



T.GARANTİ BANKASI A.Ş.

2025 CDP Corporate Questionnaire 2025

Word version

Important: this export excludes unanswered questions

This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

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Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

TRY

(1.3) Provide an overview and introduction to your organization.

(1.3.1) Type of financial institution

Select from:

Bank

(1.3.2) Organization type

Select from:

Publicly traded organization

(1.3.3) Description of organization

Founded in Ankara in 1946, Garanti BBVA is Turkey's second-largest private bank as of June 30, 2025, with consolidated total assets of TL 3 trillion 822 billion (USD 96.1 billion) The Bank's majority shareholder is Banco Bilbao Vizcaya Argentaria S.A. (BBVA), holding 85.97% of its shares. Garanti BBVA operates in all segments of the banking sector—including corporate, commercial, SME, retail, private, and investment banking, as well as payment systems. Alongside its international subsidiaries in the Netherlands and Romania, the Bank is an integrated financial services group with operations in pension and life insurance, leasing, factoring, investment, and portfolio management. As of 30 June 2025, Garanti BBVA supports the economy with a total cash and non-cash loan portfolio of TL 2 trillion 951 billion, backed by our personalized solutions and broad product offering. While growing, we maintain a strong asset quality and continue to create capital through a disciplined and sustainable growth strategy. As a result, we hold leading positions in several key banking areas: • 1 in every 2 banking customers in Turkey is a Garanti BBVA customer. With over 1.4 million new customer acquisitions in the first six months of the year, our total number of customers has exceeded 28 million •

We are the largest private bank in Turkish lira loans with a 21.7% market share. • We hold the largest TL customer deposit portfolio among private banks, also with a 21.2% market share. • With more than 25.2 million retail customers, we lead in consumer loans. • We are the second-largest private bank in TL commercial loans (including SMEs) with a 19.6% market share. • We are the most valuable bank in BIST-100. • With 17.2 million active mobile users, 1 in every 5 mobile banking transactions in Turkey is conducted through Garanti BBVA Mobile. Garanti BBVA’s strategy revolves around a single Purpose: “Support your drive to go further”. • “Support”: We support our customers with continuous assistance, listening closely, understanding their needs, and adapting accordingly. We place empathy at the center of our approach, aiming to truly understand our customers and become their trusted companion. • “Your drive”: We stand alongside individuals and businesses, encouraging their desire to take one step further every day. • “To go further”: This defines the core of our business. We work to be present in key moments in life, offering consistent support, listening, understanding, and adapting to the needs of those who trust us. At Garanti BBVA, we aim to use our capital most effectively—continuing to invest in our customers, employees, and technology—with the goal of creating maximum value for all our stakeholders, especially for the Turkish economy. In this direction, we continuously evolve our service model to deliver “the best customer experience”. • As of June 30, 2025, we operate through an extensive distribution network of 790 domestic branches, and 7 international branches (6 in Cyprus, 1 in Malta), along with 1 representative office. • We serve our customers with 22,985 employees, including those at subsidiaries. • We meet the diverse financial needs of over 28 million customers. • Through 6,026 ATMs with the latest technology, our award-winning Call Center, and internet, mobile, and social banking platforms, we provide seamless and integrated service across all channels. Our success is driven by data, technology, and our people. We continue to invest in robust and reliable technological infrastructure, leveraging advanced data analytics and artificial intelligence. At the same time, we believe that people are at the heart of all progress. Therefore, attracting, developing, and empowering top talent remains a top priority. Garanti BBVA embraces sustainability as meeting today’s needs without compromising the ability of future generations to meet theirs—balancing economic growth with social development. We achieved our target of providing TRY 400 billion in sustainable finance for the 2018–2025 period in the first half of 2025. Following this achievement, we announced a new target of TRY 3.5 trillion for the period covering 2018–2029. Accordingly, we will allocate approximately TRY 3.1 trillion in new financing to sustainable investments from the second half of 2025 until the end of 2029. With this commitment, as Garanti BBVA, we aim to create a strong impact in the areas of climate change mitigation, natural capital preservation, circular economy, social development, and financial inclusion. Our sustainability leadership is underscored by our 2024 S&P Global Corporate Sustainability Assessment score of 85, ranking us 15th out of 668 financial institutions globally.

[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

| | End date of reporting year | Alignment of this reporting period with your financial reporting period | Indicate if you are providing emissions data for past reporting years |
|--|----------------------------|---|---|
| | 12/30/2024 | Select from: <input checked="" type="checkbox"/> Yes | Select from: <input checked="" type="checkbox"/> No |

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

204535145000

(1.5) Provide details on your reporting boundary.

| | Is your reporting boundary for your CDP disclosure the same as that used in your financial statements? | How does your reporting boundary differ to that used in your financial statement? |
|--|--|---|
| | Select from: <input checked="" type="checkbox"/> No | Only the parent company of Garanti BBVA is included in CDP reporting. |

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

Yes

(1.6.2) Provide your unique identifier

GARAN

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

Turkey

(1.9) What was the size of your organization based on total assets value at the end of the reporting period?

2607672475000

(1.10) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

Banking (Bank)

(1.10.1) Activity undertaken

Select from:

Yes

(1.10.3) Reporting the portfolio value and % of revenue associated with the portfolio

Select from:

Yes, both the portfolio value and the % of revenue associated with it

(1.10.4) Portfolio value based on total assets

2607672475000

(1.10.5) % of revenue

100

(1.10.6) Type of clients

Select all that apply

- Asset owners
- Retail clients
- Institutional investors
- Business and private clients (banking)
- Family offices / high network individuals
- Corporate and institutional clients (companies)
- Government / sovereign / quasi-government / sovereign wealth funds

(1.10.7) Industry sectors your organization lends to, invests in, and/or insures

Select all that apply

- Retail
- Apparel
- Services
- Materials
- Hospitality
- Transportation services
- Food, beverage & agriculture
- Biotech, health care & pharma
- Fossil Fuels
- Manufacturing
- Infrastructure
- Power generation
- International bodies

Investing (Asset manager)

(1.10.1) Activity undertaken

Select from:

No

Investing (Asset owner)

(1.10.1) Activity undertaken

Select from:

No

Insurance underwriting (Insurance company)

(1.10.1) Activity undertaken

Select from:

No

[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

Upstream value chain

Portfolio

(1.24.3) Highest supplier tier mapped

Select from:

- Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

- All supplier tiers known have been mapped

(1.24.5) Portfolios covered in mapping

Select all that apply

- Banking (Bank)

(1.24.7) Description of mapping process and coverage

Portfolio: In 2024, Garanti BBVA continued to analyze the resilience of the banking portfolio against transition risks and physical risks arising from climate change. Garanti BBVA evaluated the risks arising as a result of the studies below in determining the targets of combating climate change and Net-Zero Banking • Identifying risks in sectors incompatible with the Paris Agreement and measuring transition risks • Energy performance monitoring of real estate collaterals of the bank • Emission intensities of customers in carbon-intensive industries (PACTA) • Physical risks arising in the bank portfolio as a result of the climate crisis, and • Financing for climate mitigation activities Upstream Value Chain: In line with this approach, only suppliers who have accepted and approved the "Code of Conduct for Suppliers" are included in the procurement and evaluation processes. The Garanti BBVA supplier evaluation process examines financial, legal, labor, reputational, anti-corruption, and anti-money laundering risks, market concentration and country risks, sustainability, data protection, and customer protection. This evaluation not only mitigates potential risks in third-party contracts but also verifies compliance with legal obligations, ensuring that suppliers align with the Group's values in terms of corporate citizenship and social responsibility. Garanti BBVA implemented a sustainability module as part of its supplier evaluation process in 2023. The module covers a wide range of sustainability topics, including (I) compliance with environmental and social regulations, (II) management and measurement of environmental impact, (III) human rights, (IV) control structures, (V) sustainability reporting, and (VI) the supplier's own ESG evaluation within its supply chain. Throughout 2023, the model was calibrated to align with the various supplier types within the Group.

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

| | Plastics mapping | Primary reason for not mapping plastics in your value chain | Explain why your organization has not mapped plastics in your value chain |
|--|--|---|--|
| | Select from: <input checked="" type="checkbox"/> No, but we plan to within the next two years | Select from: <input checked="" type="checkbox"/> Not an immediate strategic priority | <i>Plastic usage is not seen as a significant issue in materiality assessment for bank so it is not a priority for sustainability efforts.</i> |

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The risk assessment begins with a self-assessment of how various risk factors associated with climate change affect the existing types of risks (credit, liquidity, etc.). As part of this assessment, an analysis of sectors most exposed to transition risks and the climate vulnerabilities of the regions in which the Bank operates is also conducted. As part of its risk management framework, the Bank develops periodic risk identification and assessment processes to identify significant risks that could negatively affect its risk profile and to actively and proactively manage these risks. In the climate change risk assessment process, an analysis is conducted for short-term (less than 3 years), medium-term (3-5 years), and long-term (more than 5 years) horizons, which allows for a comprehensive evaluation of the expected impacts. The assessment of climate change risks involves two perspectives: • Identification of risk events: Transition risks and physical risks are included in the definition of risk events that could have a significant impact on the Bank. • Risk level evaluation: This approach is based on the evaluation of the profile of each type of risk reflected in a heat map.

Medium-term

(2.1.1) From (years)

4

(2.1.3) To (years)

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The risk assessment begins with a self-assessment of how various risk factors associated with climate change affect the existing types of risks (credit, liquidity, etc.). As part of this assessment, an analysis of sectors most exposed to transition risks and the climate vulnerabilities of the regions in which the Bank operates is also conducted. As part of its risk management framework, the Bank develops periodic risk identification and assessment processes to identify significant risks that could negatively affect its risk profile and to actively and proactively manage these risks. In the climate change risk assessment process, an analysis is conducted for short-term (less than 3 years), medium-term (3-5 years), and long-term (more than 5 years) horizons, which allows for a comprehensive evaluation of the expected impacts. The assessment of climate change risks involves two perspectives: • Identification of risk events: Transition risks and physical risks are included in the definition of risk events that could have a significant impact on the Bank. • Risk level evaluation: This approach is based on the evaluation of the profile of each type of risk reflected in a heat map.

Long-term

(2.1.1) From (years)

(2.1.2) Is your long-term time horizon open ended?

Select from:

Yes

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The risk assessment begins with a self-assessment of how various risk factors associated with climate change affect the existing types of risks (credit, liquidity, etc.). As part of this assessment, an analysis of sectors most exposed to transition risks and the climate vulnerabilities of the regions in which the Bank operates is also conducted. As part of its risk management framework, the Bank develops periodic risk identification and assessment processes to identify significant risks that could negatively affect its risk profile and to actively and proactively manage these risks. In the climate change risk assessment process, an analysis is conducted for short-term (less than 3 years), medium-term (3-5 years), and long-term (more than 5 years) horizons, which allows for a comprehensive evaluation of the expected impacts. The assessment of climate change risks involves two perspectives: • Identification of risk events: Transition risks and physical risks are included in the definition of risk events that could have a significant impact on the Bank. • Risk level evaluation: This approach is based on the evaluation of the profile of each type of risk reflected in a heat map.

[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

| | Process in place | Dependencies and/or impacts evaluated in this process |
|--|---|---|
| | Select from: <input checked="" type="checkbox"/> Yes | Select from: <input checked="" type="checkbox"/> Both dependencies and impacts |

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

| | Process in place | Risks and/or opportunities evaluated in this process | Is this process informed by the dependencies and/or impacts process? |
|--|---|--|--|
| | Select from: <input checked="" type="checkbox"/> Yes | Select from: <input checked="" type="checkbox"/> Both risks and opportunities | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(2.2.2) Provide details of your organization’s process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

- Climate change
- Forests
- Water
- Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- Dependencies
- Impacts
- Risks
- Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

- Direct operations
- Upstream value chain

(2.2.2.4) Coverage

Select from:

- Full

(2.2.2.5) Supplier tiers covered

Select all that apply

- Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- Annually

(2.2.2.9) Time horizons covered

Select all that apply

- Short-term
- Medium-term
- Long-term

(2.2.2.10) Integration of risk management process

Select from:

- Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- Site-specific
- National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

- WRI Aqueduct

Enterprise Risk Management

- Enterprise Risk Management
- Internal company methods

Risk models

Stress tests

International methodologies and standards

IPCC Climate Change Projections

ISO 14001 Environmental Management Standard

ISO 14046 Environmental Management – Water Footprint

Databases

Regional government databases

Other

External consultants

Materiality assessment

Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

Drought

Flood (coastal, fluvial, pluvial, ground water)

Heat waves

Heavy precipitation (rain, hail, snow/ice)

Chronic physical

Heat stress

Water stress

Groundwater depletion

Water quality at a basin/catchment level

Water availability at a basin/catchment level

Changing temperature (air, freshwater, marine water)

Changing precipitation patterns and types (rain, hail, snow/ice)

Policy

- Increased pricing of water
- Limited or lack of river basin management

Reputation

- Stakeholder conflicts concerning water resources at a basin/catchment level

Technology

- Transition to water efficient and low water intensity technologies and products

Liability

- Regulation and supervision of environmental risk in the financial sector

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- | | |
|---|--|
| <input checked="" type="checkbox"/> NGOs | <input checked="" type="checkbox"/> Regulators |
| <input checked="" type="checkbox"/> Customers | <input checked="" type="checkbox"/> Local communities |
| <input checked="" type="checkbox"/> Employees | <input checked="" type="checkbox"/> Water utilities at a local level |
| <input checked="" type="checkbox"/> Investors | |
| <input checked="" type="checkbox"/> Suppliers | |

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- No

(2.2.2.16) Further details of process

Garanti BBVA conducts analysis to measure the resilience of its branches and Headquarters buildings to physical climate risks. As part of this analysis, the greenhouse gas emission scenarios RCP 2.6 and RCP 8.5, used in the studies developed by the Intergovernmental Panel on Climate Change (IPCC), were utilized. RCP 2.6 is a scenario that projects global temperature increases to be limited between 1.5 and 2 degrees Celsius. With this feature, it is compatible with the Paris Agreement targets. The RCP 8.5 scenario is a scenario that predicts a global temperature increase of approximately 5 degrees. With this feature, it is the most negative scenario that can be faced. As part of the analysis, the "optimistic" scenario (RCP 2.6), which aligns with the Paris Agreement, and the most adverse of the

current scenarios (RCP 8.5) were used to measure the resilience of the Bank's branches and Headquarters to physical climate risks. Within the conducted analysis, the timeframes were considered as follows: short term covering the years 2023-2042, medium term covering 2043-2063, and long term covering 2081-2100. Regarding its integration into the Business Continuity Plan, Garanti BBVA's Business Continuity Plans consist of three stages: Emergency Management, Crisis Management, and Business Recovery. To minimize the impact of climate-related physical risks and to enhance the Bank's operational maturity level, scenarios such as floods, fires, tornadoes, and heavy snowfall have been defined in the Business Continuity Plans. The effectiveness of the plans and their implementation is continuously reviewed and improved through drills conducted with all branches across the country. Additionally, the business continuity maturity levels of suppliers, who are an important part of the ecosystem, are also considered during the procurement process.

[Add row]

(2.2.4) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts related to your portfolio activities?

| | Process in place covering this portfolio | Dependencies and/or impacts related to this portfolio evaluated in this process |
|----------------|---|---|
| Banking (Bank) | Select from: <input checked="" type="checkbox"/> Yes | Select from: <input checked="" type="checkbox"/> Both dependencies and impacts |

[Fixed row]

(2.2.5) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities related to your portfolio activities?

| | Process in place covering this portfolio | Risks and/or opportunities related to this portfolio are evaluated in this process | Is this process informed by the dependencies and/or impacts process? |
|----------------|---|--|--|
| Banking (Bank) | Select from: <input checked="" type="checkbox"/> Yes | Select from: <input checked="" type="checkbox"/> Both risks and opportunities | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(2.2.6) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities related to your portfolio activities.

Banking (Bank)

(2.2.6.1) Environmental issue

Select all that apply

- Climate change
- Forests
- Water
- Biodiversity

(2.2.6.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this portfolio

Select all that apply

- Dependencies
- Impacts
- Risks
- Opportunities

(2.2.6.3) % of portfolio covered by the assessment process in relation to total portfolio value

100

(2.2.6.4) Type of assessment

Select from:

- Qualitative and quantitative

(2.2.6.5) Industry sectors covered by the assessment

Select all that apply

- Retail
- Apparel
- Services
- Materials
- Hospitality
- Transportation services
- Food, beverage & agriculture
- Biotech, health care & pharma
- Fossil Fuels
- Manufacturing
- Infrastructure
- Power generation
- International bodies

(2.2.6.6) Frequency of assessment

Select from:

- Annually

(2.2.6.7) Time horizons covered

Select all that apply

- Short-term
- Medium-term
- Long-term

(2.2.6.8) Integration of risk management process

Select from:

- Integrated into multi-disciplinary organization-wide risk assessment process

(2.2.6.9) Location-specificity used

Select all that apply

- Site-specific
- National

(2.2.6.10) Tools and methods used

Select all that apply

- ENCORE
- Risk models
- Stress tests
- WRI Aqueduct
- Scenario analysis
- External consultants
- Internal tools/methods
- CDP Disclosure Framework
- Transition Assessment (PACTA) tool
- UNEP FI Portfolio Impact Analysis Tool for Banks

(2.2.6.11) Risk type and criteria considered

Acute physical

- Drought
- Wildfires
- Heat waves
- Heavy precipitation (rain, hail, snow/ice)
- Flood (coastal, fluvial, pluvial, ground water)
- Storm (including blizzards, dust, and sandstorms)

Chronic physical

- Heat stress
- Water stress
- Groundwater depletion
- Declining water quality
- Water quality at a basin/catchment level
- Increased severity of extreme weather events
- Water availability at a basin/catchment level
- Changing temperature (air, freshwater, marine water)
- Changing precipitation patterns and types (rain, hail, snow/ice)

Policy

- Carbon pricing mechanisms
- Increased pricing of water
- Changes to national legislation
- Regulation of discharge quality/volumes
- Limited or lack of river basin management
- Poor enforcement of environmental regulation
- Changes to international law and bilateral agreements
- Statutory water withdrawal limits/changes to water allocation
- Mandatory water efficiency, conservation, recycling, or process standards

Market

- Availability and/or increased cost of raw materials
- Changing customer behavior
- Loss of clients due to a fund's poor environmental performance outcomes (e.g. if a fund has suffered climate-related write-downs)

Reputation

- Impact on human health
- Increased partner and stakeholder concern and partner and stakeholder negative feedback
- Lending that could create or contribute to systemic risk for the economy
- Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)
- Stakeholder conflicts concerning water resources at a basin/catchment level

Technology

- Dependency on water-intensive energy sources
- Data access/availability or monitoring systems
- Transition to lower emissions technology and products
- Transition to water efficient and low water intensity technologies and products
- Transition to water intensive, low carbon energy sources

Liability

- Regulation and supervision of environmental risk in the financial sector

(2.2.6.12) Partners and stakeholders considered

Select all that apply

- Customers
- Investors
- Local communities
- NGOs
- Regulators

(2.2.6.13) Further details of process

Garanti BBVA has developed an internal sector classification related to transition risk since 2021 to achieve the net zero emissions target by 2050. The estimation of vulnerability levels concerning transition risk is conducted through a qualitative analysis that assesses the degree to which companies in relevant sectors are exposed to regulatory, technological, and market changes arising from the decarbonization process. This analysis categorizes sectors into very high, high, medium, or low vulnerability levels. Sectors most sensitive to transition risk include energy production and fossil fuels (oil and gas, power generation, coal mining), emission-intensive industries (steel, cement), and end-user activities (automobile, aviation, shipping). Since 2022, Garanti BBVA has been monitoring physical risks from climate change under two main categories: acute and chronic risks. These risks arise from various factors, including negative impacts on production capacity and revenue losses for bank clients, damage to assets due to climate-related disasters, increased insurance costs, disruptions in human resources due to climate-induced migration, asset and collateral losses caused by water supply constraints and higher operational costs and their impact on repayment capacity. Physical risk is linked to a asset vulnerability based on geographic location and business activities and may be transmitted to credit risk through various channels. This risk can negatively affect clients' purchasing power, business productivity, market demand, or asset valuation.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

Yes

(2.2.7.2) Description of how interconnections are assessed

Given the importance to BBVA's loan portfolio and the dependence on water resources in the Power Generation sector, the Group has built a first framework for conducting detailed water stress risk assessments at the customer level. This assessment was carried out using the locations of its customer's power generation plants, the Aqueduct Water Risk Atlas tool of the World Resources Institute (WRI), which identifies water risk at asset locations as of today and in the future using a "business as usual" scenario (SSP2 RCP8.5), and the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool developed by the Natural Capital Finance Alliance, which details water impacts and dependencies. By integrating these water-related considerations into its climate scenario analyses, Garanti BBVA also assessed interconnection in their risk assessment. Garanti BBVA is developing an ESG Overlay to effectively manage climate and environmental risks. As part of this, the physical and transition risks of corporate customers in the high transition risk category are analyzed, including factors such as natural, human, and social capital, waste management, and business ethics, with the objective of integrating these analyses into their credit ratings. Starting in 2025, a new platform is being developed as part of the Sustainability Toolkit Project to track sustainability-related evaluations and calculations conducted within the Bank. The platform will integrate data related to customer ESG awareness measurements, transition risk indicators, PACTA, PCAF, and physical risks into a single platform. Currently, data tracked by different teams under the sustainability heading will be evaluated in line with the Bank's methodology and shared with the relevant teams via a single screen. The development of this project is planned for the near future.

[Fixed row]

(2.2.8) Does your organization consider environmental information about your clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities assessment process?

| | |
|----------------|--|
| | We consider environmental information |
| Banking (Bank) | <i>Select from:</i> <input checked="" type="checkbox"/> Yes |

[Fixed row]

(2.2.9) Indicate the environmental information your organization considers about clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities assessment process, and how this influences decision-making.

Banking (Bank)

(2.2.9.1) Environmental issues covered

Select all that apply

- Climate change
- Forests
- Water

(2.2.9.2) Type of environmental information considered

Select all that apply

- CDP scores
- Emissions data
- Energy usage data
- Emissions reduction targets
- Certification of commodities
- Scope and content of water policy

- Climate transition plans
- CDP questionnaire response
- Water withdrawal and/or consumption volumes
- Impingements on the human right to water in communities
- Commitment to eliminate deforestation and conversion of other natural ecosystems
- Breaches to local water regulations
- Water withdrawn from water stressed areas

(2.2.9.3) Process through which information is obtained

Select all that apply

- Directly from the client/investee
- From an intermediary or business partner
- Data provider
- Public data sources

(2.2.9.4) Industry sectors covered by due diligence and/or risk assessment process

Select all that apply

- Retail
- Apparel
- Services
- Materials
- Hospitality
- Transportation services
- Food, beverage & agriculture
- Biotech, health care & pharma
- Fossil Fuels
- Manufacturing
- Infrastructure
- Power generation
- International bodies

(2.2.9.5) % of portfolio covered by the process in relation to total portfolio value

100

(2.2.9.6) Total portfolio value covered by the process

2607672475000

[Add row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

- Qualitative
- Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- EBITDA

(2.4.3) Change to indicator

Select from:

- % decrease

(2.4.4) % change to indicator

Select from:

- 1-10

(2.4.6) Metrics considered in definition

Select all that apply

- Frequency of effect occurring
- Time horizon over which the effect occurs
- Likelihood of effect occurring

(2.4.7) Application of definition

Garanti BBVA measures and monitors its risk and opportunity exposure on consolidated and unconsolidated bases by using methods compliant with international standards, and in accordance with the applicable legislation. Advanced risk management methods and tools are utilized in measuring credit risk, operational risk, market risk, counterparty credit risk, structural interest rate risk, structural exchange rate risk, and liquidity risk. The Bank's risk management strategy, policies and implementation procedures, and the tools and models employed for risk management are reviewed within the framework of regulatory changes and the Bank's needs. Banks face risks associated, in particular, with financing activities that could result in adverse impacts on the environment and society. Failure to timely and duly address these risks may result in reputational damage and consequently a loss of investor support and customer loyalty, among other challenges. Garanti BBVA sees its proactive management of these risks, such as those arising from climate change, water footprint etc. not only as critical to its success but also as one of its most essential duties to its stakeholders. In this context, risks associated with climate change are gradually incorporated in the Bank's new loan allocation planning and management. The Bank's risk appetite framework addresses risk indicators that support low-carbon transition in order to combat the aggravating impacts of the climate crisis. The Bank evaluates climate-related financial risks that might significantly affect its own and customers' financial conditions, and also tackles their interaction with other risks the Bank is exposed to, while also considering their impacts in different time loops. Garanti BBVA identifies opportunities associated with environment and society in a variety of sectors including fossil fuels, electricity production, transportation or agriculture, among others. The Bank classifies them according to its time horizons in which they expect the opportunities to materialize. Garanti BBVA defines "substantial effect" of risks on its organisation as a possibility of 3% decrease, and "substantial effect" of opportunities on its organisation as a possibility of 3% increase in its EBITDA, considering metrics such as criticality, financial risk level, probability, evolution with respect to historical normality, sensitivity and resistance to stress and shocks, internal valuations, industry comparisons etc.

Opportunities

(2.4.1) Type of definition

Select all that apply

- Qualitative
- Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- EBITDA

(2.4.3) Change to indicator

Select from:

- % increase

(2.4.4) % change to indicator

Select from:

1-10

(2.4.6) Metrics considered in definition

Select all that apply

Frequency of effect occurring

Time horizon over which the effect occurs

Likelihood of effect occurring

(2.4.7) Application of definition

Garanti BBVA measures and monitors its risk and opportunity exposure on consolidated and unconsolidated bases by using methods compliant with international standards, and in accordance with the applicable legislation. Advanced risk management methods and tools are utilized in measuring credit risk, operational risk, market risk, counterparty credit risk, structural interest rate risk, structural exchange rate risk, and liquidity risk. The Bank's risk management strategy, policies and implementation procedures, and the tools and models employed for risk management are reviewed within the framework of regulatory changes and the Bank's needs. Banks face risks associated, in particular, with financing activities that could result in adverse impacts on the environment and society. Failure to timely and duly address these risks may result in reputational damage and consequently a loss of investor support and customer loyalty, among other challenges. Garanti BBVA sees its proactive management of these risks, such as those arising from climate change, water footprint etc. not only as critical to its success but also as one of its most essential duties to its stakeholders. In this context, risks associated with climate change are gradually incorporated in the Bank's new loan allocation planning and management. The Bank's risk appetite framework addresses risk indicators that support low-carbon transition in order to combat the aggravating impacts of the climate crisis. The Bank evaluates climate-related financial risks that might significantly affect its own and customers' financial conditions, and also tackles their interaction with other risks the Bank is exposed to, while also considering their impacts in different time loops. Garanti BBVA identifies opportunities associated with environment and society in a variety of sectors including fossil fuels, electricity production, transportation or agriculture, among others. The Bank classifies them according to its time horizons in which they expect the opportunities to materialize. Garanti BBVA defines "substantial effect" of risks on its organisation as a possibility of 3% decrease, and "substantial effect" of opportunities on its organisation as a possibility of 3% increase in its EBITDA, considering metrics such as criticality, financial risk level, probability, evolution with respect to historical normality, sensitivity and resistance to stress and shocks, internal valuations, industry comparisons etc.

[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

Yes, both within our direct operations or upstream value chain, and within our portfolio

Forests

(3.1.1) Environmental risks identified

Select from:

Yes, both within our direct operations or upstream value chain, and within our portfolio

Water

(3.1.1) Environmental risks identified

Select from:

Yes, both within our direct operations or upstream value chain, and within our portfolio

Plastics

(3.1.1) Environmental risks identified

Select from:

No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

- Not an immediate strategic priority

(3.1.3) Please explain

Plastic usage is not seen as a significant issue in materiality assessment for bank so it is not a priority for sustainability efforts.

[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

- Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

- Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- Banking (Bank) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

Credit risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

Turkey

(3.1.1.9) Organization-specific description of risk

The EU Carbon Border Adjustment Mechanism is a carbon tariff on carbon intensive products, such as steel, cement, fertiliser, aluminum and power, imported to the European Union. Legislated as part of the European Green Deal, it takes effect in 2026, with reporting starting in 2023. Due to its close relationship with the EU and trade with EU companies, Türkiye is also affected by current and emerging regulations published by the EU. So, Türkiye also seeks to establish its own emissions trading scheme (ETS) to be able to tax these sectors and encourage decarbonisation of the national economy in the near future. With Türkiye's 2053 net zero target and the Climate Law published in 2025, establishing an ETS system is also officially on the agenda of Ministry of Environment, Urbanisation and Climate Change. These regulations require companies in carbon-intensive sectors to monitor, report and verify their CO2 emissions. The carbon tariffs will directly affect the bank customers in carbon-intensive sectors and their exports to Europe, therefore EU CBAM, is one of the most important short-term risks. It will affect our customers' trade volumes and product costs in carbon-intensive industries. While ETS or CBAM would not apply directly to Garanti BBVA, it could indirectly impact the bank in at least two ways: (1) by imposing new demands on borrowers such as reporting costs and financial losses and (2) by leading to an increase in the cost of energy and/or carbon-intensive materials.

