

APPENDIX A.5: UNEP FI Principles for Responsible Banking Impact Report

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	HIGH-LEVEL SUMMARY OF THE BANK'S RESPONSE	REFERENCE(S)/LINK(S) TO FULL BANK RESPONSE/ RELEVANT INFORMATION
<p>PRINCIPLE 1: ALIGNMENT WE WILL ALIGN OUR BUSINESS STRATEGY TO BE CONSISTENT WITH AND CONTRIBUTE TO INDIVIDUALS' NEEDS AND SOCIETY'S GOALS, AS EXPRESSED IN THE SUSTAINABLE DEVELOPMENT GOALS, THE PARIS CLIMATE AGREEMENT AND RELEVANT NATIONAL AND REGIONAL FRAMEWORKS.</p>	<p>Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.</p> <p>Established in 1946, Garanti BBVA is Turkey's second largest private bank with consolidated assets close to TL 1.3 trillion (USD 70 billion) as of December 31, 2022. Garanti BBVA is an integrated financial services group operating in every segment of the banking sector including corporate, commercial, SME, payment systems, retail, private and investment banking together with its subsidiaries in pension and life insurance, leasing, factoring, brokerage and asset management, besides international subsidiaries in the Netherlands and Romania. Garanti BBVA provides a wide range of financial services to its more than 23 million customers with 18.544 employees through an extensive distribution network of 829 domestic branches, 7 foreign branches in Cyprus and one in Malta, and 1 international representative office. Implementing an advanced corporate governance model that promotes the Bank's core values, Garanti has Banco Bilbao Vizcaya Argentaria S.A. (BBVA) as its majority shareholder with 85.97% share.</p> <p>It's shares are publicly traded in Türkiye and Garanti BBVA's Depository Receipts are listed on the OTC (Over-The-Counter) Markets in the USA. Garanti BBVA has an actual free float of 14,03% in Borsa Istanbul as of December 31, 2022.</p>	<p>Garanti BBVA Integrated Annual Report 2022: Corporate Profile, pages 22-23</p>
<p>Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>Garanti BBVA has been working towards sustainable development by focusing on combating the climate crisis and inclusive growth for 16 years in order to support sustainability, which is one of its strategic goals.</p> <p>Focusing on responsible and sustainable development, Garanti BBVA actively contributes to 17 goals within the scope of Sustainable Development Goals. At the end of 2022, the Bank's total contribution to sustainable development, with its impact-oriented investment approach, has reached 88 billion TL.</p> <p>The BBVA Group, the main shareholder of the Bank, revised its sustainable financing target of 100 billion Euros, announced in 2018, to 200 billion Euros in 2021, in line with its climate change and sustainable development strategy in line with the Paris Agreement. Evaluating that it is still ahead of its targets in 2022, BBVA Group has tripled its target for 2025 and updated it to 300 billion Euros for the second time. In line with the BBVA Group's sustainable financing target, Garanti BBVA aims to provide a total of 150 billion TL for financing sustainable activities in 2018-2025 for the fight against the climate crisis and sustainable development. Garanti BBVA added the financing target to be mobilized for sustainable finance to the premium criteria of all employees at all levels, starting with the board of directors. With this strategic practice, value creation in all business lines is encouraged by integrating sustainability into the daily operations of all employees.</p> <p>Aiming to integrate its sustainability vision into every structure of its organization, Garanti BBVA also improves its sustainability governance in 2022, adopting a more responsible and effective business model with a new team structure that separates the responsibility of sustainability strategy and communication from the mobilization of sustainable finance.</p> <ul style="list-style-type: none"> Garanti BBVA announced its target to reduce carbon emissions by 29% by 2025 and by 71% by 2035. In 2020, within the framework of Science-Based Targets in line with the maximum temperature increase of 1.5 °C in the Paris Agreement, Garanti BBVA became the first company to publish such a target. Having reduced its emissions from its operations by 75% at the end of 2020, the Bank purchased carbon credits for its remaining emissions and became a carbon neutral bank 15 years before its reduction target. In 2021 and 2022, it continues to offset emissions from its activities by purchasing carbon credits and supports projects in voluntary carbon markets accepted by international organizations. In 2021, Garanti BBVA has announced its commitment to phase out of coal by breaking new ground in Turkey and taking its pioneering position in sustainable finance one step further. Accelerating its efforts in 2022 in line with its goal of transitioning to a low-carbon economy, the Bank emphasizes setting science-based targets to gradually reduce risks in carbon-intensive sectors. Within the scope of combating the negative effects of climate change, Garanti BBVA has committed not to finance new investments in coal power plants and mines in 2021 and to zero the risks related to coal in its portfolio by 2040 at the latest. In 2022, it takes these commitments one step further and calculated its decarbonization targets for 2030 in other carbon-intensive sectors such as energy, automotive, iron and steel and cement. These interim targets constitute an important step towards achieving the emission targets compatible with net-zero for 2050. 	<p>Garanti BBVA Integrated Annual Report 2022: Contribution to Sustainable Developments Goals and Targets, pages 82-95; Sustainability and Community Investments, pages 144-161</p>
<p>Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?</p>	<p>Garanti BBVA has been reporting on its sustainability since 2010, initially through its separate sustainability reports, then through its integrated annual reports. Starting from 2020, the Bank started publishing Turkish Capital Markets Board's (CMB) Sustainability Principles Compliance Report as an appendix to its integrated annual reports. In 2022, Garanti BBVA also participated in the Pillar-III ESG reporting, which was required by the legal statements of the European Banking Authority (EBA) from all European Banks such as Garanti BBVA's parent BBVA Group.</p>	<p>Garanti BBVA Integrated Annual Report 2022: Double Materiality Analysis, pages 62-75; Sustainability and Community Investments, pages 144-161; Sustainability Principles Compliance Report, pages 233-237</p>

