on 15 March 2018, changes were introduced to the Enforcement and Bankruptcy Law including a provision that the contractual termination, default and acceleration clauses of an agreement cannot be triggered by the debtor making a concordat (*konkordato*) application under the Enforcement and Bankruptcy Law and such application not to constitute a breach of such agreement.

On 15 August 2018, the BRSA published the Regulation on Restructuring of Debts in the Financial Sector (the "**Restructuring Regulation**") which was amended on 21 November 2018 and 12 September 2019, with a view to regulate a financial restructuring opportunity for Turkish companies that are in financial distress and have entered into loan transactions with: (i) Turkish banks; (ii) financial lease, factoring and financing companies; (iii) banks and financial institutions established outside Türkiye; (iv) multilateral banks and institutions which directly invest in Türkiye; (v) special purpose companies established by the foregoing institutions for collection of receivables; and/or (vi) investment funds established as per the Capital Market Law ("**Creditor Institutions**"). The Restructuring Regulation sets forth the procedures and principles on financial restructuring framework agreement(s) (the "**Framework Agreement**") to be executed amongst the Creditor Institutions; and on the respective financial restructuring agreements to be entered into by and between each respective debtor and the relevant Creditor Institutions within the scope of such Framework Agreement(s). The Provisional Article 32 of the Banking Law, which regulates the financial restructuring has come into effect on 19 July 2019, to be applicable for a period of two years. However, according to the Presidential Decree published in the Official Gazette dated 15 July 2021 and numbered 31542, duration of the Provisional Article 32 was extended for an additional two years and then, as per the Law No. 7491 on Amendments to Certain Laws and Decree Laws published on the Official Gazette dated 18 December 2023,

the Provisional Article 32 of the Banking Law shall be effective for another two years as of such date and the president will have the power to extend this period for another two years. On 28 December 2025, relevant article has been further extended for another two years.

Accordingly, some Creditor Institutions (including most of the Turkish banks) have initially executed a Framework Agreement dated 11 September 2018 (as amended and restated with two respective amendment protocols) which entered into force upon approval of the BRSB on 19 September 2018. Furthermore, implementation of the restructuring for large-scale companies which are financially indebted against banks and financial institutions for an outstanding principal amount of more than TL 25 million has recently been initiated with a Framework Agreement applicable to the Restructuring for the Large-Scale Companies published on the website of the Banks Association of Türkiye on 9 October 2019 and which has been signed by 24 Turkish banks and 33 other Turkish financial institutions as of the date hereof. On 8 November 2019, implementation of the restructuring for small-scale companies, for which the respective outstanding principal amounts are lower than TL 25 million, was published and has been signed by 23 Turkish banks and 30 other Turkish financial institutions as of the date hereof.

Additional Regulatory Measures Related to COVID-19

On 16 September 2021 the BRSA announced that until such date as determined by the BRSA, banks may use the average of the CBRT's foreign exchange buying rates during the 252 business days before the calculation date when calculating the risk-weighted amounts of credit risk exposures and the relevant special provision amounts as per TFRS for both cash and non-cash assets other than assets in foreign currency measured on a historical cost basis instead of using the relevant foreign exchange buying rate as of the calculation date. In addition, on 21 December 2021 the BRSA made another announcement in this regard and determined that as of 1 January 2022, until such date as determined by the BRSA, that banks may use the average of the CBRT's foreign exchange buying rates during the 252 business days as of 31 December 2021 when calculating the risk-weighted amounts of credit risk exposures and the relevant special provision amounts as per TFRS for both cash and non-cash assets other than assets in foreign currency measured on a historical cost basis instead of using the relevant foreign exchange buying rate as of the calculation date. On 31 January 2023 the BRSA further amended this rule so that, until such date as determined by the BRSA, banks may use the CBRT's foreign exchange buying rates as of 30 December 2022 in such calculations. On 12 December 2023, the BRSA further amended this rule so that, starting as of 1 January 2024, banks may use the Central Bank's foreign exchange buying rates as of 26 June 2023 in such calculations. On 19 December 2024, the BRSA amended this rule again to provide that banks may use the Central Bank's foreign exchange buying rates as of 28 June starting from 1 January 2025 until otherwise decided by the BRSA. As a result of BRSA Decision dated 13 November 2025 and numbered 11286, the application of such rule will be terminated as of 1 January 2026 and the relevant provisions of the 2015 Capital Adequacy Regulation shall be applied. On 5 May 2020, the BRSA imposed a new requirement that certain Turkish Lira transactions (i.e., Turkish Lira-denominated placements, CBRT reserves, repurchase transactions and loans) performed by a Turkish bank with foreign financial institutions, including this Turkish bank's foreign branches and consolidated foreign subsidiaries regarded as credit institutions and financial institutions, are limited to 0.5 per cent. of such Turkish bank's latest calculated shareholders' equity (as calculated on a bank-only basis) as reported to the BRSA on a monthly basis (the "**TRY Outflow Restriction**"). If a Turkish bank exceeds such limit, then such bank is not allowed to enter into any new such transactions (or renew any existing such transactions upon their maturity) until such bank is in compliance with this limit. On 20 May 2020, the BRSA declared that any such transactions that clear through Euroclear or Clearstream, Luxembourg are not to be included in the numerator of such calculation. This new measure aims to increase the efficient use of Turkish Lira resources, primarily to

satisfy the financing needs of the public and private sectors, which measure is expected to be effective until the extraordinary conditions that exist due to the COVID-19 pandemic have ceased. On 28 July 2020, the BRSA clarified that the exemption set forth on 20 May 2020 will be limited only to the clearing activities of securities denominated in Turkish Lira carried out at domestically or abroad; and exempted from the restrictions on access to Turkish Lira, the swap transactions with Turkish Lira purchase in maturity (where in the first leg of the swap transaction, receives Turkish Lira in exchange for foreign currency) carried out with the domestic bank reported as the account operator in the over-the-counter or in Borsa İstanbul foreign exchange swap market and short-term funding operations of them to be made to the Turkish Lira accounts owned by foreign residents, provided that it is limited to the clearing activities of securities denominated in Turkish Lira issued by domestic and foreign residents. On 6 August 2020, the BRSA announced new exemptions to the TRY Outflow Restriction in favour of all foreign banks (save for international development banks, which continue to be subject to the broader exemption regime set out under the BRSA Resolution dated 28 July 2020). Accordingly, foreign banks may enter into the following transactions without being subject to the TRY Outflow Restriction:

- FX swap trades, under which the foreign bank buys Turkish Lira in exchange of foreign currency at the initial exchange date (i.e. where the foreign bank will sell TL at the maturity date);
- swap trades entered into in the Borsa İstanbul FX swap market, where the foreign bank buys Turkish Lira in exchange of foreign currency at the initial exchange date;
- repo and reverse repo transactions in the Borsa İstanbul Repo market; and
- TL-denominated deposits with Turkish banks,

provided, in each case that (i) the foreign bank may only use any Turkish Lira received from Turkish banks as a result of such transactions towards investing in Turkish Lira-denominated securities, and must park any excess Turkish Lira liquidity into accounts held with Turkish banks, and (ii) the relevant foreign bank must give an undertaking to the Turkish counterparty bank with respect to the intended use of Turkish Lira proceeds and obtain the BRSA's prior approval in this respect. On 30 November 2020, the BRSA further exempted from this calculation overdraft facilities extended to foreign financial institutions. This new measure aims to increase the efficient use of Turkish Lira resources and is expected to be effective until the extraordinary conditions that exist due to the COVID-19 pandemic have ceased.

Additionally, on 30 March 2020, in a bid to support SMEs and other Turkish businesses during the COVID-19 pandemic, the CGF guarantee scheme was expanded with further support from the Turkish Treasury. Accordingly, the amount available under the CGF programme has been increased from TL 25 billion to TL 50 billion and the total value of guarantees that may be given by the CGF was increased from TL 250 billion to TL 500 billion. On 13 August 2022, the total amount of guarantees that may be given by the CGF was increased from TL 500 billion to TL 1 trillion.

Additional Regulatory Measures for Donations Related to Earthquakes Occurred on 6 February 2023

To support the donations to be made in relation to the two earthquakes with a magnitude of 7.7 and 7.6 (respectively) on the Richter scale that occurred in Kahramanmaraş on 6 February 2023 and affected 10 different cities, on 17 February 2023, the Presidency of Türkiye has published the Presidential Decree numbered 124 and determined that the donations to be made by the banks throughout the state of emergency shall not be subject to the limitation set under the Article 59 of the Banking Law.

BOOK-ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

Pursuant to the Communiqué on Debt Instruments, the Issuer is required to notify the CRA within three Turkish business days from the date of issuance of any Notes, of the amount, issue date, ISIN (if any), the first payment date, maturity date, interest rate, name of the custodian, currency of the Notes and country of issuance.

Book-entry Systems

DTC

DTC has advised the Issuer that it is a limited purpose trust company organised under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its direct participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by NYSE Euronext and the National Association of Securities Dealers, Inc. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**" and, together with Direct Participants, "**Participants**").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**Rules**"), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system ("**DTC Notes**") as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the SEC. Participants with which beneficial owners of DTC Notes ("**Beneficial Owners**") have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Beneficial Owners. Accordingly, although Beneficial Owners who hold interests in DTC Notes through Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each Beneficial Owner is in

turn to be recorded on the relevant Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchases, but Beneficial Owners are expected to receive written confirmations providing details of each transaction, as well as periodic statements of their holdings, from the Participant through which the Beneficial Owner holds its interest in the DTC Notes. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an omnibus proxy to the Issuer as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the omnibus proxy).

Principal and interest payments on the DTC Notes will be made to DTC or its nominee. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC or its nominee is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Direct Participants in accordance with their requests and proportionate entitlements and which, will be legended as set forth under "*Subscription and Sale and Transfer and Selling Restrictions*."

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Beneficial Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to effect such pledge through DTC

and its Participants or if not possible to so effect it, to withdraw its Registered Notes from DTC as described below.

The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Clearstream, Luxembourg

Clearstream, Luxembourg is incorporated under the laws of Luxembourg as a professional depositary. Clearstream, Luxembourg holds securities for its customers and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg customers through electronic book-entry changes in accounts of Clearstream, Luxembourg customers, thereby eliminating the need for physical movement of certificates. Transactions may be settled by Clearstream, Luxembourg in any of a number of currencies, including U.S. Dollars and Turkish Lira. Clearstream, Luxembourg provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg also deals with domestic securities markets in several countries through established depository and custodial relationships.