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

Less than 1%

(3.1.1.11) Primary financial effect of the risk

Select from:

Increased credit risk

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

Very likely

(3.1.1.14) Magnitude

Select from:

Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The carbon tariffs will directly affect the bank customers in carbon-intensive sectors and their exports to Europe, therefore EU CBAM, is one of the most important short-term risks. It will affect our customers' trade volumes and product costs in carbon-intensive industries. While ETS or CBAM would not apply directly to Garanti BBVA, it could indirectly impact the bank in at least two ways: (1) by imposing new demands on borrowers such as reporting costs and financial losses and (2) by leading to an increase in the cost of energy and/or carbon-intensive materials.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

82000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

82000000

(3.1.1.25) Explanation of financial effect figure

Garanti BBVA has developed an internal sector classification related to transition risk since 2021 to achieve the net zero emissions target by 2050. The estimation of vulnerability levels concerning transition risk is conducted through a qualitative analysis that assesses the degree to which companies in relevant sectors are exposed to regulatory, technological, and market changes arising from the decarbonization process. This analysis categorizes sectors into very high, high, medium, or low

vulnerability levels. Sectors most sensitive to transition risk include energy production and fossil fuels (oil and gas, power generation, coal mining), emission-intensive industries (steel, cement), and end-user activities (automobile, aviation, shipping). Based on the analysis conducted with data as of December 31, 2024, the total exposure at default for sectors classified as having high or very high transition risk was determined to be 130 billion TL. As of 2024, the transition risk for small enterprises has been calculated at 8.8 billion TL. The financial effect figure provided in this question corresponds to the Bank's exposure at default amount for high and very high transition risk clients in CBAM sectors: cement, aluminium, fertilisers, iron and steel, hydrogen and electricity.

(3.1.1.26) Primary response to risk

Engagement

Engage with customers

(3.1.1.27) Cost of response to risk

4000000

(3.1.1.28) Explanation of cost calculation

The total cost of organising the "Sustainable Future in Export" events in two cities in 2023 is 4 million TRY. The amount includes organisational spending, catering, transportation and accomodation, speaker fees etc. This value is not a calculation and is obtained from the bank's internal system.

(3.1.1.29) Description of response

In September 2021, the Bank became the first company from Türkiye to make a commitment to the United Nations Net Zero Banking Alliance, which supports the mobilization of the entire financial system to achieve the goals of the Paris Agreement. Garanti BBVA's commitments include aligning its portfolio with net zero emissions by 2050. In 2022, the Bank took these commitments one step further, and announced its decarbonization goals by 2030 in other carbon-intensive industries such as energy, automotive, iron and steel, and cement. These interim targets make up an important phase in reaching emissions targets aligned with net zero by 2050. Garanti BBVA aims to formulate an emission reduction strategy focusing on carbon-intensive sectors, including those covered by the CBAM, while concurrently mitigating vulnerabilities within its portfolio. The Bank aims to realise its decarbonisation goals through client engagements. The relationship teams visit clients in carbon-intensive industries for informative sessions about climate risks and CBAM's business impacts, encouraging them to establish transition plans and invreased sustainable investments. Garanti BBVA has launched a program of events called 'Sustainable Future in Exports'in 2022 to support Türkiye's adaptation to the European Green Deal and pave the way to sustainable investment. At these events the bank explain the European Green Deal and the Carbon Border Adjustment Mechanism (CBAM) to the sectors and institutions—especially SMEs—that will be affected by the new rules governing exports to the EU. the "Sustainable Future in Exports" event series were organized in Adana and Bursa in 2024, reaching a total of more than 230 corporate client s. In this context, Garanti BBVA is aiming to accompany its customers in their transitioning to a more sustainable future.

Forests

(3.1.1.1) Risk identifier

Select from:

Risk1

(3.1.1.2) Commodity

Select all that apply

Not applicable

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

Wildfires

(3.1.1.4) Value chain stage where the risk occurs

Select from:

Banking (Bank) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

Credit risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

Turkey

(3.1.1.9) Organization-specific description of risk

According to data from the General Directorate of Forestry, the most common cause of fires is negligence and carelessness. Natural causes are second, followed by accidents, power line malfunctions, and electrical current-related causes at 5.6%. Meteorological conditions such as rising air temperatures, decreasing air humidity,

and wind intensity, along with the increased amount of flammable materials such as dry leaves and grass accumulating on the ground, combined with a decrease in their ignition time and temperature, increase the risk of fire. An indirect impact of climate change on forest fires is increased electricity consumption during the summer months. This is because the population, especially in coastal areas, increases during the summer months, and with rising temperatures, people need to cool their homes. This puts greater strain on power lines and transformers, leading to arcs and transformer explosions in transmission lines with insufficient capacity or poor maintenance. If measures are not taken in this regard, an increase in transmission line-related forest fires is expected. Garanti BBVA's project financing portfolio includes a number of power distribution networks around the country, and these networks are both vulnerable to and may become the cause of forest fires/wildfires in such conditions. In addition, the risk of fire on these power distribution lines passing through forest areas has a depreciating effect on the Bank's collateral portfolio.

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

- Less than 1%

(3.1.1.11) Primary financial effect of the risk

Select from:

- Increased credit risk

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

- Likely

(3.1.1.14) Magnitude

Select from:

- Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The risk of fire on these power distribution lines passing through forest areas has a depreciating effect on the Bank's collateral portfolio that is located closed to these power distribution networks. A portfolio analysis shows that property values are projected to experience above 0.5% losses in the long-term due to these fires.. A physical climate risk analysis with a projection for 2040 is conducted for a power distribution company's transformer units in forest areas. The results have shown that 8% of its transformer units are under medium and high forestfire/wildfire risk. A transmission-line-related fire from these units is accepted to impact any property that falls within the 40 km radius of the units. The Bank's collateral portfolio that falls in this area would face devaluation of its appraisal values.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

11075

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

11075

(3.1.1.25) Explanation of financial effect figure

The financial effect figure provided corresponds to the 0.5% loss in appraisal values of the Bank's collaterals around the medium-high risk transformer units of one regional power distribution network.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

Greater due diligence

(3.1.1.27) Cost of response to risk

280000

(3.1.1.28) Explanation of cost calculation

The Bank's Project Finance, Environmental and Social Impact Management, and Sustainability Advisory teams regularly visits PF and and corporate clients to discuss improving their sustainable practices in projects and offer sustainability-related advisory services when needed such as climate and environmental issues related financial risk&opportunies assessments. An estimated client visit cost of TL 10000 is multiplied by the number of potential PF power distribution project clients. The cost of the visits would be TL 280000.

(3.1.1.29) Description of response

Garanti BBVA monitors and regularly visits its project financing and corporate clients as a way of sustainability-related client engagement strategy. Project Finance, environmental and Social Impact Management, and Sustainability Advisory teams' visit to these clients are expected to encourage adoption of better sustainable practices, increased controls over competence assessments and maintenance schedules of transmission networks.

Water

(3.1.1.1) Risk identifier

Select from:

Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

Drought

(3.1.1.4) Value chain stage where the risk occurs

Select from:

Banking (Bank) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

Credit risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

Turkey

(3.1.1.7) River basin where the risk occurs

Select all that apply

Other, please specify :All river basins in Turkey

(3.1.1.9) Organization-specific description of risk

While climate change and its effects continue to be felt day by day, the areal precipitation in Turkey in 2022 decreased by 12.1% compared to the long-term average. Compared to the precipitation in 2021, a 4% decrease was observed. So, risk is identified as drought in this case. Since, changes in precipitation patterns due to climate change result in reduced electricity production in our hydro power plant portfolio. Functioning hydropower plants are expected to be under this risk of reduced production due drought in terms of operation and financial return. This might affect the borrower's ability to repay the loan. So, primary potential impact of drought to company will be loss of revenue. As the end of December 2024, the total installed capacity of hydroelectric power plants (HEPP) in our Project Finance Renewable Energy Portfolio's total installed capacity was 37%. In 2024, the drought led to a revenue loss of USD 8.1 mn (TRY 268.8 mn) in cash flows of our HEPP portfolio. This means that a significant portion of our renewable energy portfolio was directly impacted by climate-related risks, especially drought-related ones. This is a substantive financial risk for the Bank.

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

1-10%

(3.1.1.11) Primary financial effect of the risk

Select from:

Increased credit risk

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

The risk has already had a substantive effect on our organization in the reporting year

(3.1.1.14) Magnitude

Select from:

High

(3.1.1.15) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

Changes in precipitation patterns due to climate change result in reduced electricity production in our hydroelectric power plant portfolio. Functioning HEPPs are expected to be under this risk of reduced production caused by low precipitation and drought conditions in terms of operation and financial return. This is expected to impact the client's repayment ability and result in recollection delays or increased number of restructuring cases. In 2024, the installed capacity of the HEPPs in our project finance portfolio was 37%, making up 1% of the Bank's total portfolio value. Meaning a significant portion of the Bank's portfolio is vulnerable to drought risk, causing interruptions in cash flow and higher credit risk.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

Yes

(3.1.1.18) Financial effect figure in the reporting year (currency)

267835431

(3.1.1.25) Explanation of financial effect figure

A breakdown of how the figures provided: The calculated financial effect figure is based on the Bank's PF-HEPP portfolio. The power generation amount and annual average price is regularly monitored for each power plant in the portfolio. In the reporting year, the total generation of these HEPPs reached 8000 GWh, however 3 plants have recorded lower power generation compared to the previous year. The lost revenue that corresponds to the difference in generation is calculated using the annual average price of these plants. It is determined that drought in 2024 led to a revenue loss of about TRY 267 million in cash flows of our HEPP portfolio. Calculation formula: Plant - 1: (Real Production in 2024 (2024 12m/Δ) GWh - Real Production in 2023 (2023 12m/Δ) GWh) x Price (cent/kwh) Revenue Loss (TL) Total Potential financial impact figure: Sum of plant – n with above formula

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

Greater due diligence

(3.1.1.27) Cost of response to risk

12576

(3.1.1.28) Explanation of cost calculation

A breakdown of how the figure provided in column 'Cost of response to risk': Our efforts (Implementation of E&S Impact Assessment Model (ESIAM), site visits, meetings and project management studies) to respond the risk cost TRY 12576. This cost has been calculated as a result of the sum of the invoice costs of the expenses related to ESIAM. In addition, water stress and water availability analysis are performed. As these are free tools such as WRI tools, there is no additional cost.

(3.1.1.29) Description of response

To better manage this risk, we apply our E&S Impacts Assessment Model in line with the strictest international standards, and for HEPP projects we have a further set of questions and criteria to also analyse the cumulative effects in the basin. The continuity and efficient operation of the projects we finance is important for the regular and complete repayment of the loans. For this reason, projects that carry risks related to water are evaluated under our Environmental and Social Policies. Loans are not preferred for hydroelectric power plants located on lands with low productivity and dryness. In addition, loan rates and payment terms are arranged according to the size of the risk. Timescale of implementation is about 3-4 months. While all these studies are being carried out, it has become important to diversify the portfolio and turn to products that are less dependent on water in order to reduce risks. While moving away from fossil sources, we prefer to strengthen other renewable energy source. As a response to this risk, we balance the installed capacity of our renewable energy portfolio as WPP, SPP, GTPP, BPP, and HEPP. [Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

Assets

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

 11-20%**(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)**

96000000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

 11-20%**(3.1.2.7) Explanation of financial figures**

Physical climate risks are highly important due to the negative effect on the production capacities of the Bank's customers and declined revenues, direct loss of assets due to climate-related disasters, increased insurance costs, human resource impacted by climate-driven migrations, loss of assets or collaterals due to scarce water supply, elevated operational costs and their effect on repayment capabilities. Hence, since 2022, Garanti BBVA has been addressing climate-related physical risks under two headings: acute and chronic. The Bank monitors these risks using a model developed based on the heat map revealing sectoral vulnerabilities and the standing of physical climate risks in customers' locations as defined by internationally accepted data sources. Risk of flood, extreme heat, landslide, tsunami etc. are included in the physical risk assessment. As part of climate risk monitoring, Garanti BBVA makes use of various methodologies to measure and manage the transition risks that its portfolio is exposed to. The Bank's Risk Department follows up the risk limits in high-transition risk sectors as defined by the BBVA Group such as mining, electrical energy generation, natural gas etc. by way of monthly High Transition Risk reporting.

Forests**(3.1.2.1) Financial metric**

Select from:

 Assets

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

138065170547

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

11-20%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

96000000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

11-20%

(3.1.2.7) Explanation of financial figures

Physical climate risks are highly important due to the negative effect on the production capacities of the Bank's customers and declined revenues, direct loss of assets due to climate-related disasters, increased insurance costs, human resource impacted by climate-driven migrations, loss of assets or collaterals due to scarce water supply, elevated operational costs and their effect on repayment capabilities. Hence, since 2022, Garanti BBVA has been addressing climate-related physical risks under two headings: acute and chronic. The Bank monitors these risks using a model developed based on the heat map revealing sectoral vulnerabilities and the standing of physical climate risks in customers' locations as defined by internationally accepted data sources. Risk of flood, extreme heat, landslide, tsunami etc. are included in the physical risk assessment. As part of climate risk monitoring, Garanti BBVA makes use of various methodologies to measure and manage the transition risks that its portfolio is exposed to. The Bank's Risk Department follows up the risk limits in high-transition risk sectors as defined by the BBVA Group such as mining, electrical energy generation, natural gas etc. by way of monthly High Transition Risk reporting.

Water

(3.1.2.1) Financial metric

Select from:

Assets

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

138065170547

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

11-20%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

96000000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

11-20%

(3.1.2.7) Explanation of financial figures

Physical climate risks are highly important due to the negative effect on the production capacities of the Bank's customers and declined revenues, direct loss of assets due to climate-related disasters, increased insurance costs, human resource impacted by climate-driven migrations, loss of assets or collaterals due to scarce water supply, elevated operational costs and their effect on repayment capabilities. Hence, since 2022, Garanti BBVA has been addressing climate-related physical risks under two headings: acute and chronic. The Bank monitors these risks using a model developed based on the heat map revealing sectoral vulnerabilities and the standing of physical climate risks in customers' locations as defined by internationally accepted data sources. Risk of flood, extreme heat, landslide, tsunami etc. are included in the physical risk assessment. As part of climate risk monitoring, Garanti BBVA makes use of various methodologies to measure and manage the transition risks that its portfolio is exposed to. The Bank's Risk Department follows up the risk limits in high-transition risk sectors as defined by the BBVA Group such as mining, electrical energy generation, natural gas etc. by way of monthly High Transition Risk reporting.

[Add row]

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

| | Environmental opportunities identified |
|----------------|---|
| Climate change | <i>Select from:</i> <input checked="" type="checkbox"/> Yes, we have identified opportunities, and some/all are being realized |
| Forests | <i>Select from:</i> <input checked="" type="checkbox"/> Yes, we have identified opportunities, and some/all are being realized |
| Water | <i>Select from:</i> <input checked="" type="checkbox"/> Yes, we have identified opportunities, and some/all are being realized |

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

- Banking portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

- Turkey

(3.6.1.8) Organization specific description

Turkey seeks to form its own emissions trading scheme (ETS). In preparation for this, the regulatory framework on 'Monitoring GHGs Emissions' was published by the Ministry in the official gazette on 17 May 2014. Due to its close relationship with the European Union and trade with EU companies, Turkey is affected by current and emerging regulations published by EU. The CBAM, which came with the European Green Deal, directly affects the bank customers who are in carbon-intensive sectors and their export to Europe. CBAM, which will start with data monitoring in 2023 and start its financial part in 2026, is one of the most important short-term risks. In addition, with Turkey's 2053 net zero target and the Green Deal Action Plan published on 14 July 2021, the establishment of an ETS system in Turkey is on the agenda. The regulation requires companies from energy-intensive sectors to monitor, report and verify their CO2 emissions. While ETS would not apply direct to Garanti BBVA as a financial institution, it could indirectly drive opportunities for the company as a lender in at least one way; accelerating the market demand for low-carbon projects in the Turkish market, which the Bank prefers to finance. For this transition period, companies needs green finance products and services, and these requirements create mobilisation opportunities for Garanti BBVA, who has numerous different sustainable products and services available for its clients already.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

- Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

- Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Garanti BBVA has already begun to position itself as a leader in the finance of renewable energy. Our investment in human capital on environmental issues through training also resulted in better management of loan portfolio-level climate risks or develop innovative products/services. The market share of the Bank-financed wind power plants (WPPs) and solar power plants (SPPs) by installed power is 23.6% and 14.3%, respectively, in 2024. The cumulative financing amount Garanti BBVA provided to renewable energy investments exceeded USD 6,995 billion. Garanti BBVA is expected to have %10-15 market share from future renewable pipelines over the next 4-5 years. This value has the potential to generate opportunity within the bank's asset portfolio.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

209061000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

312390000000

(3.6.1.23) Explanation of financial effect figures

A breakdown of how the figures provided: The Turkish National Energy Plan predicts that the installed capacity of solar, wind and hydro will reach 32,9%, 18% and 35%, respectively, of total power generation capacity in 2030. The financial effect figures are calculated according to the expectation that Garanti BBVA will have 10-15% market share from this solar, wind and hydro power pipeline by 2029. In 2024, an investment of 125 bn USD is required to reach these values. Assuming that 70% of this value will be covered by banks and that Garanti BBVA's market share here will be 10-15%, the calculation is made as follows: 125 bn USD x 70%=87 bn USD 87 x 10%=8.7 bn USD 8.7 bn USD x 32.87 (average USD/TRY currency in 2024)=209,061,000,000 (min) 87 x 15% 13 bn USD 13 bn USD x 32.87 (average USD/TRY currency in 2024) 312,390,000,000 (max)

(3.6.1.24) Cost to realize opportunity

788880

(3.6.1.25) Explanation of cost calculation

Garanti BBVA aims to encourage both its retail and commercial clientbase to adopt renewable energy sources. To this end, the Bank offers financing solutions through its product and service portfolio and also, establishes partnerships with other renewable energy support businesses to introduce innovative tools to its clients. For example in 2024, Garanti BBVA included a solar panel calculation tool to its website, which enables clients to make basic rooftop solar feasibility calculations and receive their loan offer within a smooth and easy process. The cost of the partnership in 2024 is USD 24000 and it equals to TRY 788,880.

(3.6.1.26) Strategy to realize opportunity

Garanti BBVA diversifies the financial instruments provided for low-carbon economy and inclusive growth, and continues to cooperate with international financial institutions for low-cost. Financing 100% renewables in greenfield electricity generation projects within the scope of its Project Finance deals since 2014, the Bank continued to support exclusively renewable energy investments in greenfield energy investments in 2024. Drawing on its intellectual capital, the Bank introduces worldwide pioneering applications and innovative financial resources that incorporate sustainable finance criteria. The Bank is aiming to develop the sustainable finance market and to encourage businesses to be more transparent regarding climate risks and opportunities. In addition to its existing green financial products, Garanti BBVA integrated a new rooftop solar calculation tool for customers who want to adopt renewable energy sources. In 2020, Garanti BBVA signed its commitment to Net-Zero Banking Alliance (NZBA) and declared its intention to become net-zero in its portfolio by 2050. Its innovative financial products, services and tools such as this constitute a key part of achieving net zero by 2050, especially in its retail portfolio. That is how this solutions is prioritised over others to realise the opportunity.

Forests

(3.6.1.1) Opportunity identifier

Select from:

Opp1

(3.6.1.2) Commodity

Select all that apply

Timber products

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

- Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

- Banking portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

- Turkey

(3.6.1.8) Organization specific description

Garanti BBVA's sustainability policy is primarily implemented via its Sustainable Finance Standard and its Environmental and Social Loan Standard. The first defines and establishes the necessary documentation and criteria for activities classified under climate action and inclusive growth, which can be considered sustainable financing, based on the EU taxonomy, developed local taxonomies, market standards, best practices, and local guidelines; the second identifies non-financed activities and customers in general and in the mining, agribusiness, energy, infrastructure and defense industries sectors. Activities related with forestry and related industries are financed by the bank so long as they are compliant with the rules set on the ESLS and considered sustainable only if aligned with the rules set on SF standard. Garanti BBVA's renewed sustainable finance target is to provide TL 3.5 bn financing to sustainable activities, between 2018-2029. A certain portion of this financing will go to projects and investments related with sustainable forestry, recycled paper production, recycling of paper products etc.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

- Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Garanti BBVA's renewed sustainable finance target is to provide TL 3.5 bn financing to sustainable activities, between 2018-2029. A certain portion of this will finance projects and investments related with sustainable forestry, recycled paper production, recycling of paper products etc.. In the long-term time horizon, it is expected that the forest-related financing will continue due to increasing demand for recycled paper products and limited forest resources, and contribute to the target.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

Yes

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

66307496982

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

66307496982

(3.6.1.23) Explanation of financial effect figures

The figure provided as anticipated financial effect is calculated by analysing the 2024 sustainable finance mobilisation. The amount of financing that went to this area is then projected according to the Bank's 2029 SF target.

(3.6.1.24) Cost to realize opportunity

50000

(3.6.1.25) Explanation of cost calculation

A breakdown of how the figure provided in column 'Cost to realize opportunity': The Bank's Sustainable Finance team regularly visits different branches and clients to encourage mobilisation towards sustainable activities. An estimated client visit cost of TL 10000 is multiplied by the number of forest-related 'sustainable clients', which is 5 clients. The cost of the visits would be TL 50000.

(3.6.1.26) Strategy to realize opportunity

Garanti BBVA monitors its sustainable finance mobilisation in two ways: the operations axis, where the goal of financing is expected to be aligned with the sustainable finance standard; the client axis, where the clients entire/almost-entire revenue is generated from activities that are aligned with the sustainable finance standard. The Bank's Sustainable Finance team regularly visits different branches and clients around the country in order to encourage mobilisation towards sustainable activities such as sustainable forestry, recycled, FSC-certified paper production, recycling of paper products. Among the bank's clientbase, 5 clients are identified as forest-related 'sustainable client'. Sustainable finance team's visits to these clients may encourage mobilisations.

Water

(3.6.1.1) Opportunity identifier

Select from:

Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

Banking portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

Turkey

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

- Other, please specify :All river basins in Türkiye

(3.6.1.8) Organization specific description

According to various authorities, Türkiye will face with water scarcity in short or medium period. This situation will effect whole water-used sectors in Türkiye. When we consider that over 40% of the installed capacity of our renewable energy in project finance portfolio is hydro power systems, where efficiency will decrease from year to year due to water-scarcity; Garanti BBVA has to take a decisive step to avoid water-scarcity risk. Therefore, Garanti BBVA has enhanced its support to the other renewable energy sectors such as wind or solar. When compared with last year installed capacity of the solar energy systems increased 20%, and installed capacity of the wind power systems increased 5% in Türkiye. According to the government's official National Energy Plan, the installed capacity of solar energy systems will increase to 52.9% by 2035 and the installed capacity of wind energy systems will increase 29.6% by 2035. So, increasing sales of existing products and balancing portfolio will create positive impact on bank. The opportunity originates from renewable energy portfolio.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

- Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

- Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

- High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The National Investment Plan states that the installed capacity of solar and wind will reach 52,9% and 29,6%, respectively, in 2035. According to our calculation USD 27,8 bn is required to be financed for this wind and solar power installed capacity expectation. There are government incentives to spread the wind and solar power systems in Türkiye. Garanti BBVA trains its employees on the importance of transition to low-carbon energy technologies and informs its customers about advantages of the solar and wind energy systems to increase awareness of these energy technologies and increase finance to lower-climate risk non-water renewable energy sectors. In 2024, the market share of the Bank-financed wind power plants (WPPs) and solar power plants (SPPs) by installed power was 23.6% and 14.3%, respectively. The Bank is expected to have %10-15 market share from future renewable pipelines. This value has the potential to generate opportunity within the bank's asset portfolio.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

Yes

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

772877280000

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

1060675920000

(3.6.1.23) Explanation of financial effect figures

A breakdown of how the figures provided: The Turkish National Energy Plan predicts that the installed capacity of solar and wind will reach 52.9% and 29.6%, respectively, of total power generation capacity in 2035. If 70% of total costs are covered through bank financing, in the long term (10 years), it will generate an opportunity of USD 23.506 million and USD 32.259 million. These values are not calculated figures; they were obtained from the bank's internal system.

(3.6.1.24) Cost to realize opportunity

1043918

(3.6.1.25) Explanation of cost calculation

A breakdown of how the figure provided in column 'Cost to realize opportunity': Garanti BBVA advises its existing and potential clients on the importance of low-carbon energy technologies. To this end, the Bank supports institutions and organisations that provide information and spread knowledge about wind and solar power generation. In 2024, the Bank sponsored Türkiye Energy and Infrastructure Project Finance Forum and Carbon Forward Türkiye for a total cost of 1 mn TL

(3.6.1.26) Strategy to realize opportunity

Actions such as WRI Aqueduct Tool, site visits, E&S Impact Assessment Model (ESIAM) are used to realize the water related opportunity. Garanti BBVA takes these items into account when assessing water-related risks and portfolio management. It takes actions to balance HEPP projects, which have the highest share in the renewable energy portfolio, with alternative energy types such as WPP, SPP, GTPP and BPP. This diversified approach not only mitigates the risks associated with over-reliance on one type of renewable energy but also aligns with wider sustainability goals. This prioritization not only provides Garanti BBVA with the opportunity to develop its renewable energy portfolio in a balanced, but also increases its resilience against water-related risks. In this context, this opportunity has been prioritised over other opportunities.

[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

Assets

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

9110000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

11-20%

(3.6.2.4) Explanation of financial figures

Garanti BBVA diversifies the financial instruments provided for low-carbon economy and inclusive growth, and continues to cooperate with international financial institutions for low-cost funding. Drawing on its intellectual capital, the Bank introduces worldwide pioneering applications and innovative financial resources that incorporate sustainable finance criteria. Putting the emphasis particularly on all areas of production from agriculture to industry, Garanti BBVA supported the financing of solar power plants (SPP), hydropower plants (HEPP), geothermal power plants (GTPP), wind power plants (WPP) and Biomass/Biogas to Energy plants in all sectors. The Bank also took part in the financing of waste water treatment facility investments by its customers from any sector, which is critical for fighting environmental pollution. In 2023, the green finance contribution, that independent auditor provided limited assurance, amounted to TL 91.1 billion.

Forests

(3.6.2.1) Financial metric

Select from:

Assets

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

91100000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

11-20%

(3.6.2.4) Explanation of financial figures

Garanti BBVA diversifies the financial instruments provided for low-carbon economy and inclusive growth, and continues to cooperate with international financial institutions for low-cost funding. Drawing on its intellectual capital, the Bank introduces worldwide pioneering applications and innovative financial resources that incorporate sustainable finance criteria. Putting the emphasis particularly on all areas of production from agriculture to industry, Garanti BBVA supported the financing of solar power plants (SPP), hydropower plants (HEPP), geothermal power plants (GTPP), wind power plants (WPP) and Biomass/Biogas to Energy plants in all sectors. The Bank also took part in the financing of waste water treatment facility investments by its customers from any sector, which is critical for fighting environmental pollution. In 2023, the green finance contribution, that independent auditor provided limited assurance, amounted to TL 91.1 billion.

Water

(3.6.2.1) Financial metric

Select from:

Assets

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

91100000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

11-20%

(3.6.2.4) Explanation of financial figures

Garanti BBVA diversifies the financial instruments provided for low-carbon economy and inclusive growth, and continues to cooperate with international financial institutions for low-cost funding. Drawing on its intellectual capital, the Bank introduces worldwide pioneering applications and innovative financial resources that incorporate sustainable finance criteria. Putting the emphasis particularly on all areas of production from agriculture to industry, Garanti BBVA supported the financing of solar power plants (SPP), hydropower plants (HEPP), geothermal power plants (GTPP), wind power plants (WPP) and Biomass/Biogas to Energy plants in all sectors. The Bank also took part in the financing of waste water treatment facility investments by its customers from any sector, which is critical for fighting environmental pollution. In 2023, the green finance contribution, that independent auditor provided limited assurance, amounted to TL 91.1 billion.