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	HIGH-LEVEL SUMMARY OF THE BANK'S RESPONSE	REFERENCE(S)/LINK(S) TO FULL BANK RESPONSE/ RELEVANT INFORMATION
<p>PRINCIPLE 2: IMPACT AND TARGET SETTING WE WILL CONTINUOUSLY INCREASE OUR POSITIVE IMPACTS WHILE REDUCING THE NEGATIVE IMPACTS ON, AND MANAGING THE RISKS TO, PEOPLE AND ENVIRONMENT RESULTING FROM OUR ACTIVITIES, PRODUCTS AND SERVICES. TO THIS END, WE WILL SET AND PUBLISH TARGETS WHERE WE CAN HAVE THE MOST SIGNIFICANT IMPACTS.</p>		
<p>2.1. SHOW THAT YOUR BANK HAS PERFORMED AN IMPACT ANALYSIS OF ITS PORTFOLIO/S TO IDENTIFY ITS MOST SIGNIFICANT IMPACT AREAS AND DETERMINE PRIORITY AREAS FOR TARGET-SETTING. Garanti BBVA has carried out impact analysis at a strategic level to define the new priority focuses in the discipline of sustainability with scope for the Bank.</p>		
<p>a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/ services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.</p>	<p>In 2022, BBVA Group has carried out an impact analysis using version 3 of the UNEP FI Portfolio Impact Analysis Tool for Banks. As part of this group analysis Garanti BBVA's individual impact (excluding subsidiaries) is also analyzed, which constitutes the basis of the conclusion reached by the Bank. The scope of the analysis covers the consumer banking and institutional banking business areas and excludes the investment banking business line, due to its small share in BBVA Group's gross margin, which is around 1%. A small part of the corporate banking portfolio of Garanti BBVA, which corresponds to its 1.31%, is left out of the analysis, due to data reliability issues regarding NACE codes. As a result, the scope of the impact analysis covers close to all consumer banking and institutional banking portfolio of the Bank.</p>	<p>Garanti BBVA Integrated Annual Report 2022: Double Materiality Analysis, pages 62-65. The specific results of the Impact Analysis may be provided by the Bank's Responsible Business team, upon request.</p>
<p>b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope i) by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or ii) by products & services and by types of customers for consumer and retail banking portfolios.</p>	<p>Specifically, a business volume (EAD) of 39,594 million euros has been considered, of which 41.91% corresponds to retail banking and the remaining 58.09% is wholesale banking.</p> <p>In retail banking, the axis of analysis is the CNAE, the most relevant being: 64.81-031 Credit cards and 64.81-032 Consumer loans & overdraft for personal loans and small businesses.</p> <p>In wholesale banking, the axis of analysis is the NACE.</p>	<p>Garanti BBVA Integrated Annual Report 2022: Double Materiality Analysis, pages 62-65. The specific results of the Impact Analysis may be provided by the Bank's Responsible Business team, upon request.</p>
<p>c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.</p>	<p>The Context analysis is carried out, based on statistical data and research on trends and scenarios in accordance with version 3 of the UNEP Fi Portfolio Impact Analysis Tool for Banks, and the results of the analysis are contrasted with the Bank's strategic priorities. The context analysis provided the following subjects and primary impact points for Garanti BBVA:</p> <ul style="list-style-type: none"> • Availability, accessibility, affordability, quality of resources & services • Climate stability; Biodiversity & healthy ecosystems; Circularity <p>Garanti BBVA's Sustainability Policy, aligned with the BBVA Group strategy, its Environmental Policy, Climate Change Position & Action Plan, Environmental and Social Loan Policies, and its Human Rights Declaration cover these areas, and provides a framework for their management. The Bank considers and strategizes its sustainability efforts under two main priorities:</p> <p>(i) fighting against climate change and protecting the natural environment; (ii) ensuring inclusive growth and financial health within the society.</p>	<p>Garanti BBVA Integrated Annual Report 2022: Double Materiality Analysis, pages 62-65. The specific results of the Impact Analysis may be provided by the Bank's Responsible Business team, upon request.</p>
<p>Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2) ? Please disclose..</p>	<p>In terms of climate change, the following are identified: Negative impacts: - Financing of clients without transition strategies towards a low-carbon economy and lack of support in this transition, which lead to non-compliance with the decarbonisation objectives set by the Paris Agreement. - GHG emissions resulting from the Bank's portfolio, from providing finance to carbon-intensive clients / sectors / operations that contribute negatively to climate change. - Negative environmental impacts of the portfolio due to the financing of highly polluting or low-recyclable clients / sectors / operations. - Negative direct impacts of the Bank, derived from its own operations: waste generated and resource consumption such as water, energy and paper etc..</p> <p>Positive impacts: - Reduction of GHG emissions and contribution to the fulfillment of the objectives set in the Paris Agreement through the application of the Bank's sustainable finance approach in its lending practices according to the Environmental and Social Loan Policy, supporting low-carbon clients / sectors / operations through provision of better lending terms. - Reduction in the generation of waste through management and circular economy measures. - Reduction in resource consumption in water, energy sources and paper through management and efficiency measures. - Investment in forestation through carbon offset projects for remaining GHG emissions that are not I-REC certified.</p> <p>In terms of inclusive growth, the following are identified: Negative impacts: - Lack or difficulty of access to financial services due to location, rural etc. - Lack of access to finance and financial services for disadvantaged social groups, due to lack of suitable financing offer or offer of products. - Low financial awareness levels and lack of available/accessible financial education for disadvantaged social groups. - Lack of knowledge of using financial services and products that are specifically aimed at supporting disadvantaged groups.</p> <p>Positive impacts: - Provision of access to financial services through digital banking services. - Development of financial services and products for disadvantaged social groups. - Programs for financial education and reducing inequalities in the society. - Promotion of organizations for scaling social impact through building of partnerships.</p>	<p>Garanti BBVA Integrated Annual Report 2022: Double Materiality Analysis, pages 62-65; Our Value Creation, pages 76-81; Sustainability and Community Investments, pages 144-161.</p> <p>The specific results of the Impact Analysis may be provided by the Bank's Responsible Business team, upon request.</p>

REPORTING AND SELF-ASSESSMENT REQUIREMENTS

HIGH-LEVEL SUMMARY OF THE BANK'S RESPONSE

REFERENCE(S)/LINK(S) TO FULL BANK RESPONSE/
RELEVANT INFORMATION

d) For these (min. two prioritized impact areas): Performance measurement: Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context. In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health&inclusion as your most significant impact areas, please also refer to the applicable indicators in the Annex.

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

As described in the previous sections, Garanti BBVA has prioritized the sectors or areas where the financing activity has a greater positive and negative impact, establishing objectives that it monitors on a recurring basis.

The impact analysis has taken into account:

(i) The main business areas: consumer banking and institutional banking.