Clearstream, Luxembourg is registered as a bank in Luxembourg, and as such is subject to regulation by the *Commission de Surveillance du Secteur Financier* and the *Banque Centrale du Luxembourg*, which supervise and oversee the activities of Luxembourg banks. Clearstream, Luxembourg's customers are recognised financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of Clearstream, Luxembourg. Clearstream, Luxembourg has established an electronic bridge with Euroclear to facilitate settlement of trades between Clearstream, Luxembourg and Euroclear.

The ability of an owner of a beneficial interest in a Note held through Clearstream, Luxembourg to pledge such interest to persons or entities that do not participate in the Clearstream, Luxembourg system, or otherwise take action in respect of such interest, may be limited by the lack of a definitive note for such interest because Clearstream, Luxembourg can act only on behalf of Clearstream, Luxembourg's customers, who in turn act on behalf of their own customers. The laws of some jurisdictions may require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in the Notes to such persons may be limited. In addition, beneficial owners of Notes held through the Clearstream, Luxembourg system will receive payments of principal, interest and any other amounts in respect of the Notes only through Clearstream, Luxembourg accountholders.

Euroclear

Euroclear holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between its accountholders. Euroclear provides various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear also deals with domestic securities markets in several countries through established depository and custodial relationships. Euroclear customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear is available to other institutions that clear through or maintain a custodial relationship with direct participants in Euroclear.

The ability of an owner of a beneficial interest in a Note held through Euroclear to pledge such interest to persons or entities that do not participate in the Euroclear system, or otherwise take action in respect of such interest, may be limited by the lack of a definitive note for such interest because Euroclear can act only on behalf of Euroclear's customers, who in turn act on behalf of their own customers. The laws of some jurisdictions may require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in the Notes to such persons may be limited. In addition, beneficial owners of Notes held through the Euroclear system will receive payments of principal, interest and any other amounts in respect of the Notes only through Euroclear participants.

Book-entry Ownership of and Payments in respect of Global Notes

The Issuer has applied to each of Euroclear and Clearstream, Luxembourg to have Global Note(s) accepted in its book-entry settlement system. Upon the issue of any such Global Note, Euroclear and/or Clearstream, Luxembourg, as applicable, will credit, on its internal book-entry system, the respective nominal amounts of the interests represented by such Global Note to the accounts of persons who have accounts with Euroclear and/or Clearstream, Luxembourg, as applicable. Such accounts initially will be designated by or on behalf of the relevant Dealer or investor. Interests in such a Global Note through Euroclear and/or Clearstream, Luxembourg, as applicable, will be limited to accountholders of Euroclear and/or Clearstream, Luxembourg, as applicable. Interests in such a Global Note will be shown on, and the transfer of such interests will be effected only through, records maintained by Euroclear and/or Clearstream, Luxembourg or its nominee (with respect to the interests of Euroclear and/or Clearstream, Luxembourg accountholders).

Payments with respect to interests in the Notes held through Euroclear and Clearstream, Luxembourg will be credited to cash accounts of Euroclear and Clearstream, Luxembourg accountholders in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg, respectively, to the extent received by each of them.

The Issuer may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Upon the issue of any such Registered Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer or investor. Ownership of beneficial interests in such a Registered Global Note will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Note, the respective depositaries of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records

maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. Dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. Dollars, payment will be made to the Exchange Agent on behalf of DTC or its nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. Dollars and credited to the applicable Participants' account.

The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Fiscal Agent, the Registrar or the Issuer. Payment of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the Issuer.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. Subject to compliance with the transfer restrictions applicable to the Registered Notes described under "*Subscription and Sale and Transfer and Selling Restrictions*", cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear account holders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Fiscal Agent and any custodian ("**Custodian**") with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Tranche, transfers of Notes of such Tranche between account holders in Clearstream, Luxembourg and Euroclear and transfers of Notes of such Tranche between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between account holders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Fiscal Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg account holders and DTC participants cannot be made on a delivery-versus-payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and account holders of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time.

None of the Issuer, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

TAXATION

General

This is a general summary of certain Turkish and other tax considerations in connection with an investment in Notes. This summary does not address all aspects of Turkish or any other tax law. While this summary is considered to be a correct interpretation of existing laws in force as of the date of this Base Prospectus, there can be no assurance that those laws or the interpretation of those laws will not change. This summary does not discuss all of the tax consequences that may be relevant to an investor in light of such investor's particular circumstances. Prospective purchasers of Notes are advised to consult their tax advisers with respect to the tax consequences of the purchase, ownership or disposition of Notes (or the purchase, ownership or disposition by an owner of beneficial interests therein) as well as any tax consequences that may arise in respect thereof under the laws of any relevant state, municipality or other taxing jurisdiction.

Certain Turkish Tax Considerations

References to "**resident**" herein refer to tax residents of Türkiye and references to "**non-resident**" herein refer to persons who are not tax residents of Türkiye.

The following discussion is a summary of certain Turkish tax considerations relating to an investment by a person who is a non-resident of Türkiye in Notes of a Turkish company issued abroad. The discussion is based upon current law and is for general information only. The discussion below is not intended to constitute a complete analysis of all tax consequences relating to the acquisition, ownership or disposition of the Notes that may be relevant to a decision to make an investment in the Notes. Furthermore, the discussion only relates to the beneficial interest of a person in the Notes where the Notes will not be held in connection with the conduct of a trade or business through a permanent establishment in Türkiye. Each investor should consult its own tax advisers concerning the tax considerations applicable to its particular situation. This discussion is based upon laws and relevant interpretations thereof in effect as at the date of this Base Prospectus, all of which are subject to change, possibly with a retroactive effect. In addition, it does not describe any tax consequences: (a) arising under the laws of any taxing jurisdiction other than Türkiye or (b) applicable to a resident of Türkiye or a permanent establishment in Türkiye resulting either from the existence of a fixed place of business or appointment of a permanent representative.

For Turkish tax purposes, a legal entity is a resident of Türkiye if its corporate domicile is in Türkiye or its effective place of management is in Türkiye. A resident legal entity is subject to Turkish taxes on its worldwide income, whereas a non-resident legal entity is only liable for Turkish taxes on its trading income made through a permanent establishment or on income otherwise sourced in Türkiye.

An individual is a resident of Türkiye if such individual has established domicile in Türkiye or stays in Türkiye more than six months in a calendar year. On the other hand, foreign individuals who stay in Türkiye for six months or more for a specific job or business or particular purposes that are specified in the Turkish Income Tax Law may not be treated as a resident of Türkiye, depending on the characteristics of their stay. A resident individual is liable for Turkish taxes on their worldwide income, whereas a non-resident individual is only liable for Turkish taxes on income sourced in Türkiye.

Income from capital investment is sourced in Türkiye when the principal is invested in Türkiye. Capital gain derived from trading income is considered sourced in Türkiye when the activity or transaction generating such income is performed or accounted for in Türkiye. The term "**accounted for**" means that a payment is made in

Türkiye, or if the payment is made abroad, it is recorded in the books in Türkiye or apportioned from the profits of the payer or the person on whose behalf the payment is made in Türkiye.

Any withholding tax levied on income derived by a non-resident person is the final tax for the non-resident person and no further declaration is required. Any other income of a non-resident person sourced in Türkiye that has not been subject to withholding tax will be subject to taxation through declaration where treaty relief and exemptions are reserved.

Interest paid on debt instruments (such as the Notes under the Programme) issued abroad by a resident corporation is subject to withholding tax as regulated through the Tax Decrees. The withholding tax rates are set according to the original maturity of notes issued abroad by resident corporations as follows:

- 7 per cent. withholding tax for debt instruments with an original maturity of less than one year,
- 3 per cent. withholding tax for debt instruments with an original maturity of at least one year and less than three years, and
- 0 per cent. withholding tax for debt instruments with an original maturity of three years or more.

Interest income derived by a resident corporation or individual is subject to further declaration and the withholding tax paid can be offset from the tax calculated on the tax return. For resident individuals, the entire gain is required to be declared if the interest income derived exceeds TL 400,000 (for the income derived in 2026) together with the gains from other marketable securities and real income from immovable property and salaries (except for salaries referred to under Article 86/1 of the Turkish Income Tax Law); *provided* that they were all subjected to income taxation through withholding. For resident corporations, the total interest income is subject to declaration.

In general, capital gains are not taxed through withholding tax and therefore any capital gain sourced in Türkiye with respect to the Notes may be subject to declaration. However, pursuant to Provisional Article 67 (which is currently expressed to be effective until 31 December 2030; subject to extension by the President) of the Turkish Income Tax Law, as amended by laws numbered 6111, 6655, 7256, 7491and 7566 special or separate tax returns will not be submitted for capital gains from the notes of a Turkish corporate issued abroad when the income is derived by a non-resident. Therefore, no tax is levied on non-resident persons in respect of capital gains from the Notes and no declaration is required.

A non-resident holder will not be liable for Turkish estate, inheritance or similar tax with respect to its investment in the Notes, nor will it be liable for any Turkish stamp issue, registration or similar tax or duty relating thereto.

Capital gains realised by a resident corporation or individual on the sale or redemption of the Notes (or beneficial interests therein) are subject to income tax or corporate (income) tax declaration. The corporate income tax rate in Türkiye is: (a) 30 per cent. for banks, financial leasing, factoring and financing companies, e-money and payment services institutions, authorised foreign exchange currency-related entities, asset management companies (*varlık yönetim şirketleri*), securities intermediaries and other capital markets institutions, insurance and reinsurance companies and pension companies and (b) 25 per cent. for other corporate entities (the current rate for individuals' income tax ranges from 15 per cent. to 40 per cent. at progressive rates) *provided* that, effective from a fiscal period starting in the year 2025, the corporate income tax rate on profits from specific public-private partnership and build-operate-transfer projects is 30 per cent. and a "minimum corporate income tax" requires all corporations to pay a minimum amount of tax to be calculated at a flat rate of 10 per cent. based upon pre-exemption and pre-deduction net corporate income. As

part of the OECD Pillar Two initiative, Türkiye has implemented global and domestic corporate top-up tax rules, effective for income earned in 2024 and subsequent fiscal years, requiring corporations that exceed prescribed thresholds to pay a top-up tax if their effective tax rate falls below 15 per cent. For resident individuals, the acquisition cost can be increased at the Producer Price Index rate of increase for each month except for the month of discharge so long as such index increased by at least 10 per cent.

