

# Reporting on Corporate Governance and Sustainability Principles Compliance

 463  2 min  2  governance

Türkiye Garanti Bankası A.Ş. (“Garanti Bank” or “Garanti” or “the Bank” or “Garanti BBVA”) complies with the Corporate Governance Principles set out by the Banking Legislation, Capital Market Legislation, as well as the Turkish Commercial Code and other applicable legislations, and pays the utmost attention to implement these principles. Garanti BBVA accordingly updates its annual reports and website, making them available to its stakeholders. The shareholders can access comprehensive information, get information about the latest developments and activities from the regularly updated Garanti BBVA Investor Relations website, and can address their questions to the Investor Relations Department and to the Subsidiaries and Shareholders Service.

In keeping with Garanti BBVA’s commitment to corporate governance principles, information about the Bank’s compliance with non-mandatory principles under the Corporate Governance Communiqué numbered II-17.1 is provided under the related headings of the **Corporate Governance Principles Compliance Report**. In addition, disclosures within the scope of Sustainability Principles Compliance Framework as per the Communiqué (no: II.17.1a) amending the **Corporate Governance Communiqué** (no. II.17.1)” whereby necessary additions were made on 02 October 2020 to Articles 1 and 8 of the Corporate Governance Communiqué are provided under the related headings.

The Corporate Governance Committee, responsible for overseeing compliance with corporate governance principles and for ensuring that relevant improvement efforts are carried out at the Bank, was established in February 2013, pursuant to the Regulation on the Banks’ Corporate Governance Principles published by the Banking Regulation and Supervision Agency (“BRSA”) and the Communiqué Serial: IV-56 on the Determination and Implementation of Corporate Governance Principles issued by the CMB, which was effective at the time. **In 2021, the Committee held 3 meetings with full participation of its members. The Board of Directors deemed that the activities**

**performed by the Corporate Governance Committee in 2021 were efficient, appropriate, adequate and compliant with the relevant legislation.** The activities of the Corporate Governance Committee are presented in detail on the Investor Relations website, under the Committee heading in the Environmental Social and Governance section. On the other hand, Garanti BBVA, during 2021, achieved compliance with all of the mandatory principles of the Corporate Governance Communiqué No. II-17.1. Along with non-mandatory principles, Corporate Governance Principles Compliance Status and Sustainability Principles Compliance Status are summarized in the tables below.

## CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE STATUS

Section	Full Compliance	Partial Compliance	N/A	Exempted	No Compliance
Shareholders	15	0	1	0	1
Disclosure and Transparency	5	0	0	0	0
Stakeholders	20	0	0	0	1
Board of Directors	19	3	1	0	2
Total	59	3	2	0	4

## SUSTAINABILITY PRINCIPLES COMPLIANCE STATUS

Type	Full Compliance	Partial Compliance	N/A	To Be Evaluated
General	11	1	0	0
Environmental	25	1	0	0
Social	16	0	0	0
Governance	6	0	0	0
Total	58	2	0	0

 As per the Corporate Governance Communiqué, you may access the Corporate Governance Principles Compliance Report, which also includes the disclosures within the scope of Sustainability Principles Compliance Framework, under the Download Center at [www.garantibbvaannualreport.com](http://www.garantibbvaannualreport.com)

Garanti BBVA received its first **Corporate Governance Rating** in 2014. Within the scope of the rating service that continues to be received by JCR Eurasia Rating, the score for compliance with Corporate Governance Principles **increased from 9.14 in 2014 to 9.79 in 2021**, and the Outlook was determined as **Positive**. The Bank continues to be included in the Borsa İstanbul Corporate Governance Index as the score is above the threshold score of 7. Compliance levels under the four weighted sub-sections, in compliance with the relevant regulations of the Capital Markets Board, are as below:

Main Sections	Weight	10.12.2021
Shareholders	25%	9.67
Disclosure and Transparency	25%	9.85
Stakeholders	15%	9.86
Board of Directors	35%	9.81
Total		<b>9.79</b>

**Corporate Governance Principles Compliance Report**

**Sustainability Principles Compliance Report**

**Corporate Governance Principles Compliance Status**

**Corporate Governance Principles Information Form**

**Corporate Governance Rating Report**

**Changes in the Organizational Structure**

**Support Services Providers**

**Important Developments Regarding  
2021 Operations**

**Members of the Board of Directors**

**CEO and Executive Vice Presidents**

**Committees and Policies**

**Internal Systems Governance**

**Risk Management**

**Risk Committee's assessment of risk management policies, their implementation and management of various risks that the bank may be exposed to**

**Audit Committee's assessment of the operations of internal control, internal audit and risk management systems**

**Internal systems managers and corporate security, data and business analytics managers**



You may find detailed information about each subject by clicking on the relevant heading and under the Download Center at [www.garantibbvaannualreport.com](http://www.garantibbvaannualreport.com).

# Corporate Governance Principles Compliance Report

Garanti BBVA's **effective Board of Directors is at the heart of the Bank's well-functioning governance structure and goes beyond fiduciary responsibilities.** It acts as the ultimate internal monitor and contributes an outside view to corporate strategy, oversees performance against the strategy set out and helps Garanti BBVA thrive in the long run. **To ensure effective risk management, the Board monitors compliance, internal control and risk management policies and systems that are aligned with the Bank's strategy and risk appetite, as well as subsequently performing its oversight function.**

Every year, Garanti BBVA obtains **reasonable assurance from an independent auditor for the financial data** covered in its Integrated Annual Report, and **limited assurance for selected non-financial data** as defined in detail in the auditor's report. The Bank shares the independent assurance reports within its Integrated Annual Report on the website at [www.garantibbvaannualreport.com](http://www.garantibbvaannualreport.com).

 Further details about independent audit fees can be found in footnote 5.9 to financial statements under Library>Financials tab at the address [www.garantibbvainvestorrelations.com](http://www.garantibbvainvestorrelations.com).

## STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Türkiye Garanti Bankası A.Ş. ("Garanti Bank" or "Garanti" or "the Bank" or "Garanti BBVA") complies with the corporate governance principles set out by the banking legislation, capital market legislation, as well as the Turkish Commercial Code and other applicable legislation, and pays the utmost attention to implement these principles. Garanti BBVA accordingly updates its annual reports and website, making them available to all its stakeholders. The shareholders can access **comprehensive information**, get information about the latest **developments and activities** from the regularly updated **Garanti BBVA Investor Relations website** at [www.garantibbvainvestorrelations.com](http://www.garantibbvainvestorrelations.com),

and can address their **questions to the Investor Relations Department and to the Subsidiaries and Shareholders Service.**

In keeping with Garanti BBVA's commitment to corporate governance principles, information about the Bank's compliance with non-mandatory principles under the Corporate Governance Communiqué numbered II-17.1 is provided under the related headings of this report. In addition, disclosures within the scope of Sustainability Principles Compliance Framework as per the Communiqué (no: II.17.1a) amending the Corporate Governance Communiqué (no. II.17.1) whereby necessary additions were made on 02 October 2020 to Articles 1 and 8 of the Corporate Governance Communiqué are provided under the related headings.

The Corporate Governance Committee was established in February 2013, pursuant to the Regulation on the Banks' Corporate Governance Principles published by the Banking Regulation and Supervision Agency ("BRSA") and the Communiqué Serial: IV-56 on the Determination and Implementation of Corporate Governance Principles issued by the Capital Markets Board of Türkiye (CMB), which was effective at the time. The Committee is **responsible for overseeing compliance with corporate governance principles and for ensuring that relevant improvement efforts are carried out at the Bank. In 2021, the Committee held 3 meetings with full participation of its members. The Board of Directors deemed that the activities performed by the Corporate Governance Committee in 2021 were efficient, appropriate, adequate and compliant with the relevant legislation.** The activities of the Corporate Governance Committee are presented in detail in the Committees section.

On the other hand, Garanti BBVA, during 2021, achieved compliance with all of the mandatory principles of the Corporate Governance Communiqué No. II-17.1. **Compliance status with the Corporate Governance Principles**, including compliance with non-mandatory principles, is summarized in the table below.

Section	Full Compliance	Partial Compliance	N/A	Exempted	No Compliance
Shareholders	15	0	1	0	1
Public Disclosure and Transparency	5	0	0	0	0
Stakeholders	20	0	0	0	1
Board of Directors	19	3	1	0	2
Total	59	3	2	0	4

Compliance status with the sustainability principles is summarized in the table below:

Type	Full Compliance	Partial Compliance	Exempted	N/A
General	11	1	0	0
Environment	25	1	0	0
Social	16	0	0	0
Governance	6	0	0	0
Total	58	2	0	0

Garanti BBVA received its first **Corporate Governance Rating** in 2014. Based on the rating service continued to be received from JCR Eurasia Rating, the Bank's Corporate Governance Principles compliance rating was upgraded from **9.14 in 2014 to 9.79 in 2021**, and the rating was assigned a **Positive Outlook**. Garanti BBVA continues to be included in the **Borsa İstanbul Corporate Governance Index** as its Corporate Governance Rating score is above the threshold score of 7.

## I. BOARD OF DIRECTORS

Garanti BBVA has a **one-tier Board of Directors that is formed by 11 members with the composition of 2 female and 9 male board members** as of 31 December 2021. In accordance with the principle of **separation of powers and authority**, the **Chairman and the CEO have different roles** at Garanti BBVA. This clear distinction establishes a balance between authorities and powers within the scope of the Bank's corporate structure, drawing the lines of decision-making capacity of each position. **The CEO is the only executive member of the Board of Directors.**

Three non-executive members of the Board have board memberships in Garanti BBVA subsidiaries, four non-executive members have board memberships in other companies and three non-executive members have board of trustees memberships in foundations.

There are **four independent members** on the Board of Directors. CMB requirements regarding Corporate Governance Principles stipulate that **minimum three independent members must serve on the boards of directors of banks**. Since the Board members assigned as members of the **Audit Committee** are deemed as **independent Board members** according to CMB regulations, Jorge Saenz-Azcunaga Carranza, Sema Yurdum and Avni Aydın Düren, who currently serve as Audit Committee members, are independent Board members. In addition, Mevhibe Canan Özsoy was elected an independent Board member at the Ordinary General Shareholders' Meeting convened on 31 March 2021. Quoted below is the declaration of independence by Mevhibe Canan Özsoy:

TO TÜRKİYE GARANTİ BANKASI A.Ş. CORPORATE GOVERNANCE COMMITTEE,

I hereby declare that I stand for serving as an "independent member" on the Bank's Board of Directors pursuant to the provisions of the Communiqué Serial: II-17.1 on Corporate Governance Principles issued by the Capital Markets Board of Turkey. In this context, I hereby declare as follows:

- I have not held a seat on the Bank's Board of Directors for more than six years in the past ten years,
- Neither I, nor my spouse, nor any relative of mine whether by blood or by marriage unto the second degree, have, within the most recent five years, entered into any employment relationship in an executive capacity involving major duties and responsibilities, or individually or jointly held more than 5% of the capital or voting rights or privileged shares, or established any commercial interest of a significant nature, with any corporate entity with which the Bank, any company in which the Bank has management control or significant influence, or any shareholder having management control or significant influence over the Bank or any corporate entity in which these shareholders have management control,
- I was neither a shareholder (5% and higher), nor have I

worked in an executive capacity involving major duties and responsibilities for or served as a member on the boards of directors of any company from/to which, under a contract, the Bank purchased/sold services or products of material quantity during the period of time such services or products were being purchased or sold, and particularly of the firms performing the audit (including tax audit, legal audit and internal audit), rating and consultancy of the Bank, in the past five years,

d) I possess the professional education, knowledge and experience for due performance of the duties I will assume in connection with being an independent board member,

e) I am not a full-time employee of public institutions and establishments as at the date of nomination,

f) I am considered to be a resident of Turkey as for the purposes of the Income Tax Law,

g) I possess strong ethical standards, professional credibility and experience that are necessary for making positive contributions to the Bank's operations, maintaining my independence in possible conflicts of interest between the Bank's shareholders, and making decisions freely taking into consideration the rights of stakeholders,

h) I am capable of dedicating sufficient amount of time to be able to follow up the execution of the Bank's affairs and to fully meet the requirements of the duties I undertake,

i) I am not serving as an independent board member in any company, which is controlled by the Bank or by shareholders having management control over the Bank,

j) I will be serving on the Bank's Board of Directors as a real person and in this context, I have not been registered and promulgated in the name of any corporate entity elected as a board member.

No circumstances arose in 2021 fiscal year, which prejudiced the independence of independent Board members.