(ii) The level of exposure to sectors and the most relevant challenges and priorities in the environment.

(iii) The significance of the identified social, economic and environmental impacts resulting from the Garanti BBVA's activities.

Areas of greatest positive impact:

1. Climate action: with a focus on energy efficiency, the circular economy and the reduction of GHG emissions

2. Inclusive growth: focus on economic growth and partnerships for industry, innovation and infrastructure with business initiatives around financial inclusion, support for entrepreneurship and sustainable infrastructure.

Areas with the greatest negative impact, which are monitored through several Garanti BBVA processes such as:

- Environmental and Social Framework, where the sectors with the greatest environmental and social negative impact are identified, for which Garanti BBVA establishes prohibitions, advisory and support plans at the project level.
- Equator Principles, for project finance in CIB.
- Human Rights due diligence process, for all areas of Garanti BBVA.
- Identification and evaluation of sectors and areas sensitive to transition and physical risks, quantification of exposure to carbon-sensitive sectors and setting of portfolio alignment targets in 5 sectors intensive in CO₂ emissions.

Garanti BBVA Integrated Annual Report 2022: Double Materiality Analysis, pages 62-65; Sustainability and Community Investments, pages 144-161.

The specific results of the Impact Analysis may be provided by the Bank's Responsible Business team, upon request.

2.2 TARGET SETTING (KEY STEP 2)**SHOW THAT YOUR BANK HAS SET AND PUBLISHED A MINIMUM OF TWO TARGETS WHICH ADDRESS AT LEAST TWO DIFFERENT AREAS OF MOST SIGNIFICANT IMPACT THAT YOU IDENTIFIED IN YOUR IMPACT ANALYSIS.**

Garanti BBVA is committed to establish specific, measurable, achievable, relevant, and time-bound (SMART) goals, in line with science and the goals of the Paris Agreement, which address at least two of the "most significant impact areas" identified, resulting from the bank's activities and the provision of products and services: Climate Action and Inclusive Growth. The target-setting process is at different stages for these two points.

a) Alignment: which international, regional or national policy frameworks to align your bank's portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks

1. In 2018, within the framework of the "Objective 2025", BBVA Group published the following objectives, to which Garanti BBVA's strategic priorities are aligned:

(i) Mobilize 100,000 million euros between 2018-2025 for green financing, sustainable infrastructure and agribusiness, financial inclusion and entrepreneurship and other sustainable business. In 2021 it increased to 200,000 million and in 2022 this objective has tripled to 300,000 million euros. In 2022, Garanti BBVA set its own sustainable finance mobilization target of TL150 billion for 2018-2025.

(ii) Reduce its direct CO₂ emissions by 68% (compared to 2015). As of 2022, Garanti BBVA's overall scope 1&2 CO₂ emissions are reduced by 75%.

(iii) Contract 70% renewable energy from 2025 and 100% renewable energy in 2030. Since 2020, Garanti BBVA supplies IREC certification for its energy consumption.

In 2021, BBVA Group stated the following objectives:

2. 2021-2025 Community Investment Plan responds to the most important social challenges in all BBVA regions: The plan consists investment of 550 million euros and 100 million people reached. Additionally, the Group launched a secondary initiative Global Financial Education Plan, which aims at 2 million people trained and 50 million people reached. Garanti BBVA, monitors and reports its share of contribution to these targets on a quarterly basis. In 2022, its investment in community programs exceeded TL 71 million and reached over 1.1 million people.

3. Target of zero net emissions in 2050, expanding its initial ambition of alignment with the Paris Agreement, with updates in 2022: BBVA has published its commitment to phase out coal in 2030 in developed countries and 2040 in emerging countries (under the terms of the Environmental and Social Framework published by BBVA); joined the Net Zero Banking Alliance initiative and BBVA Asset Management has joined the Net Zero Asset Managers Initiative, in addition to having approved its Exclusion Policy; set 2030 alignment targets in 5 of the most intensive sectors in CO₂ emissions: electricity generation, oil and gas, automobiles, steel and cement.

Garanti BBVA is also a signatory of the Net Zero Banking Alliance since 2021, and publishes its 2030 Paris Agreement alignment targets within its 2022 Integrated Annual Report. The Bank's commitment to phase-out of coal-related risks are reflected on its Sustainability Policy and the process is managed according to its Environmental and Social Framework and Loan Policies.

Additionally, Garanti BBVA joined the second round of BBVA Group's Human Rights due diligence process in 2020. 2022 the three-year process was completed. Within this framework, a list of issues with potential negative impacts has been identified and evaluated, and action plans have been designed to mitigate or minimize them. This process has been carried out in accordance with the United Nations Guiding Principles on Business and Human Rights.

Garanti BBVA Integrated Annual Report 2022: Sustainability and Community Investments, pages 144-161; Appendix, Environmental Performance Indicators

Garanti BBVA Investor Relations website: ESG section

BBVA 2022 Annual Report: Non-Financial Information Report

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

In 2020, Garanti BBVA pledged to reduce its carbon emissions by 29% by 2025 and 71% by 2035. Having reduced its emissions arising from its operations by 75% at the end-2020, the Bank purchased carbon credit for its remaining emissions and became carbon-neutral 15 years earlier than its reduction target.

The Bank has committed that its indirect activity, through its credit and investment portfolio, also be neutral in GHG emissions by 2050, which is a commitment that was delivered as part of its signatory status to the Net-Zero Banking Alliance (NZBA). In its Integrated Annual Report 2022, the Bank announces its baseline and related intermediate targets towards this goal.

Garanti BBVA Integrated Annual Report 2022: Sustainability and Community Investments, pages 144-161.

REPORTING AND SELF-ASSESSMENT REQUIREMENTS

HIGH-LEVEL SUMMARY OF THE BANK'S RESPONSE

REFERENCE(S)/LINK(S) TO FULL BANK RESPONSE/
RELEVANT INFORMATION

c) SMART targets (incl. key performance indicators (KPIs)): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

Impact area 1: Climate change:

- Sustainable finance mobilization – TL 150 billion between 2018-2025
- Emission reduction mid-term targets for carbon-intensive sectors in line with IEA's net zero emissions scenario in 2050, calculated according to PACTA methodology:

Sector	Emission Scope	Metric	Scenario	Garanti BBVA Baseline (2022)	Reduction Target by 2030
Energy	1+2	kgCO2e/MWh	International Energy Agency Net Zero 2050	388	-72%
Automotive	3	gCO2e/Km	International Energy Agency Net Zero 2050	182	-40%
Iron & Steel	1+2	kgCO2e/Tiron&steel	International Energy Agency Net Zero 2050	1.096	-10%
Cement	1+2	kgCO2e/Tcement	International Energy Agency Net Zero 2050	726	-20%
Coal	-	TLmn	Phase-out of the sector by 2040		

The data quality of the PACTA database is expected to improve in time, which will result in more efficient emissions calculations and accordingly updated reduction targets.