Reduced Withholding Tax Rates

Under current Turkish laws and regulations, interest payments on notes issued abroad by a resident corporation will be subject to a withholding tax at a rate between 7 per cent. and 0 per cent. (inclusive) in Türkiye, as detailed above.

If a double taxation treaty is in effect between Türkiye and the country of which the holder of the notes is an income tax resident (in some cases, for example, pursuant to the treaties with the UK and the United States, the term "beneficial owner" is used), which provides for the application of a lower withholding tax rate than the local rate to be applied by the issuer corporation, then the lower rate may be applicable. For the application of withholding at a reduced rate that benefits from the provisions of a double tax treaty concluded between Türkiye and the country where the investor is a resident, an original copy of the certificate of residence signed by the competent authority is required, with a translated copy certified by a notary or the Turkish embassy in the relevant country, to verify that the investor is subject to taxation over its worldwide gains in the relevant country on the basis of resident taxpayer status, as a resident of such country to the related tax office directly or through the banks and intermediary institutions prior to the application of withholding. In the event the certificate of residence is not delivered prior to the application of withholding tax, then upon the subsequent delivery of the certificate of residence, a refund of the excess tax shall be granted pursuant to the provisions of the relevant double taxation treaty and the Turkish tax legislation.

Certain United States Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes by a U.S. Holder (as defined below). This summary does not address the material U.S. federal income tax consequences of every type of Note which may be issued under the Programme and the applicable Final Terms may contain additional or modified disclosure concerning the material U.S. federal income tax consequences relevant to such type of Note as appropriate. This summary deals only with initial purchasers of Notes that acquire the Notes in an offering at their initial offering price that are U.S. Holders and that will hold the Notes as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Notes by particular investors (including consequences under the alternative minimum tax or net investment income tax), and does not address state, local, non-U.S. or other tax laws (such as estate or gift tax laws). This summary also does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Notes in connection with a trade or business conducted outside of the United States, U.S. citizens or lawful permanent residents living abroad, U.S. Holders that are required to take certain amounts into income no later than the time such amounts are reflected on an applicable financial statement, or investors whose functional currency is not the U.S. dollar). Moreover, the summary deals only with Notes

with a term of 30 years or less. The U.S. federal income tax consequences of owning Notes with a longer term will be discussed in the applicable Final Terms.

As used herein, the term "**U.S. Holder**" means a beneficial owner of Notes that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax adviser concerning the U.S. federal income tax consequences to them and their partners of the acquisition, ownership and disposition of Notes by the partnership.

This summary is based on the tax laws of the United States including the Internal Revenue Code of 1986, as amended (the "**Code**"), its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, as well as on the income tax treaty between the United States and Türkiye (the "**Treaty**"), all as of the date hereof and subject to change at any time, possibly with retroactive effect.

Bearer Notes are not being offered to U.S. Holders. A U.S. Holder who owns a Bearer Note may be subject to limitations under United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Code. This discussion does not address the consequences of the acquisition, ownership and disposition of Bearer Notes.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE NOTES, INCLUDING THEIR ELIGIBILITY FOR THE BENEFITS OF THE TREATY, THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

The following summary applies to Notes that are properly treated as debt for U.S. federal income tax purposes.

Payments of Interest

General

Interest on a Note, whether payable in U.S. dollars or a single currency other than U.S. dollars (a "**foreign currency**"), other than interest on a "Discount Note" that is not "qualified stated interest" (each as defined below under "*Original Issue Discount – General*"), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on such U.S. Holder's method of accounting for U.S. federal income tax purposes, reduced by the allocable amount of amortisable bond premium, subject to the discussion below. Interest paid by the Issuer on the Notes and original issue discount ("**OID**"), if any, accrued with respect to the Notes (as described below under "*Original Issue Discount*") generally will constitute income from sources outside the United States.

Pre-Issuance Accrued Interest

If a portion of the price paid for a Note is attributable to an amount of interest accrued prior to the date the Note is issued (the "**pre-issuance accrued interest**"), a portion of the first interest payment on the Notes equal to the amount of the pre-issuance accrued interest may be treated as a nontaxable return of the pre-issuance accrued interest. This discussion assumes that the first interest payment on Notes with pre-issuance accrued interest will be so treated, and references to interest in the remainder of this discussion exclude pre-issuance accrued interest. This discussion assumes that in determining the issue price of a Note, there will be excluded an amount equal to the pre-issuance accrued interest. Pre-issuance accrued interest not included in income should not form part of any amortisable bond premium (as descried below under "*Notes Purchased at a Premium*"). A U.S. Holder's tax basis in a Note will be reduced by any nontaxable return of pre-issuance accrued interest. This discussion does not otherwise address the treatment of pre-issuance accrued interest, and U.S. Holders should consult their tax advisers concerning the U.S. federal income tax treatment of pre-issuance accrued interest, including the potential recognition of foreign currency exchange gain or loss upon receipt of otherwise nontaxable return of pre-issuance accrued interest with respect to foreign currency Notes.

Effect of Turkish Withholding Taxes

As discussed in "*Taxation – Certain Turkish Tax Considerations*", payments of interest and OID on the Notes to non-Turkish resident investors may in certain circumstances be subject to Turkish withholding taxes. As discussed under "*Terms and Conditions of the Notes – Condition 9*", the Issuer is generally liable for the payment of additional amounts to holders of the Notes so that holders of the Notes receive the same amounts they would have received had no Turkish withholding taxes been imposed. For U.S. federal income tax purposes, U.S. Holders would be treated as having actually received the amount of Turkish taxes withheld by the Issuer with respect to a Note, and as then having actually paid over the withheld taxes to the Turkish taxing authorities. As a result, the amount of interest income included in gross income for U.S. federal income tax purposes by a U.S. Holder with respect to a payment of interest or OID may be greater than the amount of cash actually received (or receivable) by the U.S. Holder from the Issuer with respect to the payment.

A U.S. Holder generally may be entitled, subject to certain limitations, to a credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for Turkish taxes withheld (if any). Interest generally will constitute "passive category income" for purposes of the foreign tax credit. The rules governing foreign tax credits are complex and certain Treasury regulations ("**Final FTC Regulations**") have imposed additional requirements that must be met for a foreign tax to be creditable (in particular, with respect to U.S. Holders not entitled to, or not electing to apply, the benefits of the Treaty), and the Issuer does not intend to determine whether such requirements will be met in case Turkish taxes are withheld (if any). However, notices (the "**Notices**") from the IRS indicate that the U.S. Treasury and the IRS are considering proposing amendments to the Final FTC Regulations and allow taxpayers, subject to certain conditions, to defer the application of many aspects of the Final FTC Regulations until the date when a notice or other guidance withdrawing or modifying this temporary relief is issued (or any later date specified in such notice or other guidance). Prospective purchasers should consult their tax advisers concerning the application of the foreign tax credit rules to income attributable to the Notes and the creditability (or alternatively, deductibility) of any Turkish taxes withheld as well as the disclosure of any Treaty-based tax return position in their particular circumstances.

Original Issue Discount

General

The following is a summary of certain U.S. federal income tax consequences of the ownership of Notes issued with OID. The following summary does not discuss Notes that are characterised as contingent payment debt instruments for U.S. federal income tax purposes. In the event the Issuer issues contingent payment debt instruments, the applicable Final Terms may describe certain U.S. federal income tax consequences thereof.

A Note, other than a Note with a term of one year or less (a "**Short-Term Note**"), will be treated as issued with OID (a "**Discount Note**") if the excess of the Note's "**stated redemption price at maturity**" over its issue price is equal to or more than a *de minimis* amount (0.25 per cent. of the Note's stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an "**instalment obligation**") will be treated as a Discount Note if the excess of the Note's stated redemption price at maturity over its issue price is equal to or greater than 0.25 per cent. of the Note's stated redemption price at maturity multiplied by the weighted average maturity of the Note. A Note's weighted average maturity is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note's stated redemption price at maturity. Generally, the issue price of a Note will be the first price at which a substantial amount of Notes included in the issue of which the Note is a part is sold to persons other than bond houses, brokers, or similar persons or organisations acting in the capacity of underwriters, placement agents, or wholesalers. The stated redemption price at maturity of a Note is the total of all payments provided by the Note that are not payments of "qualified stated interest." A qualified stated interest payment generally is any one of a series of stated interest payments on a Note that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under "*Variable Interest Rate Notes*"), applied to the outstanding principal amount of the Note. Solely for the purposes of determining whether a Note has OID, the Issuer will be deemed to exercise any call option that has the effect of decreasing the yield on the Note, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Note. If it was deemed that any call or put option would be exercised but was not in fact exercised, the Note would be treated solely for the purpose of calculating OID as if it were redeemed, and a new Note were issued, on the presumed exercise date for an amount equal to the Note's adjusted issue price on that date.

U.S. Holders of Discount Notes generally must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a U.S. Holder of a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Note. The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Note may be of any length selected by the U.S. Holder and may vary in length over the term of the Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Note's adjusted issue price at the beginning of the accrual period and the Discount Note's yield to maturity (determined on the basis of compounding at the close of each accrual period and

properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Note allocable to the accrual period. The "adjusted issue price" of a Discount Note at the beginning of any accrual period is the issue price of the Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Note that were not qualified stated interest payments.

Acquisition Premium

Subject to the discussion below under "*Election to Treat All Interest as Original Issue Discount*", a U.S. Holder that purchases a Discount Note for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being "**acquisition premium**") is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder's adjusted basis in the Note immediately after its purchase over the Note's adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Note's adjusted issue price.

Short-Term Notes

In general, an individual or other cash basis U.S. Holder of a Short-Term Note is not required to accrue OID (as specially defined below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Notes on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include such OID in income currently, any gain realised on the sale or retirement of the Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Notes will be required to defer deductions for interest on borrowings allocable to Short-Term Notes in an amount not exceeding the deferred income until the deferred income is realised.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Note are included in the Short-Term Note's stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Note as if the Short-Term Note had been originally issued to the U.S. Holder at the U.S. Holder's purchase price for the Short-Term Note. This election will apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the U.S. Internal Revenue Service (the "**IRS**").