During 2021, **Javier Bernal Dionis resigned from his seat on the Board of Directors and was succeeded by Pablo Alfonso Pastor Munoz.**

The **positions** held by our Bank's Board of Directors members **in and out of the group are stated in their résumés.** Pursuant

to Article 396 of the Turkish Commercial Code, the General Assembly authorized the members of the Board of Directors of Garanti BBVA to execute a transaction of a commercial business nature that falls under the Bank's field of operation on their own or other's behalf or to become a partner with unlimited liability in a company engaged in the same kind of commercial affairs, during the reporting period.

 [Résumés, terms of office and positions of the Board members can be found under the Corporate Governance tab at \[www.garantibbvaannualreport.com\]\(http://www.garantibbvaannualreport.com\).](#)

## **A. WORKING PRINCIPLES AND PROCEDURES OF THE BOARD OF DIRECTORS**

The Board of Directors of the Bank, as the **highest body of representation, direction, management** and oversight of the Bank, operates in order to fulfill the roles and responsibilities appointed to it by the Articles of Association and related legislation. The Board of Directors operates on the principle that it must **convene as and when necessitated by the Bank's affairs and transactions, but at least once a month.** Pursuant to the Articles of Association of the Bank, the Board of Directors **meets with the attendance of seven members minimum and resolutions** of the Board of Directors are **taken by affirmative votes of at least seven members present in the meeting.** In 2021, the Board of Directors **resolved 16 decisions by satisfying the required quorums for meeting and decision.**

 [Garanti BBVA's Internal Directive on the Working Principles and Procedures of the Board of Directors can be found under the Environment, Social and Governance > Policies tab at \[www.garantibbvainvestorrelations.com\]\(http://www.garantibbvainvestorrelations.com\).](#)

## **B. BOARD OF DIRECTORS SUSTAINABILITY AND DIVERSITY POLICY**

The Bank issued the **Board of Directors Sustainability and Diversity Policy on 8 July 2021.** The Policy sets out the principles and criteria governing the adequate composition, suitability and diversity of the members of Garanti BBVA Board of Directors. The Policy has set the **target that female directors will represent at least 25% of the Board of Directors by the end of the 2025 financial year** and beyond.



The Board of Directors Sustainability and Diversity Policy can be found under the Environment, Social and Governance > Policies tab at [www.garantibbvainvestorrelations.com](http://www.garantibbvainvestorrelations.com).



The Compensation Policy can be found under the Environment, Social and Governance > Policies tab at [www.garantibbvainvestorrelations.com](http://www.garantibbvainvestorrelations.com).

### C. REMUNERATION

As published on the Bank's website, a **Compensation Policy** has been formulated for the Bank's employees in accordance with the banking and capital market legislation, and it has been **approved by the Board of Directors**. Pursuant to the Bank's Compensation Policy, the policy encourages **fair, transparent, measurable and sustainable success** among employees and is **in alignment with the Bank's risk principles**. **The compensation structure consists of fixed income and variable income items**. The **Remuneration Committee** and the **Talent and Culture Unit** authorized by this Committee are responsible for reviewing and duly executing the compensation policies.

**The benefits provided to the Board of Directors members and senior executives are shown in the Financial Statements**, and the **upper limit of total remuneration** to be paid during any given year to Board members undertaking a specific role at the Bank and to independent Board members are **submitted for approval and determined at the General Shareholders' Meeting**. **As of 31 December 2021, the net payment provided or to be provided to the key managers of the Bank, including the members of the Board of Directors, including compensations paid to key management personnel who left their position during the year, amounted to TL 84 million 704 thousand**. As the public disclosures regarding the remunerations and benefits provided to key managers including Board members are subject the BRSA's regulations on the banks' qualitative and quantitative disclosures with regard to the remuneration policies, such remunerations and benefits are disclosed cumulatively. There is an employee stock ownership program for "identified employees", which is described within the Compensation Policy. **As at year-end 2021, there are 26 identified employees serving at the Bank**. In variable payments made to identified employees, **payment is made in cash and by non-cash means (linked to share certificates)** in line with the principles in the **"Guidelines on Good Compensation Practices in Banks"**. In payment practices that rely on non-cash means within the scope of 2021 variable payments of identified employees, **Banco Bilbao Vizcaya Argentaria S.A. share will be taken as basis**.

**Members of the Bank's Board of Directors** are paid **attendance fees**. The amount of the attendance fee is **determined and approved at the General Shareholders' Meeting**. In addition to the attendance fee paid to the Board members, it has been decided at the Ordinary General Shareholders' Meeting held in 2021 that payments to be made to those Board members who assume a specific position in the Bank and to independent Board members be determined by the Remuneration Committee that has been authorized by the Board of Directors pursuant to Corporate Governance Principles. It has also been resolved to **set a maximum limit of TL 23,000,000 net** for the total compensation so determined and will be paid until the first ordinary general shareholders' meeting to be convened in 2022.

Furthermore, **other financial rights to be provided to the Senior Management** consisting of the members of the Board of Directors, the CEO and Executive Vice Presidents are **determined by the Remuneration Committee** that is established in accordance with the Regulation on the Banks' Corporate Governance Principles published by the Banking Regulation and Supervision Agency (BRSA). Under the provisions of the said Regulation, the Remuneration Committee has **determined the manner of payments to Senior Management and the criteria for performance-based payments, by taking into account the European Union regulations and practices**. Accordingly, Senior Executives receive performance-based payments in addition to their monthly salaries, which payments are determined by the Remuneration Committee based on objective criteria including the economic profitability and key performance indicators of the Bank, as well as subjective criteria based on the respective personal performance. The Remuneration Committee **ensures that such payments do not negatively affect the Bank's capital adequacy ratio and continuity of the Bank's operations**. **Part of the performance-based payments are made in installments and spread over future periods**.

At the Ordinary General Shareholders' Meeting held in 2021, the following information has been provided to the shareholders "Our Bank has established and announced a compensation

policy for all employees pursuant to applicable legislation. A fair, performance and success-based remuneration policy has been created.

Our Bank's Compensation Policy has been implemented as approved and it is reviewed periodically. In addition to the compensation policy covering the Bank's entire personnel, the Remuneration Committee continued to implement the policies it has set in relation to remuneration and bonuses to be paid to the members of the Board of Directors who assume administrative roles and to senior executives, which do not rely solely on profit. The Committee reviewed the same at certain intervals. The policy, which has been developed in line with the local legislation and international practices, continued to be implemented.

**The portion of 10.56% of the total personnel expenses figure for the benefits provided in 2021 to the Bank's employees including the Board members and senior management in the financial statements results from the performance-based bonuses of all employees and variable salary payments.**

Subject to the restrictions imposed by the banking legislation, the Bank may extend loans to Board members and executives. On the other hand, the loans to be disbursed by Garanti BBVA to the members of the Board of Directors and managers are restricted to specific framework by Article 50 of the Banking Law. The Bank does not disburse loans to the members of the Board of Directors and managers outside of the above-mentioned framework."

Kurulu Üyelerine ve Yöneticilerine Garanti BBVA tarafından kullanılacak krediler, Bankacılık Kanunu'nun 50. maddesinde belirli bir çerçeve içinde kısıtlanmaktadır. Yönetim Kurulu Üyelerine ve Yöneticilerine bu çerçeve dışında kredi kullanılmamaktadır."

#### **D. RELATED PARTY TRANSACTIONS**

As of 31 December 2021, the concentration of transaction volumes and balances with the parent bank and its consolidated financial affiliates ("the Group") and pricing policy can be found in the footnote numbered 5.7.2.2 of the Bank's Financial Report as of 31 December 2021.

## **II. SUSTAINABILITY**

Based on its core values, Garanti BBVA defines sustainability as a **pledge to create a powerful and successful business model where long-term values are shared with its customers, employees, shareholders and all populations in places where it pursues operations, as well as minimizing the negative impacts to the environment and the society.** The Bank carries on with its efforts and initiatives in **sustainable development** with a focus on the **combat against climate change and inclusive growth** under Sustainability, which is one of Garanti BBVA's strategic priorities.

In line with the necessity to embed sustainability issues within decision-making mechanisms and business processes in order to create long-term value for stakeholders, Garanti BBVA **laid the foundations of the Sustainability Committee headed by a Board member in 2010.** In 2020, the Sustainability Committee merged with the Responsible Banking Committee. **The Committee meets at least four times a year and addresses sustainability matters that take place among strategic priorities.**

 [The Sustainability Policy can be found under the Environment, Social and Governance > Policies tab and information about the Responsible Banking and Sustainability Committee under the Environment, Social and Governance > Committees tab at \[www.garantibbvainvestorrelations.com\]\(http://www.garantibbvainvestorrelations.com\).](#)

 [Sustainability performance indicators can be found in the Sustainability section of the 2021 Integrated Annual Report.](#)

The Bank reports information on its environmental impact in comparison to prior periods in the light of environmental indicators (GHG emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect)), air quality, energy management, water and wastewater management, waste management, biodiversity impacts).

 [The report can be found under the Environment, Social and Governance > ESG Analyst Data & Presentation tab at \[www.garantibbvainvestorrelations.com\]\(http://www.garantibbvainvestorrelations.com\).](#)

The Bank talks about all of its innovative products and services presented in keeping with **responsible business, financial health**

**and inclusion** concepts and by taking into account the **United Nations Sustainable Development Goals**, together with how its business processes are shaped according to these concepts in the Our Material Matters, Stakeholder Engagement, Contribution to Sustainable Development Goals and Targets and Sustainability sections of 2021 Integrated Annual Report.

 Information about Our Material Matters, Stakeholder Engagement, Contribution to Sustainable Development Goals and Targets, Sustainability can be found in the relevant sections of 2021 Integrated Annual Report.

**In 2021, sustainability has been incorporated within performance system criteria.** Accordingly, **customer satisfaction, service quality, effective management of human resource and sustainability** are included among the fundamental factors affecting performance-based remuneration, in addition to the Bank's financial targets.

The steps Garanti BBVA takes to create value for the economy, the society and all its stakeholders are recognized by national and international authorities.

 The indices, international initiatives, reportings in which the Bank is included and all information on sustainability can be found in the **Environment, Social and Governance** section at [www.garantibbvainvestorrelations.com](http://www.garantibbvainvestorrelations.com).

### III. INFORMATION SECURITY

Garanti BBVA carries out activities ensuring continued awareness of **compliance with laws and corporate standards, and development of processes that guarantee management of Information Technology (IT)/information security and IT related risks**, in order to effectively **manage reputational risk** across the Bank.

- In terms of governance, the **Information Security Committee** headed by the CEO coordinates all efforts within the Bank to guarantee information security and **monitors policies, procedures, and regulations.**

In 2021;

- **Data Security and Protection Security Committee** was set

up, which meets three times a year.

- The security organization was restructured in alignment with the BRSA's new information systems regulation, and **Enterprise Information Security team was set up, which reports to the CEO.** The Information Security Committee headed by the CEO was reorganized.
- **"Secure connection technologies (VPN)" were broadened** to respond to increased teleworking needs due to the pandemic, and **stricter blocking and tracking rules** were introduced to prevent possible breaches.
- **Cybersecurity Center reorganization project was initiated** to fight evolving and increasing cyber threats more effectively, and to make optimum use of current tools such as data analysis and machine learning and to offer operations on a 24/7 basis.
- Internal shared spaces, file servers are periodically scanned **to detect sensitive data and monitor possible unauthorized access.**
- **Information security training programs** were reviewed and updated.
- **100% alignment** was achieved with the **Swift Customer Security Program** as at year-end 2021; a similar task will be repeated until year-end 2022.
- **Effectiveness against cyber attacks** in the organization's systems was enhanced through development of system rules according to the MITRE ATT&CK matrix, which systematically defines and publishes the techniques, tactics and procedures used by cyber attackers on the basis of worldwide examination of the same.
- New security technologies were introduced to **detect abnormalities** in network traffic.
- As part of **security awareness efforts**, various tools are used which include internal bulletins, specific security recommendations, contests for increasing employees' knowledge and simulations for raising increased awareness against phishing attacks.
- A **new technology** has been developed **to detect and prevent potential data leakages** in the organization. A patent application has been filed for the technology.
- The **ID management system** managing employees' authorizations on different infrastructures and applications were **rolled over across subsidiaries**, resulting in their **centralized management.**

- **Log management system infrastructure** has been reconfigured **for more effective use in audits and reporting.**

#### IV. RISK MANAGEMENT

**Risk Management**, which is responsible for executing risk management activities, **reports to the Board of Directors via the Risk Committee, which is composed of the members of the Board of Directors.** Risk Management is composed of **Internal Capital and Operational Risk Department, Market and Structural Risk Department, Validation, Credit Risk Control and Risk Management Control functions**, which are under the execution and management of the Head of Risk Management.