[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

Executive directors or equivalent

Non-executive directors or equivalent

Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

The Garanti BBVA Board of Directors will promote diversity in the composition of the Bank's corporate bodies by encouraging the inclusion of people with different profiles, knowledge, training, experience and qualities. Garanti BBVA Non-Executive Board Members can serve on the board of directors of a maximum of 4 publicly listed companies, excluding Garanti BBVA Group (Garanti BBVA and its subsidiaries). To ensure that the corporate bodies have an adequate and balanced composition, the renewal and selection processes will encourage diversity of their members, based on the needs of the Bank at all times. In particular, they will strive to ensure that the Board of Directors has a balanced representation of men and women. To this end, a target has been set for the representation of the lesser-

represented gender, namely to endeavour that female directors represent at least 25% of the Board of Directors by the end of the 2025 financial year and beyond, In any case, Corporate Governance Committee may take into consideration criteria such as, gender, racial or ethnic origin, nationality, country of origin, cultural background professional experience, knowledge, disability, or age, thus being able to achieve an adequate balance aimed at ensuring that the corporate bodies properly exercise their functions and to guarantee their effective functioning

(4.1.6) Attach the policy (optional)

Garanti BBVA Sustainability and Diversity Policy.pdf

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

| | Board-level oversight of this environmental issue |
|----------------|---|
| Climate change | Select from: <input checked="" type="checkbox"/> Yes |
| Forests | Select from: <input checked="" type="checkbox"/> Yes |
| Water | Select from: <input checked="" type="checkbox"/> Yes |
| Biodiversity | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

- Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- Board Terms of Reference
- Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- Reviewing and guiding annual budgets
- Overseeing and guiding scenario analysis
- Overseeing the setting of corporate targets
- Monitoring progress towards corporate targets
- Approving corporate policies and/or commitments
- Overseeing reporting, audit, and verification processes
- Monitoring the implementation of a climate transition plan
- Overseeing and guiding the development of a business strategy
- Overseeing and guiding acquisitions, mergers, and divestitures
- Overseeing and guiding public policy engagement
- Reviewing and guiding innovation/R&D priorities
- Approving and/or overseeing employee incentives
- Overseeing and guiding major capital expenditures
- Monitoring the implementation of the business strategy

- Monitoring compliance with corporate policies and/or commitments
- Overseeing and guiding the development of a climate transition plan
- Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.6) Scope of board-level oversight

Select all that apply

- Risks and opportunities to our own operations
- Risks and opportunities to our banking activities
- The impact of our own operations on the environment
- The impact of our banking activities on the environment

(4.1.2.7) Please explain

The Board of Directors, as the highest supervisory body in the Bank, is directly or through the Responsible Business and Sustainability Committee, periodically monitor the implementation of the Policy through the Internal Audit or the control functions within the Bank, on the on the basis of periodic or ad-hoc reports from the Sustainability Unit. The committee is required to meet at least twice annually, and it is chaired by a Board Member. Among the members are the General Manager and the Executive Vice Presidents of the relevant departments. The Sustainability Unit's Manager, who is also the secretary of the Responsible Banking and Sustainability Committee, Sustainability team, Responsible Business team and managers of the Bank's other areas that incorporate sustainability into day-to-day businesses and operations report to the Committee on all related issues. The Bank added sustainability matters in the premium eligibility criteria of all employees at any level, starting with the Board of Directors, therefore the matters discussed are of greatest importance at all employment levels of the Bank. Garanti BBVA's Sustainability Unit is connected to the BBVA Group's Global Sustainability Area, and ensures strategic alignment with the Gro up in all related matters. This area designs the strategic sustainability agenda and promotes the lines of work around this area of the different units such as Risk Management, Finance, Talent and Culture, Data and Engineering, and Organizational Process Development, and develops new sustainable products. The Global Sustainability Area is part of the highest executive level of the BBVA Group's organization, and reports to the Group CEO and president, given the highly strate gic and transformative nature of the area.

Forests

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

- Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- Board Terms of Reference
- Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- Reviewing and guiding annual budgets
- Overseeing and guiding scenario analysis
- Overseeing the setting of corporate targets
- Monitoring progress towards corporate targets
- Approving corporate policies and/or commitments
- Overseeing reporting, audit, and verification processes
- Monitoring the implementation of a climate transition plan
- Overseeing and guiding the development of a business strategy
- Overseeing and guiding acquisitions, mergers, and divestitures
- Monitoring compliance with corporate policies and/or commitments
- Overseeing and guiding the development of a climate transition plan
- Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities
- Overseeing and guiding public policy engagement
- Reviewing and guiding innovation/R&D priorities
- Approving and/or overseeing employee incentives
- Overseeing and guiding major capital expenditures
- Monitoring the implementation of the business strategy

(4.1.2.6) Scope of board-level oversight

Select all that apply

- Risks and opportunities to our own operations
- Risks and opportunities to our banking activities
- The impact of our own operations on the environment
- The impact of our banking activities on the environment

(4.1.2.7) Please explain

The Board of Directors, as the highest supervisory body in the Bank, is directly or through the Responsible Business and Sustainability Committee, periodically monitor the implementation of the Policy through the Internal Audit or the control functions within the Bank, on the on the basis of periodic or ad-hoc reports from the Sustainability Unit. The committee is required to meet at least twice annually, and it is chaired by a Board Member. Among the members are the General Manager and the Executive Vice Presidents of the relevant departments. The Sustainability Unit's Director, who is also the secretary of the Responsible Banking and Sustainability Committee, sustainable finance team, E&S impact management team, esg advisory team, sustainability strategy&s olutions team and managers of the Bank's other areas that incorporate sustainability into day-to-day businesses and operations report to the Committee on all related issues. The Bank added sustainability matters in the premium eligibility criteria of all employees at any level, starting with the Board of Directors, therefore the matters discussed are of greatest importance at all employment levels of the Bank. Garanti BBVA's Sustainability Unit is connected to the BBVA Group's Global Sustainability Area and ensures strategic alignment with the Group in all related matters. This area designs the strategic sustainability agenda and promotes the lines of work around this area of the different units such as Risk Management, Finance, Talent and Culture, Data and Engineering, and Organizational Process Development, and develops new sustainable products. The Global Sustainability Area is part of the highest executive level of the BBVA Group's organization, and reports to the Group CEO and president, given the highly strategic and transformative nature of the area.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

- Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- Board Terms of Reference
- Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- Reviewing and guiding annual budgets
- Overseeing and guiding scenario analysis
- Overseeing the setting of corporate targets
- Monitoring progress towards corporate targets
- Approving corporate policies and/or commitments
- Overseeing reporting, audit, and verification processes
- Monitoring the implementation of a climate transition plan
- Overseeing and guiding the development of a business strategy
- Overseeing and guiding acquisitions, mergers, and divestitures
- Monitoring compliance with corporate policies and/or commitments
- Overseeing and guiding the development of a climate transition plan
- Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities
- Overseeing and guiding public policy engagement
- Reviewing and guiding innovation/R&D priorities
- Approving and/or overseeing employee incentives
- Overseeing and guiding major capital expenditures
- Monitoring the implementation of the business strategy

(4.1.2.6) Scope of board-level oversight

Select all that apply

- Risks and opportunities to our own operations
- Risks and opportunities to our banking activities
- The impact of our own operations on the environment
- The impact of our banking activities on the environment

(4.1.2.7) Please explain

The Board of Directors, as the highest supervisory body in the Bank, is directly or through the Responsible Business and Sustainability Committee, periodically monitor the implementation of the Policy through the Internal Audit or the control functions within the Bank, on the on the basis of periodic or ad-hoc reports from the Sustainability Unit. The committee is required to meet at least twice annually, and it is chaired by a Board Member. Among the members are the General Manager and the Executive Vice Presidents of the relevant departments. The Sustainability Unit's Manager, who is also the secretary of the Responsible Banking and Sustainability Committee, Sustainability team, Responsible Business team and managers of the Bank's other areas that incorporate sustainability into day-to-day businesses and operations report to the Committee on all related issues. The Bank added sustainability matters in the premium eligibility criteria of all employees at any level, starting with the Board of Directors, therefore the matters discussed are of greatest importance at all employment levels of the Bank. Garanti BBVA's Sustainability Unit is connected to the BBVA Group's Global Sustainability Area, and ensures strategic alignment with the Gro up in all related matters. This area designs the strategic sustainability agenda and promotes the lines of work around this area of the different units such as Risk Management, Finance, Talent and Culture, Data and Engineering, and Organizational Process Development, and develops new sustainable products. The Global Sustainability Area is part of the highest executive level of the BBVA Group's organization, and reports to the Group CEO and president, given the highly strate gic and transformative nature of the area.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

- Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- Board Terms of Reference
- Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- Reviewing and guiding annual budgets
- Overseeing and guiding scenario analysis
- Overseeing the setting of corporate targets
- Monitoring progress towards corporate targets
- Approving corporate policies and/or commitments
- Overseeing reporting, audit, and verification processes
- Monitoring the implementation of a climate transition plan
- Overseeing and guiding the development of a business strategy
- Overseeing and guiding acquisitions, mergers, and divestitures
- Monitoring compliance with corporate policies and/or commitments
- Overseeing and guiding the development of a climate transition plan
- Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities
- Overseeing and guiding public policy engagement
- Reviewing and guiding innovation/R&D priorities
- Approving and/or overseeing employee incentives
- Overseeing and guiding major capital expenditures
- Monitoring the implementation of the business strategy

(4.1.2.6) Scope of board-level oversight

Select all that apply

- Risks and opportunities to our own operations
- Risks and opportunities to our banking activities
- The impact of our own operations on the environment
- The impact of our banking activities on the environment

(4.1.2.7) Please explain

The Board of Directors, as the highest supervisory body in the Bank, is directly or through the Responsible Business and Sustainability Committee, periodically monitor the implementation of the Policy through the Internal Audit or the control functions within the Bank, on the on the basis of periodic or ad-hoc reports from the Sustainability Unit. The committee is required to meet at least twice annually, and it is chaired by a Board Member. Among the members are the General Manager and the Executive Vice Presidents of the relevant departments. The Sustainability Unit's Manager, who is also the secretary of the Responsible Banking and Sustainability Committee, Sustainability team, Responsible Business team and managers of the Bank's other areas that incorporate sustainability into day-to-day

businesses and operations report to the Committee on all related issues. The Bank added sustainability matters in the premium eligibility criteria of all employees at any level, starting with the Board of Directors, therefore the matters discussed are of greatest importance at all employment levels of the Bank. Garanti BBVA's Sustainability Unit is connected to the BBVA Group's Global Sustainability Area, and ensures strategic alignment with the Group in all related matters. This area designs the strategic sustainability agenda and promotes the lines of work around this area of the different units such as Risk Management, Finance, Talent and Culture, Data and Engineering, and Organizational Process Development, and develops new sustainable products. The Global Sustainability Area is part of the highest executive level of the BBVA Group's organization, and reports to the Group CEO and president, given the highly strategic and transformative nature of the area.

[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

- Consulting regularly with an internal, permanent, subject-expert working group
- Engaging regularly with external stakeholders and experts on environmental issues
- Integrating knowledge of environmental issues into board nominating process
- Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
- Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Academic

- Postgraduate education (e.g., MSc/MA/PhD in environment and sustainability, climate science, environmental science, water resources management, forestry, etc.), please specify :MSc Energy Technologies and PhD Energy Transition

Experience

- Executive-level experience in a role focused on environmental issues

Forests

(4.2.1) Board-level competency on this environmental issue

Select from:

- Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

- Consulting regularly with an internal, permanent, subject-expert working group
- Engaging regularly with external stakeholders and experts on environmental issues
- Integrating knowledge of environmental issues into board nominating process
- Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
- Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

- Executive-level experience in a role focused on environmental issues

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

- Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

- Consulting regularly with an internal, permanent, subject-expert working group
- Engaging regularly with external stakeholders and experts on environmental issues
- Integrating knowledge of environmental issues into board nominating process
- Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
- Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Academic

- Postgraduate education (e.g., MSc/MA/PhD in environment and sustainability, climate science, environmental science, water resources management, forestry, etc.), please specify :MSc Energy Technologies and PhD Energy Transition

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

| | Management-level responsibility for this environmental issue |
|----------------|--|
| Climate change | Select from: <input checked="" type="checkbox"/> Yes |
| Forests | Select from: <input checked="" type="checkbox"/> Yes |
| Water | Select from: <input checked="" type="checkbox"/> Yes |
| Biodiversity | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- Assessing environmental dependencies, impacts, risks, and opportunities
- Assessing future trends in environmental dependencies, impacts, risks, and opportunities
- Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- Managing public policy engagement related to environmental issues
- Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- Monitoring compliance with corporate environmental policies and/or commitments
- Measuring progress towards environmental corporate targets
- Measuring progress towards environmental science-based targets
- Setting corporate environmental policies and/or commitments
- Setting corporate environmental targets

Strategy and financial planning

- Developing a climate transition plan
- Developing a business strategy which considers environmental issues

- Implementing a climate transition plan issues
- Conducting environmental scenario analysis environmental issues
- Managing annual budgets related to environmental issues
- Implementing the business strategy related to environmental issues
- Other
 - Providing employee incentives related to environmental performance
 - Managing acquisitions, mergers, and divestitures related to environmental issues
 - Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.3) Coverage of responsibilities

Select all that apply

- Dependencies, impacts, risks, and opportunities related to our banking activities

(4.3.1.4) Reporting line

Select from:

- Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- Quarterly

(4.3.1.6) Please explain

The President and CEO, who is also a Board Member, is a member of the Responsible Banking and Sustainability Committee (RBSC). RBSC formally reviews and approves the activities related to sustainable and responsible banking and meets regularly to monitor the progress to provide input to all efforts. RBSC is deliberately structured to integrate climate concerns and opp. into all operations, products and services. RBSC meets to review and take decisions on recommendations raised by the Sustainability Team and Representatives, and RBSC meets to oversee the progress on the implementation of the Bank's RB Plan, covering sustainability-ESG efforts including portfolio decarbonisation, community investment programs, reputation, TCR (transparent, clear, responsible) principles in customer experience, etc. To date, with the contribution of our CEO, The RBSC approved and initiated several sustainability policies and solutions such as Sustainability Policy & Strategy,

Climate Change Action Plan, prioritizing renewable investments, increasing the scope of the Bank's E&S Impact Assessment Model, announcing a commitment to set a science-based target, etc.

Forests

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- Assessing environmental dependencies, impacts, risks, and opportunities
- Assessing future trends in environmental dependencies, impacts, risks, and opportunities
- Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- Managing public policy engagement related to environmental issues
- Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- Monitoring compliance with corporate environmental policies and/or commitments
- Measuring progress towards environmental corporate targets
- Measuring progress towards environmental science-based targets
- Setting corporate environmental policies and/or commitments
- Setting corporate environmental targets

Strategy and financial planning

- Developing a climate transition plan
- Developing a business strategy which considers environmental issues
- Implementing a climate transition plan
- Managing acquisitions, mergers, and divestitures related to environmental issues

- Conducting environmental scenario analysis environmental issues
- Managing annual budgets related to environmental issues
- Implementing the business strategy related to environmental issues

- Managing major capital and/or operational expenditures relating to

Other

- Providing employee incentives related to environmental performance

(4.3.1.3) Coverage of responsibilities

Select all that apply

- Dependencies, impacts, risks, and opportunities related to our banking activities

(4.3.1.4) Reporting line

Select from:

- Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- Quarterly

(4.3.1.6) Please explain

The President and CEO, who is also a Board Member, is a member of the Responsible Banking and Sustainability Committee (RBSC). RBSC formally reviews and approves the activities related to sustainable and responsible banking and meets regularly to monitor the progress to provide input to all efforts. RBSC is deliberately structured to integrate climate concerns and opp. into all operations, products and services. RBSC meets to review and take decisions on recommendations raised by the Sustainability Team and Representatives, and RBSC meets to oversee the progress on the implementation of the Bank's RB Plan, covering sustainability -ESG efforts including portfolio decarbonisation, community investment programs, reputation, TCR (transparent, clear, responsible) principles in customer experience, etc. To date, with the contribution of our CEO, The RBSC approved and initiated several sustainability policies and solutions such as Sustainability Policy & Strategy, Climate Change Action Plan, prioritizing renewable investments, increasing the scope of the Bank's E&S Impact Assessment Model, announcing a commitment to set NZBA target, etc.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- Assessing environmental dependencies, impacts, risks, and opportunities
- Assessing future trends in environmental dependencies, impacts, risks, and opportunities
- Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- Managing public policy engagement related to environmental issues
- Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- Monitoring compliance with corporate environmental policies and/or commitments
- Measuring progress towards environmental corporate targets
- Measuring progress towards environmental science-based targets
- Setting corporate environmental policies and/or commitments
- Setting corporate environmental targets

Strategy and financial planning

- Developing a climate transition plan
- Implementing a climate transition plan
- Developing a business strategy which considers environmental issues
- Managing acquisitions, mergers, and divestitures related to environmental issues
- Conducting environmental scenario analysis environmental issues
- Managing major capital and/or operational expenditures relating to environmental issues
- Managing annual budgets related to environmental issues

- Implementing the business strategy related to environmental issues

Other

- Providing employee incentives related to environmental performance

(4.3.1.3) Coverage of responsibilities

Select all that apply

- Dependencies, impacts, risks, and opportunities related to our banking activities

(4.3.1.4) Reporting line

Select from:

- Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- Quarterly

(4.3.1.6) Please explain

The President and CEO, who is also a Board Member, is a member of the Responsible Banking and Sustainability Committee (RBSC). RBSC formally reviews and approves the activities related to sustainable and responsible banking and meets regularly to monitor the progress to provide input to all efforts. RBSC is deliberately structured to integrate climate concerns and opp. into all operations, products and services. RBSC meets to review and take decisions on recommendations raised by the Sustainability Team and Representatives, and RBSC meets to oversee the progress on the implementation of the Bank's RB Plan, covering sustainability -ESG efforts including portfolio decarbonisation, community investment programs, reputation, TCR (transparent, clear, responsible) principles in customer experience, etc. To date, with the contribution of our CEO, The RBSC approved and initiated several sustainability policies and solutions such as Sustainability Policy & Strategy, Climate Change Action Plan, prioritizing renewable investments, increasing the scope of the Bank's E&S Impact Assessment Model, announcing a commitment to set a science-based target, etc.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- ☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ☑ Assessing environmental dependencies, impacts, risks, and opportunities
- ☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities
- ☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- ☑ Managing public policy engagement related to environmental issues
- ☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- ☑ Monitoring compliance with corporate environmental policies and/or commitments
- ☑ Measuring progress towards environmental corporate targets
- ☑ Measuring progress towards environmental science-based targets
- ☑ Setting corporate environmental policies and/or commitments
- ☑ Setting corporate environmental targets

Strategy and financial planning

- ☑ Developing a climate transition plan
- ☑ Implementing a climate transition plan
- ☑ Conducting environmental scenario analysis
- ☑ Managing annual budgets related to environmental issues
- ☑ Implementing the business strategy related to environmental issues
- ☑ Developing a business strategy which considers environmental issues
- ☑ Managing acquisitions, mergers, and divestitures related to environmental issues
- ☑ Managing major capital and/or operational expenditures relating to environmental issues

Other

- ☑ Providing employee incentives related to environmental performance

(4.3.1.3) Coverage of responsibilities

Select all that apply

- Dependencies, impacts, risks, and opportunities related to our banking activities

(4.3.1.4) Reporting line

Select from:

- Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- Quarterly

(4.3.1.6) Please explain

The President and CEO, who is also a Board Member, is a member of the Responsible Banking and Sustainability Committee (RBSC). RBSC formally reviews and approves the activities related to sustainable and responsible banking and meets regularly to monitor the progress to provide input to all efforts. RBSC is deliberately structured to integrate climate concerns and opp. into all operations, products and services. RBSC meets to review and take decisions on recommendations raised by the Sustainability Team and Representatives, and RBSC meets to oversee the progress on the implementation of the Bank's RB Plan, covering sustainability-ESG efforts including portfolio decarbonisation, community investment programs, reputation, TCR (transparent, clear, responsible) principles in customer experience, etc. To date, with the contribution of our CEO, The RBSC approved and initiated several sustainability policies and solutions such as Sustainability Policy & Strategy, Climate Change Action Plan, prioritizing renewable investments, increasing the scope of the Bank's E&S Impact Assessment Model, announcing a commitment to set a science-based target, etc.

[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

15

(4.5.3) Please explain

As sustainability is a strategic priority of the Bank, it focuses on adopting Responsible Banking practices. To encourage ownership of the sustainability strategy, The Bank added sustainability in the premium eligibility criteria of all employees at any level. Garanti BBVA's remuneration policies are aligned with its parent company. BBVA's Annual Variable Remuneration model reflects performance as it is calculated on the basis of the level of achievement of targets set for a series of KPIs with specific weightings. In the case of personnel with significant impact on the iBank's risk profile, including BoD, the AVR consists of a Short-Term Incentive and a Long-Term Incentive. The LTI is calculated based on the value creation&sustained profitability for the Bank and the progressive achievement of sustainability goals. The LTI uses a KPI of Portfolio Decarbonization, which measures compliance with the Bank's sectoral decarbonization objectives(in the case of BoD, with a weighting of 15%)

Forests

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

As sustainability is a strategic priority of the Bank, it focuses on adopting Responsible Banking practices. To encourage ownership of the sustainability strategy, The Bank added sustainability in the premium eligibility criteria of all employees at any level. Garanti BBVA's remuneration policies are aligned with its parent company. BBVA's Annual Variable Remuneration model reflects performance as it is calculated on the basis of the level of achievement of targets set for a series of KPIs with specific weightings. In the case of personnel with significant impact on the iBank's risk profile, including BoD, the AVR consists of a Short-Term Incentive and a Long-Term Incentive. The LTI is calculated based on the value creation&sustained profitability for the Bank and the progressive achievement of sustainability goals. The LTI uses a KPI of Portfolio Decarbonization, which measures compliance with the Bank's sectoral decarbonization objectives(in the case of BoD, with a weighting of 15%)

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

As sustainability is a strategic priority of the Bank, it focuses on adopting Responsible Banking practices. To encourage ownership of the sustainability strategy, The Bank added sustainability in the premium eligibility criteria of all employees at any level. Garanti BBVA's remuneration policies are aligned with its parent company. BBVA's Annual Variable Remuneration model reflects performance as it is calculated on the basis of the level of achievement of targets set for a series of KPIs with specific weightings. In the case of personnel with significant impact on the iBank's risk profile, including BoD, the AVR consists of a Short-Term Incentive and a Long-Term Incentive. The LTI is calculated based on the value creation&sustained profitability for the Bank and the progressive achievement of sustainability goals. The LTI uses a KPI of Portfolio Decarbonization, which measures compliance with the Bank's sectoral decarbonization objectives(in the case of BoD, with a weighting of 15%)

[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

Corporate executive team

(4.5.1.2) Incentives

Select all that apply

- Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

- Progress towards environmental targets
- Achievement of environmental targets
- Organization performance against an environmental sustainability index
- Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

- Achievement of climate transition plan
- Increased green asset ratio of portfolio/fund
- Increased proportion of revenue from low environmental impact products or services

Emission reduction

- Emissions reductions across portfolio companies

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

The STI is calculated based on the results of certain KPIs aligned with the most relevant management metrics & Group's strategic priorities and, since 2021, these KPIs include the KPI "Channeling of sustainable business", which is directly associated with the activity carried out by the Group to achieve its climate- and other environment-related goals (inc. water-related mobilisation). The LTI is calculated based on the results of certain KPIs aligned with the creation of value & sustained profitability for shareholders & for the Group in the long run, as well as the progressive achievement of Bank's sustainability goals & targets. The 2023 LTI shall be calculated using, among others, the KPI of Decarbonization of the portfolio, which measures the degree of compliance with the decarbonization objectives of a series of sectors for which the Bank publishes specific objectives.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

As sustainability is among the six strategic priorities of Garanti BBVA, adopting Responsible Banking practices is one of the Bank's primary focuses. To encourage ownership of the sustainability strategy, The Bank added sustainability matters in the premium eligibility criteria of all employees at any level, starting with the Board of Directors. This strategic implementation encourages all employees to integrate sustainability in their day-to-day operations to create value in all business lines.

Forests

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

- Corporate executive team

(4.5.1.2) Incentives

Select all that apply

- Bonus - % of salary

(4.5.1.3) Performance metrics

Resource use and efficiency

- Reduction of virgin wood fiber used in paper and packaging products (e.g., by reducing material input, or using recycled content/alternative fibers)
- Eliminating deforestation and conversion of other natural ecosystems in direct operations and/or other parts of the value chain

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

The STI is calculated based on the results of certain KPIs aligned with the most relevant management metrics & Group's strategic priorities and, since 2021, these KPIs include the KPI "Channeling of sustainable business", which is directly associated with the activity carried out by the Group to achieve its climate- and other environment-related goals (inc. water-related mobilisation). The LTI is calculated based on the results of certain KPIs aligned with the creation of value & sustained profitability for shareholders & for the Group in the long run, as well as the progressive achievement of Bank's sustainability goals & targets. The 2023 LTI shall be calculated using, among others, the KPI of Decarbonization of the portfolio, which measures the degree of compliance with the decarbonization objectives of a series of sectors for which the Bank publishes specific objectives.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

As sustainability is among the six strategic priorities of Garanti BBVA, adopting Responsible Banking practices is one of the Bank's primary focuses. To encourage ownership of the sustainability strategy, The Bank added sustainability matters in the premium eligibility criteria of all employees at any level, starting with the Board of Directors. This strategic implementation encourages all employees to integrate sustainability in their day-to-day operations to create value in all business lines.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

- Corporate executive team

(4.5.1.2) Incentives

Select all that apply

- Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

- Progress towards environmental targets
- Achievement of environmental targets
- Organization performance against an environmental sustainability index

Strategy and financial planning

- Increased green asset ratio of portfolio/fund

Resource use and efficiency

- Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations)
- Reduction of water withdrawal and/or consumption volumes – downstream value chain (excluding direct operations)

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

The STI is calculated based on the results of certain KPIs aligned with the most relevant management metrics & Group's strategic priorities and, since 2021, these KPIs include the KPI "Channeling of sustainable business", which is directly associated with the activity carried out by the Group to achieve its climate- and other environment-related goals (inc. water-related mobilisation). The LTI is calculated based on the results of certain KPIs aligned with the creation of value & sustained profitability for shareholders & for the Group in the long run, as well as the progressive achievement of Bank's sustainability goals & targets. The 2023 LTI shall be calculated using, among others, the KPI of Decarbonization of the portfolio, which measures the degree of compliance with the decarbonization objectives of a series of sectors for which the Bank publishes specific objectives.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

As sustainability is among the six strategic priorities of Garanti BBVA, adopting Responsible Banking practices is one of the Bank's primary focuses. To encourage ownership of the sustainability strategy, The Bank added sustainability matters in the premium eligibility criteria of all employees at any level, starting with the Board of Directors. This strategic implementation encourages all employees to integrate sustainability in their day-to-day operations to create value in all business lines.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

| | |
|--|--|
| | Does your organization have any environmental policies? |
| | <i>Select from:</i> <input checked="" type="checkbox"/> Yes |

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

- Climate change
- Forests
- Water
- Biodiversity

(4.6.1.2) Level of coverage

Select from:

- Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

- Direct operations
- Upstream value chain
- Downstream value chain

(4.6.1.4) Explain the coverage

Garanti BBVA integrates its sustainability vision— focused on combating climate change, preserving natural capital, and promoting inclusive growth—into its management strategy and business model through its Sustainability Policy. This policy, which aligns with BBVA Group’s strategy, is reviewed annually based on scientific developments and societal needs. In 2024, Garanti BBVA updated its Sustainability Policy, clearly defining its principles and communication channels for each stakeholder. Sustainability goals and principles have been updated in line with the BBVA Group strategy, and in this context, biodiversity has been included in the Bank’s strategic priorities. Many standards and procedures based on the Sustainability Policy continue to be developed: • Environmental and Social Loan Standard • Sustainable Finance Standard • Eligibility Criteria Standard for Sustainable or Sustainability-Linked Activities, Products, or Customers • Key Performance Indicators for Sustainable Finance Mobilization – Calculation and Reporting Procedure • Procedure for Participating in, Monitoring, and Withdrawing from Sustainability-Related Public Commitments

(4.6.1.5) Environmental policy content

Environmental commitments

- ☑ Commitment to comply with regulations and mandatory standards
- ☑ Commitment to take environmental action beyond regulatory compliance
- ☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

- ☑ Commitment to 100% renewable energy
- ☑ Commitment to net-zero emissions
- ☑ Commitment to not invest in fossil-fuel expansion

Forests-specific commitments

- ☑ Commitment to facilitate the inclusion of smallholders into the value chain
- ☑ Commitment to no deforestation, to no planting on peatlands, and to no exploitation (NDPE) by target date, please specify :2023
- ☑ Commitment to the use of the High Conservation Value (HCV) approach

Water-specific commitments

- ☑ Commitment to control/reduce/eliminate water pollution
- ☑ Commitment to reduce water consumption volumes
- ☑ Commitment to reduce water withdrawal volumes

- Commitment to safely managed WASH in local communities
- Commitment to water stewardship and/or collective action

Social commitments

- Adoption of the UN International Labour Organization principles
- Commitment to promote gender equality and women's empowerment
- Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities
- Commitment to respect internationally recognized human rights
- Commitment to secure Free, Prior, and Informed Consent (FPIC) of indigenous people and local communities

Additional references/Descriptions

- Description of commodities covered by the policy

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

- Yes, in line with the Paris Agreement
- Yes, in line with the Kunming-Montreal Global Biodiversity Framework
- Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation

(4.6.1.7) Public availability

Select from:

- Publicly available

(4.6.1.8) Attach the policy

Garanti BBVA Environmental Policy.pdf
[Add row]

(4.7) Does the policy framework for the portfolio activities of your organization include environmental requirements that clients/investees need to meet, and/or exclusion policies?

| | |
|----------------|---|
| | Policy framework for portfolio activities include environmental requirements for clients/investees, and/or exclusion policies |
| Banking (Bank) | <i>Select from:</i> <input checked="" type="checkbox"/> Yes, our framework includes both policies with environmental client/investee requirements and environmental exclusion policies |

[Fixed row]

(4.7.1) Provide details of the policies which include environmental requirements that clients/investees need to meet.