Market Discount

A Note, other than a Short-Term Note, generally will be treated as purchased at a market discount (a "**Market Discount Note**") if the Note's stated redemption price at maturity or, in the case of a Discount Note, the Note's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Note by at least 0.25 per cent. of the Note's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note's maturity (or, in the case of a Note that is an instalment obligation, the Note's weighted average maturity). If this excess is not sufficient to cause the Note to be a Market Discount Note, then the excess constitutes "*de minimis* market discount". For this purpose, the "**revised issue price**" of a Note generally equals its issue price, increased by the amount of any OID that has

accrued on the Note and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments. Additionally, for this purpose the "stated redemption price at maturity" (as defined above) is decreased by the amount of any payments previously made on the Note that were not qualified stated interest.

Any gain recognised on the sale or retirement of a Market Discount Note (including any payment on a Note that is not qualified stated interest) generally will be treated as ordinary income to the extent of the accrued market discount on the Note. Alternatively, a U.S. Holder of a Market Discount Note may avoid such treatment by electing to include market discount in income currently over the life of the Note. This election applies to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year for which the election is made. This election may not be revoked without the consent of the IRS.

A U.S. Holder of a Market Discount Note that does not elect to include market discount in income currently may be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Note. Such interest is deductible when paid or incurred to the extent of income from the Note for the year. If the interest expense exceeds such income, such excess is currently deductible only to the extent that such excess exceeds the portion of the market discount allocable to the days during the taxable year on which such Note was held by the U.S. Holder.

Market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Note with respect to which it is made and is irrevocable.

Variable Interest Rate Notes

Notes that provide for interest at variable rates ("**Variable Interest Rate Notes**") generally will bear interest at a "qualified floating rate" and thus will be treated as "variable rate debt instruments" under Treasury regulations governing accrual of OID. A Variable Interest Rate Note will qualify as a "variable rate debt instrument" if (a) its issue price does not exceed the total noncontingent principal payments due under the Variable Interest Rate Note by more than a specified *de minimis* amount, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate, and (c) it does not provide for any principal payments that are contingent (other than as described in (a) above).

A "**qualified floating rate**" is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Note is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Interest Rate Note (e.g., two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Interest Rate Note's issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation

(i.e., a cap) or a minimum numerical limitation (i.e., a floor) may, under certain circumstances, fail to be treated as a qualified floating rate.

Under finalised Treasury regulations, Notes referencing an IBOR that are treated as having a qualified floating rate for purposes of the above will not fail to be so treated merely because the terms of the Notes provide for a replacement of the IBOR in the case of a Benchmark Event. In particular, under the regulations, the IBOR referencing rate and the replacement rate are treated as a single qualified rate.

An "**objective rate**" is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g., one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of the Issuer (or a related party) or that is unique to the circumstances of the Issuer (or a related party), such as dividends, profits or the value of the Issuer's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the Issuer). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Interest Rate Note will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Interest Rate Note's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Interest Rate Note's term. A "**qualified inverse floating rate**" is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Interest Rate Note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Variable Interest Rate Note's issue date is intended to approximate the fixed rate (e.g., the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a "current value" of that rate. A "**current value**" of a rate is the value of the rate on any day that is no earlier than 3 months prior to the first day on which that value is in effect and no later than 1 year following that first day.

If a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a "variable rate debt instrument", then any stated interest on the Note which is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a "variable rate debt instrument" generally will not be treated as having been issued with OID unless the Variable Interest Rate Note is issued at a "true" discount (i.e., at a price below the Note's stated principal amount) in excess of a specified *de minimis* amount. OID on a Variable Interest Rate Note arising from "true" discount is allocated to an accrual period using the constant yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note.

In general, any other Variable Interest Rate Note that qualifies as a "variable rate debt instrument" will be converted into an "equivalent" fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Note. Such a Variable Interest Rate Note must be converted into an "equivalent" fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Note with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the Variable Interest Rate Note's issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Note is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note. In the case of a Variable Interest Rate Note that qualifies as a "variable rate debt instrument" and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Note provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Note as of the Variable Interest Rate Note's issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Note is converted into an "equivalent" fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Note is converted into an "equivalent" fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the "equivalent" fixed rate debt instrument by applying the general OID rules to the "equivalent" fixed rate debt instrument and a U.S. Holder of the Variable Interest Rate Note will account for the OID and qualified stated interest as if the U.S. Holder held the "equivalent" fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the "equivalent" fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Note during the accrual period.

If a Variable Interest Rate Note, such as a Note the payments on which are determined by reference to an index, does not qualify as a "variable rate debt instrument", then the Variable Interest Rate Note will be treated as a contingent payment debt obligation. The proper U.S. federal income tax treatment of Variable Interest Rate Notes that are treated as contingent payment debt obligations may be described in the applicable Final Terms.

Notes Purchased at a Premium

A U.S. Holder that purchases a Note for an amount in excess of its principal amount, or for a Discount Note, all of the remaining payments on the Discount Note other than qualified stated interest, may elect to treat the excess as "amortisable bond premium", in which case the amount required to be included in the U.S. Holder's income each year with respect to interest on the Note will be reduced by the amount of amortisable bond premium allocable (based on the Note's yield to maturity) to that year. Special rules may limit the amortisation of bond premium with respect to Notes subject to early redemption.

Any election to amortise bond premium will apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is

irrevocable without the consent of the IRS. See also "*Original Issue Discount – Election to Treat All Interest as Original Issue Discount*".

Election to Treat All Interest as Original Issue Discount

A U.S. Holder may elect to include in gross income all interest that accrues on a Note using the constant-yield method described above under "*Original Issue Discount—General*," with certain modifications. For purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortisable bond premium (described above under "*Notes Purchased at a Premium*") or acquisition premium. This election generally will apply only to the Note with respect to which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Note is made with respect to a Market Discount Note, the electing U.S. Holder will be treated as having made the election discussed above under "*Market Discount*" to include market discount in income currently over the life of all debt instruments having market discount that are acquired on or after the first day of the first taxable year to which the election applies. U.S. Holders should consult their tax advisers concerning the propriety and consequences of this election.

Sale and Retirement of Notes

A U.S. Holder generally will recognise gain or loss on the sale or retirement of a Note equal to the difference between the amount realised on the sale or retirement and the U.S. Holder's adjusted tax basis of the Note. A U.S. Holder's adjusted tax basis in a Note generally will be its cost, increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Note and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the U.S. Holder's income with respect to the Note, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortisable bond premium applied to reduce interest on the Note. The amount realised does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. Except to the extent described above under "*Original Issue Discount – Market Discount*" or "*Original Issue Discount – Short-Term Notes*" or attributable to changes in exchange rates (as discussed below), gain or loss recognised on the sale or retirement of a Note will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period in the Notes exceeds one year. The deductibility of capital losses is subject to limitations.

Except with respect to gains attributable to market discount, gain or loss realised by a U.S. Holder on the sale or retirement of a Note generally will be U.S. source. The rules governing foreign tax credits are complex and prospective purchasers should consult their tax advisers as to the foreign tax credit and other U.S. federal income tax implications if any Turkish taxes are imposed on a sale or retirement of the Notes in their particular circumstances.

Foreign Currency Notes

Interest

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognised by a cash basis U.S. Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognised with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two

methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note) denominated in, or determined by reference to, a foreign currency, the accrual basis U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

OID

OID for each accrual period on a Discount Note that is denominated in, or determined by reference to, a foreign currency, will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Note or a sale or disposition of the Note), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

Market Discount

Market discount on a Note that is denominated in, or determined by reference to, a foreign currency, will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognise U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that does not elect to include market discount in income currently will recognise, upon the sale or retirement of the Note, the U.S. dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

Bond Premium

Bond premium (including acquisition premium) on a Note that is denominated in, or determined by reference to, a foreign currency, will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income (or OID) in units of the foreign currency. On the date bond premium offsets interest income (or OID), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the amount offset multiplied by the difference between the

spot rate in effect on the date of the offset, and the spot rate in effect on the date the Notes were acquired by the U.S. Holder. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognise a market loss when the Note matures.

Sale and Retirement

As discussed above under "*Sale and Retirement of Notes*", a U.S. Holder generally will recognise gain or loss on the sale or retirement of a Note equal to the difference between the amount realised on the sale or retirement and the U.S. Holder's adjusted tax basis in the Note, in each case as determined in U.S. dollars. The rules governing foreign tax credits are complex and prospective purchasers should consult their tax advisers as to the foreign tax credit and other U.S. federal income tax implications if any Turkish taxes are imposed on a sale or retirement of the Notes in their particular circumstances.

A U.S. Holder will recognise U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Note equal to the difference, if any, between the U.S. dollar values of the U.S. Holder's purchase price for the Note (as adjusted for amortised bond premium, if any) (i) on the date of sale or retirement and (ii) the date on which the U.S. Holder acquired the Note. Any such exchange rate gain or loss will be realised only to the extent of total gain or loss realised on the sale or retirement (including any exchange gain or loss with respect to the receipt of accrued but unpaid interest (including OID)). U.S. Holders should consult their own tax advisers about how to account for proceeds received on the sale or retirement of Notes that are not paid in U.S. dollars.

Disposition of Foreign Currency

Foreign currency received as interest on a Note or on the sale or retirement of a Note will have a tax basis equal to its U.S. dollar value at the time the foreign currency is received. Foreign currency that is purchased generally will have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognised on a sale or other disposition of a foreign currency (including its use to purchase Notes or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss.

Backup Withholding and Information Reporting

In general, payments of principal and interest and accruals of OID on, and the proceeds of a sale, or retirement of, Notes, by a U.S. or U.S.-connected paying agent or other U.S. or U.S.-connected intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments, including payments of accrued OID, if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or otherwise fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers about these rules and any other reporting obligations that may apply to the ownership or disposition of Notes, including requirements related to the holding of certain "specified foreign financial assets." Failure to comply with certain reporting obligations could result in the imposition of substantial penalties.

Reportable Transactions

A U.S. taxpayer that participates in a "reportable transaction" will be required to disclose its participation to the IRS. Under the relevant rules, if the Notes are denominated in a foreign currency, a U.S. Holder may be required to treat a foreign currency exchange loss or in connection with from the Notes as a reportable transaction if this loss exceeds the relevant threshold in the regulations (U.S.$50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders), and to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of U.S.$10,000 in the case

of a natural person and U.S.$50,000 in all other cases generally is imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Prospective purchasers are urged to consult their tax advisers regarding the application of these rules.