Risk Management measures and monitors the Bank's risk exposure on consolidated and unconsolidated bases by using methods compliant with international standards, and in accordance with the applicable legislation. Risk Management handles the preparation of the ICAAP (Banks' Internal Systems and Internal Capital Adequacy Assessment Process) report by coordinating the related parties, which will be submitted to the BRSA. In addition, the stress test report is submitted to the BRSA, which addresses how the potential negative effects on macroeconomic data might alter the Bank's three-year budget plan and results within the framework of certain scenarios, as well as their impact upon key ratios including the capital adequacy ratio.

#### V. STAKEHOLDERS

##### A. DECLARATION OF HUMAN RIGHTS AND EMPLOYEE RIGHTS

**Within the frame of a responsible and sustainable banking approach, Garanti BBVA aims to create a contemporary working environment fully respectful of human rights and to disseminate this notion across all its stakeholders.**

The Bank is focused on fulfilling the requirements of, and achieving compliance with, the regulatory framework governing work life in our country, along with international covenants to which Turkey is a party, specifically:

- **The UN Universal Declaration of Human Rights**, and
- The basic tenets of the **International Labor Organization**, a

specialized United Nations agency working to promote human rights, social justice and labor rights.

In accordance with Garanti BBVA's **Code of Conduct**, employees at any level are obliged to conduct their relationships with each other in a way that will not injure the work climate and will not be perceived as harassment, discrimination or mistreatment in or out of the workplace.

Garanti BBVA Managers are obliged to take the necessary measures to prevent **mistreatment, discrimination or harassment of any type** in the workplace and to report suspected cases to the Human Resources Department. Employees are urged to report their **grievances** in this respect to their **line managers or directly to the Human Resources Department**. If, for any reason, this method is not relevant or not the best way for the resolution of the issue, the case is referred to the **Whistleblowing Channel**.

Such complaints are not used against the complainant and are addressed and resolved with due importance. Necessary administrative sanctions are implemented at the Bank against perpetrators of any kind of mistreatment, discrimination or harassment or actions to cover up such behavior. **In keeping with the equal opportunity principle, Garanti BBVA does not discriminate against its employees.** The fundamental criterion for choosing, promoting, or reassigning a person for a position is fitness for such position.

Garanti BBVA **respects the constitutional right regarding unionization and collective agreements.** All employees are free with respect to union membership and act of their own free will. The Bank takes utmost care to provide a physically and mentally healthy working environment for its employees. The Bank takes the necessary precautions prescribed in applicable legislation on Occupational Health and Safety (OH&S) and provides training to its employees. In addition to the measures taken and trainings provided to the employees, Garanti BBVA conducts the **Work Life Integration (IYI)** program, which seeks to **balance the work and personal life for enhancing employee satisfaction and offering a richer working experience.**

According to Garanti BBVA's **Environmental and Social Loan Policies**, operations which are prohibited or restricted by

national legislation and/or international covenants to which Turkey is a party, **will not be financed, without carrying out any additional assessment in relation to the matters mentioned below and regardless of amount:**

Garanti BBVA subjects new projects with an investment value of more than USD 10 million to its Environmental and Social Impact Assessment System and requests stakeholder involvement meetings to be held effectively if it deems necessary. Should Garanti BBVA identify any social risks, including those associated with human rights, in the course of its assessment, the Bank demands its customer to take necessary measures, and monitors their implementation throughout the duration of the loan.

- Companies with concrete evidence (based on court decisions and related legal disputes) that proves the violation of existing laws and regulations or human rights regardless of country,
- Individuals and organizations that employ children and/or young workers in contradiction with the working procedures established under the national legislation and are engaged in forced labor,
- Individuals and entities that violate the human rights as defined by the labor legislation in our country and the following principles:
  - The United Nations Universal Declaration of Human Rights,
  - The requirements set forth by the international conventions to which Turkey is a signatory, particularly the basic tenets of the International Labor Organization, a United Nations agency whose mandate is to advance human rights, social justice and promote decent work,
  - The United Nations Global Compact, an international initiative to encourage companies to adopt ten principles that address all aspects of sustainability, including human rights, across their business cycles and strategies.

Garanti BBVA's **product and service agreements with third parties** are managed in accordance with the relevant laws and the Bank's policies and procedures. Garanti BBVA requires compliance with the Turkish legislation, particularly the Turkish Labor Code where necessary, and **reserves the right to terminate agreements in the event of non-compliance** with regulations providing for worker protection.

Attaching importance to its relations with companies that it has commercial dealings with and regarding it a **key responsibility to integrate its supply chain with ethical, social and environmental factors**, Garanti BBVA sets out the **minimum ethical, social and environmental action standards** expected to be adhered to by its product and service providers within the Code of **Conduct for Suppliers** document. Garanti BBVA encourages the implementation of these standards in accordance with the principles and recommendations for actions in commercial dealings set out by the International Bill of Human Rights, UN Global Compact and UN, Organization for Economic Cooperation and Development (OECD) and the International Labor Organization (ILO). **All suppliers in a business relationship with Garanti BBVA are obliged to abide by the Code of Conduct during the term of their product or service provision.**

**Code of Conduct** sets out the standards that need to be adhered to for ensuring that the actions of Garanti BBVA Group employees are in harmony with the values. Garanti BBVA employees must act **honestly and transparently** in accordance with the laws and regulations in force, act with the **common sense and professionalism** commensurate with the social impacts of the finance sector, and be worthy of the trust held by Garanti BBVA **shareholders and customers.**

Garanti BBVA employees abide by the standards set forth under the headings **respect for the customers, each other, the job and the society.** They act respectfully in their business dealings, and **do not discriminate against people on the grounds of gender, race, age, nationality, religion, sexual orientation, disability, family origin, language, political ideology, political or union affiliation or any other characteristic not objectively associated with working conditions or the consideration of which is prohibited for such purposes by the applicable legislation.**

Garanti BBVA is against forced and compulsory labor and expects the same approach from its customers as set forth in various declarations and policies concerning human rights that it published. The Bank organizes remote trainings for its employees on its **Code of Conduct covering its principles in relation to human rights, Environmental and Social Loan Policies, and other policies and procedures of a similar nature**, which cover its principles in relation to human rights. The responsibility for

the implementation of these policies rests with all employees, and effective control and supervision of their implementation are carried out by related departments within the Bank. Garanti BBVA supports the activities of national and international initiatives on sustainability, to which it belongs, in order to spread these principles.

**The Responsible Banking and Sustainability Committee is responsible for approving, amending, improving and enforcing the Declaration of Human Rights.** The Bank conducts a sophisticated human rights due diligence process for its value chain. The **Human Rights Risk Assessment framework** is presented below.

 [Code of Conduct, Declaration of Human Rights, Human Resources Policy, Employee Compensation Policy, Environmental and Social Loan Policies](#) can be found under the [Environment, Social and Governance > Policies](#) tab at [www.garantibbvainvestorrelations.com](http://www.garantibbvainvestorrelations.com).

 [Investments in employees and initiatives for ensuring employee satisfaction](#) can be found in [The Best and the Most Engaged Team](#) section in 2021 Integrated Annual Report.

	Issues	Measures
<b>EMPLOYEES</b>	CHILD LABOR VIOLATION OF HUMAN RIGHTS VIOLATION OF CODE OF CONDUCT OCCUPATIONAL HEALTH AND SAFETY HEALTH RISKS ECONOMIC AND SOCIAL LOSSES DUE TO EXPROPRIATION	Hard Controls: Retail, SME, Commercial and Corporate Customers (1) Additional clauses to Banking Service Agreements Risk-Based Assessment for Corporate and Commercial Customers: (2) Environmental and Social Impact Assessment Model for financing deals satisfying the amount/transaction definitions set out in the Environmental and Social Loan Policies (3) Action Plans (4) Monitoring Plans Soft Controls: (5) Environmental and social impact assessment trainings
<b>HUMAN RIGHTS</b>	EQUALITY, DIVERSITY AND INCLUSION DISCRIMINATION VIOLATION OF CODE OF CONDUCT OCCUPATIONAL HEALTH AND SAFETY	Hard Controls: (6) Garanti BBVA Code of Conduct (7) Whistleblowing Channel (8) HR Internal Control Mechanism (9) Integrity Committee (10) Audit Committee Soft Controls: (12) Gender Equality trainings (13) Communication strategy (14) Employee Support Line (15) Domestic Violence Hotline
<b>SUPPLY CHAIN</b>	CHILD LABOR VIOLATION OF CODE OF CONDUCT OCCUPATIONAL HEALTH AND SAFETY	Hard Controls: (15) Garanti BBVA Code of Conduct for Suppliers (16) Garanti BBVA Code of Conduct (17) Garanti BBVA Support Services Risk Assessment Program (18) Audit Committee (19) Additional clauses to service agreements Soft Controls: (20) Communication of Code of Conduct

Measures numbered (1) and (2) include all the criteria indicated in Garanti BBVA's E&S Loan Policies in addition to human rights issues. The measures mentioned are applied to all commercial loans.

Measures numbered (3), (4), (5), and (6) include all the relevant E&S criteria as required in our E&S Impact Assessment Model.

## **B. ETHICAL AND SOCIAL RESPONSIBILITY**

Enforced upon its approval by the Board of Directors, **Code of Conduct** describes the standards that need to be adhered to in order for actions to be in harmony with the values at the Garanti BBVA Group. There is an **Integrity Committee**, whose mandate is to contribute to preserve the corporate integrity of the Bank. An Integrity Committee is being set up which will be responsible for ensuring effective implementation of the Code of Conduct across all financial subsidiaries and affiliates.

**The Compliance Department** has been **authorized by the Board of Directors** to ensure, encourage and independently and objectively supervise that the right manner of action is taken with respect to anti-money laundering, attitudes towards customers, transactions on securities markets, anti-corruption, data privacy and other issues which might lead to reputational risk for Garanti BBVA.

The Compliance Department is responsible for raising increased awareness of the Code of Conduct, encouraging its implementation, ensuring further improvement and spreading of the procedures to be created, assisting in the resolution of possible hesitations arising during their interpretation, and for managing the Whistleblowing Channel. The **Whistleblowing Channel** can be accessed by all employees, customers and suppliers (E-mail: EtikBildirim@Garantibbva.com.tr, Phone: +90216 662 5156).

The Compliance Department processes all reports received carefully and promptly, ensuring they are investigated and resolved in accordance with the Whistleblowing Channel management procedures. Reports are analyzed objectively, impartially and are treated confidentially. The identity of the employee who reported is kept confidential. The information is made known only to those functions whose involvement is necessary for the investigation process. The result of the investigation is communicated to the departments that need to take appropriate measures to correct the transgression, as well as to the person being reported and the reporter, as appropriate.

Nobody, who reports any facts or activities through the Whistleblowing Channel in good faith, will be the target of reprisal nor will he/she suffer any other adverse consequence as a result.

The **Anti-Fraud Policy** is published with the aim of promoting honest and reliable working environment conditions against any act of misconduct across the Bank, raising awareness of potential fraudulent acts, and communicating the actions that can be taken for early detection.

Current announcements have been published in relation to Garanti BBVA Code of Conduct and **Ethical Sales Principles** documents. Ethical Sales Principles document emphasizes the "reputation" concept as the Bank's greatest asset, and details the expected code of ethical conduct for employees during sales activities.

**Social Media Policy** sets forth the rules as to how the Bank's employees will represent Garanti BBVA on social media.

Garanti BBVA is strictly adhered to the laws and ethical principles particularly in relation to anti-corruption. Garanti BBVA **rejects categorically any corrupt practice** and also expects the same from its employees and third parties; in addition, the Bank **pledges to play an active role in the eradication and prevention of corruption, both in public and in private sector**. To that end, Garanti BBVA has in place several internal policies, procedures and controls that complement, develop and elaborate on the principles and guidelines set out in section 4.3 of the Code of Conduct under the heading "**Anti-corruption Policy**".

Garanti BBVA's Anti-Corruption Policy has been prepared in accordance with the **most rigorous national and international standards** on the matter including the **US Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act (UKBA)**, taking into account the guidelines of international organizations for the prevention of corruption as well as those outlined by the **International Organization for Standardization (ISO)**.

Garanti BBVA employees neither derive, nor offer or promise, **directly or indirectly, payments, gifts, donations, job offers, sponsorships, privileged treatment or any kind of benefit** to influence or attempt to **influence decisions** of third parties, individuals, public officers or authorities with the aim of obtaining **unfair profits or advantages** for the Bank's operations or for people working for the Bank. This prohibition also covers the so-called **facilitation payments**.