Banking (Bank)

(4.7.1.1) Environmental issues covered

Select all that apply

- Climate change
- Forests
- Water
- Biodiversity

(4.7.1.2) Type of policy

Select all that apply

- Credit/lending policy
- Risk policy

(4.7.1.3) Public availability

Select from:

- Publicly available

(4.7.1.4) Attach the policy

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(4.7.1.5) Value chain stages of client/investee covered by policy

Select from:

- Direct operations and upstream/downstream value chain

(4.7.1.6) Industry sectors covered by the policy

Select all that apply

- Retail
- Apparel
- Services
- Materials
- Hospitality
- Transportation services
- Food, beverage & agriculture
- Biotech, health care & pharma
- Fossil Fuels
- Manufacturing
- Infrastructure
- Power generation
- International bodies

(4.7.1.7) Commodities covered by the policy

Select all that apply

- All agricultural commodities

(4.7.1.8) Commodity value chain stage covered by the policy

Select all that apply

- Production
- Processing

(4.7.1.9) % of portfolio covered by the policy in relation to total portfolio value

(4.7.1.10) Basis of exceptions to policy

Select all that apply

- Line of Business

(4.7.1.11) Explain how criteria coverage and/or exceptions have been determined

The environmental and social loan standard only covers corporate clients.

(4.7.1.12) Requirements for clients/investees

Environmental commitments

- Commitment to comply with regulations and mandatory standards
- Commitment to take environmental action beyond regulatory compliance
- Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

- Commitment to develop a climate transition plan
- Commitment to disclose Scope 1 emissions
- Commitment to disclose Scope 2 emissions
- Commitment to net-zero emissions
- Commitment to not invest in fossil-fuel expansion

Forests-specific commitments

- Commitment to facilitate the inclusion of smallholders into the value chain
- Commitment to no deforestation, to no planting on peatlands, and to no exploitation (NDPE) by target date, please specify :2023
- Commitment to the use of the High Conservation Value (HCV) approach

Water-specific commitments

- Commitment to control/reduce/eliminate water pollution
- Commitment to reduce water consumption volumes

- Commitment to the conservation of freshwater ecosystems

Social commitments

- Adoption of the UN International Labour Organization principles
- Commitment to promote gender equality and women's empowerment
- Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities
- Commitment to respect internationally recognized human rights
- Commitment to secure Free, Prior, and Informed Consent (FPIC) of indigenous people and local communities

Additional references/Descriptions

- Description of commodities covered by the policy

(4.7.1.13) Measurement of proportion of clients/investees compliant with the policy

Select from:

- Yes

(4.7.1.14) % of clients/investees compliant with the policy

100

(4.7.1.15) % of portfolio value that is compliant with the policy

95

(4.7.1.16) Target year for 100% compliance

Select from:

- In more than 5 years

[Add row]

(4.7.2) Provide details of your exclusion policies related to industries, activities and/or locations exposed or contributing to environmental risks.

Banking (Bank)

(4.7.2.1) Type of exclusion policy

Select from:

- All coal

(4.7.2.2) Fossil fuel value chain

Select all that apply

- Upstream
- Midstream
- Downstream

(4.7.2.3) Year of exclusion implementation

2021

(4.7.2.4) Phaseout pathway

Select all that apply

- New business/investment for new projects
- New business/investment for existing projects
- Existing business/investment for existing projects

(4.7.2.5) Year of complete phaseout

2040

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

Worldwide

(4.7.2.7) Description

In 2021, Garanti BBVA announced its commitment to fully exit coal financing by 2040, actively monitoring its portfolio and implementing a phase-out/monitoring plan to eliminate coal-related risks. Both new and existing customers whose revenues exceed 5% from thermal coal mining for electricity production or those whose installed capacity exceeds 5% from thermal coal-fired power generation are classified as coal customers. In line with this commitment, the Coal Phase Out Plan was established to closely monitor and gradually reduce exposure to coal-related customers. By 2024, the Bank observed a 10% reduction in coal-related risk exposure. [Add row]

(4.8) Does your organization include covenants in financing agreements to reflect and enforce your environmental policies?

| | |
|--|--|
| | Covenants included in financing agreements to reflect and enforce policies |
| | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(4.8.1) Provide details of the covenants included in your organization's financing agreements to reflect and enforce your environmental policies.

Row 1

(4.8.1.1) Environmental issue

Select all that apply

Climate change

- Forests
- Water
- Biodiversity

(4.8.1.2) Types of covenants used

Select all that apply

- A purpose or use of proceeds clause that refers to a taxonomy aligned activity
- Margin or pricing depends on sustainability criteria
- Covenants related to compliance with your environmental policies

(4.8.1.3) Asset class/product types covered by covenants

Select all that apply

- Retail loans
- Trade finance
- Corporate loans
- Project finance
- Retail mortgages
- Corporate real estate

(4.8.1.4) Criteria for how covenants are applied

Select from:

- All business/investment for all projects

(4.8.1.5) % of clients covered by covenants

100

(4.8.1.6) % of portfolio covered in relation to total portfolio value

59

(4.8.1.7) Provide details on which environmental policies your covenants enforce and how

In line with the purpose of lending, our clients are obligated to provide and demonstrate the necessary information. For example, for green finance agreements, the purpose of the use of lending must be provided. Afterward, the related documents and information must be provided by clients as proof. Moreover, customers must meet the compliance requirements with our sustainability policy. In terms of Sustainability Linked Loans (SLL) customers must have KPIs to be achieved during the maturity of the loan. The KPIs are determined together with the customer, the bank and Second Party Opinion (SPO). In the process, the ambition and robustness of the targets are determined. If the customers can achieve the KPIs the margin of the loan will decrease, and in case of failure to meet the KPIs, the margin will be increased. This way, financial encouragement is applied in terms of sustainability-related financings. These covenants take part in financing agreements with our customers to reflect and enforce our climate-related strategy. Overall, Garanti BBVA's all clients go through a ESG-related Know-Your-Customer assessment. For certain topics, such as operations in defence industry, trade with embargoed countries, and coal power generation, there are stricter rules in order to ensure alignment with the Standard. Financing these clients are either prohibited or closely monitored by the business line and/or the credit committee, if need be.
[Add row]

(4.9) Does your organization offer its employees a pension scheme that incorporates environmental criteria in its holdings?

Climate change

(4.9.1) Pension scheme incorporates environmental criteria in its holdings

Select from:

Yes, as an investment option

(4.9.2) Describe how funds within the pension scheme are selected and how your organization ensures that environmental criteria are incorporated

Employees can benefit from Garanti BBVA's pension system. The "Sustainability Share Pension Mutual Fund" product enables the pension plan to be operated in funds related to sustainability. The Fund includes at least 80% of its portfolio for the stocks included in the domestic and international Sustainability Indices. The purpose of the fund is to gain capital by including stocks in the domestic and foreign Sustainability Indices in the fund portfolio.

Forests

(4.9.1) Pension scheme incorporates environmental criteria in its holdings

Select from:

Yes, as an investment option

(4.9.2) Describe how funds within the pension scheme are selected and how your organization ensures that environmental criteria are incorporated

Employees can benefit from Garanti BBVA's pension system. The "Sustainability Share Pension Mutual Fund" product enables the pension plan to be operated in funds related to sustainability. The Fund includes at least 80% of its portfolio for the stocks included in the domestic and international Sustainability Indices. The purpose of the fund is to gain capital by including stocks in the domestic and foreign Sustainability Indices in the fund portfolio.

Water

(4.9.1) Pension scheme incorporates environmental criteria in its holdings

Select from:

- Yes, as an investment option

(4.9.2) Describe how funds within the pension scheme are selected and how your organization ensures that environmental criteria are incorporated

Employees can benefit from Garanti BBVA's pension system. The "Sustainability Share Pension Mutual Fund" product enables the pension plan to be operated in funds related to sustainability. The Fund includes at least 80% of its portfolio for the stocks included in the domestic and international Sustainability Indices. The purpose of the fund is to gain capital by including stocks in the domestic and foreign Sustainability Indices in the fund portfolio.

[Fixed row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

- Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

- UNEP FI
- UN Global Compact
- UNEP FI Principles for Responsible Banking
- Climate Bonds Initiative Partnership Programme

- Equator Principles
- CDP Investor Signatory
- Net Zero Banking Alliance
- World Business Council for Sustainable Development (WBCSD)
- Partnership for Carbon Accounting Financials (PCAF)
- Paris Agreement Capital Transition Assessment (PACTA)
- Task Force on Climate-related Financial Disclosures (TCFD)

(4.10.3) Describe your organization’s role within each framework or initiative

The Bank’s decarbonization targets set for 2030 have been prepared using the internationally recognized PACTA (Paris Agreement Capital Transition Assessment) methodology. Garanti BBVA is constantly working on strengthening its transparency through nonmandatory disclosure of a number of externally assured non-financial information, annual publication of TCFD Disclosures and reporting. Garanti BBVA is a member of the UN Global Compact (UNGC) and are responsible for the role of Board Member and Co-Chair of the Sustainable Finance Working Group. The United Nations Environment Program Finance Initiative (UNEP FI) is a partnership between UNEP and the global financial industry to mobilize private sector finance for sustainable development. UNEP FI works with over 350 members and 100 supporting institutions from banks, insurers and investors to help create a financial industry that serves people and the planet while creating positive impact. We aim to inspire, inform and enable financial institutions to improve people's quality of life without compromising that of future generations. UNEP FI accelerates sustainable finance by leveraging the role of the UN. The Net-Zero Banking Alliance (NZBA) was launched as the banking pillar of the UN “Race to Net Zero” and Glasgow Financial Alliance for Net-Zero. The NZBA was convened by the UN Environment Program Finance Initiative and co-initiated by the Prince of Wales's Sustainable Markets Initiative Financial Services Task Force. As Garanti BBVA, we are the first bank from Turkey to join this union. The Science-Based Targets initiative (SBTi) aims to drive ambitious climate action in the private sector by enabling companies to set science-based emissions reduction targets. SBTi is a partnership between CDP, the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). SBTi's call to action is one of the "We Mean Business" Commitments.

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

- Yes, we engaged directly with policy makers
- Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

- Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

- Paris Agreement
- Kunming-Montreal Global Biodiversity Framework
- Sustainable Development Goal 6 on Clean Water and Sanitation

(4.11.4) Attach commitment or position statement

GarantiBBVA-2024-integrated-annual-report.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

- Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

- Non-government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

BBVA EU Transparency Registration Number: 090350412968-04

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Garanti BBVA has long been participating in local and international platforms, which allowed for widespread, high-level engagement with the business community, governments, policymakers, and numerous national and international organizations. In this sense, Garanti BBVA is part of 45 working groups including the UN Net-Zero Banking Alliance (NZBA), UN PRB Working Group, Global Compact Network Türkiye, the Turkish Business Council for Sustainable Development (BCSD Türkiye), the Banks Association of Türkiye Sustainability Working Group and the Turkish Industry and Business Association (TUSIAD) Environment and Climate Change Working Group, and actively participates in or chairs 30 initiatives in total that include numerous platforms.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Draft Communiqué on Green Asset Ratio

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

- Climate change
- Forests
- Water

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Financial mechanisms (e.g., taxes, subsidies, etc.)

- Sustainable finance

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

- National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

Turkey

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

Participation in working groups organized by policy makers

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

Garanti BBVA contributes to the Türkiye Bank's Association (TBB) Sustainability Working Group, which provides guidance to banks on sustainability-related issues. In 2024, the Bank actively contributed to drafting the Banking Regulation and Supervision Agency's (BDDK) "Green Asset Ratio Regulation" and supported the development of the TBB Heat Map Methodology Guide, which helps banks analyze sector-specific climate risks related to transition and physical risks. Additionally, the bank contributed to the paper to be presented as a joint opinion by the TBB for the banking sector on the Türkiye Green Taxonomy, which was submitted for consideration by the Climate Change Presidency. Within the Climate Transition Finance Technical Sub-Working Group, Garanti BBVA also worked on defining assessment criteria for new technologies in transition financing.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

- Paris Agreement
- Kunming-Montreal Global Biodiversity Framework
- Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

- Indirect engagement via a trade association

(4.11.2.4) Trade association

Global

- Other global trade association, please specify :Banks Association of Türkiye (TBB), Turkish Business and Industry Association (TUSIAD), Business Council for Sustainable Development Turkey (BCSD Turkey), BCSD-Business Initiative for Plastic (IPG)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

- Climate change
- Forests

Water

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Founded in 1971 to represent the Turkish business world, TUSIAD is a voluntary, independent, non-governmental organization dedicated to promoting welfare through private enterprise. TUSIAD is a strong supporter of sustainability issues among Turkish companies. They have many publications and organize many events to raise awareness and share best practices. The New Climate Regime through the Lens of Economic Indicators report, to which Garanti BBVA contributed support and content, analyzed the possible impact of the CBAM upon industries exporting from Turkey to the EU for 24 manufacturing industries representing the entire economy. At the end of 2023, held a formal meeting with the relevant department of the Public Oversight Authority (KGK) regarding the implementation of Türkiye's Sustainability Reporting Standards (TSRS). The Bank shared the banking sector's insights and evaluations on these new standards and participated in related events organized by the Integrated Reporting Association (ERTA), where it serves as a board member, contributing to the development of the sustainability reporting framework in Türkiye. The Banks Association of Turkey was founded in 1958. It is a professional organization, which is a legal entity with the status of a public institution, established pursuant to Article 79 of the Banks Act. TBA has working groups and many publications to mainstream sustainable banking approaches and practices. Garanti BBVA is actively involved in the Role of the Financial Sector in Sustainable Growth Working Group of TBA which aims to play a role in raising overall stakeholder awareness and spread the use of best practices, particularly for the transition to a low-carbon economy. In 2024, the Bank actively contributed to drafting the Banking Regulation and Supervision Agency's (BDDK) "Green Asset Ratio Regulation" and supported the development of the TBB Heat Map Methodology Guide, which helps banks analyze sector-specific climate risks. BCSD Turkey is the local network and partner of the World Business Council for Sustainable Development (WBCSD) in Turkey, and it is in strong cooperation with its parent organization. BCSD Turkey engages with policymakers and all relevant ministries in Turkey to support the transition to a low-carbon economy and accelerate sustainable development. Furthermore, the Bank is the Chair of the Board of BCSD Turkey since 2019 and we influence each working group and the overall position of the association.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

23090000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

The aim of the funding to the trade associations stated in column "Trade association" is for Garanti BBVA to be an active member and supporter of these trade associations.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

Paris Agreement

Kunming-Montreal Global Biodiversity Framework

Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

- In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

- ESRS
- GRI
- IFRS
- TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

- Climate change
- Forests
- Water
- Biodiversity

(4.12.1.4) Status of the publication

Select from:

- Complete

(4.12.1.5) Content elements

Select all that apply

- Strategy
- Governance
- Emission targets
- Emissions figures
- Value chain engagement
- Dependencies & Impacts
- Public policy engagement
- Water accounting figures

(4.12.1.6) Page/section reference

Content of environmental policies: Pp. 126-127, Governance: Pp. 124-125, Public policy engagement: Pp. 137-138, Dependencies & Impacts: Pp. 64-76, Risks & Opportunities: Pp. 144-164 Strategy: Pp. 128-138 Value chain engagement: Pp. 103-106, Emissions figures: Pp. 165-166 Emission targets: Pp. 167-168, Water accounting figures: P.173

(4.12.1.7) Attach the relevant publication

GarantiBBVA-2024-integrated-annual-report.pdf

(4.12.1.8) Comment

N/A

[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

Yes

(5.1.2) Frequency of analysis

Select from:

Annually

Forests

(5.1.1) Use of scenario analysis

Select from:

Yes

(5.1.2) Frequency of analysis

Select from:

Annually

Water

(5.1.1) Use of scenario analysis

Select from:

Yes

(5.1.2) Frequency of analysis

Select from:

Annually

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

NGFS scenarios framework, please specify :Disorderly, Orderly, Hot House

(5.1.1.3) Approach to scenario

Select from:

Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

Portfolio

(5.1.1.5) Risk types considered in scenario

Select all that apply

Policy

Market

Technology

Liability

(5.1.1.6) Temperature alignment of scenario

Select from:

1.5°C or lower

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

2025

2030

2040

2050

(5.1.1.9) Driving forces in scenario

Finance and insurance

Cost of capital

Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

Consumer sentiment

Regulators, legal and policy regimes

Global regulation

Global targets

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The models built from these analyses predict potential GDP losses across three scenarios: • Continuation with current policies (GDP contraction of -8.79% in Türkiye compared to the baseline), • A delayed transition to climate-compatible programs (GDP contraction of -5.25% in Türkiye compared to the baseline), • Achieving net zero carbon by 2050 (GDP contraction of -5.21% in Türkiye compared to the baseline). The models also include projections specific to Türkiye, and for climate-related financial risks, the average GDP loss across these three scenarios was calculated as -6.42%. The impact of this value was reflected in the Bank's credit risk parameters and considered in the climate risk capital requirement calculations. The calculation of capital requirements for climate-related financial risks was carried out under two categories: transition risk and physical risk. The Bank's methodology for clients facing transition and physical risks was taken into account. As a result of the analysis, it was determined that the calculated capital requirement did not involve significant corrective risks that would affect the Bank's financial statements.

(5.1.1.11) Rationale for choice of scenario

The NGFS scenarios encompass a broad range of climate variables, including changes in global temperatures, shifts in precipitation patterns, and the frequency and intensity of extreme weather events. Additionally, these scenarios take into account the effects of technological transitions in various economic sectors, changes in environmental policies and technological developments. To assess potential financial impacts, NGFS scenarios also incorporate a set of macroeconomic variables, such as Gross Domestic Product (GDP), unemployment rates, interest rates, inflation, and other relevant indicators. These models enable a deeper understanding of the short- and long-term economic and financial stability implications of climate change, as well as mitigation and adaptation measures. NGFS has developed a series of baseline scenarios for analysis. These include "Current Policies" scenarios, which represent a future where no additional policies are implemented to combat climate change, and "Net Zero 2050" scenarios, which assume carbon neutrality is achieved by the middle of the century. These scenarios provide a robust foundation for assessing financial and economic risks associated with the transition to a low-carbon and climate-resilient economy, taking into account policies related to energy use and distribution. As part of this project, three different NGFS scenario sets have been considered: Hot House World Scenario: A scenario characterized by the absence of climate policies, leading to continued global warming. In this case, transition risk remains low, but the frequency of adverse climate events increases, and physical risks reach critical levels. Orderly Scenario: A scenario where climate policies are implemented early, ensuring the achievement of net zero emissions by 2050. In this case, both transition and physical risks are expected to remain low. Disorderly Scenario: A scenario where climate policies are delayed until 2030, followed by strong and aggressive measures to keep global warming below 2°C by 2100. However, this approach leads to significant transition and physical risks.

Forests

(5.1.1.1) Scenario used

Physical climate scenarios

- RCP 7.0

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

- SSP4

(5.1.1.3) Approach to scenario

Select from:

- Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

- Portfolio

(5.1.1.5) Risk types considered in scenario

Select all that apply

- Acute physical
- Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

- 1.5°C or lower

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

- | | |
|--|--|
| <input checked="" type="checkbox"/> 2025 | <input checked="" type="checkbox"/> 2070 |
| <input checked="" type="checkbox"/> 2030 | <input checked="" type="checkbox"/> 2080 |
| <input checked="" type="checkbox"/> 2040 | <input checked="" type="checkbox"/> 2090 |
| <input checked="" type="checkbox"/> 2050 | <input checked="" type="checkbox"/> 2100 |
| <input checked="" type="checkbox"/> 2060 | |

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- Changes to the state of nature

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The models incorporate future projections based on climate scenarios derived from the Coupled Model Intercomparison Project (CMIP). CMIP is an international climate modeling initiative that provides a range of possible future climate conditions under different greenhouse gas emission pathways. This document focuses on two emission scenarios aligned with the CMIP6 framework: • SSP2-4.5: A moderate emission scenario that includes some climate change mitigation measures. • SSP3-7.0: A high-emission scenario with limited climate change mitigation efforts. These scenarios approximately correspond to the previous-generation RCP4.5 and RCP7.0 scenarios. Additionally, the models align with the scenario design of the Network for Greening the Financial System (NGFS), a group of central banks and financial supervisors that provide guidance on climate risk management. The NGFS scenarios are based on climate modeling results from CMIP5 and CMIP6.

(5.1.1.11) Rationale for choice of scenario

Garanti BBVA leverages the widely recognized risk transmission channels in the literature to assess and monitor the impact of environmental and climate-related financial risks on conventional types of financial risks. The bank addresses environmental and climate-related financial risks in two main categories: physical risks and transition risks. Physical risks refer to physical risks that may arise due to the effects of natural events resulting from climate change and are evaluated within the framework of climate resilience. Acute physical risks arise from the increased frequency and severity of extreme weather events (such as heatwaves or floods), while chronic physical risks stem from long-term changes in climate and weather patterns (such as rising average temperatures).

Water

(5.1.1.1) Scenario used

Water scenarios

WRI Aqueduct

(5.1.1.3) Approach to scenario

Select from:

Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

Portfolio

(5.1.1.5) Risk types considered in scenario

Select all that apply

Acute physical

Chronic physical

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

2030

2050

2080

2090

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

WRI Aqueduct is used to assess future risk of water stress in terms of quantity only. Drought, heavy precipitation, heatwave hazards, and changes in mean temperature and total precipitation were analyzed for the district level of Türkiye. The renewable energy projects and their credit values were used as exposure components in this study. Regional analyses are coarser due to the fact that the regional risk scores are only significant in terms of region comparisons and give the average or percentile value of the whole region. If a region with a relatively low-risk score is examined within itself, it is divided into smaller areas with the highest and lowest risk levels. Detailed asset level analysis will benefit investments and credits by revealing regional changes in risk and providing asset-specific risk scores rather than the regional average. This study offers a multifaceted view of physical risk exposure by sector and location, which can be tailored to the needs of specific risk assessments and implemented on broader portfolio risk.

(5.1.1.11) Rationale for choice of scenario

The physical climate risk assessment for Garanti BBVA shows clear and important results. For Garanti BBVA's own operational assets some regions have very low to medium risk scores; however, some regions, like Akdeniz, Güneydoğu Anadolu and Karadeniz regions, have high to very high risks for different hazards for both spatial resolutions. Drought and heatwave risks are higher in the Akdeniz and Güneydoğu Anadolu Regions, while heavy precipitation risks are more likely in the Karadeniz region. The differences between the RCP2.6 and RCP8.5 climate scenarios are very small. Both scenarios show similar patterns for Garanti BBVA's own operational assets. Drought risk is the emerging risk with high priority, followed by the heatwave risk. The renewable energy assets of Garanti BBVA risk assessment for the short-term time horizon shows more than 70% of the WEPPs and 84% of SEPPs have either a low or very low risk score. Due to the sensitivity of HEPPs to heavy precipitation, this number is 50% for the HEPPs. Also, projects with higher credit values are mostly in the very low or low risk score. Medium and long-term results are like the short-term results. In this report, only the short-term risk results are given because the timeline for implementation of relevant adaptation measures is less than 5 years for Garanti BBVA. Based on the physical climate risk assessment, Garanti BBVA set up a plan to adapt to the identified physical climate risks in existing and new operations. For the existing operations, which fall under the high to very high-risk range, implementation of adaptation plans is a high priority. In the meantime, for the new and upcoming operations, having a risk assessment before starting the operations and having adaptation plans could be highly beneficial for Garanti BBVA.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

RCP 4.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

SSP2

(5.1.1.3) Approach to scenario

Select from:

Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

Portfolio

(5.1.1.5) Risk types considered in scenario

Select all that apply

Acute physical

Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

1.5°C or lower

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

2025

2030

2070

2080

- ☑ 2040
- ☑ 2050
- ☑ 2060

- ☑ 2090
- ☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ☑ Changes to the state of nature
- ☑ Climate change (one of five drivers of nature change)

Finance and insurance

- ☑ Cost of capital
- ☑ Sensitivity of capital (to nature impacts and dependencies)

Direct interaction with climate

- ☑ On asset values, on the corporate

Macro and microeconomy

- ☑ Domestic growth
- ☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The models incorporate future projections based on climate scenarios derived from the Coupled Model Intercomparison Project (CMIP). CMIP is an international climate modeling initiative that provides a range of possible future climate conditions under different greenhouse gas emission pathways. This document focuses on two emission scenarios aligned with the CMIP6 framework: • SSP2-4.5: A moderate emission scenario that includes some climate change mitigation measures. • SSP3-7.0: A high-emission scenario with limited climate change mitigation efforts. These scenarios approximately correspond to the previous-generation RCP4.5 and RCP7.0 scenarios. Additionally, the models align with the scenario design of the Network for Greening the Financial System (NGFS), a group of central banks and financial supervisors that provide guidance on climate risk management. The NGFS scenarios are based on climate modeling results from CMIP5 and CMIP6.

(5.1.1.11) Rationale for choice of scenario

Garanti BBVA leverages the widely recognized risk transmission channels in the literature to assess and monitor the impact of environmental and climate-related financial risks on conventional types of financial risks. The bank addresses environmental and climate-related financial risks in two main categories: physical risks and

transition risks. Physical risks refer to physical risks that may arise due to the effects of natural events resulting from climate change and are evaluated within the framework of climate resilience. Acute physical risks arise from the increased frequency and severity of extreme weather events (such as heatwaves or floods), while chronic physical risks stem from long-term changes in climate and weather patterns (such as rising average temperatures).

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

RCP 7.0

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

SSP3

(5.1.1.3) Approach to scenario

Select from:

Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

Portfolio

(5.1.1.5) Risk types considered in scenario

Select all that apply

Acute physical

Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

- 1.5°C or lower

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

- | | |
|--|--|
| <input checked="" type="checkbox"/> 2025 | <input checked="" type="checkbox"/> 2070 |
| <input checked="" type="checkbox"/> 2030 | <input checked="" type="checkbox"/> 2080 |
| <input checked="" type="checkbox"/> 2040 | <input checked="" type="checkbox"/> 2090 |
| <input checked="" type="checkbox"/> 2050 | <input checked="" type="checkbox"/> 2100 |
| <input checked="" type="checkbox"/> 2060 | |

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- Changes to the state of nature
- Climate change (one of five drivers of nature change)

Finance and insurance

- Cost of capital
- Sensitivity of capital (to nature impacts and dependencies)

Direct interaction with climate

- On asset values, on the corporate

Macro and microeconomy

- Domestic growth
- Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The models incorporate future projections based on climate scenarios derived from the Coupled Model Intercomparison Project (CMIP). CMIP is an international climate modeling initiative that provides a range of possible future climate conditions under different greenhouse gas emission pathways. This document focuses on two emission scenarios aligned with the CMIP6 framework: • SSP2-4.5: A moderate emission scenario that includes some climate change mitigation measures. • SSP3-7.0: A high-emission scenario with limited climate change mitigation efforts. These scenarios approximately correspond to the previous-generation RCP4.5 and RCP7.0 scenarios. Additionally, the models align with the scenario design of the Network for Greening the Financial System (NGFS), a group of central banks and financial supervisors that provide guidance on climate risk management. The NGFS scenarios are based on climate modeling results from CMIP5 and CMIP6.