FATCA WITHHOLDING

Pursuant to certain provisions of the Code, commonly known as FATCA, a "foreign financial institution" (including an intermediary through which Notes are held) may be required to withhold at a rate of 30 per cent. on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Türkiye) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, under proposed Treasury regulations such withholding would not apply to foreign passthru payments prior to the date that is two years after the date on which final regulations defining "foreign passthru payments" are published in the U.S. Federal Register. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. Additionally, Notes that are not treated as equity for U.S. federal income tax purposes and that have a fixed term that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date.

Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

CERTAIN CONSIDERATIONS FOR ERISA AND OTHER U.S. EMPLOYEE BENEFIT PLANS

Subject to the considerations discussed below, the Notes may be acquired with the assets of U.S. employee benefit plans and retirement arrangements ("**Plans**"), including, without limitation, (i) employee benefit plans subject to the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"); (ii) plans and accounts subject to Section 4975 of the Code (including individual retirement accounts); and (iii) any entity deemed within Section 3(42) of ERISA to hold "plan assets" of any such employee benefit plan or other plan (each of (i) through (iii), "**Benefit Plan Investors**"). Fiduciaries of each prospective Benefit Plan Investor should carefully review the discussion below and should consult with counsel before determining to invest the assets of a Plan in the Fund.

The fiduciary provisions of ERISA, and the U.S. Internal Revenue Code and other rules and regulations applicable to Plans that are not subject to ERISA, impose certain obligations on Plan investors and may impose limitations on investment in the Notes. In determining whether to make an investment in the Notes, fiduciaries of Plan investors should carefully consider such provisions in consultation with their advisers. Among other factors, such fiduciaries should consider the composition of the Plan's portfolio with respect to diversification; the cash flow needs of the Plan and the illiquidity of an investment in the Notes; and the economic terms of the Plan's investment in the Notes and the Plan's funding objectives; as well as the tax effects of an investment in the Notes.

In addition, Title I of ERISA sets forth fiduciary standards applicable to any person that is a fiduciary within the meaning of Section 3(21) of ERISA as to a Benefit Plan Investor, and any person that, for any direct or indirect compensation, renders "investment advice" to a Benefit Plan Investor may become a fiduciary within the meaning of Section 3(21) of ERISA to the Benefit Plan Investor. Each of the Issuer and the Dealers has its own interests in the offering and sale of Notes and related transactions, which differ from the interests of any Benefit Plan Investor considering the acquisition or holding of Notes, and accordingly, the Issuer, the Dealers and their respective affiliates have not provided, and are not authorised and do not undertake to provide, any impartial or other investment advice in any fiduciary capacity to any Benefit Plan Investor or any fiduciary, representative or agent thereof. Each Benefit Plan Investor and the responsible fiduciary thereof as to an investment in Notes by the Benefit Plan Investor shall be required to make representations and warranties pertaining to the applicability of ERISA and Section 4975 of the Code.

Fiduciaries of Benefit Plan Investors should also consider whether an investment in the Notes could involve a direct or indirect transaction with a "party in interest" or "disqualified person" as defined in ERISA and Section 4975 of the Code, and if so, whether an exemption is available. ERISA and Section 4975 of the Code contain a statutory prohibited transaction exemption permitting a Benefit Plan Investor to enter into a transaction with a person who is a party in interest or a disqualified person solely by reason of being a non-fiduciary service provider to the Benefit Plan Investor or being affiliated with such a service provider, provided that the transaction is for "adequate consideration." Certain administrative prohibited transaction exemptions may also be available.

Fiduciaries of Benefit Plan Investors should also consider whether an investment in the Fund could involve a conflict of interest. A prohibited conflict could occur, for example, if the fiduciary acting on behalf of a Benefit Plan Investor has any interest in or affiliation with the Issuer, the Dealers and their respective affiliates

that could affect the fiduciary's best judgment as a fiduciary, even if exemptive relief might otherwise be available.

The U.S. Department of Labor ("**DOL**") has issued a regulation (as modified by Section 3(42) of ERISA, the "**Plan Asset Regulation**") that generally provides that when a Benefit Plan Investor acquires an equity interest in an entity such as the Issuer, such investor's assets include its equity interest and an undivided interest in each of the underlying assets of the Fund. This default look-through rule does not apply, however, to: (i) the acquisition of an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features, (ii) an equity interest in a public company or a security issued by an investment company registered under the United States Investment Company Act of 1940 or (iii) to an equity interest in an entity that qualifies as an "operating company." An operating company under the Plan Asset Regulation is an entity that is primarily engaged, directly or through majority owned subsidiaries in production or sale of a product or service other than the investment of capital. The Issuer believes the Notes should be exempt from the plan asset look-through rule described above by virtue of the Notes being either (i) treated as indebtedness under applicable local law; or (ii) an investment in an operating company as defined under the Plan Asset Regulation. There is very little authority regarding the application of ERISA and the Plan Asset Regulation to entities such as the Issuer, and there can be no assurance that the DOL or the courts would not take a position or promulgate additional rules or regulations that could significantly impact the "plan asset" status of the Issuer.

If the Issuer or the Notes did not satisfy one of these exceptions and was, as a result, the Issuer were deemed to hold plan assets of Benefit Plan Investors, the Issuer, the Dealers and their respective affiliates would each become a fiduciary to each Benefit Plan Investor and certain aspects of the operation of the Notes could result in violations of ERISA. In addition, any transaction the Issuer enters into would be treated as a transaction with each such Benefit Plan Investor and could result in a "prohibited transaction" under ERISA or Section 4975 of the Code.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) are not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of Title I of ERISA or Section 4975 of the Code but may be subject to applicable U.S. federal, state, local or non-U.S. laws or regulations that are substantially similar to the prohibited transaction provisions of Title I of ERISA or Section 4975 of the Code ("**Similar Law**").

The sale of Notes to a Benefit Plan Investor is in no respect a representation by the Issuer of the Dealers that such an investment meets all relevant legal requirements with respect to investments by Benefit Plan Investors generally or any particular Benefit Plan Investor. Prospective investors are advised to consult their advisers with respect to the consequences under ERISA, Section 4975 of the Code and Similar Law of the acquisition, ownership or disposition of the Notes.

SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Dealers have, in an amended and restated programme agreement (the "**Programme Agreement**") dated 28 April 2026, agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*". In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith, including liabilities under the Securities Act, or to contribute to payments that the Dealers may be required to make because of those liabilities.

Any offers and sales of the Notes in the United States may only be made by those Dealers or their affiliates that are registered broker-dealers under the Exchange Act, or in accordance with Rule 15a-6 thereunder. One or more Dealers participating in the offering of any Tranche of Notes issued under the Programme may engage in transactions that stabilise, maintain or otherwise affect the market price of the relevant Notes during and after the offering of the Tranche. Specifically such persons may over-allot or create a short position in the Notes for their own account by selling more Notes than have been sold to them by the Issuer. Such persons may also elect to cover any such short position by purchasing Notes in the open market. In addition, such persons may stabilise or maintain the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Notes are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilisation transactions or otherwise. The effect of these transactions may be to stabilise or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales thereof. No representation is made as to the magnitude or effect of any such stabilising or other transactions. Such transactions, if commenced, may be discontinued at any time. Under UK laws and regulations stabilising activities may only be carried on by the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) and only for a limited period following the Issue Date of the relevant Tranche of Notes.

The Issuer expects that delivery of interests in Notes will be made on the issue date for such Notes, as such date will be communicated in connection with the offer and sale of such Notes. Potential investors that are U.S. persons should note that the issue date may be more than one business day (this settlement cycle being referred to as "T+1") following the trade date of such Notes. Under Rule 15c6-l of the Exchange Act, trades in the secondary market generally are required to settle in one New York business day, unless the parties to any such trade expressly agree otherwise. Accordingly, investors who wish to trade interests in Notes issued under the Programme on the trade date relating to such Notes or the next New York business days will be required, by virtue of the fact that the Notes initially may settle on a settlement cycle longer than T+1, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Investors in the Notes who wish to trade interests in Notes issued under the Programme on their trade date or the next New York business days should consult their own adviser.

The Dealers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Dealers or their respective affiliates may have performed investment banking and advisory services for the Issuer and its

affiliates from time to time for which they may have received fees, expenses, reimbursements and/or other compensation. The Dealers or their respective affiliates may, from time to time, engage in transactions with and perform advisory and other services for the Issuer and its affiliates in the ordinary course of their business. Certain of the Dealers and/or their respective affiliates have acted and expect in the future to act as a lender to the Issuer and/or other members of the Group and/or otherwise participate in transactions with the Group.

In the ordinary course of their various business activities, the Dealers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer. In addition, certain of the Dealers and/or their respective affiliates hedge their credit exposure to the Issuer pursuant to their customary risk management policies. These hedging activities could have an adverse effect on the future trading prices of the Notes offered hereby from time to time.

The Dealers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities or instruments.

Transfer Restrictions

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Registered Notes (other than a person purchasing an interest in a Registered Global Note with a view to holding it in the form of an interest in the same Global Note) or person wishing to transfer an interest from one Registered Global Note to another or from global to definitive form or vice versa, will be required to acknowledge, represent and agree, and each person purchasing an interest in a Registered Global Note with a view to holding it in the form of an interest in the same Global Note will be deemed to have acknowledged, represented and agreed, as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

(a) that either: (i) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware, and each beneficial owner of such notes has been advised, that any sale to it is being made in reliance on Rule 144A or (ii) it is not a U.S. person and purchased the Notes in an "offshore transaction";

(b) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. Federal or State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(c) that, unless it holds an interest in a Regulation S Global Note and is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so, only (i) to the Issuer or any affiliate thereof, (ii) in the United States to a person whom the seller and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (iii) in an offshore

transaction in compliance with Rule 903 or 904 under the Securities Act or (iv) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available);

(d) that it will, and will require each subsequent holder to, notify any purchaser or transferee, as applicable, of the Notes from it of the resale and transfer restrictions referred to in paragraph (c) above, if then applicable;

(e) that Notes initially offered inside the United States to QIBs will be represented by one or more Rule 144A Global Notes and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes, Definitive Regulation S Registered Notes or Bearer Global Notes;

(f) at the time of its acquisition and throughout the period in which it holds such Note or any interest therein, that (i) either (A) it is not and will not be (I) a Benefit Plan Investor, or (II) a governmental plan, church plan, or non-U.S. plan that is subject to a Similar Law, or (B) the acquisition, holding and disposition of such Note or any interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or a violation of any applicable Similar Law; (ii) if it is a Benefit Plan Investor, none of the Transaction Parties has provided or undertaken to provide any advice in a fiduciary capacity or has received any compensation for any such advice (as distinct from other services) from the Benefit Plan Investor as to the acquisition, holding and disposition of such Note or any interest therein by the Benefit Plan Investor; and (iii) it will not sell or otherwise transfer such Note or interest therein to any person without first obtaining the same foregoing representations, warranties and covenants from that person. Any purported purchase or transfer of such Note or any interest therein that does not comply with the foregoing shall be null and void;

(g) that the Rule 144A Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) IN THE UNITED STATES TO A PERSON WHOM THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR 904 UNDER THE SECURITIES ACT OR (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES

ACT (IF AVAILABLE); AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM ANY INTEREST IN THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR RESALES OF THE SECURITY.