 Detailed information can be found in the [Anti-Corruption Policy and Code of Conduct documents under the Environment, Social and Governance > Policies tab at \[www.garantibbvayatirimciiliskileri.com\]\(http://www.garantibbvayatirimciiliskileri.com\)](#).

Garanti BBVA believes that fair competition is one of the essential principles of a well-functioning market, which benefits the development, progress and well-being of society. The purpose of **Garanti BBVA Competition Policy** is to create the framework of actions for preventing and detecting practices preventing competition at Garanti BBVA or situations putting the Group at risk; outline the general guidelines on competitive situations; help determine events that require special attention, and provide recommendations as appropriate in suspicious cases.

 The [Competition Policy](#) can be found under the [Environment, Social and Governance > Policies tab at \[www.garantibbvayatirimciiliskileri.com\]\(http://www.garantibbvayatirimciiliskileri.com\)](#).

Garanti BBVA's policies relating to the core components of the compliance system are documented in the **"Compliance Department Policy"**. The Compliance Department Policy emphasizes the compliance risk and reputation risk concepts, and underlines that employees are expected to comply with the laws, the Bank's Code of Conduct and corporate standards in their actions. The Policy defines the concept of integrity and lists the basic tasks and responsibilities within the compliance system. In this context, it is emphasized that compliance is not the responsibility of senior executives or certain business units only, but of each employee.

Engaged in the banking business with the goal of "bringing the age of opportunity to everyone", Garanti BBVA moves ahead with the target of **having a positive impact** on the people, businesses, and the **society at large** at all times in line with its corporate values. Various policies and internal guidelines of the Bank represent its **pledge to be a responsible bank and create value over the long term**, which it has communicated to all its stakeholders. Released in **July 2021 based on the Board of Directors decision**, the **Corporate Social Responsibility Policy** is intended to emphasize the Bank's principles, guidelines and commitments related to corporate social responsibility and adapt them to the priorities of the Bank and the society.

The Bank follows the principles below in relation to corporate social responsibility:

1. Focus on creating a positive impact for the society
2. Respect for human dignity and their inherent rights
3. Community investments
4. Involvement as an enabler of social change

 The [Corporate Social Responsibility Policy](#) can be found under the [Environment, Social and Governance > Policies tab at \[www.garantibbvainvestorrelations.com\]\(http://www.garantibbvainvestorrelations.com\)](#).

Garanti BBVA considers its **systematic and long-lived initiatives** carried out within the scope of its **Community Investment Programs** as a **key element of its responsible business concept**.

The Bank identifies its strategic priorities in this framework in line with the social sensitivities in the country and the world, BBVA Group priorities, stakeholders' expectations and necessity areas. Accordingly, the Bank creates shared value through its strategic community investment programs focusing on material topics such as **gender equality, quality education, culture and arts, entrepreneurship, and environment**.

### **Quality Education**

Worldwide failure to achieve sufficient progress with respect to **"Quality Education"**, which is **Goal 4 under the Sustainable Development Goals** espoused by the United Nations, exhibits the utmost importance of expanding educational opportunities in our day and of the shared value to be created in this respect.

**The Teachers Academy Foundation (ÖRAV), established by Garanti BBVA in 2008**, continues its activities with the goal of helping ensure that the society gives the much-deserved value to teachers as they practice a profession requiring specific knowledge, skills and attitude. The Foundation designs training programs for continuous development of the teachers assuming responsibility in the education of individuals possessing the mental, social, emotional and digital skills required by the 21st Century. Besides the Foundation's ongoing projects, **eKampüs Remote Learning Platform** is regularly revamped and enriched in terms of its usage scope, which was established as a continuous education and knowledge sharing platform and which currently hosts all of the training programs.

Launched in 2017 as a collaborative initiative of Garanti BBVA and the Teachers Academy Foundation, **5 Pebbles: Social and Financial Leadership Program** contributes to primary school teachers' **social and financial literacy** knowledge and helps them instill these skills in students employing a child-centered approach and active learning methods. While raising the students' awareness of social and financial topics, the ultimate goal is to **create a consciousness of "Good Citizenship"**. Under the program comprised of five modules, education is given and various activities are carried out in the areas of "**Self-Exploration and Understanding**", "**Rights and Responsibilities**", "**Saving and Spending**", "**Planning and Budgeting**" and "**Social and Financial Entrepreneurship**".

The Teachers Academy Foundation supports the teachers in acquiring the necessary skills and capabilities to handle the remote and blended education process as effectively as possible. One of the initiatives in this framework, **Teachers without Distance web seminar series** continues to be conducted on **EKampüs**. Covering various headings, the series was launched in 2020 and will be held in all 81 cities of Turkey throughout the year.

**Sports and physical education can motivate children and youth to attend and engage in formal and informal education, as well as improve their academic performance and learning success.** With this perspective, Garanti BBVA has been supporting 12 Giant Men (National Men's Basketball Team) since 2001, Pixies of the Court (National Women's Basketball Team) since 2005, 12 Brave Hearts (National Men's Wheelchair Basketball Team) and 12 Magical Wrists (National Women's Wheelchair Basketball Team) since 2013. **Launched in 2002 with the inspiration drawn from the 12 Giant Men, the 12 Giant Men Basketball Academies project finds and trains the 12 Giant Men and Pixies of the Court of the future from all over Turkey.**

### **Culture and Arts**

Cultural aspects, including active participation in cultural life, the development of individual and collective cultural liberties, the safeguarding of tangible and intangible cultural heritages, and the protection and promotion of diverse cultural expression are core components of **personal and also sustainable development**. Founded by Garanti BBVA in 2011 to unify Platform Garanti Contemporary Art Center, Ottoman Bank Museum and Garanti

Gallery and to provide **a sustainable setting for cultural research and production** in Turkey, **SALT** operates with the notion of being a worldwide cultural institution in tune with the necessities of the twenty-first century. Functioning as an **open source** with content that raises awareness on social issues, SALT develops programs that **encourage qualified knowledge production**. The institution contributes to the public memory of Turkey and its nearby geography through **versatile archive and research** projects.

Garanti BBVA also aims to make cultural activities become widespread. As the **main sponsor of İstanbul Jazz Festival for 24 years**, Garanti BBVA has also been supporting the leading music venues in İstanbul with "**Garanti BBVA Concerts**" and "**Turn Up the Music with Garanti BBVA**" projects.

As the main sponsor of **İstanbul Jazz Festival** for 24 years, Garanti BBVA has been supporting the leading music venues in İstanbul under the name of "**Garanti BBVA Concerts**" and "**Turn Up the Music with Garanti BBVA**".

### **Environment**

In 2021, Garanti BBVA, **in collaboration with the Turkish Marine Environment Protection Association / TURMEPA**, launched the **Blue Breath Project** (in Turkish: Mavi Nefes) to undertake waste surface cleaning in the Sea of Marmara and organize awareness trainings on sea cleaning in provinces in the region. **Two sea sweepers** that will clean the İstanbul Strait within the scope of the project are also dispatched to other locations for mucilage and solid waste cleaning in case of emergencies. **Training** forms the **second leg** of the project. The stops of the project this year were Kocaeli, İstanbul Asian Side and Bursa. Under the Blue Breath Project, the **Blue Breath Training Bus** also set on the road **in addition to online training programs. Inaugurated in Kocaeli, the bus stayed one week each in Beykoz and Üsküdar districts of İstanbul and in Bursa.**

On another note, Garanti BBVA has been the **main sponsor of WWF-Turkey (World Wide Fund for Nature-Turkey) for 30 years**. Contributing to the sustainability of the planet through its efforts and initiatives worldwide, WWF is one of the largest nature protection associations in the world, with 6,200 employees in more than 100 countries. WWF-Turkey conducts projects in the areas of seas, freshwater, wildlife, climate-energy, forests and

food. Garanti BBVA also **supports the Earth Hour movement** organized by the WWF every year in order to highlight the world's environmental problems.

In addition, Garanti BBVA is the **main sponsor of CDP Turkey**, the Turkey office of the **world's most powerful green non-governmental organization** which is engaged in the fight against climate change and conservation of natural resources.

Garanti BBVA **conducts Social Impact Analysis using the Social Return on Investment (SROI) method** assess the value and the social impact of its ongoing programs among the target audiences.

The total budget Garanti BBVA allocated to its **community investment programs** in 2021 **amounted to TL 43.6 million**.

 Further details of the activities in 2021 can be found in the Sustainability section of 2021 Integrated Annual Report.

### C. INFORMATION ON DONATIONS AND GRANTS IN 2021

The total amount of donations and grants made by the Bank in the reporting period is TL16,637,802. Based on its commitment to add value to the society, the Bank makes donations and contributions mostly to persons, non-governmental organizations, societies or foundations, public entities and organizations that work in the fields of education, culture, art, environment and sports. Donations can also be made to promote the Bank's corporate identity and to expand the coverage of banking activities.

Information regarding the amounts and beneficiaries of donations and contributions made by the Bank during the reporting period is provided to the shareholders under a dedicated agenda item during the General Shareholders' Meeting.

Amounts and beneficiaries of the donations made in 2021 are as follows:

**TURKISH FOUNDATION FOR COMBATING SOIL EROSION, REFORESTATION AND THE PROTECTION OF NATURAL HABITATS (TEMA) - 10,000,300**

**TURKISH MARINE ENVIRONMENT PROTECTION ASSOCIATION (TURMEPA) - 2,500,000**

**UNIVERSITIES AND EDUCATIONAL INSTITUTIONS - 1,133,551**  
**İSTANBUL KÜLTÜR VE SANAT VAKFI (İSTANBUL FOUNDATION FOR CULTURE AND ARTS) - 1,240,000**

**VARIOUS FOUNDATIONS, SOCIETIES AND INSTITUTIONS - 1,763,951**

**TOTAL - 16,637,802**

### D. PERSONAL DATA PROTECTION AND PROCESSING POLICY

Garanti BBVA respects and cares for the privacy and confidentiality rights of its clients, employees, suppliers, providers and all other related people.

 The Personal Data Protection and Processing Policy can be found under the Environment, Social and Governance > Policies tab at [www.garantibbvainvestorrelations.com](http://www.garantibbvainvestorrelations.com).

### VI. STAKEHOLDER COMMUNICATION

Given the great importance attached to them, Garanti BBVA maintains regular communication with its stakeholders, hear their opinions, and moves ahead with a keen focus on being an inclusive bank in every aspect. Continuous feedback from stakeholders allows the Bank not only to understand stakeholder expectations and meet their needs more precisely, but also presents it with a great opportunity to identify risks and opportunities, and set its priorities and strategy more comprehensively.

**Having blended trends and surveys with the engagement of its stakeholders and completed its materiality analysis with the addition of the double materiality approach, Garanti BBVA discloses its strategy and activities, its contribution to the Sustainable Development Goals and Targets, and its total value creation process in connectivity with integrated thinking in its Integrated Annual Report.**

 Further details can be found in the Materiality Analysis and Stakeholder Engagement sections of 2021 Integrated Annual Report.

Paying the utmost attention to openness, transparency and reporting, Garanti BBVA **simultaneously** makes the **public information, economy reports, extensive information and**

**policies related to ESG topics** available on the Investor Relations website at the address [www.garantibbvainvestorrelations.com](http://www.garantibbvainvestorrelations.com) both **in Turkish and English**. The shareholders can access comprehensive information, get information about the latest developments and activities from the regularly updated Garanti BBVA Investor Relations website, and can address their questions to the Investor Relations Department and to the Subsidiaries and Shareholders Service.