(5.1.1.11) Rationale for choice of scenario

Garanti BBVA leverages the widely recognized risk transmission channels in the literature to assess and monitor the impact of environmental and climate-related financial risks on conventional types of financial risks. The bank addresses environmental and climate-related financial risks in two main categories: physical risks and transition risks. Physical risks refer to physical risks that may arise due to the effects of natural events resulting from climate change and are evaluated within the framework of climate resilience. Acute physical risks arise from the increased frequency and severity of extreme weather events (such as heatwaves or floods), while chronic physical risks stem from long-term changes in climate and weather patterns (such as rising average temperatures).

Water

(5.1.1.1) Scenario used

Physical climate scenarios

RCP 7.0

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

SSP3

(5.1.1.3) Approach to scenario

Select from:

Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

- Portfolio

(5.1.1.5) Risk types considered in scenario

Select all that apply

- Acute physical
- Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

- 1.5°C or lower

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

- | | |
|--|--|
| <input checked="" type="checkbox"/> 2025 | <input checked="" type="checkbox"/> 2070 |
| <input checked="" type="checkbox"/> 2030 | <input checked="" type="checkbox"/> 2080 |
| <input checked="" type="checkbox"/> 2040 | <input checked="" type="checkbox"/> 2090 |
| <input checked="" type="checkbox"/> 2050 | <input checked="" type="checkbox"/> 2100 |
| <input checked="" type="checkbox"/> 2060 | |

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The models incorporate future projections based on climate scenarios derived from the Coupled Model Intercomparison Project (CMIP). CMIP is an international climate modeling initiative that provides a range of possible future climate conditions under different greenhouse gas emission pathways. This document focuses on two emission scenarios aligned with the CMIP6 framework: • SSP2-4.5: A moderate emission scenario that includes some climate change mitigation measures. • SSP3-7.0: A high-emission scenario with limited climate change mitigation efforts. These scenarios approximately correspond to the previous-generation RCP4.5 and RCP7.0 scenarios. Additionally, the models align with the scenario design of the Network for Greening the Financial System (NGFS), a group of central banks and financial supervisors that provide guidance on climate risk management. The NGFS scenarios are based on climate modeling results from CMIP5 and CMIP6.

(5.1.1.11) Rationale for choice of scenario

Garanti BBVA leverages the widely recognized risk transmission channels in the literature to assess and monitor the impact of environmental and climate-related financial risks on conventional types of financial risks. The bank addresses environmental and climate-related financial risks in two main categories: physical risks and transition risks. Physical risks refer to physical risks that may arise due to the effects of natural events resulting from climate change and are evaluated within the framework of climate resilience. Acute physical risks arise from the increased frequency and severity of extreme weather events (such as heatwaves or floods), while chronic physical risks stem from long-term changes in climate and weather patterns (such as rising average temperatures).

[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

- Risk and opportunities identification, assessment and management
- Strategy and financial planning
- Resilience of business model and strategy
- Capacity building
- Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

- Portfolio

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

In the 2023 ICAAP Report, in addition to the scenarios defined by the Bank, the Bank used models that predict the potential consequences of climate change on the global economy and financial stability, based on the Network for Greening the Financial System (NGFS) scenarios, to assess the impacts of climate-related financial risks on the Bank's risk profile and to calculate capital requirements for these risks. The models built from these analyses predict potential GDP losses across three scenarios: • Continuation with current policies (GDP contraction of -8.79% in Türkiye compared to the baseline), • A delayed transition to climate-compatible programs (GDP contraction of -5.25% in Türkiye compared to the baseline), • Achieving net zero carbon by 2050 (GDP contraction of -5.21% in Türkiye compared to the baseline). The models also include projections specific to Türkiye, and for climate-related financial risks, the average GDP loss across these three scenarios was calculated as -6.42%. A description of how the results of scenario analysis have informed at least one decision or action in relation to at least one of the business processes selected in column 'Business processes influenced by your analysis of the reported scenarios' in the reporting year: The impact of this value was reflected in the Bank's credit risk parameters and considered in the climate risk capital requirement calculations. The calculation of capital requirements for climate-related financial risks was carried out under two categories: transition risk and physical risk. The Bank's methodology for clients facing transition and physical risks was taken into account. As a result of the analysis, it was determined that the calculated capital requirement did not involve significant corrective risks that would affect the Bank's financial statements. (Risk and opportunities identification, assessment and management)

Forests

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

Risk and opportunities identification, assessment and management

(5.1.2.2) Coverage of analysis

Select from:

Portfolio

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Since 2022, Garanti BBVA has been monitoring physical risks from climate change under two main categories: acute and chronic risks. These risks arise from various factors, including negative impacts on production capacity and revenue losses for bank clients, damage to assets due to climate-related disasters, increased insurance costs, disruptions in human resources due to climate-induced migration, asset and collateral losses caused by water supply constraints and higher operational costs and their impact on repayment capacity. Physical risk is linked to asset vulnerability based on geographic location and business activities and may be transmitted to credit risk through various channels. This risk can negatively affect clients' purchasing power, business productivity, market demand, or asset valuation. Garanti BBVA continues to evaluate the consistency of acute and chronic risks across different portfolios. The World Bank's Think Hazard tool is used to assess these risks at a global level such as acute risks include cyclones, heatwaves, wildfires and river floods and chronic risks include droughts and coastal flooding. Sub-sector Natural resources Assets & processes Market demand Labour health & productivity The risk levels provided by Think Hazard are calculated based on the

frequency and intensity of natural hazards. The bank is working on refining these risk levels with scientific and technical criteria tailored to specific geographical regions, particularly for coastal and river flooding, as well as wildfires.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

- Risk and opportunities identification, assessment and management
- Strategy and financial planning
- Resilience of business model and strategy
- Capacity building
- Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

- Portfolio

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

A model has been developed to calculate the probability of default for customers, including the effects of transition risk and drought risk. This model is created using NGFS scenarios and harmonized with the macroeconomic indicators of our country for sector-based analysis. The model is built on a dataset that analyzes how each sectors will be affected by transition risk and drought risk up to 2050 in three different scenarios on a quarterly basis and how the growth rates of the relevant sectors will change. A description of how the results of scenario analysis have informed at least one decision or action in relation to at least one of the business processes selected in column 'Business processes influenced by your analysis of the reported scenarios' in the reporting year: In the modeling process, sectors have been classified according to international NACE standards. For each sector, the potential impacts up to 2050 have been calculated, and a multiplier has been created that worsens the long-term default probability for each customer based on these effects. The calculated multipliers are planned to be used in both provision calculations and economic capital calculations, ensuring that the impact of sustainability is reflected in financial evaluations in the following period (Strategy and financial planning).

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

Yes

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

Our climate transition plan is voted on at Annual General Meetings (AGMs)

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

*Garanti BBVA's transition plan is developed based on NGFS scenarios (Current Policies, Net Zero 2050, Orderly, Disorderly and Hot House World) and **CMIP6 emission pathways (SSP2-4.5 and SSP3-7.0)*, which correspond to RCP4.5 and RCP7.0. These scenarios integrate assumptions regarding policy timing, macroeconomic and financial shocks, physical and transition risk intensities. For Türkiye, the analysis assumes an average GDP loss of -6.42% across three scenarios, which is reflected in credit risk parameters and capital requirement calculations. The plan also evaluates risks over short-term (<3 years), medium-term (3-5 years), and long-term (>5 years) horizons. The transition plan is dependent on national and international climate policies, carbon pricing mechanisms, regulatory frameworks, and macroeconomic conditions. It also relies on stakeholder cooperation, including regulators, clients, and sectoral initiatives, to effectively implement decarbonization targets. The methodology incorporates GDP projections, sectoral pathways, and policy shocks as core dependencies. Garanti BBVA embeds climate risk considerations into its Internal Capital Adequacy Assessment Process (ICAAP), ensuring that both transition and physical climate risks are reflected in capital requirements. The Bank allocates resources by integrating climate scenarios into risk management, stress testing, and portfolio alignment methodologies (such as PACTA). In addition, specialized teams coordinate sustainability, climate risk, and scenario analysis, while cross-functional units (risk management, strategy, sustainability) provide ongoing support to implement and monitor the transition plan.*

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

Garanti BBVA leads the industry with its innovative products and services in building a more sustainable and inclusive economy on the path to the Sustainable Development Goals (SDGs). The Bank's efforts to combat climate change and social inequalities, along with its innovative solutions that create value for the economy, society, and all stakeholders, have been recognized by national and international authorities. As part of its efforts to mitigate the negative effects of climate change, Garanti BBVA:

- Became the first bank in Türkiye to commit to exiting coal in 2021, pledging to eliminate coal-related risks from its portfolio by 2040 at the latest.*
- Sustainable Finance Mobilization (TL Billion) • Took this commitment a step further in 2022, announcing 2030 decarbonization targets for other carbon-intensive sectors such as energy, automotive, iron & steel, and cement. These interim targets represent a crucial milestone in achieving the 2050 net-zero emissions*

goal. Garanti BBVA is committed to supporting its customers in their transition to a more sustainable future. • Garanti BBVA has committed to contribute TL 400 billion to the target of contributing €300 billion to the financing of sustainable development, set by its main shareholder BBVA for the period 2018-2025, and has contributed TL 291 billion to this target since 2018.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

GarantiBBVA-2024-integrated-annual-report.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

- Forests
- Water
- Biodiversity

(5.2.14) Explain how the other environmental issues are considered in your climate transition plan

Forest & Biodiversity: Forests are vital for life, home to millions of species, they protect soil from erosion, produce oxygen, store carbon dioxide, and help control climate. Therefore, we are taking the following measures to help control deforestation. As per our Environmental and Social Loan Policies, we are not involved in the financing of forestry activities which cannot be sustainably managed without implementing any monetary limit. Furthermore, when financing greenfield investments above a certain monetary threshold and a risk rating which are set and reviewed by our Sustainability Committee, we conduct a detailed due diligence about the impacts of the projects on deforestation and ask for measures to minimize the impacts if there are any, where applicable and necessary. Additionally, for projects that are subject to our Environmental and Social Impact Assessment Model; We make sure that the borrowers make every effort to mitigate deforestation effects. In projects where these effects cannot be avoided, we ask the borrowers to plant 4 to 5 trees per each tree to be cut. If the Project is a greenfield fossil fuel based power plant, we require the borrowers to plant one tree per 10 MWh annual gross energy production for at least 10 years after commissioning. Water: Impact on water cycle will be one of the major consequences of climate change in Turkey. For example, individual regions (e.g., those prone to flooding or that experience climate change-led severe weather) and entire sectors of the economy (those unable to transition to a low carbon business model or dependent on stable weather patterns, such as agriculture) could suffer significant loss of income. In order to manage our indirect water footprint, we ensure, request and monitor that appropriate measures are taken to minimize environmental impacts and to reduce the consumption of water and other resources, ensure recycling is undertaken and that negative impacts on water quality are minimized. The following criteria are being considered in financing greenfield investments: •Choice of location and project area • Current properties of water • Impact on ground water • Impact on surface water • Water quality • Sector-based criteria
[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

- Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

- Products and services
- Upstream/downstream value chain
- Investment in R&D
- Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change
- Forests
- Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Garanti BBVA leads the industry with its innovative products and services in building a more sustainable and inclusive economy on the path to the Sustainable Development Goals (SDGs). The Bank's efforts to combat climate change and social inequalities, along with its innovative solutions that create value for the

economy, society, and all stakeholders, have been recognized by national and international authorities. As part of its efforts to mitigate the negative effects of climate change, Garanti BBVA: • Became the first bank in Türkiye to commit to exiting coal in 2021, pledging to eliminate coal-related risks from its portfolio by 2040 at the latest. Sustainable Finance Mobilization (TL Billion) • Took this commitment a step further in 2022, announcing 2030 decarbonization targets for other carbon-intensive sectors such as energy, automotive, iron & steel, and cement. These interim targets represent a crucial milestone in achieving the 2050 net-zero emissions goal. Garanti BBVA is committed to supporting its customers in their transition to a more sustainable future. • Garanti BBVA has committed to contribute TL 400 billion to the target of contributing €300 billion to the financing of sustainable development, set by its main shareholder BBVA for the period 2018-2025, and has contributed TL 291 billion to this target since 2018. Also, as a part of our sustainable finance products, we provide agriculture loans for sustainable agriculture, organic farming, more efficient water consumption, direct seeding, energy efficiency in agriculture (e.g. Agriculture SPP) projects are supported within the scope of sustainable agriculture loans.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change
- Forests
- Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Garanti BBVA aims to achieve net zero emissions by 2050. In line with this goal, the bank seeks to support its financed customers in reducing their carbon footprints. Following the Target Setting Guidelines set by the Net-Zero Banking Alliance (NZBA), the bank discloses decarbonization targets for specific sectors by 2030. For 2030, the bank has set decarbonization targets for carbon-intensive sectors such as power generation, automotive, steel and cement based on the internationally recognized Paris Agreement Capital Transition Assessment (PACTA) methodology. Additionally, under the PACTA framework, separate initiatives have been launched for the coal mining, coal-fired power generation, and maritime shipping sectors, with monitoring expected to begin by the first quarter of 2025. These targets are designed by considering the unique challenges and approaches required for reducing each sector's carbon footprint. Garanti BBVA continuously reviews data quality and enhances its methodology when setting decarbonization targets. Emission and production data are sourced from 2DII, based on companies' sectoral classifications and the technologies they employ. Currently, the share of customers covered under this scope within the bank's wholesale portfolio stands at 10.9%. The limits and risk exposures of mutual customers found in both third-party and bank data are monitored monthly. Another key metric used to track emission intensity

is High Market Misalignment (HMM), which aims to limit the presence of high-carbon-emitting customers within the portfolio. Customers with more than 30% higher emission intensity than the 2050 net-zero scenario are flagged. This metric is calculated by dividing the total risk exposure of flagged companies by the total risk exposure of all covered customers in the bank's portfolio. At the same time, the fundamental values of the bank's targets may evolve over time based on data sources and methodological advancements. However, while recognizing the challenges of full short-term alignment, the bank remains committed to making continuous efforts to achieve these targets in the long term. In projects/investments subject to the Environmental and Social Impact Assessment Process (ESIAP), we develop specific action plans, including but not limited to IFC Performance Standards and World Bank Environmental and Social Standards, referencing international standards and best practices. These action plans, covering Water and Marine Resources, are incorporated into loan agreements and monitored throughout the loan term. By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change
- Forests
- Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

As a pioneer bank in digitalization, we constantly invest in advanced technologies to offer the best, most seamless and fastest digital services. 99% of our non-cash transactions can be conducted through our digital channels, which eliminates the need to go to the branch, thus avoiding transportation-related carbon emissions. Another action taken on the IT side is switching to virtual servers, which contributes to reducing our Scope 2 emissions. We have utilized an unprecedented and unique project to inform our customers about their carbon footprint based on their spending. Customers can track their carbon footprints on the Ecological page in the "My Status" section of Garanti BBVA Mobil. By raising awareness of this issue, we make suggestions to help reduce the carbon footprint. Users can become Garanti BBVA Mobile customers without going to the branch, signing the printed contracts and using the means of transportation. In this way, paper consumption and carbon emissions are kept at a low level. In addition, by preferring a digital statement, processes can be followed on Garanti BBVA Mobile or the Internet, which also reduces the possible carbon footprint. Also intending to provide consultancy regarding the impacts of climate change through the services rendered to its customers, Garanti BBVA has been offering carbon footprint and sectoral impact analysis to its corporate customers through its digital channels since 2022. Using the carbon footprint

application, corporate customers can monitor their carbon footprint emissions resulting from their activities and benefit from awareness raising guidance, and they can follow up the impacts of their respective sectors on sustainability at a global scale. Through the Ecological Status section in the mobile app, we aim to raise awareness about carbon footprints, while customers can now track every positive action they take regarding their carbon footprint. In the Ecological Steps section, through ecological tasks such as choosing not to receive receipts from ATMs, opting for digital slips, withdrawing and depositing money via ATM QR codes, using transportation cards, and achieving daily step goals with the pedometer function, Garanti BBVA helps its customers set personal goals and take sustainable steps through the actions they take towards these goals. As a result of the actions taken by customers, Garanti BBVA aims to contribute to their fight against the climate crisis by dropping seed balls in hard-to-reach areas using ecoDrone. In 2024, with a collaboration with Ecording, more than 350 flights were conducted in hard-to-reach areas of the Muğla region, and seed balls were planted on behalf of customers who completed the Ecological Tasks. Thus, in addition to contributing to reforestation and biodiversity with ecoDrones, the sustainability journey was strengthened in the direction of reducing economic inequalities.

Operations

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change
- Forests
- Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Garanti BBVA supports Türkiye's fight against climate crisis through its renewable energy initiatives and has launched numerous projects to increase the share of renewable energy in its total energy consumption. With solar power plants (SPPs) with an installed capacity of 300 kW at Pendik Campus and Güneşli Service Building, the Bank is increasing its renewable energy share while also reducing its carbon footprint. Previously commissioned solar power systems on the rooftops of Akdeniz Branch, Sivas Customer Communication Center, and Bodrum Branch had a total installed capacity of 90 kW. With the commissioning of the SPPs at Pendik Campus and Güneşli Service Building, the total installed capacity has now approached 400 kW. The Denizli Service Building and Eski Sanayi Branch SPP projects, completed in 2024 and currently undergoing official approval processes, are planned to be operational by the first quarter of 2025. Additionally, solar panels have been installed on 114 ATM rooftops. Through these installations, approximately 40% of the monthly energy consumption of an ATM (around 150 kWh) is now powered by solar energy. Garanti BBVA is committed to long-term renewable energy use and reducing energy consumption and environmental impact in its business processes • LED lighting systems have been implemented in all branches and ATMs to improve energy efficiency. • New-generation air conditioning systems, which

are less harmful to the ozone layer, consume less energy and have an A+ energy efficiency rating, have been introduced across branches, reducing environmental impact. • Time-controlled interior lighting has been implemented in branches, ensuring that advertisement lighting in 593 branches is turned off after 1:00 AM. • Heat recovery systems are used in all applicable branches to improve air quality while reducing energy consumption. • 90% of branches have been equipped with timers, limiting the operating hours of certain lighting systems without the need for remote control. • The temperature settings for eligible air conditioning units have been standardized between 21-25°C, preventing excessive energy consumption while maintaining optimal conditions. • Water purification systems have been installed in all branches and service buildings as part of Garanti BBVA's sustainability strategy. In addition to our desire to leave less plastic waste in the world we live in, our main goal with this practice is to ensure that we have access to healthier drinking. • The use of single-use paper cups has been eliminated in the Zincirlikuyu Headquarters and Çiftçi Tower buildings. • In Zincirlikuyu Headquarters' top management offices and meeting rooms, bottled water use has been replaced with glass pitchers.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

- Assets
- Revenues
- Direct costs
- Access to capital
- Capital allocation
- Acquisitions and divestments

(5.3.2.2) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

- Climate change

Forests

Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Capital Allocation & Divestment & Revenues: The market share of the Bank-financed wind power plants (WPPs) and solar power plants (SPPs) by installed power is 23.6% and 14.3%, respectively, in 2024. The cumulative financing amount Garanti BBVA provided to renewable energy investments exceeded USD 7 billion. In 2024, total avoided emissions of operational renewable power projects, in the financing of which Garanti BBVA was involved, were 14.82 million tCO₂e based on the current average grid emission factor for Türkiye. Direct Costs: Garanti BBVA motivates and incentivizes its customers to adopt sustainable business models. In 2018 we started to offer Green Loans, where we provide margin adjustments based on sustainability performance or environmental KPIs. Independent consultant rates/assess the performance/achievements. Indirect costs: During 2024, all branches and buildings received IREC certification, which proves that their 90.2 GWh electricity need was entirely supplied from renewables. Access to Capital: Utilizing the world's pioneer syndicated loan linked to sustainability criteria in 2020, Garanti BBVA was entitled to a reduction in due interest as it satisfied the performance indicators it has committed for the loan, which were renewable energy use and not financing a greenfield coal-fired thermal power plant. In 2023, an agreement for the syndicated loan, which consisted of two tranches for USD 199 million and EUR 218.5 million with a maturity of 367 days, was signed with the participation of 26 banks from 13 countries. The second ESG-linked syndicated loan was renewed at \$415 million. A second syndicated loan agreement, comprising two tranches of \$259.5 million and €142.5 million, was signed with the participation of 35 banks from 19 countries. In 2024, the bank structured a 367-day syndicated loan—consisting of two tranches of \$244 million and €162.4 million— for the first time, in alignment with its Sustainable Debt Financing Framework. Assets: Garanti BBVA, a leader in introducing and implementing sustainable banking in Türkiye with many pioneering practices, has been awarded the LEED certification, one of the green building rating systems developed by U.S. Green Building Council (USGBC), for its buildings. The headquarter building in Zincirlikuyu and Sivas Customer Communication Center has achieved LEED Platinum certification, while the Kızılay service building has also been certified LEED Platinum in the New Buildings category.

[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

| | Use of internal pricing of environmental externalities | Environmental externality priced |
|--|---|--|
| | Select from: <input checked="" type="checkbox"/> Yes | Select all that apply <input checked="" type="checkbox"/> Carbon <input checked="" type="checkbox"/> Water |

[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

- Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

- Drive low-carbon investment
- Identify and evaluate financing opportunities

(5.10.1.3) Factors considered when determining the price

Select all that apply

- Alignment with the price of a carbon tax
- Alignment with the price of allowances under an Emissions Trading Scheme
- Alignment with the price of carbon border adjustment mechanism
- Scenario analysis

(5.10.1.4) Calculation methodology and assumptions made in determining the price

The price assumed in 2022 about EURO 80 per tCO₂e. Taking into consideration our internal studies and international reports aimed at determining carbon corridors, we expect the pricing to be EUR 164 and EURO 264 in 2025 and 2030 respectively. The figures above represent EUR80 and EURO264 (equivalent TRY 2382 and 7862) per tonne of CO₂e (The price was converted to TRY based on the annual average USD/TRY exchange rate mentioned by TCMB).

(5.10.1.5) Scopes covered

Select all that apply

- Scope 3, Category 15 – Investments

(5.10.1.6) Pricing approach used – spatial variance

Select from:

Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

Static

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

2382

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

7682

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

Opportunity management

Value chain engagement

Public policy engagement

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

Yes, for all decision-making processes

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

7.46

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

Despite the difficulties in determining the cost of carbon in the absence of a regulation, the bank applies its own shadow carbon price in evaluating the economics of all greenfield/brownfield fossil fuel-based and renewable energy investments in its Project Finance activities. If the host country already implements an ETS/tax, then Garanti BBVA uses the actual price for carbon. If not, it uses fixed price per tCO₂e emitted. The price is determined taking into consideration the market dynamics and is reviewed and updated regularly. The price assumed in 2022 about EURO 80 per tCO₂e. Taking into consideration our internal studies and international reports aimed at determining carbon corridors, we expect the pricing to be EUR 164 and EURO 264 in 2025 and 2030 respectively. The figures above represents EUR80 and EURO264 (equivalent TRY 2382 and 7862) per tonne of CO₂e (The price was converted to TRY based on the annual average USD/TRY exchange rate mentioned by TCMB). Garanti BBVA is a strong supporter of voluntary tools such as carbon pricing to enable transition to a low carbon economy. Therefore the Bank became a member of Carbon Pricing Leadership Coalition (CPLC) Global Steering Committee (2018-2020). Garanti BBVA's efforts in this area was presented as a case study through a webinar organized by Yale University, World Economic forum, and CPLC. Please refer to the link to see the details:

<https://cbey.yale.edu/events/integrating-an-internal-price-oncarbon-lessons-from-garanti-bank>. Garanti BBVA was also presented as a case study by CPLC in 2018/2019 Carbon Pricing Leadership Report. The report, due to Garanti BBVA's contribution, addressed the link between domestic carbon pricing initiatives in Turkey and the potential role for banking industry. <https://documents1.worldbank.org/curated/en/395531568872592564/pdf/CarbonPricing-Leadership-Report-2018-2019.pdf> Garanti BBVA also supports the UN Global Compact's Business Leadership Criteria on Carbon Pricing, which comprises three distinct but overlapping dimensions: integrating carbon pricing into long-term strategies and investment decisions, responsible policy advocacy, and communication on progress. All three dimensions of the criteria are aligned with limiting the increase in global mean temperature to 2°C above pre-industrial levels.

[Add row]

(5.10.2) Provide details of your organization's internal price on water.

Row 1

(5.10.2.1) Type of pricing scheme

Select from:

Implicit price

(5.10.2.2) Objectives for implementing internal price

Select all that apply

Influence strategy and/or financial planning

- Use an internal price for corporate engagement/stewardship purposes

(5.10.2.3) Factors beyond current market price are considered in the price

Select from:

- Yes

(5.10.2.4) Factors considered when determining the price

Select all that apply

- Anticipated water tariffs
- Benchmarking against peers
- Existing water tariffs

(5.10.2.5) Calculation methodology and assumptions made in determining the price

As a financial institution, our data collection from clients regarding water-related issues is quite limited. The implicit price on water is applicable to only projects where data availability is at a certain level. The price is calculated according to the total amount of water used in such a project and the Bank's investment amount in the project. The pricing of the financing is determined by considering the changes in price of water and energy and the relevant developments in the regulatory and market environment over a certain future time horizon.

(5.10.2.6) Stages of the value chain covered

Select all that apply

- Project/site specific coverage

(5.10.2.7) Pricing approach used – spatial variance

Select from:

- Uniform

(5.10.2.9) Pricing approach used – temporal variance

Select from:

- Static

(5.10.2.11) Minimum actual price used (currency per cubic meter)

0.28

(5.10.2.12) Maximum actual price used (currency per cubic meter)

0.28

(5.10.2.13) Business decision-making processes the internal water price is applied to

Select all that apply

- Capital expenditure
- Risk management

(5.10.2.14) Internal price is mandatory within business decision-making processes

Select from:

- Yes, for some decision-making processes, please specify :This implicit price on water affects the advancing of loans and repayment calculations.

(5.10.2.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

- Yes

(5.10.2.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

As a financial institution, our data collection from clients regarding water-related issues is quite limited. The implicit price on water is applicable to only projects where data availability is at a certain level. The price is calculated according to the total amount of water used in such projects and the total financing amount. The pricing of the financing is determined by considering the changes in price of water and energy and the relevant developments in the regulatory and market environment over a certain future time horizon. This implicit price on water affects the risk management and capital expenditure processes of the bank as an additional factor in advancing of loans and repayment calculations.

[Add row]

(5.11) Do you engage with your value chain on environmental issues?

| | Engaging with this stakeholder on environmental issues | Environmental issues covered |
|--------------------------------|---|---|
| Clients | Select from: <input checked="" type="checkbox"/> Yes | Select all that apply |
| Suppliers | Select from: <input checked="" type="checkbox"/> Yes | Select all that apply <input checked="" type="checkbox"/> Climate change <input checked="" type="checkbox"/> Forests <input checked="" type="checkbox"/> Water |
| Smallholders | Select from: <input checked="" type="checkbox"/> Yes | Select all that apply |
| Investors and shareholders | Select from: <input checked="" type="checkbox"/> Yes | Select all that apply <input checked="" type="checkbox"/> Climate change <input checked="" type="checkbox"/> Forests <input checked="" type="checkbox"/> Water |
| Other value chain stakeholders | Select from: <input checked="" type="checkbox"/> Yes | Select all that apply <input checked="" type="checkbox"/> Climate change <input checked="" type="checkbox"/> Forests <input checked="" type="checkbox"/> Water |

[Fixed row]

(5.11.3) Provide details of your environmental engagement strategy with your clients.

Row 1

(5.11.3.1) Type of clients

Select from:

- Clients of Banks

(5.11.3.2) Environmental issues covered by the engagement strategy

Select all that apply

- Climate change
- Forests
- Water

(5.11.3.3) Type and details of engagement

Capacity building

- Provide training, support and best practices on how to make credible renewable energy usage claims
- Provide training, support and best practices on how to measure GHG emissions
- Provide training, support and best practices on how to set science-based targets
- Support clients to develop public, time-bound action plans with clear milestones
- Support clients to set their own environmental commitments across their operations

Financial incentives

- Provide financial incentives for environmental performance
- Provide financial incentives for clients increasing renewable energy use
- Provide financial incentives for progress against climate-related targets

Information collection

- Collect climate transition plan information at least annually from clients
- Collect environmental risk and opportunity information at least annually from clients
- Collect GHG emissions data at least annually from clients
- Collect targets information at least annually from clients
- Collect water quantity information at least annually from clients (e.g., withdrawal and discharge volumes)

Innovation and collaboration

- Collaborate with clients on innovations to reduce environmental impacts in products and services

- Collaborate with clients on innovative business models and corporate renewable energy sourcing mechanisms
- Encourage clients to take Beyond Value Chain Mitigation (BVCM) actions
- Engage with clients to advocate for policy or regulatory change to address environmental challenges

(5.11.3.4) % of client-associated scope 3 emissions as reported in question 12.1.1

Select from:

- 100%

(5.11.3.5) % of portfolio covered in relation to total portfolio value

Select from:

- 51-75%

(5.11.3.6) Explain the rationale for the coverage of your engagement

Garanti BBVA considers sustainability in all its day-to-day operations and everything else it does, both in relation to its clients and its internal processes. As such, devising and executing the sustainability strategy is an organization-wide effort, and all Bank are as must include it progressively in their strategy agenda and work dynamics. The Bank aims to promote transparency about our commitments and performance, protect our direct impact and foster the active involvement with all our stakeholders to promote sustainability in the financial sector. Garanti BBVA works with its clients to increase sustainable business activities within the economy through green and social products and services it offers.