Impact area 2: Inclusive growth:

Garanti BBVA is in the process of determining its relevant indicators and targets in accordance with the BBVA Group's UNEP FI Financial Health and Inclusion commitments.

Report 2022: Sustainability and Community Investments, pages 144-161.

d) Action plan: which actions including milestones have you defined to meet the set targets? Please describe.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

During 2022, Garanti BBVA has continued to make progress in the decarbonization of its portfolio. In this sense, it has calculated its commitment to reduce the emissions of its client portfolio in top-5 carbon-intensive sectors by 2030, in addition to its previous declaration to phase out of the coal sector completely by 2040. To achieve these targets, the Bank is committed to focus on increasing its efforts in sustainable finance mobilization, in its role of financial advisor towards developing a low-carbon economy, and in developing innovative product and service solutions for decarbonization.

Garanti BBVA's sustainability teams along with business lines are tasked with drawing up sectoral plans to achieve these ambitious objectives and to encourage clients towards reducing carbon intensities. At the end of this process, the Bank will prepare its Transition Plan, where strategies for managing different business lines and clients are created.

In 2022, Garanti BBVA prepared its governance structure for net-zero transition in coordination with teams from sustainability, sustainable finance, risk management etc.. This structure will be operationalized to meet the 2030 targets through collectively establishing action plans. This work is a fundamental piece in the management of portfolio alignment and for input for the definition of risk appetite in different sectors. During 2023, target-setting for the rest of the sectors for which an alignment is required will be undertaken.

For the realization of the Bank's sustainable mobilization target of TL 150 billion (2018-2025), annual objectives by business lines and expected green/social loan ratios are communicated to client managers and it is set as part of the performance premium criteria of all the related bank employees from members of the Board of Directors to branches..

Garanti BBVA Integrated Annual Report 2022: Sustainability and Community Investments, pages 144-161.

2.3 TARGET IMPLEMENTATION AND MONITORING (KEY STEP 2) SHOW THAT YOUR BANK HAS IMPLEMENTED THE ACTIONS IT HAD PREVIOUSLY DEFINED TO MEET THE SET TARGET.

Garanti BBVA carries out regular monitoring of its objectives and reports progress to its senior management through the Responsible Banking and Sustainability Committee.

Various actions and milestones to meet objectives:

1. Monthly monitoring of sustainable business channeling objectives (TL 150 billion) broken down by business areas.

At the end of December 2022, Garanti BBVA channeled over TL 40 billion into sustainable business, contributing towards its TL 150 billion commitment between 2018 and 2025. In addition, the bank managed to reduce overall scope 1&2 CO2 emissions by 75% compared to 2015 and 100% of the energy contracted by BBVA is renewable.

2. Quarterly monitoring and reporting of the objective related to the BBVA Group's Commitment to the Community by 2025 (550 million euros and 100 million beneficiaries) broken down by focus of action. At the end of 2022, TL 71.7 million had been invested and over 1.1 million people had benefited from Garanti BBVA's community investment programs.

3. Start of the annual monitoring and reporting on the progress on objectives for Paris Agreement portfolio alignment, with the finalization of target-setting process in 2022.

In this sense, it is worth mentioning that:

- Garanti BBVA is incorporating its sustainability strategies into the business plans of all business lines through strategy trainings and department-based working groups in charge of promoting the development of related products and services.

- Garanti BBVA has integrated sustainability risks into its internal processes, whether physical or transitional, and adopted the BBVA Group's Environmental and Social Framework.

- Garanti BBVA has established a unique agenda with stakeholders and has joined the Net Zero Banking Alliance (NZBA).

To facilitate effective management and compliance with alignment objectives, Garanti BBVA is working in cooperation with the BBVA Group in developing a series of tools that allow integration of the management of these objectives into the day-to-day business and risk processes. These tools include:

- Dashboard of alignment with PACTA methodology

- TRi (Transition Risk Indicator), a tool that allows customers to assess the current emissions profile and decarbonization strategies

Garanti BBVA Integrated Annual Report 2022: Sustainability and Community Investments, pages 144-161; Appendix, Environmental Performance Indicators

REPORTING AND SELF-ASSESSMENT REQUIREMENTS

HIGH-LEVEL SUMMARY OF THE BANK'S RESPONSE

REFERENCE(S)/LINK(S) TO FULL BANK RESPONSE/
RELEVANT INFORMATION**PLEASE PROVIDE YOUR BANK'S CONCLUSION/STATEMENT IF YOU HAVE MET THE REQUIREMENTS REGARDING PLANS FOR TARGET IMPLEMENTATION AND MONITORING**

Garanti BBVA has set objectives towards mitigating climate change and inclusive growth through its business; and it has set the necessary mechanisms for regular monitoring and reporting of these objectives.

PRINCIPLE 3:**CLIENTS AND CUSTOMERS**

WE WILL WORK RESPONSIBLY WITH OUR CUSTOMERS TO ENCOURAGE SUSTAINABLE PRACTICES AND ENABLE ECONOMIC ACTIVITIES THAT CREATE SHARED PROSPERITY FOR CURRENT AND FUTURE GENERATIONS.

Sustainability has been among the six strategic priorities of Garanti BBVA for a number of years, and the bank is continuously working to integrate it into all its business with all stakeholders. At the same time the bank's sustainability strategy and practical approach is aligned with the BBVA Group.