EACH PURCHASER AND HOLDER OF THIS SECURITY (OR ANY INTEREST HEREIN) AGREES THAT IT WILL BE DEEMED BY SUCH PURCHASE OR HOLDING OF THIS SECURITY (OR ANY INTEREST HEREIN) TO HAVE REPRESENTED, WARRANTED AND AGREED, ON EACH DAY FROM THE DATE ON WHICH THE PURCHASER OR HOLDER ACQUIRES THIS SECURITY (OR ANY INTEREST HEREIN) THROUGH AND INCLUDING THE DATE ON WHICH THE PURCHASER OR HOLDER DISPOSES OF THIS SECURITY (OR ANY INTEREST HEREIN), THAT (1) EITHER (A) IT IS NOT AND WILL NOT BE (I) AN EMPLOYEE BENEFIT PLAN OR OTHER PLAN THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY AND PROHIBITED TRANSACTION PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR AN ENTITY OR ARRANGEMENT WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF AN INVESTMENT THEREIN BY ANY SUCH EMPLOYEE BENEFIT PLAN OR OTHER PLAN (ANY SUCH EMPLOYEE BENEFIT PLAN, OTHER PLAN, ENTITY OR ARRANGEMENT, A "BENEFIT PLAN INVESTOR") OR (II) A GOVERNMENTAL PLAN, CHURCH PLAN OR NON-U.S. PLAN THAT IS SUBJECT TO A U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT CONTAINS ONE OR MORE PROVISIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE FIDUCIARY RESPONSIBILITY AND PROHIBITED TRANSACTION PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") OR (B) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS SECURITY (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR A VIOLATION OF ANY APPLICABLE SIMILAR LAW; (2) IF IT IS A BENEFIT PLAN INVESTOR, NONE OF THE ISSUER, THE DEALERS OR THEIR RESPECTIVE AFFILIATES HAS PROVIDED OR UNDERTAKEN TO PROVIDE ANY ADVICE IN A FIDUCIARY CAPACITY OR HAS RECEIVED ANY COMPENSATION FOR ANY SUCH ADVICE (AS DISTINCT FROM OTHER SERVICES) FROM THE BENEFIT PLAN INVESTOR AS TO THE ACQUISITION, HOLDING AND DISPOSITION OF THIS SECURITY (OR ANY INTEREST HEREIN) BY THE BENEFIT PLAN INVESTOR; AND (3) IT WILL NOT SELL OR OTHERWISE TRANSFER THIS SECURITY (OR ANY INTEREST HEREIN) TO ANY PERSON WITHOUT FIRST OBTAINING THE SAME FOREGOING REPRESENTATIONS, WARRANTIES AND COVENANTS FROM THAT PERSON. ANY PURPORTED PURCHASE OR TRANSFER OF THIS SECURITY (OR ANY INTEREST HEREIN) THAT DOES NOT COMPLY WITH THE FOREGOING SHALL BE NULL AND VOID.

[THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED

ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFORE, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).”][7];

(h) that the Notes in registered form which are registered in the name of a nominee of DTC will bear an additional legend to the following effect unless otherwise agreed to by the Issuer:

“UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION, (DTC), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED NOTE ISSUED IN EXCHANGE FOR THIS GLOBAL NOTE OR ANY PORTION HEREOF IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON OTHER THAN DTC OR A NOMINEE THEREOF IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS GLOBAL SECURITY MAY NOT BE EXCHANGED, IN WHOLE OR IN PART, FOR A SECURITY REGISTERED IN THE NAME OF ANY PERSON OTHER THAN THE DEPOSITORY TRUST COMPANY OR A NOMINEE THEREOF EXCEPT IN THE LIMITED CIRCUMSTANCES SET FORTH IN THIS GLOBAL SECURITY, AND MAY NOT BE TRANSFERRED, IN WHOLE OR IN PART, EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THIS LEGEND. BENEFICIAL INTERESTS IN THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH THIS LEGEND.”;

(i) if it is outside the United States and is not a U.S. person, that if it should resell or otherwise transfer the Notes prior to the expiration of the distribution compliance period (defined as 40 days after the completion of the distribution, as determined and certified by the relevant Dealer, in the case of a non-syndicated issue, or the lead manager, in the case of a syndicated issue, of all Notes of the Tranche of which such Notes are a part), it will do so only (a) (i) outside the United States in compliance with Rule 903 or 904 under the Securities Act or (ii) to a QIB in compliance with Rule 144A and (b) in accordance with all applicable U.S. State securities laws; and it acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

“THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER

[7] To be included on a Registered Note only.

APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. UNTIL THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS A PART, SALES MAY NOT BE MADE IN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS UNLESS MADE IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 5 OF THE SECURITIES ACT.

EACH PURCHASER AND HOLDER OF THIS SECURITY (OR ANY INTEREST HEREIN) AGREES THAT IT WILL BE DEEMED BY SUCH PURCHASE OR HOLDING OF THIS SECURITY (OR ANY INTEREST HEREIN) TO HAVE REPRESENTED, WARRANTED AND AGREED, ON EACH DAY FROM THE DATE ON WHICH THE PURCHASER OR HOLDER ACQUIRES THIS SECURITY (OR ANY INTEREST HEREIN) THROUGH AND INCLUDING THE DATE ON WHICH THE PURCHASER OR HOLDER DISPOSES OF THIS SECURITY (OR ANY INTEREST HEREIN), THAT (1) EITHER (A) IT IS NOT AND WILL NOT BE (I) AN EMPLOYEE BENEFIT PLAN OR OTHER PLAN THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY AND PROHIBITED TRANSACTION PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR AN ENTITY OR ARRANGEMENT WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF AN INVESTMENT THEREIN BY ANY SUCH EMPLOYEE BENEFIT PLAN OR OTHER PLAN (ANY SUCH EMPLOYEE BENEFIT PLAN, OTHER PLAN, ENTITY OR ARRANGEMENT, A "BENEFIT PLAN INVESTOR") OR (II) A GOVERNMENTAL PLAN, CHURCH PLAN OR NON-U.S. PLAN THAT IS SUBJECT TO A U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT CONTAINS ONE OR MORE PROVISIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE FIDUCIARY RESPONSIBILITY AND PROHIBITED TRANSACTION PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") OR (B) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS SECURITY (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR A VIOLATION OF ANY APPLICABLE SIMILAR LAW; (2) IF IT IS A BENEFIT PLAN INVESTOR, NONE OF THE ISSUER, THE DEALERS OR THEIR RESPECTIVE AFFILIATES HAS PROVIDED OR UNDERTAKEN TO PROVIDE ANY ADVICE IN A FIDUCIARY CAPACITY OR HAS RECEIVED ANY COMPENSATION FOR ANY SUCH ADVICE (AS DISTINCT FROM OTHER SERVICES) FROM THE BENEFIT PLAN INVESTOR AS TO THE ACQUISITION, HOLDING AND DISPOSITION OF THIS SECURITY (OR ANY INTEREST HEREIN) BY THE BENEFIT PLAN INVESTOR; AND (3) IT WILL NOT SELL OR OTHERWISE TRANSFER THIS SECURITY (OR ANY INTEREST HEREIN) TO ANY PERSON WITHOUT FIRST OBTAINING THE SAME FOREGOING REPRESENTATIONS, WARRANTIES AND COVENANTS FROM THAT PERSON. ANY PURPORTED PURCHASE OR

TRANSFER OF THIS SECURITY (OR ANY INTEREST HEREIN) THAT DOES NOT COMPLY WITH THE FOREGOING SHALL BE NULL AND VOID.

[THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFORE, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).][8]" and

(j) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Prospective purchasers are hereby notified that sellers of the Securities may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Pursuant to the BRSA decision dated 6 May 2010 No. 3665, the BRSA decision dated 30 September 2010 No. 3875 and in accordance with Decree 32, residents of Türkiye: (a) may purchase or sell Notes denominated in a currency other than Turkish Lira offshore on an unsolicited (reverse inquiry) basis in the secondary markets only and (b) may purchase or sell Notes denominated in Turkish Lira offshore on an unsolicited (reverse inquiry) basis in both the primary and secondary markets. Further, pursuant to Article 15(4)(ii) of Decree 32, Turkish residents may purchase or sell Notes offshore on an unsolicited (reverse inquiry) basis; provided that such purchase or sale is made through licensed banks or licensed brokerage institutions authorised pursuant to CMB and/or BRSA regulations and the purchase price is transferred through banks. As such, Turkish residents should use licensed banks or licensed brokerage institutions authorised pursuant to CMB and/or BRSA regulations while purchasing the Notes and should transfer the purchase price through licensed banks authorised under the BRSA Regulations.

[8] To be included on a Registered Note only.

Selling Restrictions

Türkiye

The Issuer has obtained the CMB Approval from the CMB and the BRSA Approval from the BRSA required for the issuance of Notes under the Programme. Pursuant to the CMB Approval and the BRSA Approval, the offer, sale and issue of Notes under the Programme has been authorised and approved in accordance with Decree 32, the Banking Law and its related legislation, the Capital Markets Law and its related legislation and as per the Green Debt Instruments, Sustainable Debt Instruments, Green Lease Certificates, Sustainable Lease Certificates Guide published by the CMB on 24 February 2022, in order to make green issuances outside of Türkiye, the Issuer should obtain a separate approval from the CMB in addition to the CMB Approval mentioned above. In addition, Notes may only be offered or sold outside of Türkiye in accordance with the CMB Approval and the BRSA Approval. Under the CMB Approval, the CMB has authorised the offering, sale and issue of any Notes within the scope of such CMB Approval on the condition that no transaction that qualifies as a sale or offering of Notes in Türkiye may be engaged in. Notwithstanding the foregoing, pursuant to the BRSA decision dated 6 May 2010 No. 3665, the BRSA decision dated 30 September 2010 No. 3875 and in accordance with Decree 32, residents of Türkiye: (a) may purchase or sell Notes denominated in a currency other than Turkish Lira in offshore transactions on an unsolicited (reverse inquiry) basis in the secondary markets only; and (b) may purchase or sell Notes denominated in Turkish Lira in offshore transactions on an unsolicited (reverse inquiry) basis both in the primary and secondary markets. Further, pursuant to Article 15(4)(ii) of Decree 32, Turkish residents may purchase or sell Notes offshore on an unsolicited (reverse inquiry) basis *provided* that such purchase or sale is made through licensed banks or licensed brokerage institutions authorised pursuant to CMB and/or BRSA regulations and the purchase price is transferred through licensed banks authorised under BRSA regulations. As such, Turkish residents should transfer the purchase price through licensed banks authorised under the BRSA regulations.