## **GENERAL SHAREHOLDERS' MEETINGS**

General Shareholders' Meeting is held in accordance with the resolution adopted by the Board of Directors. For reaching the highest number of shareholders possible, the **General Meeting announcement** including the meeting date, venue, agenda and similar information is **duly announced at least three weeks prior to the meeting date** as per the provisions stipulated in the Communiqué **via the Turkish Trade Registry Gazette, Public Disclosure Platform ([www.kap.gov.tr](http://www.kap.gov.tr)), e-Investor: Investor Information Center, e-Company Companies Information Portal ([www.mkk.com.tr](http://www.mkk.com.tr)), e-General Meeting Electronic General Meeting System ([www.mkk.com.tr](http://www.mkk.com.tr)), the Bank's websites and two national newspapers.**

The Bank **invites all stakeholders to the General Shareholders' Meeting, who will be voiceless during such meetings.** Before the meeting, **balance sheets, income statements and annual reports** are made **available for review by shareholders** within the timeframe determined in the applicable legislation on the **Garanti BBVA Investor Relations website, at the Head Office and at all branches.** In General Shareholders' Meeting, agenda items are discussed and submitted for the shareholders' approval. **Shareholders are entitled to ask questions, express their opinions and submit proposals regarding the agenda items.** Questions are handled and answered in accordance with the regulations of the Capital Markets Board as well as the principles and procedures specified in the Turkish Commercial Code. Proposals are submitted for approval at the General Shareholders' Meeting and become effective if approved by the specified majority. **The meeting minutes and the list of attendants of the General Shareholders' Meeting are posted on the Public Disclosure Platform (KAP), e-Company Companies Information Portal, e-General Meeting Electronic General Meeting System, and Garanti BBVA Investor Relations website**

**on the same day, and is published in the Trade Registry Gazette following its registration.**

Resolutions adopted in the General Shareholders' Meeting are carried out in accordance with the legal procedures within due time. Pursuant to the provisions of the Regulation on Electronic General Meeting at Joint Stock Companies and the Communiqué on Electronic General Meeting System Applicable at General Assemblies of Joint Stock Companies, **attendance to, and voting at, the General Shareholders' Meeting via the Electronic General Meeting System is permissible.** In addition, holders of depositary receipts have the right to vote and can do so at the General Shareholders' Meeting. The minutes and the list of attendants of the General Shareholders' Meeting are available to shareholders on Garanti BBVA Investor Relations websites. These documents can also be obtained from the Subsidiaries and Shareholders Service.

Garanti BBVA **held its Ordinary General Shareholders' Meeting for the period 01 January 2020-31 December 2020 on 31 March 2021 and the meeting quorum realized at 65.68%.** Media representatives did not attend the General Shareholders' Meeting. At the meeting, one shareholder lodged a statement of opposition, and expressed demands; in response, necessary information has been given within the frame of the CMB regulations and the principles and procedures set out in the Turkish Commercial Code.

There were no transactions in the reporting period for which the decision was left to the General Assembly of Shareholders by reason of dissenting votes cast by independent board members.

## CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE STATUS

COMPANY COMPLIANCE STATUS						
	YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE	EXPLANATION
<b>1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS</b>						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
<b>1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION</b>						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
<b>1.3. GENERAL ASSEMBLY</b>						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
<b>1.4. VOTING RIGHTS</b>						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.	X					

	YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE	EXPLANATION
<b>1.5. MINORITY RIGHTS</b>						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			Contrary to what is suggested in the principle numbered 1.5.2, there is no provision in the Bank's Articles of Association to extend the use of minority rights to those who own less than one twentieth of the outstanding shares. Shareholders constituting at least one twentieth of the capital are entitled to request the Board of Directors to summon the general assembly for a meeting, by specifying the grounds therefor along with the agenda, which should both be put in writing, or if the general assembly is already scheduled to meet, then to request the addition of matters they wish to be decided to the agenda, under Article 411 of the Turkish Commercial Code No. 6102. As and when such a request is received, the Bank takes the utmost care for facilitating the exercise of minority rights. In-line with our Bank's proactive, transparent and consistent communication strategy, utmost care is given to ensure that information is delivered with equal opportunities for everyone at all times. Bilingual Investor Relations (IR) web site, mobile applications developed in Turkish and English offer constant and worldwide access to the relevant information by focusing on the needs of the whole investors. Garanti BBVA Investor Relations websites contains stock data, corporate information, periodically published financial statements and annual reports, information about corporate governance, sustainability and projects that add value to the society. This website also gives access to Material Event Disclosures pertaining to developments regarding Garanti BBVA, which are disclosed to the public via the Public Disclosure Platform. This website also responds to all sorts of user needs with the Investor Kit that contains basic, practical information and the Download Center function that covers all documents.
<b>1.6. DIVIDEND RIGHT</b>						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X					
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					

	YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE	EXPLANATION
<b>1.7. TRANSFER OF SHARES</b>						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
<b>2.1. CORPORATE WEBSITE</b>						
2.1.1 - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
<b>2.2. ANNUAL REPORT</b>						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
<b>3.1. CORPORATION'S POLICY ON STAKEHOLDERS</b>						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3- Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					

	YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE	EXPLANATION
<b>3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT</b>						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.			X			Contrary to what is suggested in the principle numbered 3.2.1, there are no written internal regulations in the the participation of employees in Management. However, employees are provided with the opportunity to comment on all projects and activities carried out in line with the Bank's strategic priorities, ensuring their involvement in decisions. Senior and middle-level managers participate in decision-making mechanisms via 20 committees.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					
<b>3.3. HUMAN RESOURCES POLICY</b>						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					Prevention of harassment and discrimination is an important part of Garanti Bank's human resources policy, and all measures related to these issues are located in a common area accessible to all employees through the Harassment and Discrimination Prevention Guide. There is also a complaint notification line for violations that have occurred.
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 - A safe working environment for employees is maintained.	X					

	YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE	EXPLANATION
<b>3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS</b>						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
<b>3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY</b>						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
<b>4.1. ROLE OF THE BOARD OF DIRECTORS</b>						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
<b>4.2. ACTIVITIES OF THE BOARD OF DIRECTORS</b>						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					
4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					

	YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE	EXPLANATION
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.		X				The Bank's paid-in capital is TL 4.2 billion; and it has subscribed to a Directors and Officers Liability cover with a limit of EUR 100 million for the individual liabilities of executives and Board members arising from their improper conduct.
<b>4.3. STRUCTURE OF THE BOARD OF DIRECTORS</b>						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	X					Board of Directors Diversity and Sustainability Policy was published on July 08, 2021. In this policy, there is a target of 25% of the Board of Directors to be composed of female members by the end of 2025.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
<b>4.4. BOARD MEETING PROCEDURES</b>						
4.4.1-Each board member attended the majority of the board meetings in person.			X			Due to the COVID-19 outbreak, meetings with physical attendance were kept at minimum.
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				Board members' external commitments are presented for the information of shareholders at the General Meeting. The Bank's Board members comply with the banking legislation regarding the external entities they can serve. There is no internal written regulation specifying any limitations in this respect.

	YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE	EXPLANATION
<b>4.5. BOARD COMMITTEES</b>						
4.5.5 - Board members serve in only one of the Board's committees.			X			When the number of members of the Board of Directors and the number of members of the committees are taken into consideration, a member of the Board of Directors may take part in more than one committee. On the other hand, the only committee established according to the Corporate Governance Principles is the Corporate Governance Committee (with the functions of the Nominating Committee). There are three members of the Board of Directors in the Corporate Governance Committee. Other board committees (Risk, Credit, Audit and Remuneration) were established in accordance with the Banking Law No. 5411.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.	X					
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
<b>4.6. FINANCIAL RIGHTS</b>						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.					X	
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				The benefits provided to the Board of Directors members and senior executives are shown in the Financial Statements, and the upper limit of total remuneration to be paid during any given year to Board members undertaking a specific role at the Bank and to independent Board members are submitted for approval and determined at the General Meeting of Shareholders. As of 31 December 2021, the net payment provided or to be provided to the key managers of the Bank, including the members of the Board of Directors, including compensations paid to key management personnel who left their position during the year, amounted to TL 84.7 million. As the public disclosures regarding the remunerations and benefits provided to key managers including Board members are subject the BRSA's regulations on the banks' qualitative and quantitative disclosures with regard to the remuneration policies, such remunerations and benefits are disclosed cumulatively.

## CORPORATE GOVERNANCE PRINCIPLES INFORMATION FORM

1. SHAREHOLDERS	
1.1. FACILITATING THE EXERCISE OF SHAREHOLDERS RIGHTS	REMARKS / RELATED LINKS
The number of investor meetings (conference, seminar/etc.) organized by the company during the year	In 2021, Garanti BBVA Investor Relations team participated in 23 investor conferences and roadshows and held 385 meetings in total.
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION	
The number of special audit request(s)	None. The appointment of a special auditor has not been set forth as an individual right in the Articles of Association of the Bank. However, pursuant to Article 438 of the Turkish Commercial Code No. 6102, shareholders have the right to request a special audit from the General Assembly of Shareholders, whether included in the agenda or not, in order to clarify certain aspects within the frame of exercising shareholders' rights, provided that shareholders making such request have previously exercised the right to obtain or review information as stipulated in the Turkish Commercial Code. So far, Garanti BBVA has not received any request for the appointment of a special auditor. If such a request is received, then the Bank will take maximum care for facilitating the exercise of such special audit right.
The number of special audit requests that were accepted at the General Shareholders' Meeting	None
1.3. GENERAL ASSEMBLY	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1 (ad)	<a href="http://kap.org.tr/en/Bildirim/922298">kap.org.tr/en/Bildirim/922298</a>
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Available. The link to the related website: Turkish: <a href="https://www.garantibbvainvestorrelations.com/tr/kurumsal-yonetim/olagan-genel-kurul-toplantilari/Olagan-Genel-Kurul-Toplantilari/452/0/0">https://www.garantibbvainvestorrelations.com/tr/kurumsal-yonetim/olagan-genel-kurul-toplantilari/Olagan-Genel-Kurul-Toplantilari/452/0/0</a>  English: <a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/Ordinary-General-Shareholders-Meetings/Annual-General-Meeting/102/0/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/Ordinary-General-Shareholders-Meetings/Annual-General-Meeting/102/0/0</a>
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	None
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	None
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	None
The name of the section on the corporate website that demonstrates the donation policy of the company	<a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Donation-and-Contribution-Policy/99/410/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Donation-and-Contribution-Policy/99/410/0</a>
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	<a href="https://www.kap.org.tr/tr/Bildirim/265119">https://www.kap.org.tr/tr/Bildirim/265119</a>
The number of the provision(s) of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	While the Articles of Association does not contain any provisions to that effect, the Bank invites all stakeholders to the General Meetings of Shareholders, who will be voiceless during such meetings. Hence, such invitation is explicitly stated in the invitation to the General Shareholders Meeting.

Identified stakeholder groups that participated in the General Meeting of Shareholders, if any	General Meeting minutes are available to shareholders in media and locations stipulated by applicable legislation. The members of the media did not attend the General Meeting convened in 2021. The Bank invites all stakeholders to the General Meetings of Shareholders, who will be voiceless during such meetings.
<b>1.4. VOTING RIGHTS</b>	
Whether the shares of the company have differential voting rights	No
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares	There are no voting privileges
The percentage of ownership of the largest shareholder	49.85%
<b>1.5. MINORITY RIGHTS</b>	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of association	No
If yes, specify the relevant provision of the articles of association	None.
<b>1.6. DIVIDEND RIGHT</b>	
The name of the section on the corporate website that describes the dividend distribution policy	<a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Dividend-Distribution-Policy/96/407/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Dividend-Distribution-Policy/96/407/0</a>
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend	The Board of Directors' proposal for the distribution of the Bank's 2020 Balance Sheet Profit was laid down for approval at the General Meeting of Shareholders held on 31 March 2021 and approved with majority of votes. It is resolved that, from the after-tax profit of the Bank for the year 2020 in the amount of TL 6.238.002.719,48 in accordance with Article 45 - of the Articles of Association of our Bank titled as the "Distribution of the Profit"; the cash gross dividend in the amount of TL 623.800.000,00 be distributed to our Shareholders, dividend distribution be initiated on April 5, 2021 and TRY 196.447.659,62 which was recognized as income in prior periods' profit or loss account in 2020 due to Accounting Standards be transferred to the Extraordinary Reserves Account. The information provided to our Shareholders regarding the subject is stated in article 6 of the document whose link follows: <a href="https://www.garantibbvainvestorrelations.com/en/images/pdf/2021-03-31-General-Assembly-Meeting-Minutes.pdf">https://www.garantibbvainvestorrelations.com/en/images/pdf/2021-03-31-General-Assembly-Meeting-Minutes.pdf</a>
PDP link to the related general meeting minutes in case the board of directors proposed to the General Assembly not to distribute dividends	<a href="https://www.kap.org.tr/en/Bildirim/926898">https://www.kap.org.tr/en/Bildirim/926898</a>
General Meeting Date	31.03.2021
The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	0
Shareholder participation rate in the General Shareholders' Meeting	65,68045
Percentage of shares directly present at the GSM	%0,001
Percentage of shares represented by proxy	%99,999
Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the number of votes for or against	Garanti BBVA Investor Relations Website Main Page > Corporate Governance > Ordinary General Shareholders' Meeting <a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/Ordinary-General-Shareholders-Meetings/Annual-General-Meeting/102/0/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/Ordinary-General-Shareholders-Meetings/Annual-General-Meeting/102/0/0</a>
Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	Garanti BBVA Investor Relations Website Main Page > Corporate Governance > Ordinary General Shareholders' Meeting <a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/Ordinary-General-Shareholders-Meetings/Annual-General-Meeting/102/0/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/Ordinary-General-Shareholders-Meetings/Annual-General-Meeting/102/0/0</a>
The number of the relevant item or paragraph of the General Shareholders' Meeting minutes in relation to related party transactions	<a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/Ordinary-General-Shareholders-Meetings/Annual-General-Meeting/102/0/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/Ordinary-General-Shareholders-Meetings/Annual-General-Meeting/102/0/0</a>
The number of declarations by insiders received by the board of directors	858
The link to the related PDP general shareholder meeting notification	<a href="https://www.kap.org.tr/en/Bildirim/860336">https://www.kap.org.tr/en/Bildirim/860336</a>