- In 2022, the BBVA Group's Board approved the update of the General Sustainability Policy, based on supporting clients in their transition towards sustainable business models with a focus on climate change, natural capital and inclusive growth. Garanti BBVA's own policy is under review for alignment and for extension of scope.
- Garanti BBVA has a sustainable products framework applicable to its CIB activity, a framework for the issuance of bonds linked to the SDGs and a commitment to human rights, which is also aligned with the Group framework.
- The BBVA Group's Environmental and Social Framework is adjusted with stricter measures according to the emerging needs of Türkiye's social and environmental status. The framework is where lending prohibitions are established at the project level and monitoring plans at the client level.
- The Group also has an internal Sustainable Finance Standard inspired by the European taxonomy and best market practices. Garanti BBVA is compliant to all sustainable finance standards mandated by the BBVA Group and reports its monthly and annual monitoring of sustainable finance figures (specific country level thresholds apply). These policies and frameworks are applicable to all customer segments and areas of activity.

Garanti BBVA works with its clients to increase sustainable business activities within the economy through green and social products and services it offers. The following details how the integration of ESG aspects in the relationship with clients is carried out:

ESG support for wholesale clients (corporates, large enterprises) and companies

At the wholesale level, Garanti BBVA offers a variety of sustainable financing solutions ranging from use-of-proceeds cases (i.e. specific financing products towards sustainable projects) to sustainability-linked loans. In addition, ESG risks of clients are assessed via sector-specific questionnaires assisted by data providers. For clients in high-intensity hard-to-abate sectors where climate transition risks are significant, Garanti BBVA measures each client's transition ambition and updates the assessment at least annually with real client-level data such as emissions intensity, Science-Based Targets Initiative (SBTi) and/or Net-Zero aligned emission reduction targets, investments in low-carbon technology etc. It is specialized assessment and advice by sector, based on data and aimed at helping clients define strategies that allow them to meet and be aligned with the objectives of the Paris Agreement, advance the United Nations 2030 Sustainable Agenda, and, where appropriate, provide sustainable financing solutions (debt/equity) that allow them to execute their decarbonisation plans.

In addition, all customers can reach information and a catalog of sustainable products on the Garanti BBVA website. The Bank makes available to its customers information on the products, advice on sustainability and explains their impact on the environment through its carbon footprint calculation and sectoral impact analysis tool, which is launched recently in 2022. .

ESG support for retail clients

Garanti BBVA supports its clients in incorporating ESG practices through one-on-one meetings and visits, public events, consulting on projects with technology and consulting firms, and other advisory services. Garanti BBVA advises its clients through digital channels and through the commercial branch network. A comprehensive service model that ranges from awareness raising, project design and sponsorships for NGOs for community and public investments.

The bank managers, mobile banking service catalogue and the commercial website offer a wide catalog of sustainable investment and financing products. Garanti BBVA offers several sustainable investment funds for retail investors.

In addition, shopping loans focused on sustainable mobility, energy-efficient housing, green mortgages, rooftop PV loans, etc. are offered to retail customers. In 2022, Bank started a new partnership with Turkish Standards Institute(TSE) to enable its retail clients to receive consultancy services towards EU's regulations regarding the Carbon Border Adjustment Mechanism(CBAM). The Bank provides The second most important and impactful sustainable development area for the Bank is Inclusive Growth. The Bank offers specific products and mentorship programs towards vulnerable populations, especially women-owned companies and micro-SMEs. Garanti BBVA's support program for women entrepreneurs has been run since 2006.

Garanti BBVA makes information on sustainability available to customers through its corporate website and various digital media platforms. On the corporate website you can find news and articles, on the transactional banking website and in the mobile banking app you can find information about the sustainable products offered by the bank and even contract them. Garanti BBVA mobile banking app offers a solution for clients to calculate their carbon emissions through their automatic payment information. The app also provides information about the GHG emissions' impact, water consumption and tips on how to reduce carbon footprint such as opting for low-carbon mobility alternatives, energy efficient electronics and reducing unnecessary packaging and increasing recycling.

Garanti BBVA Integrated Annual Report 2022: Our Value Creation, pages 76-81; Sustainability and Community Investments, pages 144-161; Appendix, Environmental Performance Indicators
Garanti BBVA Investor Relations website: ESG section
Garanti BBVA website

REPORTING AND SELF-ASSESSMENT REQUIREMENTS

HIGH-LEVEL SUMMARY OF THE BANK'S RESPONSE

REFERENCE(S)/LINK(S) TO FULL BANK RESPONSE/
RELEVANT INFORMATION

3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

In 2022, one of the main lines of action has been the development of sustainable solutions under these 5 growth levers:

- Developing sector strategies for clients (focus on adoption of low carbon technologies through emission-intensive sectors taking advantage of the Bank's advisory capabilities).
- Promotion of the business (developing products with a focus on specific topics and increased ESG criteria: inclusive growth via infrastructure projects, sustainability-linked loans etc.).
- Planning of large commercial bets to rapidly expand our business leveraging our digital advantage (creating an innovative and disruptive value proposition in specific verticals)
- Financing of new sustainable technologies via revision of sustainable finance standards: Hydrogen, batteries, carbon capture, use and storage technologies...
- Developing new risk management capabilities through adoption of data-based analyses in sustainability

Garanti BBVA Integrated Annual Report 2022: Double Materiality Analysis, pages 62-65; Sustainability and Community Investments, pages 144-161

**PRINCIPLE 4:
STAKEHOLDERS**

WE WILL PROACTIVELY AND RESPONSIBLY CONSULT, ENGAGE AND PARTNER WITH RELEVANT STAKEHOLDERS TO ACHIEVE SOCIETY'S GOALS.

Garanti BBVA integrates into its businesses and activities the concerns of its stakeholders (customers, employees, shareholders and investors, suppliers, regulators and supervisors, and society in general), among others, on social and environmental issues, diversity, fiscal responsibility, respect to human rights and prevention of corruption and other illegal conduct.

The Bank acts in dialogue with all its key stakeholders, internal and external, through various channels. Considering the feedback received as a result of these dialogues and the outputs, priority issues are determined.

The Bank has actively participated in numerous initiatives, always in close collaboration with all stakeholders. These initiatives revolve around the following priority areas:

- Universal frameworks of reference: Garanti BBVA and the BBVA Group were one of the founding banks and promoters of the UNEP FI Principles of Responsible Banking.
- Alignment with the Paris Agreement: Garanti BBVA joined the Net Zero Banking Alliance promoted by UNEP FI, and the Science Based Target Initiative.
- Market Standards, with a role of promoter of the Equator Principles, ICMA's the Green Bond Principles, the Social Bonds Principles, LMA's Green Loan Principles and other similar standards developed by the industry itself, as well as the EU Taxonomy.
- Transparency: Garanti BBVA publishes a summary index according to the TCFD recommendations and GRI standards content index for impact materiality reporting within its integrated annual reports.
- Financial regulation: Garanti BBVA participates in numerous consultation processes and in various activities with regulatory and supervisory bodies such as Turkish Banks Association to promote sustainable finance regulation.