A written approval (whether in the form of a tranche issuance certificate (*tertip ihraç belgesi*) or in any other form required under the applicable legislation) approved by the CMB on or before the issue date of each such Tranche of Notes. The Issuer shall maintain all authorisations and approvals of the CMB as necessary for the offer, sale and issue of Notes under the Programme.

Monies paid for purchases of Notes are not protected by the insurance coverage provided by the SDIF.

United States

The Notes have not been and will not be registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and in accordance with all applicable local, state or federal laws. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and U.S. Treasury regulations promulgated thereunder.

In connection with any Regulation S Notes each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver

such Regulation S Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Regulation S Notes are a part, other than in an offshore transaction to, or for the account or benefit of, persons that are not U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each distributor to which it sells any Regulation S Notes during the applicable distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Notes other than in an offshore transaction to, or for the account or benefit of, persons that are not U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes other than in an offshore transaction to a person that is not a U.S. person or under Rule 144A under the Securities Act ("**Rule 144A**") as set forth below by any distributor (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Dealers may arrange for the resale of Registered Notes to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are "restricted securities" within the meaning of the Securities Act, the Issuer has undertaken in the Deed Poll to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by such holder, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, any of the Notes remain outstanding as "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act and the Issuer is neither a reporting company under Section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

Prohibition of Sales to EEA Retail Investors

If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**");

  (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  (iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes does not include a legend entitled "Prohibition of Sales to EEA Retail Investors", in relation to each Member State of the European Economic Area (each, a "**Relevant State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant State, except that it may make an offer of such Notes to the public in that Relevant State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

UK

Prohibition of sales to UK Retail Investors

If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Notes which are the subject of this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is either one (or both) of the following:

  (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or

  (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe for the Notes.

If the Final Terms in respect of any Notes does not include a legend entitled "Prohibition of Sales to UK Retail Investors", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes

which are the subject of this Base Prospectus as completed by the Final Terms in relation thereto to the public in the UK except that it may make an offer:

(A) at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;

(B) at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer;

(C) at any time if the denomination per Note being offered amounts to at least £50,000 (or equivalent); or

(D) at any time in any other circumstances falling within Part 1of Schedule 1 to the POATRs.

For the purposes of this provision, the expression "**an offer of Notes to the public**" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe for the Notes and the expression "**POATRs**" means the Public Offers and Admissions to Trading Regulations 2024.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

Belgium

Other than in respect of any Notes for which "Prohibition of Sales to Belgian Consumers" is specified as "Not Applicable" in the applicable Final Terms, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not advertised, offered, sold or delivered and will not advertise, offer, sell or deliver, directly or indirectly, Notes to any Belgian Consumers, and has not distributed or caused to be distributed and will not distribute or cause to be distributed, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer. For these purposes, a "**Belgian Consumer**" has the meaning provided by the Belgian Code of Economic Law, as amended from time to time (*Wetboek van 28*

februari 2013 van economisch recht/Code du 28 février 2013 de droit économique), being any natural person resident or located in Belgium and acting for purposes which are outside his/her trade, business or profession.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**") and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Kingdom of Bahrain

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Notes to (i) the Public (as defined in Articles 142-146 of the Commercial Companies Law (Decree Law No. 21/2001 of Bahrain)) in the Kingdom of Bahrain or (ii) any person in the Kingdom of Bahrain who is not an "accredited investor".

For this purpose, an "**accredited investor**" means:

(a) an individual holding financial assets (either singly or jointly with a spouse) of U.S.$1,000,000 or more excluding that person's principal place of residence;

(b) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.$1,000,000; or

(c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund).

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Switzerland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that this Base Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Notes and the Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (the "**FinSA**") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Base Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been and will not be registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Notes or caused any Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause any Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute this Base Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, or (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to, and in accordance with, the conditions specified in Section 275 of the SFA.

Notification under Section 309B(1)(c) of the SFA – In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018).

Thailand

This Base Prospectus has not been approved by or filed with the Securities and Exchange Commission in Thailand or any other regulatory authority of the Kingdom of Thailand. Accordingly the Notes may not be offered or sold, nor may this Base Prospectus or any other documents in relation to the offer of the Notes be distributed, directly or indirectly, to any person in Thailand except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the Thai government and regulatory authorities in effect at the relevant time.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject

or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

GENERAL INFORMATION

Authorisation

The update of the Programme and the issue of Notes have been duly authorised by resolutions of the Board of Directors of the Issuer dated 27 November 2025 (for both green/sustainable issuances and non-green/sustainable issuances).

Listing of Notes

This Base Prospectus has been approved by the Central Bank of Ireland as a base prospectus. Application has also been made to Euronext Dublin for Notes issued under the Programme to be admitted to the Official List and to trading on the Regulated Market. The Regulated Market is a regulated market for the purposes of MiFID II.

Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available in electronic format on the Issuer's website (https://www.tskb.com.tr/en/investor-relations):

(a) the articles of association (with a certified English translation thereof) of the Issuer;

(b) the BRSA Financial Statements incorporated by reference herein;

(c) the most recently published audited annual financial statements of the Issuer and the most recently published unaudited interim financial statements of the Issuer, in each case in English and together with any audit or review reports prepared in connection therewith. The Issuer currently prepares audited consolidated and unconsolidated financial statements in accordance with BRSA Principles on an annual basis and unaudited consolidated and unconsolidated interim financial statements in accordance with BRSA Principles on a quarterly basis;

(d) a copy of this Base Prospectus;

(e) the Agency Agreement (including the forms of the Deed of Covenant, the Deed Poll, the Global Notes, the Notes in definitive form, the Coupons and the Talons); and

(f) any future supplements and Final Terms (in respect of Notes which are admitted to trading on a regulated market in the EEA or offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation) to this Base Prospectus and any other documents incorporated herein or therein by reference.

See "*Documents Incorporated by Reference*" above.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg which are the entities in charge of keeping the records. The appropriate Common Code and ISIN and, if applicable, the FISN and/or CFI for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be

specified in the applicable Final Terms. In addition, the Issuer may make an application for any Notes in registered form to be accepted for trading in book-entry form by DTC. The CUSIP and/or CINS numbers for each Tranche of such Registered Notes, together with the relevant ISIN, Common Code and (if applicable) FISN and/or CFI, will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium. The address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg. The address of DTC is 55 Water Street, New York, New York 10041, United States of America.

Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

Significant or Material Change

There has been: (a) no significant change in the financial performance or financial position of either the Group or the Bank since 31 December 2025 and (b) no material adverse change in the prospects of either the Group or the Bank since 31 December 2025.

Litigation

Save as disclosed under "*Business of the Group – Legal Proceedings – Tax Audit*" in this Base Prospectus, neither the Issuer nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer or the Group.

Independent Auditors

The annual consolidated financial statements of Türkiye Sınai Kalkınma Bankası A.Ş. as of and for the years ended 31 December 2024 and 31 December 2025, incorporated by reference in this Base Prospectus, have been audited by PwC, independent auditors, as stated in their audit reports incorporated by reference herein. The annual consolidated financial statements of Türkiye Sınai Kalkınma Bankası A.Ş. as of and for the year ended 31 December 2023, incorporated by reference in this Base Prospectus, have been audited by EY, independent auditors, as stated in their audit report incorporated by reference herein.

The annual unconsolidated financial statements of Türkiye Sınai Kalkınma Bankası A.Ş. as of and for the years ended 31 December 2024 and 31 December 2025, incorporated by reference in this Base Prospectus, have been audited by PwC, independent auditors, as stated in their audit reports incorporated by reference herein. The annual unconsolidated financial statements of Türkiye Sınai Kalkınma Bankası A.Ş. as of and for the year ended 31 December 2023, incorporated by reference in this Base Prospectus, have been audited by EY, independent auditors, as stated in their audit report incorporated by reference herein.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst & Young Global Limited) ("**EY**"), independent auditors, is located at Maslak Mahallesi Eski Büyükdere Cad., Orjin Plaza, No: 27, Kat:2-3-4, Daire: 54-57-59, Sariyer, 34485 Istanbul, Türkiye, and is a member of Kamu Gözetimi Kurumu (Public Oversight Authority) and authorised by the BRSA to conduct independent audits of banks in Türkiye.

The Bank appointed PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of PricewaterhouseCoopers International Limited) ("**PwC**") as its independent auditor effective as of 1 January 2024 for the 2024 fiscal year. PwC is an independent auditor in Türkiye and is authorised by both the BRSA and the POA to conduct independent audits of banks in Türkiye.

The BRSA Financial Statements as of and for the year ended 31 December 2025 have been audited by independent auditors PwC in accordance with the Turkish Auditor Regulation and the Standards on Independent Auditing, which is a component of the Turkish Auditing Standards published by the POA as stated in PwC's audit reports included in such BRSA Financial Statements. PwC is located at Kılıçali Paşa Mah. Meclis-i Mebusan Cad. No: 8, Galataport İstanbul, D Blok, Beyoğlu, İstanbul Türkiye.

Each of EY's and PwC's independent auditor's reports included in the BRSA Financial Statements incorporated by reference herein contains a qualification (see "*Risk Factors – Other Group Related Risks – Qualified Audit Opinion – The independent auditor's reports in relation to each of the BRSA Financial Statements include a qualification*" for further information).

Listing Agent

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Bank in connection with the Programme and is not itself seeking admission of Notes issued under the Programme to the Official List or to trading on the Regulated Market for the purposes of the Prospectus Regulation.