2. PUBLIC DISCLOSURE AND TRANSPARENCY	
2.1 CORPORATE WEBSITES	EXPLANATIONS
Specify the names of the sections of the website providing the information requested by the Principle 2.1.1.	Trade registry information: Garanti BBVA Investor Relations website Home > Contact > Garanti BBVA Latest shareholding and management structure: Garanti BBVA Investor Relations website Home > About Garanti BBVA > Shareholding Structure Detailed information on preference shares: There are no preference shares. The latest version of the Articles of Association: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Articles of Association Disclosures: Garanti BBVA Investor Relations website Home > News > Disclosures Financial Reports and Annual Reports: Garanti BBVA Investor Relations website Home > Library Prospectuses and other public disclosure documents: Garanti BBVA Investor Relations website Home > News > Disclosures General meeting documents: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Annual General Meetings Dividend distribution policy: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Policies > Dividend Distribution Policy Disclosure policy: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Policies > Disclosure Policy Ethical rules created by the company: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Policies > Garanti BBVA Code of Ethics Frequently asked questions: Garanti BBVA Investor Relations website Home > FAQ
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares	<a href="https://www.garantibbvainvestorrelations.com/en/about-garanti/detail/Shareholding-Structure/7/16/0">https://www.garantibbvainvestorrelations.com/en/about-garanti/detail/Shareholding-Structure/7/16/0</a>
List of languages for which the website is available	Garanti BBVA has two different websites prepared in Turkish and English languages. These can be accessed as follows: The website in Turkish <a href="http://www.garantibbva.com.tr">www.garantibbva.com.tr</a> The website in English <a href="http://www.garantibbva.com.tr/en">www.garantibbva.com.tr/en</a>  Garanti BBVA Investor Relations website provides detailed information, both in Turkish and English, about data that are required to be covered in websites as per the Corporate Governance Principles and all other information about Garanti BBVA and share in line with stakeholders' needs.  Investor Relations website in Turkish: <a href="http://www.garantibbvayatirimciliskileri.com">www.garantibbvayatirimciliskileri.com</a> Investor Relations website in English: <a href="http://www.garantibbvainvestorrelations.com">www.garantibbvainvestorrelations.com</a>
2.2. ANNUAL REPORT	
THE PAGE NUMBERS AND/OR NAMES OF THE SECTIONS IN THE ANNUAL REPORT THAT DEMONSTRATE THE INFORMATION REQUESTED BY PRINCIPLE 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the external of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Reporting on Corporate Governance and Sustainability Principles Compliance, "Corporate Governance Principles Compliance Report" section, "Board of Directors" section
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Committees and Policies, Page:56

c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Section: Our Governance & Organizational Structure, page: 48
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in legislation which may significantly affect the activities of the corporation	Section: Reporting on Corporate Governance and Sustainability Principles Compliance, Important Developments Regarding 2021 Operations
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Section: Reporting on Corporate Governance and Sustainability Principles Compliance, Important Developments Regarding 2021 Operations
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Section: Reporting on Corporate Governance and Sustainability Principles Compliance, Support Services Providers
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	Consolidated Financial Statements As of and For the Year Ended 31 December 2021, Footnote: 5.1.11.2. Financial report can be reached at Garanti BBVA Investor Relations website > Library section
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Included in multiple sections: Best & Most Engaged Team (Page 168), Sustainability (Page 120), Financial Health (Page: 110) & Reaching More Clients (Page 136)

### 3. STAKEHOLDERS

#### 3.1. CORPORATION'S POLICY ON STAKEHOLDERS

#### EXPLANATIONS

The name of the section on the corporate website that demonstrates the employee remedy or severance policy

Garanti BBVA Investor Relations website Home > Environment, Social and Governance > Policies > Compensation Policy

The number of definitive convictions the company was subject to in relation to breach of employee rights

130

The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)

Garanti BBVA Compliance Department  
(related committee: Ethics and Integrity Committee)

The contact detail of the company alert mechanism

"Garanti BBVA Whistleblowing Channel"  
etikbildirim@garantibbva.com.tr / 0 216 662 5156

#### 3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT

Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies.

While there are no written internal regulations, employees are provided with the opportunity to comment on all projects and activities carried out in line with the Bank's strategic priorities, ensuring their involvement in decisions.

Corporate bodies where employees are actually represented

While there are no written internal regulations, employees are provided with the opportunity to comment on all projects and activities carried out in line with the Bank's strategic priorities, ensuring their involvement in decisions.

#### 3.3. HUMAN RESOURCES POLICY

The role of the Board on developing and ensuring that the company has a succession plan for the key management positions

There is a succession plan for key management positions, which is regularly followed up by the executive Board member and Executive Vice President on an annual basis.

The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy

Declaration of human rights and human resources policy are posted on the Investor Relations website. Related links are as follows: <https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Declaration-of-Human-Rights/584/1866/0>  
<https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Human-Resources-Policy/97/408/0>

<p>Whether the company provides an employee stock ownership program</p>	<p>There is a plan for "identified personnel", which is described in the Compensation Policy. As of 2021 year-end, there are 26 identified employees serving at the Bank. In the variable payments made to identified employees, payment is made in cash and by non-cash means (linked to share certificates) in line with the "Guidelines on Good Compensation Practices in Banks". In payment practices that rely on non-cash means within the scope of 2021 variable payments of identified employees, Banco Bilbao Vizcaya Argentaria S.A. share will be taken as basis.</p> <p>Link for the Compensation Policy:  <a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/Compensation-Policy/Compensation-Policy/100/411/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/Compensation-Policy/Compensation-Policy/100/411/0</a></p>
<p>The name of the section on the corporate website that demonstrates the human resources policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy</p>	<p>The Human Resources Policy and Code of Conduct are posted on the Investor Relations website. Related links are as follows: <a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Human-Resources-Policy/97/408/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Human-Resources-Policy/97/408/0</a>  <a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Code-of-Conduct/94/405/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Code-of-Conduct/94/405/0</a></p>
<p>The number of definitive convictions the company is subject to in relation to health and safety measures</p>	<p>Garanti BBVA repositioned its Occupational Health and Safety (OHS) team set up under the Human Resources Department in 2013 as the OHS Section in 2015. OHS activities are carried out across the country with a team of 42 people covering Occupational Safety Experts, On-Site Physicians and On-Site Nurses. Authoring a first among financial service institutions of a similar size in Turkey, Garanti BBVA launched the OHS software in all of its locations. The Bank uses the platform to keep track of various activities including risk assessment, health monitoring, training programs, OHS Committees, near misses, work place accidents, review of occupational illness processes, and coordination and control of countermeasures.</p> <p>Garanti BBVA, which has implemented Occupational Health and Safety by taking the best practices in the world beyond national legislation, was deemed worthy of the International Occupational Safety Award by the British Safety Council, one of the world's most respected authorities in Occupational Health and Safety in 2021.</p> <p>There is no final court decision rendered against the company in relation to health and safety measures in 2021.</p>
<p><b>3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY</b></p>	
<p>The name of the section on the corporate website that demonstrates the code of ethics</p>	<p>Garanti BBVA Investors Relations website Home &gt; Environment, Social and Governance &gt; Policies &gt; Garanti BBVA Code of Conduct</p>
<p>The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide information about any measures taken on environmental, social and corporate governance issues.</p>	<p>Garanti BBVA publishes integrated annual reports; hence, the Bank does not release a separate sustainability or corporate social responsibility report. The Bank discloses its entire value creation, both financial and non-financial, within the frame of materiality analysis, its strategic priorities, and its performance in these aspects. Addressed in a comprehensive scope extending from customer experience to employee satisfaction, from digital transformation to responsible and sustainable development, these topics, along with the information on risk management and corporate governance can be found in the integrated annual report.</p> <p>Garanti BBVA Investor Relations website Home &gt; Library &gt; Integrated Annual Reports</p>
<p>Any measures combating any kind of corruption including embezzlement and bribery</p>	<p>Garanti BBVA's Anti-Corruption Policy sets out the actions that need to be taken to prevent and determine across the Bank cases posing corruption risk, and to encourage reporting thereof. Furthermore, In order to prevent corruption, our Bank and its subsidiaries are engaged in an "anti-corruption awareness program ". In-class and e-learning trainings covering these subjects are assigned to all personnel.</p>

4. BOARD OF DIRECTORS - I	
4.2. ACTIVITY OF THE BOARD OF DIRECTORS	REMARKS / RELATED LINKS
Date of the last board evaluation conducted	In its meeting on 19 January 2021, the Corporate Governance Committee that also functions as the Nomination Committee in line with the applicable legislation evaluated the composition and activities of the Board of Directors to be adequate and compliant with the legislation. The Board of Directors has been informed on the issue during the Board of Directors meeting held on 5 March 2021.
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Based on the Bank's Board of Directors' decision dated 31 March 2021, it has been decided to assign Audit Committee in charge of the duties and responsibilities within the scope of internal systems, save for "Risk Management" duties that have been delegated to the Risk Committee as per the applicable legislation, which will be based on the Audit Committee's opinions, suggestions, assessments and the like. Based on the Bank's Board of Directors' decision dated 31 March 2021, it has been decided to appoint Board Member Aydın Düren, in charge of the functions of Compliance Unit to replace former Responsible Member M. Cüneyt Sezgin in accordance with the relevant legislation. Furthermore, based on the Bank's Board of Directors' decision dated 03 June 2021, it has been decided to appoint Aydın Düren, who is currently a Board Member, as the Responsible Member of the Board of Directors for Internal Systems of TRNC Country Directorate as from 31.05.2021, to replace former Responsible Member M. Cüneyt Sezgin who resigned from such position on 31.05.2021 as per the applicable legislation.
Number of reports presented by internal auditors to the audit committee or any other relevant committee of the board	9 in 2021
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Section: Internal Systems Governance, Page: 192-195
Name of the Chairman	Süleyman Sözen
Name of the CEO	Recep Bastug
If the CEO and Chair functions are combined, provide the link to the relevant PDP announcement providing the rationale for such combined roles	The roles of the Chairman and CEO are undertaken by different individuals.
Link to the PDP notification stating that any damage that may be caused by the members of the Board of Directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	PDP disclosure is not available.  The Bank's capital is TL 4.2 billion, and a Directors and Officers Liability cover for EUR 100,000 has been obtained for the individual liabilities of Executives and Board directors associated with improper performance of their duties.