For more than 10 years, Garanti BBVA has actively participated in various supranational initiatives. In addition to continuing its commitment to the United Nations Global Compact and its signatory status to The United Nations Environment Programme Finance Initiative (UNEP FI), since 2012, the Bank participates in 29 initiatives and takes part in 52 working groups such as United Nations Net-Zero Banking Alliance (NZBA), United Nations Responsible Banking Principles Working Group and Global Compact Turkey, SKD Turkey (Business World and Sustainable Development Association), Banks Association of Turkey (TBB), the Role of the Financial Sector in Sustainable Growth Working Group and the Environment and Climate Change Working Group of the Turkish Industrialists' and Businessmen's Association (TÜSIAD). The Bank is always in close collaboration with all key stakeholders (industry, regulators and supervisors, investors and civil society organizations).

Specifically, throughout 2022, the following initiatives should be highlighted:

In February 2022, Garanti BBVA's sustainability team attended the Climate Council, organized by the Ministry of Environment, Urbanization and Climate change, where national policies towards sustainable finance has been discussed among all related stakeholders such as banks, regulatory bodies, and non-profit organizations on finance.

Garanti BBVA started a partnership with "Erguvan," a platform through which it will offer its customers direct access to carbon credits to offset their emissions.

In November, Garanti BBVA's sustainability and sustainable finance teams attended the United Nations Conference of Climate Change (COP27) and met with a number of parties through the conferences and panels, as well as 1:1 meetings.

Garanti BBVA has also been invited to provide an opinion on the 11th Development plan of the Turkish Republic on supporting sustainable finance through regulatory developments, frameworks and capital resources.

Garanti BBVA Integrated Annual Report 2022: Double Materiality Analysis, pages 62-75; Stakeholder Engagement, pages 96-99
Garanti BBVA Investor Relations website: ESG section, Supported Initiatives

4.1 Stakeholder identification and consultation

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/ results achieved and how they fed into the action planning process.

REPORTING AND SELF-ASSESSMENT REQUIREMENTS

HIGH-LEVEL SUMMARY OF THE BANK'S RESPONSE

REFERENCE(S)/LINK(S) TO FULL BANK RESPONSE/
RELEVANT INFORMATION

**PRINCIPLE 5:
GOVERNANCE & CULTURE**
WE WILL IMPLEMENT OUR COMMITMENT TO THESE PRINCIPLES THROUGH EFFECTIVE GOVERNANCE AND A CULTURE OF RESPONSIBLE BANKING

5.1 Governance Structure for Implementation of the Principles
Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

Implementation of the Principles of Responsible Banking is governed through Garanti BBVA's Sustainability Policy, which is the primary strategy document of the Board of Directors on this matter. The Board of Directors defines, promotes and monitors the sustainability and climate change strategy and supervises the application of the Sustainability Policy.

The Board of Directors, as the highest supervisory body in the Bank, is directly or through the Responsible Business and Sustainability Committee, periodically monitor the implementation of the Policy through the Internal Audit or the control functions within the Bank, on the on the basis of periodic or ad-hoc reports from the Sustainability Unit. The committee is required to meet at least twice annually, and it is chaired by a Board Member. Among the members are the General Manager and the Executive Vice Presidents of the relevant departments. The Sustainability Unit's Manager, who is also the secretary of the Responsible Banking and Sustainability Committee, Sustainability team, Responsible Business team and managers of the Bank's other areas that incorporate sustainability into day-to-day businesses and operations report to the Committee on all related issues. The Bank added sustainability matters in the premium eligibility criteria of all employees at any level, starting with the Board of Directors, therefore the matters discussed are of greatest importance at all employment levels of the Bank.

Garanti BBVA's Sustainability Unit is connected to the BBVA Group's Global Sustainability Area, and ensures strategic alignment with the Group in all related matters. This area designs the strategic sustainability agenda and promotes the lines of work around this area of the different units such as Risk Management, Finance, Talent and Culture, Data and Engineering, and Organizational Process Development, and develops new sustainable products. The Global Sustainability Area is part of the highest executive level of the BBVA Group's organization, and reports to the Group CEO and president, given the highly strategic and transformative nature of the area.

Garanti BBVA Integrated Annual Report 2022: Sustainability and Community Investments, pages 144-161; Senior Management, pages 178-181; Remuneration and Financial Rights, pages 187-189; Committees and Policies, pages 190-191; Risk Management, pages, 209-214
Garanti BBVA Investor Relations Website: ESG section Responsible Banking and Sustainability Committee Sustainability Policy

BBVA Group has developed a complete global training program to ensure that its employees can acquire the knowledge to address strategic sustainability challenges. Through the Campus BBVA training platform, two training itineraries are available to all employees, regardless of their geography and/or role. Globally, more than 102,000 BBVA employees have already been trained with these courses and a total of 16,751 Garanti BBVA employees were assigned sustainability training, including the addition of Principles for Responsible Banking in 2020. It was completed by a total of 15,227 Garanti BBVA employees as of December 31, 2021. The basic sustainability training is designed to acquire basic knowledge about the 2030 Agenda of the SDGs, the role of the financial industry and the BBVA Group and Garanti BBVA strategy; The advanced level includes content on sustainable finance.

In order to provide the necessary skills so that the BBVA Group employees can address sustainability from their different areas of activity, specialized training programs have been developed and specialized training programs are provided for all related sustainability teams in collaboration with renowned international institutions. As part of sustainable development upskilling at Garanti BBVA; all employees were supported with digital trainings and trainings throughout the year, whereas the Sustainability teams are supported with international academic programs. Towards realizing the Bank's decarbonization targets, several training programs have been developed on portfolio alignment and in relation to the use of the different internal tools developed for the management of the Group's objectives (alignment dashboard with PACTA methodology and Transition Risk Indicator).