(5.11.3.7) Describe how you communicate your engagement strategy to your clients and/or to the public

Garanti BBVA works with its clients to increase sustainable business activities within the economy through green and social products and services it offers, The following details how the integration of ESG aspects in the relationship with clients is carried out: ESG support for wholesale clients (corporates, large enterprises) and companies At the wholesale level, Garanti BBVA offers a variety of sustainable financing solutions ranging from use-of-proceeds cases (i.e. specific financing products towards sustainable projects) to sustainability-linked loans. In addition, ESG risks of clients are assessed via sector-specific questionnaires assisted by data providers. For clients in high-intensity hard-to-abate sectors where climate transition risks are significant, Garanti BBVA measures each client's transition ambition and updates the assessment at least annually with real client-level data such as emissions intensity, ScienceBased Targets Initiative (SBTi) and/or Net-Zero aligned emission reduction targets, investments in low-carbon technology etc. It is specialized assessment and advice by sector, based on data and aimed at helping clients define strategies that allow them to meet and be aligned with the objectives of the Paris Agreement, advance the United Nations 2030 Sustainable Agenda, and, where appropriate, provide sustainable financing solutions (debt/equity) that allow them to execute their decarbonisation plans. ESG support for retail clients Garanti BBVA supports its clients in incorporating ESG practices through one-on-one meetings and visits, public events, consulting on projects with technology and consulting firms, and other advisory services. Garanti BBVA advises its clients through digital channels and through the commercial branch network. A comprehensive service model that ranges from awareness raising, project design and sponsorships for NGOs for community and public investments.

(5.11.3.8) Attach your engagement strategy

GarantiBBVA-2024-integrated-annual-report.pdf

(5.11.3.9) Staff in your organization carrying out the engagement

Select all that apply

Specialized in-house engagement teams

(5.11.3.10) Roles of individuals at the portfolio organizations you seek to engage with

Select all that apply

CEO

Other, please specify :Finance and Sustainability Directors

(5.11.3.11) Effect of engagement, including measures of success

The advanced environmental and social criteria compliance check stage was first introduced in 2012 as the Environmental and Social Impact Assessment Process (ESIAP), based on IFC Performance Standards and World Bank Environmental and Social Standards, as well as other international standards and best practices. The identification of financial transactions subject to ESIAP is based on the scope defined in the Equator Principles (IV) standard. Additionally, ESIAP applies to all project finance and project finance advisory loans, irrespective of financial threshold limits, ensuring a thorough environmental and social due diligence process. During the preliminary assessments of the environmental and social risks of a project to be financed, if necessary, reports prepared in accordance with legal requirements and international standards, as well as any additional studies that may be required based on the nature, scale, sensitivity, location, and environmental and social impacts of the project, are prioritized for review. If the required documents are not available within the Bank's processes, a third-party consultant is engaged to conduct the necessary assessments and submit them to the Bank. Based on the reviewed environmental and social documents, the Environmental and Social Impact Assessment Model (ESIAM) is implemented to analyze potential impacts and determine the project's environmental and social risk category. To prevent identified environmental and social risks and to minimize unavoidable impacts as much as possible, action plans are established before financial closure and monitored throughout the loan term. These actions are secured through loan agreements, and both the Environmental and Social Impact Assessment Team and third-party consultants periodically monitor and report on the client's progress in completing these actions. This process ensures adherence to regulatory environmental and social standards, compliance with the Bank's policies, and, where necessary, the implementation of an impact assessment. It also ensures that the necessary precautions are taken, sector-specific best practices are applied, and adequate control mechanisms are established. In 2024, the Environmental and Social Impact Assessment team conducted 18 site visits to monitor the environmental and social performance of previously financed projects. In 2024, one project was subjected to the advanced environmental and social assessment tool.

(5.11.3.12) Escalation process for engagement when dialogue is failing

Select from:

- Yes, we have an escalation process

(5.11.3.13) Describe your escalation process

Garanti BBVA's all clients go through a ESG-related Know-Your-Customer assessment. According to its results, the client's alignment with the Garanti BBVA Environmental and Social Loan Standard is understood by the business lines and E&S impact assessment team. For certain topics, such as operations in defence industry, trade with embargoed countries, and coal power generation, there are stricter rules in order to ensure alignment with the Standard. Financing these clients are either prohibited or closely monitored by the business line and/or the credit committee, if need be. For other clients, who are assessed to have higher ESG-related risks, a written commitment to improve such issues may be requested, with the goal of improving these within a year. Depending on the risk, the Bank may decide to close the credit limit of a client, due to misalignment with the Standard. The way of the escalation process is managed on a case-by case basis.

[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

- Adaptation to climate change

(5.11.7.3) Type and details of engagement

Capacity building

- Support suppliers to set their own environmental commitments across their operations

Information collection

- Collect environmental risk and opportunity information at least annually from suppliers
- Collect GHG emissions data at least annually from suppliers

Innovation and collaboration

- Collaborate with suppliers on innovations to reduce environmental impacts in products and services
- Run a campaign to encourage innovation to reduce environmental impacts on products and services

(5.11.7.4) Upstream value chain coverage

Select all that apply

Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

51-75%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

51-75%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Garanti BBVA prioritizes supplier compliance with ethical, environmental, and social values, ensuring that they adhere to the Supplier Code of Conduct. In 2023, the Bank enhanced its evaluations to gain deeper insights into suppliers' ESG approaches, regulatory compliance, and awareness. Throughout 2024, 89% of the Bank's suppliers were evaluated for compliance with ESG regulations under the sustainability module. The compliance rate for new suppliers regarding environmental and social criteria was 96% for both categories. In line with this approach, only suppliers who have accepted and approved the "Code of Conduct for Suppliers" are included in the procurement and evaluation processes. The Garanti BBVA supplier evaluation process examines financial, legal, labor, reputational, anti-corruption, and anti-money laundering risks, market concentration and country risks, sustainability, data protection, and customer protection. This evaluation not only mitigates potential risks in third-party contracts but also verifies compliance with legal obligations, ensuring that suppliers align with the Group's values in terms of corporate citizenship and social responsibility. Garanti BBVA implemented a sustainability module as part of its supplier evaluation process in 2023. The module covers a wide range of sustainability topics, including (I) compliance with environmental and social regulations, (II) management and measurement of environmental impact, (III) human rights, (IV) control structures, (V) sustainability reporting, and (VI) the supplier's own ESG evaluation within its supply chain. Throughout 2023, the model was calibrated to align with the various supplier types within the Group.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

Yes

Forests

(5.11.7.1) Commodity

Select from:

- Timber products

(5.11.7.2) Action driven by supplier engagement

Select from:

- Adoption of the United Nation's International Labour Organization principles

(5.11.7.3) Type and details of engagement

Capacity building

- Support suppliers to set their own environmental commitments across their operations

Information collection

- Collect environmental risk and opportunity information at least annually from suppliers

Innovation and collaboration

- Collaborate with suppliers on innovations to reduce environmental impacts in products and services
- Run a campaign to encourage innovation to reduce environmental impacts on products and services

(5.11.7.4) Upstream value chain coverage

Select all that apply

- Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

- 51-75%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Garanti BBVA prioritizes supplier compliance with ethical, environmental, and social values, ensuring that they adhere to the Supplier Code of Conduct. In 2023, the Bank enhanced its evaluations to gain deeper insights into suppliers' ESG approaches, regulatory compliance, and awareness. Throughout 2024, 89% of the Bank's suppliers were evaluated for compliance with ESG regulations under the sustainability module. The compliance rate for new suppliers regarding environmental and social criteria was 96% for both categories. In line with this approach, only suppliers who have accepted and approved the "Code of Conduct for Suppliers" are included in the procurement and evaluation processes. The Garanti BBVA supplier evaluation process examines financial, legal, labor, reputational, anti-corruption, and anti-money laundering risks, market concentration and country risks, sustainability, data protection, and customer protection. This evaluation not only mitigates potential risks in third-party contracts but also verifies compliance with legal obligations, ensuring that suppliers align with the Group's values in terms of corporate citizenship and social responsibility. Garanti BBVA implemented a sustainability module as part of its supplier evaluation process in 2023. The module covers a wide range of sustainability topics, including (I) compliance with environmental and social regulations, (II) management and measurement of environmental impact, (III) human rights, (IV) control structures, (V) sustainability reporting, and (VI) the supplier's own ESG evaluation within its supply chain. Throughout 2023, the model was calibrated to align with the various supplier types within the Group.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

Adoption of the United Nation's International Labour Organization principles

(5.11.7.3) Type and details of engagement

Capacity building

Support suppliers to set their own environmental commitments across their operations

Information collection

Collect environmental risk and opportunity information at least annually from suppliers

Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)

Innovation and collaboration

Collaborate with suppliers on innovations to reduce environmental impacts in products and services

Run a campaign to encourage innovation to reduce environmental impacts on products and services

(5.11.7.4) Upstream value chain coverage

Select all that apply

- Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

- 51-75%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Garanti BBVA prioritizes supplier compliance with ethical, environmental, and social values, ensuring that they adhere to the Supplier Code of Conduct. In 2023, the Bank enhanced its evaluations to gain deeper insights into suppliers' ESG approaches, regulatory compliance, and awareness. Throughout 2024, 89% of the Bank's suppliers were evaluated for compliance with ESG regulations under the sustainability module. The compliance rate for new suppliers regarding environmental and social criteria was 96% for both categories. In line with this approach, only suppliers who have accepted and approved the "Code of Conduct for Suppliers" are included in the procurement and evaluation processes. The Garanti BBVA supplier evaluation process examines financial, legal, labor, reputational, anti-corruption, and anti-money laundering risks, market concentration and country risks, sustainability, data protection, and customer protection. This evaluation not only mitigates potential risks in third-party contracts but also verifies compliance with legal obligations, ensuring that suppliers align with the Group's values in terms of corporate citizenship and social responsibility. Garanti BBVA implemented a sustainability module as part of its supplier evaluation process in 2023. The module covers a wide range of sustainability topics, including (I) compliance with environmental and social regulations, (II) management and measurement of environmental impact, (III) human rights, (IV) control structures, (V) sustainability reporting, and (VI) the supplier's own ESG evaluation within its supply chain. Throughout 2023, the model was calibrated to align with the various supplier types within the Group.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

- Yes, please specify the environmental requirement :Compliance with Code of Conduct

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

- Yes

[Add row]

(5.11.8) Provide details of any environmental smallholder engagement activity

Row 1

(5.11.8.1) Commodity

Select from:

Other, please specify :Food Agriculture

(5.11.8.2) Type and details of smallholder engagement approach

Capacity building

- Provide training, support and best practices on sustainable agriculture practices and nutrient management
- Support smallholders to measure and address their exposure to environmental risk

Smallholder insurance

- Provide financial incentives for sustainable practices

(5.11.8.3) Number of smallholders engaged

19

(5.11.8.4) Effect of engagement and measures of success

Financing of projects such as building of roads, bridges, power plants etc have significant negative impact on the environment both in the construction and usage phases. In order to mitigate some of these impacts such as deterioration of agricultural lands and loss of fertile soil etc., Garanti BBVA's E&S policy requires due diligence studies of the project and setting up of stakeholder-related covenants in the financing agreement such as adoption of mitigating measures and absorbency of losses. For example, external consultants are assigned to measure the annual negative impact of the project on its stakeholders such as smallholders in the area and determine the financial cost of the impact; then, the debtee is required to make payments to these smallholders to cover their project-related environmental losses.

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

- Other value chain stakeholder, please specify :Credit Rating Agencies, Auditors, Stock Exchange

(5.11.9.2) Type and details of engagement

Education/Information sharing

- Share information on environmental initiatives, progress and achievements

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

- None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Credit Rating Agencies: Garanti BBVA achieved its highest ESG rating to date on the S&P Global Corporate Sustainability Assessment (CSA) in 2024, scoring 85 out of 100, marking its best performance since it began reporting to this ESG evaluation platform in 2015. Auditors: We conducted our assurance engagement in accordance with the Assurance Engagement Standard (AES) 3000 and 3410 which is a part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). These regulations require that we comply with the ethical standards and plan and perform our assurance engagement to obtain limited assurance about the Selected Information. We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. Stock Exchange: Garanti BBVA also continues its inclusion in the BIST Sustainability Index, based on London Stock Exchange Group (LSEG) ESG ratings, while also being included in the BIST Sustainability 25 Index, which evaluates company shares based on ESG score.

(5.11.9.6) Effect of engagement and measures of success

Our engagement with stakeholders across the value chain has a positive effect on improving transparency and aligning with sustainability expectations. Measure of success for us is to achieve high scores from credit rating agencies, obtain annual assurance from an independent auditor, and secure a place in the BIST Sustainability Index.

Forests

(5.11.9.1) Type of stakeholder

Select from:

Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

Share information about your products and relevant certification schemes

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Garanti BBVA embraces transparent reporting and publicly communicates its sustainability approach through national and international ESG ratings and sustainability indices. The Bank considers ESG-related index structures as an assessment tool while also monitoring global expectations through rating agencies to continuously enhance its sustainability strategy. Garanti BBVA achieved its highest ESG rating to date on the S&P Global Corporate Sustainability Assessment (CSA) in 2024, scoring 85 out of 100, marking its best performance since it began reporting to this ESG evaluation platform in 2015. With this result, the Bank once again secured the highest score in the Turkish banking sector. Additionally, on a global scale, Garanti BBVA ranked 15th among approximately 700 financial institutions included in the assessment. This year, the Bank made improvements in various areas, including financed emissions, financial inclusion, and emerging risk management, leading to an 11-point increase in its S&P Global CSA score compared to the previous year. Garanti BBVA, which received an A grade in both the Climate Change and Water programs of CDP, one of the world's most important sustainability reporting platforms where companies can transparently disclose their climate change policies and water management strategies, reiterated its determined and strong stance on the management of climate and water risks. The Bank achieved a position in the Global A List for both programs, demonstrating international recognition of its sustainability efforts. As the main supporter of CDP Türkiye, which also serves as CDP's Communication Office in Türkiye, Garanti BBVA aims to develop the sustainable finance market and encourage companies to enhance transparency regarding climate risks and opportunities through financial products launched in collaboration with CDP, including the Garanti BBVA Climate Index and the Garanti BBVA Climate Index Equity Fund. A long-time advocate for gender equality, Garanti BBVA continues to prioritize workplace gender equality. In this regard, the Bank remains included in the Bloomberg Gender Equality Index, thanks to its initiatives in building an inclusive corporate culture and introducing flexible working models. Garanti BBVA also continues its inclusion in the BIST Sustainability Index, based on London Stock Exchange Group (LSEG) ESG ratings, while also being included in the BIST Sustainability 25 Index, which evaluates company shares based on ESG score

(5.11.9.6) Effect of engagement and measures of success

The measure of success is the increasing number of investors sharing information on environmental initiatives, progress, and achievements.

Water

(5.11.9.1) Type of stakeholder

Select from:

Other value chain stakeholder, please specify :Credit Rating Agencies, Auditors, Stock Exchange

(5.11.9.2) Type and details of engagement

Education/Information sharing

Share information on environmental initiatives, progress and achievements

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Credit Rating Agencies: Garanti BBVA achieved its highest ESG rating to date on the S&P Global Corporate Sustainability Assessment (CSA) in 2024, scoring 85 out of 100, marking its best performance since it began reporting to this ESG evaluation platform in 2015. Auditors: We conducted our assurance engagement in accordance with the Assurance Engagement Standard (AES) 3000 and 3410 which is a part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). These regulations require that we comply with the ethical standards and plan and perform our assurance engagement to obtain limited assurance about the Selected Information. We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. Stock Exchange: Garanti BBVA also continues its inclusion in the BIST Sustainability Index, based on London Stock Exchange Group (LSEG) ESG ratings, while also being included in the BIST Sustainability 25 Index, which evaluates company shares based on ESG score.

(5.11.9.6) Effect of engagement and measures of success

Our engagement with stakeholders across the value chain has a positive effect on improving transparency and aligning with sustainability expectations. Measure of success for us is to achieve high scores from credit rating agencies, obtain annual assurance from an independent auditor, and secure a place in the BIST Sustainability Index.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

Share information on environmental initiatives, progress and achievements

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Garanti BBVA embraces transparent reporting and publicly communicates its sustainability approach through national and international ESG ratings and sustainability indices. The Bank considers ESG-related index structures as an assessment tool while also monitoring global expectations through rating agencies to continuously enhance its sustainability strategy. Garanti BBVA achieved its highest ESG rating to date on the S&P Global Corporate Sustainability Assessment (CSA) in 2024, scoring 85 out of 100, marking its best performance since it began reporting to this ESG evaluation platform in 2015. With this result, the Bank once again secured the highest score in the Turkish banking sector. Additionally, on a global scale, Garanti BBVA ranked 15th among approximately 700 financial institutions included in the assessment. This year, the Bank made improvements in various areas, including financed emissions, financial inclusion, and emerging risk management, leading to an 11-point increase in its S&P Global CSA score compared to the previous year. Garanti BBVA, which received an A grade in both the Climate Change and Water programs of CDP, one of the world's most important sustainability reporting platforms where companies can transparently disclose their climate change policies and water management strategies, reiterated its determined and strong stance on the management of climate and water risks. The Bank achieved a position in the Global A List for both programs, demonstrating international recognition of its sustainability efforts. As the main supporter of CDP Türkiye, which also serves as CDP's Communication Office in Türkiye, Garanti BBVA aims to develop the sustainable finance market and encourage companies to enhance transparency regarding climate risks and opportunities through financial products launched in collaboration with CDP, including the Garanti BBVA Climate Index and the Garanti BBVA Climate Index Equity Fund. A long-time advocate for gender equality, Garanti BBVA continues to prioritize workplace gender equality. In this regard, the Bank remains included in the Bloomberg Gender Equality Index, thanks to its initiatives in building an inclusive corporate culture and introducing flexible working models. Garanti BBVA also continues its inclusion in the BIST Sustainability Index, based on London Stock Exchange Group (LSEG) ESG ratings, while also being included in the BIST Sustainability 25 Index, which evaluates company shares based on ESG score

(5.11.9.6) Effect of engagement and measures of success

The measure of success is the increasing number of investors sharing information on environmental initiatives, progress, and achievements.

Water

(5.11.9.1) Type of stakeholder

Select from:

- Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

- Share information on environmental initiatives, progress and achievements

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Garanti BBVA embraces transparent reporting and publicly communicates its sustainability approach through national and international ESG ratings and sustainability indices. The Bank considers ESG-related index structures as an assessment tool while also monitoring global expectations through rating agencies to continuously enhance its sustainability strategy. Garanti BBVA achieved its highest ESG rating to date on the S&P Global Corporate Sustainability Assessment (CSA) in 2024, scoring 85 out of 100, marking its best performance since it began reporting to this ESG evaluation platform in 2015. With this result, the Bank once again secured the highest score in the Turkish banking sector. Additionally, on a global scale, Garanti BBVA ranked 15th among approximately 700 financial institutions included in the assessment. This year, the Bank made improvements in various areas, including financed emissions, financial inclusion, and emerging risk management, leading to an 11-point increase in its S&P Global CSA score compared to the previous year. Garanti BBVA, which received an A grade in both the Climate Change and Water programs of CDP, one of the world's most important sustainability reporting platforms where companies can transparently disclose their climate change policies and water management strategies, reiterated its determined and strong stance on the management of climate and water risks. The Bank achieved a position in the Global A List for both programs, demonstrating international recognition of its sustainability efforts. As the main supporter of CDP Türkiye, which also serves as CDP's Communication Office in Türkiye, Garanti BBVA aims to develop the sustainable finance market and encourage companies to enhance transparency regarding climate risks and opportunities through financial products launched in collaboration with CDP, including the Garanti BBVA Climate Index and the Garanti BBVA Climate Index Equity Fund. A long-time advocate for gender equality, Garanti BBVA continues to prioritize workplace gender equality. In this regard, the Bank remains included in the Bloomberg Gender Equality Index, thanks to its initiatives in building an inclusive corporate culture and introducing flexible working models. Garanti BBVA also continues its inclusion in the BIST Sustainability Index, based on London Stock Exchange Group (LSEG) ESG ratings, while also being included in the BIST Sustainability 25 Index, which evaluates company shares based on ESG score

(5.11.9.6) Effect of engagement and measures of success

The measure of success is the increasing number of investors sharing information on environmental initiatives, progress, and achievements.

Forests

(5.11.9.1) Type of stakeholder

Select from:

Other value chain stakeholder, please specify :Credit Rating Agencies, Auditors, Stock Exchange

(5.11.9.2) Type and details of engagement

Education/Information sharing

Share information on environmental initiatives, progress and achievements

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Credit Rating Agencies: Garanti BBVA achieved its highest ESG rating to date on the S&P Global Corporate Sustainability Assessment (CSA) in 2024, scoring 85 out of 100, marking its best performance since it began reporting to this ESG evaluation platform in 2015. Auditors: We conducted our assurance engagement in accordance with the Assurance Engagement Standard (AES) 3000 and 3410 which is a part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). These regulations require that we comply with the ethical standards and plan and perform our assurance engagement to obtain limited assurance about the Selected Information. We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. Stock Exchange: Garanti BBVA also continues its inclusion in the BIST Sustainability Index, based on London Stock Exchange Group (LSEG) ESG ratings, while also being included in the BIST Sustainability 25 Index, which evaluates company shares based on ESG score.

(5.11.9.6) Effect of engagement and measures of success

Our engagement with stakeholders across the value chain has a positive effect on improving transparency and aligning with sustainability expectations. Measure of success for us is to achieve high scores from credit rating agencies, obtain annual assurance from an independent auditor, and secure a place in the BIST Sustainability Index.

[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Garanti BBVA uses the operational control approach to calculate its emissions because it allows them to account for emissions from operations we directly control, ensuring we take full responsibility.

Forests

(6.1.1) Consolidation approach used

Select from:

Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

According to SBTN guidances, it is recommended that the accounting of other environmental issues should be in line with the approach in GHG accounting. For this reason we use the operational control approach.

Water

(6.1.1) Consolidation approach used

Select from:

- Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

According to SBTN guidances, it is recommended that the accounting of other environmental issues should be in line with the approach in GHG accounting. For this reason we use the operational control approach.

Plastics

(6.1.1) Consolidation approach used

Select from:

- Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

According to SBTN guidances, it is recommended that the accounting of other environmental issues should be in line with the approach in GHG accounting. For this reason we use the operational control approach.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

- Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

According to SBTN guidances, it is recommended that the accounting of other environmental issues should be in line with the approach in GHG accounting. For this reason we use the operational control approach.

[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

| | |
|--|---|
| | Has there been a structural change? |
| | Select all that apply <input checked="" type="checkbox"/> No |

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

| | |
|--|---|
| | Change(s) in methodology, boundary, and/or reporting year definition? |
| | Select all that apply <input checked="" type="checkbox"/> No |

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

- 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- The Greenhouse Gas Protocol: Scope 2 Guidance
- The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

| | Scope 2, location-based | Scope 2, market-based | Comment |
|--|---|---|---------|
| | Select from: <input checked="" type="checkbox"/> We are reporting a Scope 2, location-based figure | Select from: <input checked="" type="checkbox"/> We are reporting a Scope 2, market-based figure | N/A |

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

- No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/30/2012

(7.5.2) Base year emissions (metric tons CO2e)

15568

(7.5.3) Methodological details

GHG emissions (CO2, CH4 and N2O and f-gases) from energy consumption from fossil fuel sources for heating, generators, leased vehicle fleet in commercial use and refrigerants are included in Scope 1.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2012

(7.5.2) Base year emissions (metric tons CO2e)

73994

(7.5.3) Methodological details

Purchased electricity was calculated under Scope 2.

Scope 2 (market-based)

(7.5.1) Base year end

12/30/2012

(7.5.2) Base year emissions (metric tons CO2e)

73994

(7.5.3) Methodological details

Purchased electricity was calculated under Scope 2.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/30/2021

(7.5.2) Base year emissions (metric tons CO2e)

5775.98

(7.5.3) Methodological details

For the accommodation emissions, the calculation was made using EPA one night hotel stay emission factors and room day numbers provided by Garanti Bank. The emission factor for upscale hotels with restaurants, meal services, meeting space is used for both domestic and international hotel stays 26,60 kg CO2e/room day. The emission factor is quite similar to other studies carried out within Europe and Turkey. The calculation was made by multiplying total paper used with emission factors. For the emissions due to paper used, the data is collected according to paper type. Copy paper used ~473 tons, bank statements for customers nearly 154 tons, for receipts ~269 tons. Environmental Paper Network's emission factors are used for each type of paper. For 1 tons of copy paper EF used is 8,981 tons CO2e, for bank statements the EF used is 9,661 tons CO2e, for ATM slips EF used is 8.981 tons CO2e. The IPCC 5th Assessment Report was used for GWP's.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/30/2021

(7.5.2) Base year emissions (metric tons CO2e)

450.09

(7.5.3) Methodological details

Under the category 2: Capital Goods, emissions due to capital goods purchased in 2021 has been calculated with spend-based method. Capital goods financial data have been collected from Garanti BBVA systems. In the emission calculation, the "US EEIO Scope 3 Calculator" tool developed by the US EPA was used. Emission calculation (kg CO2e) according to unit monetary value (\$) in the sector average is made by using emission factors from the USEEIO Model (v1.1). Subcategories taken into account under the capital goods: Air conditioning, refrigeration, and warm air heating equipment manufacturing, Air purification and ventilation equipment manufacturing, Metal cutting and forming machine tool manufacturing, All other miscellaneous electrical equipment and component manufacturing. The IPCC 5th Assesment Report was used for GWP's.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/30/2021

(7.5.2) Base year emissions (metric tons CO2e)

14.2

(7.5.3) Methodological details

Waste generated in Garanti BBVA operations led GHG emissions in their disposal. These emissions have been calculated for the generated waste amount of 2021. The activity data has been gathered from Garanti BBVA systems and the EF has been used from DEFRA 2021. The IPCC 5th Assessment Report was used for GWPs.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/30/2021

(7.5.2) Base year emissions (metric tons CO2e)

61.46

(7.5.3) Methodological details

The calculation was made by multiplying the total passenger.km for Garanti Bankası with related EF of DEFRA. The flight km's are calculated by using latitude and longitude of the airports. The EF of a long haul (>3700 km) used for calculations is 0,13003 kg CO₂e; EF for medium-haul is (500 km) is 0,10208 kg CO₂e. The IPCC 5th Assessment Report was used for GWPs.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/30/2021

(7.5.2) Base year emissions (metric tons CO₂e)

1584.99

(7.5.3) Methodological details

The calculation was made by using total km captured from companies providing the services for employee commuting. The emission factors of vehicle km of DEFRA is multiplied by total km of relevant vehicle type. For 16+1 vehicles the average CO₂e emission factor of vans is used (0,24116 kg CO₂e/vehicle km), For 27+1 vehicles the CO₂e emission factor for 50% laden rigid (>3,5-7,5 tonnes) is used (0,48364 kg CO₂e/vehicle km for 50%laden and 0,52184 kg CO₂e/vehicle km for 100% laden). The IPCC 5th Assessment Report was used for GWPs.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/30/2021

(7.5.2) Base year emissions (metric tons CO₂e)

278.27

(7.5.3) Methodological details

Data collection was conducted for many suppliers. The calculation methods were adapted for each kind of activity data from suppliers. The activity data was mainly in ton.km distances and fuel consumptions. The calculation was made by multiplying total ton.km for Garanti BBVA with the related EF of DEFRA. The information is provided by the suppliers. When calculating the ton.km the distances for the freights are estimated. 13% of Garanti consignments are domestic, 39 % short haul and 48% long haul. The EF of a domestic flight is 2,3765 kg CO₂e per ton.km, short-haul flight is 1,2172 kg CO₂e per ton.km and long-haul flight is 0,5387 kg CO₂e per

ton.km. The delivery to the airport is 12 km and the EF used is 0,2431 kg CO2e for rigid HGV vehicles >3,5-7,5 tonnes % 100 Laden. There is an increase in EF except for short-haul flights. For emissions due to activity data of another supplier, the EF of a rigid HGV vehicle for ton.km for 50% laden is 0,4624 kg CO2e. Another calculation was made by using the total fuel usage of the company and subcontractors. The EF used are the same as Garanti BBVA EF. Total CO2e emissions of supplier are allocated to Garanti BBVA where applicable. For emissions due to activity data of another supplier, the calculation was made by multiplying the total ton.km for Garanti BBVA with the related EF from DEFRA. The activity data is provided by the supplier. The EF of a rigid HGV vehicle for ton.km for 50% laden is taken as 0,4506 kg CO2e/ton.km.