<p>The name of the section on the corporate website that demonstrates current diversity policy targeting women directors</p>	<p>The Bank has different practices and policies to ensure gender equality and equal representation within the institution. It implements practices such as monitoring the ratio of men and women at different levels, preparing job postings without discrimination, training and awareness programs, women's leadership training and mentoring programs. The Bank has different practices and policies to ensure gender equality and equal representation within the institution such as tracking female-male ratio in various levels, as well as applications for open positions. Additionally, since March 2017 the Bank is a founding member of Thirty Percent Club, an organization with the aim of achieving higher rate of women participation in senior management. Garanti BBVA is the only company from Turkey selected to the Bloomberg Gender-Equality Index for the six consecutive years, which includes 230 companies from 10 sectors, across 36 countries and regions. Garanti, which has several practices and initiatives on women's social and empowerment, has been selected to the index. Board of Directors Diversity and Sustainability Policy was published on July 08, 2021. In this policy, there is a target of 25% of the Board of Directors to be composed of female members by the end of 2025.</p>
<p>The number and ratio of female directors within the Board of Directors</p>	<p>There are 2 women members representing 18% of the full number of members.</p>

NAME/SURNAME OF BOARD MEMBER	WHETHER EXECUTIVE DIRECTOR OR NOT	WHETHER INDEPENDENT DIRECTOR OR NOT	THE FIRST ELECTION DATE TO BOARD	LINK TO PDP NOTIFICATION THAT INCLUDES THE INDEPENDENCY DECLARATION	WHETHER THE INDEPENDENT DIRECTOR CONSIDERED BY THE NOMINATION COMMITTEE	WHETHER SHE/ HE IS THE DIRECTOR WHO CEASED TO SATISFY THE INDEPENDENCE OR NOT	WHETHER THE DIRECTOR HAS AT LEAST 5 YEARS' EXPERIENCE ON AUDIT, ACCOUNTING AND/OR FINANCE OR NOT
Süleyman Sözen	No	No	29.05.1997				Yes
Jorge Sáenz-Azcúnaga Carranza	No	Yes	24.03.2016		No	No	Yes
Ergun Özen	No	No	14.05.2003				Yes
M. Cüneyt Sezgin, Ph.D.	No	No	30.06.2004				Yes
Sema Yurdum	No	Yes	30.04.2013		No	No	Yes
Jaime Saenz De Tejada Pulido	No	No	2.10.2014				Yes
Pablo Alfonso Pastor Muñoz	No	No	31.03.2021				Yes
Recep Bastug	Yes	No	6.09.2019				Yes
Rafael Salinas Martinez de Lecea	No	No	8.05.2017				Yes
Aydın Düren	No	Yes	17.06.2020		No	No	Yes
Mevhibe Canan Özsoy	No	Yes	4.04.2019	<a href="https://www.kap.org.tr/tr/Bildirim/915195">https://www.kap.org.tr/tr/Bildirim/915195</a>	Yes	No	Yes

4. BOARD OF DIRECTORS - II	
4.4. MEETING PROCEDURES OF THE BOARD OF DIRECTORS	REMARKS / RELATED LINKS
Number of physical board meetings in the reporting period (meetings in person)	The Board held 9 physical meetings in 2021.
Director average attendance rate at board meetings	79,4%
Whether the board uses an electronic portal to support its work or not	Yes
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	4-5 days on average.
The name of the section on the corporate website that provides information about the board charter	Garanti BBVA Investor Relations website Home > Policies> Working principles and procedures of the BoD
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	The limits set by the banking legislation are complied with.
4.5. BOARD COMMITTEES	
Page numbers or section names of the annual report where information about the board committees are presented	Section: Committess and Policies, Page 56-57
Link(s) to the PDP announcement(s) with the board committee charters	While a PDP disclosure link is unavailable for the announcement pertaining to operating principles, the responsibilities of the committees can be found at Garanti BBVA Investor Relations web site > Environment, Social and Governance > Committees

NAMES OF THE BOARD COMMITTEES	NAME OF COMMITTEES DEFINED AS "OTHER" IN THE FIRST COLUMN	NAME-SURNAME OF COMMITTEE MEMBERS	WHETHER COMMITTEE CHAIR OR NOT	WHETHER BOARD MEMBER OR NOT
Corporate Governance Committee (including the functions of Nomination Committee)		Aydın Düren, Jorge Saenz Azcunaga Carranza, Sema Yurdum, Handan Saygın	Jorge Saenz Azcunaga Carranza	Except for Handan Saygın, all members are members of the Board of Directors.

4. BOARD OF DIRECTORS - II	
4.4. MEETING PROCEDURES OF THE BOARD OF DIRECTORS	REMARKS / RELATED LINKS
Specify where the activities of the Audit Committee are presented in your annual report or website (Page number or section name in the annual report/website)	<a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Audit-Committee/778/3219/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Audit-Committee/778/3219/0</a>
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	<a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Corporate-Governance-Committee/84/397/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Corporate-Governance-Committee/84/397/0</a>
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	<a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Corporate-Governance-Committee/84/397/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Corporate-Governance-Committee/84/397/0</a>
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	For information on Credit and Risk Committees within the frame of banking legislation: <a href="https://www.garantibbvainvestorrelations.com/en/environment-social-governance/committees-list/Committees/80/0/0">https://www.garantibbvainvestorrelations.com/en/environment-social-governance/committees-list/Committees/80/0/0</a>
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	<a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Remuneration-Committee/83/396/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/detail/Remuneration-Committee/83/396/0</a>
4.6. FINANCIAL RIGHTS	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Section: Operational Excellence
Specify the section of the website where remuneration policy for executive and non-executive directors are presented	The Compensation Policy has been published within the policies under "Environment, Social and Governance" section on Investor Relations website. Related link: <a href="https://www.garantibbvainvestorrelations.com/en/corporate-governance/Compensation-Policy/Compensation-Policy/100/411/0">https://www.garantibbvainvestorrelations.com/en/corporate-governance/Compensation-Policy/Compensation-Policy/100/411/0</a>
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	Section: Reporting on Corporate Governance and Sustainability Principles Compliance, Corporate Governance Principles Compliance Report, Remuneration

NAMES OF THE BOARD COMMITTEES	NAME OF COMMITTEES DEFINED AS "OTHER" IN THE FIRST COLUMN	RATIO OF NON-EXECUTIVE MANAGERS	THE PERCENTAGE OF INDEPENDENT DIRECTORS IN THE COMMITTEE	"THE NUMBER OF COMMITTEE MEETINGS HELD IN PERSON"	NUMBER OF REPORTS PRESENTED TO THE BOARD OF DIRECTORS ON THE COMMITTEE'S ACTIVITIES
Corporate Governance Committee (including the functions of Nomination Committee)		75%	75%	3, virtual	2

## SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

NO	PRINCIPAL	COMPLIANCE					EXPLANATIONS FOR THE PRINCIPALS THAT ARE NOT FULLY COMPLIANT	RELATED SECTION IN THE INTEGRATED REPORT OR OTHER SOURCES	PAGE NUMBER
		YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE			
<b>A. GENERAL</b>									
A1. Strategy, Policy and Targets									
1	The Board of Directors determines material ESG issues, risks and opportunities and creates ESG policies accordingly. In terms of the effective implementation of these policies; internal directives, business procedures of Companies etc. can be prepared. The Board of Directors takes decisions for these policies and they are publicly disclosed.	X						Materiality Analysis	60-66
2	It determines the Company Strategy in line with the ESG policies, risks and opportunities. It determines the short and long term goals in line with the Company strategy and ESG policies and makes them public.	X						Materiality Analysis, Value Creation Process, Sustainability	60-87, 120-133
<b>A2. IMPLEMENTATION/MONITORING</b>									
3	It determines the committees / units responsible for the execution of ESG policies and makes them public. The responsible committee / unit reports the activities carried out within the scope of the policies to the Board of Directors at least once a year and in any case within the maximum periods determined for the public disclosure of the annual activity reports in the relevant regulations of the Board.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/corporate-sustainability-governance/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/corporate-sustainability-governance/</a>	-
4	It creates and publicly discloses implementation and action plans in line with the short and long term goals determined.	X						Value Creation Process, Sustainability	60-87, 120-133

NO	PRINCIPAL	COMPLIANCE					EXPLANATIONS FOR THE PRINCIPALS THAT ARE NOT FULLY COMPLIANT	RELATED SECTION IN THE INTEGRATED REPORT OR OTHER SOURCES	PAGE NUMBER
		YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE			
5	Determines Key ESG Performance Indicators (KPIs) and explains them on a yearly basis. In the presence of verifiable data, it presents KPIs with local and international sector comparisons.		X				Considering the needs of the developing world; in parallel with the BBVA Group, we review and reshape our strategic priorities in the light of the main trends that have an impact in the world and in the financial sector. Together with our new strategic priorities, we share our progress in the performance criteria we have determined in the integrated report every year. The subject of presenting the KPIs disclosed in the report with local and international sector comparisons is an improvement area that will be implemented in the upcoming reporting periods.	Garanti BBVA in Numbers, 2021 KPIs	36-37, 40-41
6	Explains the innovation activities that improve the sustainability performance for business processes	X						Sustainability, Operational Excellence - II	120-133, 158-165
<b>A3. REPORTING</b>									
7	It reports its sustainability performance, goals and actions at least once a year and makes it public. Explains the information on sustainability activities within the scope of the annual report.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/library-resources/">https://surdurulebilirlik.garantibbva.com.tr/library-resources/</a>	-
8	It is essential to share information, which is important for stakeholders in understanding the position, performance and development of the Company, in a direct and concise manner. It can also explain detailed information and data on the corporate website, and prepare separate reports that directly meet the needs of different stakeholders.	X						Stakeholder Engagement	68-73

NO	PRINCIPAL	COMPLIANCE					EXPLANATIONS FOR THE PRINCIPALS THAT ARE NOT FULLY COMPLIANT	RELATED SECTION IN THE INTEGRATED REPORT OR OTHER SOURCES	PAGE NUMBER
		YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE			
9	It takes maximum care in terms of transparency and reliability. It objectively explains all kinds of developments about material issues in disclosures and reporting within the scope of the balanced approach.	X						Materiality Analysis, <a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/responsible-and-transparent-governance/transparent-reporting/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/responsible-and-transparent-governance/transparent-reporting/</a>	60-67
10	It gives information about which of the United Nations (UN) 2030 Sustainable Development Goals its activities are related to.	X						Contribution to Sustainable Development Goals and Targets	88-99
11	Makes an explanation regarding the lawsuits filed and / or concluded against environmental, social and corporate governance issues.	X						During the reporting period, there were no lawsuits filed and/or concluded against Garanti BBVA on environmental, social and corporate governance issues.	-
<b>A4. VERIFICATION</b>									
12	If verified by independent third parties (independent sustainability assurance providers), it discloses its sustainability performance measurements to the public and endeavors to increase such verification processes.	X						Independent Auditor's Opinion and Assurance Reports	206-210
<b>B. ENVIRONMENT</b>									
Environmental Principles									
13	Explains policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs in the field of environmental management.	X						Environmental Impact of Our Operations, <a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/environmental-impact-of-our-operations/environmental-management-system/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/environmental-impact-of-our-operations/environmental-management-system/</a>	128
14	Complies with environmental laws and other relevant regulations and explains them.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/environmental-impact-of-our-operations/environmental-management-system/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/environmental-impact-of-our-operations/environmental-management-system/</a>	-

NO	PRINCIPAL	COMPLIANCE					EXPLANATIONS FOR THE PRINCIPALS THAT ARE NOT FULLY COMPLIANT	RELATED SECTION IN THE INTEGRATED REPORT OR OTHER SOURCES	PAGE NUMBER
		YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE			
15	It explains the limitations of the environmental report to be included in the report to be prepared within the scope of the Sustainability Principles, reporting period, reporting date, data collection process and reporting conditions.	X						About the Report	4
16	Describes the highest responsible person, relevant committees and responsibilities in the Company on the issues of environment and climate change.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/environmental-impact-of-our-operations/climate-change-management/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/environmental-impact-of-our-operations/climate-change-management/</a>	-
17	Describes the incentives it offers for the management of environmental issues, including the achievement of objectives.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/environmental-and-social-loan-policies/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/environmental-and-social-loan-policies/</a>	-
18	Explain how environmental problems are integrated into business goals and strategies.	X						Value Creation Process	82-87
19	It explains the sustainability performance of business processes or products and services and the activities to improve this performance.	X						Operational Excellence - II	158-165
20	It explains how it manages environmental issues along the Company's value chain and integrates suppliers and customers into its strategies, not just in terms of direct operations.	X						Value Creation Process, Sustainability	82-87, 120-133
21	Whether it is involved in policy-making processes on environmental issues (sectoral, regional, national and international); It explains the cooperation it has made with the associations, related organizations and non-governmental organizations it is a member of on the subject of environment, and the duties it has taken, if any, and the activities it supports.	X						<a href="https://www.garantibbvainvestorrelations.com/en/sustainability/detail/Stakeholders-Engagement/867/3741/0">https://www.garantibbvainvestorrelations.com/en/sustainability/detail/Stakeholders-Engagement/867/3741/0</a>  <a href="https://www.garantibbvainvestorrelations.com/en/sustainability/detail/Supported-Initiatives/864/3771/0">https://www.garantibbvainvestorrelations.com/en/sustainability/detail/Supported-Initiatives/864/3771/0</a>	-