Adopting Responsible Banking practices is one of Garanti BBVA's primary focuses that is owned by the Bank's senior management. As sustainability is among the six strategic priorities of the Bank, EVPs, in addition to the CEO is a member of the Responsible Banking and Sustainability Committee, where numerous departments present updates on their sustainability projects through their internal sustainability responsables. To encourage ownership of the strategy, The Bank added sustainability matters in the premium eligibility criteria of all employees at any level, starting with the Board of Directors.

To identify new opportunities, Garanti BBVA recognizes that to remain as a leader in sustainable finance in Türkiye, cooperation at the global level with peers and suppliers is required. In particular, the Bank continues its efforts to assign sustainability training to suppliers in order to clearly demonstrate the sustainability strategies of the bank and encourage external stakeholders to comply with the Bank's rules.

Through the Bank's communications channels such as social media posts, it is try to raise awareness on environmental and social issues with a different theme every month. Within the scope of Sustainable Habits, the Bank shares good practices and useful ideas from its employees.

In 2022, Garanti BBVA has launched an internal entrepreneurship program, aimed at encouraging employees to develop projects to improve sustainability of the Bank and receive mentorship from senior management at the same time.

Garanti BBVA Integrated Annual Report 2022: Investment in Human Capital, pages 118-131; Sustainability and Community Investments, pages 144-161

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	HIGH-LEVEL SUMMARY OF THE BANK'S RESPONSE	REFERENCE(S)/LINK(S) TO FULL BANK RESPONSE/ RELEVANT INFORMATION
<p>5.3 Policies and due diligence processes</p> <p>Does your bank have policies in place that address environmental and social risks within your portfolio? Please describe.</p> <p>Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.</p>	<p>With the visible effects of the climate crisis on social life becoming more widespread, all financial sector stakeholders, especially customers and investors, started to focus on environmental, social and governance (ESG) risks in banking risk management and governance mechanisms. The Pillar-III ESG reporting, which was included in the legal statements of the European Banking Authority (EBA) in 2022, allows the evaluation of banks' ESG risks and sustainable finance strategies by all financial sector stakeholders, including customers and investors. In 2022, Garanti BBVA, together with the BBVA Group, of which it is a part, began to analyze the resilience of the banking portfolio against transition risks and physical risks arising from climate change. In 2022, Garanti BBVA also evaluates the risks arising as a result of the studies below in determining the targets of combating climate change and Net-zero Banking.</p> <ul style="list-style-type: none"> -Identifying risks in sectors incompatible with the Paris Agreement and measuring transition risks -Energy performance monitoring of real estate collaterals of the bank -Emission intensities of customers in carbon-intensive industries (PACTA) -Physical risks arising in the bank portfolio as a result of the climate crisis and Financing for activities to reduce the effects of climate 	<p>Garanti BBVA Integrated Annual Report 2022:: Sustainability and Community Investments, pages 144-161;</p>
<p>PLEASE PROVIDE YOUR BANK'S CONCLUSION/STATEMENT IF YOU HAVE MET THE REQUIREMENTS REGARDING THE GOVERNANCE STRUCTURE FOR THE IMPLEMENTATION OF THE PRINCIPLES:</p> <p>Garanti BBVA's Sustainability Unit, comprised of Sustainability and Responsible Business teams, is responsible of establishing the Bank's strategic approach. The unit reports directly to the EVP for Customer Solutions and Digital Banking and also chairs the Responsible Banking and Sustainability Committee. The committee is required to meet at least twice annually and attended by all EVPs and the CEO of the Bank. The committee is responsible for the monitoring of the progress of the Bank's targets, that fall within the scope of sustainability strategy. The CEO is responsible for reporting to the Board of Directors on any critical issues. The Bank's Sustainability Unit also connected to the BBVA Group's Global Sustainability Area, and ensures strategic alignment with the Group in all related matters. The existing governance structure provides several levels of checks and balances for Garanti BBVA's implementation and monitoring of Responsible Banking Principles.</p>		
<p>PRINCIPLE 6: TRANSPARENCY AND RESPONSIBILITY WE WILL PERIODICALLY REVIEW OUR INDIVIDUAL AND COLLECTIVE IMPLEMENTATION OF THESE PRINCIPLES AND BE TRANSPARENT ABOUT AND ACCOUNTABLE FOR OUR POSITIVE AND NEGATIVE IMPACTS AND OUR CONTRIBUTION TO SOCIETY'S GOALS.</p>		
<p>6.1 Assurance</p> <p>Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?</p>	<p>This publicly disclosed information about Garanti BBVA's Principles of Responsible Banking commitments has been given limited assurance from an independent assurance provider.</p>	<p>Garanti BBVA UNEP FI Principles of Responsible Banking Impact Report 2022, page 11</p>
<p>6.2 Reporting on other frameworks</p> <p>Does your bank disclose sustainability information in any of the listed below standards and frameworks?</p>	<p>Garanti BBVA's sustainability information is reported mostly through its integrated annual reports, which is prepared according to the VRF's Integrated Reporting Framework. Among the appendices of the report, GRI Standards Content Index, UN Global Compact Communication of Progress and Women's Empowerment Principles index summaries and the Bank's TCFD Disclosures summary table is published.</p> <p>In addition, the Bank responds to Carbon Disclosure Platform's (CDP) Climate Change and Water questionnaires annually. In 2022, it has been listed among the Global "A" companies in the Climate Change Program results, received A- for its disclosures in the Water Program.</p> <p>Garanti BBVA's Integrated Annual Report also includes Sustainability Principles Compliance and Corporate Governance Compliance Reports of the Capital Market's Board of Türkiye.</p>	<p>Garanti BBVA Integrated Annual Report 2022: About the Report; pages 8-9</p>
<p>6.3 Outlook</p> <p>What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis , target setting and governance structure for implementing the PRB)? Please describe briefly.</p>	<p>The previous sections detail the progress in implementation in 2022.</p> <p>Garanti BBVA's progress in the implementation of the Principles of Responsible Banking has been published annually as part of the Bank's Integrated Annual Report, moving forward, the Principles of Responsible Banking Impact Report may be published separately.</p> <p>In the next 12 months, Garanti BBVA is expected to publish alignment targets for additional carbon-intensive sectors, to which its exposure is relatively significant, which are detailed in the Net Zero Banking Alliance guidelines. The Bank also plans on finalizing its target-setting process for the second area with the greatest impact - inclusive growth - as a result of the impact analysis conducted using the UNEP FI Impact Tool for Banks.</p>	
<p>PLEASE PROVIDE YOUR BANK'S CONCLUSION/STATEMENT IF YOU HAVE MET THE REQUIREMENTS REGARDING PROGRESS IN IMPLEMENTING THE PRINCIPLES FOR RESPONSIBLE BANKING:</p> <p>Garanti BBVA is constantly working on strengthening its transparency through non-mandatory disclosure of a number of externally assured non-financial information, annual publication of TCFD Disclosures and reporting according to GRI Standards. With the publication of the Bank's 2022 Integrated Annual Report, it is also disclosing its intermediate Paris Agreement Alignment targets for 2030 in five carbon-intensive sectors, in addition to its previously announced sustainable finance mobilization target of TL 150 billion by 2025. The Bank is in the process of setting its inclusive growth indicators and targets in cooperation with the BBVA Group. Through the externally-assured disclosure of its most positive and most negative impact areas, related targets and action plans along with the set mechanisms for implementation and monitoring, Garanti BBVA meets the requirements of the Principles for Responsible Banking.</p>		