[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

16820

(7.6.3) Methodological details

This indicator measures the greenhouse gases (CO2, CH4 and N2O and f-gases) resulting from fossil fuels consumed for heating, generators, rental vehicles, cooling units and energy consumption from purchased electricity used in Garanti BBVA's Turkey and Turkish Republic of Northern Cyprus operations (Headquarters, service buildings, branches and ATMs) and its domestic and foreign subsidiaries.

[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

39863

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

0

(7.7.4) Methodological details

International Energy Agency (IEA) factors were used for global warming potentials and emission factors. Network Emission Factor has been calculated based on the most up-to-date data provided by TEİAŞ for 2022.

[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

1364.77

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

The calculation was made by multiplying total paper used with emission factors. The DEFRA 2024 emission factors have been used. The calculation has been made using the emission factor for paper in the Material Use section, which is 1,364.77 kgCO₂e/ton

Capital goods

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

45.4

(7.8.3) Emissions calculation methodology

Select all that apply

Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

The calculation was made using EEIO emission factors based on the monetary value of the fixed assets purchased in the reporting year.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Not relevant as it is below the significance value in GHG screening.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

There are no relevant emissions in upstream transportation and distribution. All emissions associated with transportation and distribution (both upstream and downstream) are covered by the figure provided in the "Downstream transportation and distribution" Section.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

371.47

(7.8.3) Emissions calculation methodology

Select all that apply

Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Defra 2024 emission factors (Landfill) were used for waste. In line with BBVA's compliance, it was decided to use the emission factor specified for the Landfill Disposal method for the relevant emission factors.

Business travel

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2602.62

(7.8.3) Emissions calculation methodology

Select all that apply

Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Average Passenger DEFRA 2024 emission factors (excluding RF) were used for air travel emissions. Flights are classified as short-haul (less than 500 km), medium-haul (between 500 km and 3,700 km), and long-haul (more than 3,700 km).

Employee commuting

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

10927.22

(7.8.3) Emissions calculation methodology

Select all that apply

Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

For emissions related to employees' commuting, a survey was conducted for the vehicles used by employees for commuting to work, and emission calculations were made using the vehicle and distance data obtained with the Defra 2024 emission factors.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Garanti BBVA doesn't own any leased assets. Therefore this category is not relevant.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

223.89

(7.8.3) Emissions calculation methodology

Select all that apply

Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

The calculation was made by multiplying total ton.km for Garanti Bankası with related EF of DEFRA. The information is provided by supplier. The EF of a rigid HGV vehicle for ton.km for 50% laden is 0,4399 kg CO₂e - (EF used is for the year 2024) and some of the data and calculations have been extracted from DHL's GoGreen Dashboard. Calculations were made based on the number of shipments, their weight, and distances, measured in ton.km.

Processing of sold products

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Garanti BBVA doesn't sell any products to be processed later. Therefore this category is not relevant.

Use of sold products

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Garanti BBVA products don't result in GHG emissions. Therefore this category is not relevant.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Garanti BBVA products don't result in GHG emissions. Therefore this category is not relevant.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Garanti BBVA doesn't lease assets. Therefore this category is not relevant

Franchises

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Garanti BBVA doesn't own franchises. Therefore this category is not relevant.

Other (upstream)

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Garanti BBVA doesn't have other emission sources. Therefore this category is not relevant.

Other (downstream)

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Garanti BBVA doesn't have other emission sources. Therefore this category is not relevant.

[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

| | Verification/assurance status |
|---------|--|
| Scope 1 | Select from: <input checked="" type="checkbox"/> Third-party verification or assurance process in place |

| | Verification/assurance status |
|--|---|
| Scope 2 (location-based or market-based) | <i>Select from:</i> <input checked="" type="checkbox"/> Third-party verification or assurance process in place |
| Scope 3 | <i>Select from:</i> <input checked="" type="checkbox"/> Third-party verification or assurance process in place |

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

Annual process

(7.9.1.2) Status in the current reporting year

Select from:

Complete

(7.9.1.3) Type of verification or assurance

Select from:

Limited assurance

(7.9.1.4) Attach the statement

(7.9.1.5) Page/section reference

Independent Assurance Report/Pp. 354-361

(7.9.1.6) Relevant standard

Select from:

ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.2.3) Status in the current reporting year

Select from:

Complete

(7.9.2.4) Type of verification or assurance

Select from:

Limited assurance

(7.9.2.5) Attach the statement

GarantiBBVA-2024-integrated-annual-report.pdf

(7.9.2.6) Page/ section reference

Independent Assurance Report/Pp. 354-361

(7.9.2.7) Relevant standard

Select from:

ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

Scope 3: Capital goods

Scope 3: Downstream transportation and distribution

- Scope 3: Business travel
- Scope 3: Employee commuting
- Scope 3: Purchased goods and services
- Scope 3: Waste generated in operations

(7.9.3.2) Verification or assurance cycle in place

Select from:

- Annual process

(7.9.3.3) Status in the current reporting year

Select from:

- Complete

(7.9.3.4) Type of verification or assurance

Select from:

- Limited assurance

(7.9.3.5) Attach the statement

GarantiBBVA-2024-integrated-annual-report.pdf

(7.9.3.6) Page/section reference

Independent Assurance Report/Pp. 354-361

(7.9.3.7) Relevant standard

Select from:

- ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:

Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

In 2024, there was no change in renewable energy consumption.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

(7.10.1.2) Direction of change in emissions

Select from:

Decreased

(7.10.1.3) Emissions value (percentage)

6.93

(7.10.1.4) Please explain calculation

*The emission reduction activities have been established in 2024. As a total, 1,253 tCO₂e emissions are decreased due to these activities. The percentage is calculated as: 2023 Scope 1&2: 18,073 tCO₂e emissions reduction activities -1,253 tCO₂e percentage: $(-1,253/16,820)*100$ -%6.93*

[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:

Market-based

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

No

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

| | Indicate whether your organization undertook this energy-related activity in the reporting year |
|--|---|
| Consumption of fuel (excluding feedstocks) | Select from: <input checked="" type="checkbox"/> Yes |
| Consumption of purchased or acquired electricity | Select from: <input checked="" type="checkbox"/> Yes |
| Consumption of purchased or acquired heat | Select from: <input checked="" type="checkbox"/> No |
| Consumption of purchased or acquired steam | Select from: <input checked="" type="checkbox"/> No |
| Consumption of purchased or acquired cooling | Select from: <input checked="" type="checkbox"/> No |
| Generation of electricity, heat, steam, or cooling | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

- LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

56763

(7.30.1.4) Total (renewable + non-renewable) MWh

56763.00

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

90189

(7.30.1.3) MWh from non-renewable sources

0

(7.30.1.4) Total (renewable + non-renewable) MWh

90189.00

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:

Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

392.6

(7.30.1.4) Total (renewable + non-renewable) MWh

392.60

Total energy consumption

(7.30.1.1) Heating value

Select from:

Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

90581.6

(7.30.1.3) MWh from non-renewable sources

56763

(7.30.1.4) Total (renewable + non-renewable) MWh

147344.60

[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Turkey

(7.30.16.1) Consumption of purchased electricity (MWh)

90189

(7.30.16.2) Consumption of self-generated electricity (MWh)

392.6

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

56763

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

147344.60
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

8.22e-8

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

16820

(7.45.3) Metric denominator

Select from:

unit total revenue

(7.45.4) Metric denominator: Unit total

204535145000

(7.45.5) Scope 2 figure used

Select from:

Market-based

(7.45.6) % change from previous year

34

(7.45.7) Direction of change

Select from:

Decreased

(7.45.8) Reasons for change

Select all that apply

Other emissions reduction activities

(7.45.9) Please explain

The intensity figure decreased at a rate of 34% (From 0.00000012 to 0.00000008) and GHG emissions decreased. The reason of decreased is emission reduction activities have been established and revenue increased in 2024. As a total, 1,253 tCO₂e emissions are decreased due to these activities and our revenue increased from TRY 146,096,350,000 to TRY 204,535,145,000.

[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

Energy usage

(7.52.2) Metric value

147525

(7.52.3) Metric numerator

MWh

(7.52.4) Metric denominator (intensity metric only)

N/A

(7.52.5) % change from previous year

5

(7.52.6) Direction of change

Select from:

Decreased

(7.52.7) Please explain

Our total energy consumption was decreased by 5%.

[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

- Absolute target
- Portfolio target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

- Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

- Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.1.4) Target ambition

Select from:

- 1.5°C aligned

(7.53.1.5) Date target was set

12/30/2019

(7.53.1.6) Target coverage

Select from:

- Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- Carbon dioxide (CO2)
- Methane (CH4)
- Nitrous oxide (N2O)
- Hydrofluorocarbons (HFCs)

(7.53.1.8) Scopes

Select all that apply

- Scope 1
- Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

- Market-based

(7.53.1.11) End date of base year

12/30/2018

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

12933

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

54300

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

67233.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/30/2025

(7.53.1.55) Targeted reduction from base year (%)

29.4

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

47466.498

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

16820

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

16820.000

(7.53.1.78) Land-related emissions covered by target

Select from:

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

255.04

(7.53.1.80) Target status in reporting year

Select from:

Achieved

(7.53.1.82) Explain target coverage and identify any exclusions

This target is company-wide and covers 100% of both our Scope 1 and 2 emissions. We have no biogenic emission sources.

(7.53.1.83) Target objective

Garanti BBVA is committed to set a near-term emissions reduction target in line with SBTi. Accordingly, Garanti BBVA pledges to reduce its Scope 1 and Scope 2 emissions by 29.4% by 2025 and 71.4% by 2035.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

No

(7.53.1.86) List the emissions reduction initiatives which contributed most to achieving this target

Garanti BBVA carries out numerous initiatives to systematically and effectively manage the environmental impacts resulting from its operations. The Bank continues to uphold its sustainable approach in all branches and buildings in the fight against climate change. In this regard, efforts focus on managing the environmental impact of operations and enhancing energy efficiency. Garanti BBVA takes actions to reduce its carbon emissions. Since 2020, the Bank has been purchasing carbon credits for the emissions resulting from its operations and supporting projects in voluntary carbon markets recognized by international organizations. Renewable

Energy The Garanti BBVA Eco-Efficiency Plan, published in 2021, aims to source at least 80% of annual energy consumption from renewable energy and reduce water consumption per square meter between 2021-2025. Remote Eye System In May 2021, Garanti BBVA implemented the Remote Eye System, which monitors infrastructure and controls electricity consumption to ensure energy savings. As of 2024, the system has been installed in 313 locations, including new and renovated branches, effectively reducing electricity consumption across Bank locations. Green Buildings Garanti BBVA, a leader in introducing and implementing sustainable banking in Türkiye with many pioneering practices, has been awarded the LEED certification, one of the green building rating systems developed by U.S. Green Building Council (USGBC), for its buildings. The headquarter building in Zincirlikuyu and Sivas Customer Communication Center has achieved LEED Platinum certification, while the Kızılay service building has also been certified LEED Platinum in the New Buildings category. Additionally, the Pendik Technology Campus, and Karşıyaka İzmir Buildings have been awarded LEED Gold Certifications.

Row 2

(7.53.1.1) Target reference number

Select from:

Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.1.4) Target ambition

Select from:

1.5°C aligned

(7.53.1.5) Date target was set

12/30/2019

(7.53.1.6) Target coverage

Select from:

Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- Carbon dioxide (CO2)
- Methane (CH4)
- Nitrous oxide (N2O)
- Hydrofluorocarbons (HFCs)

(7.53.1.8) Scopes

Select all that apply

- Scope 1
- Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

- Market-based

(7.53.1.11) End date of base year

12/30/2018

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

12933

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

54300

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

67233.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/30/2035

(7.53.1.55) Targeted reduction from base year (%)

71.4

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

19228.638

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

16820

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

16820.000

(7.53.1.78) Land-related emissions covered by target

Select from:

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

105.02

(7.53.1.80) Target status in reporting year

Select from:

Achieved

(7.53.1.82) Explain target coverage and identify any exclusions

This target is company-wide and covers 100% of both our Scope 1 and 2 emissions. We have no biogenic emission sources.

(7.53.1.83) Target objective

Garanti BBVA is committed to set a long-term emissions reduction target in line with SBTi. Accordingly, Garanti BBVA pledges to reduce its Scope 1 and Scope 2 emissions by 29.4% by 2025 and 71.4% by 2035.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

No

(7.53.1.86) List the emissions reduction initiatives which contributed most to achieving this target

Garanti BBVA carries out numerous initiatives to systematically and effectively manage the environmental impacts resulting from its operations. The Bank continues to uphold its sustainable approach in all branches and buildings in the fight against climate change. In this regard, efforts focus on managing the environmental

impact of operations and enhancing energy efficiency. Garanti BBVA takes actions to reduce its carbon emissions. Since 2020, the Bank has been purchasing carbon credits for the emissions resulting from its operations and supporting projects in voluntary carbon markets recognized by international organizations. Renewable Energy The Garanti BBVA Eco-Efficiency Plan, published in 2021, aims to source at least 80% of annual energy consumption from renewable energy and reduce water consumption per square meter between 2021-2025. Remote Eye System In May 2021, Garanti BBVA implemented the Remote Eye System, which monitors infrastructure and controls electricity consumption to ensure energy savings. As of 2024, the system has been installed in 313 locations, including new and renovated branches, effectively reducing electricity consumption across Bank locations. Green Buildings Garanti BBVA, a leader in introducing and implementing sustainable banking in Türkiye with many pioneering practices, has been awarded the LEED certification, one of the green building rating systems developed by U.S. Green Building Council (USGBC), for its buildings. The headquarter building in Zincirlikuyu and Sivas Customer Communication Center has achieved LEED Platinum certification, while the Kızılay service building has also been certified LEED Platinum in the New Buildings category. Additionally, the Pendik Technology Campus, and Karşıyaka İzmir Buildings have been awarded LEED Gold Certifications.

[Add row]

(7.53.4) Provide details of the climate-related targets for your portfolio.

Row 1

(7.53.4.1) Target reference number

Select from:

Por1

(7.53.4.2) Target type

Select from:

Sector Decarbonization Approach (SDA)

(7.53.4.4) Methodology used when setting the target

Select from:

NZBA Target Setting Guidelines

(7.53.4.5) Date target was set

12/30/2022

(7.53.4.6) Target is set and progress against it is tracked at

Select from:

- Sector level

(7.53.4.7) Sector

Select from:

- Transportation services

(7.53.4.8) Portfolios covered by the target

Select all that apply

- Banking (Bank)

(7.53.4.10) Asset classes covered by the target

Select all that apply

- Loans

(7.53.4.12) Target type: Absolute or intensity

Select from:

- Intensity

(7.53.4.14) % of portfolio emissions covered by the target

13

(7.53.4.16) Metric (or target numerator if intensity)

Select from:

- Metric tons CO2e

(7.53.4.17) Target denominator

Select from:

km

(7.53.4.18) % of portfolio covered in relation to total portfolio value

0.29

(7.53.4.21) Frequency of target reviews

Select from:

Annually

(7.53.4.22) End date of base year

12/30/2022

(7.53.4.23) Figure in base year

182

(7.53.4.24) We have an interim target

Select from:

No

(7.53.4.27) End date of target

12/30/2030

(7.53.4.28) Figure in target year

109.2

(7.53.4.29) Figure in reporting year

171

(7.53.4.30) % of target achieved relative to base year

15.109890109890111

(7.53.4.31) Target status in reporting year

Select from:

Underway

(7.53.4.34) Is this a science-based target?

Select from:

Yes, we consider this a science-based target, and it has been set in line with the Glasgow Financial Alliance for Net Zero (GFANZ) commitments, but we have not committed to seek validation by the Science Based Targets initiative within the next two years

(7.53.4.35) Target ambition

Select from:

1.5°C aligned

(7.53.4.37) Please explain target coverage and identify any exclusions

The automotive sector-level target covers 13% of our portfolio emissions and 0.24% of our portfolio value.

(7.53.4.38) Target objective

Garanti BBVA has been the first Turkish signatory to the NZBA, which supports the mobilization of the entire financial system to achieve the targets set by the Paris Agreement. As a member of NZBA, Garanti BBVA makes the commitment of aligning its portfolio with the net-zero emissions target by 2050, Set 2030 and 2050 emissions targets on the basis of interim targets that will be set every 5 years starting from 2030, Focus its 2030 targets on carbon-intensive industries on which the Bank might have the most significant influence, Set sector-wide goals for all or majority of carbon-intensive industries, Encourage customers' transition processor transition to a net-zero economy through decarbonization.

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

- Targets to increase or maintain low-carbon energy consumption or production
- Net-zero targets
- Other climate-related targets

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:

- Low 1

(7.54.1.2) Date target was set

12/30/2019

(7.54.1.3) Target coverage

Select from:

- Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:

- Electricity

(7.54.1.5) Target type: activity

Select from:

- Consumption

(7.54.1.6) Target type: energy source

Select from:

Renewable energy source(s) only

(7.54.1.7) End date of base year

12/30/2019

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

0

(7.54.1.9) % share of low-carbon or renewable energy in base year

0

(7.54.1.10) End date of target

12/30/2025

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

100

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

100

(7.54.1.13) % of target achieved relative to base year

100.00

(7.54.1.14) Target status in reporting year

Select from:

Achieved

(7.54.1.16) Is this target part of an emissions target?

This low-carbon energy consumption target is part of absolute 1 and 2 targets (Asb 1- Abs 2)

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

No, it's not part of an overarching initiative

(7.54.1.19) Explain target coverage and identify any exclusions

The target is focused on the electricity consumed during 2024. All electricity supplied is covered by the IREC, international renewable energy certificate, therefore the emissions have drastically decreased.

(7.54.1.20) Target objective

As Garanti BBVA, we have signed the world's first-ever ESG-linked Syndicated Loan. It is the first syndicated loan to be tied to a bank's sustainability criteria, two environmental KPIs to be exact. KPI 1: to source at least 80% of our electricity from renewable sources, KPI 2: to maintain a zero percent share of coal power plants in our project finance green- field electricity production portfolio. During the maturity of the loan agreement, the bank has updated its RE KPI to 100% from 80% and conducted verification in line with that. When the KPIs have been achieved the margin of the loan will decrease, and in case of failure to meet the KPIs, the margin will be increased. With this improvement to its standard syndicated facility, worth of 694 USD M and 541 EUR M in total, the Bank has committed to providing 2 billion TL of sustainable financing, supplying all of the Bank's energy needs from renewable sources.

(7.54.1.22) List the actions which contributed most to achieving this target

Garanti BBVA is committed to long-term renewable energy use and reducing energy consumption and environmental impact in its business processes • LED lighting systems have been implemented in all branches and ATMs to improve energy efficiency. • New-generation air conditioning systems, which are less harmful to the ozone layer, consume less energy and have an A+ energy efficiency rating, have been introduced across branches, reducing environmental impact. • Time-controlled interior lighting has been implemented in branches, ensuring that advertisement lighting in 593 branches is turned off after 1:00 AM. • Heat recovery systems are used in all applicable branches to improve air quality while reducing energy consumption. • 90% of branches have been equipped with timers, limiting the operating hours of certain lighting systems without the need for remote control. • The temperature settings for eligible air conditioning units have been standardized between 21-25°C, preventing excessive energy consumption while maintaining optimal conditions. • Water purification systems have been installed in all branches and service buildings as part of Garanti BBVA's sustainability strategy. In addition to our desire to leave less plastic waste in the world we live in, our main goal with this practice is to ensure that we have access to healthier drinking. • The use of single-use paper cups has been eliminated in the Zincirlikuyu Headquarters and Çiftçi Tower buildings. • In Zincirlikuyu Headquarters' top management offices and meeting rooms, bottled water use has been replaced with glass pitchers.

[Add row]

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:

Oth 1

(7.54.2.2) Date target was set

12/30/2021

(7.54.2.3) Target coverage

Select from:

Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:

Absolute

(7.54.2.5) Target type: category & metric (target numerator if reporting an intensity target)

Engagement with customers

Percentage of customers (by emissions) actively engaged on climate-related issues

(7.54.2.7) End date of base year

12/30/2021

(7.54.2.8) Figure or percentage in base year

0

(7.54.2.9) End date of target

12/30/2025

(7.54.2.10) Figure or percentage at end of date of target

80

(7.54.2.11) Figure or percentage in reporting year

14.1

(7.54.2.12) % of target achieved relative to base year

17.6250000000

(7.54.2.13) Target status in reporting year

Select from:

Underway

(7.54.2.15) Is this target part of an emissions target?

No

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

No, it's not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

The Bank takes part in the PACTA (Paris Agreement Capital Transition Assessment) pilot phase along with BBVA Group to measure climate risks and to encourage its customers for going green. PACTA represents an approach that seizes opportunities for banks to steer their portfolios to finance a lower-carbon society.

(7.54.2.19) Target objective

PACTA represents an approach that seizes opportunities for banks to steer their portfolios to finance a lower-carbon society. With the PACTA methodology, the Bank aims to set guiding targets for its customers in their transition journey by defining specific criteria for each field of activity in carbon-intensive industries with this initiative that is part of a low-carbon transition roadmap. Main sectors covered by PACTA that we will be increasing our engagement is Oil&Gas, Coal, Power, Automotive, Steel and Cement. We aim to achieve an 80% engagement rate with our customers in these carbon-intensive sectors.

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

To increase our engagement with customers in carbon-intensive sectors in line with PACTA by 2025, we are focusing on setting meetings, providing training and increasing information collection, etc. To achieve this target, we are engaging with our customers, having meetings for their low-carbon transitions and providing consultancy services to customers in carbon-intensive sectors. We provide financial solutions to our customers with a focus on responsible banking, and aim to increase our customers' awareness regarding the climate crisis. Through the Ecological Status section in the mobile app, we aim to raise awareness about carbon footprints, while customers can now track every positive action they take regarding their carbon footprint. In the Ecological Steps section, through ecological tasks such as choosing not to receive receipts from ATMs, opting for digital slips, withdrawing and depositing money via ATM QR codes, using transportation cards, and achieving daily step goals with the pedometer function, Garanti BBVA helps its customers set personal goals and take sustainable steps through the actions they take towards these goals. As a result of the actions taken by customers, Garanti BBVA aims to contribute to their fight against the climate crisis by dropping seed balls in hard-to-reach areas using ecoDrone. In 2024, with a collaboration with Ecoding, more than 350 flights were conducted in hard-to-reach areas of the Muğla region, and seed balls were planted on behalf of customers who completed the Ecological Tasks. Thus, in addition to contributing to reforestation and biodiversity with ecoDrones, the sustainability journey was strengthened in the direction of reducing economic inequalities. Garanti BBVA will continue its efforts to not only meet the banking needs of its customers but also to understand them, develop solutions for the issues they need, and enable them to be financially more independent with the role of consultancy.

[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

NZ1

(7.54.3.2) Date target was set

12/30/2022

(7.54.3.3) Target Coverage

Select from:

- Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

- Abs1
- Abs2
- Por1

(7.54.3.5) End date of target for achieving net zero

12/30/2050

(7.54.3.6) Is this a science-based target?

Select from:

- Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply

- Scope 1
- Scope 2
- Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

- Carbon dioxide (CO2)
- Methane (CH4)

- Nitrous oxide (N2O)
- Hydrofluorocarbons (HFCs)

(7.54.3.10) Explain target coverage and identify any exclusions

In 2022, the Bank took these commitments one step further, and announced its decarbonization goals by 2030 in other carbon-intensive industries such as energy, automotive, iron and steel, and cement. These interim targets make up an important phase in reaching emissions targets aligned with net zero by 2050. The target is organization-wide and a part of Net Zero Banking Alliance (NZBA) and covers 100% of the emissions.

(7.54.3.11) Target objective

The Bank's decarbonization targets set for carbon-intensive industries such as energy, automotive, iron & steel, and cement by 2030 have been prepared using the internationally recognized PACTA (Paris Agreement Capital Transition Assessment) methodology and were publicly disclosed in 2024. In keeping with the ever-improving data quality, Garanti BBVA reviews and takes steps to update these targets.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

- Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

- Yes, and we have already acted on this in the reporting year

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

- No, we do not plan to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

Garanti BBVA evaluated the risks arising as a result of the studies below in determining the targets of combating climate change and Net-Zero Banking. • Identifying risks in sectors incompatible with the Paris Agreement and measuring transition risks • Energy performance monitoring of real estate collaterals of the bank • Emission intensities of customers in carbon-intensive industries (PACTA) • Physical risks arising in the bank portfolio as a result of the climate crisis, and • Financing for climate mitigation activities.

(7.54.3.16) Describe the actions to mitigate emissions beyond your value chain

Garanti BBVA aims to achieve net zero emissions by 2050. In line with this goal, the bank seeks to support its financed customers in reducing their carbon footprints. Following the Target Setting Guidelines set by the Net-Zero Banking Alliance (NZBA), the bank discloses decarbonization targets for specific sectors by 2030. For 2030, the bank has set decarbonization targets for carbon-intensive sectors such as power generation, automotive, steel and cement based on the internationally recognized Paris Agreement Capital Transition Assessment (PACTA) methodology. Additionally, under the PACTA framework, separate initiatives have been launched for the coal mining, coal-fired power generation, and maritime shipping sectors, with monitoring expected to begin by the first quarter of 2025. These targets are designed by considering the unique challenges and approaches required for reducing each sector's carbon footprint. Garanti BBVA continuously reviews data quality and enhances its methodology when setting decarbonization targets. Emission and production data are sourced from 2DII, based on companies' sectoral classifications and the technologies they employ. Currently, the share of customers covered under this scope within the bank's wholesale portfolio stands at 10.9%. The limits and risk exposures of mutual customers found in both third-party and bank data are monitored monthly. Another key metric used to track emission intensity is High Market Misalignment (HMM), which aims to limit the presence of high-carbon-emitting customers within the portfolio. Customers with more than 30% higher emission intensity than the 2050 net-zero scenario are flagged. This metric is calculated by dividing the total risk exposure of flagged companies by the total risk exposure of all covered customers in the bank's portfolio. At the same time, the fundamental values of the bank's targets may evolve over time based on data sources and methodological advancements. However, while recognizing the challenges of full short-term alignment, the bank remains committed to making continuous efforts to achieve these targets in the long term.

(7.54.3.17) Target status in reporting year

Select from:

Underway

(7.54.3.19) Process for reviewing target

The target was reviewed by Net Zero Banking Alliance (NZBA).
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

| | Number of initiatives | Total estimated annual CO2e savings in metric tonnes CO2e |
|--------------------------|-----------------------|---|
| Under investigation | 0 | <i>Numeric input</i> |
| To be implemented | 0 | 0 |
| Implementation commenced | 0 | 0 |
| Implemented | 1 | 91 |
| Not to be implemented | 0 | <i>Numeric input</i> |

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

91

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

Scope 2 (location-based)

Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

1042210

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

7500000

(7.55.2.7) Payback period

Select from:

4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

Ongoing

(7.55.2.9) Comment

N/A

[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

Solar Power Plants (SPP) planned to have a total installed capacity of approximately 300 kW and an annual power generation capacity of 350 MWh were installed in Pendik Campus and Güneşli Service Buildings. The PPS energy generation is targeted to reduce annual carbon emissions by 160 tonnes in total, which is equivalent to the carbon sink capacity of nearly 9,884 trees.

[Add row]

(7.79) Has your organization retired any project-based carbon credits within the reporting year?

Select from:

Yes

(7.79.1) Provide details of the project-based carbon credits retired by your organization in the reporting year.

Row 1

(7.79.1.1) Project type

Select from:

Wind

(7.79.1.2) Type of mitigation activity

Select from:

Emissions reduction

(7.79.1.3) Project description

These credits were retired on behalf of Türkiye Garanti Bankası A.Ş..Retired by erguvan.co, on behalf of Türkiye Garanti Bankası A.Ş. to offset emissions generated by its locations in 2022 Project: *Rotor Elektrik Uretim Osmaniye Wind Farm Since 2020, the Bank purchased VRS carbon certificates for the rest of its emissions arising from its operations and has become a carbon-neutral Bank. (Scope 1,2,3)Thus, the Bank has far exceeded its reduction goal of 71% for 2035, 15 years earlier than targeted.