Dealers transacting with the Issuer

Certain of the Dealers, the Arrangers and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to, the Issuer and its affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Arrangers, the Dealers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates, including Notes issued under the Programme. The Arrangers, certain of the Dealers and their respective affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Arrangers, such Dealers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Arrangers, the Dealers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

APPENDIX 1
OVERVIEW OF SIGNIFICANT DIFFERENCES BETWEEN IFRS AND BRSA ACCOUNTING PRINCIPLES

The BRSA Financial Statements are prepared in accordance with the BRSA Principles. The BRSA Principles, statements, communiqués and guidance differ from IFRS in some instances that might be material to the financial information herein. Such differences primarily relate to the format of the presentation of financial statements, disclosure requirements (*e.g.*, IFRS 7) and accounting policies. BRSA format and disclosure requirements are prescribed by relevant regulations and do not always conform to IFRS or IAS 34 standards. The following paragraphs contain a narrative description of differences between IFRS and the BRSA Principles as adopted by the Issuer in preparing its annual financial statements.

Similar differences with IFRS also exist in the accounting policies and disclosure requirements applied to consolidated subsidiaries, especially those providing life and non-life insurance services, which are subject to policies/requirements of the Turkish Treasury, and factoring and leasing services, which are subject to specific BRSA policies/requirements.

The financial information included in this Base Prospectus has not been prepared in accordance with International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002 and therefore there may be material differences in the financial information had Regulation (EC) No 1606/2002 been applied to the historical financial information.

Hyperinflationary Accounting

Pursuant to TAS 29 and IAS 29, the financial statements of entities whose functional currency is that of a hyperinflationary economy must be adjusted for the effects of changes in a general price index. Neither TAS 29 nor IAS 29 establishes an absolute rate when hyperinflation is deemed to arise, but rather each provides a series of non-exclusive guidelines as to when restatement of financial statements becomes necessary. These guidelines include, among other considerations, quantitative criteria based upon verifying whether the three-year cumulative inflation rate approaches or exceeds 100%. In March 2022, the International Practices Task Force of the Centre for Audit Quality, which monitors countries experiencing high inflation, categorised Türkiye as a country with a three-year cumulative inflation rate greater than 100% as of 28 February 2022. Accordingly, Turkish companies reporting under IFRS should apply IAS 29 to their financial statements for periods ending on and after 30 June 2022.

With respect to TFRS, TAS 29 recommends that all entities that report in the currency of the same hyperinflationary economy apply this standard from the same date. As such, as indicated in TAS 29, in order to ensure application compatibility within Türkiye, all reporting entities are expected to start to use TAS 29 at the same time following an announcement to do so by the POA. On 23 November 2023, the POA published an announcement requiring entities that apply TFRS to present their financial statements by adjusting for the impact of inflation for the annual period ending on or after 31 December 2023 in accordance with the principles set out in TAS 29; *however*, this announcement (notwithstanding the last sentence of the preceding paragraph) also provided that institutions authorised to regulate and supervise Turkish companies (*e.g.*, the BRSA as the regulator of Turkish banks) may determine a different transition date and, on 12 December 2023, the BRSA announced that such shall not apply for banks for BRSA Financial Statements as of and for the year ended 31 December 2023. Such implementation has since been further delayed by the BRSA, including its 5 December 2024 announcement that such shall not apply for banks for 2025. On 18 December

2025, the BRSA repealed its prior decision regarding the application of inflation accounting and determined that banks and other financial institutions subject to BRSA supervision would not be required to apply inflation accounting. As a result: (a) the BRSA Financial Statements incorporated by reference into this Base Prospectus have not applied, and there is no obligation to apply such standards to BRSA Financial Statements for future periods.

Presentation of Financial Statements

There are differences in presentation of financial statements other than measurement differences. These differences can be briefly explained by mandatory financial statement line items in accordance with TAS/IAS 1, disclosure requirements of TFRS/IFRS 7 or, where applicable, the disclosure requirements of other standards. BRSA Financial Statements (including the related notes) are presented under a special format determined by the BRSA. The format and content of the BRSA financial statements and notes are prepared in accordance with the "Communique on Financial Statements to be Disclosed to Public by Banks and Explanations and Footnotes thereof" and "Communique on Disclosures about Risk Management to be Announced to Public by Banks." Similarly, balance sheet, statement of comprehensive income, statement of changes in equity and statement of cash flows and notes related to risk management are presented using this specified format. The BRSA also requires a statement for off balance sheet items. These presentation differences might vary based upon the sector that the related consolidated subsidiary operates in, especially those providing life and non-life insurance services, which are subject to the Turkish Treasury policies/requirements, and factoring or leasing services, which are subject to specific BRSA policies/requirements.

Basis for Consolidation

Consolidation under the BRSA Principles and TFRS/IFRS are based upon the concept of the power to control in determining whether a parent/subsidiary relationship exists and that consolidation is appropriate. Control is typically exhibited where an entity has the majority of the voting rights.

Only financial sector subsidiaries are consolidated under BRSA Principles, whereas non-financial subsidiaries are carried at cost or accounted by using the equity method defined in TAS 28 "Investments in Subsidiaries and Associates" or carried at fair value in accordance with IFRS 9." Under IFRS, all subsidiaries are consolidated.

Modified Financial Assets

Following the implementation of IFRS 9 as of 1 January 2018, the BRSA Principles regarding classification and measurement as well as expected credit loss principles applicable to financial instruments' portfolios were aligned with IFRS; however, the BRSA made some amendments to the application of the relevant BRSA Principles through communiqués and other laws, which amendments resulted in some differences in terms of staging and expected credit loss calculations between the BRSA Principles and the application of IFRS.

Reclassification of financial assets between Stage 1, Stage 2, and Stage 3 in the Expected Credit Loss (ECL) model refers to the movement of modified financial assets across these stages, depending on changes in credit risk. While IFRS 9 implicitly addresses this, local regulatory frameworks like those enforced by the BRSA define the reclassification and cure policy as follows:

BRSA Approach

Turkish local regulations provide clearer and more prescriptive guidance compared to IFRS 9. BRSA provides specific requirements for evidence to support reclassification, including sustained repayment, adherence to predefined credit metrics, and sustained improvement in financial performance. Examples include:

Assets restructured under new payment terms may stay in Stage 2 for a defined observation period before being upgraded to Stage 1, even if immediate payment improvements are observed.

Assets moved into Stage 3 due to default must show a sustained repayment period (e.g., six months of consistent payments) before being eligible for reclassification as stage 2.

Observation Periods: Modified financial assets often remain in Stage 2 or Stage 3 during a "quarantine period" until performance indicates a recovery. This prevents premature upgrades based upon short-term repayment changes.

While IFRS 9 provides flexibility by relying on qualitative analysis and judgment, BRSA regulations offer a more structured, rule-based approach to reclassification for modified financial assets. The BRSA's clear criteria and observation periods reduce ambiguity and ensure a more conservative and standardised application but may lead to delayed upgrades or stricter requirements for financial recovery.

Associates

Under IFRS, an entity is considered as an associate of the Group if the Group has significant influence, but not control, over the financial and operational policies of such entity. The same rule applies under the BRSA Principles; *however*, according to the BRSA Principles, an entity operating in the financial sector is consolidated as an associate if an employee representative of the Group is on the board of directors of such entity. Under TFRS/IFRS, the existence of an employee representative of the Group on the board of directors of an entity is not sufficient to establish that the Group has a significant influence on such an entity.

According to the "Communique on Preparation of Consolidated Financial Statements of Banks," significant influence refers to the power to participate in the establishment of financial and administrative policies of the partnership that is being participated in. If the parent bank has qualified share in the partnership that is being participated, unless otherwise proved, it is accepted that it has significant influence in that associate. The existence of another investor holding significant amount or majority ownership does not pose an obstacle for the parent bank to have significant influence in that associate.

According to definitions in "Banking Law No. 5411," qualified shares are shares that represent, directly or indirectly, 10% or more of the capital or voting rights of an undertaking or that yield the privilege to appoint members to the board of director even though such rate is below 10%. Controlling owner refers to natural or legal persons that directly or indirectly, individually or jointly, control an undertaking.

According to "Communique on Preparation of Consolidated Financial Statements of Banks," the existence of matters such as representation in a board of directors or an equivalent unit of the associate that is being participated in, participation in policy-making process of the partnership that is being participated in and changeability of management staff of the subsidiary with management staff of other partnerships within the group are accepted as indicators of significant influence.

Equity Accounting

Under the BRSA Principles, financial sector associates are subject to consolidation based upon the equity method if the Group has significant influence, but not control, over the financial and operating policies of

such entities. According to the BRSA Principles, if an employee representative of the Group is on the board of directors of an entity, then the Group has significant influence over the financial and operating policies of such entity. Under TFRS/IFRS, the existence of an employee representative of the Group on the board of directors of an entity is not sufficient to consider such entity an associate and consolidate such entity based upon the equity method.

According to Article 5 of "Communiqué on Preparation of Consolidated Financial Statements of Banks," parent banks are required to prepare consolidated financial statements by implementing Turkish Accounting Standards as of the end of the calendar year and as of the end of March, June and September and provides that such banks shall be presented as a single enterprise with their partnerships in credit institution or financial institutions, except for certain exceptions determined under paragraphs 4, 5 and 6 of such article.

IFRS 17 (Insurance)

IFRS 17 is effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted as long as IFRS 9 is also applied; *however*, in Türkiye, TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 was deferred for insurance, reinsurance and pension companies, becoming effective (and replacing IFRS 4 Insurance Contracts) on 1 January 2027.

Assets Held for Sale

IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" mandates that, unless specific conditions outlined in paragraph 9 thereof are met, an asset classified as held for sale should generally be sold within one year. In contrast, according to the BRSA, this period is three years for banks.

IFRS 9

Under Turkish regulations, banks are required to apply IFRS 9 Financial Instruments; *however*, this is not the case for non-bank financial institutions such as factoring, leasing and consumer finance companies, which have the option to apply IFRS 9 voluntarily as per their specific regulations. This is outlined in the Regulation on Uniform Chart of Accounts and Financial Statement Examples for Leasing, Factoring, and Financing Companies (as published in the Official Gazette No. 28861 dated 24 December 2013), which regulation allows such non-bank financial institutions to follow local accounting standards unless they choose to implement IFRS 9. Such companies may allocate expected credit loss provisions under TFRS 9 so long as they notify the BRSA in accordance with the relevant regulations. In contrast, IFRS mandates the application of IFRS 9 for all entities without exception.

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