Güney Bağımsız Denetim ve SMMM A.Ş.
Maslak Mah. Eski Büyükdere Cad.
Orjin Maslak İş Merkezi No: 27
Daire: 57 34485 Sarıyer
İstanbul - Türkiye

Tel: +90 212 315 3000
Fax: +90 212 230 8291
ey.com
Ticaret Sicil No : 479920
Mersis No: 0-4350-3032-6000017

INDEPENDENT ASSURANCE REPORT

To the Management of Türkiye Garanti Bankası Anonim Şirketi.
İstanbul, Türkiye

This report is intended solely for the management of Türkiye Garanti Bankası Anonim Şirketi (hereinafter 'the Bank' or 'Garanti BBVA') for the purpose of reporting of Principles in the Scope of Limited Assurance ("Selected Information") listed below in its 2022 Integrated Annual Report's ('2022 Integrated Annual Report') Appendix A.5: UNEP-FI Principles for Responsible Banking that has been prepared by the Garanti BBVA for the period running from January 1, 2022 to 31 December 2022.

Subject Matter Information and Applicable Criteria

In line with the request of the Bank, our responsibility is to provide limited assurance in accordance with Selected Information listed below within the scope of the reporting approach of the Bank specified in "Appendix A.5: UNEP-FI Principles for Responsible Banking Impact Report ('Impact Report') included in pages 260-275 of 2022 Integrated Annual Report.

The Scope of Our Assurance

The scope of our assurance is limited to the examination the Selected Information shown below, which are reported in pages 262-267, 272-273 of the 2022 Integrated Annual Report.

Principles in the Scope of Limited Assurance

- 2.1 Impact Analysis
- 2.2 Target Setting
- 2.3 Target Implementation
- 5.1 Governance Structure for Implementation

The Bank's Responsibilities

The Bank's management is responsible for the preparation, collection, and presentation of the Selected Information. In addition, the Bank's management is responsible for ensuring that the documentation provided to the practitioner is complete and accurate. This also includes establishing and maintaining internal control system guaranteeing that the records are free from material misstatement, whether due to fraud or error.



Güney Bağımsız Denetim ve SMMM A.Ş.
Maslak Mah. Eski Büyükdere Cad.
Orjin Maslak İş Merkezi No: 27
Daire: 57 34485 Sarıyer
İstanbul - Türkiye

Tel: +90 212 315 3000
Fax: +90 212 230 8291
ey.com
Ticaret Sicil No : 479920
Mersis No: 0-4350-3032-6000017

Our Responsibilities

We conducted our assurance engagement in accordance with the Assurance Engagement Standard (AES) 3000 and 3410 which is a part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). These regulations require that we comply with the ethical standards and plan and perform our assurance engagement to obtain limited assurance about the Selected Information.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

The procedures selected depend on the practitioner's judgment. The procedures include inquiry of the personnel responsible for collecting and reporting on the Selected Information and additional procedures aimed at obtaining evidence about the Selected Information.

The assurance provider is only performing assurance of the accuracy of the disclosed content. This means that the assurance provider should evaluate if the bank's description of processes, activities and their outcomes sufficiently reflects actions taken by the bank, rather than evaluating the applied approach itself. This individual assessment of whether the bank is aligned with the requirements of the Principles and is meeting its commitments will be undertaken by a sustainability expert within the UNEP FI Secretariat (the Review Expert). Our work has been carried out in accordance with the requirements laid out in the Guidance for Assurance Providers (version 2) to undertake limited assurance on Principles for Responsible Banking, issued by UNEP FI.



Güney Bağımsız Denetim ve SMMM A.Ş.
Maslak Mah. Eski Büyükdere Cad.
Orjin Maslak İş Merkezi No: 27
Daire: 57 34485 Sarıyer
İstanbul - Türkiye

Tel: +90 212 315 3000
Fax: +90 212 230 8291
ey.com
Ticaret Sicil No : 479920
Mersis No: 0-4350-3032-6000017

Procedures Applied

In respect of the Selected Information mentioned above the procedures performed include the following procedures:

1. Interviewed select key senior personnel of the Garanti BBVA to understand the current processes in place for capturing the Selected Information pertaining to the reporting period;
2. Reviewed Selected Information with online communications covering Garanti BBVA locations; as well as reviewed pertaining to the Bank's other locations in Turkey, against evidence, on a sample basis;
3. Undertook substantive testing, on a sample basis, of the Selected Information;
4. Used the Bank's internal documentation to evaluate and measure the Selected Information;
5. Evaluated the design and implementation of key processes and controls over the Selected Information;
6. Re-performed, on a sample basis, calculations used to prepare the Selected Information for the reporting period.
7. Evaluated the disclosure and presentation of the Selected Information in the UNEP-FI Principles for Responsible Banking Impact Report.

Our Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that Garanti BBVA's has not prepared, in all material respects with Selected Information for the year ended in December 31, 2022, the relevant requirements of the criteria as defined in Impact Report.

Limitations

We permit this report to be disclosed in addition to Garanti BBVA's 2022 Integrated Annual Report for the year ended in December 31, 2022, to enable the management of Garanti BBVA to show they have addressed their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Garanti BBVA for our work, for this independent limited assurance report, or for the conclusions we have reached.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Zeynep Okuyan Özdemir, SMMM
Partner

08 March 2023
İstanbul, Türkiye