(7.79.1.4) Credits retired by your organization from this project in the reporting year (metric tons CO2e)

5607

(7.79.1.5) Purpose of retirement

Select from:

- Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at retirement?

Select from:

- Yes

(7.79.1.7) Vintage of credits at retirement

2020

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

- Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

- VCS/Verra (Verified Carbon Standard)

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply

- Investment analysis
- Barrier analysis
- Market penetration assessment

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply

Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply

Ecological leakage

(7.79.1.13) Provide details of other issues the selected program requires projects to address

The main issue regarding the wind farm is the potential ecological impacts due to installment in natural habitat. The wind farms may be an ecological barrier to birds, and they will destroy the plantation where its installed.

(7.79.1.14) Please explain

The serial number of project: GS1-1-TR-GS474-12-2020-22095-93550-99156

[Add row]

C12. Environmental performance - Financial Services

(12.1) Does your organization measure the impact of your portfolio on the environment?

Banking (Bank)

(12.1.1) We measure the impact of our portfolio on the climate

Select from:

Yes

(12.1.2) Disclosure metric

Select all that apply

Financed emissions

Other carbon footprinting and/or exposure metrics (as defined by TCFD)

(12.1.5) We measure the impact of our portfolio on forests

Select from:

Yes

(12.1.8) We measure the impact of our portfolio on water

Select from:

Yes

(12.1.11) We measure the impact of our portfolio on biodiversity

Select from:

No, but we plan to do so in the next two years

(12.1.12) Primary reason for not measuring portfolio impact on biodiversity

Select from:

- Not an immediate strategic priority

(12.1.13) Explain why your organization does not measure its portfolio impact on biodiversity

We plan to measure the impact of our portfolio on biodiversity in the next two years.

[Fixed row]

(12.1.1) Provide details of your organization's financed emissions in the reporting year and in the base year.

Banking (Bank)

(12.1.1.1) Asset classes covered in the calculation

Select all that apply

- Loans
- Project finance
- Real estate

(12.1.1.2) Financed emissions (metric unit tons CO2e) in the reporting year

39340000

(12.1.1.3) % of portfolio covered in relation to total portfolio value

32

(12.1.1.4) Total value of assets included in the financed emissions calculation

834455192000.00

(12.1.1.5) % of financed emissions calculated using data obtained from clients/investees (optional)

(12.1.1.6) Emissions calculation methodology

Select from:

 The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)**(12.1.1.7) Weighted data quality score (for PCAF-aligned data quality scores only)**

4.2

(12.1.1.8) Financed emissions (metric unit tons CO2e) in the base year

31177167.95

(12.1.1.9) Base year end

12/30/2023

(12.1.1.10) % of undrawn loan commitments included in the financed emissions calculation

0

(12.1.1.11) Please explain the details of and assumptions used in your calculation

Garanti BBVA continues its efforts to measure financed emissions within its retail and wholesale portfolios. The Partnership for Carbon Accounting Financials (PCAF) methodology has been adopted for this measurement. The calculation is conducted within the framework of the PCAF standard, covering all relevant portfolios and providing a global perspective on financed emissions. The calculation includes business loans, project finance, commercial real estate, mortgages and auto loans. According to the Global PCAF standard, consumer credit cards and consumer loans are not included in our financed emission calculations. When these products are excluded, the included products account for 88% of the total credit portfolio. The remaining portion has been excluded from the calculation due to imposed restrictions. These calculations are presented in terms of both absolute financed emissions and economic intensity (absolute emissions per million euros financed). Additionally, a data quality score is assigned based on the availability and reliability of data provided by organizations, as per the PCAF methodology. This score ranges from 1 to 5, where the highest score (5) is assigned when emission factors are estimated based on sectoral trends or industry benchmarks, while the lowest score (1) applies to calculations based on individually verified emissions data. The bank's current score is 4, and the objective is to improve this score by enhancing data completeness and accuracy by the end of 2025. Two significant improvements were implemented in 2024 for financed emissions calculations: Updating PCAF emission factors used to estimate financed emissions when data is unavailable (score range: 3 to 5) and incorporating more customer-specific emissions data to improve calculation accuracy (score range: 1 and 2). For customers without available emissions data, S&P third-party data is used, and verified

emissions data is also requested directly from customers. The calculations conducted at the end of 2024 cover Scope 1, 2, and 3 emissions, with total financed emissions of 39 million tons of CO₂e. When considering only Scope 1 and 2 emissions, financed emission is 14 million tons of CO₂e, significantly reducing the risk of double counting associated with Scope 3 and improving overall data quality. As of December 2024, measurement results have been presented in detail, highlighting the most emission-intensive wholesale sectors according to NACE codes and other retail portfolio
[Fixed row]

(12.1.3) Provide details of the other metrics used to track the impact of your portfolio on the environment.

Climate change

(12.1.3.1) Portfolio

Select from:

Banking (Bank)

(12.1.3.2) Portfolio metric

Select from:

Portfolio carbon footprint (tCO₂e/Million invested)

(12.1.3.3) Metric value in the reporting year

47.36

(12.1.3.4) % of portfolio covered in relation to total portfolio value

31.85

(12.1.3.5) Total value of assets included in the calculation

830629350327

(12.1.3.6) % of emissions calculated using data obtained from clients/investees

8.98

(12.1.3.7) Please explain the details and key assumptions used in your assessment

In line with its Net Zero Banking Alliance (NZBA) commitment, Garanti BBVA aims to align its credit portfolio with net zero by 2050 scenarios. In this framework, the Bank started calculating the financed GHG emissions employing the PCAF (Partnership for Carbon Accounting Financials) methodology in 2023. As it is a part of the BBVA Group, the Bank's calculations are aligned with the methodology used by the holding. The BBVA Group aims to obtain a global vision of the emissions financed, identify in what portfolios and sectors these emissions are concentrated and then define mitigation plans for them, and a cross-cutting view of the quality of the data available to make these calculations. The disclosed calculation includes the measurement of the issues financed for the perimeter of loans to companies, project financing, commercial real estate, and mortgages within the scope of Garanti BBVA. For the perimeter described, the portfolio carbon footprint is calculated as 0,00474%, when the Bank's financed emission amount is proportioned with the outstanding risk of these loans. PCAF offers various levels of quality scores when calculating financed emissions. The criterion takes into account the availability and reliability of the data used in the calculation by the entities and is measured based on a scale from 1 to 5. The best score is obtained when the calculation of financed emissions is based on data on emissions reported and verified at the individual counterparty level (score 1). Close to 9% of financed emissions are calculated using data obtained from clients. Portfolio Coverage on-balance sheet assets/products: 31.85% * This coverage ratio calculation includes only business loan, project finance, commercial real estate and mortgage as set classes in nominator. The value is multiplied by 1 million and entered as 47.46.*

Forests

(12.1.3.1) Portfolio

Select from:

Banking (Bank)

(12.1.3.2) Portfolio metric

Select from:

Other metric for impact on forests, please specify :number of tree/million invested

(12.1.3.3) Metric value in the reporting year

47.44

(12.1.3.4) % of portfolio covered in relation to total portfolio value

1.74

(12.1.3.5) Total value of assets included in the calculation

45400000000

(12.1.3.6) % of emissions calculated using data obtained from clients/investees

0

(12.1.3.7) Please explain the details and key assumptions used in your assessment

Large-scale infrastructure and energy projects such as building of roads, bridges, power plants etc have significant negative impact on the environment in the construction and usage phases. In order to mitigate some of these impacts such as over-cutting of trees in the project's surrounding areas. Garanti BBVA's E&S policy requires reforestation commitment from the debtors. The metric provided is the ratio of the number of trees planted in 2024 to the total amount of exposure at the end of 2024. The value is multiplied by 1 million and entered as 47.74.

Water

(12.1.3.1) Portfolio

Select from:

Banking (Bank)

(12.1.3.2) Portfolio metric

Select from:

Other metric for impact on water, please specify :Total water used (m3)/million invested

(12.1.3.3) Metric value in the reporting year

3.528

(12.1.3.4) % of portfolio covered in relation to total portfolio value

0.1

(12.1.3.5) Total value of assets included in the calculation

1300000000

(12.1.3.6) % of emissions calculated using data obtained from clients/investees

0

(12.1.3.7) Please explain the details and key assumptions used in your assessment

As a financial institution, our data collection from clients regarding water-related issues is quite limited. The metric value is calculated is based on one PF-HEPP project. The ratio is of the total amount of water passed through the plant in the reporting year to the amount of the Bank's investment amount in the project. The pricing of the provided financing is determined by considering the changes in price of water and energy and the relevant developments in the regulatory and market environment over a certain future time horizon. The amount of water collected and used in the hydroelectric power plant has a direct impact on the environment, as well as the local society and economic activities.

[Add row]

(12.2) Are you able to provide a breakdown of your organization's financed emissions and other portfolio carbon footprinting metrics?

| | Portfolio breakdown |
|----------------|--|
| Banking (Bank) | <i>Select all that apply</i> <input checked="" type="checkbox"/> Yes, by asset class <input checked="" type="checkbox"/> Yes, by industry <input checked="" type="checkbox"/> Yes, by scope |

[Fixed row]

(12.2.1) Break down your organization's financed emissions and other portfolio carbon footprinting metrics by asset class, by industry, and/or by scope.

Row 1

(12.2.1.1) Portfolio

Select from:

Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

Absolute portfolio emissions (tCO2e)

(12.2.1.3) Industry

Select from:

Power generation

(12.2.1.4) Asset class

Select from:

Project finance

(12.2.1.5) Clients'/investees' scope

Select from:

Scope 1

(12.2.1.6) % of asset class emissions calculated in the reporting year based on total value of assets

100

(12.2.1.7) Value of assets covered in the calculation

27861842797.61

(12.2.1.8) Financed emissions or alternative metric

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

Not applicable

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

In line with its Net Zero Banking Alliance (NZBA) commitment, Garanti BBVA aims to align its credit portfolio with net zero by 2050 scenarios. In this framework, the Bank started calculating the financed GHG emissions employing the PCAF (Partnership for Carbon Accounting Financials) methodology in 2023. As it is a part of the BBVA Group, the Bank's calculations are aligned with the methodology used by the holding. The BBVA Group aims to obtain a global vision of the emissions financed, identify in what portfolios and sectors these emissions are concentrated and then define mitigation plans for them, and a cross-cutting view of the quality of the data available to make these calculations. The disclosed calculation includes the measurement of emissions of the Bank's Project Finance - Energy portfolio. For the selected portfolio, the absolute portfolio emission is calculated as 2.1 million tCO₂, and there are no exclusions. Undrawn commitments are not calculated as part of the PCAF financed emission project.

[Add row]

(12.3) State the values of your financing and insurance of fossil fuel assets in the reporting year.

Lending to all fossil fuel assets

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

45258881503

(12.3.3) New loans advanced in reporting year (unit currency – as specified 1.2)

99170709825

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

1.7

(12.3.6) Details of calculation

For the calculation of lending to fossil fuel assets, total lending to coal, oil and gas is provided.

Lending to thermal coal

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

17628826927

(12.3.3) New loans advanced in reporting year (unit currency – as specified 1.2)

0

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

0.7

(12.3.6) Details of calculation

*Garanti BBVA has been the first bank from Türkiye to pledge coal phase-out in 2021; and pledged to eliminate the coal exposure of its portfolio by 2040 or sooner. In line with the Bank's coal phase-out plan, risks pertaining to customers engaged in coal mining and coal-fired thermal power plant operations are kept under close watch and are targeted to be decreased gradually. By 2024, the Bank observed a 10% reduction in coal-related risk exposure. Regarding new loans advanced in the reporting period, a 0 figure is provided as the net balance across the portfolio between the 2022 and 2023 exercises is negative. This result is aligned with the commitments of the Bank outlined in the Social & Environmental Loan Standard. *The lending figures provided belong to coal mining and coal-fired thermal power plant clients. *The Bank's definition of "coal client" is described on its Environmental and Social Loan Standard, section 4. 8., "Decarbonization Objectives: Coal Exit". *The Figure reported is the EAD amount.*

Lending to met coal

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

0

(12.3.3) New loans advanced in reporting year (unit currency – as specified 1.2)

0

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

0

(12.3.6) Details of calculation

Garanti BBVA's portfolio is analysed for metalurgical coal activities, no exposure has been found.

Lending to oil

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

27630054576

(12.3.3) New loans advanced in reporting year (unit currency – as specified 1.2)

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

1.1

(12.3.6) Details of calculation

*For the calculation of lending to oil and gas, the Bank's corporate and commercial client portfolio is assessed according to NACE codes related to upstream, midstream and downstream oil&gas operations. It is important to remark that the oil & gas figures are reported here in an aggregated manner, as the Bank does not currently quantify lending to oil and lending to gas separately. This is aligned with the commitments of the Bank outlined in the Social & Environmental Loan Standard. As part of BBVA Group's goals and Garanti BBVA's NZBA commitment, a decarbonisation target for oil&gas related upstream activities is to be set. *The Figure reported is the EAD amount.*

Lending to gas**(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets**

Select from:

 Yes**(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)**

27630054576

(12.3.3) New loans advanced in reporting year (unit currency – as specified 1.2)

99170709825

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

1.1

(12.3.6) Details of calculation

*For the calculation of lending to oil and gas, the Bank's corporate and commercial client portfolio is assessed according to NACE codes related to upstream, midstream and downstream oil&gas operations. It is important to remark that the oil & gas figures are reported here in an aggregated manner, as the Bank does not currently quantify lending to oil and lending to gas separately. This is aligned with the commitments of the Bank outlined in the Social & Environmental Loan Standard. As part of BBVA Group's goals and Garanti BBVA's NZBA commitment, a decarbonisation target for oil&gas related upstream activities is to be set. *The Figure reported is the EAD amount.*

[Fixed row]

(12.4) Does your organization provide finance and/or insurance to companies in the commodity value chain? If so, for each commodity and portfolio, state the values of your financing and/or insurance in the reporting year.

Lending to companies operating in the timber products value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:

Yes

(12.4.2) Commodity value chain stage coverage

Select all that apply

Production

Manufacturing

(12.4.3) Portfolio exposure (unit currency – as specified in 1.2)

17288584095

(12.4.4) New loans advanced in reporting year (unit currency – as specified in 1.2)

16656965059

(12.4.6) % value of the exposure in relation to your total portfolio value

0.7

Lending to companies operating in the palm oil value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:

Yes

(12.4.2) Commodity value chain stage coverage

Select all that apply

Production

(12.4.3) Portfolio exposure (unit currency – as specified in 1.2)

686515604

(12.4.4) New loans advanced in reporting year (unit currency – as specified in 1.2)

607959522

(12.4.6) % value of the exposure in relation to your total portfolio value

0.1

Lending to companies operating in the cattle products value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:

Yes

(12.4.2) Commodity value chain stage coverage

Select all that apply

Production

(12.4.3) Portfolio exposure (unit currency – as specified in 1.2)

1542756912

(12.4.4) New loans advanced in reporting year (unit currency – as specified in 1.2)

1809061385

(12.4.6) % value of the exposure in relation to your total portfolio value

0.1

Lending to companies operating in the soy value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:

Yes

(12.4.2) Commodity value chain stage coverage

Select all that apply

Production

(12.4.3) Portfolio exposure (unit currency – as specified in 1.2)

439284929

(12.4.4) New loans advanced in reporting year (unit currency – as specified in 1.2)

131674090

(12.4.6) % value of the exposure in relation to your total portfolio value

0.1

Lending to companies operating in the rubber value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:

Yes

(12.4.2) Commodity value chain stage coverage

Select all that apply

Production

Manufacturing

(12.4.3) Portfolio exposure (unit currency – as specified in 1.2)

9456608121

(12.4.4) New loans advanced in reporting year (unit currency – as specified in 1.2)

10693447793

(12.4.6) % value of the exposure in relation to your total portfolio value

0.4

Lending to companies operating in the cocoa value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:

Yes

(12.4.2) Commodity value chain stage coverage

Select all that apply

Manufacturing

(12.4.3) Portfolio exposure (unit currency – as specified in 1.2)

2290303484

(12.4.4) New loans advanced in reporting year (unit currency – as specified in 1.2)

3026915559

(12.4.6) % value of the exposure in relation to your total portfolio value

0.1

Lending to companies operating in the coffee value chain

(12.4.1) Finance or insurance provided to companies operating in the value chain for this commodity

Select from:

Yes

(12.4.2) Commodity value chain stage coverage

Select all that apply

Production

(12.4.3) Portfolio exposure (unit currency – as specified in 1.2)

1937129

(12.4.4) New loans advanced in reporting year (unit currency – as specified in 1.2)

0

(12.4.6) % value of the exposure in relation to your total portfolio value

(12.5) In the reporting year, did your organization finance and/or insure activities or sectors that are aligned with, or eligible under, a sustainable finance taxonomy? If so, are you able to report the values of that financing and/or underwriting?

| | Reporting values of the financing and/or insurance of activities or sectors that are eligible under or aligned with a sustainable finance taxonomy | Primary reason for not providing values of the financing and/or insurance | Explain why you are not providing values of the financing and/or insurance |
|----------------|--|---|--|
| Banking (Bank) | Select from: <input checked="" type="checkbox"/> No, but we plan to report in the next two years | Select from: <input checked="" type="checkbox"/> No standardized procedure | Turkey's national sustainable finance taxonomy has been published in draft and is expected to be finalized within 2 years. |

[Fixed row]

(12.6) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of environmental issues?

| | Existing products and services enable clients to mitigate and/or adapt to the effects of environmental issues |
|--|---|
| | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(12.6.1) Provide details of your existing products and services that enable clients to mitigate and/or adapt to the effects of environmental issues, including any taxonomy or methodology used to classify the products and services.

Row 1

(12.6.1.1) Environmental issue

Select all that apply

Climate change

(12.6.1.2) Product/service enables clients to mitigate and/or adapt to climate change

Select all that apply

Mitigation

Adaptation

(12.6.1.3) Portfolio

Select from:

Banking (Bank)

(12.6.1.4) Asset class

Select from:

Loans

(12.6.1.5) Type of product classification

Select all that apply

Products that promote environmental and/or social characteristics

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

- The EU Taxonomy for environmentally sustainable economic activities

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply

- Green buildings and equipment

(12.6.1.8) Description of product/service

The EU Taxonomy classifies buildings with A and B class energy performances as "environmentally sustainable," and the same standard is also included in the BBVA Groups Sustainable Finance Standards and Garanti BBVA's own thresholds. Garanti BBVA launched the "Green Mortgage" product, Turkey's first green housing loan, in 2017 to support energy efficient buildings with advantageous interest rates. Clients who prefer to purchase houses with an "Energy Performance Certificate" (EPC) class A or B and obtain the document can benefit from the Green Mortgage product. Disbursements under the Green Mortgage product was TL 2.1 billion in 2024.

(12.6.1.9) % of portfolio aligned with a taxonomy or methodology in relation to total portfolio value

0.08

(12.6.1.10) % of asset value aligned with a taxonomy or methodology

0.08

(12.6.1.11) Product considers principal adverse impacts on environmental factors

Select from:

- Yes

(12.6.1.12) Details on how the principal adverse impacts on environmental factors are considered in this product

At the core of the Taxonomy Regulation is the definition of a sustainable economic activity. This definition is based on two criteria. An activity must: 1. Contribute to at least one of six environmental objectives listed in the Taxonomy; and 2. Do no significant harm to any of the other objectives, while respecting basic human rights and labour standards. The six environmental objectives of the Taxonomy are: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. For an activity pursuing one or more of the six objectives to qualify as sustainable it cannot cause significant harm to any of the other Taxonomy objectives. For each activity, Technical Screening Criteria (TSC) define the specific requirements and thresholds for an activity to be considered as significantly contributing to a sustainability objective. The TSC for green buildings requires A or B class energy performance level. The Turkish Directive on Building Energy

Performances is aligned with the EU regulation, therefore green mortgage product is accepted as ensuring of the DNSH principle: consider the principal adverse impacts on environmental factors.

Row 2

(12.6.1.1) Environmental issue

Select all that apply

Water

(12.6.1.3) Portfolio

Select from:

Banking (Bank)

(12.6.1.4) Asset class

Select from:

Loans

(12.6.1.5) Type of product classification

Select all that apply

Products that promote environmental and/or social characteristics

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

Internally classified

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply

Flood/drought resilience

(12.6.1.8) Description of product/service

The BBVA group has an internal Sustainable Finance Framework, which is based on but not limited to the EU taxonomy. Country-specific general and technical thresholds are determined/accepted by the BBVA's Sustainable Finance Standards Working Group. According to this internal framework, and subject to these 196 country-specific thresholds, financing of hydropower facilities operating at life cycle emissions lower than 100gCO₂e/kWh, declining to 0gCO₂e/kWh by 2050 are accepted as sustainable investments. Disbursements under the sustainable hydropower financing product was 530104791 TL in 2024.

(12.6.1.9) % of portfolio aligned with a taxonomy or methodology in relation to total portfolio value

0.02

(12.6.1.10) % of asset value aligned with a taxonomy or methodology

0.02

(12.6.1.11) Product considers principal adverse impacts on environmental factors

Select from:

Yes

(12.6.1.12) Details on how the principal adverse impacts on environmental factors are considered in this product

The BBVA group has an internal Sustainable Finance Framework, which is based on but not limited to the EU taxonomy. Country-specific general and technical thresholds are determined/accepted by the BBVA's Sustainable Finance Standards Working Group. According to this internal framework, and subject to these country-specific thresholds, financing of hydropower facilities operating at life cycle emissions lower than 100gCO₂e/kWh, declining to 0gCO₂e/kWh by 2050 are accepted as sustainable investments. The country-specific thresholds include additional technical criteria about dam height and installed capacity/reservoir volume ratio. The aim is to consider the principal adverse impacts of the hydropower plant structure on the environment.

Row 3

(12.6.1.1) Environmental issue

Select all that apply

Forests

(12.6.1.3) Portfolio

Select from:

Banking (Bank)

(12.6.1.4) Asset class

Select from:

Loans

(12.6.1.5) Type of product classification

Select all that apply

Products that promote environmental and/or social characteristics

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

Internally classified

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply

Other, please specify :Other natural resource consumption

(12.6.1.8) Description of product/service

The BBVA group has an internal Sustainable Finance Framework, which is based on but not limited to the EU taxonomy. According to this internal framework, and subject to these country-specific thresholds, financing of FSC-certified paper production sites and clients and financing of %100 recycle paper production are accepted as sustainable investments Disbursements under the sustainable paper production product was 3203784457 TL in 2024.

(12.6.1.9) % of portfolio aligned with a taxonomy or methodology in relation to total portfolio value

0.01

(12.6.1.10) % of asset value aligned with a taxonomy or methodology

0.01

(12.6.1.11) Product considers principal adverse impacts on environmental factors

Select from:

Yes

(12.6.1.12) Details on how the principal adverse impacts on environmental factors are considered in this product

The BBVA group has an internal Sustainable Finance Framework, which is based on but not limited to the EU taxonomy. Country-specific general and technical thresholds are determined/accepted by the BBVA's Sustainable Finance Standards Working Group. According to this internal framework, and subject to these country-specific thresholds, financing of FSC-certified paper production sites and clients and financing of %100 recycle paper production are accepted as sustainable investments. The Turkish government is the sole responsible of forest management in Türkiye and forest areas and logging activities are managed by the government, according to its strategic and technical plans. Therefore, sustainable forestry is mainstream. The bank's forest-related sustainable financing is focused on paper manufacturing and international certification requirements and circularity criterias in place. The aim is to consider the principal adverse impacts of the paper manufacturing on the environmental resources.

[Add row]

(12.7) Has your organization set targets for deforestation and conversion-free and/or water-secure lending, investing and/or insuring?

| | Target set |
|---------|---|
| Forests | Select from: <input checked="" type="checkbox"/> Yes, we have set deforestation and conversion-free lending, investing and/or insuring targets |
| Water | Select from: <input checked="" type="checkbox"/> Yes, we have set water-secure lending, investing and/or insuring targets |

[Fixed row]

(12.7.1) Provide details of your targets for deforestation and conversion-free and/or water-secure lending, investing and/or insuring.

Forests

(12.7.1.1) Portfolio

Select from:

- Banking (Bank)

(12.7.1.2) Targets set

Select from:

- Targets for deforestation-free lending

(12.7.1.3) Date target was set

12/30/2023

(12.7.1.4) Sectors covered by the target

Select all that apply

- | | |
|---|--|
| <input checked="" type="checkbox"/> Retail | <input checked="" type="checkbox"/> Fossil Fuels |
| <input checked="" type="checkbox"/> Apparel | <input checked="" type="checkbox"/> Manufacturing |
| <input checked="" type="checkbox"/> Services | <input checked="" type="checkbox"/> Infrastructure |
| <input checked="" type="checkbox"/> Materials | <input checked="" type="checkbox"/> Power generation |
| <input checked="" type="checkbox"/> Hospitality | <input checked="" type="checkbox"/> International bodies |
| <input checked="" type="checkbox"/> Transportation services | |
| <input checked="" type="checkbox"/> Food, beverage & agriculture | |
| <input checked="" type="checkbox"/> Biotech, health care & pharma | |

(12.7.1.5) Asset classes covered by the target

Select all that apply

Loans

(12.7.1.6) The target has been set with reference to

Select from:

Sustainable Development Goals

(12.7.1.7) % of portfolio covered by the target in relation to total portfolio value

0.12

(12.7.1.8) Target metric

Select from:

Total value (unit currency – as specified in 1.2)

(12.7.1.9) Target value

4569000380

(12.7.1.10) End date of target

12/30/2025

(12.7.1.11) End date of base year

12/30/2023

(12.7.1.12) Figure in base year

0

(12.7.1.13) Figure in reporting year

3203784457

(12.7.1.14) % of target achieved

70.12

(12.7.1.15) Provide details of the target

Garanti BBVA aims to provide TL 400 billion in financing for sustainable businesses between 2018-2025. As of December 31, 2024, TL 291 billion has been allocated, with TL 171 billion belonging solely to 2024. As part of its greater sustainable finance mobilisation target, the Bank has set a sub-target of mobilising TL 45 bn between 2023-2025 to forest and paper-related matters such as primary and secondary FCS-certified paper manufacturing, use of recycled paper etc. In 2024, The bank has channeled TL 3.2 bn toward its paper finance target.

Water

(12.7.1.1) Portfolio

Select from:

Banking (Bank)

(12.7.1.2) Targets set

Select from:

Targets for water-secure lending

(12.7.1.3) Date target was set

12/30/2023

(12.7.1.4) Sectors covered by the target

Select all that apply

Retail

Apparel

Services

Materials

Hospitality

Fossil Fuels

Manufacturing

Infrastructure

Power generation

International bodies

230

- Transportation services
- Food, beverage & agriculture
- Biotech, health care & pharma

(12.7.1.5) Asset classes covered by the target

Select all that apply

- Loans
- Project finance

(12.7.1.6) The target has been set with reference to

Select from:

- Sustainable Development Goals

(12.7.1.7) % of portfolio covered by the target in relation to total portfolio value

0.08

(12.7.1.8) Target metric

Select from:

- Total value (unit currency – as specified in 1.2)

(12.7.1.9) Target value

1500000000

(12.7.1.10) End date of target

12/30/2025

(12.7.1.11) End date of base year

12/30/2023

(12.7.1.12) Figure in base year

383000000

(12.7.1.13) Figure in reporting year

2038910246

(12.7.1.14) % of target achieved

148.25

(12.7.1.15) Provide details of the target

Garanti BBVA aims to provide TL 400 billion in financing for sustainable businesses between 2018-2025. As of December 31, 2024, TL 291 billion has been allocated, with TL 171 billion belonging solely to 2024. As part of its greater sustainable finance mobilisation target, the Bank has set a sub-target of mobilising TL 1.5 bn more by the end of 2025 to water-related matters such as development of water infrastructures, adoption of water efficiency technologies, improved irrigation systems, seaside sustainable tourism activities etc. In 2024, The bank has channeled TL 2 bn toward its water finance target.

[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

| | |
|--|---|
| | Other environmental information included in your CDP response is verified and/or assured by a third party |
| | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

- Climate change
- Forests
- Water

(13.1.1.2) Disclosure module and data verified and/or assured

Identification, assessment, and management of dependencies, impacts, risks, and opportunities

- Identification, assessment, and management processes

(13.1.1.3) Verification/assurance standard

Climate change-related standards

Other climate change verification standard, please specify :Turkish Sustainability Reporting Standard (TSRS)

(13.1.1.4) Further details of the third-party verification/assurance process

Our identification, assessment, and management process was verified in accordance with TSRS.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

GarantiBBVA-2024-integrated-annual-report.pdf

[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Chief Executive Officer (CEO)

(13.3.2) Corresponding job category

Select from:

Chief Executive Officer (CEO)

[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:

No