NO	PRINCIPAL	COMPLIANCE					EXPLANATIONS FOR THE PRINCIPALS THAT ARE NOT FULLY COMPLIANT	RELATED SECTION IN THE INTEGRATED REPORT OR OTHER SOURCES	PAGE NUMBER
		YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE			
22	Reports information on its impacts in a periodically comparable manner within the scope of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect)), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)	X						Environmental Impact of Our Operations, <a href="https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Global-Eco-Efficiency-Plan-2021-25/1872/8565/0">https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Global-Eco-Efficiency-Plan-2021-25/1872/8565/0</a>	128-130
23	It describes the standard, protocol, methodology and base year details used to collect and calculate its data.	X						Environmental Impact of Our Operations	128
24	Describes the status of environmental indicators for the reporting year (increase or decrease) in comparison with previous years.	X						<a href="https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Global-Eco-Efficiency-Plan-2021-25/1872/8565/0">https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Global-Eco-Efficiency-Plan-2021-25/1872/8565/0</a>	-
25	Sets short and long-term goals to reduce their environmental impact and explains these goals. It is recommended that these goals be determined based on Science as suggested by the United Nations Conference of the Parties on Climate Change. If there is progress in the reporting year according to the targets set before, it provides information on the subject.	X						Environmental Impact of Our Operations	128
26	Explain the strategy and actions to combat the climate crisis.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/environmental-impact-of-our-operations/climate-change-management/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/environmental-impact-of-our-operations/climate-change-management/</a>	-
27	Describes the program or procedures to prevent or minimize the potential negative impact of the products and / or services it offers; explains the actions of third parties to reduce greenhouse gas emissions.	X						Sustainability	120-130

NO	PRINCIPAL	COMPLIANCE					EXPLANATIONS FOR THE PRINCIPALS THAT ARE NOT FULLY COMPLIANT	RELATED SECTION IN THE INTEGRATED REPORT OR OTHER SOURCES	PAGE NUMBER
		YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE			
28	It explains the actions taken to reduce its environmental impacts, the total number of projects and initiatives carried out, and the environmental benefits / revenues and cost savings they provide.		X				Every year, Garanti BBVA discloses the actions it takes within the scope of its environmental and social credit policy, the total number of projects and initiatives it carries out, in the Environmental and Social Impact Assessment System table.	Garanti BBVA annually discloses the actions it takes within the scope of its environmental and social credit policy, the total number of projects and initiatives it carries out, in the Environmental and Social Impact Assessment System table.	
29	It reports the total energy consumption data (excluding raw materials) and explains the energy consumption as Scope-1 and Scope-2.	X						<a href="https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Global-Eco-Efficiency-Plan-2021-25/1872/8565/0">https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Global-Eco-Efficiency-Plan-2021-25/1872/8565/0</a>	-
30	Provides information on electricity, heat, steam and cooling generated and consumed in the reporting year.	X						<a href="https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Global-Eco-Efficiency-Plan-2021-25/1872/8565/0">https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Global-Eco-Efficiency-Plan-2021-25/1872/8565/0</a>	-
31	It conducts studies on increasing the use of renewable energy, transition to zero or low carbon electricity and explains these studies.	X						Sustainability	120-130
32	Explain the renewable energy production and usage data.	X						Environmental Impact of Our Operations	128
33	It makes energy efficiency projects and explains the amount of energy consumption and emission reduction thanks to these studies.	X						Environmental Impact of Our Operations	128
34	It reports the amount of water withdrawn, used, recycled and discharged from underground or above ground, its sources and procedures (Total water withdrawal by source, water resources affected by water withdrawal; percentage and total volume of recycled and reused water, etc.).	X						Appendix A.3, <a href="https://www.garantibbvainvestorrelations.com/en/images/pdf/GEP-IR-Website_07092021.pdf">https://www.garantibbvainvestorrelations.com/en/images/pdf/GEP-IR-Website_07092021.pdf</a>  <a href="https://www.garantibbvainvestorrelations.com/en/images/pdf/Water-2021.pdf">https://www.garantibbvainvestorrelations.com/en/images/pdf/Water-2021.pdf</a>	

NO	PRINCIPAL	COMPLIANCE					EXPLANATIONS FOR THE PRINCIPALS THAT ARE NOT FULLY COMPLIANT	RELATED SECTION IN THE INTEGRATED REPORT OR OTHER SOURCES	PAGE NUMBER
		YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE			
35	It explains whether operations or activities are included in any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax).	X						Financing the Transition to a Low Carbon Economy	126-127
36	Describes the carbon credit information accumulated or purchased during the reporting period.	X						Appendix A5	
37	Explains the details if carbon pricing is applied within the Company.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/climate-change-action-plan-declaration/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/climate-change-action-plan-declaration/</a>	-
38	It explains all mandatory and voluntary platforms where it discloses environmental information.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/library-resources/">https://surdurulebilirlik.garantibbva.com.tr/library-resources/</a>	-
<b>C. SOCIAL</b>									
C1. Human Rights and Employee Rights									
39	Forms a Human Rights and Employee Rights Policy with a commitment to fully comply with the Universal Declaration of Human Rights, ILO Conventions which Turkey has confirmed and the legal framework and regulations governing the operation of corporate life in Turkey. Discloses the policy in question and the roles and responsibilities associated with its implementation.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/declaration-of-human-rights/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/declaration-of-human-rights/</a>	-
40	Provides equal opportunity in recruitment processes. Considering the supply and value chain effects, it includes fair labor, improvement of labor standards, women's employment and inclusion issues (such as women, men, religious belief, language, race, ethnic origin, age, disability, refugee, etc.) in its policies.	X						The Best and Most Engaged Team	168-177

NO	PRINCIPAL	COMPLIANCE					EXPLANATIONS FOR THE PRINCIPALS THAT ARE NOT FULLY COMPLIANT	RELATED SECTION IN THE INTEGRATED REPORT OR OTHER SOURCES	PAGE NUMBER
		YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE			
41	Describes the measures taken along the value chain for the protection of groups sensitive to certain economic, environmental, social factors (low-income groups, women, etc.) or minority rights / equality of opportunity.	X						Stakeholder Engagement, Supporting Entrepreneurship	70-73, 78-79
42	It reports developments regarding discrimination, inequality, human rights violations, forced labor, and corrective practices. Explains the regulations against child labor.	X						Equal Opportunity and Diversity, <a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/declaration-of-human-rights/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/declaration-of-human-rights/</a>	175-176
43	Explains policies regarding investment in employees (training, development policies), compensation, vested benefits, right to unionize, work / life balance solutions and talent management. Determines dispute resolution processes by creating mechanisms for employee complaints and dispute resolution. It regularly explains the activities carried out to ensure employee satisfaction.	X						<a href="https://www.garantibbva.com.tr/en/our_company/human_resources/human_resources_policies.page">https://www.garantibbva.com.tr/en/our_company/human_resources/human_resources_policies.page</a>	-
44	It creates occupational health and safety policies and makes them public. Explains the precautions and accident statistics taken to prevent work accidents and health.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/material-issues/environmental-and-social-risk-management/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/material-issues/environmental-and-social-risk-management/</a>	-
45	It creates and publicly discloses personal data protection and data security policies.	X						<a href="https://www.garantibbva.com.tr/en/protection-of-personal-data.page">https://www.garantibbva.com.tr/en/protection-of-personal-data.page</a> <a href="https://www.garantibbva.com.tr/en/personal_banking/delivery_channels/internet_banking/security/privacy_and_confidentiality_policy.page">https://www.garantibbva.com.tr/en/personal_banking/delivery_channels/internet_banking/security/privacy_and_confidentiality_policy.page</a>	-

NO	PRINCIPAL	COMPLIANCE					EXPLANATIONS FOR THE PRINCIPALS THAT ARE NOT FULLY COMPLIANT	RELATED SECTION IN THE INTEGRATED REPORT OR OTHER SOURCES	PAGE NUMBER
		YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE			
46	It creates an ethical policy (including work, work ethics, compliance processes, advertising and marketing ethics, open information, etc.) and discloses it to the public.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/ethics-and-integrity-principles/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/ethics-and-integrity-principles/</a>	-
47	Explains the work within the scope of social investment, social responsibility, financial inclusion and access to finance.	X						Sustainability	120-133
48	Organizes information meetings and training programs for employees on ESG policies and practices.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/material-issues/the-best-and-most-engaged-team/learning-and-development/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/material-issues/the-best-and-most-engaged-team/learning-and-development/</a>	-
C2. Stakeholders, International Standards and Initiatives									
49	It carries out its activities in the field of sustainability by taking into account the needs and priorities of all stakeholders (employees, customers, suppliers and service providers, public institutions, shareholders, society and non-governmental organizations, etc.).	X						Stakeholder Engagement	70-73
50	It regulates and publicly discloses a customer satisfaction policy regarding the management and resolution of customer complaints.	X						Reaching More Customers, <a href="https://www.garantibbva.com.tr/tr/musteri-deneyimi-destek.page">https://www.garantibbva.com.tr/tr/musteri-deneyimi-destek.page</a>	136-138
51	Conducts stakeholder communication continuously and transparently; It explains which stakeholders, for what purpose, on what issue and how often it communicated, and the developments in sustainability activities.	X						Stakeholder Engagement, <a href="https://www.garantibbvainvestorrelations.com/en/sustainability/detail/Stakeholders-Engagement/867/3741/0">https://www.garantibbvainvestorrelations.com/en/sustainability/detail/Stakeholders-Engagement/867/3741/0</a>	70-73
52	It publicly discloses the international reporting standards it has adopted (Carbon Disclosure Project (CDP), Global Reporting Initiative (GRI), International Integrated Reporting Council (IIRC), Sustainability Accounting Standards Board (SASB), Climate-Related Financial Disclosures Task Force (TCFD), etc.). Standards Board (SASB), Climate-Related Financial Disclosures Task Force (TCFD), etc.).	X						About the Report, <a href="https://surdurulebilirlik.garantibbva.com.tr/surdurulebilirlik-yaklasimimiz/garanti-bbva-ve-surdurulebilirlik/sorumlu-ve-seffaf-yonetim/seffaf-raporlama/">https://surdurulebilirlik.garantibbva.com.tr/surdurulebilirlik-yaklasimimiz/garanti-bbva-ve-surdurulebilirlik/sorumlu-ve-seffaf-yonetim/seffaf-raporlama/</a>	4

NO	PRINCIPAL	COMPLIANCE					EXPLANATIONS FOR THE PRINCIPALS THAT ARE NOT FULLY COMPLIANT	RELATED SECTION IN THE INTEGRATED REPORT OR OTHER SOURCES	PAGE NUMBER
		YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE			
53	Discloses the international organizations or principles (Equator Principles, United Nations Environment Program Finance Initiative (UNEP-FI), United Nations Global Principles (UNGC), United Nations Principles for Responsible Investment (UNPRI) etc.) which it is a signatory or member of, and international principles adopted (International Capital Market Association (ICMA) Green / Sustainable Bond Principles).	X						About the Report, Society	4, 71
54	It makes concrete efforts to be included in Borsa Istanbul Sustainability Index and international sustainability indices (Dow Jones Sustainability Index, FTSE4Good, MSCI ESG Indices, etc.).	X						Garanti BBVA Share	42-44
<b>D. CORPORATE GOVERNANCE</b>									
Corporate Governance Principles									
55	It makes maximum effort to comply with all Corporate Governance principles as well as the mandatory Corporate Governance principles within the scope of the Capital Markets Board Corporate Governance Communiqué numbered II-17.1.	X						Statements of Responsibility	211
56	It takes into account the sustainability issue, the environmental impacts of its activities and the principles in this regard while determining its corporate management strategy	X						Our Governance	48
57	As stated in the Corporate Governance Principles, it takes the necessary measures to comply with the principles regarding the stakeholders and to strengthen the communication with the stakeholders. It applies to the opinions of stakeholders in determining the measures and strategies in the field of sustainability.	X						Materiality Analysis	60-62

NO	PRINCIPAL	COMPLIANCE					EXPLANATIONS FOR THE PRINCIPALS THAT ARE NOT FULLY COMPLIANT	RELATED SECTION IN THE INTEGRATED REPORT OR OTHER SOURCES	PAGE NUMBER
		YES	PARTIAL	NO	EXEMPTED	NOT APPLICABLE			
58	It works on raising awareness on the issue of sustainability and its importance through social responsibility projects, awareness activities and trainings.	X						<a href="https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Submission-for-Approval-of-the-Corporate-Social-Responsibility-Policy/1875/8576/0">https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Submission-for-Approval-of-the-Corporate-Social-Responsibility-Policy/1875/8576/0</a>	-
59	It strives to become a member of international standards and initiatives on sustainability and to contribute to studies.	X						<a href="https://www.garantibbvainvestorrelations.com/en/sustainability/detail/Supported-Initiatives/864/3771/0">https://www.garantibbvainvestorrelations.com/en/sustainability/detail/Supported-Initiatives/864/3771/0</a>	-
60	Explains policies and programs for the fight against bribery and corruption and the principle of tax integrity.	X						<a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/ethics-and-integrity-principles/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/ethics-and-integrity-principles/</a>  <a href="https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/anti-money-laundering-policy/">https://surdurulebilirlik.garantibbva.com.tr/garanti-bbva-sustainability-approach/garanti-bbva-and-sustainability/other-esg-policies/anti-money-laundering-policy/</a>	-